

## Executive Briefing

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# Product Data Quality

## Product Data Quality - The Route to Profit

## Executive summary

In most commercial organizations – and many public sector bodies - Product Data Quality is at the core of the business. Product Data directly impacts customer service, speed of response, revenues and profits. While Product Data is understood to be central in sectors like online retailing, the supply chain and catalog creation, it is also critical across a much broader spectrum.

The Financial Services market is built on products (and customers often buy multiple products from the same provider), and Health Care is dependent on product – both in terms of sales and marketing, and also, critically, in planning and stock availability. The same applies to financial management, spare part operations and procurement. In the public sector, Product Data Quality considerations also apply in areas such as service provision and asset management.

So Product Data is core across a broad spectrum of markets and organizations. It is a major component of organizational performance and differentiation...

This paper is the second in a series on Data Quality as it relates to business value. This paper focuses on the impact of Product Data Quality and considers how to approach Product Data Quality improvement.

## Introduction

There are typically two primary forms of data. The first is around the person (customer/client/supplier/prospect etc). Here the elements are usually defined broadly as ‘Name and Address’. Many suppliers (Dataactics included) can provide solutions to improve the quality of this data type. Product Data, however, is a much more

complex proposition and very few vendors have specialized in this space, even fewer successfully. Dataactics is an acknowledged leader in this sector and has provided solutions for a wide variety of organizations across many ‘verticals’.

The basic term ‘Product Data’ is very broad. It can apply to a small subcomponent (still critical if missing and vital to the complete ‘final product’). Equally it can apply to a complete product – made up of multiple components (this is the product ‘as seen’ online or in a catalog by the intended recipient. Is the product correctly defined, priced, described?). A product can be anything from a small electrical item to a large, complex financial instrument.

## Product Data Quality: Some Examples

Let’s look at some examples of Product Data and how quality (or the lack of it) can impact the returns for the organization. –

1. **‘Onboarding’**. This term is used both to describe the completion of items – properly labelled and defined – into a catalog. It is also used to describe the whole process which ultimately leads to that point.

So, for example, the search for the components to go into the final product is part of onboarding. Are they the right components? Are they the right specification? Are they defined correctly? It is self evident that the faster and more accurately this process can be completed, the quicker the ‘final product’ can be launched and ramped - thus improving the product lifecycle timescales and subsequent time-to-market, revenues and

profit.

2. **Spare Parts.** Are the required spare parts defined correctly (see above)? Are they properly described? Is their usage clear? What about their location details? Each of these elements is critical to the effective use of these spare parts and the resultant ROI to the organization – and to customer satisfaction...
3. **Financial Management.** Product Data Quality has a major role to play here. Consider purchasing consolidation to increase the discount levels you achieve. The perennial issue of duplicate invoices (both in error and by way of planned fraud), and warehouse management – all can be massively impacted by the use of appropriate Product Data Quality processes and solutions.
4. **Product Consolidation.** One major concern in the Financial Services marketplace is that the customer may purchase different products from different divisions (who may or may not use common systems) and may be known by slightly different names in each. Combining Product Data and Name and Address data allows for fast, accurate analysis and consolidated reporting. This can be fast enough to allow ‘front of shop’ staff, say in the Call Center, to provide better service and make more informed judgements while the customer is speaking to them. This directly impacts revenues, profit and customer satisfaction.
5. **Catalog.** Catalog creation and maintenance is a major activity. Is the

correct product shown there? With the right description? Visible through using the right keywords? Many organizations are turning to an ‘MDM’ approach. This creates a focus on ‘Master Data Management’ which in turn automates and simplifies many of these processes – and increases Data Quality and ROI at the same time.

## Product Data Quality: First Steps

If your organization uses Product Data – in its broadest sense - then the quality of that data will be critical to organizational performance. Not only does quality matter in its own right, the level of reliability in this data leads to other areas of impact such as management reporting, the ability to adapt and efficiency improvements.

It does not matter if your ‘product’ is traditional (built from hard components), ‘composite’ (products and related services), financial (for example an insurance/assurance/investment instrument) or organizational (supplier information and transaction recording, invoicing data etc), Product Data Quality solutions can enable improved performance and ROI.

In any organization only three measures are critical at the strategic level. First, Increasing revenues and/or profits (in the public sector this translates to meeting stated goals for delivery). Second, reducing costs while maintaining standards and third, reducing risk. Your Product Data Quality directly impacts your ability to meet these three measures – for better or worse.

Call us today (or visit our website) to find out just how easily we can help you understand your current Product Data Quality – and help you improve it...

## Dataactics

### **USA Office**

One South Dearborn  
Suite 2100  
Chicago IL, 60603  
Tel: +1 312 212 4363  
Fax: +1 312 212 4401

### **UK Office**

Innovation Centre  
Queens Road  
Belfast  
BT3 9DT  
Tel: +44 (0) 28 9078 5840  
Fax: +44 (0) 28 9078 5841

Email: [info@dataactics.co.uk](mailto:info@dataactics.co.uk)

Website: [www.dataactics.com](http://www.dataactics.com)