

A man in a suit and glasses is shown from the chest up, looking upwards with an open mouth, as if in awe or excitement. He is surrounded by various scientific instruments, including a microscope, a scale, and a pipette, all rendered in a light blue, semi-transparent style. The background is a dark blue gradient with a pattern of faint, repeating scientific symbols and diagrams.

Are We Dangerously Obsessed with Data Collection?

Tim Wilson

Digital Analytics Summit 2023

A bright yellow, multi-pointed starburst graphic is positioned on the right side of the slide. Inside the starburst, the word "Yes!" is written in a bold, black, sans-serif font, slanted slightly to the right.

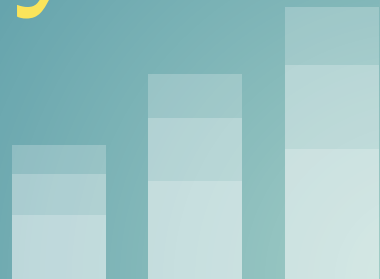
Yes!



Consider any
task that touches
or impacts data
to be
data work



We can break
data work
down into
**two distinct
types of
activity**





Data Collection & Management



Data Usage



Data Collection & Management



Data Usage



There is
no inherent business value
in collecting data.

There is only
potential value.

A woman with curly hair and glasses is looking directly at the camera with a stressed expression, her hands resting on her cheeks. The background is a blurred digital dashboard with various charts and data points, all in shades of blue and teal.

And yet...

“Analytics teams should **only** build, maintain, and extend the analytical platform for **stakeholders to do their own analysis** on. Everything else just holds the business back.”

– Digital Analytics
Industry Veteran



*I need insights and
recommendations!*

*I have gathered
all of the data
for you!*

The Expectations Chasm

@tgwilson





We assume that marketers
“just know”
how to put data
to productive
use.



“They have **business questions**, so isn’t it just obvious how to use the data?”



It's not!



“My parents
bought me a
nice, new car &
assumed I would
just know how
to drive it!”



Who is
responsible for
creating and
delivering the
driving lessons?

Why is this
disconnect so
common?





There are
**powerful
economic forces**
driving the idea
that **data**
**collection has
inherent value**

Consider:

The incentive structure for **technology vendors**

High Fixed Cost

+ Nominal Variable Costs

*“The more customers we sign, the
more profit we make!”*



Consider:

The incentive structure for **technology vendors**

High Fixed Cost

+ Nominal Variable Costs

*“The more prospects who believe
(our) technology is **the answer**,
the **more profit we make!**”*



Consider:

The incentive structure for **technology vendors**

*“Implement
our platform
and you will
immediately
see **business**
value!”*

vs.

*“Implement our
platform and, with a
lot of additional hard
and messy work on
your organization,
your processes, and
your people you will
hopefully eventually
see **business value!**”*

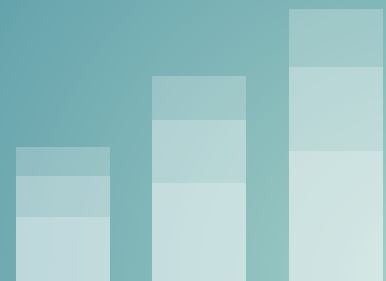


Consider:

The incentive structure for **consultancies**

Nominal Fixed Cost
+ High Variable Costs

*“High profitability comes from
repeatable processes with a
scalable workforce!”*



Consider:

The incentive structure for **consultancies**

*“Implementing technology” does
this more than deeply engaging
with the business*

*Echoing technology partners’
messaging is **low-cost content***



Story Time!



**Buy
the Tech**

*Vendor Gets
€€€!*

**Implement
the Tech**

*Consultant Gets
€€€!*

**Business
Value**

*“Good luck
with that!”*



*Buy this data collection machine.
It is inherently valuable!*

This message
from vendors
and consultants
is flawed

OVERPROMISES

Data Collection & Management

Data Usage



Data Collection &
Management

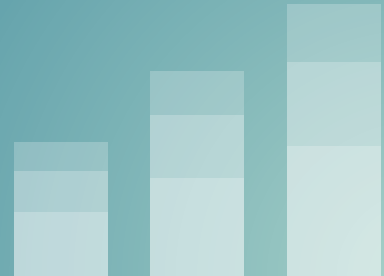


Data
Usage

Reality



Data usage is
hard and **messy**
work!



Reality

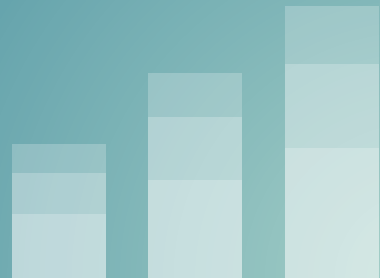


It is more about
mental models
and **creative**
thought than
any specific
technology





Data usage can
be broken
down into
three buckets



Performance Measurement



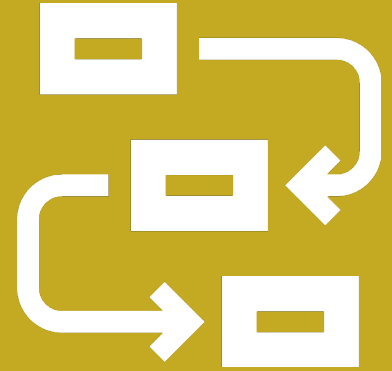
Where are we today relative to where we expected to be today at some point in the past?

Hypothesis Validation



What idea do we have that, if true, would lead to action that would have a positive business impact?

Operational Enablement



We are directly putting the data itself to tactical use as part of a clearly defined process.

Performance Measurement



Where are we today relative
to where we expected to be
today at some point in the
past?

*What are your
KPIs?*



Performance Measurement



Where are we today relative to where we expected to be today at some point in the past?



er Lead
Page Order Value
Average Lead Score
Opportunities Qualified Leads
New/Repeat Customers
Gross Margin
Social Shares
Open Rate
CTR
ROAS
Users
GMROI CPC
Video Views
Purchase Intent
Revenue
AUR
CPM
Leads
Units
Impressions
Revenue by Product
Clicks
CTOR
Engagements
Lifetime Value
GM by Product
Newsletter Signups

Performance Measurement



Where are we today relative to where we expected to be today at some point in the past?

Two Magic Questions:

What are we trying to achieve?

How will we know if we've done that?

Performance Measurement

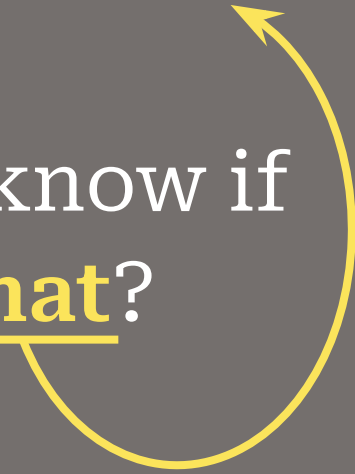


Where are we today relative to where we expected to be today at some point in the past?

Two Magic Questions:

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Performance Measurement



Where are we today relative to where we expected to be today at some point in the past?

Two Magic Questions:

What are we trying to achieve?

How will we know if we've done that?

↪ Meaningful KPIs
(Metrics + Targets)

Performance Measurement



Where are we today relative to where we expected to be today at some point in the past?

What do we do if we're **missing expectations?**

Hypothesis Validation



What idea do we have that, if true, would lead to action that would have a positive business impact?

hypothesis

hī- 'pä-thə-səs

a **tentative assumption** made in order to draw out and test its logical or empirical consequences

Source: Merriam-Webster definition #2

Hypothesis Validation



What idea do we have that, if true, would lead to action that would have a positive business impact?

Hypothesis!

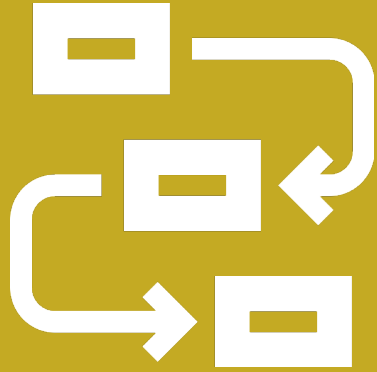
We believe *[some idea]...*

...because *[some observation or evidence].*

If we are right, we will
[take some action].

Check for actionability!

Operational Enablement



We are directly putting the data itself to tactical use as part of a clearly defined process.

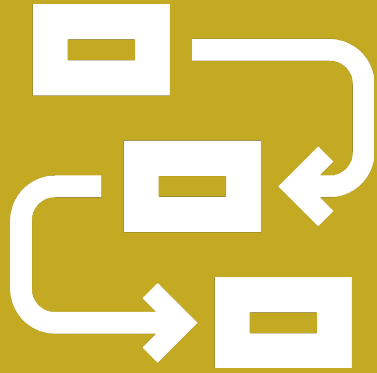
The **ordering process** on an ecommerce website

A “next best action” B2B **lead management process**

A dynamic landing page **personalization process**

Etc.

Operational Enablement



We are directly putting the data itself to tactical use as part of a clearly defined process.

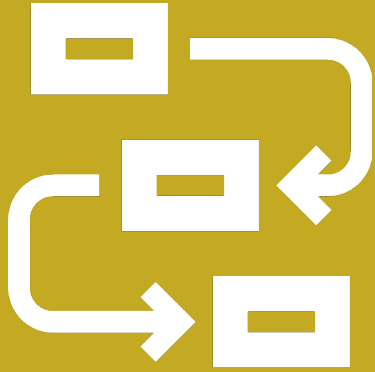
Hypothesis Validation

Why do we think the process will deliver value?

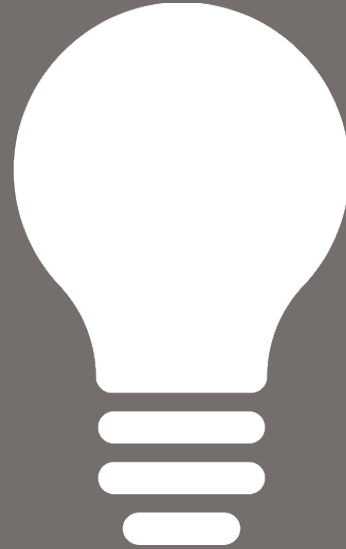
How will we determine it delivers that value as expected over time?

Performance Measurement!

Operational Enablement



We are directly putting the data itself to tactical use as part of a clearly defined process.



Generative AI is an **operational enablement** use of data.

Potential Value

Realized Value



Data Collection & Management

Gather the Data
Integrate the Data
Govern the Data



Data Usage

Performance Measurement
Hypothesis Validation
Operational Enablement

Use the data!



Thank you!

These Slides

bit.ly/das-2023

Podcast

analyticshour.io

Social

[@tgwilson](#) (X/LinkedIn)

[@tgwilson.bsky.social](#) (Bluesky)

Email

tim.wilson@gilliganondata.com

/imagine prompt Tim's inner being in a mid-century modern style

Images: *Midjourney AI*