The Lack of Unified Data Operations Is Limiting Your Customer Experience Innovation

Modern

While "know thyself" might be one of philosophy's great maxims, "know thy customer" reigns supreme in the business world. Data has made knowing customers more attainable than ever, but only if companies can use the data they collect.

Fractured, out-of-date, difficult to access data prevents companies from creating innovative customer experiences. According to a recent Salesforce survey of over 6,000 respondents, 66% of customers expect companies to understand their needs and expectations. 82% expect companies to accommodate their preferences. In order to deliver the value customers require for their loyalty, companies must update their data strategies and unify their data operations. Let's take a look at where companies are blocking innovation and what unified data operations can accomplish.

Unified data operations is the holy grail

Unifying customer data into a single source of truth will allow a company to give customers exactly what they want. The problem is getting data into that single source. Retail companies grapple with data from legacy systems, competitor acquisitions, third-party data, and even fragmented data from their own networks.

Up to now, the solution has been piecemeal. Retail companies deploy some kind of integration at each bottleneck, but whether that integration works with previous ones is another matter entirely. One of the most significant moves a company can make is looking closely at how online, offline, first-party, and third-party data come together. To escape this cycle, an updated strategy using updated technologies is needed.

For example, Company A spends a lot of time ingesting third-party data about its customers. The company keeps making decisions based on what this third-party data is telling them, but those initiatives are still hit and miss despite being data-driven. Company A isn't reconciling what its own first-party data is saying, and is therefore missing opportunities to deliver the products and services customers need. Third-party data is certainly valuable, but is substantially more so if combined with first-party data.

Company B also ingests third-party data but has taken the time to reconcile its first-party data. It discovers that customers want more flexibility in how they can order and receive products. Thanks to the data, Company B is able to leverage its physical stores as micro-fulfillment centers, adding a new layer of functionality to the customer experience. Looking from a unified lens that incorporates all its customer data, it's able to offer something to its customers that differentiates from, not just matches, its competitors.

Why current data solutions just don't work

Current architectures try to connect different data types and sources but fail to operationalize data as a whole. Many people may hear the term "operationalize" and consider it a hopeless buzzword, but it's a vital concept when it comes to data. When companies effectively implement a strategy to operationalize data, they're able to:

- **Create a single, holistic layer connecting all data sources, formats, and tools**: This layer reduces the amount of time users spend looking for data or trying to figure out what data is available to query. Teams can spend more time using the data a company gathers to create original and delightful customer experiences.
- **Centralize governance**: Current data tools require companies to move data or make copies. With so many pipelines in motion, companies increase the risk of exposure to bad actors, complicate maintenance, and increase costs. Centralizing governance allows companies to free data for everyone who needs it while maintaining security and compliance. Data can then fuel ongoing innovation for every department.
- **Upgrade observability**: A unified data platform focuses on observability as a core tenet, allowing companies to view their entire data landscape and its context, see what data is in use and all dependencies, and troubleshoot from a proactive (not reactive) perspective. Being proactive about data keeps companies ahead of the curve, whether it's security or identifying new customer trends.
- **Simplify data use**: Data is not software. It doesn't come with its own frameworks or applications, so companies spend more time managing data than using it. A unified data platform allows companies to deploy data and then scale.

For most companies, piecemeal data solutions perform just the opposite. They've increased complexity and opacity, created a complex system of governance born from fear, and fragmented data beyond all usefulness without heavy and lengthy IT involvement. This landscape stymies innovation because teams are too bogged down trying to manage and access data when they should be focused on analyzing it and using it to make better decisions.

Companies need a new strategy to manage data complexity

If companies can accomplish a unified data platform and shift to those four principles, they can truly begin to know their customers. Companies create powerful customer experiences by understanding both the need and the context of customer behavior together, something not possible with a fragmented data strategy.

Democratizing access to data comes first. All departments need access to data for decision-making in real-time. Companies need a platform that provides user-friendly, customizable dashboards and role-based access so that even non-technical users can navigate quickly without a months-long process to request access.

In addition, with third-party data becoming more challenging to gather and new regulations coming down the line, clean first-party data should regain its top spot in company operations. Compliant first-party data will drive decisions and business value, so companies need a way to ensure its data quality and integrity.

The Modern Data Company created DataOS, a data operating system that reaches the holy grail of unified data operations. It takes just days to roll out, and companies can see value within weeks. It works out of the box and is configurable to a company's current architecture no matter what tool, data format, or source the company uses.

With a data operating system, unified data operations happen with minimal disruption: it augments instead

of replaces. And with a right to left approach—starting from desired outcomes first—data becomes a connective tissue that informs all company decisions and strategies. With data flowing like this, companies can jumpstart innovation in customer experience from a truly informed position.

Learn more about scaling through DataOps with our retail e-book, "The Latest Look in Retail: Powering Sales and Strategy with Advanced Analytics."

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