

# The Business Case for Verified Address Data



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# Building trust in the quality and integrity of your customer data

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**Consider your data as an untapped source of power – are you utilizing it to the fullest potential?**

Address data reveals more than just who is using your service or buying your products. This information is an essential part of customer identity and acts as a bridge, linking reliable and accurate data to new strategies that keep your business innovative, efficient, and competitive.

## With more data comes more possibilities for faster decision making, stronger go-to-market strategies, increased revenue, and a deeper understanding of your customer base.

However, when accumulating large volumes of customer and supplier data, the onus falls on the organization to ensure that any information collected is reliable and accurate.

Data is now driving all major business decisions, and investing in the upkeep and status of your databases is a necessity for the critical data analysis and new business insights that spell success.

Although companies have increasingly begun to take notice of the value address data plays in data-driven decision making, a large number of organizations still struggle to build trust in their data.

Inaccurate or incomplete address data has the potential to jeopardize your company's revenue, reputation, and relationships. Properly addressing the challenges posed by poor data integrity means companies must develop a greater understanding of what data accuracy is and how it impacts their business.

“Customer-obsessed companies that make insights-driven decisions — based on high-quality data — are growing more than 30% annually on average.”

**Forrester**

“Only 8% of companies said their sales and marketing data is 91% to 100% accurate.”

**DiscoverOrg**

# The value of accurate address data

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**Accurate, verified address data is essential for a successful organization to drive efficient and effective processes.**

Address data is used across all levels, socially, politically, environmentally, and commercially. Its purpose is wide-ranging, including support for emergency response teams, accurate mail and package delivery, tax regulations, territory mapping, financial lending, health deliveries, market analysis, and much more.

# The full importance of quality address data is evidenced by the many benefits that accurate, verified data gives to organizations:



## Lower costs

Verified data saves time and money on returned shipments, failed delivery fees, and chargebacks.



## Increased customer satisfaction

Verified address data increases efficiency in the delivery of products and services.



## Improved customer journey

Real-time and back-end address verification results in more seamless online onboarding, registration, and checkout experiences.



## Enhanced data analytics

By capturing demographic and location data, businesses can gather valuable insights into customer preferences, interests, and buying habits. These can be used to fuel localized and personalized communications and programs.

To truly deliver the most benefit, the quality of data that businesses amass must be high. While organizations may be aware of the importance of quality, clean data, that does not mean that they are taking the necessary steps to verify, maintain, and store their customer data. To make progress in improving the quality of your organization's data, one must first understand the root causes of dirty data.

“Only 12% of B2B marketers have high confidence in the accuracy of the data they manage, and 84% said that the accuracy of marketing data was one of their top five weaknesses.”

# Dirty data exposed

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**Very much like dust buildup in a home, it is natural for data to become dirty over time.**

In fact, it is almost unavoidable, as the various components of customer data see thousands of changes a year.

## Every year customers in your system move homes, switch their email addresses, change phone numbers, etc.

Manually updating these records is an administratively intensive process that is nearly impossible to keep up with.

Business-to-business organizations must consider that each year, up to 18% of all telephone numbers and up to 21% of CEOs change. What's more, up to 60% of individuals change job functions within their organizations every year, according to [DiscoverOrg](#).

The lifespan of customer and business contact information is short-lived, and while this may be nerve-racking to many business executives, there's nothing you can do to change that.

Don't believe me? Just look at the average annual turnover rate [\[45%\]](#). What about your average email bounce rate [\[0.7%\]](#)? Every bad phone number and undeliverable email address is another piece of data polluting your otherwise up-to-date system.

But, just because data decay is something we've come to expect, doesn't mean it's something we must accept. While the rate of data decay may be unavoidable, organizations can still take control of the condition of their data.

"20 to 40 percent of customer profiles or records are duplicates.

Assuming it has 1 million customer records and invests \$1 per customer, an organization could be spending around \$400,000 on redundancies alone."

**IBM**

"Poor data quality costs the U.S. economy approximately [\\$3.1 trillion](#) annually."

**IBM**

"The percentage of people that move every year equates to 14% of the population (or roughly 40 million)."

**U.S. Census Bureau**



# Data hygiene best practices

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**By now, businesses across the globe are well aware of the many issues that arise from having low-quality data.**

From frustrated customers to lost revenue, it is clear the impacts of bad data can be far-reaching.

Generally, your customer data is a precious resource – and it should be treated as such.

## With trillions of dollars on the line, it is more critical than ever that organizations begin putting policies and technologies into place that ensure the ongoing integrity of their customer databases.

More often than not, back-end data is in worse shape than most managers even realize.

Those who do suspect that their information is less than satisfactory tend to do one of three things:



Attempt to clean their data manually.



Assign a data manager for data input and maintenance.



Install software to find data errors automatically.

While these efforts might help in the short-term, they usually fail in materially improving data quality.

Why? These tactics may work to reduce the number of errors in static data, but they do not attack the problem of poor-quality data at the source. Manual input and cleaning are subject to one significant issue – human error. “To err is human,” and though these efforts are well-intentioned, simple mistakes like misspelling and missing words are responsible for a high rate of failure during manual data entry.

Additionally, error detection software is an equally incomplete solution. This technology may find duplicate, erroneous, or incorrect data plaguing your system, but will not consistently keep track of changes as they appear. This leaves room for new data entering the system to bring in more errors.

As we’ve seen above, dirty data is inevitable. To combat these high rates of data decay, businesses must make data maintenance and hygiene a top priority by implementing processes for data cleansing and verification.

# An efficient data verification strategy will depend on your unique situation but should include the following data hygiene best practices.

## 1. Start with a plan

Cleaning and verifying customer data is rarely a one-time project. To truly transform data quality long term, organizations must change their approach to capturing and storing information. Conduct an audit to define policies and processes that allow for the collection and verification of complete and accurate data.

## 3. Organize and standardize

After addressing data collection, tackle any issues in your stored data, which likely include a mix of incomplete addresses, misspelled names, and incorrect phone numbers. Ensure each piece of information is formatted and in the correct field. This helps determine which data entries are valid and what information gets categorized as “bad.”

## 5. Correct and verify data

With a list of completed and formatted data, all that remains is to check the accuracy and validity of your stored information. This means ensuring that every entry belongs to an existing customer and that the stored data is up-to-date. This process also includes the removal of duplicate profiles, incomplete listings, and completely erroneous data. The end result is an accurate and verified database.

## 2. Stop poor quality data from entering your systems

As previously noted, manual attempts to clean up dirty data ignore the leading causes and offer limited improvements. Attack the issue at the root – data entry.

## 4. Insert missing data

Now that you’ve figured out what’s missing, it’s time to fill in the blanks. A good data cleaning process includes the appending of missing data with the most up-to-date information (i.e., names, addresses, zip codes, etc.) to form complete entries.

## 6. Create good database practices

Implement these cleansing and verification practices for the continued health of your customer database.

# Applications of a clean & up-to-date address database

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Validated and reliable customer and location information provides data-driven insights and solutions that span a myriad of use cases.



### Reduce failed deliveries

Successful online transactions conclude with delivering the right product or service to the right person at the right time. However, incomplete and inaccurate customer information can lead to delayed deliveries, missing packages, and frustrated buyers. For instance, an error as simple as incorrectly capturing AL (for Alabama) as “Alberta Canada” can lead to failed deliveries and costly chargeback fees that can range from \$20 to \$100. Clean and verified customer data allows for the creation of seamless and engaging experiences that deliver every time.



### Location-based marketing

To stand out from the competition, companies need a location-informed customer experience that drives revenue and encourages brand loyalty. Brands that adjust outreach based on a customer’s physical location are engaging in location-based marketing, which may include personalized in-app recommendations and location-based emails. However, these companies need accurate and clean customer databases for these programs to work. Location-based insights give you the power to enrich your customer profiles, engage current customers in new ways, and reach new audiences.

“19% of failed deliveries are due to inaccurate delivery address details.”

Loqate

“55% of marketers expect better use of data for more effective audience segmentation and targeting.”

Adobe

“33% of consumers who ended their relationship with a company last year did so because the experience wasn’t personalized enough.”

Accenture



### Support a 360-degree customer view

Today's customers demand personalized experiences across all touchpoints. To meet these rising expectations, companies require complete and accurate customer data that can be synchronized across all channels. A 360-degree view of a customer profile allows for an exceptional level of service regardless of changes in device or location. With complete and accurate data, companies can gain a full view of customer habits, needs, and preferences.



### Fuel loyalty programs

Quality data can significantly boost the impact of your customer loyalty programs. Verified customer data enables organizations to offer promotions and updates that are customized to a customer's location, demographics, and purchase history.

"42% of marketers plan to focus on improving customer intelligence and insights for a holistic customer view."

Adobe

"73% of consumers expect companies to understand their expectations and needs."

Salesforce

"72% of customers expect all company representatives to have the same information about them."

Salesforce



### Optimize Point of Sale & User Experience

Integrating Point of Sale (PoS) systems with a clean and verified customer database allows retailers to create a single customer view—unifying data across shopping mediums to ensure customers experience the same quality of service both online and in-store.



### Support Data Migration & Consolidation

For industries such as finance and non-profit who operate globally or store large amounts of historical data across various data warehouses, migrating, or consolidating data can be a massive undertaking. With legacy data going stale due to data decay, and new data being collected and hosted by different sources, databases are at risk for duplicates and inaccuracies. Ensuring a high level of accuracy before data is migrated is key to gaining a single source of truth. Verify both old and new customer data for language inconsistencies, completeness of record, and compliance with postal regulations to achieve accurate master data.



### Aid Last-Mile Delivery

With speedy and convenient fulfillment being a major goal for retailers, inefficiencies in last-mile delivery need to be addressed. Often, inaccurate or incomplete address information is to blame. Imagine that the sender forgot to provide an apartment number. Or, maybe the listed location isn't recognized by the retailer's website. Additionally, carriers that rely on geocoding to plot delivery points require high-quality data sets to accurately determine distances between multiple locations, use postcodes to pinpoint locations or display locations on a map or GIS application. Verified data will further enhance the precision and value of any geospatially-aware applications.

“Roughly 5 percent of online deliveries don't reach their destination on the first attempt.”

Loqate



### Detect & prevent fraud

Earning and keeping customer trust is a focal point for all organizations. Call center agents are tasked with keeping the balance between customer service and fraud preventions. Often these are manual and time-consuming processes that frustrate customers and that fraudsters have already learned to circumvent. Those organizations that improve data quality by validating customer databases and de-duplicating legacy data can more easily establish the legitimacy of a given customer, thus minimizing the opportunities for fraudsters.



### Comply with local regulations

For any company looking to be precise, accurate, and compliant, high-quality data is a necessity. With Europe's General Data Protection Regulation (GDPR) and California's Consumer Privacy Act (CCPA) now in place, major companies can be at risk of punishment for any mishandling of personal data.

Additionally, industries like healthcare and pharmaceuticals rely on accurate patient data to develop advanced analytics, comply with evolving regulations, and successfully test and launch new drugs in the market. Without it, their ability to safely deliver medications to patients, achieve new insights, and maintain a competitive advantage is compromised.

All industries depend on data in some shape or form, whether it's ensuring that invoices are emailed or posted to the correct addresses, or for gaining valuable insights into consumer interests and preferences.

The core promise of data collection is to improve the relationships between consumers and businesses. Today's consumers expect not only the highest quality products and services, but they also require a perfect purchasing journey. However, this is hard to achieve when the integrity of customer data comes into question.

By utilizing location data and address verification technologies, businesses can ensure that they are extracting precise and meaningful insights, understanding customer journeys, and fully addressing customer needs.



# How Loqate can help

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As global location data and location intelligence experts, Loqate offers the most effective way to update and enhance address data, enabling you to achieve the highest levels of quality and accuracy.

## Loqate gives firms access to location intelligence technology that makes a real difference.

Powered by the most accurate global location data available in the market, Loqate's technology helps over 13,000 clients reach a global audience, reduce failed deliveries, improve conversion rates, and deliver exceptional customer experiences.

Built by aggregating multiple data sources into a single, master reference to any location worldwide, our solutions ensure the capture and maintenance of accurate, verified, and standardized data. While our [Capture](#) solution attacks the problem of poor data collection at the point of entry, our [Verify](#) solution is available to solve all data quality issues across your business.

Loqate's Verify Solution continuously works to correct, verify, and enrich the quality of your databases by comparing your customer and prospect records against our own global reference address data to reveal how complete and accurate your data really is.

Our single, global API enables us to offer flexible deployment options – on-premise, cloud, or private cloud, and also supports a number of coding languages including C++, Python, Java and .NET. Our simple setup process gets you up and running in minutes, plus we provide a range of pre-built integrations for a multitude of platforms and applications.

"More than 80% of global data and analytics decision-makers at advanced insights-driven businesses have implemented location capabilities and are maximizing access to unprecedented levels of customer location data and technologies available in the market."

**Forrester**

# Loqate's Verify API Increases the integrity and confidence of your address data by:



## Transliterating

Transliterate words or letters from different global character sets into either native or Latin characters.



## Matching

Reduce costly errors by finding accurate addresses even when users misspell words, leave out part of the address, or make typos.



## Geocoding

Associate a latitude and longitude coordinate to any address location for pinpoint precision. This enhances location datasets with the most accurate and up-to-date geospatial information.



## Parsing

Analyze, standardize, and format addresses that exist in your database.



## Enriching

After parsing and matching engines discover incomplete or inaccurate data in your contact records, Verify enriches it with data from our global databases, for example, adding U.S. County or U.K. Dependent Locality. Verify also ensures correct and consistent spellings and abbreviations, as per country standards. This allows for the removal of duplicates and deletion of files that are incorrect, in the wrong jurisdiction, or are no longer valid.

## **Given that businesses are continually collecting and storing more data, it is crucial to fix bad data at the source.**

Running data through the Verify API stops low-quality data in its tracks, fixing it before it becomes an erroneous or duplicate entry in the system. Users are also able to batch verify and enhance millions of records all at once, maximizing efficiency and keeping back end data, continuously updated and maintained.

With Verify, you can take significant steps toward cleansing and verifying your data. Want to learn more about how Loqate can help you ensure data quality and reveal the full potential of your data? Explore [our website](#) to learn more about our products or [contact us](#) today.



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