



# From insight to impact: Big data and business strategy

## This was the start of the big data revolution

With the development of the digital economy and the emergence of Web giants like Google, Facebook, and Amazon, the production of data has accelerated exponentially these past years: 90% of the data in the world today has been created in the last two years alone!

In a dynamic, global economy, organizations have begun to heavily rely on customer insights, internal processes and business operations in order to uncover new opportunities for growth. In the process of discovering and determining these insights, large complex sets of data are generated that must be managed, analyzed and manipulated by skilled professionals. Big data describes the large volume of data — both structured and unstructured — that inundates

a business on a day-to-day basis. But it's not the amount of data that's important. It's what organizations do with the data that matters. Big data can be analyzed for insights that lead to more strategic business decisions.

## Vital V's of big data

Big data can be broken down into the four V's: volume, variety, velocity and veracity. **Volume** is the vast amount of information available whether through social media, news, databases, etc. **Variety** refers to the different types of structured and unstructured data organizations can collect. **Velocity** is an indication of how quickly the data can be made available for analysis. **Veracity** is an indication of data integrity and the ability for an organization to be able to confidently use it to make crucial business decisions.

## Big data history

In 1944, Fremont Rider, a Wesleyan University Librarian, published *The Scholar and the Future of the Research Library*. He estimated that American university libraries were doubling in size every 16 years.

Given this growth rate, Rider speculated that the Yale Library in 2040 will have “approximately 200,000,000 volumes, which will occupy over 6,000 miles of shelves... [requiring] a cataloging staff of over six thousand persons.”

## Big data use cases

Organizations are increasingly turning to big data to discover new ways to improve decision-making, opportunities and overall performance. Improving customer relationships (55%) and making the business more data focused (53%) are the top two business goals or objectives driving investments in data-driven initiatives today. 78% of enterprises agree that collection and analysis of big data have the potential to change fundamentally the way they do business over the next one to three years.

**Big data and business analytics worldwide revenues will grow from nearly \$189B in 2019 to more than \$247B in 2022.**

This is not surprising given the growth of artificial intelligence, robotics process automation and other technologies that allow us to collect data, streamline processes, and manage and measure business efficiency and revenue impact.

The big data revolution has had a particularly large impact on chief financial officers (CFOs). CFOs have access to data and information that showcase the dynamics of business environments and real-time insights to drive business decisions. The CFO’s role has shifted — from a monitoring and control function—with an emphasis on activities such as budgeting, forecasting and performance monitoring, to a strategic partnership with the business, with proactive involvement in the discovery and development of new business opportunities.

## Big data has steered the CFO to:



Make data-driven decisions to improve overall customer experience and evaluate opportunities for cost reduction and revenue growth.



Discover new business opportunities, supporting the C-suite in strategic and investment decisions.



Enhance productivity and efficiency company-wide, by having business units make the appropriate use of data-generated insights.



Manage risk and regulatory concerns by leveraging data to support reporting demands and mitigating cybersecurity risks.

## Big data is only going to get bigger

With the growth of devices and transactions that generate increasingly complex data streams, effectively using that data is rapidly becoming a significant competitive advantage for many companies. In fact, some companies consider data to be one of their most valuable assets. Big data is only going to get bigger as organizations look for more and better ways to tap into existing data and gather new and emerging types of information to make critical decisions, answering questions that were previously considered beyond reach.

Making enterprises more customer-centric, sharpening focus on key initiatives that lead to entering new markets and creating new business models and improving operational performance are three dominant factors driving analytics, big data and business intelligence investments today. The success of the modern CFO relies on understanding the big data sources available and having the resources to analyze that data and turn it into viable action that impacts the company. Why has this become the CFO's responsibility?

### **1. If you don't, your competitors will leave you behind**

The CFO is always aware of market competition and how that affects company performance. Companies that don't embrace the potential of big data for their business will not only fail to reap the benefits, but be left behind by competitors. Leading companies with sophisticated big data strategies achieve competitive advantage through better information and insights that lead to better decisions.

### **2. Big data can transform the way business decisions are made**

Big data's significant predictive power enables CFOs to make decisions based, not on what happened in the past, but on what the data tells them is going to happen next year. It can also provide insights about customer sentiment and behaviors, that previously would have been undetected.

### **3. CFOs are already used to data-driven decision-making**

The finance function has always been responsible for the collection and analysis of data, and called upon to use its skills to guide business decisionmaking. Thus

CFOs are ideally placed to identify data from across the business, from both internal and external sources, that can be used to solve specific business issues.

### **4. Big data will make the finance function more agile and responsive**

Finance processes have followed a cycle that has remained fundamentally unchanged. But the most informed users of big data are already allowing it to disrupt their business cycle because they now have insight into a greater benefit: they can significantly optimize cash flow, and drive bottom-line improvements by listening to what the data tells them, not to what out-of-date processes require.

### **5. CFOs must guide big data efforts to make them effective**

Big data's value is more than volume, but in the specific business issues it can help to solve. With their financial insight into the whole business, CFOs are in a perfect position to identify the business problems that big data can help to address and define the return on investment that making changes can bring to the business. In a company that has a change-resistant culture, the advocacy of the CFO is critical to drive big data initiatives successfully forward.

Ultimately, for those CFOs, finance and AR departments that succeed, big data will offer opportunities to:

- Accelerate cash flow and increase top line growth
- Manage costs, and eliminate those that aren't driving value creation
- Improve efficiency by automating processes
- Change business models to adapt to the changing business environment
- Reduce risks

### **Use big data to turbocharge electronic adoption**

Do you know how many of your customers are currently receiving electronic invoices or making electronic payments with other buyers?

Billtrust helps convert more customers to electronic invoicing and payment through business analytics, profiling customers and identifying opportunities to drive adoption.



### **About Billtrust**

As the leading provider of order-to-cash solutions, Billtrust has always focused on making it easier for companies to get paid. Through consistent evolution and iteration, our integrated, cloud-based AR platform drives customer efficiencies, grows revenue and increases profitability for businesses across several industries.

With more than 18 years' experience and expertise – and a culture dedicated to our customers – we help businesses implement AR best practices, resulting in greater operational efficiency, accelerated cash flow and most importantly, happier customers.



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