

COLUMNS

## Analyzing Big Data for customer insight

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Back in 2010, Google executive chairman Eric Schmidt forewarned of an impending data explosion. “Between the birth of the world and 2003, there were five exabytes of information created. We [now] create five exabytes every two days,” he said.

Last year, about 2.5 exabytes of data were being created daily, an amount that is expected to double roughly every three years. If you are unclear as to how large an exabyte is, it looks like this: 1,000,000,000,000,000,000. According to the Harvard Business Review, that is the equivalent of about 20 million filing cabinets’ worth of text.

### Big deal

With such proliferation of online – and now, mobile – commerce, data has gotten bigger than ever. It is so big, in fact, that we now capitalize it as Big Data, the way we capitalize Big Pharma, Big Oil or Too Big to Fail. As we interact with apps and messages on our smartphones and tablets, we make it bigger by the second.

Big Data, and the battle companies have faced in harnessing it to boost business, was one of the hottest marketing topics of 2012. And to judge from the results of a recent study by Neolane and the Direct Marketing Association in which 60 percent of surveyed marketers said they are not ready for Big Data’s challenges, many marketers are still overwhelmed by the sheer size of the data sets they are collecting.

But there are ways for mobile marketers to sift through the data deluge for information that paints an accurate picture of each customer's preferences – and turn it into actionable insights that can inform and direct messaging.

If you want to craft the most relevant push notifications, SMS and mobile email messages possible, action analytics techniques are here to make Big Data your new best friend.

Big Data really is not scary at all – if you look at it from the right angle.

As consumers tap and swipe at their portable screens, they leave “data fingerprints” that reveal their wants and needs. Marketers can “read” these data trails to better understand their customers, define clearer segments and, ultimately, give them the best possible experience.

The way to start is by implementing an action analytics plan. That is because the metrics gathered to measure performance on desktop – page views, banner clicks and impressions – cannot tell a mobile marketer which messages are the ones driving engagement and sales.

Action analytics for mobile looks at metrics such as messages sent versus opened, time since last open, organic versus prompted opens and opens that result in conversions such as registrations, sales or social shares. It can link specific message copy and, in some cases, individual elements such as tone, length, language and visual aesthetics to particular outcomes and goals.

This is data you can act on.

ABCs

For example, let us say you are a mobile game developer who wants to boost sales of a new title. Through action analytics, you identify the audience segments – for example, “whale” users, the biggest in-app spenders or “social sharers” – that seem most likely to purchase the new game through app-originated pushes on a game they already own.

Then, you A/B split test the messages you have crafted by deploying two versions of each to significant samples of their intended customer segment. Once you know which drove higher purchases, you push those out to the whole segment.

However, as a shrewd mobile marketer, you would not stop here, because you want to make sure you have not wasted even a single opportunity for another conversion.

So the next step is to retarget your messages based on the possible outcomes of each split test message: open with conversion, open with no conversion and no open at all.

You could conceivably retarget many times, each time using the information you gained from the last round of follow-ups to refine your audience segments and their characteristics based on previous response – or lack thereof – and make the next one even more appealing.

All of a sudden, Big Data does not seem so scary or nerve-wracking, does it?

AS MOBILE ADOPTION sweeps into even the most remote corners of the world, data will keep growing, and with it the opportunity to get to know your customers even better each day.

Action analytics for mobile can give you the power to read the data right and use it to craft messaging that keeps those customers coming back for the long haul.

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