

THE STATE OF

Data Onboarding

2020 REPORT PRESENTED BY FLATFILE



2020 State of Data Onboarding

Customer onboarding is a critical stage in the customer experience journey. To ensure successful implementations, product and support teams need to deliver a seamless onboarding experience that provides the most business value for customers. But often, onboarding, especially in the case of a software product, can't move forward without customer data.

A key piece of the customer onboarding process is data onboarding - the process of migrating customer data into an application. In most cases, data needs to be migrated into a company's product prior to the customer seeing any value. Marketing automation can't be set up without CRM lead data. Ecommerce products can't be sold without inventory SKUs. Payroll can't be completed without accurate employee profiles. Customer onboarding that leads to customer retention isn't complete without an effective data migration process.

While data onboarding is clearly a critical piece of the overall customer onboarding process, it has long been neglected and in some cases ignored completely. Customer frustration around the data onboarding experience has been mounting for companies of all shapes and sizes, from startups to large enterprises, seemingly without any true innovation being added to the process. As a company focused on optimizing the data onboarding experience, Flatfile wanted to learn more.

To determine the current state of data onboarding, we heard from more than 100 companies through a survey and additionally gathered data from 5,000 respondents via Twitter polls to gather insights. We surveyed stakeholders closest to the data onboarding process seeking common pain-points experienced by their customers and internal teams. We also wanted to hear about their expectations for a solution that solves the inefficiency surrounding the critical data onboarding process. One of the most important takeaways from our survey was that while more than 9 of 10 respondents must transfer data from one system to another at some point, more than three quarters of them either "sometimes or often" run into problems with their data onboarding process.

In this report, we explore the data onboarding survey results, the challenges businesses are facing when it comes to customer data onboarding and finally, what they are doing to overcome them.

Table of Contents

Introduction	01
Table of Contents	02
What is Data Onboarding	03
Challenges of Data Onboarding	04
The Report	06
Survey respondents	07
The Findings	08
What type of data are you importing?	08
How often are you uploading customer data?	09
How long does it take to upload data?	09
How are you importing data?	10
How often do you run into issues?	11
What are the specific data import issues you are experiencing?	12
What would you change about the data onboarding experience?	13
What's your dream onboarding experience?	15
Next Steps	16
Evaluating a data importer for data onboarding	17
Must have data importer features that improve data onboarding	19
Data parsing	19
Data mapping	19
Data structuring	19
Data validation	19
Data transformation	19
Flatfile's Solution	20

What is Data Onboarding

Data onboarding is an integral step in the customer onboarding process, but why isn't there more discussion around it? In many cases, people are not even sure of the meaning of the term "data onboarding." As a result the entire process isn't taken into account when milestones are laid out for customer onboarding. Customer data onboarding is the process of importing a customer's required data to a new software product. Data might be sourced from a previous software vendor as well as from sources such as spreadsheets, csv files, or activity logs.

As we continue to grow into a digital-based world, data becomes the key driver in most everything we do. This is particularly the case when it comes to onboarding and retaining customers with software products.

Customer data is essential, which is why understanding the importance of data onboarding is critical for any company. If not handled correctly, the data onboarding process can become a serious barrier to adoption both internally and externally.

Data onboarding is an integral step in the customer onboarding process, but why isn't there more discussion around it?

In many cases, people are not even sure of the meaning of the term "data onboarding." As a result the entire process isn't taken into account when milestones are laid out for customer onboarding.

Customer data onboarding is the process of importing a customer's required data to a new software product. Data might be sourced from a previous software vendor as well as from sources such as spreadsheets, csv files, or activity logs.

The Challenges of Data Onboarding Today

Importing and migrating data is a messy process. Between spreadsheet templates, writing custom scripts and implementation services, getting data from one application to another is fraught with problems affecting many, including (but not limited to):

Software Developers and Engineers

Instead of spending time building core product features, engineering teams become the defacto data onboarding experts assigned to figure out why uploaded files aren't working and filling the role of data janitor, cleaning files to ensure a successful import. When data wrangling becomes a critical issue, these teams are often assigned to cobble together an internal, custom data importer to try and address data onboarding.

Customer Support Teams

As customers struggle to import spreadsheets or other files, the initial call goes out to customer support representatives who spend time data wrangling to ensure a smooth onboarding experience for customers. While support teams spend time on data import challenges, there's an opportunity cost because these reps aren't responding to support tickets from other customers. For example, Inkit, whose SaaS product helps automate direct mail, was spending 30 hours a week on support tickets that directly related to data import challenges.

Customers

When it's time to onboard data, companies frequently pass the buck to customers. The result is that customers are easily frustrated as they attempt to figure out how best to upload their data via spreadsheet templates and/or formatting their own data. Vague error messages become common as customers try to wrangle data accurately to be properly imported.

The Challenges of Data Onboarding Today

The results of a poor data onboarding experience can include:

Inefficiency for CSMs and Implementation Teams

Customer success managers are fanatical about getting results for customers. They're hands-on, goal-oriented, innovative people. If they're tied up onboarding individual customer data, it takes longer for them to get to more value-added work, like diving deeper into advanced product features or improving guides that can help customers.

Reduced Time-to-Value for the Customer

Customers can't experience the value of a product quickly when importing data becomes a challenge which can lead to frustration and potentially even churn.

Data onboarding is required across many industries and for various use-cases, such as...

- ✓ Customer and prospect data for sales organizations
- ✓ Detailed shipping information for freight forwarding companies
- ✓ Digital assets for libraries and museums
- ✓ Email address lists for information distribution
- ✓ Financial data for investment evaluations
- ✓ Equipment identification data for asset management
- ✓ Mobile phone number lists for text marketing campaigns
- ✓ Project data for construction and infrastructure initiatives

The Report

While data onboarding is a known challenge, it does not often get the attention it needs in relation to its importance. Data onboarding is often the first step in the customer onboarding process, and it is crucial that it be carried out as seamlessly as possible. This is the first opportunity to create trust with a new customer and it's critical to ensure that the data onboarding process is fast and smooth.

The reason we at Flatfile devoted the resources to conduct this survey and compile this first ever data onboarding report is to shed light on the ways in which companies are currently handling data onboarding, the specific challenges they're facing, and ways in which they are addressing those challenges.

Data Onboarding Job Roles

While individuals with various titles are involved in data onboarding, typically the front line responsibility for the process is handled by someone in an implementations, customer service, or customer success role.

In our survey, 60 percent of respondents identified themselves as being in a "customer-facing" function.

The other 40 percent identified as being in a product-facing role such as product management, engineering, and design.

The Findings

What type of data are you importing?

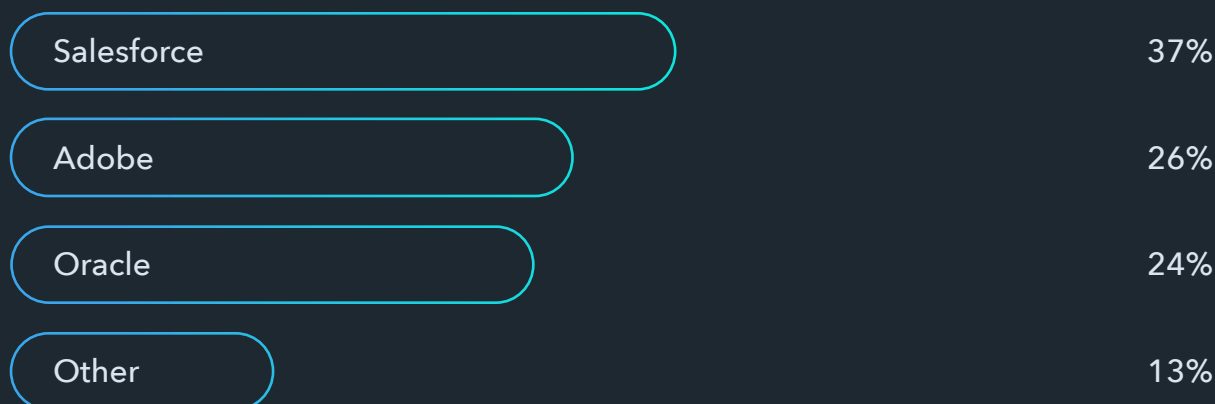
Data onboarding is an industry-agnostic issue as every vertical is faced with the need to import data at some point. We asked respondents to list the various types of data their companies were importing and 52 percent of survey respondents named CRM data as their primary data upload. Other types of data named by respondents included Ecommerce, HR/employee, marketing, healthcare, manufacturing, real estate, financial, and logistics.

BREAKDOWN

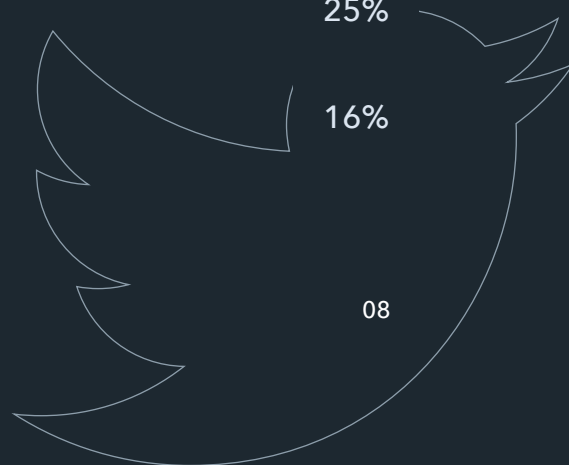
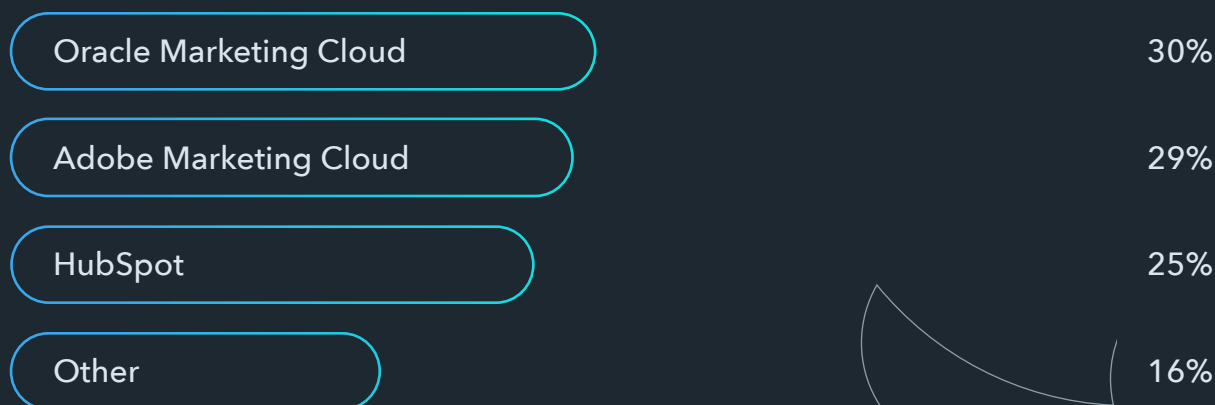


We conducted a poll via Twitter to dive deeper into the top two data sources that survey respondents cited for onboarding. We asked what CRM and marketing tools respondents currently use and wish they had data onboarding for.

If you had a **magic data importing solution to help move data into your CRM tool, what CRM tool would you use it for?**



If you had a **magic data importing solution to help move data into your Marketing solution, what Marketing solution would you use it for?**

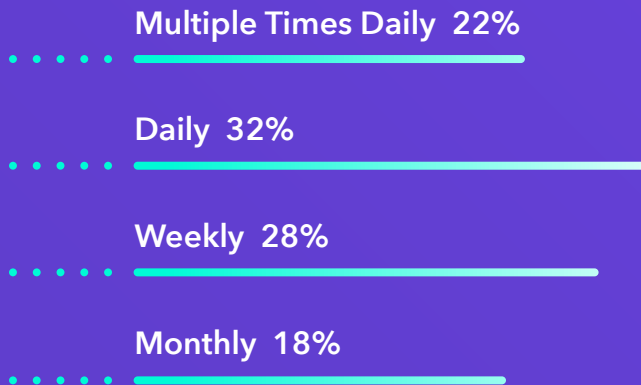


How often are you uploading customer data?

One key finding that came through loud and clear from the survey is that there is a frequent need for data onboarding.

More than half of respondents (54 percent) are uploading data at least daily and one in five said they are importing customer data more than once a day.

BREAKDOWN



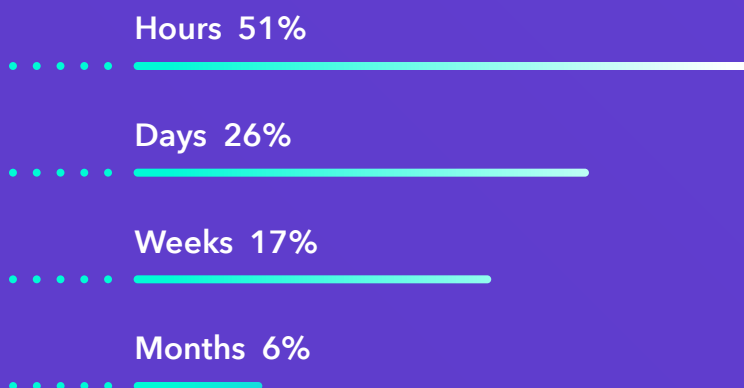
How long does it take to upload data?

In addition to our curiosity around the frequency for importing customer data, we were interested to learn more about the length of time it takes the average company to actually import this data.

Half of respondents said data onboarding took "hours" from start to finish.

A quarter said it took days, and alarmingly, almost a quarter of respondents (23 percent) required weeks or months to import customer data.

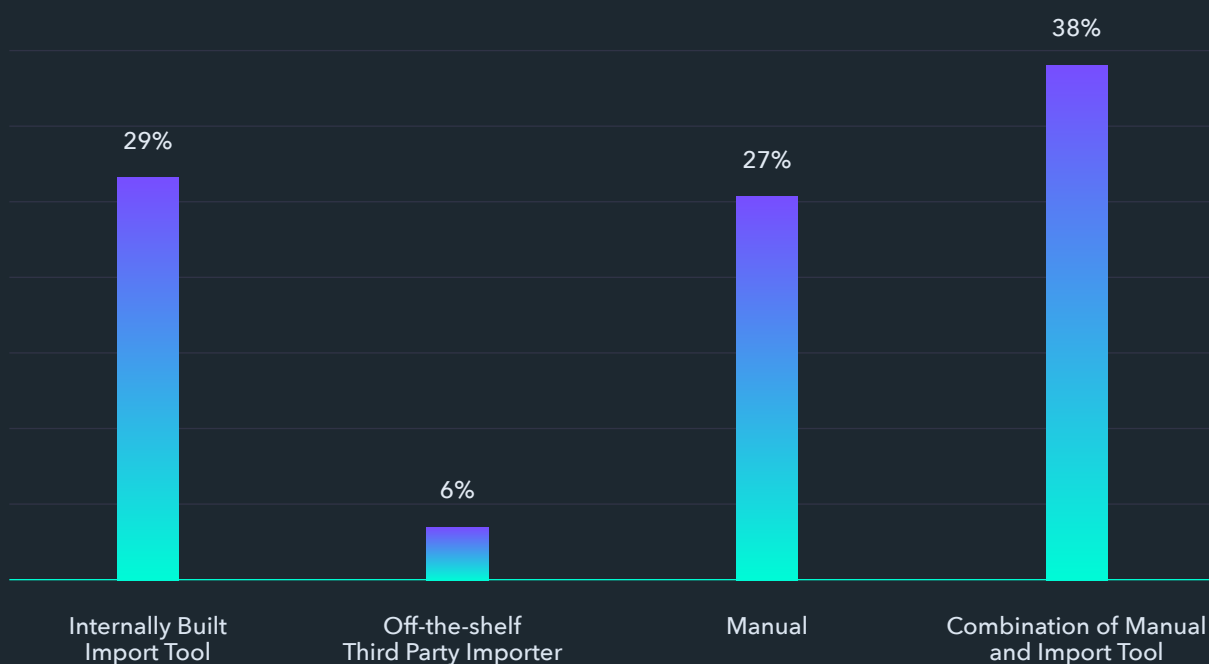
BREAKDOWN



How are you importing data?

With a better understanding of how often companies import data and how long the data import process takes from start to finish, let's dive deeper into how specifically companies are currently importing data. We asked survey respondents to provide some insight into the process they use for importing data. The vast majority of respondents are either uploading data manually, using an internally built data import tool, or some combination of the two.

BREAKDOWN



The results highlight that there is currently no simple, standard way to import data. What is clear is that uploading data manually is a slow, painful process involving Excel spreadsheets and templates that complicate the process. Problems that arise from a manual uploading process include:

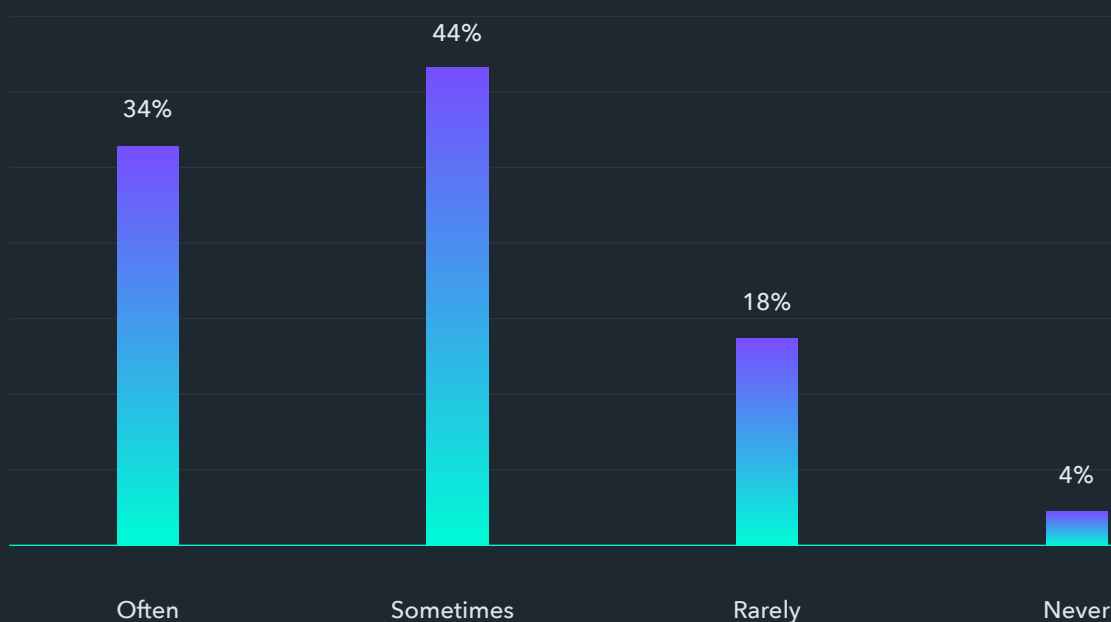
- Emails and support tickets from frustrated customers who can't import their spreadsheets into the system.

- Import errors, which the receiving team has to manually clean in their database backend before it's usable in their product.
- A never-ending string of data quality problems, due to lack of data normalization.

How often do you run into issues?

Since it is well known that importing data can be a problematic process, we asked the survey respondents how often issues occur when onboarding customer data. While companies aren't individually counting every data import issue that arises, we provided a general, anecdotal timeframe to determine how often challenges may occur.

BREAKDOWN



In a time of growing automation, it's surprising that many companies are still using a manual data importing process. While building a data importer internally is a step up from a manual process, devoting software development resources to create a data importer can be time consuming and takes valuable resources away from more value-add activities - such as building out your own product features.

It's bewildering that only 6 percent of respondents have opted to leverage a pre-built data importer that streamlines the data onboarding process given there is typically a need to import data frequently (32% upload customer data daily while 22% upload customer data multiple times per day).

What are the specific data import issues you are experiencing?

Respondents noted a wide range of issues they face when onboarding customer data (and within the survey they could select multiple issues if they currently face more than one type). Data formatting and data validation problems clearly led the way, mentioned by nearly 7 of ten respondents. That finding makes sense given the potential messy data issues that can arise and the need for clean, accurate data to have a successful import. Most companies struggle with data wrangling and spend far too much time focused on cleaning data – turning IT engineers into data janitors.

BREAKDOWN



What would you change about the data onboarding experience?

To gather specifics, we asked respondents to tell us in their own words, what they would like to change about their current data import experience.

Many respondents said they sought “general ease of use” and an “automated process” when it comes to data onboarding. Another frequent response given referenced the need to streamline the process.

Self-service, the ability for users to properly import their data without extensive intervention - was another frequently mentioned response when asked how to change the current experience.

The respondents comments reinforce the fact that when the responsibility for data import is left to the customer, chances are it won't go smoothly - especially using the most common current processes. Customers today are forced to read through extensive tutorials or watch videos to hopefully figure out the process.



WHAT WOULD YOU CHANGE ABOUT
THE DATA ONBOARDING EXPERIENCE?

**“Make it more collaborative
and version controllable.”**

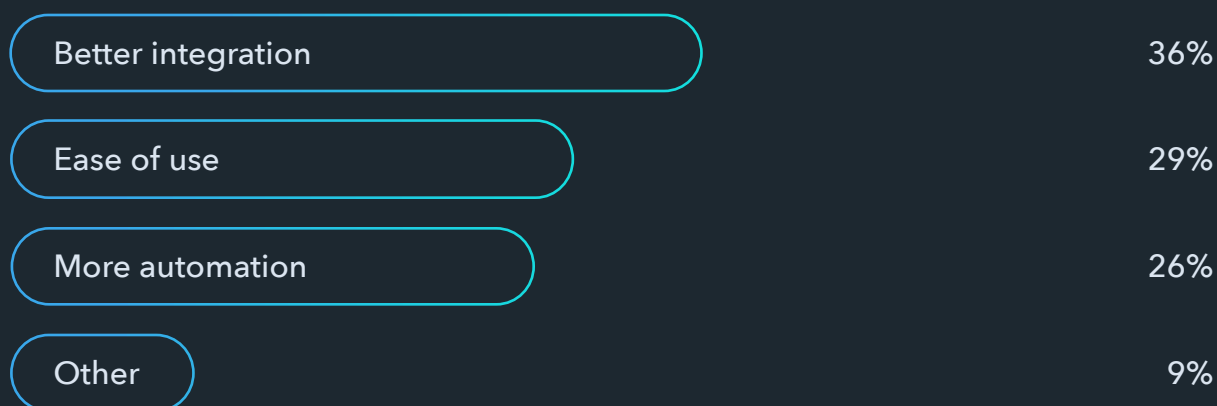


Jimmy Thomson
VP of Customer Engagement
Sonar Software

When they run into issues - as they usually do - they can become frustrated which could lead to churn - a lost customer. And if the data import experience is bad, the customer is left wondering what the experience will be like when actual operations begin. Simplifying data onboarding is thus a critical “first impression” process that must be smoothly carried out to set the foundation for a successful, long-term customer relationship.

We conducted a poll via Twitter to understand the top ways users would improve the data onboarding experience.

If you could change anything about your current data onboarding experience, **what would it be?**



SPECIFIC RESPONSES

"Clearer upfront expectations for the customer on what is needed from them and how they can help make the process faster and more efficient."

"Find a solution that allows non-technical employees to onboard data."

What's your dream data onboarding experience?

Not surprisingly, “fast” and “seamless” were popular responses when we asked survey respondents to openly provide us with their thoughts on what a dream onboarding experience would be.

“We input the data model (manually or programmatically) and the customer is then able to **import their data, map to the data model** and address any validation issues themselves.”



TJ Lewis
Chief Operating Officer
Discovery Garden

“An integrated dashboard in our application for customers to submit data and review it. Also, a way to **preview the data** in a detailed manner. For example, you’re importing contact data and the final output would be a combination of companies with contacts - showing a preview.”



Jonathan Marbutt
VP of Software Development
Waycool Software

“Hands off. The **client has the power** to see what they need to do and put their information in. Then that information is easily interpreted.”



Christine Watts
Head of Client Success & Product
Ninety.io

“Smoother, faster, and **seamless**.”



Glen Gomez Zuazo
Senior Director, IT Architecture
e*Trade

Next steps...

The survey responses provide important insights into the existing data onboarding process. Clearly there is a need for improvement as survey respondents are importing data often yet frequently experiencing problems.

Instead of simply presenting the current state of data onboarding, we want to also help to offer some solutions to the issues that were raised in the survey. Some high level steps you can take to make the data onboarding process less painful include:

- Re-evaluating how data onboarding fits into your broader customer onboarding experience
- Developing a data onboarding process that simplifies the process for your customer
- Examining ways in which you can improve the process

Since an obvious first step involves re-evaluating the ways companies import data - the question arises:

Are there **better ways** to handle data importing?

Almost three quarters of respondents feel manual importing is not the answer. They are using some form of a data import tool - either off the shelf or internally developed - some or all of the time. But how can businesses determine if they have the most effective data import solution?

Evaluating a Data Importer for Data Onboarding

The survey responses clearly point to the use of a data importer as a way to simplify the data onboarding process. There are two ways to proceed: build your own custom data importer or purchase an existing solution.

Developing your own in-house solution might sound like the right choice, but you should proceed with caution when choosing that direction.

Only a third of respondents are choosing this path. Only a small fraction of those surveyed (6%) are using an off-the-shelf solution. Despite that small number, the overall trend is for organizations to buy - not build - tools that are not core to your business problems.



9 / 10

CONSIDERING ADOPTING CLOUD SOLUTIONS

According to Deloitte's 2018 survey on global outsourcing, nine out of 10 organizations are considering or adopting cloud solutions they cannot quickly build on their own to gain a competitive advantage.

Reasons to consider building your own importer

- + Available products don't align with your company values.
- + You feel a business partner doesn't have the same dedication towards solving your problem and it's hindering your organization's growth.
- + You have demanding service-level agreements that cannot be met by a third party.
- + Off-the-shelf tools are too complicated and too hard to use

Advantages to purchasing a proven data importer

- + Thanks to globalization, outsourcing software development activities has never been easier. The talent pool is bigger and more qualified, and the costs are flexible.
- + The domain expertise going into a single piece of software is often underestimated. Most projects take months to complete, and there is a non-negligible chance that the product requirements will change over time.
- + Developing importer software is not a core activity for most organizations
- + Buying a software solution drives innovation and increases operational speed. Employees spend less time on each task, and it helps them adopt the industry's best practices right away.
- + Buying ready-to-use software removes the need for hiring, research, development, and maintenance costs.

Build vs. Buy

When you're not a tech company, buying a software product is generally the most effective solution both in the short and the long term.

But, there are often many factors to consider.

We created a "build/buy" evaluation template to help folks determine the best data import solution for their organizations.

Open Build vs. Buy Template [↗](#)

Must Have Data Importer Features to Improve Data Onboarding

In our survey, eight data onboarding issues were listed by 22 percent or more of respondents. Whether you decide to build or buy, the data import solution you select for data onboarding should have the following capabilities - most of which solve the problems outlined in the survey.

Data Parsing

Data parsing is the process of taking an aggregation of information (in a file) and breaking it into discrete parts. Essentially, data parsing means the separation of data. Look for a data parsing feature that not only provides the ability to transform a file into an array of discrete data but also streamlines this process for your customers.

Data Structuring

Most product teams want to make sure that data flows seamlessly into their application database via their API. Proper data structuring ensures that data is received into your system labeled appropriately. APIs expect a certain format of data and will fail without it.

Data Validation

Data validation checks the data to make sure it matches an expected format or value. Having this feature in place prevents issues from occurring down the line. Data validation eliminates the need for your customers to remove and re-upload data.

Data Transformation

Data transformation makes changes to data as it's flowing into the system to ensure it meets an expected or desired value. Rather than sending data back to users with an error message, data transformation makes small, systematic tweaks to ensure the data is usable.

Data Mapping

Mapping and matching - often used interchangeably - refer to taking the previously unknown starting data and matching it to a known target. It's an absolute requirement that your data importer do this very well. Without data mapping, imports will fail when data elements - such as column headings - do not match exactly.

Flatfile's Solution

Since data onboarding is so critical to customer success, many companies realize they need help. When data onboarding is successful, the customer can fully utilize the product and achieve the results they want.

A data onboarding solution helps companies deliver high quality service to customers while saving tremendous amounts of time on data migration. Flatfile Concierge is the first solution to provide a secure, collaborative workspace for data onboarding, helping companies spend more time building great customer experiences as opposed to wrangling and cleaning customer data.

The screenshot displays the Flatfile Concierge interface. On the left, a sidebar shows a project named 'ACME Onboarding' with a 'Data checklist' and a 'SHEETS' section containing 'Contact Info', 'Employee Info', and 'Sales Data'. The main area shows the 'Contact Info' sheet, which is currently in 'In Review' status. It features a table with columns for First Name, Last Name, Email Address, Company, and Phone. The table contains 10 rows of data. Above the table, there are buttons for 'Unapprove all rows' and 'Dismiss all rows', and a 'Download' button. The interface also includes a 'Request' button and an 'Upload' button in the top right corner.

	First Name	Last Name	Email Address	Company	Phone
1	Danica	MacNalley	dmacnalley0@chronoenigne.com	Voonte	863-438-7978
			gmurname1@w3.org	Muxo	266-762-9892
			catterbury2@businessinsider.com	Shufflebeat	978-569-4895
			ftfbotts3@pcworld.com	Janyx	447-175-9049
			cwiline4@php.net	Kare	806-150-1516
			lgolling5@smh.com.au	Realcube	880-498-4873
			jfookes6@daily motion.co	Rooxo	217-214-5200
			sarnet7@ihg.com	Devpoint	264-714-1669

✓ Authenticated login for each collaborator; a dashboard for collaborators so they can see what data you're requesting

✓ Secure data submission - Instead of constantly emailing potentially sensitive files back and forth, collaborators can submit data in a secure workspace.

✓ Collaboration with stakeholders

✓ Data validation - AI-powered validation means that data imports happen quicker and more accurately

✓ Approval workflows - Data doesn't just get migrated or imported into the client's account automatically. First, you can approve it, make changes, or request changes.

✓ No code required - Concierge was built for Customer Success Managers (not engineers) so there's no coding needed to set up or use the platform.

Removing barriers between humans and data

Flatfile's mission is to remove barriers between humans and data. With AI-assisted data onboarding, they eliminate repetitive work and make B2B data transactions fast, intuitive, and error-free. Flatfile automatically learns how imported data should be structured and cleaned, enabling customers and teams to spend more time using their data instead of fixing it.

Flatfile has transformed over 300 million rows of data for companies like ClickUp, Blackbaud, Benevity, and Toast. To learn more about Flatfile's products, Portal and Concierge, email hello@flatfile.io or get started for free at flatfile.io.

