



## Stopping The Rot - How To Prevent Data Decay

### Executive Summary

Incorrect, incomplete or 'dirty' address data incurs unnecessary costs on the business in terms of wasted time as well as money. Failed, delayed or misplaced deliveries, due to a bad address incur significant costs, as well as the time spent trying to retrieve the correct one! More importantly, failed deliveries means a broken promise and possible damage to your brand image. All that money you spent on brand building over the years could be wasted if you fail to deliver on your promise.

Address data becomes erroneous over time for numerous reasons such as customers moving house. However as they say, prevention is better than cure and that means ensuring the correct data is captured at the point of entry. Duplication of customer data is also a frequent problem, for example, it might be required that a customer's address be captured at the point-of-sale in a store for a customer targeting strategy. It is mis-typed into a CRM or database system, creating a duplicate customer record and potentially resulting in the system regarding the two records as two separate customers, doubling mail and creative costs. It is clear that capturing incorrect address data can cause a surplus of problems for a business, however how can these costs be prevented rather than cured.

In this paper, the author argues that accurate data capture and maintenance is the key to preventing data decay and ultimately customer satisfaction. He suggest that there are some basic and more advanced steps that a business can take to ensure their address and contact data is effectively managed and free from inaccuracies.



## CONTENTS

Executive Summary	2
Introduction	4
Addressing The Problem - Data Decay	5
What Are Online & OnDemand Services?	5
Stopping The Rot	6
Case Study	8

### **Introduction**

When a customer comes into the office, dials your call centre or goes online to purchase a product or service like an insurance policy for example, they are looking for protection to give them peace of mind. They know that if their house starts to decay or if it is subject to a freak event such as the severe flooding, then their building insurance will cover them. Mortgage providers insist that their customers have this policy in place. However many businesses, especially the smaller ones are not insuring themselves against a type of decay that can eat away at the business every day – data decay.

The information gathered and held about existing customers and prospect customers in various databases is subject to much faster deterioration than building you ever insured. As soon as data enters the system the decay will start to set in. For example, some will move home, a number will pass away, names will change as a result of marriage or divorce and geographical borders will be revised. All of these elements and many more contribute to this decay. In fact a rate of 5% degradation per month is not uncommon and this means that if a database is left neglected for one year, more than half of the information will have deteriorated.

The inevitable result is a cost to the business, in terms of unnecessary, inappropriate or incorrect mailing and administrative costs. Additionally, the cumulative effect of this perceived lack of attention to detail in the eyes of the customer can be even more destructive. Remember, when a customer buys an high involvement and value product like insurance, they want to buy from those they perceive to be efficient, after all if you can't mail the policy schedule to right address or spell the customers name right or mail to a deceased person, how much faith will they have that you will deal with a claim quickly and efficiently! Something as basic as getting the name and address wrong can have a negative influence on your brand.

### **Addressing The Problem - Data Decay**

Of course there are many address management systems that can improve the quality and efficiency of the customer and prospect database, but traditionally these have been the preserve of the larger businesses that is always quick to realise the benefit of new technologies and is able to set aside considerable resources to implement and manage them. However, advances in technology are creating more flexible ways in which the benefits of address management can be accessed and budgeted for by the smaller businesses, who typically does not have the skills or financial resources to use these larger systems, but need all of the benefits to enable them to compete.

The first step is to recognise the importance of maintaining name and address data, the second is to understand the exact addressing requirement and this is dependent on how often and in what volume the data needs to be validated or cleansed. Also, consider whether there is both the necessary expertise and resources to manage the process in-house, as this will help shortlist the options available to you. If you have the budget, skill and significantly high volumes of data to maintain, then there may well be a strong return on investment case for an enterprise scale addressing system. If not then a range of new online addressing and data cleansing services is likely to prove to be a compelling alternative.

### **What Are Online & OnDemand Services?**

The rise of online and on-demand services are providing these smaller brokers with a requirement for low to medium volume cleansing with a viable option to instil a workable address management policy. These data cleansing services provide a simple yet cost-effective way of cleaning, enhancing and suppressing data to improve the accuracy of data and increase the effectiveness of marketing communications.

These services are web-based and typically operate on a pay-per-use basis. They can be used by anyone with the most basic web-enabled PC, providing those with a need for small-to-medium volume address look-ups with a



convenient low cost and risk free route to an accurate address database. This type of service is suitable for any business that wishes to benefit from the inevitable cost savings address management can bring to the organisation, from cutting print costs to saving wasted postage on undelivered items with out-of-date addresses.

### Stopping The Rot

As I mentioned earlier, data decays from the moment it enters the system, so it is vital that the information entered in the first place is accurate. If you are running a small call centre or are selling products or services over the telephone from the branch, or even via the website, getting the data correct at the point of entry is vital. A simple rapid addressing system that enables the broker to simply enter the postcode into the system for a correct address to be recalled and verified can be implemented in minutes. This has the advantage of reducing data entry time by dramatically reducing the number of keystrokes needed to enter address information and ensures fast, accurate capture of an address that can be used for all follow up. What's more, the system also ensures your contact database is populated with only accurate and formatted address information.

Of course, once the information is in the system it needs to be regularly maintained to keep it healthy and online or on-demand services can provide the complete verification, cleansing and enhancement of all address data using tools such as the Royal Mail's PAF (Postcode Address File) of 28 million UK addresses, as well as international addresses, business-to-business, lifestyle and geographic information. Other valuable tools include:

- **Suppression screening** - In the event of a person no longer being at an address, suppression files such as the National Change of Address (NCOA) or Gone Away Suppression (GAS) can be used.
- **Mortality and bereavement screening** - to prevent brand damage, embarrassing situations and wasted mailing costs.



- **Telephone and mail preference services screening** - Check records against the six million plus subscribers who object to receiving tele-sales calls or unsolicited direct mail. If you don't and you call a consumer who has registered, you could receive a hefty fine of several thousand of pounds!
- **Telephone number verification and appending** - If you are involved in tele-marketing this service provides an affordable way to verify telephone numbers or append telephone numbers to addresses.
- **Consumer names profiling** - The base file of UK adults from the Electoral Register for cleaning and verification targets.
- **Deduplication** - Identify duplicates within the database, to avoid the waste of multiple mailings.

OnDemand also enables users to enhance address data by providing geo-codes, lifestyle and B2B information and link together customer data from other databases, legacy systems and web-based sources. Such additional information can help increase the effectiveness of sales leads follow-up and the targeting of direct marketing.

Those who require a small-to-medium volume of address look-ups will find this type of service particularly beneficial as it allows the business access and pay for different data pools as and when they need them, avoiding the inherent costs linked with sizeable software implementations and associated licensing costs for data sets.

In the main, address management solutions are easy-to-use, but regardless of whether you go down the pay-per-search, enterprise implementation or bureau route, you should investigate the reputation of the supplier, the quality of the services and support can they provide, such as online and helpdesk support. This is an area where suppliers can vary greatly and you need to have the best data insurance policy as possible.



***Top tips for better data management:***

- Regard data quality as the most important aspect of your database management programme.
- Parse, standardise, validate and augment data.
- Keep the data up-to-date.
- Collect good data in preference to correcting bad data.
- Envisage everything that can go wrong and prepare for each eventuality.
- Match data only on unique attributes.
- Adopt cutting edge tools and technologies.
- Apply common sense.



## Case Study - Mediatech Direct

The mailing and fulfilment start-up has found Capscan's suite of data cleaning and suppression products has revolutionised its efficiency.

### The Problem

Start-up mailing and fulfilment house Mediatech Direct was established in January 2007, with production capabilities doubling in recent months. As Mediatech's Managing Director, Phil Brooks points out, "We're fairly unique in terms of a start-up due to the scale of business."

*"This is where a clean database with full postal addresses can pay dividends in terms of Royal Mail Discount. The postage costs of a mailing campaign are usually the largest single cost to the client, and therefore Mailsort discounts are a key feature in the cost-effectiveness of a mailing campaign."*

*Mediatech's IT Director, Steve Gibson*

Many of the company's clients gather their own address data rather than buying from lists, and this result in a significant number of unmatched records. To correct this, Mediatech needed the ability to clean, enhance and suppress data in addition to its day job of sorting the mail.

Mediatech's rapid expansion required a range of products to deal with the data, in order to improve accuracy and reduce wastage, as well as to meet the requests of clients.

### The Solution

Mediatech choose to outsource the solution and turned to Capscan for help. Having worked with the company before when he was managing director of TPF Group's direct mail division, Brooks was already familiar with its products. He says, "Capscan has an industry proven product, and our clients were comfortable with it."

The direct mail company chose to use Matchcode Batch, Matchcode Data Capture, Capscan Integrity and Sortcode. Matchcode Batch and Data Capture

cleansed address data by using Royal Mail's Postcode Address File (PAF), and formed complete addresses using 'fuzzy matching' processes. The online data-cleansing product Capscan Integrity was also used to enhance and suppress data, screening 85,655 records against the Bereavement Register.

Finally Sortcode was used to pre-sort the mail to enable the senders to receive discounts from the Royal Mail Mailsort programme. Mediatech's IT Director, Steve Gibson, says, "This is where a clean database with full postal addresses can pay dividends in terms of Royal Mail Discount. The postage costs of a mailing campaign are usually the largest single cost to the client, and therefore Mailsort discounts are a key feature in the cost-effectiveness of a mailing campaign."

### **The Results**

Mediatech speaks positively about working with Capscan, with Brooks saying, "We're very happy with how they've rolled it out. They've given us great service and support from day one."

He also points to the benefits of the suppression services, "One file we used suppression products on had 3,000 records taken out, just using the bereavement file", recalls Brooks. "You can imagine the implications for the client if they contacted those people. It's not anything anyone in the commercial sector would want to do."

He adds, "At the moment we are using these products on a one-off job process, however as the demand increases, we'll start to use the Integrity online system full-blown." Selecting the right products is also important for a new company's profile. Sales Director Dave Wright adds, "We're building our reputations on the back of the service we offer and Capscan's products are a part of that."

"The hosted service is ideally suited to Ideal as we are not burdened with the inherent cost and risk of implementing an enterprise application, which needs



updating and servicing over time," says Harris. "The sheer scalability of the Capscan OnDemand means we can easily implement it across the entire organisation and are currently looking to make it central to our business process as we expand our activities."



### **About Capscan Ltd**

Capscan is a leading supplier of international address management and data integrity services. The company's flagship product, Matchcode, is a fully functional address management system, available as a stand-alone programme for data capture, a web-based tool for online data capture and as a tool for batch cleansing of commercial databases. Capscan now supports comprehensive addressing functionality for 240 territories worldwide including the UK, Germany, France, Spain, Italy, Netherlands, Austria, Switzerland, Belgium, Luxembourg, Portugal, the USA, Australia, Canada and Scandinavia. In addition, Matchcode UK address data can be integrated with Ordnance Survey data sets to allow mapping and logistics rationalisation. Capscan is also expert in the integration of lifestyle and business data sets from Experian into address databases to support and rationalise canvassing or marketing activities throughout Europe. For more information see: [www.capscan.com](http://www.capscan.com).