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How to Build a Trusted Data Foundation to Power Your CRM

Your guide to understanding —and fixing—bad CRM data.

Introduction

What if you could wave a wand and magically make your sales and marketing teams more efficient and productive?

Bad news: You're not a magician. Good news: There's a near-magic solution to sales efficiency and productivity—and it's *good CRM data*.

Ninety-eight percent of organizations report having high-quality data is either extremely important or important in achieving their business objectives.[1] Good CRM data leads to less time spent prospecting, more meetings on the calendar, and ultimately, more revenue. But, when you provide your teams with bad data, it bleeds into their workflows, time, and ability to hit their number.

We'll walk you through four different types of bad data and actionable steps you can take to cleanse your CRM database. Let's dive in.

[1] (n.d.). https://www.edq.com/resources/data-quality-infographics/the-data-driven-organization/

4 Types of Bad Data

Bad data comes in many shapes and sizes—but no matter what, it's *always* harmful. Forty-three percent of sales and marketing teams say a lack of accurate data remains a challenge with cross-functional alignment.[2] Not only does bad data affect alignment and synergy across the organization, but it decreases efficiency, customer trust, and the ability to make informed decisions.[3]

Before you learn how to build a trusted data foundation to power your CRM, it's important to understand what we mean by 'bad data.' Here are four key identifiers:

1. Incomplete data

Incomplete data refers to a lack of foundational data coverage of your total addressable market (TAM). It usually appears in the form of missing fields or leads with minimal inputs. The primary issue with incomplete data is that there is no contextual information to target specific audiences or segments within your TAM—which leaves it up to guesswork to fill in the gaps. For example, there are no linkages between companies and their locations, or parent and child accounts. When this is the case, sales reps may duplicate their efforts or overlap with another rep, making them look foolish (and feel frustrated) because they're not as informed as they should be.

2. Inaccurate or outdated data

Whether it's due to natural data decay or poor sourcing, inaccurate or outdated data is extremely common if you don't conduct regular maintenance on your database. People are constantly changing their jobs, names, and locations—not to mention companies undergoing mergers and acquisitions and other market changes. Staying apprised of these developments is not only important so your sales and marketing teams don't chase empty leads, but also so they don't look unprofessional calling someone by a name or job that they no longer have.

[2] DATASHEET: Jumpstart Your Sales & Marketing Alignment. (2018, August 08). https://www.insideview.com/project/jumpstart_your_sales__marketing_alignment/
[3] Highlights from our 2020 global data management research. (2020, February 18). https://www.edq.com/blog/highlights-from-our-2020-global-data-management-research/

3. Data silos

Data silos refer to data living in applications or systems that don't easily integrate with the CRM. For example, if your sales and marketing teams work out of separate platforms, your marketing team may have engagement metrics from campaigns that would be useful to sales. But without a single source of truth, sales may be putting forth effort toward the wrong people or places. Or, a marketing campaign might pull in leads, but if it's never updated in the CRM, it leaves the sales rep hanging (i.e., they don't know that a company came in as a lead and might call them without knowing).

4. Not actionable data

While it's great to have basic data like names, phone numbers, and email addresses, what really triggers actionable workflows is context. For example, having John Smith's phone number is helpful, but on top of that, knowing he was just promoted to chief marketing officer is even better. Actionable data such as news of mergers and acquisitions, funding, and layoffs give your sales reps a reason to pursue—and prioritize—an account or contact. CRM data should always empower you to drive go-to-market prioritization and trigger actionable workflows.

> What happens to companies and people over time? They change, just like anything. A company grows, shrinks, makes acquisitions, or a company gets acquired. A company invests in new technologies and gets rid of old technologies. People are getting promoted, they're leaving companies, they're leaving departments, they're taking on bigger roles and bigger organizations. All of these are constantly happening to people and companies, and yet, what's happening in CRMs is stagnant.

Henry Schuck
ZoomInfo founder and CEO

How to Maintain a Clean CRM Database

In order to maximize your team's efficiency and target best-fit prospects when they're most susceptible to purchase—high-quality data needs to be the foundation of your go-to-market strategy. If you want to ensure your CRM database is always in pristine condition, follow these four steps.

1. Audit your CRM's health

Even if you think you don't need to, start by auditing your CRM's data. Why? Because at least one-third of CRM data is suspected to be inaccurate.[4] So before you can improve your database, you first need to determine what condition your data is in.

Manually conducting a CRM health assessment to check the accuracy of your data requires a ton of time, energy, and resources. Instead, consider partnering with a B2B data provider to audit your CRM for you. They can help you identify inaccurate or duplicate data, and provide you with clear direction to improve your data cleanliness.

But remember, data is constantly changing, which means it requires more than a one-off audit—it needs regular maintenance.

2. Improve data collection methods

The way in which you collect data has a huge impact on the short- and long-term quality of that data. Think about it—if you allow people to type in their information on a form on your website, for example, there is inevitably going to be human error. To reduce the chances of collecting inaccurate data from the get-go, here's what we suggest:

Standardize manual entry. When possible, you should minimize manual data entry into the CRM to avoid spelling mistakes, typos, and other inaccuracies. In cases where that's not possible, standardize formatting and offer picklists.

For example, when a sales rep goes to update a CRM record, be sure that your data fields are set up so that data is as clean as possible upon entry.

A CRM health assessment and clean-up will help answer:

- How complete are the records in the database?
- How accurate is the data?
- Is the right data being captured and integrated?
- Does data support business objectives?
- Does data meet compliance requirements?

[4] DataFox. (2018). Oracle Buys DataFox. https://www.oracle.com/assets/datafox-general-presentation-5178158.pdf

So, for instance, require users to enter area codes into its own field with parentheses ((866)-904-9666), select street names via a drop-down (Ln, Rd, St, etc.), and choose country from a drop-down, like United States (rather than abbreviations like U.S. or USA).

This way, formatting is consistent across your CRM, manual data entry is faster and more reliable, and the possibility of duplicate records and incorrectly routed leads is greatly reduced.

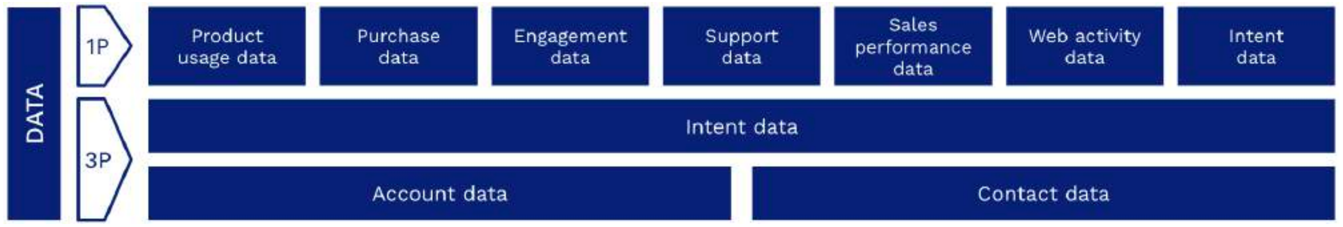
Keep track of your forms. Your website is one of the greatest sources of lead gen, and subsequently, CRM data. That means you probably have dozens of landing pages and forms that many different prospects and customers interact with on a daily basis.

To minimize the risk of leads slipping through the cracks, make sure all forms, fields, picklists, and drop-downs are consistent across your entire website—that way, leads will enter your CRM with consistency and will be housed and matched to the correct locations, eliminating clean-up and making them instantly actionable for sales and marketing teams.

Additionally, you can leverage a [B2B data solution](#) that empowers you to minimize the number of form fields (which increases conversions), and search its database to fill in the gaps. So, if you want to only ask for their name, address, and phone number, your data provider could fill in company, industry, job title, etc.

3. Source reliable data

Where and how you source your data has a huge impact on its effectiveness. There are two primary types of data to collect: first-party and third-party.



Third-party data refers to data you acquire from sources outside of your company, such as subscriptions or purchased lists. These data providers focus on verifying data and filling in the gaps. Types of third-party data include:

- **Intent data:** Intent data notifies you of behavior-based buying signals—not just on your website, but across the entire web—that link buyers and accounts to specific topics relevant to your business. This is extremely valuable because knowing this information puts you in front of prospects at the beginning of their buyer's journey and allows you to reach out to them before your competitor does.
- **Account data:** company names, industry, employee count, and annual revenue
- **Contact data:** individuals' names, email addresses, phone numbers, and job titles

First-party data, on the other hand, is data that your company collects through its day-to-day activities and records through a variety of internal systems. Types of first-party data include:

- **Website activity:** visits, bounces, and pages viewed
- **Advertising data:** clicks, conversions, and click-through rate
- **Sales performance:** average ACV per deal, average win rate, and length of the average sales cycle

We recommend a balanced mixture of first-party and third-party data for optimal coverage and insights.

Third-party Data

Examples of account intelligence:

- Firmographic
- Technographic
- Hierarchical
- Location
- Industry
- Keywords
- Similar companies
- Employee growth
- Products and services
- Number of employees by department
- Funding rounds
- News

Examples of contact intelligence:

- Office and mobile phone number
- Work and personal email address
- Work location
- Job title
- Job function
- Job level
- Org chart
- Relationships
- Web references (i.e., media mentions and articles published)
- Work history
- Education
- Social profile links

Examples of intent insights:

- Conducting research on specific topics
- Leaving reviews on vendor comparison sites
- Anonymous web visitors
- Curated prospect scoops, including pain points, upcoming or ongoing projects, news, funding, events, or technology purchases

First-party Data

Examples of first-party data:

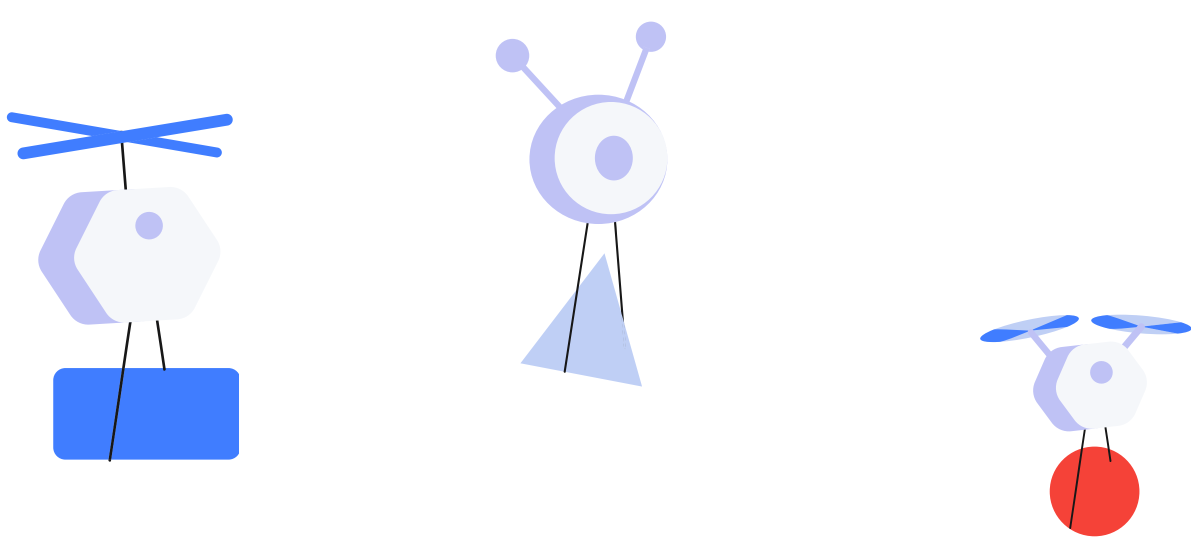
- Website analytics (i.e., visits, bounces, referral sources, website visitor behavior, pages viewed, content downloaded, event registrations)
- Email engagement (i.e., opens, clicks, conversions, responses)
- Call activity (i.e., dials, connects, SMS)
- Conversational intelligence (i.e., topics or competitors mentioned)
- Advertising data (i.e., reach, clicks, conversions, clickthroughs)
- Chat sessions
- Sales enablement (i.e., content shared)
- Transaction data
- Contract data
- Products and services purchased
- Product usage (i.e., daily active users, monthly active users)
- Onboarding and implementation data
- Support data
- Email subscription preferences
- Account or contact status information (i.e., customer, former customer, prospect, partner)
- Compliance and privacy data (i.e., removal requests, consent management, notice provided)
- Social (i.e., connections, relationships)
- Sales performance (i.e., average ACV per deal, average win rate, ACV won, ACV per demo, average sales cycle)

4. Automate regular data maintenance

Fifty-seven percent of marketers have no standard operating procedure for keeping data up-to-date, according to a Demand Gen and ZoomInfo report. Even if you conduct an audit every few months, you'll likely still be working with some data that's inaccurate and outdated. To avoid this, automate CRM data management that enriches and refreshes your data on an ongoing basis.

A B2B data provider can do just that by helping you:

- **Verify:** Verify foundational records are active. Flag and remove invalidated records before enriching your data.
- **Deduplicate:** Merge and consolidate valuable data points from duplicate records, and remove duplicates.
- **Match:** Match the data in their system to the data in yours and map it to the appropriate fields in your CRM.
- **Create:** Create new company and contact records where no matching records exist.
- **Merge:** Merge all data about each account and contact into your master records and assign a master ID to create a 360-degree view and a single source of truth.
- **Standardize:** Standardize and normalize all field values across all systems and use picklists as often as possible to establish a consistent taxonomy.
- **Comply:** Flag, filter, remove or otherwise govern the use of records that have requested removal, unsubscribe, specific preferences, and/or consent.



Reap the Benefits of CRM Database Cleansing

Saying, "I don't care if my data isn't perfect," is the same as saying, "I don't mind losing revenue." Not only does clean data save your sales and marketing teams time by expediting outreach and sales cycles, but it leads to the pursuit of more—and better—leads, which translates to more closed-won opportunities, and of course revenue.

Research shows data-driven businesses have: [5]

- 50% improved customer experience
- 45% better insight for decision-making
- 44% more innovation

So, what are you waiting for?

Turn Your CRM Into a System of Insight

Cleaning your CRM's data is a huge step—but it's not the only one. Want to learn how to transform your CRM from a system of static record into a system of dynamic insight?

Read More

[5] Highlights from our 2020 global data management research. (2020, February 18). https://www.edq.com/blog/highlights-from-our-2020-global-data-management-research/