

## 5 ways to overcome CRM data quality challenges

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Your customer relationship management (CRM) system is only as good as the data it contains. Poor data quality is one of the biggest challenges that CRM system users face today. It can be a major risk to the successful implementation of a project and can hinder your organization from making the most of its CRM system investment. Avoid the potential pitfalls by following these five ways to overcome CRM data quality challenges.

### 1. Understand the state of your CRM data.

Does your organization have a good understanding of the current state of its data? Many organizations don't know where they stand in regard to the quality of their information. The good news is that there are numerous options that exist today to help you tackle this issue, including data health checks and assessments. Many vendors will actually perform these services for free as part of their pre-sales efforts. Take advantage of these opportunities to help you build a complete picture of the state of your CRM system data.

### 2. Evaluate your data quality processes.

Understanding how information enters the CRM system is essential to ongoing success. The major purpose of this is to identify dirty data and stop it at the source. There are many technologies out there that perform data discovery and profiling functions to help you gain better understanding of the areas you should be tackling first. Data profiling allows you to identify issues in your data that require fixing before it is ready for use. To prevent bad data from entering the CRM system, you might consider using a real-time validation solution. These solutions can verify addresses, email addresses, and phone numbers as they are entered to catch any potential errors before the information gets into the CRM system.

### 3. Empower your users.

Data quality is everyone's business. Often, the lines of data ownership can be blurred as one function in an organization believes data quality is the responsibility of another. Though it is important to clearly establish which individual or business function owns the comprehensive data quality strategy, all business users should understand that they are responsible for maintaining it. A well-thought-out training program can help ensure everyone understands the strategy, who owns it, and the role they will play in making the data quality initiative a success. Since data quality is estimated to impact overall productivity by as much as 20 percent, the potential gains in efficiency can be substantial when an effective strategy is put in place.<sup>2</sup>

### 4. Manage data across its full lifecycle.

It's all well and good to have the right tools and process for capturing good data, but that data will degrade over time. Data decays; it's a fact of life. It is believed that data changes at a rate of two percent per month.<sup>1</sup> That means that nearly a quarter of the data acquired last year may now be inaccurate. What about legacy CRM systems that have been in place for 10-15 years? The quality of the data that sits within these systems can really be compromised unless regular data cleansing has been performed over time.

## 5. Create opportunities for customer segmentation.

The advantages of having accurate and complete data increase exponentially when you enrich that data for more sophisticated segmentation and more robust customer insight. Data enrichment comes in a variety of shapes and sizes depending on the use cases of each business. Information can be appended at the point of contact or retroactively to help you build a complete picture of your customers. This can include anything from geographic and demographic information right through to communication channel preferences. Enrichment can help marketers develop highly targeted campaigns that result in better leads passed on to sales. For your sales teams, this means newly identified cross-and up-sell opportunities that can help deepen the relationship with prospects and customers.

Your CRM system is a powerhouse for understanding your customer data. When used to its full potential, a CRM enables marketers to deliver better targeted and segmented campaigns while allowing account managers to gain a greater understanding of customer account history. So what happens when the data that populates your CRM is unusable? What happens when you don't monitor or check the accuracy of data as it enters your database? It means you are sacrificing some of the value your CRM system brings to your organization. By optimizing the quality of data that lives in your CRM, you're optimizing every decision your business makes. Use these five tips to help you get started.

Are you ready to get the most out of your CRM system? We can help.

[Get started](#)

1. Beth Eisenfeld, Gartner Group as reported by Adrian Mello, Enterprise, ZDNet
2. Gartner (2011) Measuring the Business Value of Data Quality, October 2011