

Finding gold in data

Knowledge of the culture in emerging markets makes or breaks a campaign.

Can working with data be exciting? Creative? Why not? In fact, in this age of greater targeting and marketing accountability, creative approaches are now mandated.

But being creative with data has little value unless one uses it to be creative in finding data solutions. With this kind of creativity, you naturally will consider many data solutions in advance of meeting with both data owners and data end-users, but many ideas will come during meetings while listening to their issues and concerns.

You have to know data . . . I love data . . . to be creative like this. And this type of extemporaneous problem solving is almost a daily occurrence in emerging markets where data sourcing alone can be an adventure.

But working within an environment where data is both plentiful and segmented still leaves room for creativity

Creating niche databases within databases, betting on inferences to expand data profiles where volumes are insufficient, and 'listening' to the data are all necessary steps now in markets like the US and EU. Sometimes a detailed data profile will tell you something that your internal biases reject.

The creative solution is to 'listen' to the profile and 'hear' what it has to say. Then give it a chance to prove itself. We

had a client in the women's apparel sector. Specifically, teens/young women. While the

merchandise was geared to the youth segment, the profile analysis suggested that the customer was a more upscale woman, 40-50 years old.

Sounds weird, I know.

The store was filled with clothing that would appeal to a teeny-bopper or twenty-something. I double-checked to make sure the analysis was done properly. Satisfied that it was, I decided the next step was to do a study among store managers.

Surprise! The managers described their customers as women in their 40-50s.

With this profile confirmation, we submitted the report. The client was more than a bit annoyed that we could even suggest such a customer description. Describing our research methodology, we managed to convince them to test the results. Long story short; two months later the client decided to roll-out to a full-scale promotion, targeting the older female demographic.

Was it the mothers buying clothes for their daughters?

Culture knowledge

Emerging markets offer more varied ways to get creative. Knowledge of the culture (also necessary in niche demographic segments in emerged markets) makes or breaks a campaign.

An example was targeting young men but also their mothers - because in this (Latin) culture, the mother had to sign off on major decisions. The one-two punch made the campaign successful where it would have failed had we

targeted only the key profile.

What colour is your data? In some countries 'grey' data exists. While it may not be considered illegal, its value may be questionable.

For example, in India, banks 'prospect' for new credit card customers via marketing agents. The culture demands a

face-to-face strategy for financial service products. These agents, armed with a stack of applications, approach people on the street and ask if they are interested in receiving a credit card. If they are, they fill out an application. At the end of the day or week, all applications are given to the bank which runs a credit check on the applicants. The agent receives a fee for all who pass the credit check.

However, it is not unheard of that before the applications are returned to the bank, the data is copied . . . and subsequently sold as credit card holders. The information is not yet technically the property of the bank, so it hasn't been stolen. Not stolen, maybe. But not accurate, certainly.

There are other ways in which 'grey' data can be used: people who fill out such applications are interested in more discretionary income and that knowledge could be valuable; people who fill out such applications are literate and that could be valuable in emerging markets; people who have been approached this way appear to be receptive to 'direct' marketing.

These are all valuable inferences that can be used to formulate creative data solutions.

CHICCA D'AGOSTINO says creative data solutions are needed for marketing in both emerging and established markets.

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Sometimes, government compiled data is available for marketing research purposes, but not for direct marketing purposes. In some instances, it can be used for data appending and name/address verification against existing customer files, as long as no-one on the database is contacted directly.

And, in countries where there is great distrust (with good reason!) for turning over a house file to a third party for fear of it being stolen, this type of data has value for cleaning the house file and helping keep it updated and deliverable.

Then there is data masquerading as grey data when in fact it is absolutely illegal.

This needs to be identified and not used as it is stolen or obtained under false pretenses.

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Locally, this type of data may have been used for years, but with more countries adopting data protection legislation and international companies always being scrutinised by both commercial and governmental entities multi-nationals have to toe the line here.

Use the legal data and, where it has holes in it, use creativity to fill those holes.

Control over data use

In emerged markets, there is more control over the use of data, usually by federal branches of governments as well as established business practices. In the US, the Federal Trade Commission (FTC) conducts

investigations into not only how data is collected, but also how the data is being marketed.

However, in emerging markets, those kinds of government and privacy controls may not yet be in place and marketers are distrusting of data companies and outside service bureaux.

To make acquiring data feasible and profitable, marketers need to do their homework, ask questions and get assurances that the data is legal and sourced the way it is advertised.

They may want or need to enter into a contract with the data providers, to increase their level of assurance regarding the data's provenance and to protect themselves against litigation.

Dealing with people they have known for a long time and whose reputation is on the line with each transaction, is another way to gain assurances.

'Newer' economies

Marketers in emerging markets are hungry to learn more about their customers, demographically and psychographically, because both domestic and foreign competition is increasing in these 'newer' economies.

But the lack of trust in sharing data or allowing it to travel outside of one's own four walls ultimately hurts companies' ability to take advantage of sophisticated database marketing techniques that can allow them to 'find the gold' within their customer house file.

Because marketers are fearful of their customer data being stolen or misused and are

unwilling to allow their files to be sent out to third parties for data overlays, they miss out on enormous opportunities to learn more about their customers and how to communicate with them better, thereby increasing revenues for their companies.

How do you get around this?

One solution might be to send both the customer house file and the file with the overlay data to a service bureau in another country that both data owner and marketer feel confident in.

This is not always easy.

Start with a small file first - perhaps a specific geography - to determine whether the overlay data has merit.

If so, then gradually expand to larger portions of the file.

Contracts or letters of agreement can be signed by all parties involved.

Another option is for data owners to license their files to marketers, thus giving marketers the ability to manipulate the data and analytics any way they want.

Then, based on the knowledge gained from this, marketers can communicate with their customers more effectively and more profitably.

And, if the marketers share some of the findings with the data owners so the owners see the value of shared creative solutions, so much the better.

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