

DataMine

UP-TO-THE MINUTE BENEFITS

Businesses of all shapes and sizes are starting to harness the power of data in real time to drive competitive advantage – meeting the increasing expectations of much of the UK population

By Lucy Fisher

Data is playing an increasingly important role, driving tactical as well as strategic business decisions. This will come as less of a surprise to some, for whom the power of data in real time has always been evident.

At Transport for London, for instance, information has to be conveyed to millions of users as quickly and as reliably as possible. As such, the body has actively encouraged developers to mine its data, by making its data feeds and developer platforms freely available.

Unsurprisingly, the apps that have been developed around real-time bus service updates have been extremely popular. “The ability to look on your phone and see when the bus is due is a revolution,” says Phil Young, head of TfL online. When you set data free, he says, new ways of utilising it can make themselves apparent.

This is becoming more apparent to more and more business, and is a trend driven by consumer demand. Sixty-five per cent of the UK population expect organisations to analyse the behaviour of visitors to their websites in order to improve services, according to a survey conducted by the Future Foundation on behalf of the Direct Marketing Association (DMA).

TfL's example is an obvious one, but businesses in all varieties of sectors are noting the often unexpected benefits of making constantly updating data sets available to view and analyse. Nick Thistleton, managing director of karaoke chain Lucky Voice, says that when he started working with Tableau Software to help him make better business decisions using real-time data, he did not anticipate



how far the benefits would spread.

Data dashboards on the tills, for instance, have led to a significant increase in sales: venue managers can see how much money has been taken and encourage staff to pull out all the stops when necessary. “The technology has paid for itself and then some,” he says.

“Without [real-time] data there are missed opportunities,” points out Yvonne Chien, senior vice president of marketing at Getty Images. Getty recently launched The Feed, a social media initiative which uses Twitter's developer platform to feed images directly to social media sites in real time, according to which topics are trending. This saves time, given that

populating social media sites with up-to-date content can be labour-intensive. It's been an excellent branding opportunity for Getty, too, Chien says.

Real-time data streams are also opening up the possibility of dynamic pricing for more businesses, so it is no longer the preserve of bookmakers or stock markets. Its use is sometimes controversial, though – it's no secret, for instance, that airlines alter their prices depending on a web user's browsing patterns, bumping up the price once a would-be traveller returns to a particular website, apparently having exhausted his or her other options. According to Royal Mail head of data development Tony Lamb, who is also a member of the DMA's Data Council, some of the travel sites are “quite cunning” and brands need to be wary about attempting to trick consumers in this way.

Karaoke chain Lucky Voice uses sales dashboards at tills to maximise revenue

Greater control

Of course, the delivery of sophisticated services driven by real-time data involves a lot of hard work, but it appears to be worth it, especially as some companies are managing to create comprehensive databases that can span entire industry sectors. Dynamite Data is one: it tracks minute-by-minute changes in ecommerce prices, promotions and inventory across some of the world's largest retailers, which consumers can then access via its Dynamite Deals web browser app.

The company started out in the electronics sector, a highly commoditised market, but chief executive Diana Schulz says that interest has spread, especially with the growth of what ▶

Q&A

Epson



Tim Bedward,
consumer sales
manager, IT
brand Epson

Marketing Week (MW): How are real-time services providing a competitive advantage for Epson?
Tim Bedward (TB): Epson sells thousands of products in thousands of stores. Using Opus, a bespoke multiplatform data collection tool created by our field marketing agency Gekko, we monitor stock levels, ranges, promotion compliance and competitor activity. Inefficiencies such as ink cartridges being out of stock, or discrepancies in price promotions between stores, can be the difference between a positive and negative consumer experience.

MW: What are the greatest risks when it comes to implementing real-time data?

TB: You have to be confident in the robustness of the system. Qualitative data should not be discarded in the search for speed. Real-time services aren't about how quickly you can make a decision, they're about how quickly you can make an informed decision.

MW: As a consumer, have your expectations of real-time services started to change?

TB: We expect brands to have a higher level of understanding of consumers on an individual basis. Ecommerce will take the lead in terms of implementing dynamic pricing models and more visible real-time services. But on the shop floor, these services are being used more and more behind the scenes to inform and enhance the in-store experience.

► she calls "web-influenced retail", where consumers conduct a period of online research before purchase. She is now seeing interest from bricks-and-mortar stores in buying the data through Dynamite's business-facing service, adding to its existing ecommerce-based business customers. She describes how US electronics company Abt pipes competitor-pricing data into its checkouts so that store staff can proactively tempt prospective buyers with optional extras, such as free delivery, to close the sale.

This element of human supervision is necessary when utilising real-time data, argues Craig Smith, ecommerce marketing analyst at electronics site Crucial.com, which also uses Dynamite Data's business service. He stresses how important it is to marry data feeds with a manual input: "I don't think you can have too much data but I do try to

drive efficiency of process," he says.

As data volumes are expanding at a phenomenal rate, without due diligence and a watchful eye with regards to data accuracy, there is a growing danger of making mistakes – and with real-time data, there might be no way to take them back. According to Jane Frost, CEO at the Market Research Society, the more data you have, the more critical the data quality issue becomes. "Use data as an aid but not as a replacement for judgement," she says.

Real-time strategies are more likely to be successful where companies tightly define their objectives, as well as the precise data sets necessary to bring that

Viewpoint



Emma Blake
Founder and
director,
fashion retailer
Pinstripe
& Pearls

Real-time data is key for an online business. It allows us to understand what the customer is interested in right now. As well as Google Analytics, we use ClickTale, which produces heat maps, showing 'hot' and 'cold' areas on the website. We reorder our home page to reflect the popularity of products.

Real-time data is also really useful for investment decisions. An efficient back office is massively important. We use Sage Pay and the most useful functionality for us is the ability to instantly download customer transactions into our accounting system with just a click of a button. This means we can use the reporting tools to show the very latest financial data.

These things are available to small businesses. I think ClickTale costs us something like £100 a month. We've been able to test what works, what doesn't and ultimately improve revenue from what can look like very small changes.

It's a really big advantage for businesses setting up today is that online shopping is now the norm. It means we understand consumer expectations. From a customer point of view it helps that Pinstripe & Pearls is online only. When you are linking to stores, too, it can be tricky to maintain a single customer view. This year mobile is where we need to invest.



Pinstripe & Pearls uses ClickTale, which reveals 'hot' and 'cold' areas on its website

goal to fruition. The general consensus, however, is that businesses are not yet doing this as well as they could.

Few companies have mastered the art of the 'single customer view', where they can see all of an individual's up-to-date interactions with their brand through one simple interface. And with a growing range of mobile and internet-enabled devices on the market and the continued fragmentation of media consumption, identifying one person's touchpoints with a brand as they occur is getting harder.

Consumer expectations are shifting, too. There is a belief that current, reliable information should be freely available at the touch of a button or the swipe of a screen. Thomas Brown, head of insights at the Chartered Institute of Marketing, says that consumer frustration will grow if brands do not start to exploit the data that they hold to the end user's advantage.

90%

of the data in the world today was created in the last two years, according to TNS

700 billion

roughly the amount of DVDs that would be required to store the digital data in the world today, according to Forrester

65%

of the UK population expect organisations to analyse the behaviour of visitors to their sites in order to improve services, according to the Future Foundation

CaseStudy

Bravissimo



Lingerie and swimwear retailer Bravissimo set out to boost sales in the run-up to its critical spring and summer season last year, by serving pay-per-click (PPC) ads online based on the prevailing weather conditions. "When you're cold, you don't want to take lots of layers off," explains Fiona Lomas, senior marketing manager. "But in certain weather conditions there's a propensity to buy [summer clothing]."

Working with agency Fast Web Media and using its cloud-based solution weatherFIT, Bravissimo tested the technology on its swimwear and Pepperberry-branded dress ranges. "It's incredibly real time. The weather is so important to our product categories. This technology really improved the efficiency and effectiveness of our PPC."

It meant we were delivering more relevant content to customers and led to a greater propensity to convert. We are looking at it again for our coming summer campaigns as the results were very compelling," says Lomas.

The impact of the weather on buying decisions is not just restricted to the paraphernalia of sunbathing. Coors Light is also using the same tools as Bravissimo in order to sell beer. Coors' marketers and its agencies don't need to look at a weather forecast; instead ads are powered by live data. Using the same 100 territories that both Google and the Met Office use to divide up the UK, the brand can simply create rules for the presentation of ads based on certain weather conditions, and the rest is automated.

"A growing proportion of consumers are smart enough to have a rudimentary grasp on how organisations might be able to use data to drive smarter decisions and more tailored conversations. They're going to feel awfully frustrated with those brands which continue to act in ignorance of the data and untapped insight they hold," he says.

What's more, this type of communication won't just be about the 'now'. It will be about what you want next week, next month, even next year. Soon, the power of real-time data will extend into predictive marketing techniques designed to capitalise on what you want, before you even know you want it. Mobile operator EE, in partnership with research company TNS, is already focused on the

opportunities inherent in mobile data sets and the possibilities of generating insights into how people move around by tracking where they take their phones.

Ultimately, this could give EE the ability to predict people's location, according to patterns of previous behaviour, perhaps before they know where they'll be themselves.

For most companies, there are still basic challenges of organisational structure to overcome before real-time data can be fully shared, analysed and exploited across the right departments. Mobile operators have a head start due to the incredibly rich data they already hold, but it's in the application of it that progress lies. Without the right technology and expertise, no volume of data will do the job on its own. ●

Response One Group
Delivering results
A St Ives Group Company



You'd think cute cats and dogs alone would inspire individuals to donate to charity



The Challenge

To find the right new supporters who would remain loyal to Battersea Dogs & Cats Home on a long-term basis.

The Solution

Response One built a rich picture of the types of people that donate, fundraise and rehome animals. By creating profiles we selected segments most representative of a typical charity donor and delivered targeted cross-media campaigns.

The Results

27% increase in response against budget.

Download the full case study here:
www.st-ives.co.uk/cutecats

Find out how Response One can deliver for you:
marketing@st-ives.co.uk

 **St Ives Group**

