



How can External Data provide Business Value & Benefits?

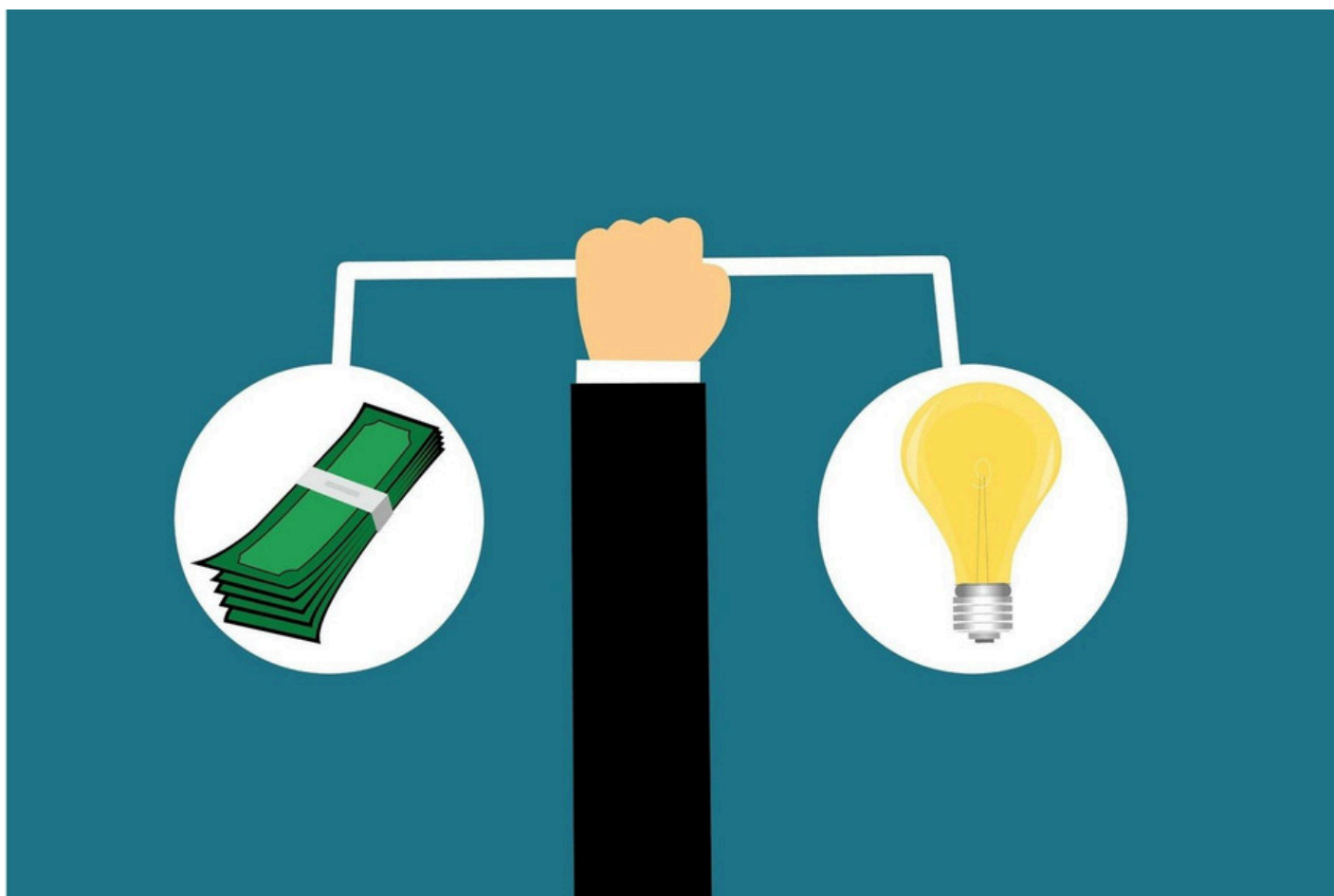
Data is an essential component of modern businesses because it reveals how customers behave, perceive, and what they desire. It can also assist businesses in reducing risk and increasing operational efficiency.

Although data management is critical, many businesses rely primarily on data obtained internally rather than utilizing other data sources.

Internal data is useful, but the information it provides is restricted. It may provide insight into how a company's current consumers act, but this does not always reflect how the company's overall target demographic behaves.

Blending internal data with external information helps extract deeper insights, [improve ML models'](#) accuracy, and also helps stakeholders achieve improve advanced analytics capabilities.

According to a leading report, External data if used strategically can offer a competitive advantage in this highly competitive digital age!



What is External Data?

External data refers to information gathered from sources outside of an institution (also known as third-party data).

[Organizations](#), on the other hand, collect internal data as part of their operations and processes.

Some real-world examples of internal data are email open rates, website visitor numbers, and contact form information amongst others.

Some real-world examples of external data are google search trends, demographic data which may include hobbies & interests of customers, trending subjects, financial trends and social media presence amongst others.

Where can you get External Data?

One of the best platforms to get external data is an external data platform. Why so?

External data platforms operate as a centralised store for external data signals and give data access. The [performance of data analytics](#) and machine learning models will be impacted by the proper data signals.

Apart from this, you can collect external data from Google search trends and other publicly available repositories as mentioned earlier.

How can External Data provide business value?

Enhanced Customer Experience

External data aids in the creation of improved client experiences. [Organizations](#) may generate more complex customer profiles and accurate consumer segmentation by combining external and internal data. This enables businesses to personalize their interactions with customers.

Better Risk Management

When working with emerging SMEs that are unable to offer adequate information to make informed financing decisions, B2B lending can be dangerous. External data helps to improve the accuracy of fraud and risk models, protecting online lenders from undue risk. Loan default risk models that are more accurate can assist lenders in determining which borrowers are more prone to default on their loans.