

5 Benefits of Data Governance for SMB Retailers



2020 ups the privacy ante for businesses in the United States, with tough new [privacy laws](#) taking effect in California and New York. Small businesses may qualify for exemptions from specific regulations. However, the focus on information management brings an opportunity to harness key business benefits of data governance for SMB retailers.

1. Protect Valuable Assets

Just two years ago, The Economist pronounced the world's most valuable resource to be not oil, but data. In retail, data powers all aspects of the business, from sales and marketing to HR and customer service. When retail businesses treat data as an asset, that asset in turn delivers value.

On the production line, protecting physical assets involves maintenance and cleaning, as well as standardization and security. The same holds true for data assets. Data governance for SMB retailers includes policies and practices that promote data consistency and cleanliness, while ensuring its usefulness.

In addition, the [data security](#) programs that form an integral piece of data governance prove particularly essential for SMBs. According to Verizon's Data Breach Investigation Report, over half of all data breaches target SMBs. Because small businesses typically store valuable data while under-resourcing their cyber security programs, they prove attractive to hackers.



2. Ensure High-quality Data

Today's data-driven business processes require reliable, relevant data. Effective data governance reduces ROT (redundant, outdated and trivial information). For instance, with hundreds of data entry points, inevitably some data will prove incorrect or duplicated. Finding and eliminating those errors and duplicates facilitates a single source of truth for the business.

3. Make Data Accessible

In addition to data quality, data governance for SMB retailers breaks down data siloes, making data accessible across departments. For instance, customer service captures information about specific customer needs that sales associates can then use in the sales process. And customer buying habits inform both marketing and product development.

However, if individual departments keep data to themselves, that data loses value. Data governance organizes information, assigning ownership and tracking changes while making it easy to find. Stakeholders can locate the information they need as easily as customers can find products in a well-organized display.

4. Improve Decision Making and Business Planning

High quality, accessible data leads to high quality decisions. When decision makers have access to data they can trust, they can determine business direction with confidence. For example, when data analysis showed that people moving into a new home tend to switch providers, DirectTV created a successful ad campaign targeted at people who filed a change of address.

The same logic applies to making quality data available to customers. When customers have ready access to reliable product data, they can make purchasing decisions with confidence. And when they have positive shopping experiences, they return to shop again.



5. Increase Revenue

Secure, reliable, accessible data leads to the most important of all of the business benefits of data governance for SMB retailers: ROI. Successful, data-driven marketing campaigns lead to increased sales. Reducing data bloat leads to decreased data storage costs. And the ability to accurately predict trends results in more efficient product development and inventory strategies.

Tap into the Benefits of Data Governance for SMB Retailers

The business benefits of data governance stretch far beyond regulatory compliance. The data management experts at Messaging Architects will work with you to build a [data governance strategy](#) tailored to your small business environment. We can help you manage and secure your data so that you can get the most out of this valuable business asset.