

COLUMNS

Data is the lowest form of management

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By **Mike Berman**

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Luxury Daily's recently published [State of Luxury 2017: The Insider View](#) is an insightful must-read report for any executive serious about meeting the many challenges in store for luxury brands. Yet even the [State of Luxury 2017's](#) comprehensive 54 pages of survey data is insufficient for implementing high-impact brand strategies.

Like any form of data, surveys are a collection of useful facts, figures and statistics that can establish baselines and reveal trends.

Technological advancements have certainly made data more available, coming at a much faster pace. But instead of making brand marketers smarter and more efficient, in too many instances over-reliance on pure data has had the opposite effect.

Point on data

Data is the lowest form of management.

Without interpretation and application, decision-making by data leads to inefficient use of resources, wrong conclusions and poor execution.

When recognized as a solid starting point, data can be translated into highly useful purposes when advanced.

This first stage of this necessary advancement comes from transforming data into information.

Where data-driven marketing is driven by the technical, information is a function of evaluating, challenging, hypothesis testing, all requiring human intelligence and professional expertise.

Where data may organize and quantify, telling us "what" and "where," brands looking to expand their business need to get answers to the more relevant "why" and "how" questions.

Supplementing quantitative data with qualitative insights that can only be achieved through the managed information process puts companies on a path to time and cost-effectively execute brilliant strategies.

This virtuous path is completed by converting information into working knowledge.

In this highest stage individuals and organizations are able to make smarter, fully absorbed, precise decisions to propel their brand.

Where data obsession narrows a perspective by drilling down, by raising it to working knowledge we are able to fully open up, a necessary trait for successfully executing growth strategies in an ever-changing environment.

After all, growth is expansive, not something to be achieved without a broad platform that requires true working knowledge.

Stating it

As an all-inclusive pursuit, working knowledge is guided by fundamentals.

Regardless of any endeavor, fundamentals always rule and businesses ignoring fundamentals do so at their own peril.

For this, let us consider some of [State of Luxury 2017's](#) key findings:

Finding new customers is the luxury category's #1 challenge

Harnessing social media is a primary industry objective

Identifying and exploiting new sales channels is an imperative

Half of the surveyed brands intend to increase marketing/advertising spend in 2017 over 2016

NOT ONLY would you find similar, if not entirely identical, results of surveys done in other fields, without converting this raw data into information and working knowledge, then retailer John Wannamaker's 19th-century fundamental, "I know half the money I spend on advertising is wasted, but I can never find out which half," would be a best-case scenario in today's fragmented environment.

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