



DATA-DRIVEN RESILIENCE:

POWERING GROWTH IN UNCERTAIN TIMES

An inside view from global business leaders on how data can drive growth and support business resilience



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RESILIENCE IN A CHANGING ENVIRONMENT

IN OUR INAUGURAL 2022 DATA-DRIVEN RESILIENCE REPORT, we set out to explore how prepared business leaders felt to survive and thrive during a global energy crisis, surging inflation, and post-pandemic economic turmoil. The report focused on 'business resilience' – looking at the readiness and capacity of businesses to not just weather the current environment, but to identify and capitalise on growth opportunities to secure future success.

In this second edition, we surveyed over 3,200 global business leaders and unearthed a shift in concerns: escalating wider business costs have overtaken energy costs as the highest rated threat. What remains unchanged, however, is a reliance on data for remaining 'resilient'. Over three-quarters (77%) of those we surveyed firmly believe that data will play a crucial role in helping their businesses navigate the turbulent times ahead.

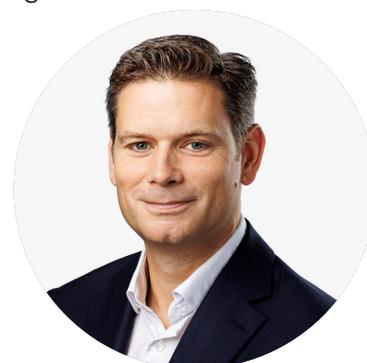
Our research shows that data is not just used by businesses as a risk management tool, but also to ignite growth and find new opportunities. One-third (36%) of respondents employ data to increase revenue, while 32% utilise data and insights to drive wider business growth, be it entering into new markets, increasing sales, introducing new products, or acquiring other businesses.

By embracing a growth mindset and harnessing data to make smarter decisions, businesses can lay the groundwork for success even in the face of uncertainty. Our findings underscore that while businesses

continue to face evolving risks, they are also becoming savvier about using data and analytics and the insights they derive to help minimise the impact of risks on their organisations. Accelerating digital transformation and rapid advancements in automation and artificial intelligence are reducing some of the burdens associated with managing and analysing data, better enabling companies to leverage data and analytics for tactical intelligence.

In this report, we'll delve into the different and emerging ways that companies are managing the current economic turbulence, with a particular focus on the importance of having high quality data and analytics to drive growth and opportunity. We'll also provide insight on some of the most common stumbling blocks businesses face when leveraging data, and advice on how to unlock maximum value from data and analytics.

Our research serves as a testament to the growing recognition of data and technology's central role in increasing the resilience of organisations and showcases the value that the right data in the right way can deliver for businesses, even during the harshest of times.



Ed Thorne,
General Manager,
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HOW ARE BUSINESSES USING DATA TO INCREASE RESILIENCE TODAY?

A KEY ELEMENT OF RESILIENCE during economic uncertainty is for businesses to better understand their organisation and the customers it serves. Data – and importantly, data that is clean, accurate and structured – is fundamental to getting insight into the business at every level – from the farthest reaches of the supply chain to frontline customer communication and powering the implementation of new technologies and tools such as generative Artificial Intelligence (A.I.).

Our research indicates that businesses are more frequently using data for proactive growth and revenue-generating activities, in addition to managing risk. When asked how data is used in their organisations, the most frequent response cited by business leaders was 'to increase revenue' at 36%.

For respondents in travel and transport, 46% are using data to increase revenue, and for retail, catering and leisure this was true for 45%, likely highlighting the valuable role of data in optimising marketing, and capacity or stock management in these industries. Similarly, 42% of leaders in sales, media and marketing industries reported using data to increase revenue, reflecting how data and analytics can help to identify and segment customer groups, and accelerate sales.

Data is also being used to enhance customer service and retain existing customers. This is especially important in the current economic climate, where it is more challenging to acquire new business. Improving customer service was the second most frequently

Globally, business leaders rank the following areas highest for how they're using data in their organisations:

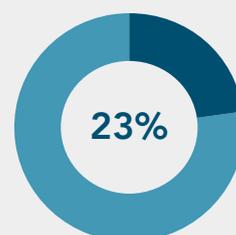


To increase sales revenue

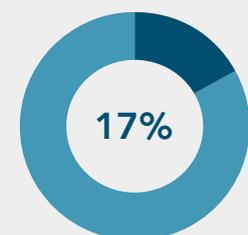


To improve customer service

Other areas with lower ranking where there is the opportunity to get more value from data include:



To comply with regulations



To recognise potential malfeasance/fraud



To understand disruption in their ecosystem



cited use of data by business leaders surveyed at 33%, with identifying new customers (30%) and improving customer retention (29%) not far behind.

These results indicate there is untapped opportunity for businesses to use data and analytics to support compliance, fraud detection, and supply chain / ecosystem disruption analysis in today's dynamic landscape. Data-driven approaches not only enable companies to manage complex regulatory requirements across multiple jurisdictions, but can help to proactively detect and mitigate fraud, which is becoming a growing concern in an increasingly digital world. Moreover, understanding disruptions within their supply chain and ecosystems allows businesses to anticipate challenges and adapt swiftly, thereby bolstering their resilience. Data and analytics can help to protect a business against regulatory penalties, financial losses due to fraud, and unexpected supply chain disruptions. Data-driven strategies not only

77% OF LEADERS GLOBALLY AGREED DATA WILL BE VITAL FOR NAVIGATING THE TURBULENT TIMES AHEAD AND ENSURING THEIR BUSINESS SURVIVES.

deliver competitive advantage; they are fundamental to building and maintaining resilience in the modern business landscape.

Although it's clear that most businesses we surveyed see the benefits great data can provide, other research by Dun & Bradstreet shows that a significant number of companies are still struggling to manage the volume, variety and velocity of the data they generate.

Historically, many organisations have grappled with a siloed approach to data management and fragmented sharing information between teams, departments and regions. However, business are

increasingly seeing the value gained from gathering, managing and making sense of data using master data management (MDM). Having an integrated and centralised business-wide MDM strategy helps to ensure accuracy, consistency and access to shared data assets across the entire enterprise and enables business to extract the maximum value and benefit.

Supporting critical business functions with data

As well as identifying the key roles of data in organisations globally, our survey also looked at how data is being applied to support a variety of business functions in a testing economic period. It's clear that data is invaluable to the everyday running – and future planning – of critical functions for many organisations today.

Over three quarters (77%) of leaders globally agreed data will be vital for navigating the turbulent times ahead and ensuring their business survives.

Business leaders surveyed are also reliant on data for a number of important functions with a predictive or forward-looking element:

- Data is essential for their business' financial planning: **79%**
- Data is essential to helping future-proof their business: **79%**
- Having accurate data enables their business to make agile decisions in response to changing market conditions: **78%**
- Data plays an important role in informing their business' investment decisions: **77%**
- Data enables their business to make smart decisions when extending credit: **72%**
- Data is critical for their organisation when understanding changes in supply chains: **71%**
- Data enables their business to effectively target in-market customers: **77%**
- Data is vital to helping their business identify new customers: **76%**

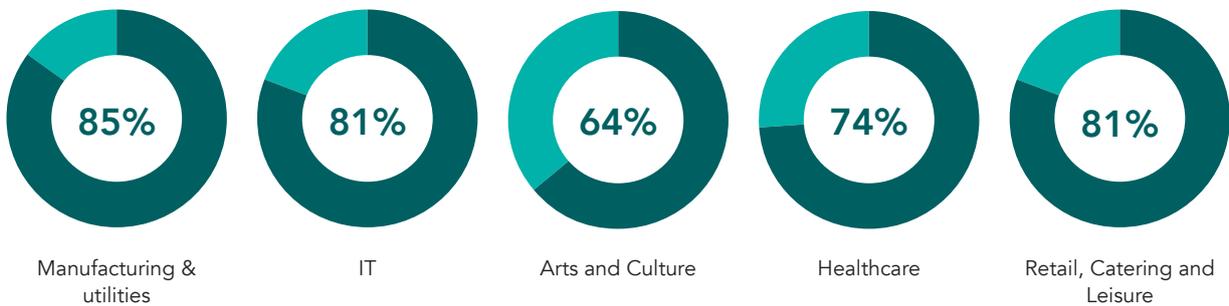


INDUSTRY INSIGHTS

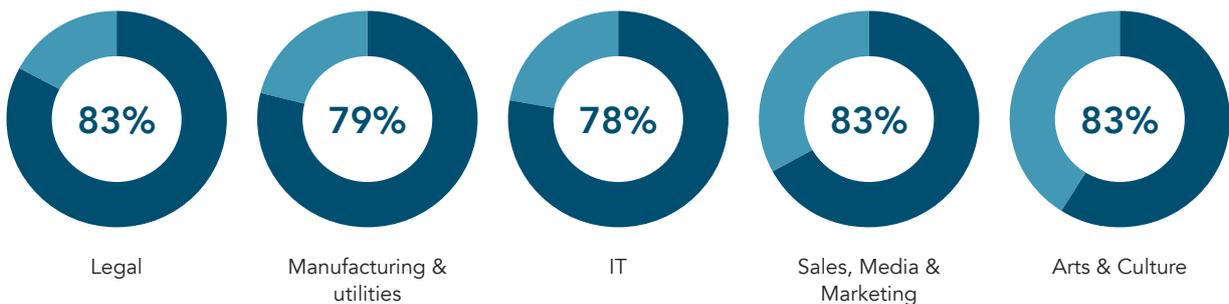
Our research found that 76% of global leaders believe data helps businesses assess risk. However, there is some variance across some sectors:



Over three-quarters (77%) of all leaders surveyed also say data plays an important role in informing their business's investment decisions. Yet for certain sectors the rate is more diverse:



Whereas 75% of leaders globally report that data is helping their business stay compliant, the picture at an industry level is more mixed:



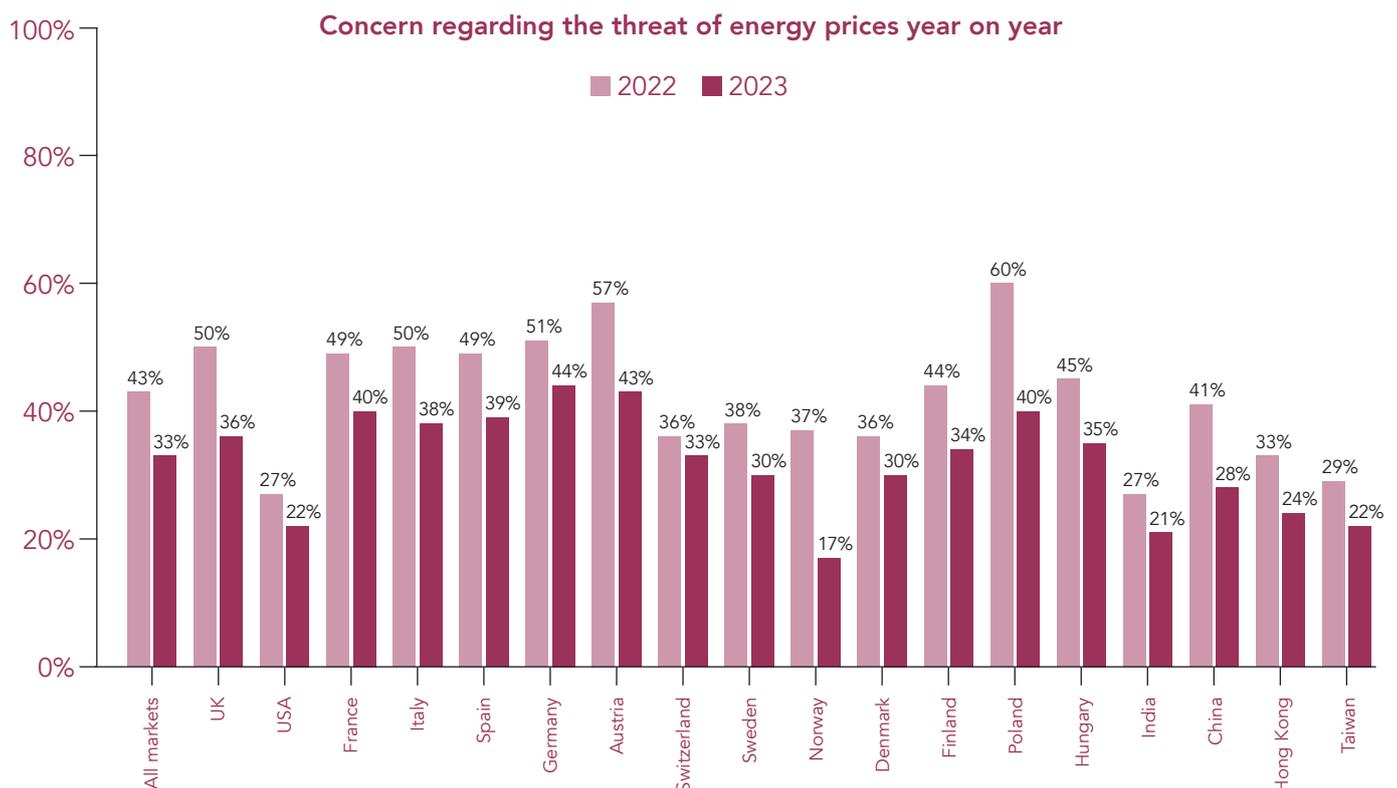
ZEROING IN ON THE BIGGEST THREATS TO BUSINESSES

GLOBAL BUSINESS LEADERS pinpoint the rising costs of doing business (34%) as the most significant threat to their organisations over the next 12 months, according to our research. Sector-wise, cost pressures are most keenly felt in retail, catering and leisure (48%) and travel and transport (44%). Although price rises are showing indication of slowing in some markets, cost management continues to be a key focus area for businesses.

Overall, there was a noticeable decline from last year in perceptions of the relative risks posed by energy

prices, though they remain the top potential threat in the eyes of business leaders in major European markets including Germany (44%), Austria (43%) and Poland (40%).

In the United States, by contrast, only 22% of business leaders identified energy prices as a major threat, down from 27% in 2022. Concerns about supply chain disruption also seem to have reduced, with just 16% of respondents globally citing this as a major threat compared to nearly a quarter last year.



Leaders surveyed report the increasing cost of doing businesses and energy prices as the most significant threats. But those aren't the only matters weighing on their minds:



What are businesses' toughest data struggles?

In addition to addressing external threats, businesses continue to grapple with internal constraints when it comes to managing their data and harnessing opportunities. Over one-third (34%) of leaders report difficulties with achieving the true potential of their data, and almost a quarter (23%) aren't sure how to get the best out of their business data.

Given the significant growth in the amount of data being collected globally is projected to increase rapidly to more than 180 zettabytes by 2025 – the challenges around collecting, processing and applying data in a timely and meaningful way are only set to grow. In many cases, the manual data management processes organisations historically deployed are increasingly outdated. This will need to change for organisations to overcome the hurdles they face and integrate the effective use of data throughout their operations.

When considering what's preventing their businesses from using data effectively, leaders cite a number of hurdles:

- 38% point to external threats such as data theft, data leaks, cyberattacks and fraud
- 31% struggle to find time to check the relevancy of the data to the business context
- 30% struggle to source the right quality of data
- 30% feel like they are constantly playing 'catch-up' with their processes and systems
- 28% find it difficult to democratise data for better decision-making
- 23% are challenged by siloed data within their organisation.

Effective data management requires the meticulous aggregating, organising, and contextualising of data to deliver optimum results. When businesses adopt a consistent data structure that seamlessly connects across their entire business ecosystem and is underpinned by trusted data quality standards, it can deliver a significant number of benefits. A successful master data management strategy can drive business growth, fuel digital transformation and adoption of new technologies, and support business resilience. Having a structured data environment not only aids in risk management but also helps to identify growth opportunities. It serves as the foundation for smarter decision-making, successful business transformation and competitive advantage. Having the right data and analytics in place can help businesses get the most value from new techniques such as generative A.I. to solve their challenges.



DATA QUALITY DRIVES DATA INSIGHT: EMBEDDING RESILIENCE FOR THE LONG-TERM

OUR 2023 SURVEY DATA SHOWS that the top concerns plaguing businesses are generally consistent with those facing businesses a year ago. When questioned about their organisations' resilience in times of turbulence, 12% indicated they were either 'barely resilient' or 'not resilient at all', underscoring the importance of businesses determining the risks to prioritise and effectively harnessing new markets and growth opportunities. There are several ways that data and analytics can help to address these challenges, both by uncovering opportunities and pinpointing potential risks.

EXAMPLES INCLUDE:

- **Digital transformation:** Having accurate and quality data is critical to fuelling effective business transformation such as the implementation of new technologies including automation and techniques such as generative A.I. These tools and technologies often require data to deliver the most value and help businesses use them to full potential to solve the challenges they face.
- **Supply Chain Management:** Data-driven insights can provide businesses with a tactical oversight of their supply chains and ecosystem. By continuously monitoring data related to suppliers, transportation, and inventory levels, companies can identify potential disruptions or bottlenecks early on. This proactive approach allows them to make timely adjustments, secure alternative suppliers if necessary, and ensure the continuity and

viability of their supply chains, even in challenging circumstances. This level of preparedness is essential for business resilience.

- **Financial Health and Cash Flow Management:** Monitoring customers with increased scrutiny can be a powerful tool for maintaining a healthy cash flow. By analysing payment histories, creditworthiness, and market conditions, businesses can identify potential payment delays or defaults in advance. This proactive approach allows them to take appropriate measures, such as adjusting credit terms or implementing collection strategies, to ensure they are paid on time. Strong cash flows are a cornerstone of business resilience, enabling companies to weather financial storms and invest in growth opportunities.
- **Market Expansion and Sales Pipeline Development:** Data can also aid businesses when identifying new customers and markets, as well as detecting changes in demand from existing ones. By continuously monitoring data on customer behaviour and market trends, companies can cultivate a robust sales pipeline, diversify their revenue sources, and reduce dependency on a single market segment. This diversification enhances resilience by spreading risk and providing a buffer against market fluctuations.

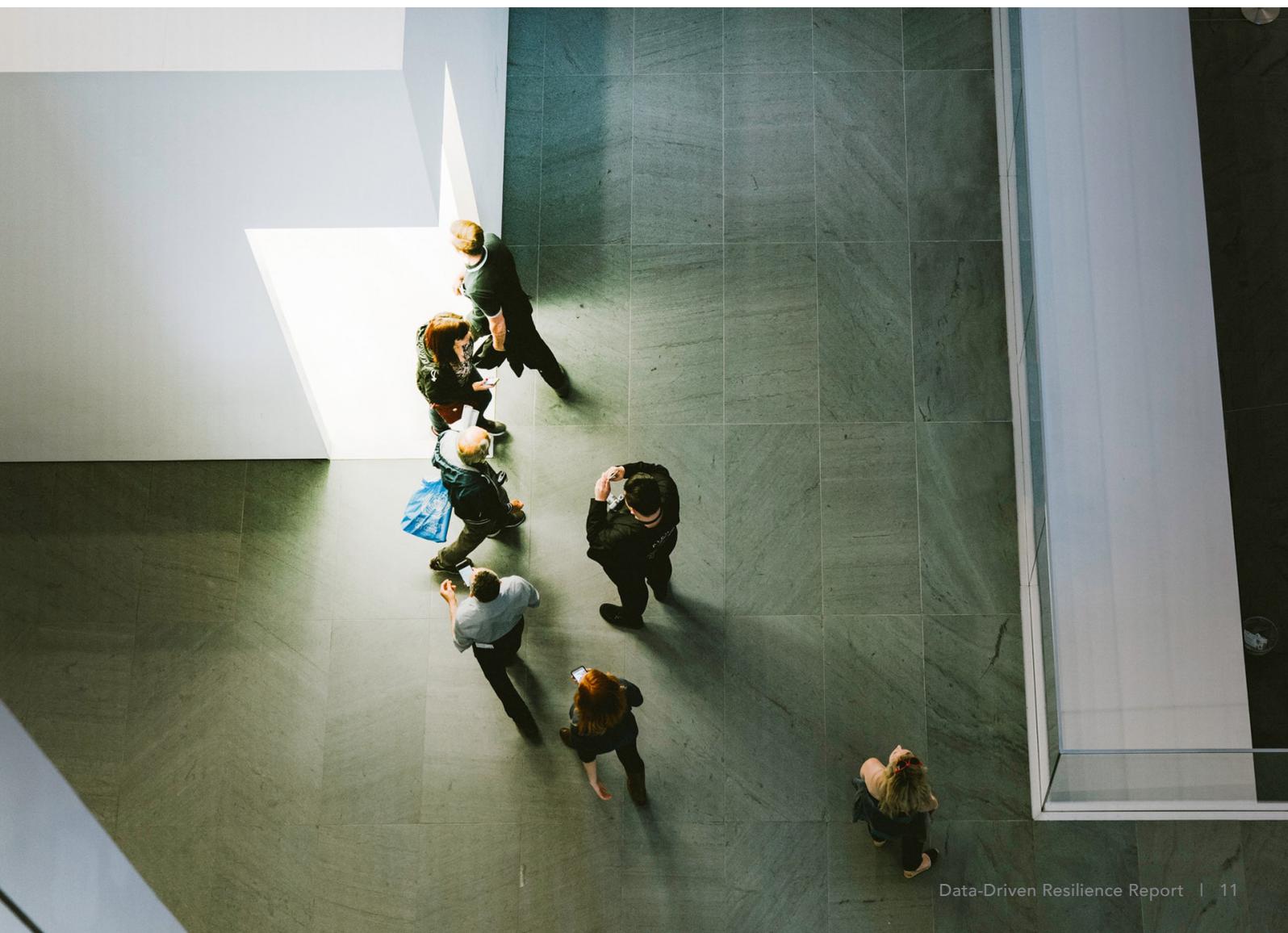
With so many external factors influencing a business's performance that are outside of its control, leaders need to focus on the factors they can get a handle on – which is where having the right data to drive smart decisions and enable new technologies becomes even more critical.

Across key global markets, leaders see a broad range of positive effects from leveraging quality data in their organisation over the next three years, with the biggest potential impacts expected in increasing revenue (25%), driving business growth (21%) and improving customer service (20%).

Our survey also highlights several areas where there is opportunity to gain more value from data and support enhanced business resilience. Surprisingly, only a small percentage of leaders realise the value quality data can have on their organisations to mitigate risks and comply with regulations – just 16% and 13%, respectively. Business leaders are also not fully

grasping the positive impact that data can have on their understanding of their business and the broader landscape it operates within. A mere 14% of them have plans to utilise data for comprehending their business performance, and even fewer, just 8%, intend to employ data to gain insights into disruptions within their ecosystem.

However, simply seeking more data isn't enough. Too much information can just create noise that makes it even harder for organisations to gain visibility and prioritise. The focus needs to be on quality data: timeliness, accuracy and consistency are essential to a successful data strategy. We see data as the 'red thread' that can run through an entire organisation to provide an integrated and consistent approach to benefit both the business and their customers. Effective data analysis provides insights on both threats and potential sources of future growth, fuelling meaningful change and helping to ensure a resilient future for organisations.





Q&A: HOW CAN I FUTURE-PROOF MY BUSINESS AND IMPROVE RESILIENCE?



Q: My organisation's data is siloed and it's a challenge to gather, manage and make sense of the data – what should I do?

A: Adopting a master data management (MDM) approach enables integrating of data across the business with a centralised 'source of truth' and structured governance framework that is accessible to a wide range of functions. To get this right, a clear roadmap is a great starting point to understand the current state of data in your business, and the people, processes, policies and technology that underpin it. Only then can you look to effectively break down silos, locate areas for improvement and empower your organisation to seize the opportunities hiding in your data and mine the full value from your data assets.

Q: My business has gaps in its data, so I'm struggling to see the full picture and make an informed decision – what can I do?

A: Third-party data can be used to supplement a business' own data and aid organisations to get a better view of what's really happening – and, where unharnessed opportunity might be hiding. Businesses often have access to useful data, but without the right analysis are unable to derive meaningful insights that can power more effective decision-making.

Q: How can we keep up with regulation and compliance changes without that becoming an overwhelming and manual task for employees?

A: Global trade, new technology, and increased consumer awareness have made corporate compliance an increasingly complex task to manage a myriad of regulations. Businesses that fail to observe evolving legislation risk exposing themselves to severe fines, legal repercussions, and reputational damage. Awarding contracts, collecting customer and third-party data, and doing business in foreign countries are among the standard business processes that can be a compliance minefield. Data-driven compliance solutions can provide opportunities to introduce more automation and focus manual and human checks where they are most needed. Automated monitoring can also flag any changes that require investigation or action.

Q: How can I use data and analytics to help support the increased use of Artificial Intelligence and other technology tools and techniques?

A: Data and analytics are a critical enabler when businesses are embedding new technology or automation into their workflows. The old adage of ‘garbage in, garbage out’ is particularly apt when looking at the use of Artificial Intelligence, which learns from data. It’s important to fuel new technologies with quality data which is clean, structured, robust and compliant in order to deliver the most value for a business. Research has shown that poor quality data in A.I. can impact the speed of reactivity, dilute customer satisfaction and lead to missed opportunities.

Q: How can I use data to improve the resilience of my business operations?

A: First, data and analytics can be used to identify and qualify new growth opportunities in a rapidly changing environment. With the right data and technology in place, businesses can identify who is visiting their website, what customers want, when they want to buy and where to find new ‘look-a-like’ prospects. Data and analytics can also help increase visibility of supply chain risk, stay on top of government regulations and monitor ESG (Environmental, Social and Governance) performance of their own business, and those they work with.

Second, use data to protect your business and make smarter decisions. Managing data effectively enables business leaders to mitigate risk, reduce costs, accelerate revenue generation and transform the business. Having access to accurate, actionable and timely data is the bedrock of a successful data strategy. Businesses also need to invest in technology to collect, analyse, and make the most of the data available – including new approaches such as generative A.I.

Finally, collaborate, don’t go it alone. Businesses today do not exist in isolation. Organisations are part of a wide-reaching ecosystem that can offer support and guidance, as well as expertise and tools to help businesses thrive. Trusted partnerships and external support can make a substantial difference when it comes to growth and business resilience.

It’s vital to remember that every business is unique– from specific market challenges to tailored processes and the individuals that make everything happen. Your organisation’s path towards resilient, sustainable operations won’t look like anyone else’s. To help you on your journey, Dun & Bradstreet stands ready as a leading provider of business data – powered by extensive records on over 500 million companies around the globe. Our expert data scientists enable us to combine global data with our local expertise to develop sophisticated modelling to create ratings and scores around critical factors such as financial health and business activity that can inform your decisions, help mitigate risk and maximise reward.

CONTACT US

If you'd like to hear more about how data and analytics can support growth and help you push forward despite economic uncertainty, please contact Dun & Bradstreet on **0808 239 0661**.

[Click here to get to our web based contact form](#)



About Dun & Bradstreet

Dun & Bradstreet, a leading global provider of business decisioning data and analytics, enables companies around the world to improve their business performance. Dun & Bradstreet's Data Cloud fuels solutions and delivers insights that empower customers to accelerate revenue, lower cost, mitigate risk, and transform their businesses. Since 1841, companies of every size have relied on Dun & Bradstreet to help them manage risk and reveal opportunity.

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