Online Sources of B-to-B Data: A Comparative Analysis

By Ruth P. Stevens and Bernice Grossman

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Executive Summary

An update to research on data sources published in 2009, this white paper evaluates the volume and accuracy of B-to-B marketing data provided by five suppliers. Like the 2009 results, data coverage and accuracy varied widely among vendors. Thus, we continue to urge marketers who order compiled data to ask very carefully about the compilation practices and policies of prospective vendors. We also strongly recommend that marketers conduct a pre-test of the data to assess its applicability to their particular marketing need. Finally, if marketers have specific requirements for richer data, we recommend that they consider working with a reputable company that can provide custom list compilation.

Access to complete and accurate information about customers and prospects is more important than ever to business marketers. In the last year, much has happened in the world of B-to-B compiled data. Suppliers who compile business data via the Internet continue to grow their files, and develop new ways to package and present their information. But the traditional B-to-B data compilers have seen declining sales and considerable restructuring and consolidation during the economic downturn.

In light of these changes, we conducted an update of our 2009 research about online sources of B-to-B data. We invited a variety of well-known and reputable vendors to answer a series of questions about their data and their business practices.

We would like to express our deep appreciation to the five vendors who agreed to participate:

- Demandbase
- D&B Selectory
- Infogroup
- Jigsaw
- NetProspex

The Scope and Intent of the 2010 Study

We followed the same approach as last year in order to address the perennial questions that concern business marketers about data volume, completeness and accuracy. We asked the vendors to provide company counts in a selection of critical industry sectors, plus contact counts for specific companies, and complete records on individual business people.

We specified the same ten industries as in the 2009 study, and asked the vendors to tell us how many companies they had in each of the ten, as indicated by SIC. For the contact data, however, this year we selected a different set of well-known firms in each of the ten industries.

We also recruited ten new business people in a variety of industries and in various job categories to agree to serve as this year's guinea pigs. We are grateful to these brave souls for their generous support of this study.

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The Company Counts Reported

Table 1 shows the company counts in each of the ten industries reported by the vendors in response to the question:
State the number of U.S. firms you have on your file within each of these 10 SICs.

Industry	Demandbase	D&B® Selectory®	Infogroup	Jigsaw	NetProspex
Stone, clay and glass products	4,114	28,630	26,853	10,446	852
Apparel and accessory stores	3,662	203,663	228,194	19,766	1,200
Chemical and allied products	5,861	33,852	23,782	16,236	6,616
Insurance agents, brokers & services	8,804	221,917	267,784	30,760	11,030
Business services	44,471	2,434,988	894,833	297,986	63,039
Legal service	26,346	323,037	561,712	69,152	12,156
Health services	48,158	902,982	1,829,198	108,780	20,108
Educational service	24,350	232,129	288,577	73,196	16,242
Machinery, except electrical	15,754	94,318	105,875	53,852	9,737
Communications	6,072	119,848	114,099	59,168	5,978
Do you code firms with NAICS? (Y/N)	No	Yes	Yes*	Yes	No

Table 1   * through an SIC to NAICS conversion file.

The Contact Counts Reported

Table 2 shows the counts for contacts at each of ten well-known companies, in response to the question:
Provide the total number of contacts you have at each firm, U.S. only, including headquarters and all branch locations.

Company	Demandbase	D&B® Selectory®	Infogroup	Jigsaw	NetProspex
Andersen Windows	416	104	121	11	36
Nordstroms	644	253	285	852	234
Monsanto	1,332	370	172	1,238	1,251
MetLife	6,250	1,196	1,318	7,088	879
Accenture	22,084	258	131	27,668	784
Baker & McKenzie	453	82	178	2,665	516
Methodist Hospital System	7	65	928	321	45
ETS (Educational Testing Service)	281	75	105	384	224
Dell	2,161	212	199	7,061	2,409
Verizon	5,583	6,066	1,687	11,544	3,586

Table 2

The Contact Records Reported

Tables 3 and 4 show the records for a sampling of our ten individual business people, in response to the following directions: *Please pull the record of each of these persons as it currently appears on your file. Submit the record in its entirety. Note: Please do not use any other data sources (e.g., tele-verification, or Internet search) to research these names.*

Observations About the Data

We knew going into the 2010 study that much consolidation had taken place in the B-to-B data industry. So it came as no surprise that fewer firms participated in our study this year—five, down from ten. Last year, several

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divisions of both InfoGroup and D&B participated. But this year, both of these firms chose to represent themselves with single reports. One firm from last year dropped out because it had divested its business lists division. Other companies, like ZoomInfo, declined to take the time to participate due to the press of business.

	First Name	Last Name	Title	Company	Address 1	Address 2	City	State	Zip	Office Phone	Fax	Email
Correct Data	Stephen A.	Wallis	Chairman	AIRxpert Systems	1 John Wilson Lane		Lexington	MA	02421	781-862-4739	781-860-0188	steve@airxpert.com
Participating Vendor												
Demandbase												
D&B Selectory	Stephen	Wallis	President	AIRxpert Systems Inc	1 John Wilson Ln		Lexington	MA	02421-6032	781-862-4739	781-861-7075	n/a
Infogroup	STEPHEN	WALLIS	OWNER	AIRXPERT SYSTEMS INC	1 JOHN WILSON LN	n/a	LEXINGTON	MA	02421	781-862-4739	n/a	n/a
Jigsaw	Stephen	Wallis	President	Airxpert Systems Inc.	1 John Wilson Ln		Lexington	MA	02421-6032	1.781.862.4739		s.wallis@airxpert.com
NetProspex	Stephen	Wallis	President	Airxpert Systems Inc.	1 John Wilson Ln		Lexington	MA	02421-6032	781-862-4739		steve@airxpert.com

Table 3 - *Stephen Wallis is founder and chairman of a small tech firm whose software measures the cleanliness of the air inside buildings. Four of five vendors had Wallis in their databases. The only apparent error was in the email address, but both email addresses are in fact deliverable.*

	First Name	Last Name	Title	Company	Address 1	Address 2	City	State	Zip	Office Phone	Fax	Email
Correct Data	Jim	Siegel	Director, Marketing and Communications	HealthCare Chaplaincy	315 East 62nd Street	4th Floor	New York	NY	10065	212-644-1111x141	212-758-9959	jsiegel@healthcarechaplaincy.org
Participating Vendor												
Demandbase	Jim	Siegel	Director Marketing & Communications	THE HEALTHCARE CHAPLAINCY INC	307 E. 60TH ST		NEW YORK	NY	10022	2126441111	N/A	jsiegel@healthcarechaplaincy.org
D&B Selectory												
Infogroup												
Jigsaw												
NetProspex												

Table 4 - *Jim Siegel directs marketing communications at a sizable non-profit based in New York City that trains clergy people to minister to hospital patients and their families. Despite his considerable buying power, only 1 vendor had Siegel listed. While the address appears to be wrong, the organization owns both buildings, and thus mail to both addresses is deliverable.*

Coverage Rates on Individual Contacts in the Two Studies

Company	Title	Covered	Company	Title	Covered
Cisco Systems	Director, Customer Intelligence	40%	AIRxpert Systems	Chairman	80%
USTglobal	Sr. Director, Global Relationship Management	30%	Morgan Meguire LLC	President & CEO	60%
			HealthCare Chaplaincy	Director, Marketing and Communications	20%
Piraeus Data, LLC	Vice President of Consulting	40%	City University of New York	Distinguished Professor, Philosophy Program	0%
Lutz & Carr CPA's LLP	Partner	40%	Aviacargo Inc.	President	60%
Edmund Optics, Inc.	Chief Financial Officer	70%	Dept of Veterans Affairs	Psychiatrist	20%
Northwestern	Adjunct professor	20%	Harry & David	CEO	80%
Thomas Nelson	President and Chief Executive Officer	100%	Christie/Coghlin Investment Management	Managing Partner	40%
Lehigh Valley Hospital and Health Network	Senior Vice President, Physician Hospital Network Development	40%			
Legal Assistance	Executive Director	40%	USPS	Marketing Specialist	20%
Pioneer Manufacturing	President	70%	GSI Commerce	VP, Technology Delivery Services	20%

2009	Av=49%		**2010**	Av=40%

Vendor coverage of individuals was surprisingly spotty. Only one individual, CEO of a very large publishing company, appeared in 100% of the vendor databases in the 2009 data; no individuals appeared in 100% of the vendor databases in 2010. The downward trend in coverage between 2009 and 2010 is likely due to the broader mix of business people who participated in the second year.

Overall, the results bring us to the same conclusion as last year: The business data available from vendors tends to be relatively accurate, but coverage is extremely spotty.

To be fair, this year we went further afield in selecting the ten businesspeople whose individual records would be requested from the vendors. We included such people as a psychiatrist from the VA, a marketing director at a non-profit, and a Washington lobbyist. All of these people are active buyers of business products and services, and thus of great interest to business marketers. But in many cases, the vendors had no records on them.

Another interesting angle in the data is the wide variance between vendors who build their files from the business level and those who build from the contact level. Jigsaw is an example of the latter, having begun as a business-card swap site. As such, compared to traditional compilers like Infogroup and D&B, Jigsaw has many contacts per company, but relatively fewer companies per industry.

Like last year, individuals with more senior titles tended to attract better coverage. Also like last year, we noticed that we could ask the same question of multiple vendors and get some very different answers, due to differences in interpretation and definition.

Advice to Business Marketers Ordering Compiled Data
Our advice to marketers based on this year's data has changed little from last year. We urge caution when ordering data from compliers. Marketers should develop a detailed ordering methodology, to increase the likelihood that the data they receive is what they were seeking.

Our Guidelines
- Given the wide variances in data quantity and quality, it's essential that you investigate thoroughly the data sources and maintenance practices of the vendors you are considering.

- Specify exactly what you mean when ordering data. Also drill down in detail to understand what the vendor means. In this year's research, D&B Selectory and Jigsaw were working from a different definition of the term "complete" than ours. Not that either is right or wrong—but it adds to the confusion. As another example, when asking for phone number, be clear about whether you want the general switchboard or the contact's direct dial.

- Be very specific about industry selections. Find out if the vendor uses SIC, or some kind of conversion algorithm. You want to know exactly what you are getting.

- Keep an eye out for vendor specialization by industry. As we saw in this year's study, some individuals in some categories were not included in these large databases. So it's essential for market coverage that you explore industry specialty files for both prospecting and data append purposes.

■ Consider whether you want breadth of contacts or breadth of companies—or both. Data source will always be an important factor in determining which compiler is right for you. To enhance coverage, many marketers find that buying data from multiple vendors is necessary.

■ Only use reputable vendors. A number of unscrupulous firms have entered the market claiming they can get you any business names you want, but their data turns out to be stolen, inaccurate, or otherwise not usable.

■ Conduct a comparative test before you buy. Here are three approaches you can try:

1. Send each potential vendor a list of 5000 records from your house file and ask them to add data fields. Include a few dozen records on which you know the "truth," to assess accuracy of what comes back.
2. Order a sample of names from a prospective vendor as per above, and then verify the accuracy of sample records by telephone.
3. Give each prospective vendor a set of instructions using very narrow criteria like a certain employee size range and sales volume range in a certain state. Ask the vendors to sort the records in ZIP sequence, and give you the first 1000 records to look at. A high incidence of identical records among the vendors will be a strong indicator of likely accuracy.

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■ If you need richer data and better coverage than you can get with the major data compilers, consider working with a custom list compiler. A custom list is generated specific to your needs, usually via a combination of Internet research and outbound telephone contact. The benefits of custom list-building are many:

1. You can specify target companies based on such key characteristics as the technology and processes they use.
2. You can collect important but otherwise unavailable data elements about individual contacts, like their role in the buying process.
3. The data is likely to be fresher than commercially available lists.
4. You can choose to suppress your current file against the custom list, only paying to explore target companies that are new to your database.

We hope our research is useful to business marketers who are renting or buying data online. This information will serve as a guide as you conduct your due diligence. ■

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