Data Quality Literacy 

**A Knowledge Brief**

# *Data Quality Literacy Series 07*

# **Understanding Commercial Data**

*Understanding commercial data, the benefits of using commercial data, and its limitations.*

**Commercial Data**, also called private-sector data or third-party data, broadly refers to data created and provided by commercial entities rather than government agencies.

## Commercial Data Examples

| **Structured Commercial Data** |
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| **Structured Survey Data** | **Structured** **Administrative Records** | **Other Structured Data** |
| Media Market Data (e.g., Nielsen) | Market Research Probability Survey or Opt-in Panel data (e.g., Ipsos, Gfk, Kantar, Mintel) | Customer Satisfaction Surveys | Banking and Stock Records (e.g., Bloomberg, S&P, Moody’s, Compustat, CRSP) | Commercial Transactions (e.g., Refinitiv) | Point of Sales Data (e.g., IRI/Circana) | Credit Card Records (e.g., Experian) | Housing Data (e.g., Zillow) | Private Employment Data (e.g., ADP) | State and Local Tax Data (e.g., CoreLogic) |Climate and Self-reported Environmental Data (e.g., CDP) | E-commerce Transactions | Mobile Phone Location Sensors | GPS Sensors | Utility Company Sensors | Weather or Pollution Sensors |
| **Semi-Structured** **Commercial Data** | XML or JSON Files; Data from Computer/Online Systems (e.g., web logs); Emails; Articles from Full-text databases |
| **Unstructured** **Commercial Data** | Social Media Data (e.g., Facebook, Twitter, LinkedIn); Internet Searches (e.g., Google), Videos (e.g., YouTube), Traffic Webcams, Satellite Images  |

## The Benefits of Using Commercial Data

* It can have content or a level of granularity that federal statistics do not provide.
* It can be provided more timely and frequently than federal statistics.
* Commercial data vendors can have business relationships with private firms, so they can acquire and synthesize proprietary data.
* It can be more cost-effective than collecting data on your own and can reduce the response burden.
* It can complement and enhance the analysis of federal statistics.

## Limitations of Commercial Data

* Commercial survey data generally have lower response rates than government surveys. Many firms have chosen opt-in Internet panels over probability surveys, which may cause concerns about the representativeness of the sample.
* Administrative data collected for transactional purposes tend to be less stable in data definition and data-generating processes.
* Commercial data are often vulnerable to changes or discontinuation without notice and subject to manipulation for private interest.
* Vendors often provide the latest data at a point in time in a dashboard interface rather than datasets and data file format may not be compatible with statistical software.

To learn more, refer to *Data Quality Literacy Series 08: Evaluating Commercial Data Quality.*

**References**

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