## I Believe I am Composed of 1s and 0s: Big Data Clone



We recently explored the evolution of humanization in marketing. There is one common denominator behind the development of all modern marketing—big data. Data is the fingerprint of every consumer. If you are over thirty-something, you most likely had a point in your life when people only knew something about you because you told them. While you may still need to do that with your friends and family, thank goodness, marketers can now easily glimpse into your life through your online information and habits.

Humans are complex creatures. As we explored in personalization versus humanization, we found that while people cherish their privacy, we also love a good deal. **Communispace** found that 70 percent would share their data for only a 5 percent discount. It's probably not surprising that the millennian generation, those born between 1981 and 1996, are more likely to part with their information than those in previous generations. However, even then, the numbers are not that far apart.

If people want to share their information for a good deal, why is that a problem? The conundrum comes into play with how we use that data. Research has begun to show that consumers are not thrilled about the intrusiveness of targeting. One preliminary study showed only 14 percent of consumers, if given the choice, want to shop by receiving targeted offers based on their online search and purchase history. So, what are marketers to do with all this data?

## **Big Data. Big Dilemmas.**

In 2005, <u>Roger Mougalas</u> from O'Reilly Media coined the term <u>Big Data</u>, it referenced the large set of data that is almost impossible to manage and process using traditional business intelligence tools. Basically, it's a lot of data, and it's all about you, and me, us and some other things.

If you don't know by now, this might be a shock, but, a lot of what you do online is tracked. Do you remember a couple of years ago when suddenly you had to agree to let the website track your cookies and you hit accept? That is giving permission to collect all your data. For a lot of people, that is old news, but even now I think about how many accepts I just hit to see the site, with no real thought to how they will be using my information. Your data was being tracked before you accepted as well, it just became more regulated and obvious, in an attempt to give you control of your information.

We live a good majority of our lives online. 81% of Americans own a smartphone. Millennials spend 5.7 hours on their phone compared to baby boomers, which is 5 hours on average, and 70% of web traffic happens on a mobile device. This is probably why 47% of US smartphone users say they couldn't live without their devices. Mobile commerce sales are projected to reach \$2.91 trillion in 2020 – 25.4 percent more than the \$2.32 trillion it registered in 2019. I don't know about you, but I have opened up my smartphone to compare prices and competitive shop, while shopping at a brick-and-mortar store. It is probably why 90% of consumers are willing to share personal behavioral data with companies for a cheaper and easier experience.

Whether we like it or not, companies have our data. Marketing is full of strategies, techniques, platforms, and creative ideas, but how often is the ethical use of data discussed? Big data is also a newer concept, being only an attainable notion for a little over a decade, while tactics like word of mouth have been around for centuries. The rush to data wasn't necessarily paved with forethought about the ethics of holding someone else's information in your hands. Before we had a number, an address, and an email, short of driving to someone's home or harassing them on the phone, ethics were limited to being a nuisance. Now, the possibilities are almost limitless.

The fact of the matter is—almost everything happens online. It would be unrealistic to propose that those who don't want their information out there simply go back to the analog way of doing things. In fact, some ways of doing things don't work that well anymore. The digital transformation made us dependent on performing almost all of our common tasks online. It would seem we bartered our data for convenience.

## The Psychology of Numbers

Data has uses. While the thought of someone watching our every web move and losing privacy scares most, we are still willing give out data. Aside from a good deal, it has also become clear that most people love convenience. People's lives are busy. A lot of people would prefer to be shown a few good options quickly than research for hours. Data is the foundation of creating a personalized, easy, and responsive experience for consumers.

A good way to look at the positive aspects of big data is that it is a friend recommending something to you. They know your likes, your dislikes, your range and what kind of price you need to seal the deal. 74% of consumers say "living profiles" with more detailed personal preferences would be useful if they were used to curate personalized experiences, products and offers. 83% of consumers are willing to share their data to create a more a personalized experience.

This recognition of us as individuals, not just a shopper or email account, is what gives us the sense of humanization, which loses the creepy factor. We could draw a comparison to the idea of the uncanny valley. The more an inanimate object looks human, the creepier it is. In regard to data, the more the consumer is aware their data is being collected and used to make suggestions, the creepier it becomes.

Even though we are shopping online, people still want to feel relevant, important and heard. It's when data goes outside our comfort zone that alarms go off. The balance of data that happens behind the scenes is where we can begin to see the human experience (HX). The humanization of data is how you use it. It is the marketer's responsibility to carefully and tactfully use people's data. To make people feel like their preferences and choices matter but not cross boundaries into monitoring every move. One that is achieved we can start ensuring that data is only used as a positive impact in people's lives, which also benefits companies through trust and increased sales.

putting a bandaid on a large nasty, deep wound you got hiking. It really needs stitches, so the bandaid only lasts a few moments and without other treatment, can have bad long-term effects. Doing it the right way takes longer, which can be hard to accept and explain to those that want results yesterday. But it is imperative to understand that buying lists do not completely benefit your company in the way you or your executive board think it will. What is the value of 50,000 names if you legally cannot use them?