



When Big Data's Marketing Potential Gets Lost in Translation

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Nine in ten marketers say data is their most underutilized asset.¹ Why aren't they deriving more value from the terabytes of information they collect? Well, mainly because that data isn't immediately usable.

Information compiled from varied sources—like websites, emails, sales, third-party vendors, and even offline channels—tends to be siloed and structured in different formats.² Even when one department within a firm gets relevant data into a format it can understand, the resulting intel is still largely unintelligible to other teams and departments.

If all that data were translated into a single language—one that is equally useful and informative to sales representatives, IT departments, social-media marketers, and customer service reps—companies could offer customers more compelling, personalized experiences in real-time.

That's the idea behind Adobe's Experience Data Model (XDM). The model, built for marketers who would rather spend their time on delighting customers than integrating reams of data, presents consumer profile and consumer behavior data in a way that all of a firm's departments can immediately act on. Better yet, Adobe's XDM will leverage the enterprise and customer relationship capabilities of Microsoft's Common Data Model (CDM). The companies are teaming up to provide brands with one common data language—with a standardized set of data terms and definitions.

Firms recognize the importance of synthesizing data so employees can act on it. In a recent Forrester Research survey of marketers, 44 percent of respondents said "providing quick, relevant responses in customer interactions" is the single most critical factor in marketing success.³ Marketers believe the second most important factor is "generating customer insights through analytics and data mining."⁴

But streamlining that data is easier said than done. Almost 40 percent of advertisers employ three or more data management platforms and nearly 45 percent use three or more analytics platforms.⁵ By juggling multiple different data platforms, companies are more likely drop sales leads.

Data flowing in from a company's smartphone app, for instance, might be in a completely different "language" than the data acquired from an email marketing campaign, a third-party vendor, or from the point of sale.⁶ The average data scientist spends about 80 percent of his day preparing raw data for analysis, according to a recent poll from data mining company CrowdFlower.⁷

Every hour spent cleaning and structuring data is time that could be better spent drawing useful insights from that data, so companies can devise engaging customer experiences.

1 <http://www.cmo.com/features/articles/2016/5/31/15-mind-blowing-stats-about-data-driven-marketing.html#gs.QhJF5cw>

2 <https://www.marketone.com/articles/big-data-problem-or-a-big-problem-with-data-part-i-the-issues>

3 <https://app.compendium.com/uploads/user/4f91a3ee-6ace-42a7-be93-3b21f3a1635f/7c7092b4-1fc8-48d9-8bd4-bcf49cfc6c97/File/b09103706cbc150358adc5fa67a3dd07/1394484576218.pdf>

4 <https://app.compendium.com/uploads/user/4f91a3ee-6ace-42a7-be93-3b21f3a1635f/7c7092b4-1fc8-48d9-8bd4-bcf49cfc6c97/File/b09103706cbc150358adc5fa67a3dd07/1394484576218.pdf>

5 <https://www.slideshare.net/adobe/digital-advertising-report-2017> (slide 16)

6 <https://6sense.com/2015/09/marketing-vs-sales-3-ways-predictive-intelligence-evens-the-score/>

7 <https://www.forbes.com/sites/gilpress/2016/03/23/data-preparation-most-time-consuming-least-enjoyable-data-science-task-survey-says/#531e36a06f63>



Imagine if sales and marketing data existed in a single, standardized language from the moment it's compiled—the same way Adobe standardized PDF for documents. Enter Adobe and Microsoft's new partnership. XDM will eliminate redundant data sets to make communicating consumer intel between businesses' departments quicker and easier.

Here's how it works. Say the sales team's software logs a site visit from a potential customer. With XDM, that consumer data "event" is now automatically detected across business departments in a format that every department can digest. The marketing and customer service teams waste no time in capitalizing on the sales team's intel.

Customer data from a firm's loyalty program could even talk directly to the firm's content management application, in order to target customers most likely to make a repeat purchase.

With greater communication between sales and marketing teams, firms can ensure customers receive up-to-date advertisements and promotions. An online outdoor gear retailer could ensure that a customer who just bought a bike receives an ad for a matching helmet—not another bike.

Such up-to-the-second consumer targeting capabilities prevent marketers from inadvertently spamming customers. Over half of consumers refuse to make purchases after viewing the same ad online multiple times.⁸

XDM offers businesses operational benefits as well.

Take pricing. Without intelligible, accurate data, marketers struggle to price products correctly. Currently, companies fail to set an optimal price in 30 percent of sales opportunities.⁹ In other words, companies set prices too high and fail to close deals, or set prices too low and leave money on the table. When firms hike prices by just 1 percent, they boost operating profits by 8.7 percent, on average, according to McKinsey.¹⁰

By using data to precisely predict how much a particular customer is willing to pay, marketers can maximize profits from each individual sale.

Just as important, current users of either Microsoft or Adobe's solutions will realize the benefit from the unique strengths of both firms, while saving themselves hours of data management.

8 <http://www.inskinmedia.com/blog/infographic-environment-matters-improving-online-brand-experiences/>

9 <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/using-big-data-to-make-better-pricing-decisions> 10 <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/using-big-data-to-make-better-pricing-decisions>

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