

How to Be a Wise Data Buyer

Buying data as part of your business can be a challenge. There's lots of data out there, and plenty of claims being made about its value. To make wise data buying decisions, follow these eight best practices:

1 FIRST, RESEARCH YOUR PROSPECTIVE VENDOR.

You want to do business with a company that is reliable.

For a thorough background assessment, follow these three steps:

- Ask your industry colleagues. Have they heard of the vendor? Have they heard good things?
- Visit the vendor's website, and make a test call to their phone number.
- Check with your state division of corporations to validate that they are a registered company.
- Do some due diligence on the company principals themselves.

2 TALK TO THE PROSPECTIVE VENDOR ABOUT THEIR DATA PRACTICES. QUESTIONS TO ASK:

- How long have they been in business? Look for a track record.
- Do they validate data overseas? If so, cross them off your list.
- How often do they refresh their data? Look for monthly or more frequent updates.
- Are they willing to respond to a security audit? Have they passed security audits in the past?

3 CONDUCT YOUR OWN SECURITY AUDIT.

It's imperative to buy data from a supplier who takes their security seriously, especially if you operate in a regulated industry. Your internal compliance team is likely to have a data security audit form. So submit your audit document, and review their response before you place an order or run a test.



4 ASSESS WHEN YOU NEED DATA.

How much data will you use over the course of a year? Knowing how your data needs flow over time can help you smooth your budgeting, and buy on the most advantageous terms.

5 MAKE SURE YOU KNOW EXACTLY WHAT YOU'RE GETTING.

Data is sold differently by each vendor. So probe for details on what elements will arrive with your order. Don't make assumptions—get your questions answered in advance.

6 ASK IF A FREE TEST IS AVAILABLE.

Many vendors will agree to a free test before you buy. If the results are not satisfactory, try elsewhere.

7 AVOID ROCK-BOTTOM PRICES.

There is a certain amount of fraud in the data industry, and one of the biggest red flags is pricing that seems too low to be reasonable. If it's too good to be true, it's likely to be false.

8 KEEP YOUR DATA SOURCED IN THE U.S.

It's simply bad practice in this industry to send your data to a foreign country. So make sure your supplier is in compliance, and don't buy overseas data yourself.

At NetWise Data, we are dedicated to promoting best practices, and we thrive on advising our clients on how to get the most value from data.

To discuss your needs, please give us a call at

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Or visit us at

www.netwisedata.com.

