

A large crowd of diverse people, seen from an aerial perspective, is arranged in a large, stylized number '2'. The people are wearing various colorful clothing, and their shadows are cast on the white ground. The number '2' is formed by a thick line of people, with a gap in the middle of the lower curve.

Delucchi Plus Digital Trends Report

Vol. 1: "Big Data Genie In a Bottle: Be Careful What You Wish For"

Introduction

Thank you for downloading the first-ever Delucchi Plus Digital Trends Report, a new educational product from our Strategy + Insights team. The crowded conversation around digital trends makes it difficult to distill the chatter into actionable insights. The goal of our Trends Reports is to provide exactly this: A matter-of-fact exploration of the opportunities, cautions, and takeaways for marketers and brand champions to make the most of the latest trends.

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The Trend: Big Data

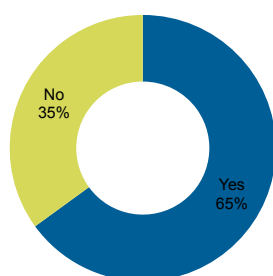
In this Trends Report, we examine the buzzy topic of Big Data. Defined here as the collection of and access to complex information sets, Big Data has surged in quantity in the last decade as our lives have become increasingly linked to the Internet. It comes in many forms: GPS signals, financial transactions, web browsing behavior, social media demographics, and photo uploads, to name a few, but Big Data is most commonly associated with predictive analytics that recommend what to buy (Amazon.com is a pioneer here), what to listen to (Shazam, a smartphone staple), or how to get home (Waze rules the road).

Until recently, many companies sat on Big Data goldmines without the tools to use them to improve their operations, but with the rise of data-collecting social media sites and mobile devices, platforms like Facebook and Spotify are cashing in on the influx of user data, and traditional businesses are taking notice. Additionally, as Big Data has become socialized as a term, consumers are increasingly aware and willing to respond to marketers who use this data wisely.

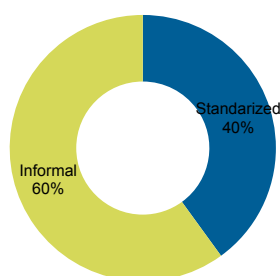
Opportunities

As digital marketing gurus, we're naturally excited about the opportunities presented by Big Data. "The more we can learn from past and present marketing efforts, the more we can refine our tactics going forward," offered Patty Delk, Vice President of Strategy and Insights at Delucchi Plus. Despite the opportunity, we find too few businesses are using their data consistently:

Does Your Company Conduct Market Research?



How Does Your Company Leverage Data?



At Delucchi Plus, we leverage Big Data in different ways across each of our client industries. Here are just a few recent examples:

- **Audience Identification for Real Estate:** Our team uses Geographic Information Systems to learn about nearby demographics and make informed decisions about real estate marketing. For example, we leveraged complex transportation data sets to determine the maximum commutes consumers were willing to take on, then targeted those potential renters through search marketing efforts.



- **Sentiment Analysis for Retail:** A shopping and dining destination had difficulty appealing to audiences of competitor high-end retail areas, whom they perceived as competitors. Our team's sentiment analysis revealed that the client was marketing itself differently than it was perceived by visitors, leading to poor reception. This finding allowed us to modify how the destination described itself and who it marketed to, ultimately leading to record revenue growth.
- **Website User Experience for Health and Wellness:** A fast-growing health app wanted to improve response to its incentive programs. Their data revealed the answer, showing our analysts that users were blocked from taking action on incentives using their mobile devices. Rather than invest more money directing users to a broken conversion machine, we recommended app development and a website refresh to create a seamless user experience.

Cautions

Despite the promises of Big Data, our team also warns against oversimplifying this unwieldy resource. "Today's analysis tools have made Big Data a tool anyone can access, whether or not they should," says Alden Leonard, Director of Research. "Information openness is a good thing, but you have to be careful when dealing with complex data. It's easy to get lost."

Here are the Strategy + Insights team's two main cautions about Big Data:

1. **It's Not a Panacea or a Magic Eight Ball:** People think Big Data holds the solution to every problem, from slow sales to communicable diseases. It might, but there's a lot of junk in there too, and you have to know how to filter that out. Rather than a Magic Eight Ball, Big Data is more like a genie that gives you three wishes. You have to phrase your wishes *very* carefully or the Genie might pull one over on you. Similarly, applying analytics with a lack of precision can actually lead you astray and give an incorrect, maybe even harmful answer.
2. **You Still Need People (Maybe More Than Ever):** The popular idea of an unbiased, all-knowing algorithm to make marketing decisions for us is appealing, but mostly untrue. Ambiguity is the dominant characteristic of Big Data, and more than ever, it requires human judgment to intervene and resolve seemingly conflicting evidence. That's where the skilled analyst comes in: At Delucchi Plus, we believe the future of analytics is the creative minds that compare, weigh and judge multiple sources of information to draw the right conclusions.



Actionable Advice

Given these pros and cons, how can marketers be sure they are making the most of the Big Data trend, without being overwhelmed by it? We offer two universal best practices to leverage Big Data:

1. **Always Know What You're Asking:** Big Data isn't a flood, it's a sandstorm: It's incredibly easy to get lost if you don't have a clear direction or goal. It's crucial to identify your questions and plan which resources will help answer them before diving into the data itself. That's a fancy way of saying, "ask the right questions." With the examples above, the answer was there, but our client needed a fresh pair of eyes to see it properly.
2. **Keep Your Mind Open to The Unexpected:** Although focus is crucial, some of the greatest Big Data opportunities are the unforeseen conclusions. The best way to keep your eyes open for those is through a visualization program like Tableau or Data Hero. Give yourself enough time to deliver the main answers, but also to mess around and possibly find some unexpected patterns.

Conclusion

In the case of Big Data, the key takeaway is this: Anybody can do research, but not everybody can deliver insights; Context is key for successful marketing strategies.

If you're interested in learning more about how Big Data can improve your marketing, you're in luck: Delucchi Plus has recently introduced a new suite of products called *Insights* to help our clients maximize their marketing investment with our analytical and actionable approach to data. Please [contact us](#) to learn how the Strategy + Insights team can help your team and your business grow, whether it's through data-driven research, a custom trend report, or a webinar or lunch-and-learn.

As we said, the intent of our Trends Reports is to arm clients, colleagues and partners with the latest thinking in the digital space. We hope you learned something and will continue to join us on our educational journey.