mdm analytics

Turn Your Data Into
Actionable Growth

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ata. Think of it as the fuel that can power your company to new heights. When used to its fullest capabilities, businesses can make better, data-driven decisions, discover more operational efficiencies and reduce costs.

It can also help you identify new opportunities to grow your business. Transforming your company to its fullest capabilities is well within your reach, and in this eBook we'll zero in on how businesses can use data and analytics to increase sales beyond expectation.

Data has never been more accessible than it is today, nor has it ever been more critical to a business's success. But simply obtaining data is just a starting point. How the data is used and analyzed will ultimately determine the impact it will have on your business — and the impact can be significant for any company that wants to improve their top and bottom lines.

How Most Businesses are Using Data Analytics Today

When we think about growing our businesses, one of the first things we know will make a positive impact is delivering first-rate customer service. As such, many businesses use some form of analytics to maintain and enhance the level of service to their customers.

It's common, in fact, to see analytics sporadically applied to a myriad of ideas that will increase a business's value proposition to the markets they serve. For example, some use data from their inventory management system to better organize fulfillment centers; and some compile data from their e-commerce system to better understand their customers' buying behaviors.

And while these are both very good uses of data and steps in the right direction, the two examples above barely 'scratch the surface of what's possible' when you

consider the immense depth of information analytics can provide to a business that will directly impact their sales and bottom-line growth.

Of course, a business's analytics outcomes are directly related to the data available and the quality of said data. For example, companies using analytics to better understand their business reporting from their ERP system are using a form of analytics that is referred to as Descriptive Analytics.

Making the Most of Your Descriptive Analytics

Descriptive analytics are the numbers that most businesses live and breathe by – ERP exports, Excel analysis, dashboards to slightly deeper comparative tools that give visibility into what the data say happened or is happening.

Here are a few examples of descriptive analytics and the benefits they offer a business:

- Sales Reporting that can lead to increased sales and improved margins.

- Customer Reporting that can uncover buying behaviors, including what products are being purchased and at what frequency.

- Vendor Reporting that can lead to efficient buying strategies.

- Product & Inventory Reporting that can lead to efficient inventory and materials management strategies.

Having the above analytical capabilities is critical because they will enable you to have an in-depth understanding of all the activities and processes taking place within your physical and digital locations.

But these reports require more than just the sorting of numbers in a spreadsheet. Both quantitative and qualitative expertise is critical for harnessing the true power of your data, so analytics-based solutions require more than a mere spreadsheet technician.

The Critical Role of a Data Analyst

Analytics is a team sport, and, like any athletics squad taking the field or court, your company's analytics department requires an array of perspectives and skills. The good news is you don't have to be a data guru to participate. The best reporting solutions have come about when both business and data experts unite to create meaningful outputs. These outputs generate actionable insights that produce bottom-line profitability.

For example, your data analyst might not know all the processes and associated costs to fulfill an order once received. This information is critical if you are trying to analyze the cost to serve your customers, so someone from the fulfillment team will need to provide some insights.

Also, even the most talented data analysts may struggle to create value out of their data if they are not well informed of the business and processes creating the data. In this case, your company's subject matter expert (SME) should be actively engaging with your data analyst.

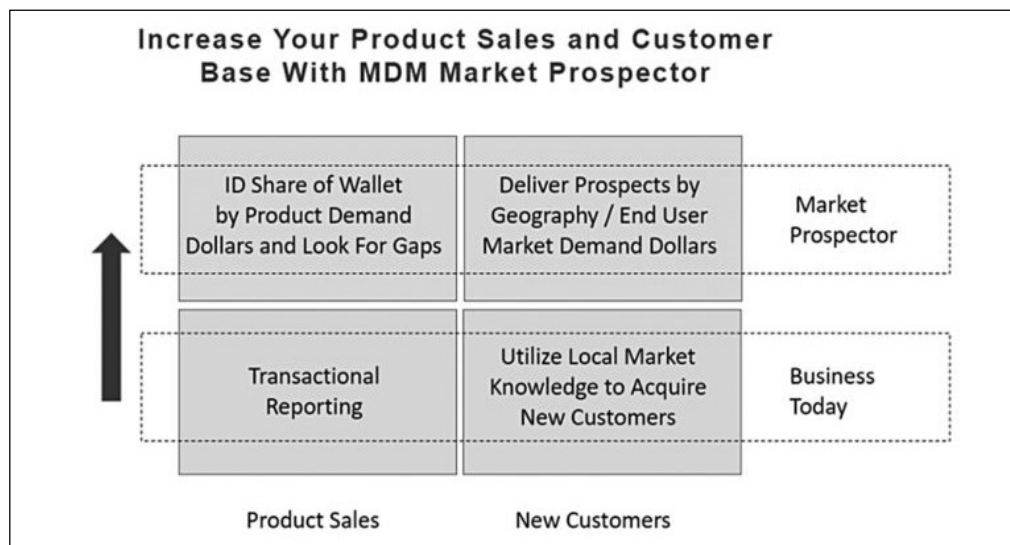## Success is Dependent on a Team Effort

Because it takes a coordinated and collaborative effort, the next time your team has a strategic planning session or is discussing your next initiative, invite your colleagues in the data department. Allow them to understand your processes, terminologies and pain points.

Whether it's sharing the meaning behind the many acronyms and processes your teams use daily or walking them through a new project or sales initiative, keeping your resident data analyst up to speed is time well spent. They, in turn, will be able to collect data from other areas of the company and compile it into something that benefits everyone, becoming an important extension of your team.

Where are You in Your Analytics Journey?

Cultivating a data-driven, cross-functional organization is a journey. And regardless of where you are in that journey, it's imperative to get in the game and extract the value of your data by bringing previously unknown insights to the forefront of your decision-making processes.

No matter where you are in your analytics journey, your goal will always be to sell more products to both new and existing customers, and the illustration below can help identify the types of analytics you are currently doing and what steps you can take to propel your analytics capabilities to the next level.

Increase Your Product Sales and Customer Base With MDM Market Prospector

ID Share of Wallet by Product Demand Dollars and Look For Gaps	Deliver Prospects by Geography / End User Market Demand Dollars	Market Prospector
Transactional Reporting	Utilize Local Market Knowledge to Acquire New Customers	Business Today
Product Sales	New Customers	

Many businesses find themselves in the bottom left quadrant of the graphic. They're already reporting against their transactional data to find what products current customers are buying and what products they are not. Described as Whitespace Reporting, this information can be used to equip sales teams with the information to win new product sales from their current customers.

For instance, the Whitespace Report may identify a customer who regularly buys fuses but not the accompanying fuse holders and accessories. This gives the sales professional a point of conversation on their next call to better understand why the

customer isn't buying fuse holders and how they can potentially win additional product sales.

Businesses in the bottom right quadrant are targeting new customers but are typically limited to their local market knowledge and expertise. They often prospect for new customers through the traditional means of cold calling or leveraging industry relationships to expand market share.

Taking Your Analytics to the Next Step

Deepen and expand your focus by targeting new customers by:

- ◆ **Products Consumed**
- ◆ **Geographies**
- ◆ **Industries**

Your goal should be to elevate your business into a market prospecting approach. As you scroll up to the top two quadrants, you'll see that bolstering your analytics toolbox with additional market data can supercharge your reporting capabilities. Deepen and expand your focus by targeting new customers that consume the products you sell in the geographies you serve.

Deepen and expand your focus by targeting new customers by

Products Consumed

Geographies

Industries

For example, your current reporting may show you are selling X amount of safety products in a given territory, but what it may not be telling you is the *total demand* for safety products in that territory. However, when you connect your existing data to a trusted market data set, you can quickly benchmark how your business compares

to the overall market, giving you actionable information for your sales and marketing teams to better target new prospects and existing customers to gain market share.

Remember, though, when appending your existing data with a trusted market data set, it's critical to accurately connect your transactional data to the market data using common data points. Common data points that distributors use to connect their data would be one or more of the following:

- NAICS: North American Industry Classification System

- SIC: Standard Industrial Classification

- DUNS (Dun & Bradstreet)

- Geographical: Customer Address Info

Trusted external market data is the most important place to start to understand the competitive and complex landscape you are navigating. Your ability to identify blind spots and uncover missed opportunities is key.

Get us on Your Analytics Team

At MDM Analytics, we regularly work with clients to utilize both internal and external data to improve strategic planning, optimize sales programs, perform research and analysis of market conditions and connect a company's transactional data and *our trusted market data* to determine end-user demand by product and industry segments throughout North America.

It is common practice for us to dive into how you categorize your product and customer data to create accurate and meaningful connections, bringing relevant market data to the forefront of your analytics. Our Market Prospector tool facilitates customized searches by product, industry segment and geography to deliver market insight and ideal prospect targets.

If you don't have your customer data defined in your system to your liking, [MDM Analytics](#) can help. We've worked with it all, and we have the capabilities to enhance your customer data, appending Dun & Bradstreet firmographic information and predicted spend to ensure that you have the best data available to better understand your customers and drive new business.

Whether you are just now diving into the world of analytics or are well on your way into this important journey, you can't afford to dismiss the power of bringing your data to life. Ask us about the industry's best kept secret, Market Prospector, an analytics tool 30 years in the making and trusted by the top 25% of wholesalers in the US.

While the best time to have deployed analytics in your business might have been 10 years ago, the second-best time is now. [Connect](#) with us to discuss how MDM Analytics can uncover missed opportunities in your market. The distributors who are putting a premium on robust analytics-backed processes and strategies are best poised to navigate today's increasingly complex competitive landscapes and take market share in the process.

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