

## Suboptimal understanding of the data value chain and the absence of a holistic data strategy is costing companies in excess of USD 1.5 trillion p.a. in hidden costs

*Quinlan & Associates sees significant wastage in organisational data investments, with ~99% of company data existing as either “dark data” or imperfect data that is unfit for business use*

**Hong Kong, 20 December 2021** – Quinlan & Associates, a leading independent strategy consultancy specialising in the financial services industry, in collaboration with PALO IT, a global IT consultancy, has released its second report in a two-part series examining organisational data strategy and its implications for companies worldwide.

The report, titled *The Real Lingua Franca (2/2): Unlocking the Power of Data*, looks in detail at data strategy in organisations at various stages of their data journeys (i.e. from ideation to implementation), including its various nuanced steps, components, and key activities.

‘In response (to ‘FOMO’), corporations’ data investments have surged, with global data-specific technology spending reaching USD 474.7 billion in 2020 and projected to grow to USD 639 billion by 2024,’ said Benjamin Quinlan, CEO & Managing Partner of Quinlan & Associates, and lead author of the report. ‘However, we believe that many firms have gotten lost in the hype, neglecting the fundamentals of a data project in exchange for empty promises and wasted investments.’

Without a fundamental understanding of ‘why’ a transformation journey is undertaken, much of the initial and long-term data investment is wasted by companies, with data either being left unused (i.e. ‘dark data’) or ‘imperfect’ (i.e. necessitating recovery by way of manipulation or effort by manpower). ‘The fact is, only 3% of data within organisations is “perfect” and ready for processing. The remaining 97% requires some form of manipulation to make it ready for use, which expends 10x more effort (and cost) as opposed to vanilla maintenance costs. We estimate that the costs of making imperfect data usable amounted to USD 1.5 trillion in 2020 alone’, continued Mr. Quinlan.

The report discusses how an ideal data strategy project should be carried out; from business strategy formulation to technology matching to implementation, all anchored by robust change management strategies to unify the data transformation journey. These steps include a mix of open standards and proprietary frameworks to guide organisations at any stage of their data journey. This two-part series of reports serve as a North Star for C-suite executives overseeing the various objectives and outcomes of each stage of their data projects.

‘It is our belief that most data strategy projects fail because data’s place as an integral part of the larger business is often overlooked,’ said Mr. Quinlan. ‘So many executives have been caught up in the hype behind data that they often shoehorn it into a company’s operations without detailed analysis as to “why” they are doing so; or worse, do so simply to appease their key stakeholders. At the end of the day, technology is guided by the business’s objectives and likewise limited by it as well. A solid foundation in basic data operations must exist before data can be allowed to guide any business.’

The report concludes with a case study into a global luxury retail brand that was facing significant headwinds in the face of shifting customer spending habits and the COVID-19 pandemic, forcing them online and away from their core ‘physical store experience’. With rapid deployment of a holistic data strategy, underpinned by their business objective of providing a comparable digital offering from their physical experiences, the company overhauled and streamlined their data operations. This resulted in significantly reduced time-to-market for product launches and helped the company avoid supply chain shortages that decimated their competitors, in turn providing the business with increased revenue from cross-sell opportunities that were previously overlooked. All of this was made possible through a firm understanding of their data value chain, an awareness of their infrastructure shortcomings, and an appreciation of data’s place in their overarching business strategy.

# PRESS RELEASE



## About Quinlan & Associates

Quinlan & Associates is a leading independent strategy consulting firm specialising in the financial services industry. The Company is the first firm to offer end-to-end strategy consulting services. From strategy formulation to execution, to ongoing reporting, communications, and employee training, Quinlan & Associates translates cutting-edge advice into commercially executable solutions. With a team of top-tier financial services and strategy consulting professionals, and a global network of alliance partners, Quinlan & Associates provides its clients with the most up-to-date industry insights from around the world, positioning the Company as a leader in its field.

For more information, please visit [www.quinlanandassociates.com](http://www.quinlanandassociates.com).

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## About PALO IT

PALO IT is a global technology consultancy dedicated to helping organisations embrace tech as a force for good. We work with clients to rapidly launch products and services, create new business models, and enable information systems for a data-driven future. We are committed to helping businesses transform to better our world. We are proud to be a World Economic Forum New Champion and the first B Corp-certified innovation and tech company in Hong Kong.

To learn more, please visit us at [www.palo-it.com/en-hk](http://www.palo-it.com/en-hk) or contact us below.

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