

# THE STATE OF ENTERPRISE DATA QUALITY 2025:

Why Real-Time Verification Now Dictates  
Competitive Advantage



# Survey findings reveal data quality trends, challenges, and investment barriers—and the most sought-after improvements

When customer, patient, or shipment data is inaccurate, every downstream process—from onboarding and compliance to fulfillment and analytics—slows or stalls. Melissa commissioned a cross-industry survey to understand where organizations stand on data quality today, the business impact of inaccuracies, and the urgency of adopting real-time verification or other improvements. Respondents represent mid-market and enterprise companies across finance, insurance, healthcare, non-profit, and telecommunication sectors, and their answers expose a widening gulf between data-driven ambitions and the operational reality of duplicate records, fragmented systems, and budget constraints.

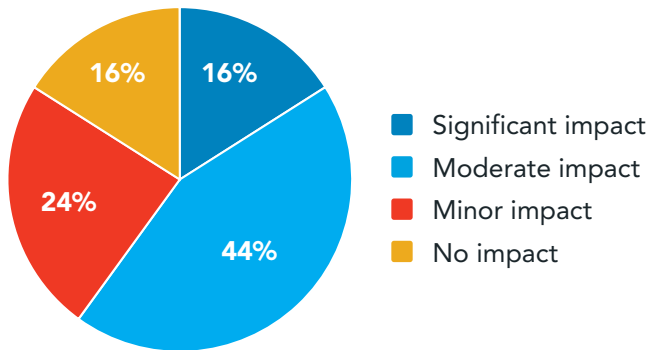
Decades of innovation have given Melissa a 360-degree view of the data lifecycle—from point-of-entry validation to ongoing enrichment. That experience underpins clear, step-by-step recommendations for rectifying the pain points revealed by respondents, empowering enterprises to shift from reactive clean-ups to proactive, real-time quality assurance.

## Data Inaccuracies Pose a Pervasive, Often Hidden, Threat

Only 16% of respondents operate without measurable disruption from bad data; the remaining 84% absorb avoidable cost and risk

A mere one in six organizations reports “no impact” from duplicate records, inaccurate fields, or the absence of real-time verification. For the majority, quality gaps translate directly into overtime, rework, and heightened error rates—symptoms that quietly erode profit margins and stretch operational capacity.

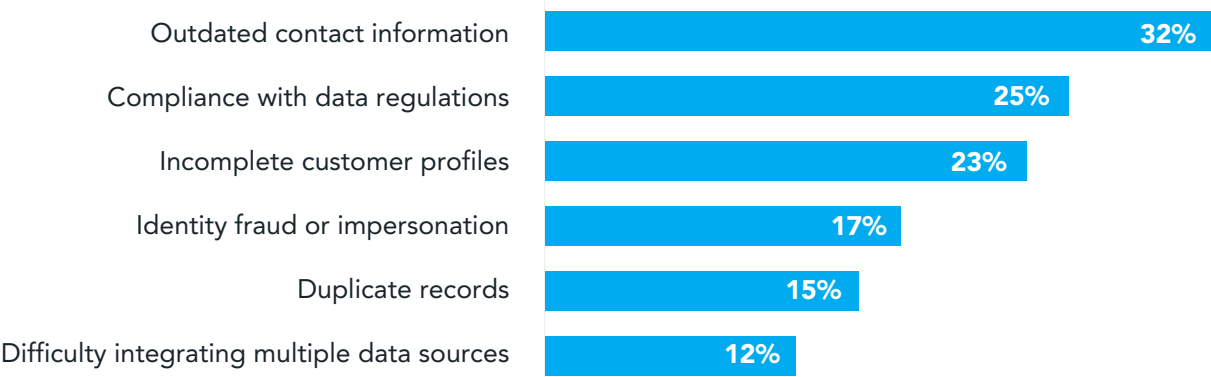
How significantly do duplicate records, data inaccuracies, and lack of real-time verification affect your operations and workflow efficiency?



44% of the surveyed cite a moderate impact, which can lead to persistent delays in order fulfillment, marketing misfires due to stale contact details, and compliance headaches when auditors surface discrepancies that must be reconciled manually under tight deadlines.

A further 16% acknowledge a significant operational drag. This comes as no surprise considering that data inaccuracy can be linked to missed service-level agreements, increased customer churn, and revenue leakage—with seemingly small errors cascading into strategic setbacks.

Which of the following are your most significant data-related challenges today?



When asked to dwell on their data-related challenges, most respondents cite outdated contact information (32%), compliance with evolving data regulations (25%), and incomplete customer profiles (23%). Each of these issues compounds when records are scattered across systems that do not synchronize in real time.

Identity fraud or impersonation (17%) and duplicate records (15%) receive slightly lower scores, yet their aggregate cost can surpass that of more visible pain points. Fraud losses tend to spike in isolation, while manual deduplication efforts often accumulate without warning or budget allocation.

Melissa’s solutions and services directly attack these root causes of data problems—standardizing, validating, and augmenting data at the point of entry and in batch, thereby turning ad-hoc fire-fighting into a continuous, rules-driven process.

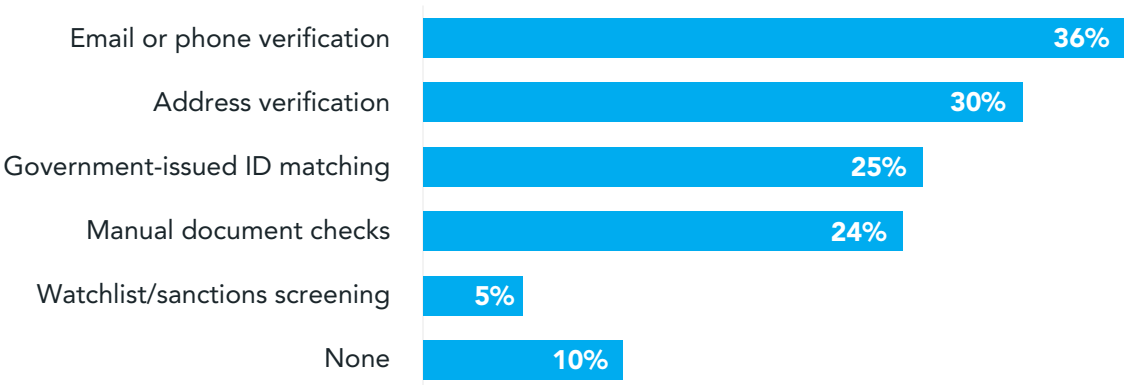
## Current Data Practices Are Not Without Risk Pockets

### Verification efforts skew toward low-friction channels, leaving high-value transactions exposed

Email or phone checks dominate current identity-verification workflows (36%), largely because they are quick to deploy and require minimal customer input. While convenient, these controls are notoriously vulnerable to synthetic identities and SIM-swap fraud, offering only superficial assurance.

Address verification ranks second (30%), a positive indicator that organizations recognize the link between accurate location data and reliable service delivery. However, the absence of additional corroborating signals—such as government-issued ID matching or watch-list screening—can still allow fraudulent actors to slip through.

#### What methods does your organization currently use for identity verification?



Government-issued ID matching (25%) represents a more rigorous but resource-intensive approach. Uptake remains limited by the friction it introduces to onboarding flows, underscoring the need for biometric or document-capture technology that minimizes user effort while satisfying regulatory scrutiny.

Manual document checks persist in nearly a quarter of organizations (24%). Although thorough, these labor-intensive reviews slow decision times and are difficult to scale during peak demand, creating an inconsistent customer experience.

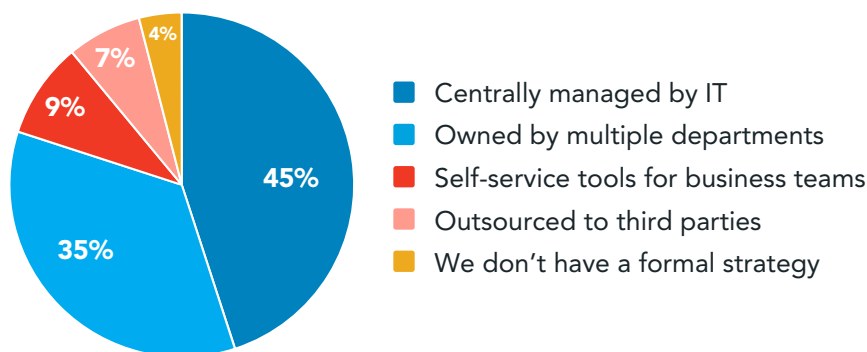
Finally, only 5% of respondents leverage watchlist or sanctions screening as part of their verification stack—a striking shortfall when anti-money-laundering and know-your-customer mandates now touch virtually every data-rich sector, from e-commerce and gig-economy marketplaces to SaaS and logistics. Organizations that layer automated sanctions checks onto existing email, phone, and address verification workflows can not only satisfy evolving regulatory expectations but also accelerate customer onboarding, minimize fraud-related losses, and differentiate themselves as low-risk, high-trust partners—turning compliance into a measurable competitive advantage.

## Only 4% of respondents admit to having no formal data-quality strategy at all

While this may reduce immediate expenditure, it leaves the organization exposed to escalating losses, failed deliveries, and regulatory penalties. In an era where real-time personalization and AI-driven decisioning hinge on pristine data, the absence of an intentional framework puts these firms at a distinct market disadvantage.

Overall, the survey reveals four distinct operating models for data-quality management, each with strengths that can accelerate competitive advantage and weaknesses that can quietly erode it.

### How does your organization currently manage data quality?

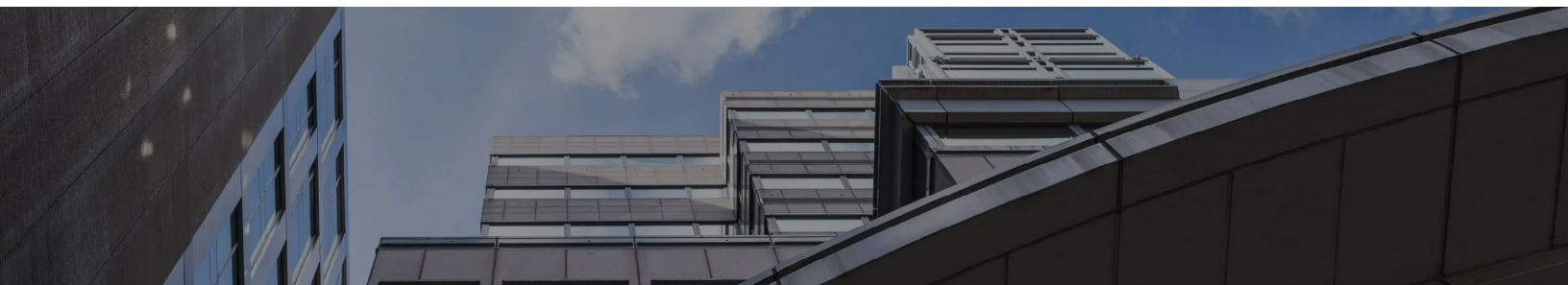


A centrally governed, IT-led approach—adopted by 45% of respondents—delivers the most uniform standards. Dedicated technical teams can enforce consistent validation rules, maintain master data repositories, and monitor systemwide performance with enterprise-grade security. The trade-off is agility: business units often wait in long development queues, and nuanced domain context may be lost when data stewards sit far from frontline operations. In fast-moving markets, those bottlenecks can slow product launches, campaign cycles, and customer-service resolutions, ceding ground to nimbler competitors.

35% distribute ownership across multiple departments: a model that unlocks speed and domain expertise. Marketing can enrich prospect records on the fly, while operations fine-tune address hygiene to reduce return shipments. Yet this decentralization risks a patchwork of overlapping tools, divergent data dictionaries, and duplicated effort. Without a unifying governance layer or shared reference data, organizations struggle to reconcile metrics across units and to present a single source of truth to executives, auditors, or customers.

Self-service platforms for business teams, while only used by 9%, strike an aspirational balance between control and flexibility. When configured well, intuitive dashboards and low-code APIs let non-technical workers validate, deduplicate, and enrich records at the moment of capture, dramatically shrinking error windows and freeing IT for higher-value initiatives. The downside emerges if tooling is rolled out without rigorous training, guardrails, or automated lineage tracking: data quality can improve in isolated pockets while overall governance degrades, exposing the enterprise to compliance gaps and inconsistent analytics.

7% rely on fully outsourced services, leveraging specialist providers to cleanse, match, and monitor data. External expertise often translates into faster deployment of best-practice frameworks, access to global reference files, and predictable costs through subscription pricing. Still, outsourcing introduces new considerations: data-sovereignty regulations, third-party-risk assessments, and potential latency if batch files must cross organizational boundaries. Over-reliance on vendors can also limit customization and internal skill development, making future transitions more complex.



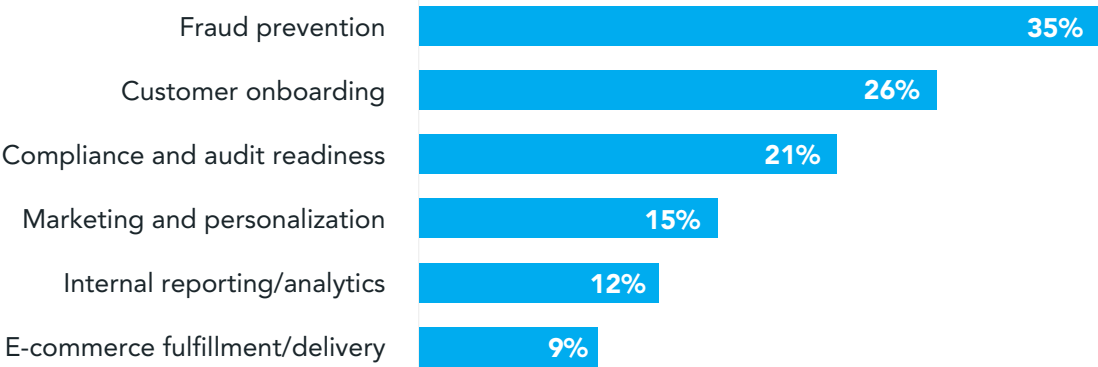


By unifying email, phone, address, document, biometric, and sanctions screening in a single API-first platform—backed by global reference data—Melissa enables organizations to rise above piecemeal tactics and implement layered, risk-weighted verification without sacrificing speed or user experience. This consolidated approach dovetails with any of the operating models highlighted in the survey: IT gains a secure, centrally governed service layer; business units benefit from self-service APIs and pre-built connectors; and outsourced teams can integrate best-practice controls without lengthy custom coding. The result is a continuously learning ecosystem that feeds clean, enriched data into analytics and AI pipelines, shortens compliance cycles, and frees talent to focus on innovation rather than remediation—ultimately converting data quality from a cost center into a durable source of competitive advantage.

## The Need for Improvement: Where Enhanced Quality Pays First

Fraud prevention, onboarding velocity, and compliance top the list of potential reasons for enhanced address and identity data management

**Which of these areas would benefit most from improved address or identity verification in your organization?**

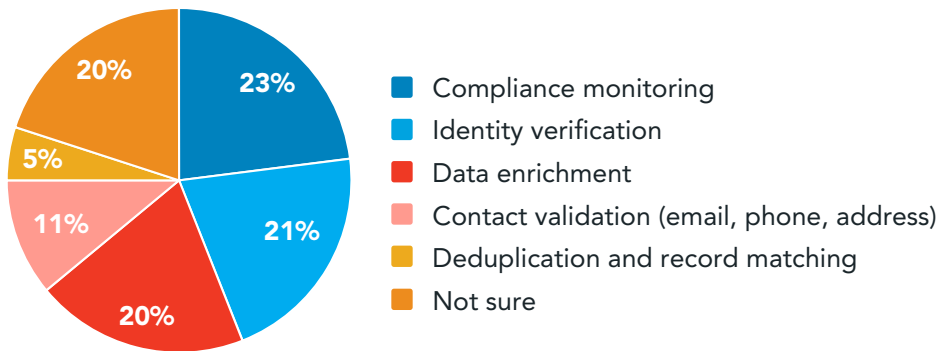


With 35% of survey respondents naming fraud prevention as the chief beneficiary of stronger data verification, the finding underscores how today’s synthetic-identity schemes, account takeovers, and charge-back abuses exploit gaps in siloed checks. Layering real-time validation—spanning geocoded addresses, government-issued IDs, biometrics, and sanctions screening—raises the cost of attack, slashes false positives, and automates audit trails, thereby lowering charge-back ratios and compliance risk while accelerating legitimate customer onboarding. In effect, enterprises that unify these controls transform fraud prevention from a defensive expense into a growth-enabling competitive advantage.

Customer onboarding follows at 26%, with frictionless sign-up processes—made possible by auto-completed addresses and instant ID validation—driving measurable increases in conversion rates and lifetime value.

The need for compliance and audit readiness (21%) rounds out the top three improvement areas, reflecting intensifying pressure from regulators such as GDPR, CCPA, PSD2, and AML directives. Reliable data enhances traceability, enabling faster, less disruptive audits.

**If you could automate one data quality process today, which would it be?**



When respondents consider data quality automation, 23% prioritize compliance monitoring—seeking continuous control rather than episodic reviews—while 21% opt for identity verification and 20% for data enrichment. Collectively, these choices reveal a strategic shift toward embedded, “always-on” quality assurance.

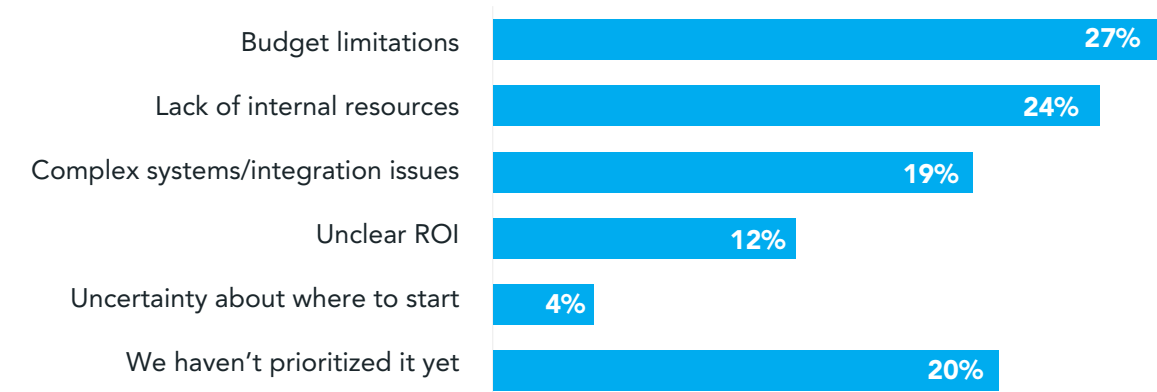


# Barriers to Change: Budget, Bandwidth, and Complexity

## How to Remove Roadblocks to Data Excellence

Budget pressure, limited staffing, and intricate legacy environments emerged as the chief obstacles to better data quality, with 27% of respondents citing funding constraints, 24% pointing to scarce internal resources, and 19% wrestling with complex system landscapes. These challenges often stall projects before they gain momentum: finance leaders hesitate when the return on investment is hazy, IT teams juggle competing priorities, and every new integration request is weighed against the risk of disrupting mission-critical workflows. Yet the cost of inaction is rising just as sharply—unverified records drive fraud losses, failed deliveries, and soaring compliance exposure—making a passive stance increasingly untenable.

### What barriers have prevented you from improving data quality in your organization so far?



Modern, consumption-based verification platforms remove much of this friction. Flexible pricing models let organizations pilot a single, high-impact workflow and demonstrate savings long before a full rollout is required; pre-built connectors for CRM, ERP, and e-commerce systems compress implementation timelines; and cloud or hybrid deployment options sidestep the upheaval of “rip-and-replace” projects. By coupling these technical accelerators with clear performance metrics—lower charge-back ratios, faster onboarding, drop-off reductions—data leaders can replace abstract ROI discussions with hard evidence and convert data quality from a line-item debate into a recognized engine of growth and risk reduction.

The survey paints a familiar yet urgent picture: data inaccuracies are no longer merely an IT headache; they are a strategic liability that erodes profit and brand trust. Organizations that couple real-time verification with automated enrichment stand to gain immediate operational efficiencies—fewer chargebacks, shorter onboarding cycles, audit-ready records—and long-term resilience in a compliance-heavy landscape.

## About Melissa



For 40 years, Melissa has pioneered solutions that turn flawed data into actionable insights. Starting with the creation of ZIP+4 to becoming global leaders in data quality, address verification, and identity resolution, we help empower over 10,000 businesses to unlock a 360-degree view of their customers.

### Our impact:

- 1 trillion+ records processed—refining addresses, emails, names, and phones to perfection.
- Recognized by G2 as leaders in both Data Quality Suite and Global Address Verification.
- Trusted by businesses worldwide to eliminate costly errors, boost efficiency, and drive growth.

When precision is non-negotiable, the choice is simple: Melissa.  
Where data accuracy drives your success.



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**10,000+**

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