



## **Decipher Data and Deliver Insights**

By: Laura Patterson, President

Marketers today are facing a tsunami of data, and while you may think that more data automatically provides access to better information, unfortunately, this is not the case. Oftentimes, this excess data impedes marketers' ability to unlock the value from it and prevents them from being able to translate data into actionable insights.

As the number of channels and customer touches expands, so does the amount of data coming from them. For example, every day there is an average of 400 million tweets on Twitter and 4.5 billion likes on Facebook. According to Stephanie Miller, Vice President of Member Relations at the Direct Marketing Association, "Data is big, getting bigger, and more complex (and expensive) to manage." That being said, in order to be successful in today's hyper-competitive business environment, the ability to capture, analyze and transform data into actionable insights is an essential skill for marketers.

### **Data Versus Insight**

In today's data-rich and data-driven environment, we are predisposed to gain our insights from data. But action doesn't always follow collection. A survey of 600 executives by the Economist Intelligence Unit found that 85 percent of participants thought the biggest hurdle to unlocking value from data was not grappling with the sheer volume, but analyzing and acting on it. And gleaning the insights from the data is what makes the data valuable.

Merriam-Webster defines insight as the power or act of seeing. Keyword: seeing. We must use the data to identify and see patterns, trends and anomalies. And once we gain this insight, its value is proven by the actions we take as result. Data that doesn't help you see isn't useful. So, in this instance, more data does not always translate into better insights. In fact, according to the recently released fifth annual Digital IQ Survey, consulting firm Pricewaterhouse Coopers (PwC) found that 58 percent of respondents agree that moving from data to insight is a major challenge.

In 1990, Stephen Tuthill at 3M helped make the connection between data and wisdom. In *The Data Hierarchy*, he outlines four important concepts—data, information, knowledge and wisdom—with data being the raw items or events. Once we have the data, we can sort and organize it into information. Knowledge is then derived from the

patterns that result from understanding the relationships between the data and other factors. Wisdom comes when we understand what to pay attention to and what has meaning for us.

So, rather than focusing on more data, we need to focus on capturing the right data and then analyzing it in a way that gives us the power to see (knowledge) and act (wisdom). Bernard Marr from U.K.-based Advanced Performance Institute reminds us that to get the most from our data, "You need to know what you want to know." Once you know what you want to know, collect and organize the data. But then what?

## **Getting From Data to Insight**

### **1. Having the data is one thing, but analyzing and synthesizing it is another.**

Synthesis is where we begin to see patterns. Once the synthesis is complete, you will need a way to bring the data to life. Data visualization greatly aids in this part of the process. Data visualization presents analytical results visually so we can more easily see what's relevant among all the variables, capture and communicate important patterns, and even support predictive models. Visualization is an important step for exposing trends and patterns that you might not have otherwise noticed.

**2. Not all patterns are germane.** Take the time to review and discuss each pattern and its potential implications. Talk about why you think each pattern is important and what it means. This is an essential step for going from information to knowledge.

**3. In one simple statement, articulate the insight that emerges out of each pattern or point of synthesis.** We find that it is helpful to capture insight on a Post-it note and place it on a wall or flip chart to easily track each insight and see the big picture that may be emerging as we go.

**4. Incubate the insights.** Give yourself and your team at least a day away from the insights. When you and the team return, you can take a fresh look and decide whether to make any changes.

**5. Do the insights resonate?** Once you are comfortable with the conclusions/insights you've captured, involve other people who were part of the initial steps to gain their reactions. Be sure to give them the context. The point of this step is to decide if the insights resonate and are compelling enough to make or affect key decisions. That is, to determine whether you have acquired the wisdom you need to act.

It can be difficult to know where to start when facing this mountain of data, but these five tips provide a good starting point. The success of this approach is contingent on the quality (not necessarily the quantity) of the data set, and once you understand how to sift through that, you can begin to generate insights that will positively affect your organization's bottom line.

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