



Successful Data Quality - Case Study

This white paper presents two examples of Data Quality projects, which delivered substantial value to the business.

Data Quality Case Study

Data Quality can deliver substantial benefits and savings for your organisation.

Business benefits could be derived from the following areas :

- Reduced error rates and reworks
- Lower administration, manual look up, or matching effort
- Reduced logistic and mailing cost with consolidated delivery points
- Lower operating cost with improved process efficiency
- Improved supplier/vendor terms and lowering costs
- Maximised account payable terms and improved cash flow management
- Stronger purchasing power with consolidated supplier master file
- Reduced incorrect pricing and discount terms
- Reduced inventory and lower inventory investment & costs
- Cross selling to key clients, increased market share
- High customer retention through better customer service
- High confidence in critical decisions
- Reduced risk of project or investment failure
- Shorter decision making cycle, wider coverage of market opportunities

There are other compliance and mandatory requirements, such as statutory reporting, anti money laundering, credit reporting and marketing opt-in & opt-out that will make an even more compelling business case.

Many organisations have already implemented and gained benefits from data quality projects. Here are two case studies.





Data Quality Manager

Successful Data Quality - Case Study



CASE STUDY 1

Manufacturing Company

A major manufacturing company, with process efficiency operational business model. The growth in the business is primarily through acquisition and geographic expansion.

Business issues

It is obvious for some time to the business that internal data duplication is high and data quality is generally low. As supplier costs are a key element in profitability the business accepted it needed to better manage supplier and inventory data.

Execution

ACW Consulting provided a Data Quality Audit exercise, developed a business case and implemented a Master Data Management programme for that company.

The work focused primarily on Supplier or Vendor master data from SAP. ACW Consulting was able to identify major duplications between Supplier records, relationships between Supplier head office and state office, and repaired missing or erroneous Supplier data. ACW Consulting designed an improved Supplier File maintenance process to reduce the risk of continual corruption of the Supplier data. In further investigation, the project identified overlapping Suppliers of same manufacturing materials and a significant number of inactive Suppliers. This resulted in the Procurement department conducting a series of commercial negotiations and reduced their overall supplier costs.

Outcome

The project was able to identify the top 5% suppliers, accounting for 95% of their corporate purchasing. The Data Quality Audit analysed standing payment terms, and invoice history. It developed financial models on net savings to company when payment terms were rationalised. The result of the model justified a data quality project, with a positive ROI within the first 6 months. Whilst the initial focus was on Supplier, the company will be replicating this solution for Inventory and Customs subject areas.

Value

A Data Quality project reduced supplier cost, improved margin, and reduced manual effort for this manufacturing organisation.





CASE STUDY 2

Media Publishing Company

The company is a well known brand in the consumer advertising area. It operates a print-distribution and online advertising business. The company is growing strong. The business model is based on volume, repeat and frequent purchases.

Business issues

The organisation was in the midst of a systems migration, and a redevelopment of their business intelligence systems. Key to these initiatives were identifying and resolving the Customer data quality issues.

The organisation realises the risk of the strategic investments lies in content integrity and data quality.

Execution

ACW Consulting conducted a thorough analysis of Customer data quality in the organisation, as part of a more comprehensive approach in data quality management.

Outcome

Using DQM, ACW Consulting examined the level of customers and household duplication, and measured the quality of customer data. The DQM project matched customers into households, providing the organisation with an understanding on advertising patterns, frequency, product preferences etc.

The level of duplicates was more than the business originally expected, and provided insights on consumer and household advertising behaviour.

Using external references from 2 external sources, the DQM project developed a Customer address movement tracking process. The organisation was able to update and repair Customer contact details for advertisers to their new locations. This in turn, provided cost savings in the form of reduction in the cost of "Return To Sender" mail.

With a cleansed and verified customer database, the project was able to identify geographic distribution of advertising customers. In particular, when the customer data was combined with geo-demographic segmentation, the organisation began to understand the relationship between product preference, distribution and revenue.

The DQM project also improved credit risk management. ACW Consulting overlaid customer and household data with credit collection debt write off experience, and identified gaps in credit issuing and vetting process. The project augmented the internal data with a credit rating segmentation, which ranked and scored credit default risk based on public domain debt collection and credit rating data. This provided an enhanced tool that greatly improved credit control within the organisation.

Value

The DQM project delivered business insight, reduced costs and lowered credit risk.