

RE-ENERGIZING THE MEANING OF “CONSUMER INSIGHTS” AND “BIG DATA”

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Sometimes the terms we hear as marketing professionals become so overused that we lose perspective about their power in our profession. “Consumer Insights” and “Big Data” are two. Let’s re-energize them!

Across my 30 years in marketing, consumer insights have become considerably more dynamic, relevant, and, well, interesting. As an assistant brand manager on Doritos at Frito-Lay in 1984, I could study consumer behavior at arm’s length (and in big paper books) through the A.C. Nielsen household panel, which told us what mix of products households were buying. (Did they buy dip with their Doritos?) We also had psychographic insights from specialized yearlong studies and geo-demographic zip code segmentation from Spectra. Our media buying was done in age groups, assuming that everyone a certain age behaved the same way. We did little to understand multicultural preferences, and all our marketing was “mass blast” through TV, print, radio, and “get & win” promotions. No wonder marketing results were hit or miss!

Today, we are “friends” with our customers on Facebook and Twitter and can ask them their opinions 24/7 in minutes with online surveys, Facebook friend stories, and social media monitoring. When I was CMO at Walgreens, we wanted to know what our customers most often put in their Christmas stockings, and we had the answer within 30 minutes. Research studies are done in days – not months – and the variety of consumer insights that go beyond buying habits to “heart and soul” is vast.

Consumer Insights are more important than ever to meet customers’ expectations for fresh, ever-more-engaging, and personalized marketing. It’s a great time to be a marketer; we can micro-segment, communicate through hundreds of new channels, and get real-time results to iterate improvements to our campaigns and messages. Let’s not let the term “Consumer Insights” get dreary. As marketers, knowing our customers is our highest priority because we are the frontline customer advocates to drive innovation and growth for our companies.

These insights advances have certainly come as a result of exploding sources of Big Data. For retailers, we not only have IRI, A.C. Nielsen, and NPD syndicated sources, but also minute-by-minute data from highly sophisticated point of sale systems, loyalty programs, in-store check-in sites, customer

presence tracking, vendors’ category insights, and more. Walgreens has 5 million customers *a day* and fills 1.6 million prescriptions *a day*. A single day of data is more than enough for a myriad of statistical evaluations. At IRI, we had a database second in size to the state of Illinois and analytic gurus who could connect this to any clients’ customer data to shape fantastic insights.

At Kimberly-Clark, we had millions of moms in our Mom’s Club who gave us their opinions, preferences, hopes, and fears to guide everything we did for baby products and family health. The OfficeMax loyalty program guided us to understand what moms buy for back-to-school. We learned that teachers spend over \$1,000 of their own money on average in their classrooms and that business owners spend \$8,000 on office supplies and technology.

Big Data will become extra-mega-big data over the next five years. Don’t be overwhelmed by the data or chase down rabbit trails. Before you start rolling around in it, have a plan. What business problem are you trying to solve? What knowledge will be relevant to making a faster, more accurate business decision? What *matters*? In business, big data should not be used to develop “fun facts to know and tell.”

A great way to harness, harvest, and use Big Data is to develop a “learning plan” for your business. What do you already know? What don’t you know that is causing the greatest barriers for business success? Apply the 80/20 principle and find what customers, products, and channels are driving the greatest results. Focus your next data dive on these. Have a solid plan to keep what you already know, add the next tier of priority learning, and keep delving deeper in phases, rather than trying to boil the ocean of possibilities in search of a whale. Importantly, insights derived from Big Data are entirely useless unless you “democratize” them in shared, concise “so what” fashion to the stakeholders of the business, making this new knowledge part of everyday decision making.

Keep “Consumer Insights” and “Big Data” fresh for yourself as a marketing professional. We are awash in knowledge to make a big difference. How energizing! 📌