

Don't call me Jack Ma
Call me... "Data Ma!"

Alibaba, 10 Jan 2014

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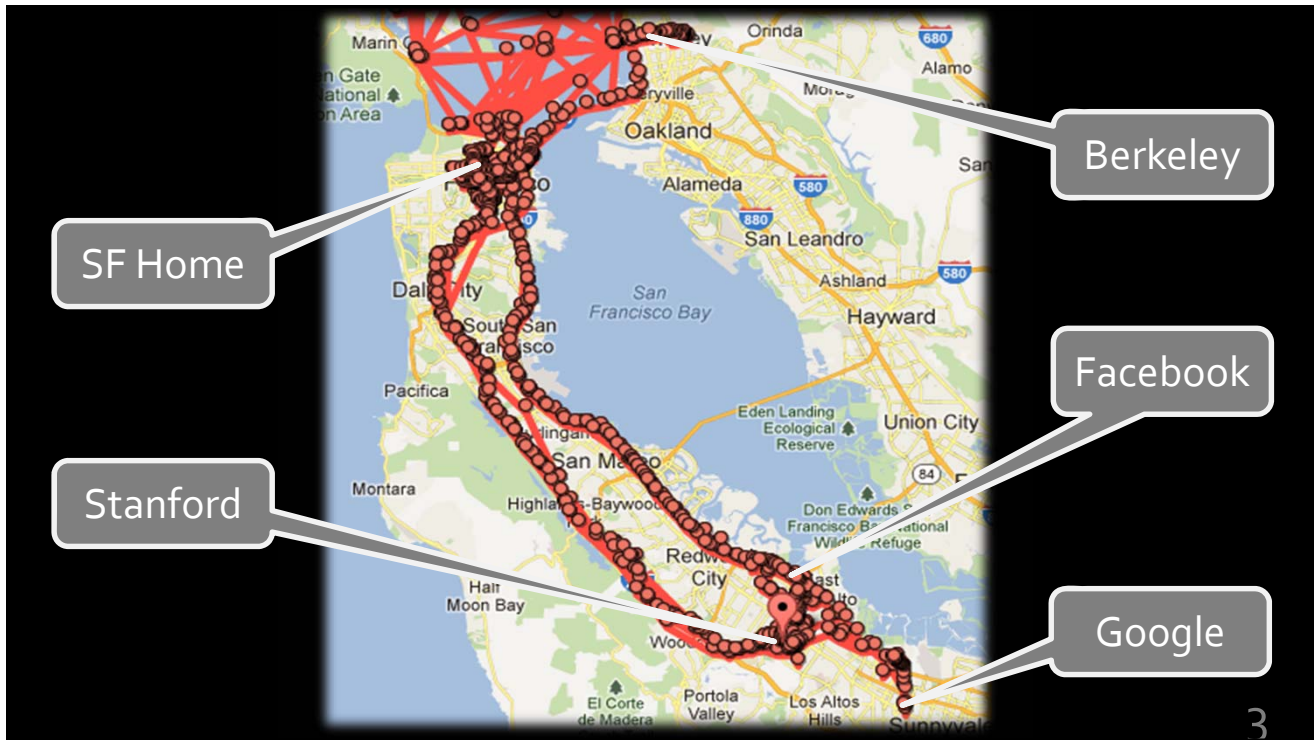
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1

Big Data = Mindset to turn Mess
into Decisions and **Actions**

- External (customer facing)
- Internal (within the company)

2



Imagine...

...you had your geolocation from the last decade readily available at your fingertips

- What question would you ask?
- How would knowing that it is recorded 24/7 change your behavior?



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4



Data and Decisions

Rule #1:

Start with a question, not with the data

- E.g., Which route do I take?
- E.g., Who do I work with?

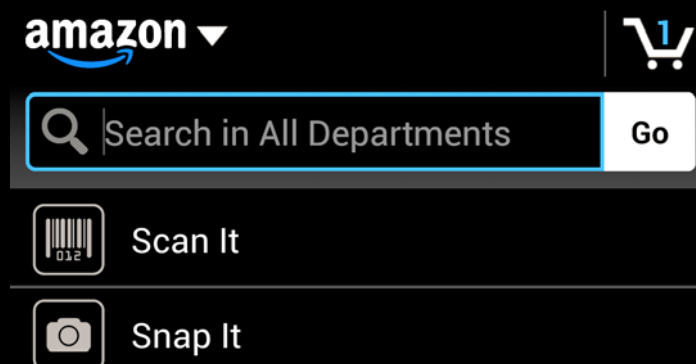
What data would you pay for most?

1. Geolocation: Where did a customer go?
2. Search history: What did she search for?
3. Purchase history: What did she buy?
4. Social graph: Who are her friends?
5. Demographics and similar attributes

7

The Journey of Amazon

What changed?



8

The Journey of Amazon

What changed?

- Algorithms → Data
- AI
- BI
- CI
- DI

9

What changed, what didn't?

Changed

- Algorithms → Data
- AI
- BI
- CI
- DI

Same

- Ask for forgiveness, not for permission
- Customer-centricity
- Delight the customer
- Recommendations
- Discovery

10

Amazon = Data Refinery

Goal: Help people make better decisions

Strategy: Make it trivially easy to

- Contribute
- Connect
- Collaborate

11

Equation of Business

- Expresses business strategy, values etc.
- Needed for evaluation of experiments

Rule #2:

Base the equation of your business on metrics that matter to your customers

12

Equation of Business

Rule #3:

Focus on decisions and actions, and design for feedback

13

Amazon = Discovery through Data

1. Manual (Experts)
2. Implicit (Clicks, Searches)
3. Explicit (Reviews, Lists)
4. Situation (Local, Mobile)
5. Social graph (Connections)

14

Social Commerce



Amazon's Share the Love



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The 4 C's of Commerce

- Content
- Context
- Connection
- Conversation

16

Shift in Marketing

Non-Social: Audience



Social: Connected Individual



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17

E, me, we!

1. **Digitize:** E-commerce
 - Focus on company and products
2. **Share:** Me-commerce
 - Focus on consumer and attributes
3. **Connect:** We-commerce
 - Focus on connection between consumers

18

Connected Individuals

Rule #4:

Embrace transparency: Make it trivially easy for people to connect, contribute, and collaborate



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19

The 4 Data Rules

1. Start with a question, not with the data
2. Base the equation of your business on metrics that matter to your customers
3. Focus on decisions and actions, design for feedback
4. Embrace transparency: Make it trivially easy for



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20

Some Data Beliefs

1. Let people do what people are good at, and computers do what computers are good at
2. Build stuff that enables a future you want to live in
3. Give data to get data



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21

Questions

1. Do your customers understand the value *they get* when they give you data?
2. Does your product or service get better over time and with data, or worse?



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22



Data Science vs Business Intelligence

Typical Techniques & Data Types	<ul style="list-style-type: none">• Optimization, predictive modeling, forecasting, statistical analysis• Structured/unstructured data, many types of sources, very large data sets
Common Questions	<ul style="list-style-type: none">• What if.....?• What's the optimal scenario for our business ?• What will happen next? What if these trends continue? Why is this happening?



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25

Data Science vs Business Intelligence

Typical Techniques & Data Types	<ul style="list-style-type: none">• Standard and ad hoc reporting, dashboards, alerts, queries, details on demand• Structured data, traditional sources, manageable data sets
Common Questions	<ul style="list-style-type: none">• What happened last quarter?• How many did we sell?• Where is the problem? In which situations?



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26

Data Science Touches Everybody (1)

- CMO (Marketing)
 - Life events, cycle
 - Influencing
 - Segmentation
 - Situationalization
- Campaign analysis
 - Media mix
 - SEM
 - Attribution
- Churn prediction

27

Data Science Touches Everybody (2)

- CMO
- CFO
 - Metrics
 - Risk models
 - Compliance
- COO
 - Reliability
 - Fraud detection
 - Call center metrics
 - Complaints analysis

28

Data Science Touches Everybody (3)

- CMO
- CFO
- COO
- Security
 - Authentication
- CIO
 - Network
 - Errors
 - Data integrity
 - ...

29

Data Science Skills

- Data literate
 - Communication interest
 - Domain knowledge
 - Modeling and statistics
 - Curious, asks questions
 - Able to handle large data sets
 - Collaborative
 - Skeptical
- ... *plus* **CAN-DO Attitude**

30