



Inaccurate Data Is Damaging Your Business and Your Bottom Line

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Introduction

Experian's [Data IQ Research Report](#) highlighted that 68% of companies in the study recognized that data quality issues would challenge their digital transformation. The negative impacts of data quality include productivity loss, operational expense, reputational damage, and missed marketing, sales or relationship-deepening opportunities. For customers, poor data quality often makes it difficult to complete processes designed for self-service.

The Negative Impacts of Inaccurate Customer Data

Attempting to service or expand relationships with customers using flawed data is a costly exercise. A [Dun and Bradstreet survey](#) of 500 companies showed that 42% of the companies surveyed admitted that they have struggled with inaccurate data.

Servicing customers successfully involves a wide range of activities, each potentially with its own sets of challenges. The inability to service customers efficiently, whether via online, mobile, or call center channels, often results in a negative customer experience, customer complaints, reputational damage, and increased operating costs. For example, customer outreach by sales or customer service with inaccurate customer data is costly and time-consuming. Or a customer may not be able to authenticate due to lack of contact data, causing abandoned transactions, expensive calls to call centers, and customer attrition. Companies also risk reputational damage due to customer dissatisfaction and potential compliance issues.

Here are some staggering facts and statistics:



1. Source: [SiriusDecisions research](#)

2-6. Source: [Ringlead](#)

Data quality issues have a few root causes. During onboarding, the customer typically supplies limited contact information. Over time, customer data can become stale and can be out of sync across multiple systems. Often companies do not know which application has the most accurate customer information.

The Wrong Approach to Fixing the Problem

Indeed, there are cutting edge technologies such as Artificial Intelligence that can analyze and match data, automating the improvement of data quality. But one problem remains - what is the source of truth for consumer data? Static data sources based on the Social Security Number or national identifier fail to create the complete history of a customer. And they can't be deemed a reliable source of information as they do not keep up with customer information changes in real-time.

Solving the Issue Using Modern Phone-Centric Identity Techniques

Modern identity requires an entirely new way of thinking. Modern platforms for data sourcing have replaced the Social Security Number or national identifier with a better data source - a consumer's phone number. The phone has become central to the consumer's identity, with the ability to link the customer to other assets, attributes, and data sources to identify and authenticate the customer. The Phone-Centric Identity approach is the most accurate method and mitigates risk as phone number tenure and behavior correlate to fraud, risk, and trust. This approach establishes an identity for consumers at an early age and creates more trust. For example, 50% of 11-year-olds in the U.S. have a phone years before entering the banking system.

Phone-Centric Identity data also makes attacks prohibitively expensive and unscalable. To commit fraud, attackers would need to open a phone account in the victim's name, pay the bill for years, and then use the phone continuously to call, text, and log in to apps to mimic the victim's "normal" behavior. Verified and trusted phone data is one of the richest sources of information available about a consumer.

The Many Benefits of Improved Data Quality

As mentioned, phone numbers are becoming the primary way enterprises identify consumers and small businesses, and Phone-Centric Identity creates a comprehensive platform for Onboarding, Digital Servicing, Payments, and Compliance. With accurate data comes the ability to provide more innovative use cases such as embedded banking, instant credit offers, and guaranteed payment transactions. It's not surprising that companies with "high-quality data management" generated 66% more revenue than companies with insufficient data quality strategies, according to [SiriusDecisions research](#).

The top reasons to improve your data quality according to [Ringlead](#):

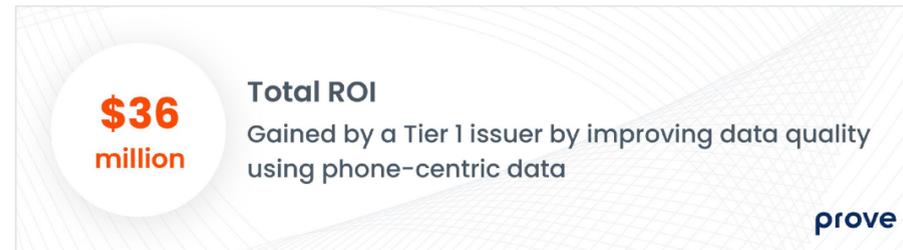


Summary

Data quality has long been a significant issue for companies, negatively impacting their customers, reputation, and bottom lines. Today, Phone-Centric Identity linked with other customer attributes can provide companies with the accurate and up-to-date data they need to gain a competitive edge.

Case Study - A Tier 1 Issuer's Success Using Phone-Centric Identity Data to Improve Data Quality

Leveraging Phone-Centric Identity as a source of customer information is the modern way to solve data quality issues.



For example, a Tier 1 issuer gained \$36 million in annual ROI by improving data quality using phone-centric data for use cases such as:

- Contact Center - \$10M: ANI-match & IVR containment
- Digital Servicing - \$8M: Authentication delivering higher transaction approvals
- Customer Experience - \$5M: Passwordless login

Overall, data quality positively impacted over **ten** use cases in a single company using a Modern Phone Number Management Platform. This case study is just one example showing that the impact of the Phone-Centric Identity approach is undeniable.

To learn how to use modern Phone-Centric Identity technology to support the new digital consumer and enhance your customer experience, [contact us here.](#)

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