

What Defines A 'Data-Driven' Company?

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Businesses across the board are struggling to manage and interpret "Big Data".

For many advertisers, managing big data is more of a headache than a reality. Although a survey by Capgemini indicated that two-thirds of executives worldwide would describe their organizations as "data driven," there are many barriers involving implementation of "Big Data." The challenges lie mostly in the management, aggregation and real-time application of multiple forms of data.

Some industries seem to be faring better in terms of data management than others. According to Capgemini's survey, 76% of energy and natural resources executives believed their company was data driven, as did 75% of healthcare, pharma and biotech executives, and 73% of financial services executives.

Industries such as retail and entertainment aren't making data as much of a priority, however. A survey of US brand marketers and agencies by social marketing analytics company 33Across found that only 46% of entertainment companies and 45% of retail companies strongly agreed that data access and usage was important to their ad spending. That contrasted with 72% of automotive and 70% of financial services companies that strongly agreed data was valuable to ad spending.

Entertainment's lesser concern with implementing Big Data may be due to the industry's shorter timeframe for promotion. For movie studios, for example, the goal is getting the largest amount of reach in the shortest amount of time. When it comes to retail, Allie Kline, CMO of 33Across, pointed out that the big focus is on conversions. Using Big Data may only provide a small, incremental boost in conversions and may not necessarily be worth it to retailers who risk giving consumers the "creep-out" vibe when they implement Big Data and potentially show they know too much.

There are a number of other challenges hindering organizations when it comes to effectively utilizing Big Data. The Capgemini study found that 55% of executives felt that Big Data was not viewed strategically at senior levels of their organization.

In terms of applying data to advertising spending, 33Across found that 70% of respondents were concerned with making sense of all the data. Moreover, 73% were concerned with integrating data in a cross-channel fashion, and perhaps most significantly, a considerable 91% were concerned with driving ROI from Big Data.

"Like with most things in life, the anxiety is much greater than the reality," Kline of 33Across said of the challenges surrounding Big Data. She recommended that organizations and data providers "package data in a way that is consumable to advertisers" so that stakeholders can begin making data-driven decisions.

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21 June 2012