The Relationship Data Imperative

Using Data & Analytics to Discover Your Most Valuable Business Relationships: A Roadmap for Data Stewards

dun & bradstreet
# Table of Contents

## What Is Relationship Data?
- Introduction .......................................................... 3
- Not All Data is Created Equal ........................................ 5
- What’s Your Relationship Data Status? .......................... 6
- Infographic – What You Know is Only the Beginning of the Journey ......................................................... 7

## Why Does Relationship Data Matter?
- Smarter Insights Yield Wiser Decisions .......................... 8
- Relationship Data in Action ........................................ 9
- Relationship Data Creates Value Across the Enterprise ....... 11
- A Data Scientist on Relationship Data ............................ 12
- Data Relationships Span the Organization ....................... 13

## Getting Started
- The Road to Relationship Data ................................... 14
- Collect ................................................................. 16
- Organize .............................................................. 16
- Enrich ................................................................. 17
- Integrate .............................................................. 17
- Discover ............................................................. 18
- Why DUNSRight? ................................................... 19
- Operationalizing Relationship Data .............................. 20

## Summary .............................................................. 21
Forward

Long-term success in business has always been about more than just who you know and what you do. It’s dependent on what you do with your customers, prospects, suppliers and partners to help them succeed. Relationships are the longest-standing, most proprietary differentiator for any company. In the end, the most successful companies are those that value relationships above all else. In today’s digitally-driven world, how do you grow relationships with companies where your knowledge of their business requirements are not fully understood, or limited at best? The answer:

Data.

Data has been at the heart of what we do for almost two centuries. And while we have the largest global commercial database on the planet, our true value is to help our customers make better informed business decisions by uncovering and understanding their most strategic relationships.

How do we do this? Through Relationship Data.

By identifying the most valuable relationships within your data, you can model behaviors and predict better outcomes that lead to improved results. These decisions ultimately affect the success of your business.

I’m excited to share the capabilities that will help you use data and insights to discover your most valuable relationships and drive meaningful growth.

Sincerely,
Monica Richter
Chief Content Officer
Dun & Bradstreet
Introduction

Growth is the lifeblood of every organization. And while everyone is pointing to data as a conduit for growth, the explosion of information is creating just as many challenges as it has opportunities.

Propelled by the digitization of business, companies are awash in data. Every day, we produce more data than the previous one, and at a rate which is arguably impossible to measure or model because we have lost the ability to keep pace with its rapidly changing nature. Naturally, the business mandate is no longer about getting more data, but making sense of what you have. As more companies look to data to gain a competitive advantage, turning that information into valuable insight is becoming more difficult.

Think about the data that you have at hand. It’s often poorly organized; residing in disparate databases within the organization. And then there’s the issue of legitimacy. How accurate is the information being collected? Is it based on fact or fiction? The ability to deliver growth can only be realized when you are able to extract real insights – truth and meaning – from the data.

For those organizations getting it right – the ones that are effectively organizing, managing and analyzing their data, it’s proving to be a valuable commodity that’s accelerating the pace of innovation and transforming the status quo. When companies bring relevant data into the rhythm of the business, they are able to establish a single, trusted view of their customers, prospects and partners – the relationships that ultimately impact every aspect of the business.

This is the story of relationship data – understanding how identifying the most valuable relationships that often hide in that data can inform the decisions that spark growth.
Not All Data Is Created Equal

Every company faces a unique set of business challenges, and data can often help address many of them. Some of that data may reside in-house within your own databases, and some of it may be obtained from third parties. However, not all data is going to put you on the path to success.

Successful organizations are starting to recognize the importance of data that provides meaning or context for a deeper understanding about the companies they do business with. At Dun & Bradstreet, we call this “relationship data,” and it is proving to be a catalyst for growth.

Bringing together your most relevant data with high-quality third-party data from Dun & Bradstreet can help create a single, trusted view of your customers and partners - letting you better understand the relationships that exist. By using the information for analysis, you can use the data to help unearth new relationships and mitigate risk.

But before you can identify relationships in your data, you need to understand who the entities you do business with are. To accomplish this, you need to organize the data so you can clearly understand who the entities are that reside in your database. At Dun & Bradstreet, we do this by employing the DUNSRight® Quality Process, a patented four-step methodology that involves collecting, organizing and enriching data to enable the discovery of new opportunities. Only when you can apply a consistent and repeatable methodology for understanding the entities you do business with, can you fully understand the relationships that reside within.

Questions to Ask Before Getting Serious with Relationship Data

What is the state of your data today? Do you have an enterprise-wide strategy for collecting and organizing our data?

Do you understand the entity hierarchies in order to identify opportunities from the inter-connected business relationships across the enterprise?

Do you have the relevant data to provide the organization an accurate view of your relationships?
Among the entities you do business with lay potentially crucial insights and information that can be critical in assessing total risk and opportunity. While not obvious at first glance, these insights become visible when you dive down to explore the information that links these entities to you, as well as their connections to other businesses.

Dun & Bradstreet activates relationship data in two unique ways:

First, we meticulously manipulate data that illuminates a company’s physical relationships (such as family tree hierarchies), connecting the entity to other businesses through trade data, contact information and more. This lets you understand how the company relates to other members of its corporate family, an individual person or other companies.

Secondly, by closely analyzing this comprehensive, global, dynamic data, it lets you begin to infer the nature of its relationships moving forward. What potential behaviors and actions might an entity engage in? What are its current challenges, opportunities or other situations that we may or may not have yet to consider? Using this wealth of data, you can begin to answer these questions.

Key Benefits

- 360-degree view of every internal and external business touch point
- Breaks down blind spots caused by data silos
- Delivers new insight into an entity’s family tree
- Deeper visibility into your supply chain
- Identifies the potential for malfeasance, fraud and risk
- Enables you to develop more accurate business models
In some cases, a surface level understanding of a company may be sufficient to address your business objectives, but in other instances, you need deeper insight. Driving down to explore the layers that inform the relationships between entities, you’ll discover connections and associations that can help inform more prudent and informed decisions that can impact your approach toward pricing, terms, risk and more. The data (trade data, shipping data, public legal documents, etc.) enables you to interpret signals that create meaningful insights on the inter-company business dealings that can help drive your business strategies and keep you the road to success.
Smarter Insights Yield Wiser Decisions

The more you expose entities across your silos, the greater your visibility into the cross-company interactions with customers and suppliers. Your ability to uncover previously hidden associations inside the data provides a catalyst for business transformation and insights. Exposing relationships across product lines, branches and countries creates new opportunities to advance business goals.

It is important to remember that relationships can be one-to-one, one-to-many or many-to-many. They can be unidirectional or bidirectional in nature. Understanding the differences can be key to the types of questions you ask and what insights you draw from the data.

The deeper you go in connecting the associated entities and the information that aligns to their business practices, the richer the insights you’ll uncover. Ultimately, these richer data points enable you to move beyond simple modeling based on internal historical data and produce sophisticated business models grounded in multifaceted business connections.

That’s the power of relationship data.

Relationship Data Unlocks New Opportunities

- Evaluate sales coverage
- Modify compensation plans
- Renegotiate terms and conditions
- Anticipate downside risk
- Adjust compliance policies
- Improve customer experiences
- Build advanced segmentation categories
- Uncover hidden supply chain risk
Relationship Data In Action

Relationship data works in harmony across every department. These are just a few examples of the power of relationship data. It lets you infer risk and opportunity by integrating, synthesizing and discovering insights across multiple sources of data, which provides a deeper understanding of the entities engaged in mutual business.
### Marketing

A networking company seeking to acquire new customers:

<table>
<thead>
<tr>
<th>Data Owned By The Networking Company:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Prospects visiting your website</td>
</tr>
<tr>
<td>• Prospects participating in marketing campaigns (e.g., events, emails, etc.)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3RD Party Data On Prospects:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• New credit inquiries</td>
</tr>
<tr>
<td>• Social media posts on talent scouting</td>
</tr>
<tr>
<td>• Real estate inquiries</td>
</tr>
</tbody>
</table>

**Inferences Made From Relationships In The Data:**

These data sets may signal a prospect’s intention to move into a new location. Subsequently, the prospect may require additional networking equipment. Leveraging signal data + customer data recommends prospect becomes a prioritized target.

### Finance

A current customer is asking for extended credit

<table>
<thead>
<tr>
<th>Data Owned By Lender:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Customer purchase volume history</td>
</tr>
<tr>
<td>• Customer Invoice payment history</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3RD Party Data On Customer:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Mgt team turnover</td>
</tr>
<tr>
<td>• Trade history</td>
</tr>
<tr>
<td>• Credit enquiries</td>
</tr>
<tr>
<td>• Rumored M&amp;A activity</td>
</tr>
</tbody>
</table>

**Inferences Made From Relationships In The Data:**

This company may be experiencing a downward cycle and is seeking to extend their credit and payment schedules to get through a rough patch. You may not only want to reject their request for additional credit limits, but also consider COD for large deliveries.

### Supply

An organization wants to ensure they have complete transparency into their supply chain for all their business needs

<table>
<thead>
<tr>
<th>Data Owned By The Company:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Supplier information gathered through assessments and onboarding process</td>
</tr>
<tr>
<td>• Contractual data</td>
</tr>
<tr>
<td>• Firmographic data</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3RD Party Data On Customer:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Family lineage</td>
</tr>
<tr>
<td>• Financial insolvency</td>
</tr>
<tr>
<td>• Debarment Information</td>
</tr>
<tr>
<td>• Country Risk, Geopolitical</td>
</tr>
</tbody>
</table>

**Inferences Made From Relationships In The Data:**

Based on information provided by D&B, the CPG company has a more robust view of their potential new supplier including financial solvency and their responsible business practices including debarment and human trafficking risk data. This information will help the CPG company understand if the supplier is at risk for being able to deliver, as well as whether they are violating the CPG company’s code of supplier conduct. A decision whether to onboard them can now be made based on more than just the basic information provided during supplier discovery.
Relationship Data Creates Value Across the Enterprise

**IT/OPERATIONS**
Improved effectiveness when using D&B customer information in Operations

**SALES**
Improve sales efficiency in closing deals

**COMPLIANCE**
Decrease your risk against compliance and regulatory issues

**MARKETING**
Building new relationships with prospects

23%
Improvement in efficiency of managing data

29%
Improvement in close rates

16%
More effective ensuring compliance with corporate policies and reducing compliance costs

46%
Greater improvement in customer lead acquisition

Source: Leading IT Analyst Study of D&B vs Non-D&B Customers, March 2015
A Data Scientist on the Art of Relationship Data

First and foremost, understanding the entities you are doing business with and how those entities are influencing and interacting with each other is critical to assessing total risk and total opportunity.

Relationships are important because they are always evolving. From mergers and acquisitions to divestitures, companies are continually growing or downsizing, and that can spark a chain reaction that can impact all the companies’ business dealings, ultimately effecting your bottom line. Observing changes in relationships is often overlooked but critical to your success.

Lastly, by carefully looking at relationships, you can spot the “bad actors” that you don’t want engaging with your business. By understanding how certain kinds of relationships are different from all the others it gives you a place to go look for things like malfeasance, cyber terrorism, cyber security, fraud and all other kinds of threats. Keeping tabs on business relationships keeps you one step ahead.
As your organization’s data steward, you are responsible for leading a cultural change that breaks down silos between departments and aligns data assets across the enterprise to identify previously unrecognized relationships with customers, prospects, partners and suppliers.

You have the opportunity to foster a data-inspired approach to uncovering valuable relationships that spans the organization.
The Road to Relationship Data is Driven By the DUNSR® Right® Process

Buried deep within the redundant, disparate, erroneous and all-around "dirty" data residing in your databanks lies hidden relationships that are vital to your success. Dun & Bradstreet’s patented DUNSR® Right® process helps you make sense of it by identifying the commercial entities you are doing business with.

The journey to maximizing the potential of your relationship data begins by bringing together the wealth and depth of our entity records - millions of comprehensive business records including all of the Fortune 1000 and 99 percent of the Global 500 businesses. We then organize them by matching them through identity resolution - ensuring each entity is accurate and unique - and connecting them to a universal identifier in the DUNSNumber™.Think of the DUNSNumber as a social security number for businesses; it’s the industry standard used to maintain accurate and timely information on +265M global businesses.

Next, we enrich those records by linking the corporate hierarchies so that you have a full view of the family tree. We then integrate your data with ours. Finally, you’re left with a universal, trusted master that can be used to build insights through advanced analytics.

This process may seem simple on the surface, but it’s a complex and arduous task that relies on decades of rich insights and deep experience understanding the evolving nature of commercial data. But you do not have to worry about the specifics; we do the work and you see the results.

It’s with this comprehensive and trusted view of your customer data that will empower you to be confident in your business decisions.
The Road to Relationship Data is Driven By the DUNSRight® Process

265 Million D&B Entity Records

Identity Resolution, DUNSNumbertm

D&B Data Sources Corporate Hierarchy/ Linkage/ D&B Scores & Ratings

Customer Data

Data Insights & Custom Analytics

D&B Global Collection

Organize

Enrich

Integrate

Discover

DUNSRIGHT® PROCESS
Leveraging the largest commercial database on the planet, Dun & Bradstreet gathers information from our global entity records that can help inform meaningful business decisions.

- **265M entity records**
- **Over 190 countries**
- **Comprehensive and up-to-date contact information**

**Organize**

Organizing data has several steps that are core to enabling an understanding of your business relationships.

The ability to identify the appropriate business entities and associate them across their extended legal relationships provides a single, trusted view that can inform your sales coverage, pricing and negotiated terms, product offerings and more.

This step in the process involves identity resolution and linkage to help ensure the data is accurate. For example, Dun & Bradstreet employs its proprietary D-U-N-S Number® to accurately identify the right business entity and continually understand even the slightest changes to the enterprise that may impact a businesses’ bottom-line in the future.
Enriching your data with third-party content provides additional insights that enhance the view of potential business relationships across multiple entities across the globe.

This process involves connecting corporate hierarchies so you have a deeper view of activities across the family tree. Once entities are linked, the data is augmented with content from over 30,000 trusted and verified sources to better understand the business environment and guide your decisions.

Leveraging the depth and breadth of our data, we bring it together with your information to create a trusted master that is sustainable and repeatable.
The insights are what transforms data into dollars.

Working with a third party can help you better understand the opportunities and risks associated with connected business entities. Dun & Bradstreet employs data scientists to identify real-time effects to long-term consequences seen in the data, and what otherwise would not be visible through simple sources. These include propensity models, material change analytics and Tier N supplier risk assessments.
Why DUNSRight™?

The insights you glean are only as good as the data you have. Dun & Bradstreet ensures it has the highest quality data available through a patented process called DUNSRight, in which it collects, aggregates, edits, and verifies data from thousands of sources daily.

The foundation of DUNSRight is Quality Assurance, which includes more than 2,000 separate automated checks, plus many manual ones, to ensure the data meets high quality standards. In addition, five quality drivers work sequentially to collect and enhance the data. The process works like this:

- Global Data Collection brings together data from a variety of sources worldwide.
- The data is integrated into the database through a patented Entity Matching process, which produces a single, more accurate picture of each business.
- The DUNSNumberto® - a unique means of identifying and tracking a business globally through every step in the life and activity of the business - is applied to the data.
- Next, Corporate Linkage provides a view of total risk or opportunity across related businesses.
- Finally, predictive indicators use statistical analysis to rate a company’s past performance and to indicate how likely the business is to perform that same way in the future.
Operationalizing Relationship Data

Relationship data can be acted upon when third-party proprietary data is combined with your data and integrated into your workflow systems to optimize the platform for insight discovery. Then and only then, does relationship data come to life to be used across your organization. In doing so, you’ll have “on-demand” access to this powerful data.

Whether it is integrated through the platforms of our Alliance Partners (such as Salesforce.com, Oracle or NetSuite) or through APIs that plug directly into your CRM, ERP or MDM platforms, this seamless connection improves your ability to meet your business demands in an agile manner.

Data specific to business entities, detailing how they are influencing and interacting with other operators in their ecosystems, empowers your company to gain an understanding of the ultimate potential of relationships with customers, partners and suppliers.
In Summary

Nobody would argue with the fact that the modern, digital economy requires vastly more connections, and that these connections - driven by everything from social media to the Internet of Things - create a torrent of data. This dynamic also creates complexity. As many talk about the explosion of big data, they even seem to revel in the numbers.

But relationships aren’t a series of isolated interactions defined by numbers. They are an interconnected web of engagements that evolves over time. Relationship Data creates a trusted, integrated view of the data and insights required to manage what is often a complex business environment. We believe that by finding truth and meaning in data, and delivering a single, trusted source of that information, you will identify the opportunities that will lead to a sustainable competitive advantage.

You have the ability to foster a data-inspired approach to drive growth across the organization. Simply follow the steps highlighted here and you’ll be on the road to discovering the relationship data that will lead you to success.
Getting Started

We can help you on the path to growth. Leveraging our unparalleled breadth and depth of business data, we transform information into insights you can use to make informed decisions by identifying the value of your business relationships.

Understanding what issues exist with your data is the first step to getting ahead of them. CLICK HERE to receive a complementary data health assessment.

About Dun & Bradstreet

Dun & Bradstreet (NYSE: DNB) grows the most valuable relationships in business. By uncovering truth and meaning from data, we connect customers with the prospects, suppliers, clients and partners that matter most, and have since 1841. Nearly ninety percent of the Fortune 500, and companies of every size around the world, rely on our data, insights and analytics.