



BEYOND DATA

Data is a business problem. Funny, huh? It was supposed to be the solution. Big data, in particular, was supposed to tell us about our customers, predict the products we need to create, make business operations more efficient, and generally make life easier.

Instead, we found a whole new set of rules and acronyms to understand. Software we were supposed to use, analytics that we were supposed to interpret, and new platforms that were supposed to help us engage. By the time we learned it all, of course, there was newer software, new privacy laws, and new competitors telling us about the latest shiny options.

The net result has been data that comes at us faster than we can keep up. As a result, our data goes unchecked and unused, much as our old spreadsheets and pie charts used to sit on a shelf until someone had time to analyze them. Which means never.

So, let's break it down a bit and talk about how to use today's data. At the risk of using a buzzword, we want data to be "actionable." For something to be actionable, we have to first understand the type of actions that it can create.

We probably all understand that Big Data is about a lot of numbers. What really sets it apart, though, is not the quantity of information; that just adds to the confusion.

The point is that Big Data is designed to let the computers unveil patterns and shifts—and it can look at behavior, tying together who is doing something with where they are doing it, and how often. For the "why," Big Data still needs interpretation. Some of that can be computerized, but some cannot.

Today's Big Data is relying a lot on something called "device behavior." While there are software definitions around this from a technical standpoint, the marketing view is simply about following a device—meaning a mobile phone, and any personal device and apps (computer, tablet) tied to it. The word "following" scares many people in the wake of Facebook's acknowledged privacy issues, but the reality is that people are signing off right and left on allowing themselves to be "followed"—with or without anonymity—to ensure their continued use of helpful apps and access to electronic information.

The results of understanding device behavior means you can then analyze "observed data" rather than "reported data." As you can surmise, "observed" shows what people actually do, while "reported" shows only what they want to tell you.

All of this access to data is leading to a shift in the use of the collected data, with a move toward "behavioral" rather than "statistical."

Enter a new problem: the one-size-fits-all approach. With behavioral data we can categorize customers by how they act. What's happening, then, is broad groups of people are segmented according to their past actions. What we SHOULD be doing is understanding the niche opportunities presented by how people act, predicting how they will act next, and creating messaging and opportunities around that understanding. We don't have to rely on knowing what they bought—we can rely on understanding the need that drove them to the purchase in the first place.

Data really can be part of the solution, if we use data as a gateway to drive behavioral insights across multiple channels/processes. Data can be used to identify the need-based drivers that lead purchasing behavior. It's really that simple, and that hard for many companies to grasp since they are stuck in masses of data that is not yet actionable.

Many of the companies talking about behavior are actually combining data platforms to create a universal data system. That certainly is one way to help—data resolution will combine your data into one place and allow you to build a consumer model. However, the real goal is about translating all of this new data into actionable insights, and that's the step that is missing. That's the step that is making data a bigger problem than it should be.

Let's change the language. Instead of "segmentation" let's talk about behavior groups. Instead of "reported" let's look at observed. What's beyond data is up to you.

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About CultureWaves®

CultureWaves is a need-based behavior science company that helps Fortune 500 companies, cities, brands, and both private and public sector organizations understand the "why" of consumer behavior, constituent and visitor behavior, in real time, with the ability to translate said behavior into actionable marketing and innovation insights. Since 2006, our behavior scientists use a proprietary need-based analytic tool - Sparcwire®, that observes human behavior through need-based filters, to deliver a clear look at where consumers have been, are headed, and importantly, how to more effectively reach and influence them now. These timeline insights inform brand strategies and engagement, new product development, and integrated communications outreach custom-tailored to a brand's specific needs. CultureWaves explains the why behind consumer behavior. To learn more, visit www.culturewaves.net.

Its latest product, VOICE, is a new way to think about your audience using device data + need-based behavior, all adding up to a better understanding of what is influencing your target and changing their behavior. CultureWaves discovers the behavioral motivations behind purchasing decisions, with the goal of helping brands get ahead of the needs of consumers.

There are three basic filters used: 1) the four life categories of Technology, Entertainment, Design, and Well-Being; 2) Maslow's basic hierarchy of behavior; and, 3) CultureWaves proprietary 34 macro trends, which are an ongoing look at what's going on in behavior. Its proprietary database has more than 12 years of evidence recording the nuances in behavior, the shifts, and the applications.