How Marketing Analytics Is Evolving

Bill Franks
Chief Analytics Officer
What Is The True Product?

Clothing & sportswear aren’t the primary focus any more
Combining Traditional & Analytics-Based Products

Loyalty can be cemented via analytic apps
Connected Products Offer Powerful New Insights

For example, which product features do customers prefer (or fail to use) in practice?
Precisely target just the people fitting your target while they are sitting at the event!
Innovative Ways To Capture & Monetize Data

Consider AMC Story Sync …
Keep An Eye Out For New Capabilities

People are always coming up with new ways to collect and analyze data
New Algorithms Will Lose To New Information Almost Every Time

Prioritize testing new information over testing new methodologies with old information
Three Ways To Drive Value With New Data

Add additional power to existing analytics processes

Identify entirely different problems to solve

Identify new ways to solve existing problems
Challenge Your Assumptions
If methods aren’t different from each other (or from random) then are you adding value?

The Perils Of Marketing Attribution

Channel 1
Channel 2
Channel 3

Random  Method 3  Method 2  Method 1
All Is Not Lost!

There is great value in marketing attribution data ... just in different ways than expected

The detailed paths that customers take are far more important than aggregate estimates
Follow Each Customer’s Journey

Transactional data, web data, customer service data, application data, social media data, and more can be combined
Make The Best Use Of Today’s Many Channels

Omni-channel marketing is **not** the same as all-channel marketing

Delivering coupons 10 ways is still simply just delivering a coupon!
Perfect Data Doesn’t Equal Perfect Predictions
Choose The Right Metric To Optimize

Changing tires more often actually led to a large increase in total mine yield.
Learn From The Tortoise & The Hare

Culture can be changed one metric at a time

“Culture trumps data.”
– David Schmidt, IHG
A Picture Is Worth A Million Pieces Of Data!

Imagine verbalizing the information conveyed through a map without using a map!
See A Story That Words Can’t Tell ... Effortlessly

The right visuals make all the difference
Multi-Genre Analytics Are Powerful
Combining results from multiple approaches yields better results
Yes, AI Is Analytics

It is not something totally different
AI is Part Of The Analytics Revolution!

AI is being industrialized and operationalized from the start
Deep Learning Starts Dumb

But then uses brute force to get very smart!

Model says: It’s a cat!
It Is Possible To Go Too Far

A suit of sensors for a perfect, full-body fit just didn’t fly!
Three Critical Questions About Privacy Standards

1. What is legal?
2. What is ethical?
3. What will customers / consumers find acceptable?

Ignore these questions at your own peril!
To Succeed, Embrace Discovery Analysis

A discovery approach is necessary to find new and impactful analytics

**Confirmatory Analysis**
- Examining predefined problems
- Assessing specific hypotheses
- Business problem well defined
- Aim is to validate a theory

**Discovery Analysis**
- Full scope not defined
- Interactively evolving hypotheses
- Business problem is developing
- Aim is to identify new theories
Invest Differently: Fund Portfolios, Not Projects

Diversify your risk to succeed …

… Too little risk can be as devastating as too much risk

The concept is similar to retirement planning versus venture capital!
Research & Development Is **Not** Random Hacking

Discovery analytics are a disciplined, focused research and development effort, with intent to eventually monetize findings.
Create An Internal Shark Tank!

Regularly have people pitch their latest ideas for innovative analytics, and also report back on progress for past ideas.
Analytics Won’t Replace Execution

Without acting on findings, no value will be realized!
Children today will not be legally allowed to take control of a vehicle when they are middle aged!
Key Takeaways

1. Use the many new, powerful data sources available today
2. Look beyond traditional marketing analytics approaches
3. Identify ways to solve old problems in new ways
4. Artificial intelligence is the newest analytics growth area
5. Budget for innovative analytics as form of R&D
6. Make sure there is always an action driven, not just an insight
ABOUT IIA

COMPETING ON ANALYTICS FROM THE BEGINNING

Founded in 2010 by Jack Phillips and Tom Davenport with the belief that . . .

- **Competing on analytics** is the future
- Success will be a **strategic** imperative, but **difficult** to achieve
- Success will require specialized and leveraged **expertise**

Industry recognized foundational research from IIA’s Tom Davenport, Robert Morison & Bill Franks
IIA helps **develop** and **sustain** enterprise analytics capabilities that drive performance and create competitive advantage.

IIA focuses on the key levers of success and maximum return:

- ✓ **Access to Expertise**
- ✓ **Skills Development**
- ✓ **Measurement**

*The IIA Analytics Performance Suite*

**Research & Advisory Network**

**Expertise**

**Measurement**

**Skills Development**

**Capability Assessments**

**Advisory Consulting, Executive Coaching, Workshops, & Training**
Further Questions Or Comments?

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