

## **Book Review**

**The Big Data-Driven Business: How to Use Big Data to Win Customers, Beat Competitors and Boost Profits**, Russel Glass and Sean Callahan, John Wiley & Sons, New Jersey, 2015, 224 pages, \$21.78.

The author Russell Glass is the head of B2B marketing products for LinkedIn. He is a seasoned technology entrepreneur who founded and then served as president and CEO of Bizo, a B2B audience marketing and data platform, which was acquired for \$175 million by LinkedIn in 2014. The co-author Sean Callahan is the senior manager (content marketing) at LinkedIn. Formerly he was the marketing director at Bizo.

The book contains 13 chapters and it starts with the “big benefits” of “big data”, traces the evolution of data-driven business, discusses the rise of marketing department and ends with the future of big data.

### **Big benefits of big data**

The early humans collected and analyzed data using their brains. They used data to go beyond the surface impressions that senses gave them. Eratosthenes used data to prove that the earth was round and determined its circumference. Copernicus used data to prove that the earth revolves around the sun. The advent of computers has allowed data to grow at a rate of 2.5 quintillion bytes of data every day. The sheer amount of data and our growing ability to process it has led to the coining of the term, “big data”. Big data has impacted everything from sports to politics. Nate Silver, a big data practioner in baseball before he moved on to politics, predicted an Obama victory in 2008 and 2012. Dan Siroker, now the CEO of Optimizely, used data to make Obama victories actually happen.

### **Evolution of data-driven business and the buyer’s journey**

The two 19<sup>th</sup> century entrepreneurs, viz., Marshal Field and John Wanamaker established department stores built on the philosophy of serving the customer. Sears, Roebuck & Company was established to serve customers in the farmlands. Today’s companies like Dell, Google and Amazon are data savvy and customer focused.

In the pre-internet days, sales people formed relationships and built trust with the buyers by having lunch and sharing a drink with them. The buyers' journey changed with the advent of internet. Nowadays, the marketing department traces the digital body language of the buyer.

### **The rise of the marketing department**

The integration of technologies like marketing automation software, business intelligence databases, CRM systems, data-management platforms and analytics tools is called the marketing technology stack which enables marketers to read the digital body language of the buyers. In this era the CMO needs to work hand-in-hand with the IT department. The relationship between marketing and sales changed from being rocky to that of greater alignment. Companies such as DocuSign and Bizo used technology to create a greater harmony between sales and marketing.

Earlier, the CMOs and the entire marketing department were right-brained people. But, as data-driven digital marketing gained prominence, the marketing department acquired the left-brained talent as well. This change has helped various CMOs to occupy the CEO positions.

### **Using data for online advertising to understand customers and pursue prospects**

The novelty of banner ads and the increased level of click-through rates contributed to the rise of internet advertising. The other advances that online advertising offered to marketers were ad networks, audience platforms, online advertising exchanges, retargeted display ads and social media advertising.

Companies like Google, Netflix and Pandora Media (internet radio service) have attained success by collecting and leveraging data to serve customers and create great products. The software as a service (SaaS) business model and the predictive lead-modelling companies have helped in understanding customers and pursuing prospects.

### **Implementing a big data plan**

A large corporation such as Tellabs.com embraced big data. It is easier for smaller companies and start-ups to implement data-driven marketing

principles. There are eleven principles for bringing big data into the business.

The data has the ability to influence website design, measure PR performance, study the power of display ads and test market-creative campaigns. The data also attributes the contribution made by each and every one of a company's marketing tactics to leads and to revenue. The three basic attribution models are last-click attribution, rules-based attribution and algorithmic attribution.

### **Data can be a matter of corporate life and death**

The RDBMS (relational database management system) market controlled by Oracle, IBM and Microsoft was disrupted by a data-driven and customer-focused start-up, Splice Machine. Ignoring of data led to the downfall of companies like DEC, Tower Records and Borders Books & Music. Also, the mistake of not embracing data has led to the near death experience of Blackberry, Culture Clash of New York Times and the missed opportunity of General Electric.

Corporations need to act responsibly because there are increasing incidents of corporations crossing the line to know far too much about consumers. The companies need to embrace complete transparency to address the privacy concerns raised by online advertising and retargeting. The corporations need to own the responsibility of protecting their customers' privacy.

### **Big data's big future**

Some of the key trends defining big data's future are personalization of website using analytics software, integrating data silos and platforms to get a 360-degree view of the customer, measuring the impact of marketing programmes, checking whether the website is navigable in a smartphone, creation of internet-enabled machines that generate their own data, privacy security issues, product development and social media generated data. The big data is set to transform every industry including healthcare, government and the education sector.

The authors have done justice by unraveling the hidden secrets of big data. This book is a must read for marketers because the book beautifully traces the changes that are happening in the marketing department due to the availability of "big data". This book will help marketers to rethink on

certain concepts of marketing. The book provides an interesting experience to its readers with examples of companies ignoring “big data” and paying a heavy price.

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