

Impact Of Big Data Analysis In Digital Marketing

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Abstract: *The increased accessibility of digitally sourced data and advance technology to analyze it drives many industries to digital change. Many global businesses are talking about the potential of big data and they believe that analyzing big data sets can help businesses derive competitive insight and shape organizations marketing strategy decisions. Potential impact of digital technology varies widely by industry. Sectors such as financial services, insurances and mobile telecommunications which are offering virtual rather than physical products are more likely highly susceptible to digital transformation. However the interaction between digital technology and organizations is complex and there are many barriers for to effective digital change which are presented by big data. Various global business and digital trends have highlights the emergent need for collaboration between academia and market practitioners. Marketing has entered a mandatory transition period. This is a time when migrating away from the traditional large demographic approaches toward more granular, data-driven, highly targeted campaigns becomes a matter of survival, not a matter of choice.*

Keywords: *Big Data, Digital Marketing, Analyze risk, Transition, Product development*

I. INTRODUCTION

“Analyzing large data sets—so called big data—will become a key basis of competition, underpinning new waves of productivity growth, innovation, and consumer surplus as long as the right policies and enablers are in place.”

—McKinsey & Company, 2012

We are also not just talking about the size of the data sets, while that certainly is a factor. There are three criteria that come into play and help us define something as Big Data:



- ✓ **VOLUME**, which we've already discussed, refers to the amount (in petabytes, exabytes, etc.) of information produced.
- ✓ **VARIETY** or how the different types of structured and unstructured data need to be processed and correlated.
- ✓ **VELOCITY** or how quickly data is produced that requires processing and analysis.

WHAT CAN WE DO WITH IT?

The thing to remember about Big Data is that whether or not we want it, it's there. People aren't going to stop tweeting, checking in on Foursquare, purchasing, commenting, and all the other behaviors and actions that contribute to this large amount and frequency of information being generated every minute.

Big Data helps us accomplish many things both as marketers and in general business. Many of these go well outside e-commerce and marketing, though several are interconnected. There are many ways that an organization can use Big Data.

To give you a quick idea of what is possible, here are five uses that show the diversity of challenges it can help us solve within an organization or company:

- ✓ Analyze risk
- ✓ Improve data security
- ✓ Personalization for customer interactions
- ✓ Product development
- ✓ Resource planning
- ✓ Predictive modeling
- ✓ Logistics, including supply and shipping
- ✓ Natural language processing

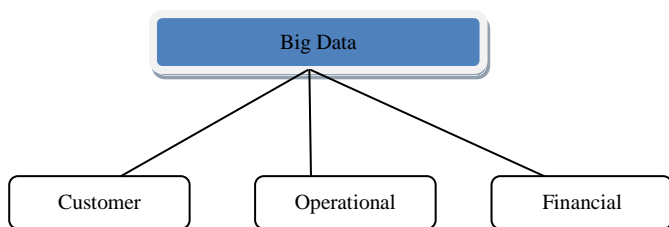
WHY BIG DATA IN MARKETING?

Having big data doesn't automatically lead to better marketing – but the potential is there. Think of big data as your secret ingredient, your raw material, your essential element. It's not the data itself that's so important. Rather, it's the insights derived from big data, the decisions you make and the actions you take that make all the difference.

By combining big data with an integrated marketing management strategy, marketing organizations can make a substantial impact in these key areas:

- ✓ **CUSTOMER ENGAGEMENT.** Big data can deliver insight into not just who your customers are, but where they are, what they want, how they want to be contacted and when.
- ✓ **CUSTOMER RETENTION AND LOYALTY.** Big data can help you discover what influences customer loyalty and what keeps them coming back again and again.
- ✓ **MARKETING OPTIMIZATION/PERFORMANCE.** With big data, you can determine the optimal marketing spend across multiple channels, as well as continuously optimize marketing programs through testing, measurement and analysis.

THREE TYPES OF BIG DATA THAT ARE A BIG DEAL FOR MARKETING



HOW DOES BIG DATA RELATE TO DIGITAL MARKETING?

“Half the money I spend on advertising is wasted; the trouble is I don't know which half.”

—John Wanamaker

Tim McGuire, James Manyika and Michael Chui from McKinsey & Company have the following to say about Big Data and retailers:

“Customer-facing companies have long used data to segment and target customers. Big Data permits a major step beyond what until recently was considered state of the art, by making real-time personalization possible. A next-generation

retailer will be able to track the behavior of individual customers from Internet click streams, update their preferences, and model their likely behavior in realtime. They will then be able to recognize when customers are nearing a purchase decision and nudge the transaction to completion by bundling preferred products, offered with reward program benefits. This real-time targeting, which would also leverage data from the retailer's rewards program, will increase purchases of higher-margin products by its most valuable customers.6”:

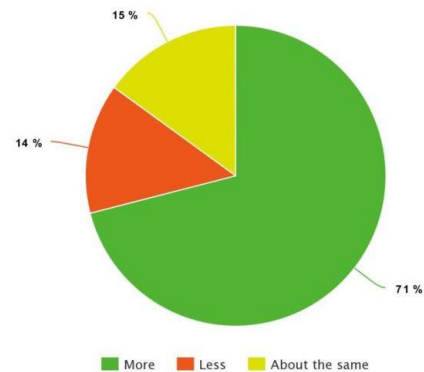


Figure 1.1: Big Data in Digital Marketing

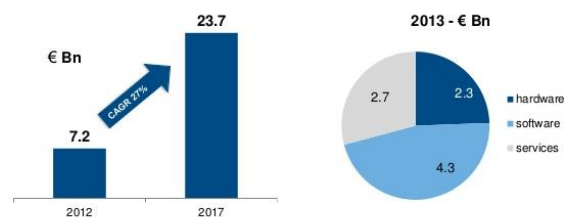
II. RESEARCH ANALYSIS

According to a survey sent out to Search Engine Journal's Twitter audience, 71% say they plan to spend more on their digital marketing activities in 2017, while 14% plan to spend less, and 15% plan to spend around the same. These results show that investment in digital marketing activities will increase this year.

Compared to 2016, do you plan to spend more, less, or around the same on your digital marketing activities in 2017?



Big Data Technologies and Services Market, worldwide



According to this figure how big data technologies and services market, as well as worldwide.

With 2017, just round the corner now is the time to take note of what digital marketing trends are emerging from the

above and how you can work these into your strategies for next year.

The big data market will likely grow in the coming years and every digital marketer should be able to build good marketing insights. Big data delivers valuable marketing insights such as the latest market trends, competitive intelligence to your business, planning for product campaigns and influencer outreach.

III. CONCLUSION

While there is plenty more to read on the subject of Big Data, the goal of this paper is to scratch the surface and give some starting points for the digital marketer.

In conclusion, remember that Big Data is there to help you and your company or organization to create better products, make more profit, and have a better relationship with customers. It is much more than simply having access to information, however. What we are starting to see is the beginning of a trend where Big Data analysts are in constant demand, and this demand will probably not wane for some time. Tim O'Reilly says:

“Companies that have massive amounts of data without massive amounts of clue are going to be displaced by startups that have less data but more clues.”

The takeaway is clear: Big Data is and will continue to be critical to the growth and success of businesses. It will also become less expensive and time-intensive to solve some of the problems that only the very top companies are able to address right now. What will set successes apart from the failures will be what data they focus on and how they apply their findings. When the collection and processing of Big Data begins to become more even across companies and organizations, the

true value will be in the analysis and application of the learning.

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