

The true value of data for marketers

 By [Matt Arnold](#)

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Data analytics; the new buzzword for business people everywhere - it's the new north star guiding every decision we're supposed to make. But there's a lot of data and not a lot of understanding on what to do with it, often making data analytics more confusing and less useful than it should be.



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The recent VML Marketing Insights survey revealed that chief marketing officers and other senior decision makers believe that of their marketing budgets, data analytics provides the lowest return on investment (ROI). Despite this fact, a third (33%) of respondents highlighted "making better use of data" as a core focus for this year. This contradiction is an indicator of the continued internal struggle around the perceived value of data and its measurement within organisations.

All organisations have data. Every decision and action taken results in data, often way more than we know what to do with. This has seen a lot of marketers struggling to apply analytics to the data that they have to get significant value from it. On paper, the more data a business collects, the more patterns and trends business should be able to identify. However, not all data is equal when you weigh up its value to the organisation. Valuable data is data that is tied to business results but analysing the data effectively is what matters as that is what will equate to better decision making and enhanced strategic planning.

How to effectively harness insights

So, the very important question all marketers should be asking is how to effectively harness insights from data analytics that deliver real insights to improve ROI?

It is very easy to measure a wide range of metrics that are simple to set up, interpret and report on. This is because more often than not it is harder to surface the really powerful business performance indicators. If you fall into the trap of having too many inconsequential metrics that are not delivering actionable outcomes, then there is no doubt your analytics efforts will lack business value. Measuring the wrong metrics and generating flawed insights are the top reasons for organisational analytics failures.

Upfront, you need to be clear about whether your data dictates or supports your marketing efforts; will creativity and human touch still be part of the decision making process, or will it be completely replaced by algorithms?

Look at each report and each metric in turn and ask yourself, am I measuring what matters? What value does this have? How does this affect business goals and objectives? Take the time to understand the leading and lagging indicators and the relationships between these metrics and your goals. If the data is not surfacing decision-making opportunities, then its value is questionable.

Be clear and deliberate

Treat your analytics efforts as an asset rather than as an expense. The way your organisation sees data has a fundamental impact on the way it is treated, resourced and evaluated. Investing time and resources into improving your organisation's data analytics will have significant positive effects on various business functions from improving the efficiency of teams to marketing effectiveness and driving growth. Understanding what is working or not and why is fundamental to improving performance and driving intelligent growth.

If you are clear and deliberate with the data that you use, the challenge is not about trying to calculate the return on investment of your efforts, but ultimately quantifying your desire to grow your business. It's more than just data, it's what that data, used effectively can do to enhance business performance.

ABOUT MATT ARNOLD

Matt has a strong media background centred around digital media strategy. At VML South Africa, Matthew looks after the media, social media and data departments ensuring clients' properties, brands and experiences reach engaged audiences with measurable success. Over his career, he has worked across a large number of leading brands both locally and across the African continent. In his spare time, Matthew founded Pxe/Vulture.com, an award-winning video gaming and technology website - he is passionate about both media and the gaming industry.

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