

Is there a **consistent approach** to sourcing **public sector** contact data?

We investigate how one specialist in this field sorts out the known knowns from the known unknowns and the unknown unknowns . . .

“There are known knowns; there are things we know we know. We also know there are known unknowns; that is to say we know there are some things we do not know. But there are also unknown unknowns – the ones we don't know we don't know.”

Often mocked as an example of political gobbledegook, this comment by Donald Rumsfeld in 2002 when US Secretary for Defense is an immensely straightforward statement about the lack of evidence linking Iran to the supply of weapons of mass destruction.

Linguists have praised the statement for its syntax, semantics, logic and rhetoric; quite a scorecard for the writers who conceived this gem with applications far beyond the defence silo.

Faced, for example, with mounting a marketing campaign to generate additional business, few executives would disagree with Rumsfeld. The typical marketing team would argue that it has its crown jewels - a database of known prospects cultured in-house from existing customers, press-cuttings and personal contacts, perhaps.

Establishing whether data exists

Assembling information which marketeers do not already hold is likely to prove more difficult than might be realised: much of it falls into Rumsfeld's category of 'unknown unknowns'. That is certainly true if a campaign is to be managed well, and the data is to achieve quality results.

There should be much soul searching within the team about whether there are streams of information that have not been tapped simply because those responsible for assembling the data do not know whether they exist.

In theory at least, acquiring new data should be easier than ever. Search engines reveal an array of data providers offering every conceivable kind of marketing list, arranged by vertical market, by job title, by region, or whatever criteria the prospective purchaser specifies.

There are organisations which will count among their information assets competitors' data that has been 'liberated' by staff from their former employers and delivered as a modern-day dowry when they joined the company: that is all too common an occurrence, and totally unscrupulous.

We have considered some of the issues involved in sourcing data for use in marketing campaigns in the preceding pages.

Need for accurate marketing data

Whether a marketing campaign achieves any of the results to which management aspires depends at least in part on the relevance of the proposition being set out in the communication: that is a 'given'. But it depends no less on the quality of the data being used for the mailing. The day that a list of names and email addresses is researched or acquired from a data supplier, it starts to lose 'currency'.

Individuals will leave or change their email address, for example. A proportion of the information held on file has therefore 'decayed' so far as its ability to reach its target is concerned.

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Increase the number of data elements assembled for each prospect - job function, address and contact phone numbers, perhaps - and the chances that at least one of these parameters will have changed within a month of the record's being accepted as 'clean' immediately increase by an order of magnitude.

As a source of information for sales prospecting, the database rapidly ceases to be wholly fit for purpose.

Variable rate of data decay

Precisely how quickly the rot sets in depends on the application. If it does not matter whether a recipient's physical address is correct – because the intention is only to contact that person by email – then quite a high proportion of the data elements may change before the whole record has to be written off.

The ability of a data supplier to provide information which is known to be accurate right up to the point of application is an important determinant of the marketing process.

That resource is generally associated with the more specialised suppliers who work in niche market areas and provide a more complete marketing intelligence service rather than simply supplying data records meeting a particular criterion at £250 per thousand or whatever the prevailing price happens to be.

How public sector data changes

For companies seeking to market directly to the public sector, accuracy and availability appear to pose greater problems than if the target market were the private sector alone. There are some 5.5 million people employed across all of



Public sector marketing requires accurate contact information from across an organisation. It is not enough to know the name of the mayor and the director of finance.

the segments which make up the UK public sector, and information suitable for marketing is constantly in a state of flux.

Our research shows that virtually every vendor of marketing data can supply some records relating to the public sector. One might be offering 8,000 names and emails for purchasing managers in central government, with a liberal sprinkling of university chiefs and some council officials.

Another might be better represented in the lower tiers of the local authority arena but be missing key records for the English county councils.

In none of those instances is there current information relating to every instance of a given job function in a particular tier of administration – all of the District Councils, for example, or the Primary Care Trusts of the NHS. It would appear that an exhaustive resource of data on all senior managers in all of the public sector segments is a rare commodity.

In our search for comprehensive resources of data on the public sector, we encountered only a handful of specialist suppliers able to supply anything near accurate information.

Ingenium database breakdown

The largest of these operations, Ingenium, was able to provide structured information on around 140,000 senior managers in the sector, covering an array of job titles relevant to each part of the spectrum. Of these, 100,000 have email addresses.

The headline figures quoted by the Surrey-based operation include, for example, 34,000 email addresses of senior managers in Central government, its agencies and the ubiquitous quangos which were spared the ministerial axe in August 2010.

For the NHS, Ingenium holds records with personalised emails on 21,000 managers spanning the organisation. It also maintains data records on the 21,000 GP and dentists' surgeries but without emails in that instance.

That fundamental distinction between records held with or without emails was drawn by Mike Cross, the MD of Ingenium-IDS Ltd. “Practices have a generic email address, and it is our policy to deal only in complete, personalised email addresses. Once a vendor

How marketing data is sourced and how it can be targeted to achieve specific marketing objectives, makes the difference between delivering a ten-fold yield on its purchase price and failing to cover the costs of the exercise.

“From the outset, we were determined not to collect data for the sake of it. There had to be a reason, which was its relevance to the structure of the organisations in the public sector. We de-constructed the sector and analysed how it operates, because it is important to define the nature of the UK public sector before we can start to collect any meaningful data on it.”



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Representative of data population?

Viewed objectively, the 100,000 records for which Ingenium holds complete information (including personalised emails) account for just under 2% of those involved in public sector activities.

How confident is Cross that these individuals have senior management responsibilities which include authority for purchasing – or at least have a significant influence over those decisions? No less important, how accurate is the information which his company holds about those key players likely to be?

Mike Cross was quick to refute any suggestion that the data assembled in the seven years since Ingenium-IDS was formed had simply been harvested because they were the most readily available records on public sector web

sites, year books or wherever else this kind of information is published. “From the outset, we were determined not to collect data for the sake of it.

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Any real added value?

A sceptical view is that the Ingenium MD is ascribing spurious value to an analysis of information available to the public, that would surely have taken anyone targeting the Public Sector just a few minutes to deduce.

Is it not obvious to those who are selling into the NHS, for example, that the organisation currently operates through a tier of Strategic Health Authorities, Personal Care Trusts and Hospital Trusts?

Even when the planned changes take effect over the next two or three years, it should be a relatively simple task to obtain lists of the new bodies and make a few phone calls to identify the key players. The planned organisational changes within the NHS will see substantial changes, all of which will need to be tracked.

There is a move, for example, towards GP-led commissioning (through GP Consortia), the demise of the PCTs scheduled by 2013 and the emergence of what will become 'Provider Service' organisations.

The argument must be that if they have not taken the trouble to analyse the market even to that extent, companies should not be selling to the health service. So long as data is collected on the management functions within each of establishments, the relevant data can surely be assembled very quickly.

This is not what happens in practice, it would appear: “If five vendors already selling successfully into the public sector were asked to explain the nature of their target market, there would be at least five different answers.”

Evolving public sector data

The public sector is evolving constantly – as the changes within the NHS and the abolition or absorption of 175 quangos illustrates - so that information can become out of date immediately a vendor releases it to a client.

In the experience of the Ingenium team, the higher and further education arenas probably have the lowest turnover of staff in named posts. That is quite reasonable as few staff vacancies are arising during the period of financial restraint. Much higher decay rates are encountered in the NHS and central government, with as many as 40% of records changing in one respect or another each year.

Inevitably, a large number of changes occur when Whitehall ministries are re-organised, with new departments being ‘cut and pasted’ from established ministries. In the local government sector, the most recent round of local authority re-structuring was completed in April 2009.

As Mike Cross observed, there were new posts created in all of these processes, while others were transferred or eliminated: it was not simply a case of changing the URL of a few senior managers.

Changes occur in Government departments not just after a General Election, but mid-term to accommodate political developments. “In June 2009, for example, the Department for Business, Enterprise and Regulatory Reform (BERR) was rebranded when it extended its responsibilities on taking over the innovation and skills activities of the former Department for Innovation, Universities and Skills.”

A year later, after the 2010 Election, BERR morphed into the Department for Innovation, Business and Skills (BIS), which required yet further amendments.

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Local authority re-structuring

Changes are not confined to Whitehall, of course. As recently as April 2009, a further 41 councils were replaced by nine single-tier unitary authorities, and the data held on the now defunct counties had to be mapped on to the relevant posts in the new authorities.

“Missing information has to be filled in part by telephone research. We are fortunate enough to have good contacts across the public sector to keep Ingenium up to speed on many changes in the authorities’ personnel.”

Mr Cross contends that other vendors in the public sector ‘space’ have not developed the same 360° view of the marketplace. But do the companies selling into the public sector really need the fine ‘granularity’ which the extensive research at Ingenium implies?

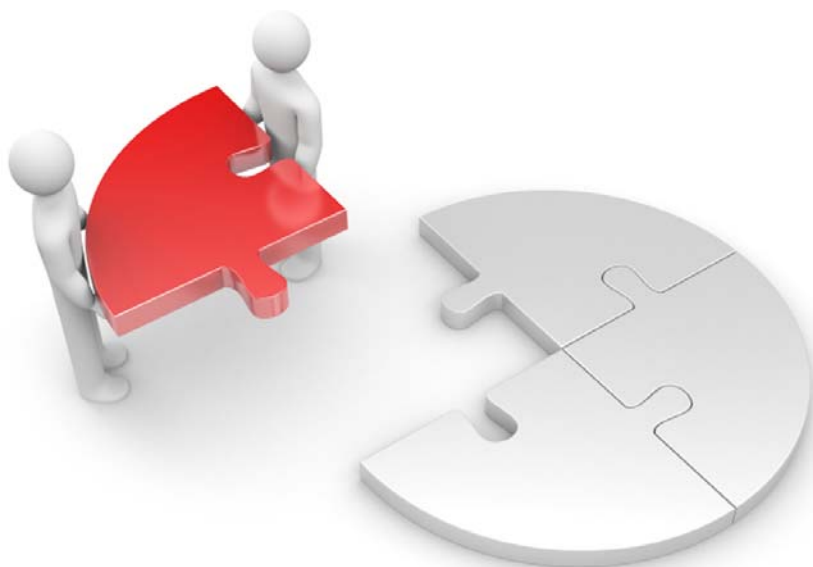
Respond to market opportunities

The case for the vendor’s approach lies in its ability to help clients understand and respond to market opportunities with greater precision.



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Providing **missing** data elements and records which are absent



It would appear that most organisations selling into the public sector already hold data on the departments and councils and health sector units which they are currently addressing.

Mike Cross again: “Our research shows that few people working in that arena understand where the ‘parent organisation’ lies in the structure. As a result, they may be talking to the wrong people - and that is despite their already having customers in the field.

“If the client were a food company that wants to reach the relevant officers in every District and County council, our approach would be to help that company take a more informed approach.

“Rather than encourage the marketing team to purchase data right across the local government sector, we would show them where the purchasing responsibilities lay, and make their campaign more cost-effective.”

Starting off with incomplete data

The starting point for Ingenium is that its clients probably have extensive data in their files, but cannot apply it effectively either because key fields are missing, or a proportion of the records have fallen out of date.

The single most important reason for this disarray is that there has been little consistency over the way in which the ‘available’ data has been assembled. Formats of names, departments, job titles and even organisations are likely to vary so that the records which result cannot be used as the basis for a meaningful marketing exercise.

The vendor maintains that it examines the data that already exists, provides the missing data elements and identifies records which the client has never held. “Clients might already be selling to the higher education sector and have identified 78 institutions. The fact that there are almost 140 universities and a further 30 research institutions means that an opportunity is being lost to sell to the other 90. It is not unusual to find that companies only have 20% of their contacts with email addresses and perhaps 25% with phone numbers.

“We spend a great deal of time engaging with clients to help them establish a sound basis for their business data. Having determined their marketing objectives, we can build a profiled database which completes the data sets and takes them forward. That will involve our running the client’s database against our own files to check for discrepancies and omissions.”

Mike Cross and his colleagues describe their entire service as Prospect Relationship Management, or PRM, a process which develops relationships between a vendor and its sales targets up to the point when they become customers. “We show them how to identify prospects and convert them into customers, then employ elements of the PRM concept so that they can sell these customers additional services.”

While public spending is being reduced progressively, in areas which do not impact upon front-line services, the sector has a demand not just for high-profile products such as vehicles and IT equipment, but for every commodity from furniture to food and mobile phones.

As the Ingenium MD observed, there are 14 primary vertical lines of business. Being able to identify and then approach the managers responsible for purchasing these items is the first step in the PRM process.

Circumventing spam filters

Having access to accurate data is the starting point for a campaign. Being able to broadcast emails to that target audience with minimal risk of having them stopped by spam filters and other restrictive measures makes the difference between justifiable promotional costs and wasted expense.

Ingenium developed an email broadcast tool which was designed to overcome the kind of hurdle encountered particularly in the public sector. As Mike Cross explained. “It takes into account, for example, that the NHS uses a single IP gateway for all of the emails directed at the network. As most gateway filters look at the IP address, it would be impossible to send perhaps five thousand emails in a single batch to addresses across the NHS.

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Developing relationships with prospects



“After a few messages have been received, the system would treat all subsequent messages as spam: it would see multiple messages from a single IP and domain name, identify them as spam and react accordingly.

“Using multiple IP addresses with multiple domain names, and sending out messages in small batches over a period of hours, avoids that particular problem.”

Mailing campaigns involve rather more than running email content against a database of addresses and hoping for the best. Determining how many recipients have opened the missive is clearly important, but is only the first step in gauging the effectiveness of the campaign.

How many of those who opened the email clicked through to one or more of the links it contained? How many were forwarded to other parties in the organisation? If a multi-part newsletter was mailed out, how long did each ‘opener’ spend reading each part, if at all?

Broadcast tool continues to evolve

The Ingenium team maintains that one of its greatest strengths lies in the mailing engine which tracks and reports on all of the activity generated by a broadcast email. This tool has evolved over the years and iServe - essentially the product of seven years’ development - is the system which supports its customer base.

Ingenium’s core business is developing effective marketing programmes into the public sector for its clients in the private sector, central government, local authorities and agencies. Repeat business from existing clients of data accounts for the greater part of its turnover.

Apart from Ingenium’s mailing and analysis system, the company has been evolving its sales and marketing strategy in a way which, Cross maintains, more effectively reflects the type of business it is generating. “We have moved in the past six months from working through distributors to a directly-employed

sales force. As we do not sell data for its own sake but work closely with customers to support their marketing efforts, it is important that we can ‘own’ the relationship and tailor our services continually to those companies’ needs.”

Ingenium has been focusing on its own direct marketing campaigns; applying the same techniques that it is advocating to its customers. Sourcing data from third party list vendors, the company is running targeted campaigns to the private sector to raise awareness.

Is data on B2B sector a target for Ingenium?

With access to B2B marketing data, could Mike Cross and his team see opportunities emerging amongst clients who want to address targets in both the public and private sectors? “The B2B arena suffers without question from the absence of data which has been researched, from source, to the same standard as our public sector information. Until we have B2B data of the same quality, there is very little point in offering re-cycled third party records.”

Cross accepts that the company has already embarked upon a programme of research and development which will see Ingenium offering a B2B service from its own data, and expects to be able to offer the first data categories during 2011. “B2B data should be seen in the context of the same relationship management principles promoted in our public sector operations. The proposed service is designed to complement the information already at our customers’ disposal, to make good omissions in their records and help them leverage maximum value from their campaigns.”

It is clear from that response that the Ingenium directors have no intention of turning the company into a generic list provider. Ingenium will not therefore lose its crafted focus. §

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