

DATA-DRIVEN RESILIENCE

HOW TO GROW WHEN FACING AN UNCERTAIN FUTURE

An inside look from global business leaders at business resilience, crisis preparedness and the opportunities data creates to safeguard their companies' future.






CONTENTS

- 3 Introduction: The state of business resilience**
- 5 How are businesses using data to increase resilience today?**
 - Supporting critical business functions
 - Industry insights
- 8 What's the biggest threat to business right now?**
 - Energy prices and the cost-of-living crisis are the most significant threats
 - What are businesses toughest data struggles?
- 11 Data quality drives data insight: the key to resilience in the next three years**
- 13 Leveraging data insight for resilience in the face of uncertainty**
- 15 Q&A: How can Dun & Bradstreet help futureproof your business and improve resilience?**

Methodology: This survey of 3,396 business decision makers was conducted by Censuswide in September 2022. The respondents came from organisations based in the UK, USA, France, Italy, Spain, Germany, Austria, Switzerland, Sweden, Norway, Denmark, Finland, Poland, Hungary, India, China, Hong Kong and Taiwan.

THE STATE OF BUSINESS RESILIENCE

▶ **THE GLOBAL ECONOMY HAS BEEN** impacted by three shocks in recent years – the Covid-19 pandemic, Russia-Ukraine war and episodes of monetary policy tightening. As companies are faced with supply chain disruptions, inflation, rising interest rates, and energy costs; the term ‘business resilience’ has become increasingly common.

 “77% of the business leaders we surveyed believe that data will play a crucial role in helping their businesses.”

For some, the word ‘resilience’ means rebounding from shock. For others, it means adapting to unfavourable circumstances and moving forward. For many, resilience is about survival. At Dun & Bradstreet, we believe that business resilience comes from having a strong foundation but also the right tools to understand what’s happening around you and the ability to respond quickly to fast-changing conditions. It has never been more important to know who to trust, how to manage risk, and where new opportunities are emerging.

To gauge current sentiment, we surveyed 3,396 business leaders and analysed the



results to understand their perceptions of current business resilience, the biggest threats they see, and the data strategies they are using to address them. The biggest threat to businesses worldwide currently, identified by 43% of respondents, was ‘energy prices’, followed by ‘weakening customer demand’ at 25%.

An overwhelming 77% of the business leaders we surveyed believe that data will play a crucial role in helping their businesses navigate the turbulent times ahead. We also found that data is not only being used as a defensive strategy but also to proactively identify and capture opportunities. Indeed, the most commonly identified way of using data in our survey was ‘driving revenue growth’ at 37%.

Despite a perception in the market that during times of uncertainty and economic turmoil, businesses focus on minimising risk and protecting their assets, the study has shown that there is also a strong appetite for growth and opportunity. This can be seen as a key factor in building and maintaining business resilience. Organisations that are able to

navigate risk and also identify and pursue opportunities during challenging times are likely better equipped to weather economic downturns and emerge stronger on the other side. By embracing a growth mindset and seeking out innovative solutions to current challenges, businesses can position themselves for success even in the face of uncertainty.

At a time when challenges are evolving quickly, so are the tools available to address them. Rapid advancements in areas like artificial intelligence are confirming the fundamental importance of data. The quality of your answers depends on the quality of the questions you ask and data you use, especially in times of global turmoil.

Whether you are looking to better understand the current state of turbulence or identify effective data strategies to increase your business resilience; this report is for you. It will help you to better understand how other organisations in your region or industry are leveraging the power of data to improve their business resilience. It will help you enable your organisation to better avoid or deal with any disruption or series of disruptions – no matter how sustained or extreme it might be – while also identifying new opportunities for growth.

Rikard Candell,
Vice President of Data Science, Dun & Bradstreet



“Rapid advancements in areas like artificial intelligence are confirming the fundamental importance of data.”

Rikard Candell



HOW ARE BUSINESSES USING DATA TO INCREASE RESILIENCE TODAY?

▶ **A KEY ELEMENT OF RESILIENCE** during economic uncertainty is for businesses to understand their organisation, inside and out. Data is fundamental to getting insight into the business at every level – from the supply chain to customer communication and beyond.

We asked business leaders about the current role of data in their organisations, with the most common answer being ‘using data to increase revenue’ (37%).

For those in retail, catering and leisure, using data to increase revenue jumps to 47%, which perhaps



*This refers to the increase in sales growth over a period of time. This can be achieved by increasing the number of customers, increasing sales to existing customers, or raising prices. The main aim is to generate more income from sales.

**This relates to the overall profitability of the business, which is an indication of its health and sustainability. This is achieved by ensuring that the revenue generated exceeds all the operating costs incurred. This can be done by improving efficiency, reducing expenses, or increasing prices to improve profit margins. The main goal is to achieve sustained profitability and growth.

These areas are at the bottom of the list for how organisations use data:



highlights the more commonplace use of data to optimise marketing and stock management in these industries. Likewise, 42% of leaders in arts and culture and 41% of leaders in travel and transport also report above average for use of data to increase revenue.

While traditionally, it may be perceived that businesses have primarily used data to protect and reduce risk exposure, these results depict a different picture. Our findings indicate that data is frequently applied for proactive growth and revenue-generating activities. Furthermore, leveraging data to improve customer service and

retain existing customers is also a prevalent practice, which is especially important in the current economic climate, where it is more challenging to acquire new business.

It's clear that business data possesses untapped potential, but 80% of organisations are currently struggling to manage the volume, variety and velocity of their data, according to another piece of recent research by Dun & Bradstreet.

Compounding the problem is that data management within organisations is becoming increasingly siloed – with a rise in the complexities when sharing information between teams, departments and regions. Gathering, managing and making sense of data therefore requires master data management (MDM). IT teams and the wider business need to work together to ensure accuracy, consistent language use, uniformity, accountability and the continuous supervision of shared data assets across the entire enterprise.

Supporting critical business functions with data

As well as identifying the role of data in organisations across the world, we also uncovered how data's being used to support a variety of critical business functions.

Globally, the results did not drop below 70% agreement for each category, with the following most common responses from leaders:

- ▶ Having accurate data enables my business to make agile decisions in response to changing market conditions (80%)
- ▶ Data is vital to helping my business identify new customers (79%)
- ▶ Data is essential for my business's financial planning (79%)

In addition, over three quarters (77%) of leaders globally agreed data will be vital for navigating the turbulent times ahead and ensuring their business survives. A number which rose to 80% for those in the UK and 88% in the US.



“Data is a very important part of the organisation to help us understand customer needs. Based on that we can change our strategy to build more business revenue.”

Business Leader in IT and Telecoms sector, based in India



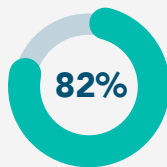
Industry insights

It's clear that data is invaluable to the everyday running – and future planning – of key business functions for many organisations today. Despite this however, the future is uncertain and business leaders anticipate encountering both internal and external obstacles. From rising energy costs, to struggling with how to derive the most from their data, threats to business operations are front of mind for leaders internationally.

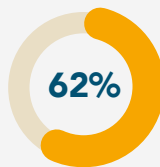
Data is helping assess business risk, according to 78% of leaders globally. However, sector-wise the results differ:



Manufacturing



Sales, media, marketing



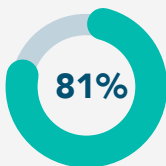
Legal

77% of all leaders surveyed say data plays an important role in informing their business' investment decisions. Yet, sector insight shows a jump in this use of data:



Manufacturing and utilities

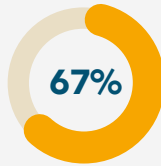
The following industry insights point to what extent different sectors are using data to support critical business functions. (To be compared with 75% of leaders globally reporting that data is helping their business stay compliant.)



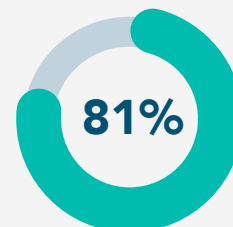
IT



Manufacturing and utilities



Legal



IT

WHAT'S THE BIGGEST THREAT TO BUSINESS RIGHT NOW?



► **LEADERS GLOBALLY REPORT** rising energy prices and the cost-of-living crisis as the most significant threats to businesses currently in 2023, according to our research. As we face an increasingly tough economic climate, 43% of leaders surveyed think energy prices are the biggest threat to businesses worldwide. Sector-wise, this result increases to over half for leaders in retail, catering and leisure (55%) and manufacturing and utilities (53%).

In addition, on a country level, it's clear that some countries are more insulated than others from the impact of rising energy costs and inflation. The United States, for instance, report the lowest concern for energy prices with just over a quarter (27%) of business leaders worrying about its impact on their business. Conversely, leaders in Poland rank the cost of energy supply as their highest overall concern (60%). Here, we can see geopolitical forces at work – influencing and heightening concerns for businesses at a country level – with the US largely self-sufficient in its energy supply compared to Poland's proximity to, and reliance on, energy from the East.

It's clear that leaders globally are apprehensive as to what the future holds for their business. It's helpful to understand, however, the hurdles others anticipate in their roads to success, which perhaps map similarly to their own.

As businesses look to formalise strategies and put plans in place to weather what lies ahead, it's crucial

for them to remember what tools they have in their arsenal already – plus, how they can make the most of them and this starts with their business data.

Leaders globally report rising energy prices and the cost-of-living crisis as the most significant threats. But those aren't the only matters weighing on their minds:



What are businesses toughest data struggles?

Even beyond external threats, businesses today are also grappling with their own internal struggles when it comes to managing their data and harnessing opportunities. We found that almost one third (32%) of leaders report difficulties with achieving the true potential of their data. And almost a quarter (23%) aren't sure how to get the best out of their business data, full stop.

In fact, businesses globally appear to be battling with similar challenges, from:

- ▶ 30% struggling to source the right quality of data
- ▶ 27% finding it difficult to democratise data for better decision-making
- ▶ 30% feeling like they are constantly playing 'catch-up' with their processes and systems

When considering the areas holding their businesses back from using their data effectively, leaders cite these hurdles:

- ▶ 37% say external threats such as data theft, data leaks, cyberattacks and fraud
- ▶ 34% struggle to find time to check the relevancy of the data to the business context
- ▶ 24% are challenged by siloed data within their organisation

As data breaches and cyberattacks continue to make headlines, some sectors are more concerned than others, with the following reporting an above average concern when it comes to protecting from external threats – for instance, data theft, data leaks or cyberattacks:

- ▶ IT (43%)
- ▶ Manufacturing and utilities (41%)
- ▶ Finance (40%)

It's no surprise that smart and effective data usage can help businesses stay resilient in times of economic uncertainty. Nonetheless this statement needs to be unpacked to understand how businesses can effectively implement data into their operations.

This means looking across the business at their suppliers and ensuring their supply chains can continue to be viable; that they are monitoring their customers with increased scrutiny, to ensure they are paid on time have a strong cash flow; and identifying new customers and markets or detect changes in demand from existing ones to help ensure a robust sales pipeline

But, due to the 'more and faster' culture we live in, we have seen immense growth in the volume of data collected. And for many businesses, collecting, processing and then applying vast and increasing amounts of data in a timely and meaningful way is increasingly challenging. Plus, in many cases, the manual data management processes organisations historically deployed are becoming increasingly outdated.





“In recent years there has been a lot of turbulence and we have managed to adapt quickly, implement new policies, amend working practices, change costings and ways to market as needed.”

Business Leader in Sales, Media & Marketing sector, based in the UK

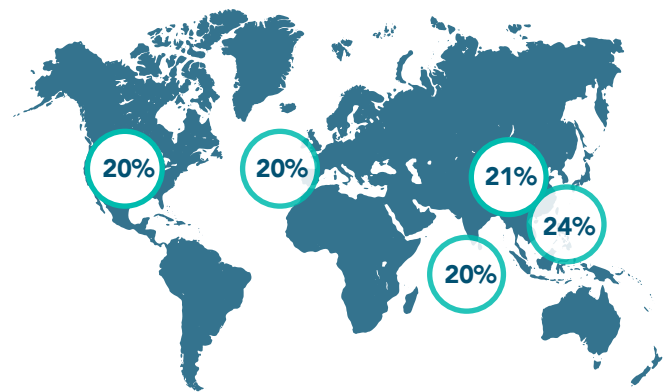


DATA QUALITY DRIVES DATA INSIGHT: THE KEY TO RESILIENCE IN THE NEXT THREE YEARS

► **ORGANISATIONS TODAY ARE OPERATING** against a backdrop of a continually volatile economic and geo-political climate, with mounting costs putting increasing pressure on businesses. Just over one quarter of leaders (27%) say they would rate their organisation's resiliency during turbulent times as 'extremely resilient,' while, 62% of leaders say their organisation would be 'fairly resilient.' At this point, it is unclear when the current economic uncertainty will come to an end. However, more businesses need to be 'extremely resilient' if they are to stay afloat in today's business environment.

With so many external factors influencing a business' future which are outside of its control, leaders need to focus on the factors they can get a handle on – which is where having the right data to drive their smart decisions becomes critical. Across key global markets, over a quarter of leaders (27%) believe the quality of their data will have the greatest impact for their organisation in helping drive revenue in the next three years.

While, across much of Europe – including in the UK, France, Italy and Germany – 20% of leaders believe that in the next three years their use of quality data to improve customer services could have the biggest positive impact on their organisation.



Leaders across several countries also cite that quality data could help generate future sales leads for their organisation, such as:

- 20% in Spain, India and US
- 24% in Hong Kong
- 21% in China

We're past the point where businesses are seeking more data. Too much can just create noise which makes it harder for organisations to see what's different or where attention should be focused. Today, it's about quality: better access and more effective analysis that doesn't join every dot, but rather pinpoints critical insights to fuel meaningful change and bring about a resilient future for organisations.



“Data helps companies predict trends, identify opportunities and stay ahead of their competition by providing them with insights into consumer behaviour or market conditions before they actually happen. Data is essential for businesses to grow and prosper.”

Business Leader in Retail, Catering & Leisure sector based in India





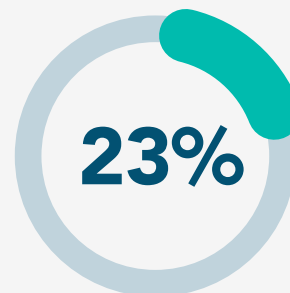
LEVERAGING DATA INSIGHT FOR RESILIENCE IN THE FACE OF UNCERTAINTY

► **REFLECTING ON THE FINDINGS** overall, it's clear that rising energy prices and the cost-of-living crisis present significant threats to businesses.

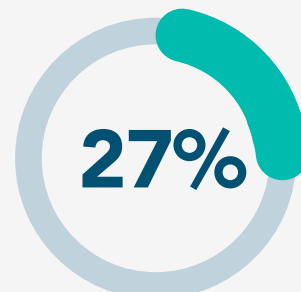
And while it's clear that business leaders worldwide recognise the pivotal role that data and the insights it provides will play in the future success of their organisations, many are struggling to unlock the value of their data. 32% of leaders reported finding it challenging to realise the full potential of their data while 23% are uncertain about how to extract maximum value from their business data.

Although our survey found that 27% of leaders rate their business' resilience during turbulent times as "extremely resilient", given the ongoing economic uncertainty, it is imperative for more businesses to attain a higher level of resilience to remain competitive.

We see business resilience as crucial for businesses to withstand and recover from economic turbulence and uncertainty. One way businesses can increase their resilience is by utilising data insights to create backup supply chains. By analysing past events, companies can identify potential disruptions to their supply chain and create contingency plans, such as identifying alternative suppliers, stockpiling critical supplies, and securing transportation alternatives. Additionally,




are uncertain about how to extract maximum value from their business data.

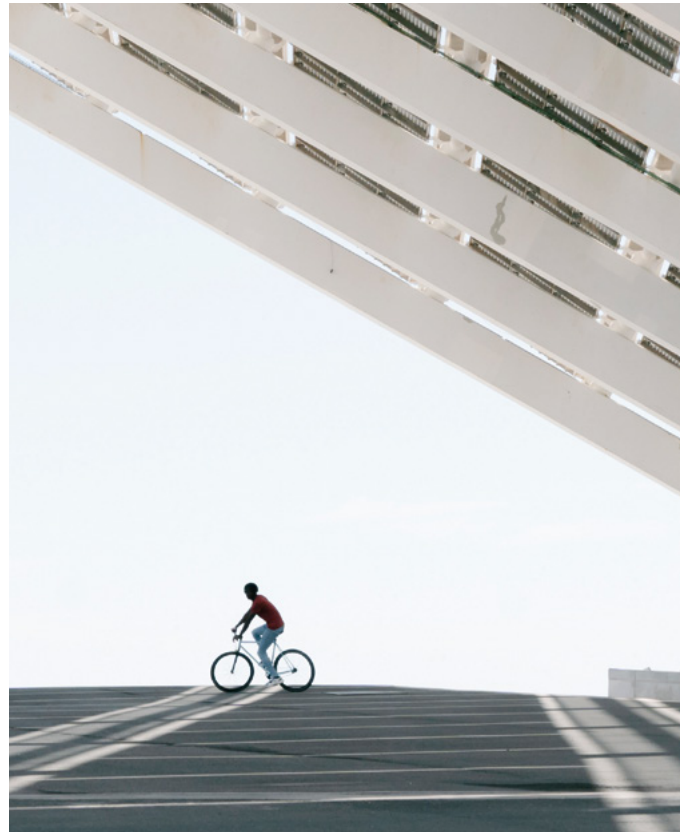


of leaders rate their business' resilience during turbulent times as "extremely resilient"

businesses can maintain their financial resilience by changing their payment terms and becoming more aggressive with collections to ensure a strong cash flow. By offering incentives for early payments and prioritising high-risk customers, businesses can avoid a cash flow crisis that could threaten their survival during a period of economic instability. Adopting these measures can help businesses to maintain stability and position themselves for growth during challenging times, ultimately leading to a more sustainable and resilient business in the long term.

 “We believe that data is an essential tool for unlocking valuable insight to increase business resilience to weather the next disruption, and the one after that.

While businesses can take near-term measures to address immediate obstacles and maintain short-term resilience, long-term success requires a more strategic approach that prioritises business resilience. A crucial element of such a strategy is leveraging data to scenario plan and model outcomes, which enables businesses to become agile and overcome future disruptions. By analysing trends and using predictive analytics, businesses can anticipate potential risks and identify opportunities for growth. This information can then be used to develop data-driven strategies that can help mitigate risk and capitalise on opportunities. For example, by creating a flexible supply chain and investing in digital transformation, businesses can respond quickly to unexpected events, such as pandemics, natural disasters, or geopolitical risks.



By taking a long-term view and investing in a resilient business model, companies can position themselves for sustainable growth and success in the future. In summary, by leveraging data insights to plan for a range of scenarios, businesses can be better prepared to overcome the next global disruption, as well as any future disruptions that may occur.

At Dun and Bradstreet, we believe that data is an essential tool for unlocking valuable insight to increase business resilience to weather the next disruption, and the one after that. It can enable organisations to understand who to trust, how to manage risk, and where to find new opportunities – even in the most turbulent times. By leveraging global data – with local expertise to put to it in industry-specific context – organisations can increase their resilience to future disruptions and better adapt to changing landscapes and fast-emerging opportunities.



Q&A:

HOW CAN DUN & BRADSTREET HELP FUTUREPROOF YOUR BUSINESS AND IMPROVE RESILIENCE?

Q: My organisation's data is increasingly siloed, so gathering, managing and making sense of data has become an ongoing challenge. What should I do?

A: Master Data Management (MDM) is needed to ensure your organisation has access to, and can make the most of, all data across your business. To get this right requires a clear roadmap to understand the current state of data in your business – and the people, processes, policies and technology that underpin it. Only then can you look to effectively break down siloes, locate areas for improvement and empower your organisation to seize the opportunities hiding in your business data. Here, Dun & Bradstreet can help by connecting your IT teams to the wider business to ensure accuracy, consistent language use, uniformity, accountability and the continuous supervision of shared data assets across the entire enterprise.

Q: My business has gaps in its data, so I'm struggling to see the full picture and make an informed decision – what can I do?

A: This is a big job to tackle alone. And recruiting individuals with the right skill sets has become increasingly challenging amongst a global talent shortage. Here, collaboration must sit at the core of

business practice if organisations are to be resilient. And third-party support can aid organisations to unravel their data and get a better view of what's really happening – and, where opportunity might be hiding that's yet to be harnessed. At Dun & Bradstreet, we can step in and provide additional datapoints to add to the existing ones to enable meaningful decision-making.

Q: How can I keep up with regulation and compliance changes without it becoming an overwhelming task for employees?

A: Global trade, new technology, and increased consumer awareness have made corporate compliance more important than ever. Businesses that fail to observe compliance rules and regulations often find themselves subject to severe fines, legal repercussions, and reputational damage. Awarding contracts, collecting customer and third-party data, and doing business in foreign countries are among the standard business processes that prompt corporate compliance concerns. At Dun & Bradstreet, our regulatory compliance writers understand the nuances of these regulatory requirements, and how crucial compliance is to the overall business. When it comes to protecting yourself from compliance risks, complacency is costly. You can rely on Dun &

Bradstreet Perspectives to provide a timely, thoughtful look at important topics in corporate compliance.

Q: How can I leverage data insights from previous disruptions to increase their resilience in the face of uncertainty?

A: Data driven insights can be a powerful tool for increasing business resilience by learning from past events such as the 2008 financial crisis, world wars, and the recent COVID-19 pandemic. By analysing data from these events, businesses can gain valuable understanding into how their operations and markets may be affected during times of crisis, and potentially, the opportunities it can unlock. For example, by examining consumer spending patterns during the 2008 recession, businesses can adjust their marketing and sales strategies to better target their customers' changing needs and preferences. Similarly, analysing supply chain disruptions during the pandemic can help businesses identify potential vulnerabilities in their own supply chains and develop contingency plans to mitigate future disruptions. By leveraging data insights from past events, businesses can implement scenario planning exercises and become better prepared for future crises and increase their resilience – and even growth possibilities - in the face of uncertainty.

Q: What three steps can I take to take control of my data and instil resilience into everyday operations?

▶ **Having an advanced data strategy:** Keep track of new opportunities in a rapidly changing environment with an advanced data strategy. With the right support and technology in place, businesses can identify what customers want and where to find them, understand and strengthen supply chains, keep on top of government regulations and build ethical practices from the ground up.

▶ **Getting data management right:** Managing data effectively enables business leaders to manage risk, reduce costs, and see what's happening across an entire organisation – to accelerate revenue and transform their business. To do so requires ambitious data strategies that dedicate time and resources to data management to ensure that information is accessible, accurate, and, crucially, acted on. It also means investing in technology to collect, analyse, and make the most of the data available.

▶ **Collaborate, don't go it alone:** Businesses today do not exist in isolation. Organisations are part of wide-reaching ecosystem that can offer support and guidance, as well as expertise and tools to help businesses thrive with collaboration. Trusted partnerships and external support can make a substantial difference when it comes to growth and business resilience.

It's vital to remember that every business is unique – from specific market challenges to tailored processes and the individuals that make everything happen. So, your organisation's path towards resilient, sustainable operations won't look like anyone else's.

To help you on your journey, Dun & Bradstreet is a leading provider of business data – powered by our data records on over 500 million companies around the globe. Our expert data scientists enable us to develop sophisticated modelling, to create ratings and scores around dimensions such as financial health and business activity that inform your decisions, help mitigate risk and maximise reward.

CONTACT US

If you'd like to hear more about how data and analytics can support growth and help you push forward despite economic uncertainty, please contact Dun & Bradstreet on **0808 239 0661**.

[Click here to get to our web based contact form](#)



About Dun & Bradstreet

Dun & Bradstreet, a leading global provider of business decisioning data and analytics, enables companies around the world to improve their business performance. Dun & Bradstreet's Data Cloud fuels solutions and delivers insights that empower customers to accelerate revenue, lower cost, mitigate risk, and transform their businesses. Since 1841, companies of every size have relied on Dun & Bradstreet to help them manage risk and reveal opportunity.

For more information on Dun & Bradstreet, please visit www.dnb.com.