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> visibility data integration >

Client Profile

Worldwide, hundreds of thousands of companies rely on Equifax for information solutions that fuel their business growth. This case study outlines how Equifax leveraged its own master data management capabilities to create internal efficiencies that would ultimately benefit business leaders throughout the organization.

Challenges

Organic growth and acquisitions have led to continual expansion of Equifax's geographic markets and product lines. However, this growth created a challenge for business leaders across Equifax: inconsistent business customer data across more than 20 different billing, fulfillment and service systems.

To produce timely reports and gain immediate and accurate visibility into customer profitability, Equifax sought to integrate and manage 2.1 million customer records and create master data records for each.

Solution and Results

With its proprietary methods of uniquely identifying any entity within a corporate hierarchy, Equifax's Data Management Services group rationalized business records and set up master data records that form a baseline for expanded enterprise-wide initiatives. Now Equifax business units can obtain management accounting and profitability reporting on demand for any business customer.

Equifax employs its own master data capabilities to rationalize 2.1 million customer records to ensure accurate customer visibility

Challenge

Equifax provides a variety of risk management, fraud protection and identity verification services for businesses and consumers. The company's strategy of coupling organic growth with acquisitions has resulted in consistent expansion in revenue, customers, markets and products.

Due to the company's ongoing global growth, Equifax is continually faced with assimilating acquired companies, including their systems and data. For example, at the end of 2007, customer revenue information was spread across more than 20 billing systems, hindering the company's ability to obtain timely reports on customer profitability. Data for Equifax's business-to-business customers was further fragmented among various systems for operations, fulfillment, sales and marketing.

These systems had unique ways of identifying customers, so customer information was not always integrated or complete for business managers. Because many records were incomplete, duplicated or obsolete, Equifax needed a streamlined process for consolidating and managing customer data.

Solution

In 2007, Equifax began implementing a long-term plan for enterprise-wide master data management (MDM).

The MDM initiative included:

- Defining core reference data. This involved gaining consensus among data owners and business leaders of how to standardize the data using a common key and enterprise-wide hierarchy.
- Ongoing harmonization, reconciliation and dissemination of master data. (Data is only valuable if it is shared; by definition, master data has to be disseminated to multiple users.)

Equifax's MDM plan called for controlling master data across applications and users to maintain a single view of a given subject area. Initial efforts focused on establishing master data for the subject areas of customers, products, sales channels and delivery method.

Equifax chose customer data integration as the first milestone of the MDM implementation plan. In order to consolidate customers across all systems for billing, operations, fulfillment, sales and marketing, the company would have to tie customer records together, in spite of wide variations in data within each system.

A consulting firm helped Equifax build a master data repository, but management knew this was only part of the overall effort. The job of data harmonization, cleansing and rationalization would be critical to the

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success of the initiative. Companies that try to handle these tasks internally with their data content owners and IT staffs are often blind-sided by the significant amount of work required to match, key and place customers into accurate legal hierarchies.

Equifax didn't have to look far for a solution. With the acquisition of Austin-Tetra in 2006, Equifax expanded its competencies to include the underserved MDM segment of data rationalization and enrichment. Now known as Data Management Services, the group has 15 years' experience serving Fortune 1000 companies struggling to clean up and consolidate data from internal and external systems, to assimilate acquired companies, or to obtain full benefits from customer relationship management systems.

The Data Management Services group solves a variety of data quality issues, such as cleansing, de-duplicating commercial customer records, linking customers through corporate ownership, and identifying obsolete customer or prospect data. In addition, the group can enrich a client's existing data with up to 240 client-defined business data elements.

Results

Equifax's Data Management Services group processed more than 2.1 million internal customer records residing in more than 20 systems. The group used business criteria from a global database of 45 million businesses to match each customer name with a permanent number that identifies each business unit or location of an organization's hierarchy, regardless of its complexity.

By matching customer records from disparate sources to a unique and persistent ID number, the EFX ID™, Equifax established a baseline for customer data integration. (Equifax used the same services to support spend management initiatives by consolidating purchases through suppliers globally.)

Key benefits of customer data integration — and the resulting accuracy and consistency of integrated records — include fewer errors, smoother on-boarding of new customers, and streamlined record maintenance. By far the most important benefit, however, is timely reporting and the vastly improved visibility into a customer's relationship with Equifax.

Now Equifax has immediate insight into how much revenue is really attributable to each product and each customer, thus enhancing decision making at all levels.

Another value added by the Data Management Services team is its ability to augment existing customer data with new data elements, such as demographics, industry coding, and size information. This added benefit has proved popular with business leaders at Equifax. For example, the marketing department has realized improved customer segmentation and targeting, while the sales team has been able to better identify and act upon cross-sell opportunities for revenue generation.

Equifax has achieved a high level of customer data integration — its initial objective for master data management. Results were achieved on schedule without buying cumbersome and complex software or bringing in teams of high-priced consultants to design data quality processes. And now Equifax has a baseline to extend the value of master data management into new subject areas within its own organization, while enabling customers to leverage the experiences of Equifax to benefit their MDM initiatives.