

# Growth, Relationships and a New Dialogue for the Big Data Era

BY DUN & BRADSTREET

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## THE BUSINESS IMPERATIVE: GROWTH

Growth is the lifeblood of business, and most of our careers are focused on finding ways to generate it. In fact, CEOs say growth is their Number 1 imperative.

The reality they face today, though, is that growth seems harder to find than ever.

Many markets that were recently deemed “growth markets” are no longer growing, and recently stable markets are now declining. And companies invest heavily in the pursuit of growth. They spend \$3.8 trillion a year on information technology, \$300 billion on travel, \$431 billion on consultants and \$50.3 billion on sponsorships. Unfortunately these investments are often made in vain. Dun & Bradstreet analyzed millions of companies in our database, and only about a quarter of them meaningfully grew in 2014.\*

Since growth can be elusive, many executives are left asking: *Where do I find it? What do I have to do to achieve it? How do I sustain it?*



## THE SECRET TO SUCCESS: RELATIONSHIPS

Long-term success in business has always been about more than just who you know and what you do. It is dependent on what you do *with* your customers, prospects, suppliers and partners to help them succeed.

Relationships are the longest-standing, most proprietary differentiator for any company. They were central to the very beginnings of commerce and even civilization at large, as financial contracts are as old as written language. Technology can be replaced, people can change jobs and products can become obsolete. In the end, the most successful companies are those that value relationships above all else.

More importantly, successful enterprises understand that this singular focus is not the responsibility of any one function. It must be the mission of every employee. Sales and marketing teams must drive new relationships with prospects. Finance teams must drive profitable relationships with customers. Procurement must establish sustainable relationships with suppliers. Compliance leaders must fortify trusted relationships with vendors, partners and customers.



## RELATIONSHIPS IN THE MODERN AGE

If relationships are as time-tested a part of business as business is a time-tested part of society itself, it begs the question: What’s new about them?

Increasingly they are global in scale. But they are also hyper-networked and digitally enabled. Where the business relationships of yesterday were based on handshakes, calls and cocktails, many of them are now built through clicks, taps and swipes.

This dynamic is only going to progress, forcing every company to rethink the way it maximizes the value of its interactions with its most vital constituents. In a world of self-directed buyers, how do you manage relationships with people whose needs you don’t fully understand, whose language you may not speak? The answer:

### DATA.

At this point, nobody would argue with the fact that the modern, digital economy requires vastly more connections, and that these connections – driven by everything from social media to the internet of things – create a torrent of data. This dynamic also creates complexity. As many talk about the explosion of big data, they even seem to revel in the numbers.

We believe that the business world needs a much simpler conversation. It’s not all about the data. What problem has big data itself ever solved? Rather, it’s about how you can use the data to inform the relationships that you need to build.

For nearly two centuries, Dun & Bradstreet has partnered with some of the most successful companies in the world. For many of our earliest employees, that meant exploring the burgeoning American west on horseback. Their goal was to help build valuable relationships between traders and shopkeepers and the banks that wanted to extend them credit. While the scope and scale of this responsibility is far greater today, the fundamental importance of relationships has not changed.

We believe that by finding truth and meaning in data, businesses can create the relationships that lead to a sustainable competitive advantage.

\*Meaningful growth defined as growth that outpaced GDP growth or rate of inflation.



## A RELATIONSHIP PLATFORM

Goals, however, are only relevant if you can execute on them. At the end of the day:

- Chief financial officers require the foresight to quickly optimize risk and opportunity.
- Chief marketing officers need a comprehensive view of current and potential customers and the knowledge required to convert them to advocates.
- Chief procurement officers must have the clarity to create nimble, resilient supply chains.
- Chief compliance officers must have certainty regarding how customers, partners and vendors conduct their business around the world.

To execute each of these responsibilities, these functional leaders must incorporate data and insight that is not easily obtained. More importantly, they must reach across silos to ensure that their activities are coordinated and effective. Any company that wants to put relationships first needs to establish a foundation for managing relationships. At Dun & Bradstreet, we call it a relationship platform.

Relationships aren't a series of isolated interactions. They are an interconnected web of engagement that evolves over time. A relationship platform creates a singular, integrated view of the data and insights required to manage what is often a complex web.



## THIRD-PARTY RESEARCH: DATA MANAGEMENT = RELATIONSHIP MANAGEMENT = SUCCESS

Building an effective relationship platform for your company will require cross-functional collaboration. Depending on the extent and results of your MDM initiatives to date, it might be a longer-term, multi-stage process. But the value of the effort – the return on this investment of time and capital – has proven to be substantial for many companies.

One of the world's most respected technology analyst firms recently partnered with Dun & Bradstreet on an exclusive research study exploring the ways data-management maturity leads to business success. By focusing on best practices for smart data management across the customer lifecycle, the study points to powerful connections between data management and relationship management as a driver of growth.

The research examined the master data management and customer data management of 135 companies, measuring their data maturity according to a variety of standards that include:

- How they have used a strategic MDM framework through all stages of the MDM program activity cycle – strategize, evaluate, execute and review
- How they have gained high-level business sponsorship for the MDM program and built strong stakeholder support
- How they have created an MDM vision and a strategy that closely aligns with the organization's business vision

Dun & Bradstreet provides the information and intelligence that can empower you to do this. By working with leading companies – including nearly 90% of the Fortune 500 – to help them forge valuable relationships, we have developed deep expertise on how data and analytics fuel growth and industry-leading performance.

To let you activate this expertise, we:

- Create a single, integrated view of relationships tied together by the D-U-N-S Number, Dun & Bradstreet's unique global business identification system that identifies, validates and links businesses worldwide
- Build – or co-develop with partners – solutions tailored to your role, whether you are in marketing, sales, finance, supply, compliance or information technology
- Provide access to the world's largest commercial database, with more than 240 million company records we derive from 30,000 data sources and update 5 million times per day; and combine it with the most powerful contact databases via Dun & Bradstreet NetProspex
- Leverage our DUNSRight process to provide an unmatched ability to turn an enormous volume of data into the high-quality information you need to build your most valuable relationships
- Deliver this content in ways you want to consume it, integrating it into your systems and processes, owned data and data from third-party sources

- How they have used an MDM metrics hierarchy to communicate standards for success and to objectively measure progress
- How they have created a governance framework to ensure that individuals manage master data in the right ways
- How they have built up the organization’s MDM capabilities in phases, delivering value at every stage
- How they have viewed the MDM program as part of a wider enterprise information management (EIM) strategy

The best practices of customer data-mature companies also included using third parties for improving customer data quality and processes, and those companies that choose Dun & Bradstreet for these initiatives are particularly successful. The study primarily examined customer data management for sales and marketing, and it revealed these benchmarks:

- Better customer demographics help improve segmentation and target campaigns. Higher MDM/CDM-mature companies manage campaigns 12% more effectively, and Dun & Bradstreet customers manage campaigns 46% more effectively than non-customers.
- Better contact data improves the ability to manage customer contacts and find leads. Higher MDM/CDM-mature companies use customer information 16% more effectively, and Dun & Bradstreet customers use customer information 46% more effectively.
- Holistic customer information helps close deals, expand customer penetration and improve sales efficiency. Higher MDM/CDM-mature companies close sales 12% more effectively, and Dun & Bradstreet customers close sales 29% more effectively than non-customers.
- And most important, the study revealed that Dun & Bradstreet customers generate 10% more revenue and are significantly more efficient than non-customers.

## THE CROSS-ENTERPRISE BENEFITS OF CREATING A RELATIONSHIP PLATFORM

- CIOs and chief data officers get a comprehensive, flexible platform to integrate with tools and cloud-based applications that provide the right information to the right function at the right time. Our customers have seen data integration time improve by up to 30%.
- CMOs access a single, unified, end-to-end view of increasingly self-directed prospects. A comprehensive research study by a leading global technology analyst released in April 2015 showed Dun & Bradstreet customers target better by managing campaigns 46% more effectively, nurture better by using customer information 46% more effectively, and sell better by closing deals 29% more effectively.
- CFOs have comprehensive customer intelligence to quickly make the right calls on allocating credit and investing capital. Our customers have been able to reduce days sales outstanding by up to five days.
- Chief procurement officers develop the optics necessary to anticipate supplier risk, optimize the entire chain and maximize buying power. Our customers have reduced supply chain risk up to 30% and reduced costs of certifying new vendors by up to 15%.
- Chief compliance officers own a single source of information, analysis and expertise to drive their compliance processes. Our customers work across almost 200 countries to ensure compliance on a global scale.



## A RELATIONSHIPS-DRIVEN CULTURE

Your relationship platform must stand on one more leg. Developing it requires something more than effective activation of high-quality data and analytics.

You need a culture that is ready to embrace it. Three core values can galvanize your company just as they will guide every Dun & Bradstreet employee in our own relationships:

- DATA-INSPIRED
- RELENTLESSLY CURIOUS
- INHERENTLY GENEROUS

### DATA-INSPIRED

Many blogs and whitepapers have been written on the value of a “data-driven” approach to business. To be data-inspired is something altogether different. Where data-driven has a notion of the obligatory, data-inspired speaks to a passion about the power of data.

Neopost is a model example. A France-based, 90-year-old global leader in mailing solutions and shipping services with more than \$1 billion in revenue and more than 800,000 customers in 31 countries, Neopost’s continued growth is being fueled by its transformation from a manufacturer of mailing machinery to a digital communications platform provider. They understand that data can help them meet this objective.

North America is Neopost’s second biggest market, and Neopost USA had worked with Dun & Bradstreet over several years to transform its credit processes, reducing days sales outstanding by up to five days. They had also struggled for nearly a decade to transform their CRM processes in ways that help their sales and marketing teams engage clients more effectively.

Their leadership team realized that the data and insights they were leveraging in their credit process could also help them finally bring intelligence to their go-to-market approach. To eliminate complex integrations and disparate data sources, Neopost CRM Director Greg McLaughlin teamed with Gautam Anne, an IT director at the company, on a cross-functional effort. Only by working together were they able to focus their client data set – reducing records by 75% – and

provide clean and actionable information to their sales and marketing teams. The success they realized maximizing data in one function inspired them to take a new approach to optimizing another.

“We’re very fortunate to have business-oriented IT people and very technology-savvy businesspeople,” McLaughlin says. “As strong a collaboration as we have between the business and IT team, that’s the kind of collaborative, strategic partnership we have with Dun & Bradstreet.”

### RELENTLESSLY CURIOUS

There are three ways a company can handle the rapid pace of change in the world of business: Ignore it and be left behind, watch it and try to keep up, or embrace it and be the ones out front. Change brings new problems to solve, new things to learn and new ways to grow. The innovators respond to these pivotal moments by asking the right questions, listening for answers amongst the signals, and acting on those answers with conviction.

Autodesk is a leader in 3D design software with 12 million users of its professional products and more than \$2.3 billion in revenue. They are achieving double-digit growth and advancing in North America, EMEA and Asia Pacific by working with some of the most creative people in the world, helping their customers design everything from bikes to buildings and planes to power plants.

By definition, their customer base is dynamic, so they must be relentlessly curious to understand where their future growth will come from – and where it won’t. Autodesk thought that their revenue and growth were driven by small and midsize firms. Working with Dun & Bradstreet, they were able to recognize that their most valuable relationships were actually with a relatively small number of large enterprises. In fact, almost half their revenue was coming from just 6,000 companies, “not the mom and pops that we normally thought we sold to,” according to Patrick Booher, director of data management at Autodesk.

“Data has been a big differentiator,” Booher adds. “We’ve been able to start targeting our customers by the industries they’re in, what size they are and their overall ecosystem, and we’ve become a much more customer-focused, go-to-market company than a product-focused and product-organized company.”

Three core values can galvanize your company just as they will guide every Dun & Bradstreet employee in our own relationships.

## INHERENTLY GENEROUS

By definition, a relationship involves at least three entities: The first person, the second person, and the interaction they have with each other. For a relationship to succeed, you must have as much concern for the other person and the nature of your interaction as you have for yourself.

“Talk to someone about themselves,” Dale Carnegie wrote 80 years ago in *How to Win Friends and Influence People*, “and they’ll listen for hours.”

That’s something the leadership team at Aftco understands. Aftco has grown from a California-based maker of fishing tackle to a multi-faceted lifestyle brand, branching into clothing and other gear for big-game anglers. To help drive this transformation, Aftco has embedded Dun & Bradstreet data into the core of their decision-making processes.

This information has allowed them to extend their values as a family-run company to the more than 3,000 customers they work with every day. An inherent element of these values is generosity.

A few years ago, one of their customers lost a store in a fire. After Dun & Bradstreet data quickly alerted them to the fire, Aftco was able to temporarily alter their terms with the client to give them time and resources to rebuild. By Aftco’s own admission, it could have taken them months to realize that this calamity had occurred, perhaps causing them to sever their relationship with the client. Instead, Aftco knew the facts and filled the company’s store with a new line of products for its grand re-opening. This customer is now driving more revenue for Aftco than before.

“D&B has played a huge role for really as long as I can remember in helping us pick the right [partners],” Aftco president Bill Shedd says. Adds Jon Baker, their manager of credit and collections, “You have to realize that you’re dealing with people. You’re dealing with real-life human beings that have families and needs and wants and expectations.”



### THESE VALUES DRIVE DUN & BRADSTREET’S RELATIONSHIPS.

Dun & Bradstreet operates on a global scale, with more than thousands of customers. We’ve been fortunate to reach this point because these values have been reflected in our interactions every day at a company consistently recognized as one of the world’s most ethical.

That was evident four years ago this month when the earthquake and tsunami hit northeastern Japan. Struck by the devastation, a team at Dun & Bradstreet wondered what they might be able to do to help. Their thoughts turned to the many businesses in the region that would be affected. The global presumption would be that even the surviving small businesses would have been wiped out. For larger businesses, their ability to participate in tight deliveries of critical-path items was deeply challenged at absolute best.

Our team was inspired by the potential of Dun & Bradstreet data and analytics to identify and help the affected companies. They convened internal experts and external partners virtually to determine which companies were still operational, which appeared to be down temporarily, and which sustained longer-term damage.

Their curiosity drove them to pool our own data and capabilities with third-party sources including precise topographical maps of the country, detailed information about the height and footprint of the tsunami in various locations, geospatial and satellite data, and even crowd-sourced radiation propagation data. The Dun & Bradstreet experts across multiple countries and our external partners also built algorithms to determine where straight lines (roads) had been broken and where cars had once been but were no more.

Traditional methods of determining what businesses were affected in the disaster would have taken more than a year. “This was an unacceptable premise,” says Anthony Scriffignano, Dun & Bradstreet’s chief data scientist. “We had to do better. Lives could literally depend on our ability to do better. These people deserved better.”

Instead, in just three months, the team remediated all the affected data and created a tool anyone could use to search for a company and understand its status. And finally, they realized that the way to maximize the impact of these highly scientific analytics was to make them available on the web, free of charge, giving people the insight they needed to help rebuild businesses and move them back to sounder footing.



By being data-inspired, relentlessly curious and inherently generous, we believe you build something unique, proprietary and powerful – your own relationship platform.

You can simplify the complicated data conversation around the business results that matter most to your colleagues and shareholders – making sure your company is among that 30% that are growing.

And you can count on us to help you be the hero of this dynamic change.

## DUN & BRADSTREET GROWS THE MOST VALUABLE RELATIONSHIPS IN BUSINESS BY UNCOVERING TRUTH AND MEANING FROM DATA.

We are stirred by where that purpose will take us, even as we know the destination is the same as the place we started:

**GROWTH.**

Sources: Gartner, Dun & Bradstreet data on D-U-N-S Numbers of 313,000 corporate headquarters, Plunkett Research, Global Business Travel Association, IEG, Forrester

### ABOUT DUN & BRADSTREET

Dun & Bradstreet (NYSE: DNB) grows the most valuable relationships in business. By uncovering truth and meaning from data, we connect customers with the prospects, suppliers, clients and partners that matter most, and have since 1841. Nearly ninety percent of the Fortune 500, and companies of every size around the world, rely on our data, insights and analytics. For more about Dun & Bradstreet, visit [DNB.com](http://DNB.com).

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