Investigating Data Ethos for Marketers' Decision Making

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Abstract

The internet and other electronic gadgets have quickly advanced, opening up a magnificent doorway for marketers to access the world of information and crucial data for any business. Learning how to evaluate, choose, analyze, and use data is highly encouraged in a world overflowing with data and information if you want to meet difficulties and live in this day. Businesses and marketers who are able to use these skills successfully may be able to significantly improve operational performance, reduce risks, and make wise decisions not just in marketing but across the board. The goal of the article is to help Marketers and Associations better comprehend the importance of data analysis and how to use it to their decision making.

Keywords: *performance marketing, data-driven culture, data-driven marketing.*

Introduction

The subject of how to use the growing amount of data provided by businesses and the general public to add real value is raised. As a result, according to Gartner's survey, an increasing percentage of firms are embracing Data Culture and positioning it to become the number one priority. The change from instinct-driven decision-making to data-driven decision-making, on the other hand, is not a simple one. It is simple to acquire a large amount of data for marketing campaigns, particularly in the digital world (Digital). However, at this time, Marketers are often overwhelmed with countless numbers and do not know where to start and what to do with those data sources. There are numerous challenges that businesses must overcome, ranging from culture to logistics, in order to make the best use of cultural data. This study aims to help Marketers and Businesses better understand the role of data analysis and how to use it to work more efficiently.

Literature Review

Data Culture

Describing Data Culture

A Data Culture is defined as the collective behaviors and attitudes of people who value, practice, and promote the use of data to improve decision-making. As a result, data is woven into the operations, thinking, and identity of a business. A Data Culture equips everyone in Marketers organization with the skills necessary to be really data-driven and solve Marketers most toughest business problems. (Tableau , 2022).

Data culture is simply an organizational culture that values data-driven decision-making. It symbolizes a company's collective viewpoints and behavior, and as a result of this approach, data use becomes woven

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into the essential fabric of the organization, establishing its identity, thinking, and operations. Data culture also prepares every employee in an organization to rely on data-driven insights to overcome the most difficult business challenges. (Vora, 2021).

Why does it matter for Solving Organizational Problems?

Data culture is critical for growth since it allows businesses to make better informed decisions at a faster rate. Organizations that analyze data to create insights to base their decision-making on are nearly three times more likely to achieve double-digit growth, according to early Forrester study. Furthermore, data cultures are proven to increase employee happiness – and, by extension, staff retention – by assisting in the development of a logic-driven work culture. Employee buy-in is reduced as a result of this, since Marketersworkforce becomes more immersed and dedicated to organizational decisions. (Vora, 2021).

What is Data-Based Marketing?

Utilizing client data, data-based marketing is a tactic for enhancing brand messaging. Through data-driven marketing, customers' demands, desires, and future actions are anticipated. Such information facilitates the creation of custom marketing plans that maximize return on investment (ROI) (Knippel, 2022).

The advantages of employing big data in marketing:

- Data aids in better understanding of the target audience.
- Data can be used to build Marketers' relationships with potential customers.
- Learn about the most efficient promotional channels.
- Personalization

Investing in a solid data strategy is well worth the time and effort. According to the survey, more than 35% of respondents with a well-defined data strategy outperformed their competition in terms of financial success. Data mining: Building long-term corporate capacities.

What impact does data-driven marketing have on corporate performance?

		Others	Leaders	Difference
Knows Customer Context and Integrates Accordingly	Adjusts real-time offers based on context	15%	39%	2.6x
	Uses optimization tech. across all channels	8%	45%	5.6x
	Integrates inbound/outbound and online/offline	68%	92%	1.4x
Acts on Insights - Systematically	Conducts root causal analysis of customer insights	33%	68%	2.1x
	Applies advanced analytics to determine media spend	31%	69%	2.2x
	Detects transaction struggles and takes action	27%	60%	2.2x
Takes a Broader View of the Customer Experience	Tracks commitments from svc interactions	39%	75%	1.9x
	Identifies/remedies execution gaps in brand promise	58%	80%	1.4x
	Tracks customer lifetime value	16%	32%	2x

Source: Data-driven marketers outperform their competitors according to The State of Marketing 2013 by IBM – another contender in the marketing cloud wars – a presentation by Jason Heller of McKinsey at Integrated Marketing Week 2013.

The most prevalent problems with data-driven marketing: According to Campaign Monitor, establishing a data-driven plan is extremely difficult for 81 percent of marketers.

- Gathering data is the first challenge.
- Second challenge: putting the data together.
- Challenge 3: Overcoming data silos in order to analyze data.
- Building an in-house data team is the fourth challenge.

How to develop a data-driven marketing plan (Knippel, 2022)

- Step 1: Establishing data objectives.
- Step 2: Collecting data.
- Step 3: Gathering and organizing data.
- Step 4: Forming a team or developing internal/external competencies.
- Step 5: Obtaining organizational support.
- Measuring and tracking progress is the sixth step.

Marketing insights platforms (Knippel, 2022)

- Google Data Studio: open, powerful, and simple to produce dashboards and reports.
- Award-winning visualisation software Tableau – possibly the prettiest visual analytics tool out there.
- Microsoft's suite, sticking with Azure and Power BI – another great intelligence product – makes sense.

Performance Marketing

Common types of data in Performance Marketing (Hạnh Lê, 2022)

Advertising Data

Advertising data is all information related to advertising campaigns, measured and collected from advertising platforms such as Google, Facebook, TikTok or from 3rd channels that support advertising measurement (3rd party tracking) like Atlas, Doubleclick. Some examples of the metrics Marketers often encounter are: Reach, Impression, Click, Engagement, View, Lead.

Business Data

Business Data is all data related to the operation or business results of a business. Internal business systems like CRM and OMS or third parties like Google Analytics, Appsflyer, and Adjust are used to measure this data. Some examples of metrics Marketers often encounter are: Visits website, orders, leads, sales, new customers, ROI.

Customer Data

It is all data related to business customers such as: Personal information (name, age, phone number,

email), Shopping data (how many times bought, what bought, how much value) to the behavior of customers on the digital platforms of the business (number of visits to the website, what products to see, how long to watch). (Hạnh Lê, 2022)

Research Method

The following Research Design serves as the foundation for this paper. It initially sought a theoretical framework on Data-Driven Culture, Data-Driven Marketing, and the value of these concepts in a business. The Paper then recommends this data as the backbone for all activities and decisions in the process of planning, implementing, and optimizing operations using Data Analytics - An application that analyzes data to discover problems and solutions. Third, it investigates a case study of common types of data in the Performance Marketing and Marketing data analysis process.

Findings

Understanding the metrics to gather and measure and using these data as the foundation for all actions is one of the common aspects of performance marketing. actions and choices made throughout the planning, execution, and optimization of marketing activities. The data world of Performance Marketing, how to apply data to solve problems, even solutions to bring optimal effectiveness for advertising campaigns are showed in the following case study:

"Analyze the effectiveness of Performance Marketing activities for the 11.11 (11 November) campaign on the Lazada e-commerce platform, determine the causes, results, lessons and lessons learned for the next 12.12 (12 December) campaign".

Collecting data

To optimize, marketers will need to determine in the following order:

- Identify Key Metrics: Key metrics to determine the effectiveness of a campaign, both in terms of cost effectiveness or efficiency of scale.
- Identify Sub-metrics: As the sub-metrics that make up the main metric, these sub-metrics tell marketers what causes or issues the results of the main metrics.
- Determining the Dimensions: Next is to identify the data cutting layers that marketers need to peel for analysis, these layers can be combined together to give the necessary insight.

Following the above example of the need to analyze Performance Marketing effectiveness, Marketers will need the following metrics and cut-outs:

Key Metrics: Sales (scale) and ROAS (advertising cost effectiveness)

Sub-metrics: Orders & CPM > CPC > Cost per ATC > CPO > ROAS

Dimension: Divided by layers on user objects, advertising channels, product groups, creatives.

Data processing and verification

Why is it important to process data once it has been collected? The reason for this is that when marketers collect data from multiple sources (for example, the Google system, the Facebook system, the CRM system, the offline shop system, and so on), they will face conflicting data. best. Furthermore, the definition of metrics on these platforms will vary, so marketers must explicitly identify the types of metrics to handle effectively. To validate data, marketers must compare processed data to reality. For

instance, if 10 billion VND in total income was recorded, but the data processing revealed just 8 billion VND, it needs to be double examined. Marketers should also recheck to see if there were any processing mistakes if Marketers discover that the order index is higher than the traffic index, which is misrepresenting the marketing funnel.

Data investigation

To be able to answer the question provided in the first stage, Marketers must go through this step. It will be quite easy to establish whether the campaign has reached the initial goal set if Marketers have a clear understanding of the campaign's goals and KPIs.

Metric	Plan	Actual	Achievement
ROAS	4.0	3.0	75%
Spending	2,500,000,000	3,333,333,333	133%
Revenue	10,000,000,000	10,000,000,000	100%

For example, if marketers set a goal for campaign 11.11 of generating $10 billion in sales with a ROAS of 4, they will achieve it. However, we earned 10 billion in revenue with a ROAS of 3. As can be seen, the marketer met the sales scale goal but fell short of the cost efficiency goal when the ROAS was only 3 compared to the aim of 4. The more difficult question to answer at this stage is, "Why not meet the ROAS target?" What are the lessons learnt and experiences gained for the future campaign?

Marketers will have two primary analysis methods: dimensional (Metric) analysis and dimensional (Dimension).

Metrics analysis: To analyze in this approach, marketers must first comprehend the components of the important metrics before delving into the problems with each indicator. The following formula will result from using the aforementioned example:

ROAS = Revenue/Advertising Spend = (Order x AOV) / (CPM * Impression/1000) = CTR x CR x AOV x 1000 / CPM

Metric	Plan	Actual	Achievement
ROAS	4.0	3.0	75%
Spending	2,500,000,000	3,333,333,333	133%
Revenue	10,000,000,000	10,000,000,000	100%
CR	3.0%	2.9%	97%
AOV	1,000,000	800,000	80%
CPC	7,500	7,733	103
CPM	37,500	46,400	81%
CTR	0.50%	0.60%	120%

From this, the marketers might develop the following theories and suggestions for the future campaign. Due to intense competition amongst rival brands during the 11/11 campaign, which will see nearly all brands increase their spending, the high CPM can be ascribed to this. Another explanation for the high CPM is that the intended audience size is too small compared to the ratio of advertising costs. In order to lessen competition in the market, marketers should generally confirm their target demographic before deciding whether to broaden it or launch their campaign at a different time.

The marketer's decision to promote products with lower value than in earlier campaigns may be the cause of the decline in AOV. At this point, the marketer can think about choosing higher value products once again to promote, or they can give promotions in the form of bundles (combining to sell multiple products at once), or promotions for purchases of a specific amount or more.

Channel	Sub channel	ROAS	Spending	Revenue
Facebook CPAS		1.3	2,100,000,000	2,730,000,000
Google search		1.9	150,000,000	285,000,000
Onsite ads	Bidding keyword	5.2	500,000,000	2,600,000,000
Onsite ads	Affiliate	7.5	583,333,333	4,385,000,000
Total		3.0	3,333,333,333	10,000,000,000

Dimensional Analysis

Audience dimension	ROAS	Spending	Revenue
Direct shopping	2.0	1,000,000,000	2,000,000,000
Direct home appliance	2.8	500,000,000	1,400,000,000
View product audience	2.5	350,000,000	875,000,000
ATC audience	5.0	100,000,000	500,000,000
Purchased audience	4.0	50,000,000	200,000,000
Engaged page	3.8	1,333,333,333	5,025,000,000
Total	3.0	3,333,333,333	10,000,000,000

The tables above show that there are significant variances between specific Customer categories and advertising channels:

- Customer group: Previously utilized to ATC, purchase, and interact with the brand's fanpage, resulting in a substantially higher ROAS than the new customer group. So, in order to boost ROAS, consider allocating more budget to these high-efficiency client segments.
- Channels of distribution for advertising: To boost ROAS, more emphasis should be placed on onsite search channels on e-commerce platforms such as Shopee, Tiki, and Lazada.

The examples above are fairly simple instances of using data in problem analysis.

Interpreting and visualizing the findings of the analysis

Visualization: Marketers must be able to visualize and analyze analysis results in order to assist readers and listeners (colleagues, bosses, customers, employees, and so on) in quickly identifying the relevant information, trends, and insights. Capture the information Marketers want to express while doing so.

One particular example of data visualization is seen in the dashboard image below:
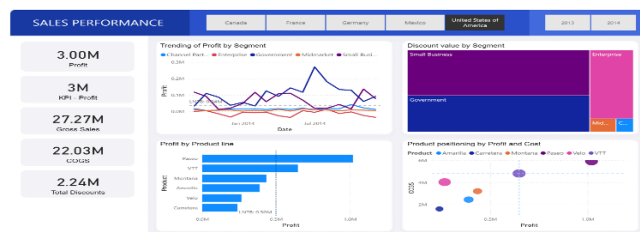
Interpreting analysis's findings: If a marketer accomplishes step 4 "Data analysis" well, this is the final phase and will also be thought of as the easiest step. Today, a marketer's task is to develop insightful analytical considerations (providing an argument that is put to the test or needs to be weighed) and support them with relevant facts. From there, we can identify current issues and suggest course of action or lessons learned for the upcoming campaigns. Even marketers are capable of estimating the outcomes associated with each modification or action they plan to take.

Discussion

The fast evolution of the internet and smart gadgets has created a wonderful portal for marketers to

access the world of information - important data for any organization. In this age of data and information, enhance Marketers' abilities in evaluating, choosing, analyzing, and using data to capture challenges and thrive. Marketers/businesses that understand how to apply these abilities effectively can make significant contributions to the process of improving operational performance, making accurate decisions, and avoiding risks, not just in marketing activities but also in all operational activities of the organization. Optimistically, the preceding post has helped Marketers better grasp the significance of data analysis and how to use it effectively at work.

Conclusion

A corporate culture that values data-driven decision making is known as a data culture. Every individual in an organization is given the tools they need to think analytically and solve the most difficult business problems. Organizations can quickly make more effective decisions thanks to a data culture. According to original Forrester research, estimates of the number of companies projected to see double-digit growth are roughly three times greater. A clear work environment - logic - increases the ability to recruit qualified candidates, increase employee satisfaction, and keep talented individuals on staff. To create a data culture for firms, Marketers must swiftly learn and install digital systems to collect and centrally manage data. Marketers should evaluate the implementation of basic tools such as human resource management, customer management, electronic office, and so on.

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