A FIVE-STEP PROCESS TO
SQUEEZE VALUE OUT OF DATA

THE APPROACHABLE

DATA METHOD

MARYBETH MASKOVAS

CONTENTS

PART I

WHY DATA IS A RIDDLE WRAPPED IN A MYSTERY INSIDE AN ENIGMA

WHEN YOU NEED TO CRACK THE DATA CODE

Almost every business owner or leader has a mystery that keeps them up at night, something they worry about in their business.

If they manage to solve this mystery, it will take the business to the next level. Some are kept up by the mystery of attracting enough customers to sustain sales. Others might find that no matter how carefully they examine their profit and loss statements and how strictly they budget, they are less profitable than their goals. They throw hours, employees, and money at the mystery and still can't figure out how to improve it.

There is a solution. In this modern world of running businesses, we all have a glut of data that we can rely on to help us make decisions. Even the humblest start-ups can access countless

trends and data points about competitors for free online, and even midsize businesses generate thousands of data points daily. Large businesses have so much data that they don't know how to keep track of it all.

Somewhere, hidden in all that information, is the answer to those business questions that keep you awake at night. The trick is to crack the code—the data code—to push all the unnecessary information aside and identify the pattern within that data that will transform your business.

What does it look like when a business cracks the data code? When a company digs into its data and gets past the supposed enigma of data, it can see amazing growth and innovation—all based on the information it already has. No new tracking, fancy tools, or new databases are required.

CRACKING THE FASHIONISTA DATA CODE

Enter a fashion start-up based out of New York City. Because if you're building a fashion start-up, NYC is a pretty good place to be. The company had an incredibly unique product—vegan boots

made of apple leather! Most vegan boots are plastic, a disappointing way to tout sustainability. The business had a clear cause—remain cruelty-free *and* sustainable by using a renewable resource to create high-quality, beautiful boots (they really are beautiful). The company sells primarily online, and the boots have a high price point (about $300 a pair).

The apple-leather fashionistas came to me while I was running Insight Lime Analytics. While they had a beautiful product and were doing OK, they admitted that they didn't understand much about what was happening with their customers. As with many start-ups, they had ambitions for more sales and growth and struggled to get to that next level. Even though they could see sales coming in and had some tracking set up on the website, it wasn't clear what was motivating people to purchase, how the marketing was performing, and the journey customers were going on before they made a purchase.

They needed this information—it was gold to them. If they could understand more about how customers were deciding to make a purchase, their business would be able to place its advertising in

the right places and adjust the website to appeal to its ideal customer.

Like many businesses, this boot company used a marketing persona to craft its marketing and branding. The persona was a successful, ambitious woman in her thirties working as a lawyer in NYC. The business was incredibly granular about what this woman did in her free time, the media she consumed, and her personal preferences.

This persona was the basis of all the branding and marketing decisions the company was making. If the company developed a new ad, the persona was sent to the designer. On the surface, this persona sounds like a pretty good guess—someone who is eco-conscious, fashion-aware, and has some budget to throw around. This is how most personas are created—it's a theoretical picture of who the business owner or an external market research firm thinks will buy their products. But what if that guess is wrong?

If you are a brand-focused business operating with personas, you invest a lot of faith and money in that persona being right for your business. Your ads are catered to that persona, and you might even be designing products with them

in mind. If you are wrong, you could be driving your business in the wrong direction. If you're right for some of your customers but not all, you might be excluding a group that could be making you more money.

So, this business approached my firm at the time, and we took all the information the team had given us—the persona and their thoughts on what was going wrong and right—and investigated their data's code. We looked at behavioral information on the site, the personas they had designed, and ad performance. Using the Approachable Data Method, we learned quite a bit about what made the vegan leather boot business tick. A few stand-out insights helped them make better decisions for their business moving forward.

The first insight that hit us was about the cus-tomer journey. Many businesses these days invest most of their dollars in digital advertising. And while we wish it weren't true, most of these busi-nesses are hyper-focused on last-click attribution. If a customer comes from Google Ads as the last click they did before purchasing, that's where tools like Google Analytics and Google Ads award revenue.

For this business, which was selling a luxury product at a high price point, it took about *twenty-seven* visits to the site from *multiple* marketing sources before somebody made a purchase. Twenty-seven! You can imagine how your marketing success would seem muddy if you were awarding all that activity to the final click that "pushed them over the edge."

This was groundbreaking for the team to understand because they knew they couldn't rely on the return on ad spend from one channel to understand if their marketing was working. There was a more complex journey they had to evaluate as a premium brand, and their website needed to be a vehicle for that journey for every single step. They couldn't just get someone to the site and optimize it just for them to buy now. The website needed to be a luxury experience that allowed for browsing, research, and exploration. This changed how they were thinking about marketing and there was a reckoning that they would have to have a different longer-term strategy.

The second area that stood out during our investigative work was the company's ideal persona versus those who actually visited the

website. We looked at the demographics and psychographics of actual purchasers and browsers. There were several distinct groups, one of which was their target audience—yay! The company wasn't completely wrong when targeting professional women in their thirties.

However, many other personas were visiting the site, and some seemed to be struggling. These visitors were coming to the site many times (a clear indicator of interest and engagement) only to convert at a much lower rate than the company's ideal persona. One example that stood out was a not-insignificant group of men engaging heavily. However, they weren't converting quite as well as some of the other groups.

We brought this information to the team. It was clear that there were other personas that they needed to consider on their website besides thirty-something, big-city female attorneys. The realization produced great conversations about how the current site completely catered toward their primary persona.

You could draw many conclusions about this group of men—were these men buying boots as gifts or as high-end fashion accessories for

themselves? And usually, when we start to have that theoretical debate with our clients, we say, "I don't know, maybe we should ask 'em." Many businesses forget that customers are very willing to talk to us directly; often, that's exactly what you should be doing.

Calling up a few of these male customers and asking why they buy your products can be more illuminating than days of combing through behavioral data—which is why data can be a riddle sometimes. You might interpret data as the bits and points generated during clicks and purchases, but it goes way beyond that. The qualitative information you get from asking a customer what they like and don't like about your product is also data be a major unlock for you.

Maybe these men had a *Kinky Boots* moment. Or maybe vegan leather boots are the next hot thing to gift your partner—which is interesting to consider when designing a website. The person browsing the website might not be the end user. If that's the case, how do you create a site that gives gift-givers the information they need to get a lovely gift for someone else? Either way, there was a clear possibility for another market for this

business to generate revenue from (which is the entire plot of the movie *Kinky Boots* if you haven't watched it).