

# Data-Driven Marketing

\$

## the Delicate Balance Between People and Machines

David Boyle

SVP Consumer Insight



@beglen



# DATA

# DATA

“change”

**DATA**

*“change”*

**DECISION-MAKING**

**“change”**

“change”

NOT revolution



ARTIFICIAL  
INTELLIGENCE.  
MACHINES.

CREATED  
TO REMOVE  
HUMAN ERROR  
&  
GUARANTEE A  
FAST, EFFICIENT  
RESPONSE.





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It might look like this is  
what we're building

Data:

**25,000,000** data points asked / inferred in 50,000 detailed interviews  
**(+100,000,000)** data points on those individuals from commercial data sources

Science:

- **Clustering** of people: which attitudinal / behavioral ‘segment’ are they in?  
Therefore enabling us to construct more efficient communications about better products through more efficient marketing channels
- Analyzing each book’s location in **116-dimensional opportunity space**:  
Where (if anywhere) are the best opportunities for that book with consumers?
- **Sophisticated benchmarking** of opportunity spaces: To ensure we target the most efficient opportunities
- **Similarity algorithms** across the opportunity space for a book. Spotting opportunities to share and learn across our imprints
- **Data mining**: Teasing out previously unexpected factors that determine certain behaviors (e.g. what really drives kindle use?)



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Many would have you believe  
that's how businesses should work



HARVARD | BUSINESS | SCHOOL

# WORKING KNOWLEDGE

The Thinking That Leads

# Is There Still a Role for Judgment in Decision-Making?

07 AUG 2013

... Human judgment should be a part of all decisions, but play a dominant role in significantly fewer of them ... Is good old-fashioned intuition out of date?

# The perfect pop song? It's the algorithm, not the rhythm, that counts

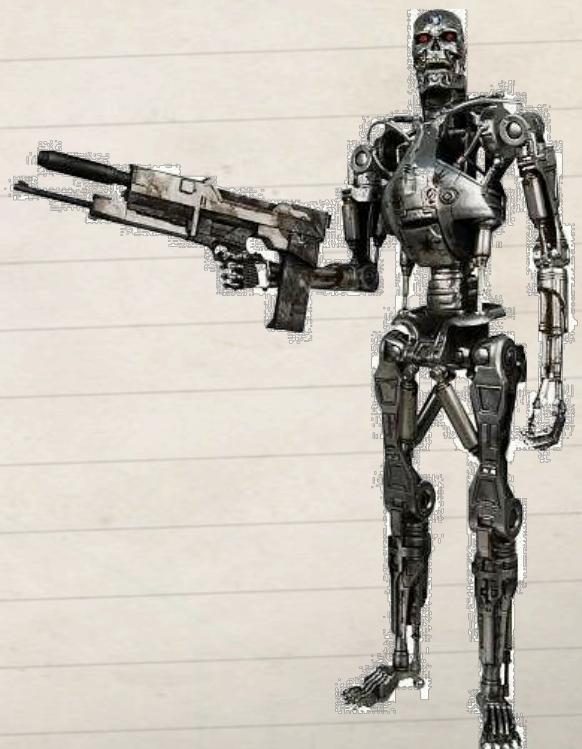
SATURDAY 21 JULY 2012

Predicting a No 1 song used to be a mug's game. But today a team of data experts and computer geeks will generate a scientific model which promises to help EMI's star acts craft the perfect hit.

# The perfect pop song? It's the algorithm, not the rhythm, that counts

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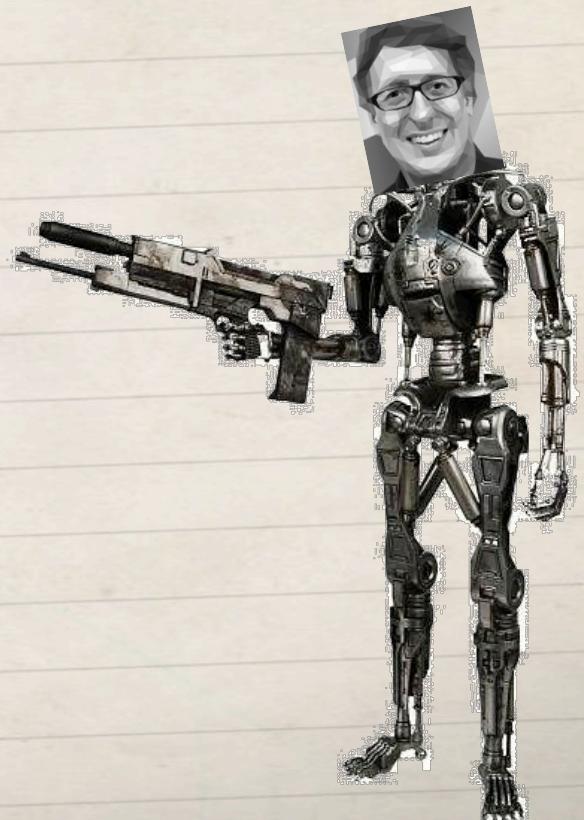
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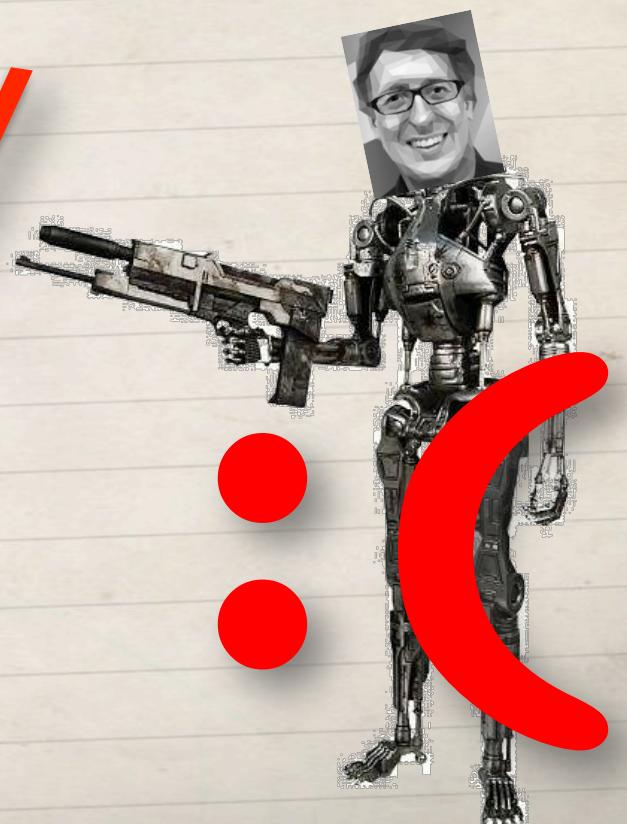
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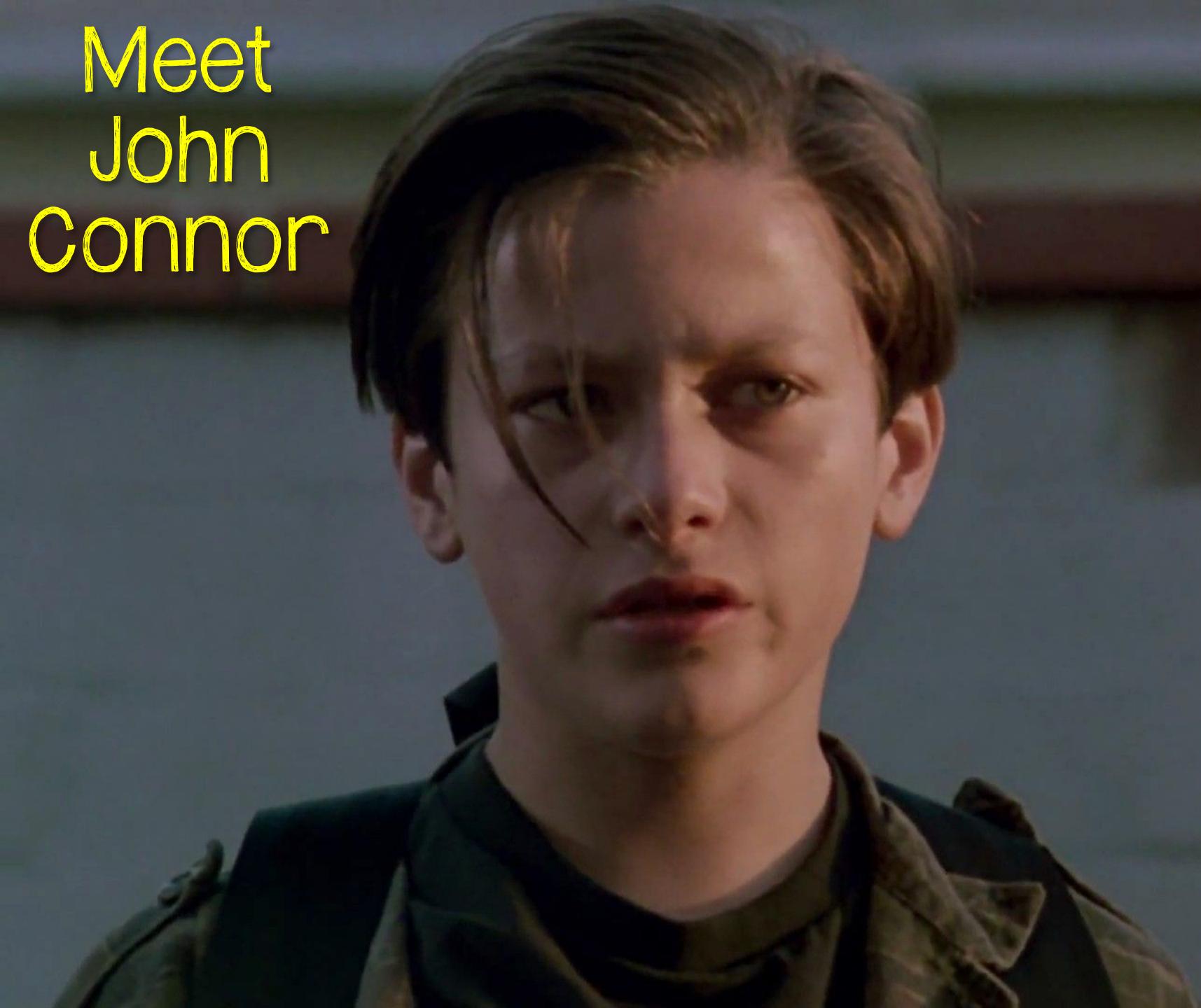
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Oh yeah?

How did  
that  
work out?





Meet  
John  
Connor



Meet  
John  
Connor

Leads  
the human  
resistance.

Defeats the  
machines.



Meet  
John  
Connor

Leads  
the human  
resistance.

Defeats the  
machines.

So: Machines suck.  
People rock?







Partners

A photograph of a young boy with brown hair, smiling and making a peace sign with his right hand. He is wearing a dark green camouflage shirt. The photo is taken from inside a vehicle, looking out through a window. A red heart-shaped graphic is overlaid on the image, containing the word "Partners".

Human in charge.  
Makes decisions. Leads.

Partners



Human in charge.  
Makes decisions. Leads.

Partners

Machine makes him  
quicker, smarter, stronger.

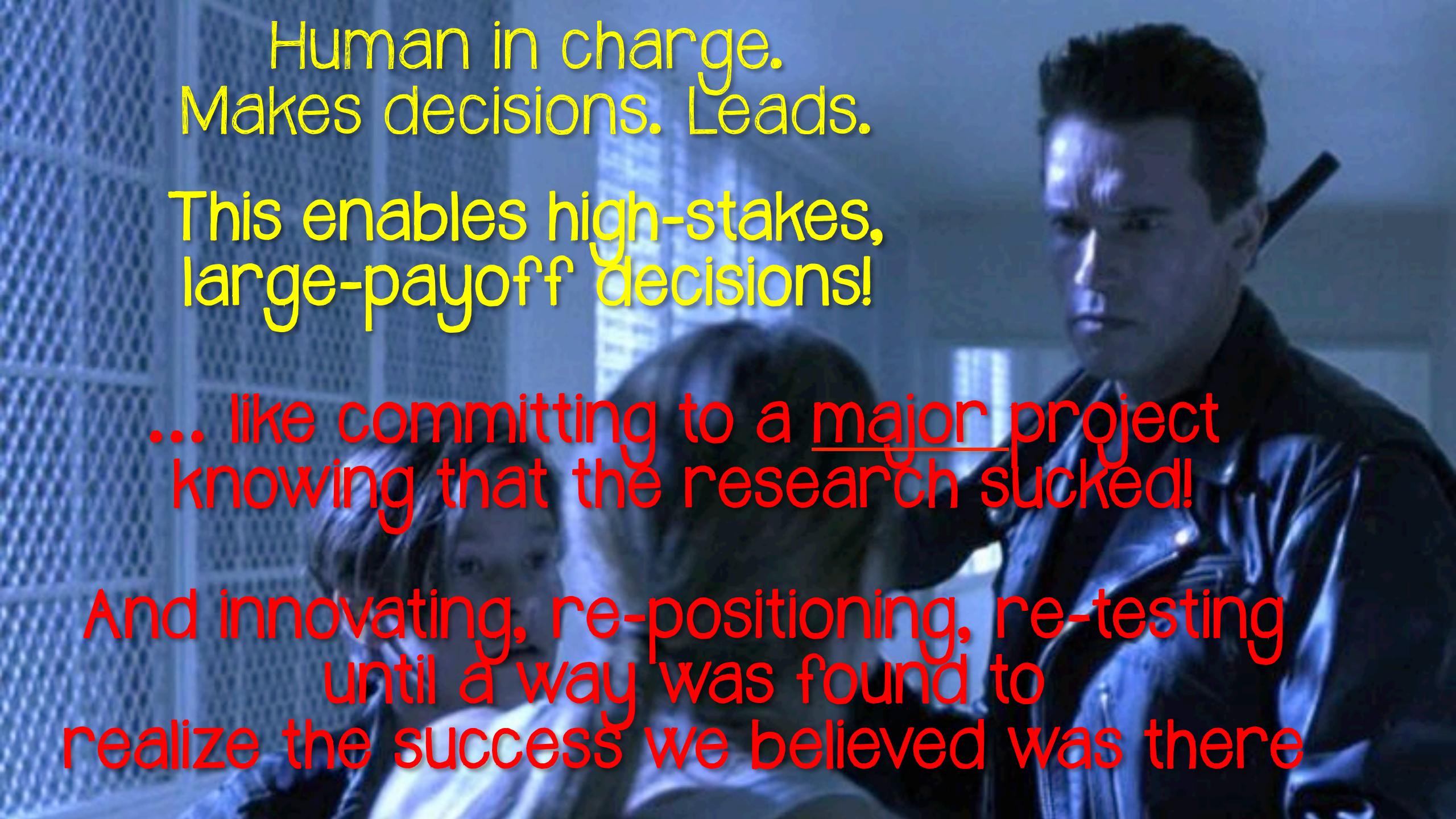
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This enables high-stakes,  
large-payoff decisions!





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... like committing to a major project  
knowing that the research sucked!

And innovating, re-positioning, re-testing  
until a way was found to  
realize the success we believed was there

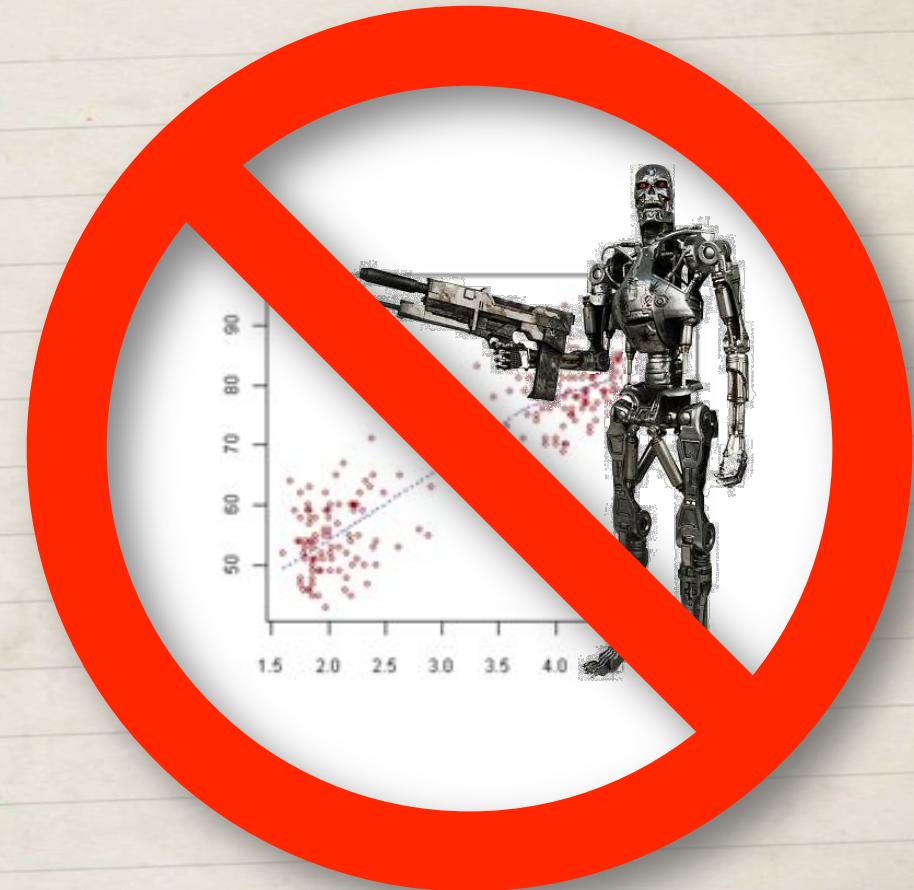
EXAMPLE



# EXAMPLE



# EXAMPLE



Deeper  
understanding

# Deeper understanding

- ... comes to mind quickly
- ... without much reflection
- ... without reasoning / inference





A close-up photograph of a man wearing dark sunglasses and a black t-shirt. He is holding a woman's hand in his right hand, with his thumb resting against her fingers. The woman, seen from the side, has long dark hair and is wearing a light-colored top. The background is a soft-focus outdoor scene with warm lighting.

Becoming  
Partners

“change”

A small group

“change”

A small group  
thoughtful  
“change”

A small group  
thoughtful committed  
“change”

A small group  
of thoughtful, committed  
people can “**change**” a business.  
It’s the only thing that ever has.

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Comprehensive.

Awareness

Trial

Who?

Appreciation

Why?

Engagement

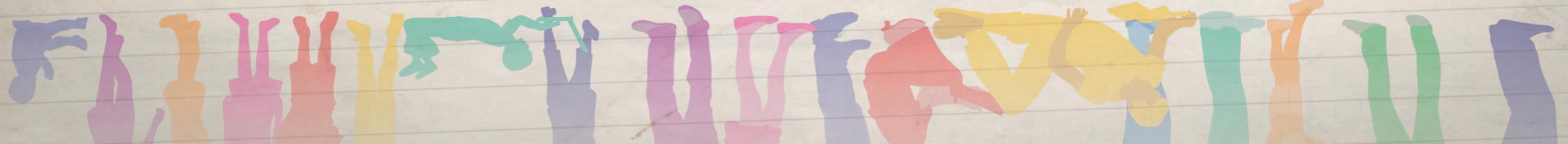
Where?

How?

Advocacy

(Most 'insight' deals with just one part)

Different people have very different wants and needs



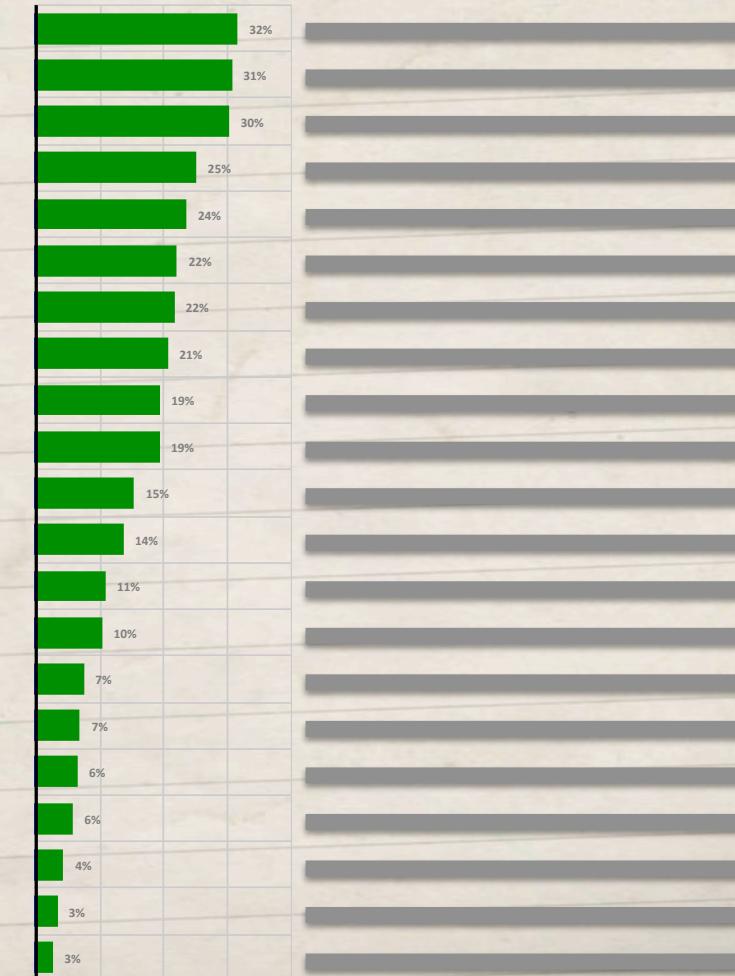
Different people have very different wants and needs

## Top book discovery channels

Consumer segment 1



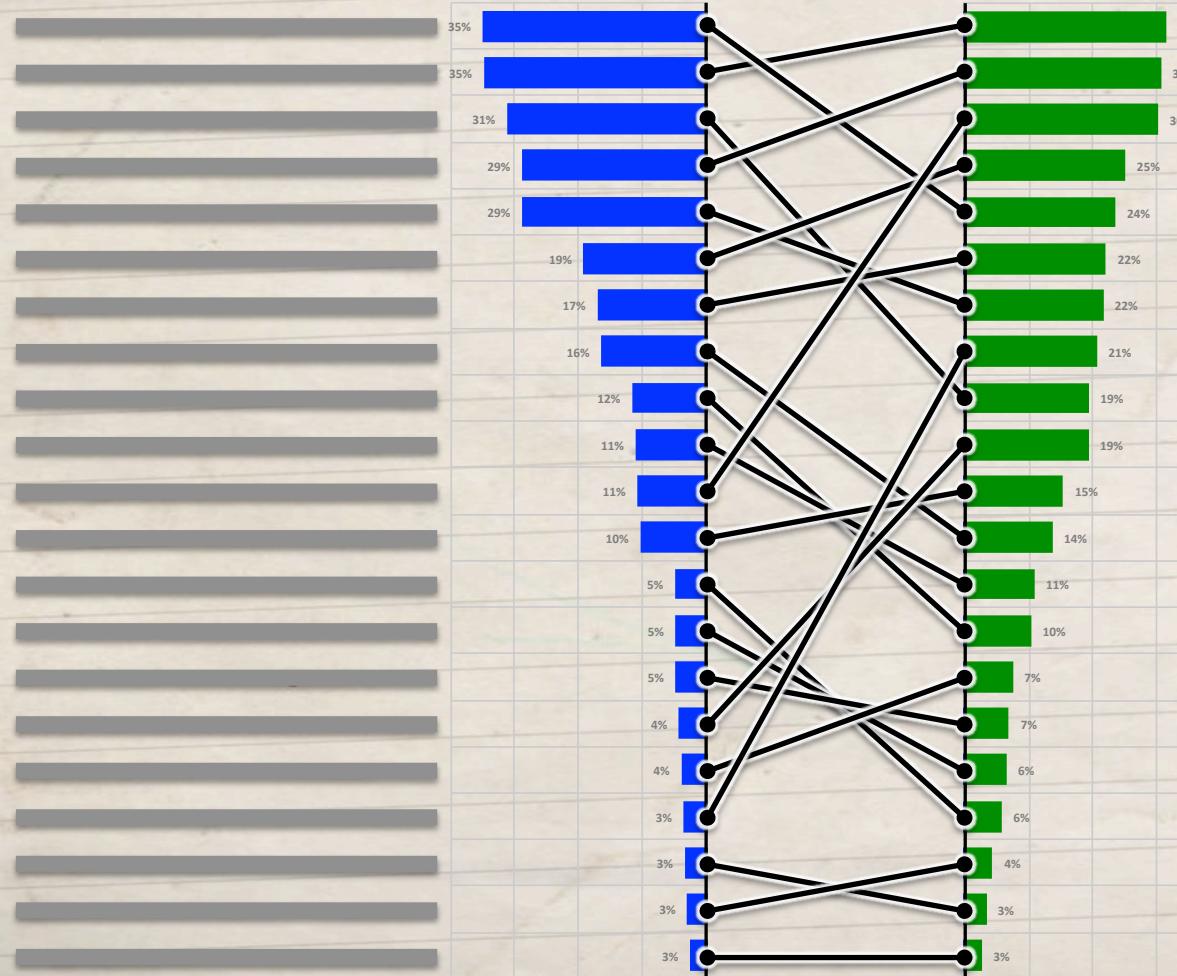
Consumer segment 2



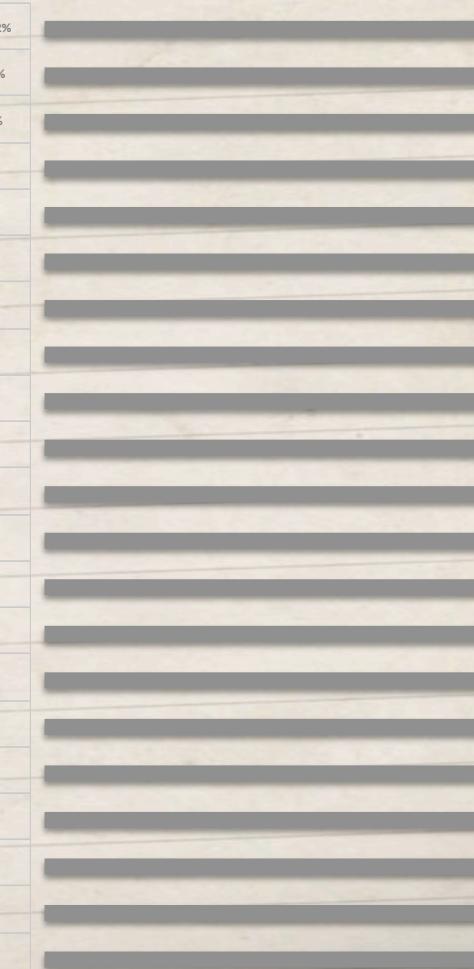
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### Top book discovery channels

Consumer segment 1

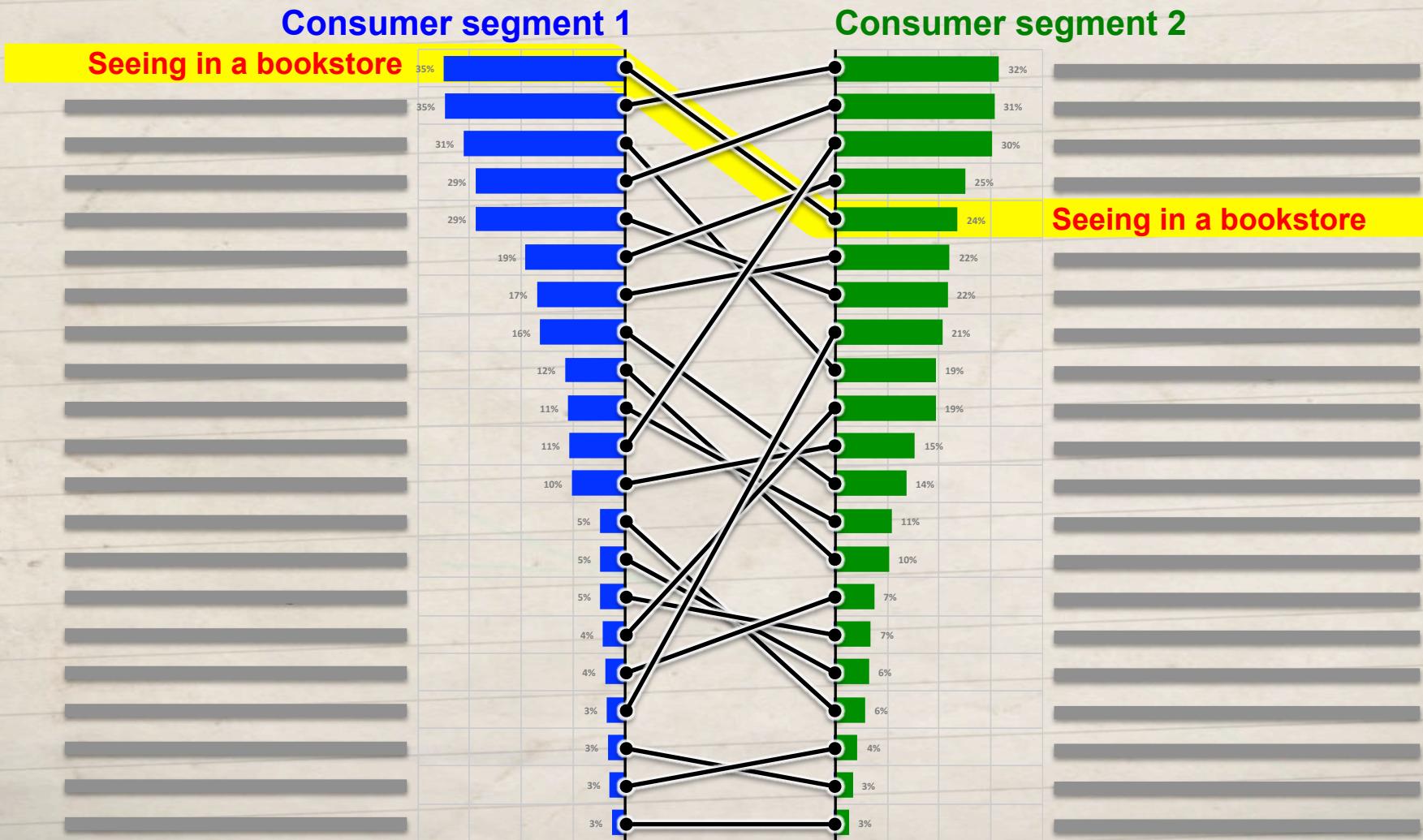


Consumer segment 2



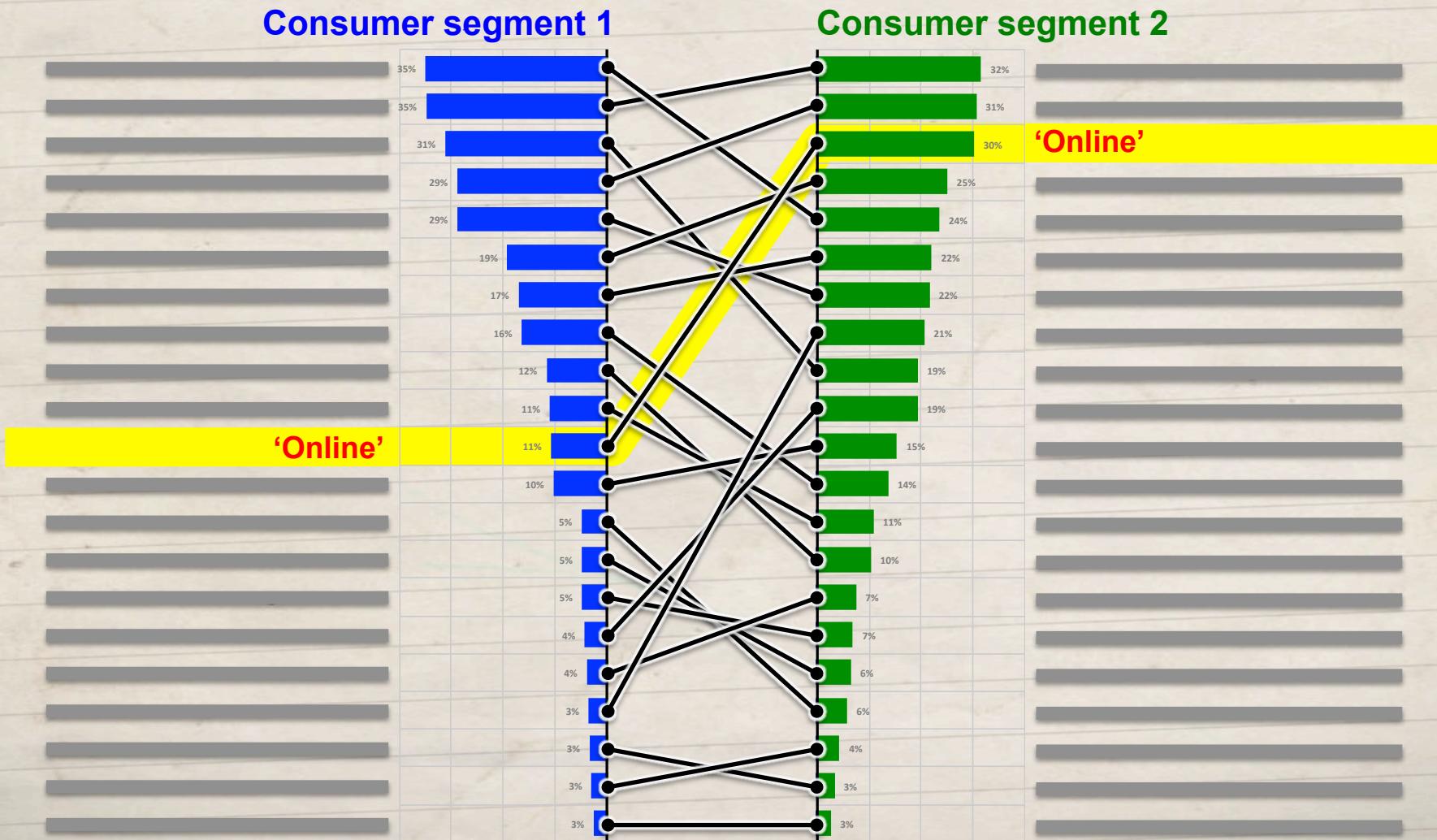
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## Top book discovery channels



Different people have very different wants and needs

### Top book discovery channels



A small group  
of thoughtful, committed

people can change a business.  
It's the only thing that ever has.

Build relationships with the business

Trust

Respect

Summary

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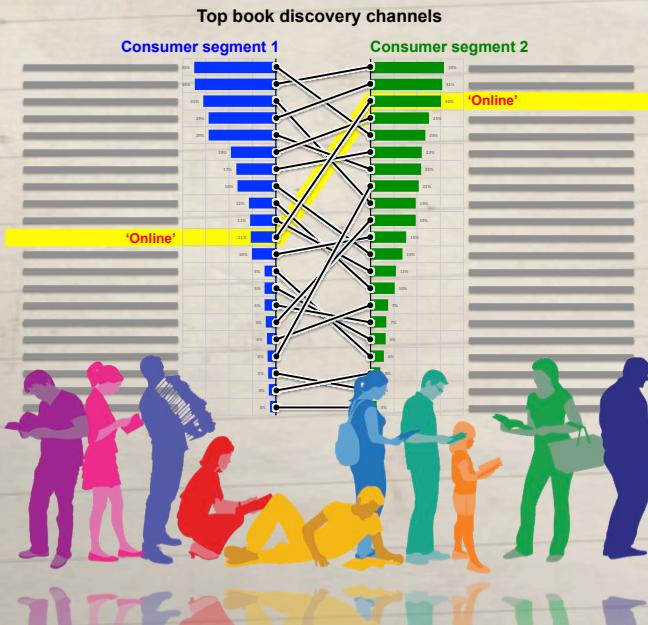


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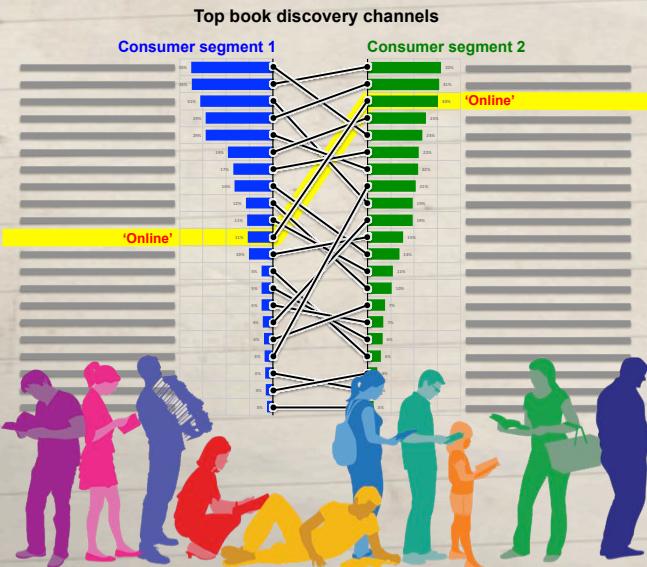
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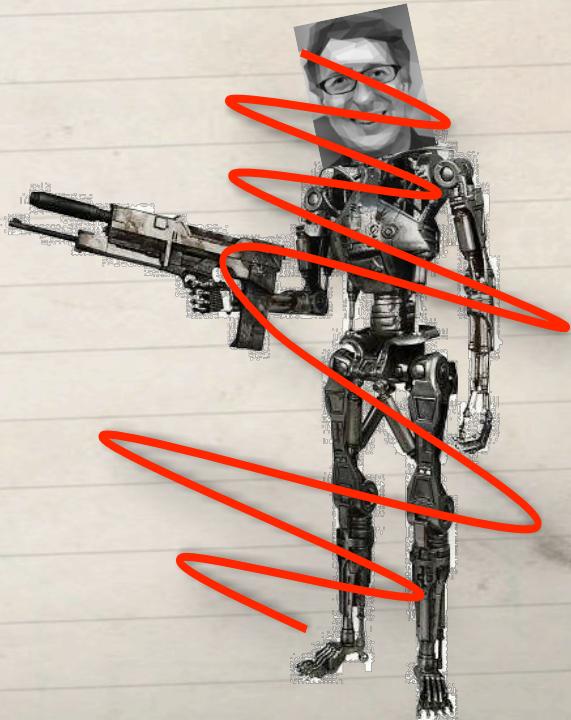
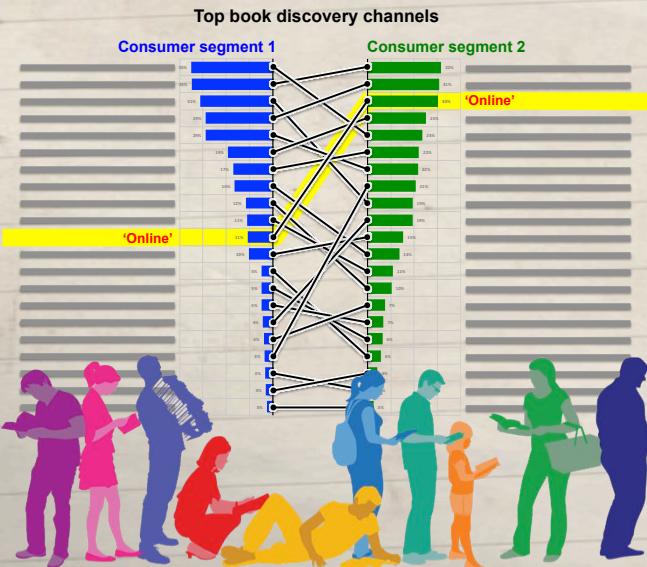
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