Hi, I'm
@farrahbostic

THE
DIFFERENCE
ENGINE

Check your bias.
Feed your empathy.

#strataconf
@farrahbostic

What we'll talk about

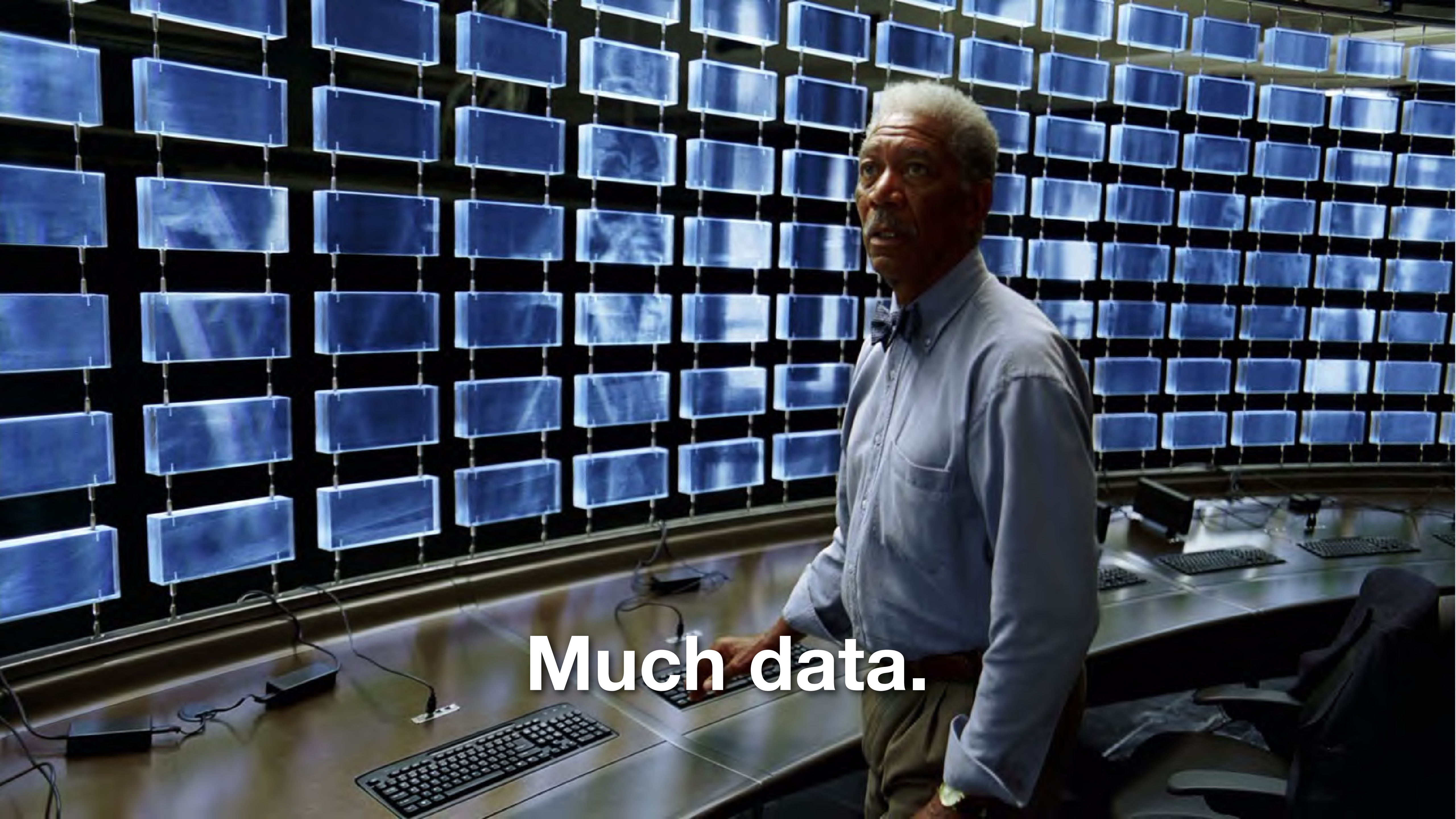**Data**
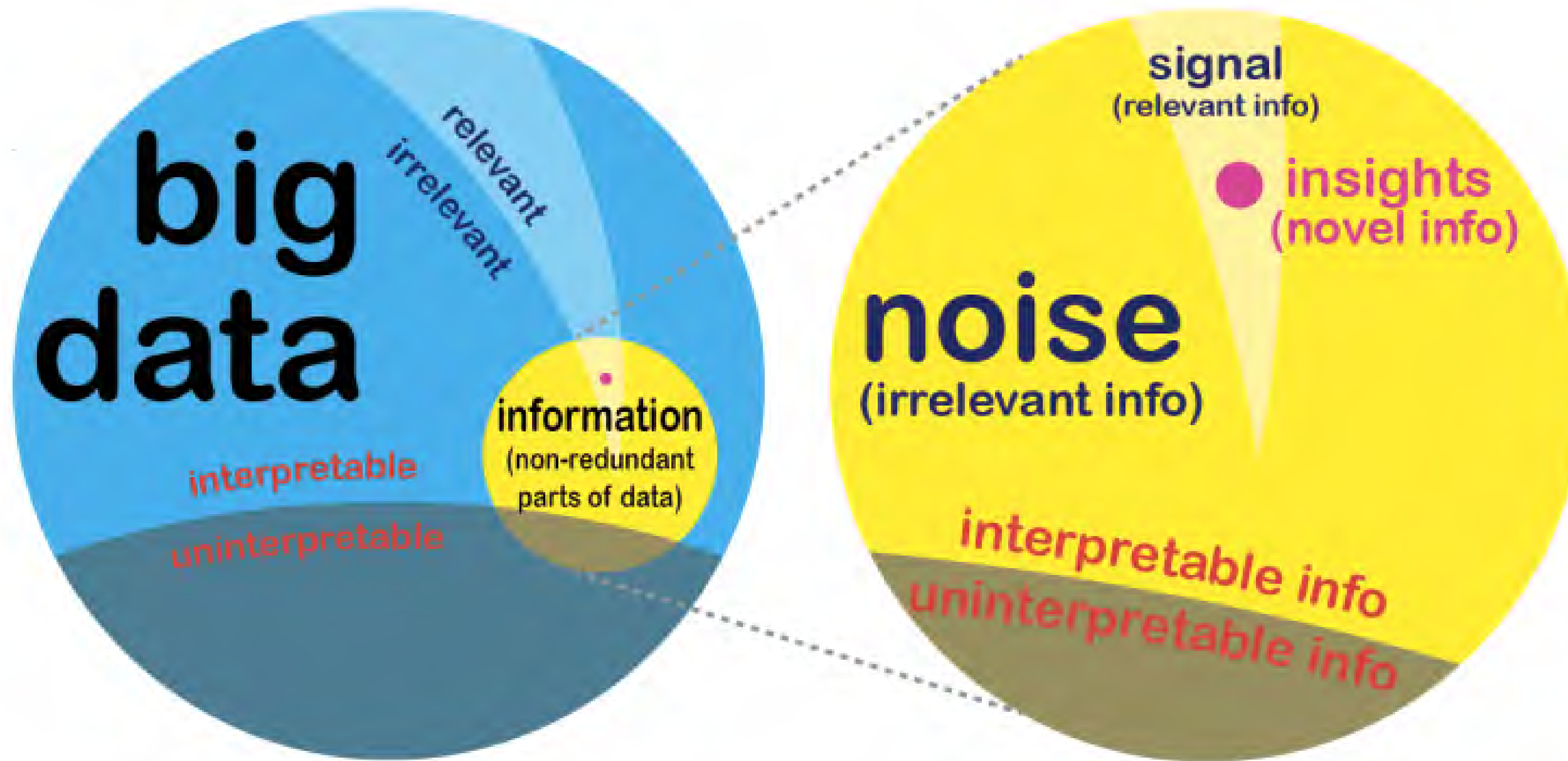
Structure

Bias

Experiments

Empathy

Data

Much data.

"Drinking from the fire hose"

"The Data Will Tell Us What to Do"

I come from advertising.

Structure

How (a lot of) marketing people deal with data

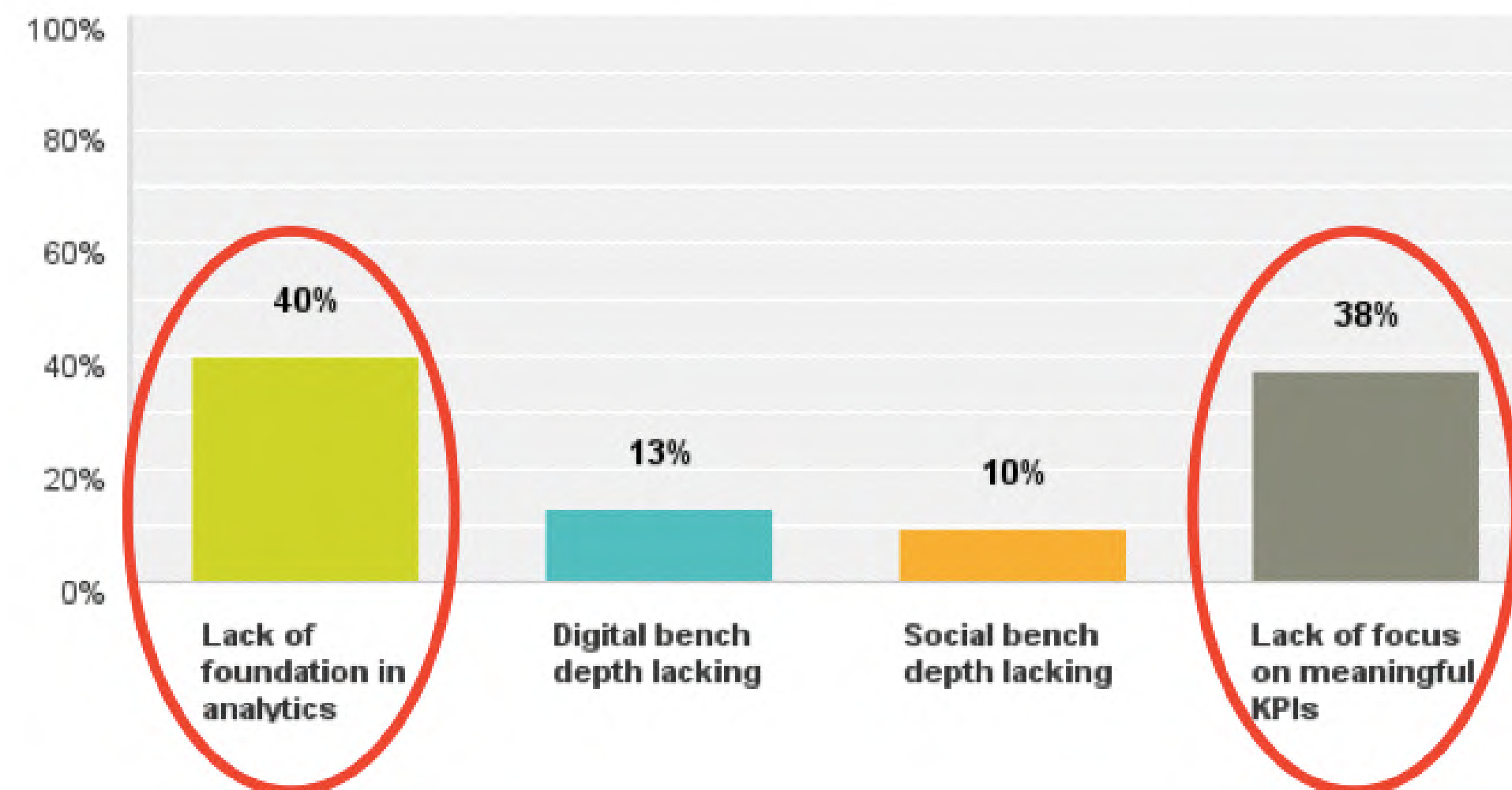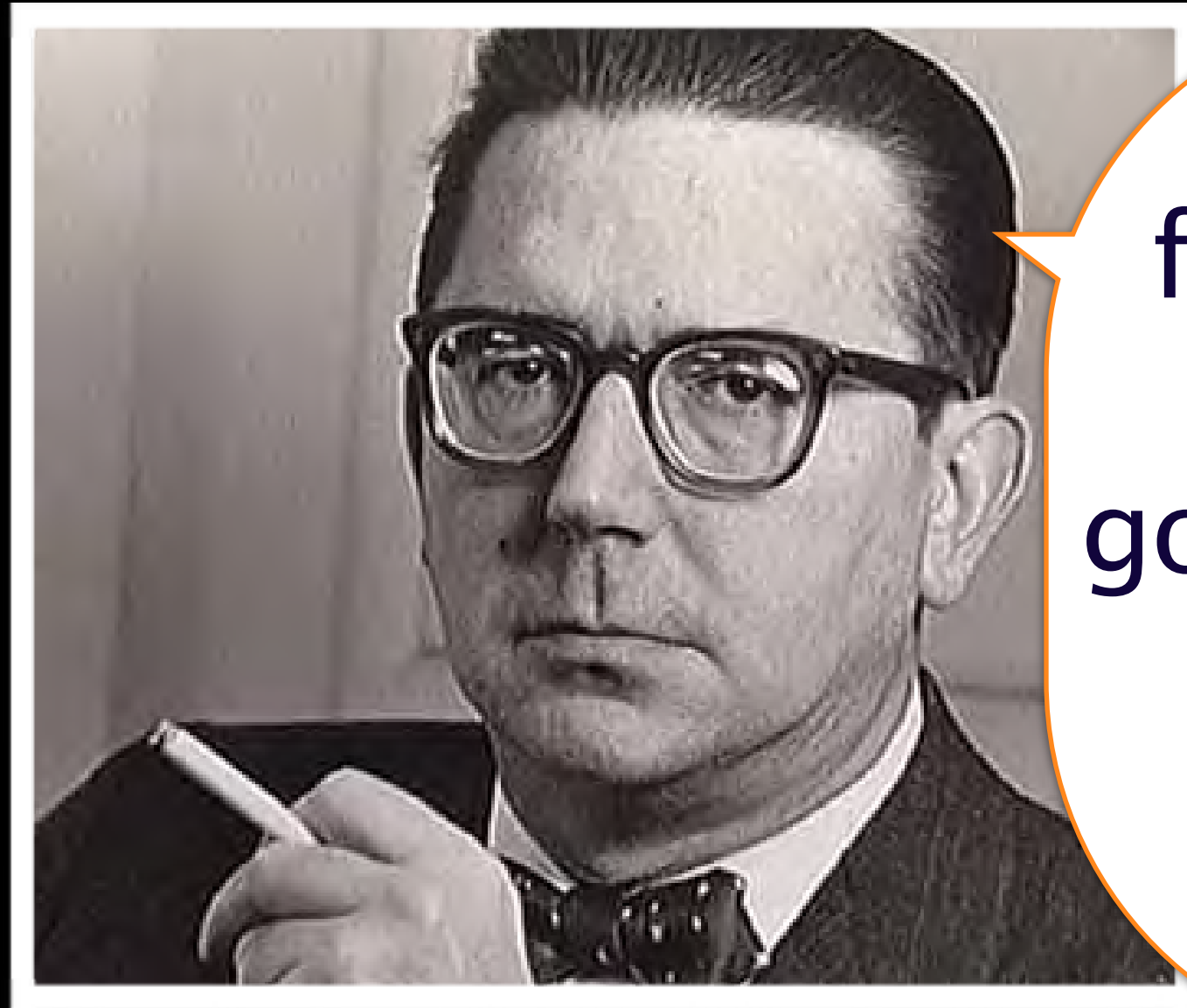Is this anything?

We're all gonna get fired.

It's not even a new problem!

"What do you want from me? Fine writing? Or do you want to see the goddamned sales curve stop moving down and start moving up?" – Rosser Reeves
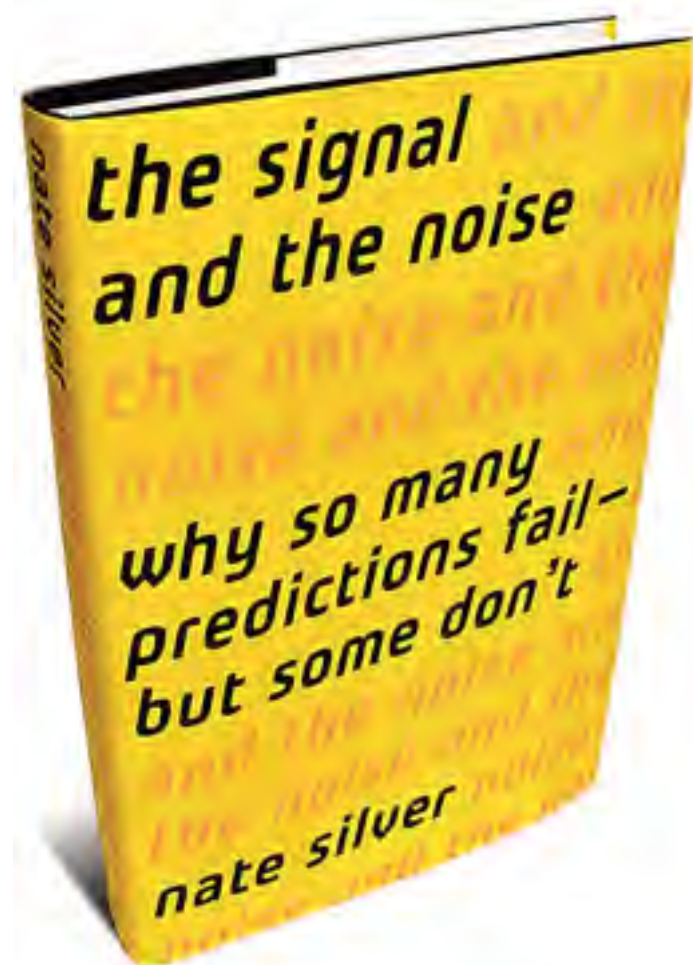
STRUCTURE
ALL THE DATA!!

Theory v. Information

"Who needs theory when you have so much information? But this is categorically the wrong attitude to take toward forecasting, especially… where the data is so noisy. **Statistical inferences are much stronger when backed up by theory or at least some deeper thinking about their root causes**."

Bias

Deep understanding **and** empathy, developed over time, counteract bias.

People are Data

But all numbers are not equal

Some numbers tell you what,
but not why

Some numbers are only 'half true'

And some numbers
are just lying at scale

So why don't we talk to humans?
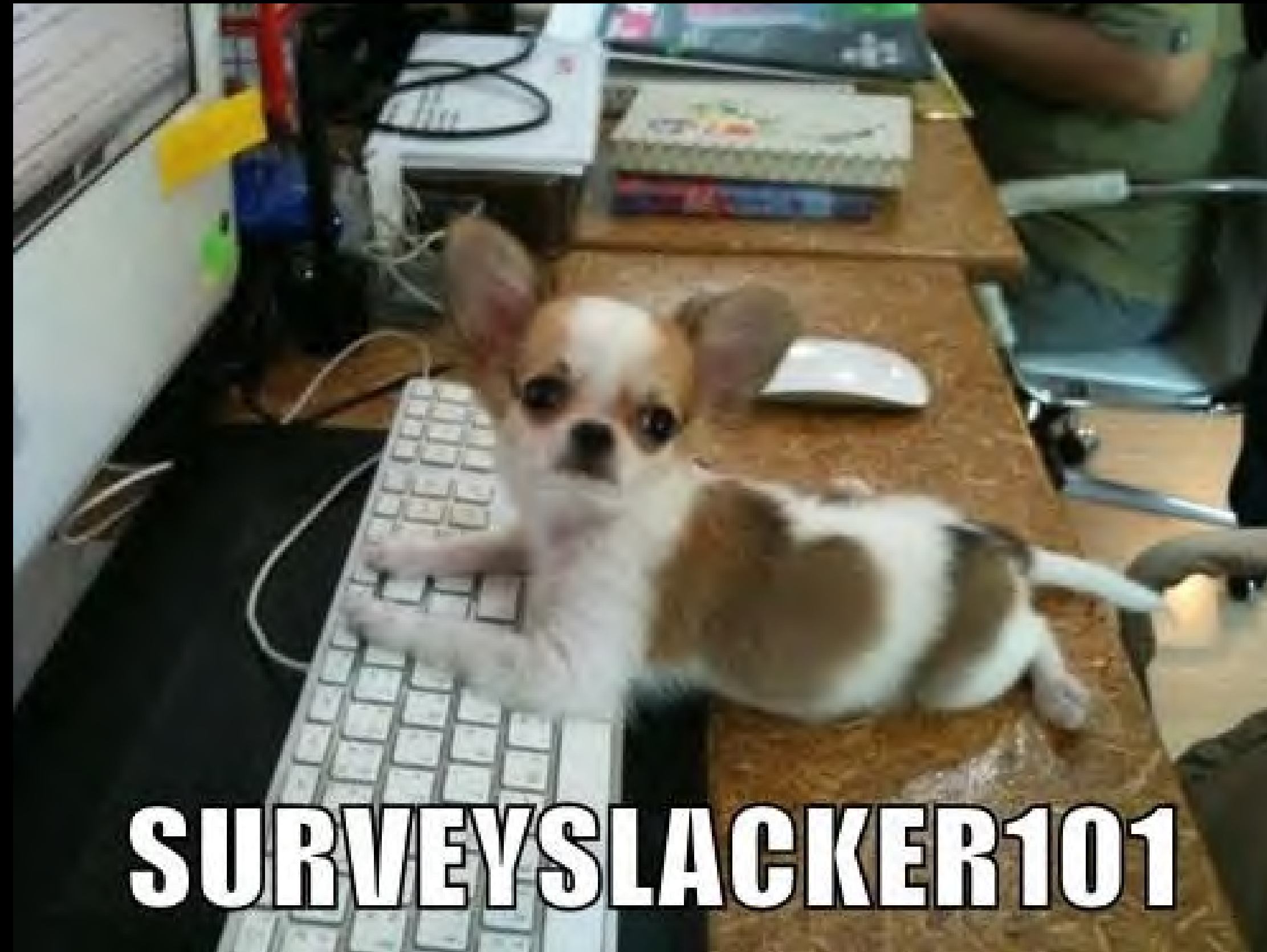
Money

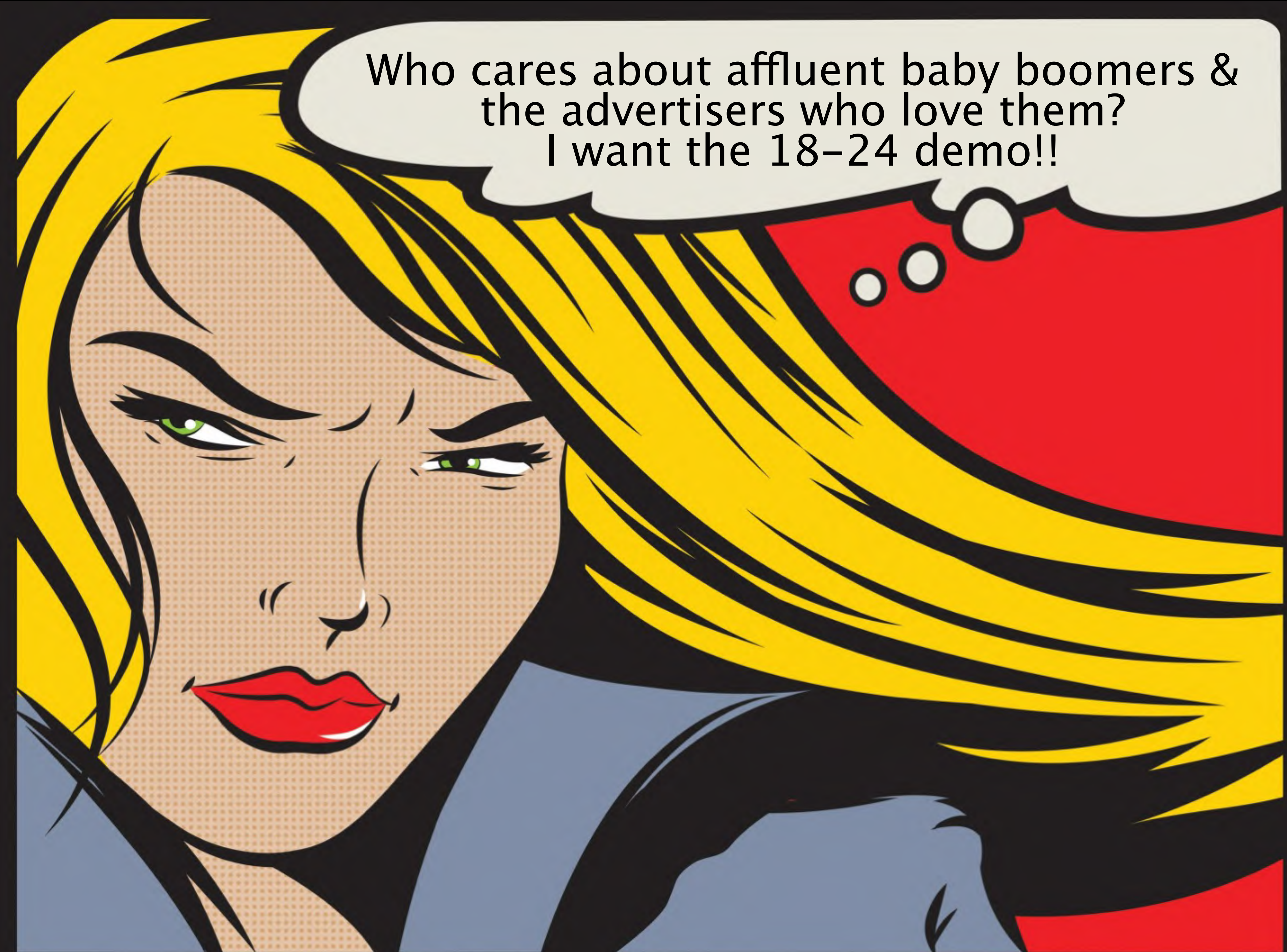**Time**

And...

People lie.

Professional Respondents?

"statistically significant"
"rigorous sample method"
"information with authority"

Strongly agree

Agree

Disagree

ly disagree

SURVEYSLACKER101

Marketers rely on vanity metrics

Leading Methods of Measuring Social Media Marketing Success According to US B2C and B2B Marketers, Aug 2011
% of respondents

Numbers linking as friends, followers, likes — 60%

Sharing, forwarding, retweeting or posting brand content — 39%

Qualified leads from social media — 35% *

Visits or time spent with branded social content — 30%

Incremental sales attributable to social media — 25% *

Brand awareness/favorability (measured by surveys) — 18%

Source: Chief Marketer, "2011 Social Marketing Survey," Oct 1, 2011

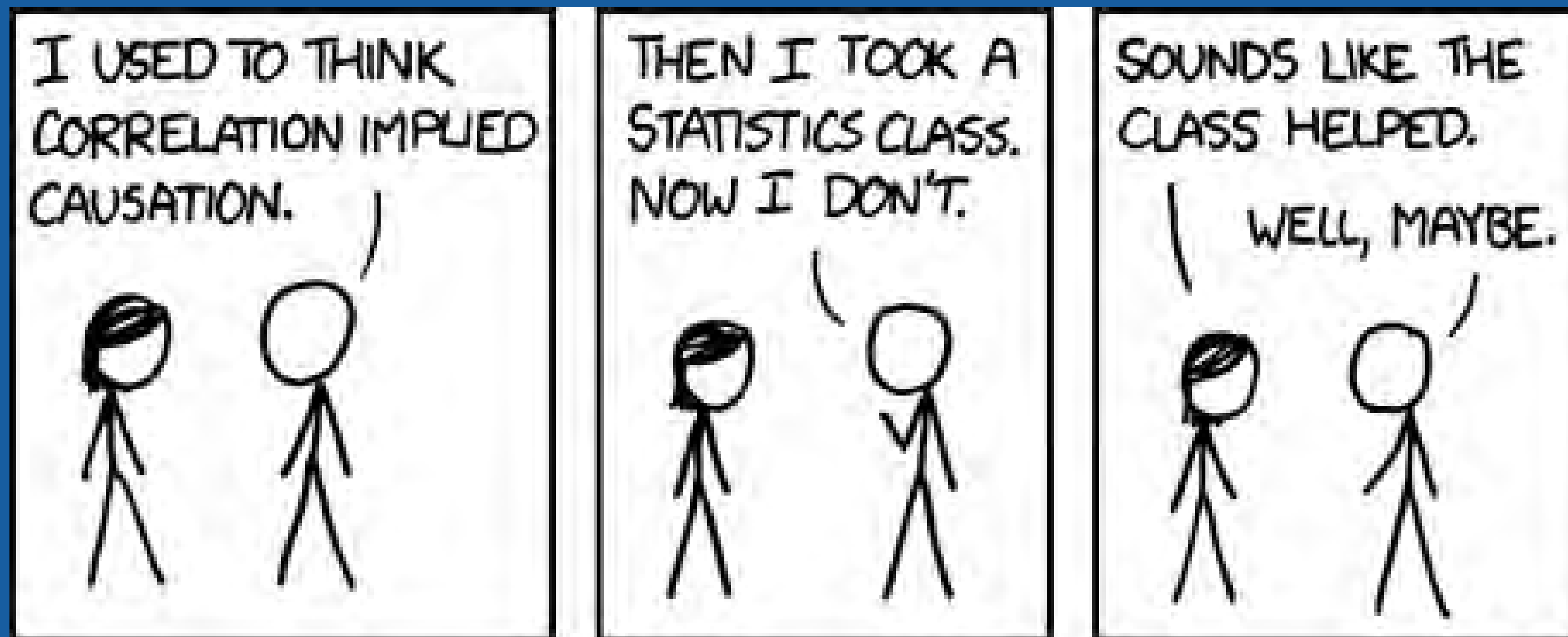133441   www.eMarketer.com

Cool story, bro.

We need to understand
and
to make better predictions
and measure outcomes
more effectively.

Experiments

How to Hypothesize

What's a hypothesis?

ὑπόθεσις "to suppose"

It's a proposed explanation for something.

You have to be able to test it.

The simplest explanation should (usually) be the best.

It should apply to more than one instance of the thing happening.

It should help explain other things in the future.

It should fit with the evidence.

The main flaw in marketing hypotheses:

We're usually focused on explaining the *brand*, not understanding the *customer*.

Empathy

We should explain what creates value for customers

We should craft and test hypotheses that:
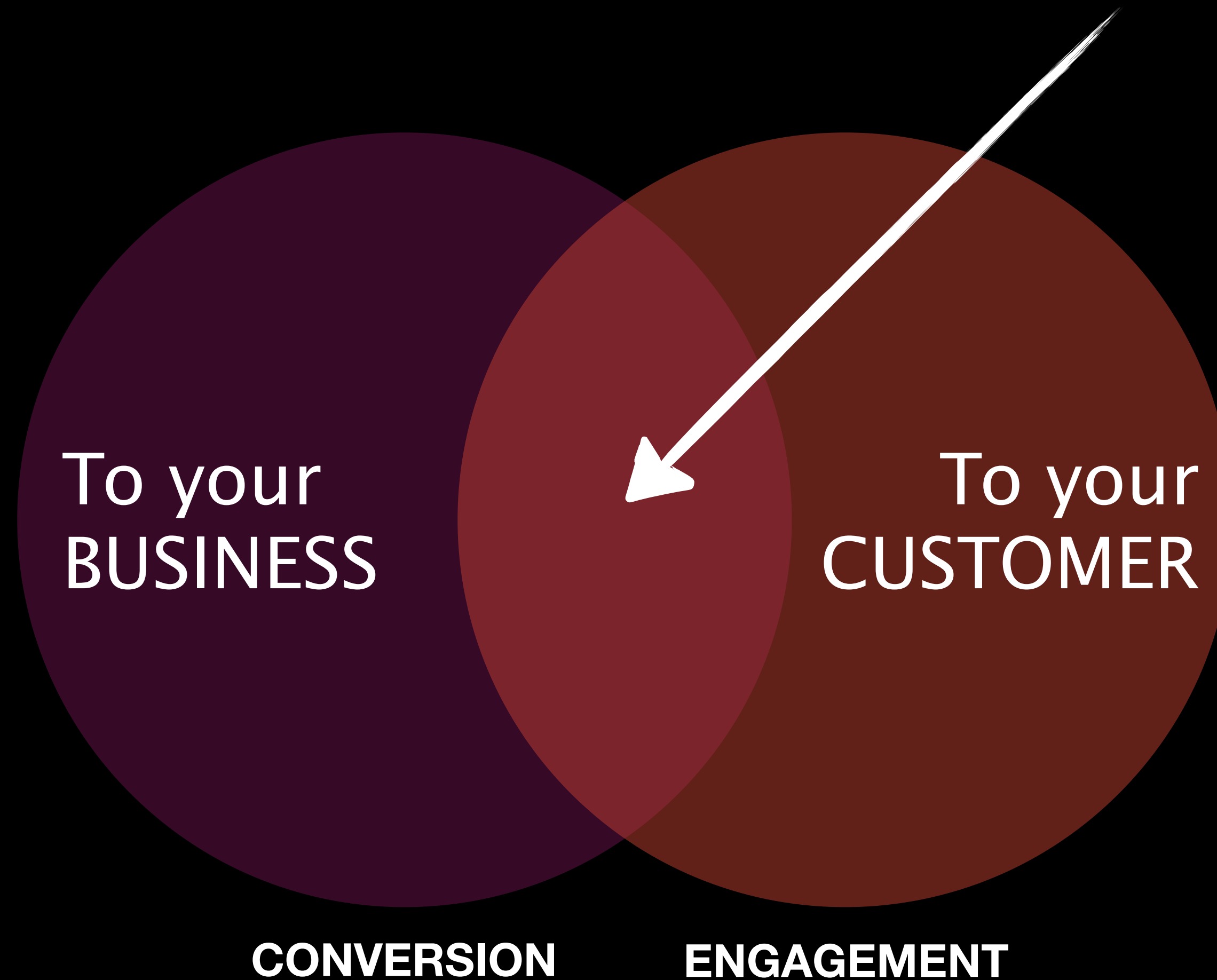
Help us make decisions

Help us create value for our customers

Help us develop empathy for people so deep we can anticipate solutions to problems they can't yet express

We should always be checking for bias

What matters is value creation

To your
BUSINESS

To your
CUSTOMER

CONVERSION   **ENGAGEMENT**

Conversion = Business Value

Acquisition - drawing people into the brand experience

Revenue - converting visitors into customers

Referral - converting customers into advocates

Engagement = Customer Value

Activation - people enjoying the experience...

Retention - enough to come back often...

Referral - and recommend the experience to others

現地
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Go and see.
This is the new intimacy.

We have to be prepared to be wrong.
We have to
state our beliefs,
encounter reality,
learn from the experience,
and adjust our beliefs.
(over and over and over...)

**Be nice,
and listen.**