How a Strong Data Strategy Could Transform Your Business

If you've ever been reminded to book your next car service just before it's due or had a streaming app recommend a show you ended up loving, then you've experienced the power of data done right.

Delighting customers is rewarding, but it's just one of many ways data can work in your favour.

Data insights don't just enhance customer experiences. When done right, they drive smarter decisions, create opportunities and can even open up new revenue streams.

For example, an energy provider could use data insights to identify customers with inefficient usage and then target them with personalised offers for energy-saving solutions like solar panels.

But with businesses generating more data than ever before, it's no wonder so many feel overwhelmed and out of touch.

In the rush to adopt AI technologies and cyber strategies, many organisations overlook the need for foundational data understanding, leaving them exposed and falling behind.

Data should never be a hindrance. A well-defined data strategy is the first step in transforming business data into a valuable asset and unlocking key insights. And we know just where to begin.

Where to start and what to include in your data strategy

If you're drowning in data and unsure what to do with it, you're definitely not alone. Many businesses collect data for the sake of it but struggle to define a clear plan on how to use it. Having a strong data strategy enables companies to focus on what's important and drive better outcomes.

But getting started isn't always easy. You're on the right track once you:

- Define your purpose and what success looks like
- Plan for how you'll manage data and keep it secure
- Understand what data you currently have and where it's stored
- Decide which tools to leverage for things like collecting and storing data
- Start turning raw data into valuable insights that the business can use
- Ensure employees understand how to access insights and make data-informed decisions.

With the foundations in place, you can ditch dead end data and start turning information into insights. Every day without a strategy is a missed opportunity to use your data wisely.

Treat data like it's the most valuable thing your business owns

Data is a goldmine that you have unlimited access to it. Every transaction, customer interaction, or piece of feedback can be turned into a meaningful insight – or a nugget of gold.

But the thing is, not all data is created equal.

Most businesses work with two main types:

- Structured data is tidy, easy to analyse and great for tracking basic information. Think things like spreadsheets and databases.
- Unstructured data is harder to process and analyse but is often packed full of insights you otherwise wouldn't discover. It's things like emails, written reports or customer reviews.

And the real magic happens when you bring both types of data together.

For example, a mining company could use information from equipment sensors (structured data) and notes from maintenance logs (unstructured data) to predict when a machine is likely to fail. The two data sources together enable them to plan maintenance schedules and reduce downtime, all while improving operational efficiency.

So, it's time to start treating data like it's the most valuable thing your business owns. If you don't, you risk letting opportunities slip by unnoticed.

Keeping data secure shouldn't be an afterthought

Cyberattacks are costing businesses billions globally every year.

Back in December 2022, Australian health insurance giant Medibank fell victim to one of the largest data breaches in Australian history. The huge fallout impacted more than 9.7 million customers. Today, they're under investigation by the Office of the Australian Information Commissioner (OAIC). If their security measures weren't up to scratch, they could be hit with a hefty $50 million fine.

What's clear is data security should never be an afterthought. Now is the time to shift from risk to resilience.

No data strategy is complete without multi-layered security measures that protect against technical and human vulnerabilities. Every data strategy should include things like encryption, multi-factor authentication, access controls, regular audits, recovery plans, and employee training.

As for compliance, you need to adhere to local and international regulations (like GDPR), which have strict guidelines for keeping customer data safe and secure.

For a deeper dive into why cybersecurity is more than just a compliance issue, check out Charlie Hales, director of Consulting at Tranzformd, thoughts on how the energy sector can move from risk to resilience.

Why data-driven businesses are ahead of the pack

By now, you should be convinced that every company needs a reliable data strategy. It's key to keeping up with data-driven businesses who are ahead of the pack.

And for good reason.

Brands who use data to streamline processes, tailor experiences and predict customer trends have a clear competitive edge.

Businesses who don't keep up with the pack risk serious setbacks like:

- Inaccurate insights from unreliable data, resulting in poor decision-making and strategies
- Legal trouble and big fines from compliance slip ups like not meeting GDPR standards
- Missed opportunities and lost revenue from poorly set up systems
- Potential reputation damage and broken trust from data mishaps that could unravel everything overnight.

While you're focused on cleaning up the mess, your data-savvy competitors are out there using reliable data to respond to market trends and drive innovation.

It's time to make data strategy a business priority

If data isn't a strategic priority for your business today, it should be. Businesses that aren't using data to their advantage risk falling behind. A centralised data strategy that comes from the top down should feed into decision-making at every level of the business—from operations to customer engagement to long-term strategic planning.

When you convert data into insights it's a powerful tool.

Whether you choose to use data to delight customers or improve operational efficiency, it's time to stop collecting data that goes nowhere and start using it to shape the future of your business.

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