

DEEP DATA > BIG DATA



Putting the Influence
of Humanity Back in
Strategic Business
Decisions

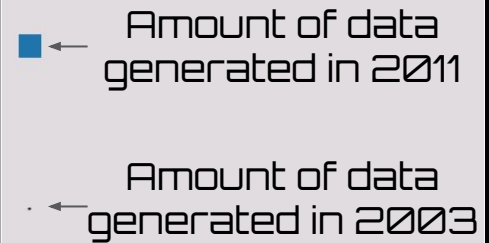


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The logo for EMIC, consisting of the letters 'E', 'M', and 'I' in a bold, black, blocky font, followed by a period and the letter 'C'. The logo is set against a solid blue rectangular background.

The amount of data that we create through the digitally connected ecosystems that have become an integral part of our everyday lives is exploding. Up until 2003, humans created 5 billion gigabytes of data, but by 2011 we were creating 5 billion gigabytes of data every two days.

Estimate of data to be generated in the year 2020



This exponential growth of data about our world, and how humans navigate and operate in it, has created a paradigm shift in our efforts and ability to understand and influence people. The incredible opportunity that this volume of information presents has created a Big Data revolution in our efforts to effectively and efficiently utilize this data to provide insights about human behavior.

Big Data is often seen as a silver bullet that can offer answers to our most important questions about consumer behavior. While our ability to use Big Data to develop hypotheses about cause and effect in regards to consumer behavior is indeed unparalleled, there are some questions about human behavior that Big Data can simply not answer.

Big Data cannot answer the most complex questions about how and why psychological and cultural influences impact human perception and action. The way we experience the world around us forms the basis of our beliefs and behaviors. If we acknowledge that the complexity of human experience cannot be adequately represented through individual data points, we must then explore both the capabilities and limitations of Big Data and search for alternative value offered by Deep Data in our efforts to understand and influence those we seek to build relationships with.

What is Big Data?

To begin, we need to understand what is actually meant by the term Big Data. Big Data is a broad and nebulous term that can mean different things to different people. From the perspective of the impact of Big Data on businesses, we know that Big Data can be an incredibly valuable asset that has a significant impact on a wide variety of business operations from marketing and sales, to manufacturing, to supply chain management and shipping.

In the context of how we can use Big Data to understand consumers, we can most simply describe Big Data as the vast amount of information about consumers and the ways they interface with your company, as well as your competition. Big Data is created from two major streams of data that are useful for understanding the relationship between your business and your target audiences:

- Digital inputs like web behavior and social network interactions
- Traditional data derived from product transaction information and interaction channels, such as at the point-of-sale or other consumer touch points.

These data sources can offer critical information that can be used to develop strategic initiatives to drive economic growth and improve efficiencies by effectively analyzing that data to uncover insights about what causes changes in behavior.

At its core, Big Data is the vast amount of digital data about consumers that exists and is being created every day. This is the data that is being created through the digital trail we leave behind through everything from our online browsing history, to our online and in-store purchases, and even our travel patterns gathered through cell phone GPS signals.

*ipsa scientia
potestas est*

'knowledge
itself is power'

*Meditationes
Sacrae (1597)*

Finally, in the broadest sense Big Data is power. It is the power to know about the world. The quote 'Knowledge is Power' is attributed to the philosopher Francis Bacon, who is considered one of the fathers of the scientific method, which requires observable evidence to generate theories and conclusions. If we accept the idea that data is the foundation of knowledge, the more data we have, the more knowledge we can gain and the more power we can exert over the world we inhabit.

What can we do with Big Data?

Big Data is only as powerful as insights we can decipher from it and the strategies that can be developed from those insights. Big Data can be most powerfully harnessed by aggregating and analyzing a multitude of data sets to understand relationships between those things that a business can control, such as marketing and pricing, and the impact of these factors on things that businesses can't control, most notably, consumer behavior.

So what are some of the ways in which we can use Big Data to understand consumers?

- **Profiling Target Audiences** - Big Data can help you develop a demographic understanding of your target audience. Beyond basic demographics such as age, gender, geographic location, ethnicity, education etc., Big Data can be used to uncover other interests of your target consumers to create a more holistic picture of your target audience.

- **Refining Marketing Strategies** - By tracking data such as web traffic, sales data, and social media activity, Big Data can be used to develop an understanding of the relationship between marketing and messaging initiatives and their impact on metrics of interest regarding consumer behavior. By combining this data with audience profiling data, we can also seek to understand which initiatives resonate best with various consumers segments.
- **Maximizing Pricing Strategies** - Pricing and demand for products are closely aligned and Big Data analysis allows companies to pinpoint prices that will maximize revenues and profits.
- **Predictive Analysis** - By using predictive modeling and information about past trends, Big Data offers the opportunity to predict future behavior based on altering possible variables in the overall data mix. This can be used to predict potential changes in sales as a result of changes in pricing, scope of advertising, and other marketing initiatives.

Where does Big Data fall short?

While there is much about consumer behavior that can be learned through Big Data analysis, there are also some analysis and insight capabilities that Big Data leaves to be desired. While we can hypothesize about why action *X* results in reaction *Y*, we can not know what someone is thinking while they are in the midst of making a decision or engaging in other consumer behaviors.

Sometimes we only want to know about consumer action without delving deeper into thought processes that led to that action. However there are other times where exploring the complex web of social and cultural influences, allows us to uncover deep psychological motivations. By exploring culture, society and psychology in-depth, we can uncover variables of consumer perception that can be used to

develop strategies aimed at forming deeply meaningful connections with target audiences.

So what are some of the ways in which Big Data leaves us wanting more?

- **Understanding Motivation** - While Big Data provides us with information about action, and we can propose our own hypotheses about what caused that action, our hypotheses are influenced by our own biases about what we believe caused that action.. Big Data can not fully answer questions about why we do what we do. This can only be gathered through direct and intentional interaction with consumers.
- **Understanding Perception** - Big Data does not tell us what people think or how those thoughts and beliefs have been formed and change over time. Influencing perception is a critical first step to influencing action.
- **Developing Marketing and Engagement Strategies** - While Big Data can be used to tell us which marketing and engagement strategies are working through an analysis of sales or web traffic, it is ill equipped to serve as a creative springboard in the development of those marketing strategies. Developing marketing that is consumer driven and speaks to consumers in a context that has meaning for them, requires a deep understanding of perception and motivation and the psychological and cultural factors that influence consumer beliefs and behaviors.

While the capabilities of Big Data are incredibly impactful and varied, there are also areas of consumer understanding where Big Data falls short. Big Data is not necessarily the silver bullet that can automatically create business success in the absences of the power of

human emotional intelligence and insight to create strategies that leverage that insight. Big Data provides complex analyses about past consumer behavior but lacks the human touch that is necessary to create deep and meaningful connections with human beings.

What is Deep Data?

In a world in which Big Data is king, we believe in exploring the concept of Deep Data to gather meaningful information about the complexity of consumers. Deep Data, as we conceive it, is data that informs us about consumers first and foremost as human beings, and how their daily experience and cultural and psychological influences impact their consumer behaviors. We believe we need to approach an understanding of those we seek to influence holistically, and not as simple aggregations of data points.

Deep Data offers a contextual background for psychological and cultural factors that influence people's motivations, fears, desires, and decision making processes. We do not believe that Deep Data initiatives should replace Big Data efforts, but instead should be pursued in conjunction with Big Data analysis to add richness and value to overall efforts to understand and impact consumers.

Uncovering Deep Data through anthropological, ethnographic and psychological profiling research approaches, offers a way to understand the motivations and experiences that can lead to deep and lasting relationships with your target audience.

Deep Data

||

Psychological

+

Cultural

+

Social

+

Humanistic

Why is Deep Data > Big Data?

One of the necessary distinctions between Deep Data and Big Data is that while Big Data is being constantly collected as a normal byproduct of normal business operations, Deep Data is gathered through intentional research interactions. This intentionality and the investment of resources that is required to collect Deep Data necessitates that Deep Data provides a greater return on investment than Big Data which generally costs nothing to collect and only requires an investment to analyze.

Big Data analysis offers the possibility of using information about past consumer behavior to uncover trends and provide forecasts for what consumers should presumably do in the future. However as we have seen throughout the history of business and society, the past does not always accurately predict the future. Consumer preferences change and trends in human behavior exist for limited periods of time.

Big Data

- Can be used to develop hypotheses about cause and effect from known consumer behavior
- Uses hypothesis about past behavioral trends to attempt to predict future consumer behavior

Deep Data

- Used to uncover unknown consumer perceptions that drive behavior
- Uses information about the context of the human experience to develop consumer engagement strategies based on underlying psychological, cultural and social drivers

On the other hand, Deep Data is used to uncover a more complete understanding of how our day-to-day experiences, and the variability of influences and relationships that make us human, impact perceptions and behaviors in regards to consumer decisions. While Big Data primarily looks to transactional information about purchases, abandoned shopping carts, browsing history, and social media activity to generate hypotheses about consumers, Deep Data delves deeper to uncover the social, cultural and psychological motivations behind why people think and do what they do.

Continuing the Discourse on Deep Data

Big Data offers immense opportunities to understand consumers and the market place in some very impactful ways. However, Deep Data offers a different set of opportunities to understand your current and target audiences as more than simply data points, but as thinking and feeling human beings in the context of a world in which they form their beliefs and take consumer actions. Building relationships with consumers requires we acknowledge the various social, cultural and psychological influences that bring us meaning in our lives. Understanding those uniquely human influences that drive our motivations to act is critically important to develop strategies that lead to strong and lasting connections with consumers.

Do you want to discuss the concept of Deep Data further or have a conversation on the evolving landscape of consumer research and ways to better develop a more holistic understanding of your target audience? Let's talk. We love to have discussions that expand our perspective around ways to better understand and influence consumers.



DECIPHER
CONSUMERS