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LISTENING, INTERPRETING, AND ASKING BIG DATA MARKETING QUESTIONS



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BIG DATA MARKETING QUESTIONS

IN A RECENT SURVEY BY MCKINSEY AND COMPANY, AS MANY AS 50% OF RESPONDENTS REPORTED HAVING DIFFICULTY MEASURING THE IMPACT OF DIGITAL MARKETING. BIG DATA IS NOW KEY TO SUCCESSFUL MARKETING. READ MORE TO FIND OUT HOW BIG-DATA MARKETING CAN YIELD BETTER INSIGHTS.

Today, leveraging “big data” properly can lead to innovative answers to some of the most difficult, time-honored marketing questions. Big data - the popular buzz phrase that characterizes the exponential growth in data types, data volume and data velocity - have already yielded impressive results for many well-known brands. To help marketing professionals gain a more thorough understanding of big-data marketing, this article discusses the right marketing questions to ask of big data and which data to collect and analyze for better big data-driven campaigns.

BIG-DATA AND MARKETING ALREADY GO HAND-IN-HAND

Big-data-driven marketing is no longer a theoretical use case of an emerging technology. In fact, many big-data solutions have been in use for quite some time. Without big data, Facebook would have little investor value, Uber couldn't even exist, and all those useful recommendations from Amazon would become generic and lose relevance.

WHAT HAS CHANGED IN TODAY'S GLOBAL MARKET IS A MARKETING PROFESSIONAL'S ABILITY TO YIELD ACTIONABLE INTELLIGENCE OUT OF MASSIVE AMOUNTS OF CONSUMER DATA FROM BOTH PROPRIETARY AND THIRD-PARTY SOURCES.

There are many examples of big data in action today that we can all relate to. When grocery shoppers receive coupons for items after check-out, retailers are using big data (in this case billions of records of shopper transactional data) and analytics to model which grocery shoppers are most likely to be interested in (and return to the same store to redeem) certain coupons, based upon the type of purchases made by that shopper ID over time and WHEN they might be ready to make a purchase based on purchase cycles that shopper exhibits.

Another powerful example of leveraging big data to drive better results involves something called remarketing (or retargeting). This refers to digital ads presented to a user as they navigate the web for something they had recently considered buying on an online retail site. Remarketing has been proven to result in dramatically higher response.

Today, big-data solutions allow data aggregators to use publisher relationships to amass information from billions of click behaviors about individual users' interests and via cookie IDs, target ads that are more relevant to that user and therefore more





**WHAT SEPARATES
BIG-DATA-DRIVEN
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FROM
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TO THE SOLUTION**

HOW IS BIG-DATA MARKETING DIFFERENT?

What separates big-data-driven marketing from “traditional” data-driven marketing is the approach to the solution. One example would be a company bringing structure to unstructured data from social media or customer-care conversations to build a 360-degree profile of customers. From a different perspective, the big-data approach may entail integrating data sets that were previously isolated in enterprise silos (i.e. click-stream data versus online-transaction data).

Another key difference would be integrating proprietary data with third-party data (e.g. Experian data). Enriching first-party data with external data sets or data aggregation services is fast becoming a common use case for media companies that leverage big data in their digital marketing campaigns. Lastly, creating a new system for a new type of data (e.g. telematic sensor data that captures driving habits and routes) to be incorporated with data already in place is yet another quick example of how big-data marketing is unique from “traditional” marketing.

An important payoff is that marketers can now target ads with surgical precision, using one of the fastest growing marketing practices today...programmatic advertising. As a user types in a URL, requesting a webpage, in the background, ad servers are talking to each other and making deals in tenths of a second... ”here is a user, with certain interests...how much are you willing to pay to serve that person an ad?



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ASKING THE RIGHT MARKETING QUESTIONS

In this context, big data can shed light on many of the most important challenges, such as:

- ✦ ***Agility and marketing optimization***
- ✦ ***Measurement and ROI assessment***
- ✦ ***Actionable segmentation***
- ✦ ***Omnichannel and integrated marketing***
- ✦ ***Customer retention***
- ✦ ***Personalization and targeting***
- ✦ ***Insights and innovation***
- ✦ ***Customer acquisition***

Here is a closer look at a couple of these challenges to provide examples of the types of data to collect, link and analyze with a big-data approach.

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HOW CAN A COMPANY ADJUST MARKETING CAMPAIGNS IN REAL TIME?

Traditionally, marketing processes have been slow to report on the effectiveness of a campaign. Often, marketing research is several weeks (if not months!) behind in its analyses, but what if there was a better way to adjust and analyze campaigns in real time? Big data-driven marketing provides precisely this capability, which was unheard of several years ago.

TODAY, ONE WAY TO ACCOMPLISH THIS LEVEL OF MARKETING OPTIMIZATION IS TO LINK EACH AD IMPRESSION TO A UNIQUE USER ID, WHICH CAN THEN BE UTILIZED TO LINK TO CONVERSIONS, OR OTHER CUSTOMER DATA.

Companies can now tag ads in such a way as to generate a database of results (i.e. what works in the real world and in real time) for future campaign optimization.

HOW CAN A COMPANY IMPROVE CUSTOMER RETENTION?

Accounting for consumer sentiment has always been a challenge for marketers. Traditional data-driven marketing can shed light on churn rate, but churn rate does not tell marketers why customers defect, let alone what companies can actually do about low customer retention.

However, by taking a big-data approach, companies can now link click-stream data, customer-care data and online-transaction data in addition to other third-party sources.

“USING PREDICTIVE ANALYTICS’ TECHNIQUES, SUCH AS LOGISTIC REGRESSION, DATA CAN ACTUALLY PREDICT WITH A HIGHER DEGREE OF ACCURACY WHICH CUSTOMERS ARE LIKELY TO DEFECT, BASED UPON THEIR INTERACTION PATTERNS AT EACH TOUCH POINT WITH THE BRAND.”

JOEL RUBINSON, FORMER CHIEF RESEARCH OFFICER OF THE ADVERTISING RESEARCH FOUNDATION, AND MARKETING ADVISOR TO IIS

Certainly, many more opportunities to leverage big-data marketing abound. Moving forward, the key takeaway is that companies that develop innovative ways to accommodate big data and advanced analytics will differentiate themselves as leaders in the coming years.

IIS HAS THE INNOVATIVE EXPERTISE AND EXPERIENCE MARKETERS NEED TO BRING THE BENEFITS OF BIG-DATA MARKETING TO FRUITION. FOR MORE INFORMATION ON WHAT SETS IIS APART, VISIT WWW.IISL.COM TO CONTACT A REPRESENTATIVE.

