Give your data a workout: How digital analytics can predict the unpredictable

By Kent Diepraam and Sagar Ramsinghani , issued by Kantar

22 Apr 2021

In today's fast-paced world, digital analytics (Dx) is the key to further unlocking the power of brand purpose for your business by tapping into what really matters to people, in real-time. Here's how to win in critical moments of truth and better predict the future by improving the clarity, transparency and excellence of your digital performance.

With brand purpose firmly pinned to the 2021 business agenda, it's essential to understand what helps brands execute their purpose effectively. Just think of outdoors brand Patagonia, which is now in the business of 'saving our home planet'. It uses such resources as the brand's voice and broader business model of causing no unnecessary harm while protecting nature to harness its community of activists to act against the climate crisis.

Little wonder it features in the BrandZ Top 100 Most Valuable Global Brands as a brand truly born out of purpose, but even better in these uncertain times is that our BrandZ data shows brands with strong brand purpose grow in value at a faster rate. So, there's a strong commercial imperative to having a strong brand purpose, as well as the sustainable consumer imperative of helping society improve consumer buy-in and long-term loyalty.

MARKETING & MEDIA

The evolution of purpose

Graham Staplehurst, Kantar 29 Sep 2020

Digital analytics (Dx) can help your brand uncover its true purpose. Dx you say? Dx, Kantar's proprietary tool helps marketers discover what others cannot. Disruption is evident and the only constant: digital, disruption, new data. The x is for human context, experience, expectations, excellence, acceleration, transformation. Through Dx Analytics we seek to infuse digital into everything we do to accelerate (x) our ability to discover growth where others cannot. At speed and with scale.

We look in the right place, at the right time, with the right human and artificial intelligence – to help with product development, detecting consumer needs, forecasting trends and optimising digital performance in the following ways:

Get social. Connect purpose to people to win critical moments of truth

Marketers today are effectively operating in bubbles as we work from home in urban capitals, and as the saying goes: a desk is a dangerous place from which to view the world. With people not only demonstrating their beliefs on social media but also using the platforms to hold brands accountable, digital data analysis gives brands the opportunity to truly understand people and their psyche. Generated in real-time and unprompted, it offers the scale and depth to go beyond stereotypes.

For example, search results show honest interest in your brand solution, while social comments reveal voiced sentiment and reviews offer in-depth testimony. These are all invaluable in understanding both what people want and how well they feel your brand meets those needs. We know there's overarching concern about the health of the planet and a feeling that what we leave behind for future generations is our responsibility, but your brand purpose may translate into different things for different people.

Combining your digital data sources therefore gives you a more richly detailed portrait of what matters to specific people today, from their areas of affinity to their sources of inspiration based on what they care about and whether they are early adopters of change or the more skeptical, less activism-minded.
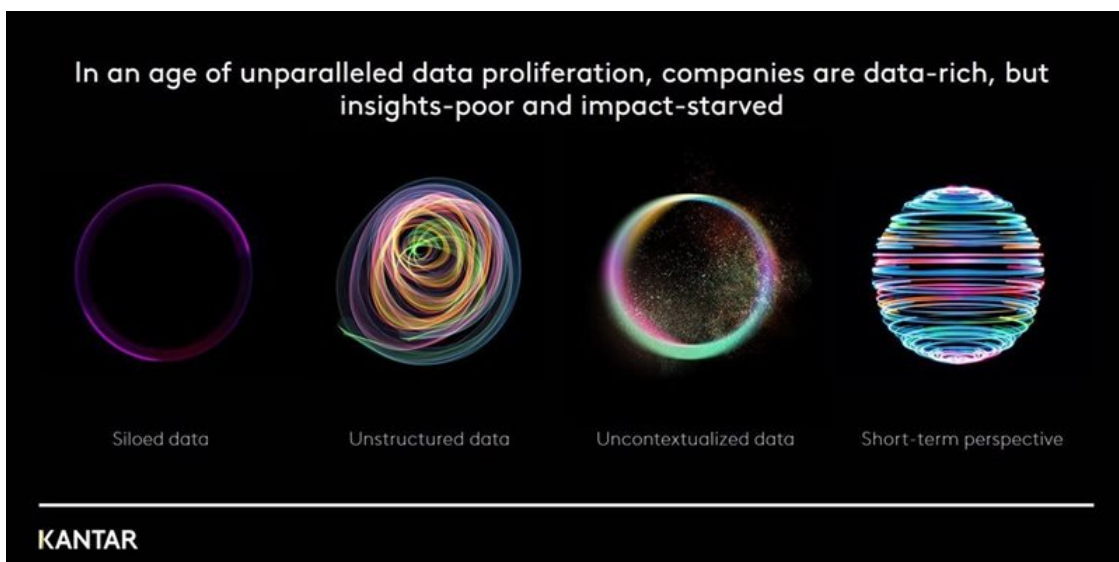
So, connect your brand's broader purpose to how you help people, society or indeed the world, but keep in mind that people today are quick to sniff out inauthenticity. All talk and no action will lose their buy-in, fast. These types of topics can be polarising as they tend to be emotionally charged, so look for the positive spaces, communicate how your brand can really make a difference, then follow Nike's advice and 'just do it'.

The crystal ball moment: How to better predict the future

There's no denying that Covid-19 served as a black swan event, accelerating some trends that would have otherwise taken years – we're looking at you, e-commerce. Some brands took advantage of this better than others.

Missed out? Then it's time to let digital analytics do the hard work, identifying trends and growth opportunities for your business faster than humanly possible, even beyond your current category because there's been a quiet revolution of aggregate change in behaviour.

Looking at the macro-factors, digital has taken primacy in both attention and digital media spend as home delivery grew 54% under the initial panicky waves of the pandemic and working from home increased five-fold. There have also been green shoots of commitment to solving more serious environmental challenges, which serve a broader purpose. The overall financial impact is clear from disparity in spend between the haves and have nots, with some thriving while others are merely surviving.
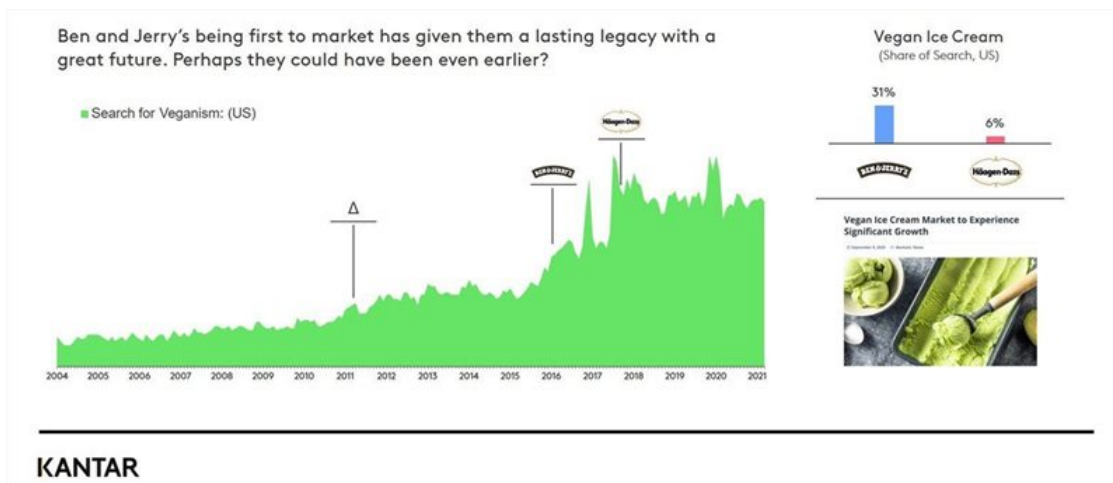
But there have also been smaller incremental changes in consumer behaviour, which may or may not persist. This includes the sharp swing towards localism, with farm stalls seeing an increase in sales. There's also been a shift towards bringing exotic experiences into the home, like learning a foreign language or creating complicated cocktails from your own bar cart. Working from home also means we're confronted with our own voice and image on calls throughout the day. This has seen many reinterpret the 'beauty in the frame' with acne-related searches rising 20%.

Overall, companies need to become more agile in responding to change. All this disruption means we're fast approaching the sixth wave of innovation, with disruptors shaking up every market and those first movers largely grabbing and keeping the market share and those in second spot needing to be near perfect. The problem is that a traditional trends approach can't handle this amount of change. It's simply too siloed, blinkered and focused on what the company does now, not in the future, with porous country and category behaviours.

Brands, therefore, need to be fast, look across borders and find new niches and consumers to focus on. Digital analysis assists with robust prediction and macro changes that feed all functions of the organisation in the following six ways:

1. Realise that speed matters:
Being first to market helps. Ben & Jerry's was first to launch its vegan ice cream range in the US in 2016, with Häagen Dazs taking 18 months to release their response. Share of search, which is predictive of share of market, shows both brands have kept these positions over the years.

Ben and Jerry's being first to market has given them a lasting legacy with a great future. Perhaps they could have been even earlier?

■ Search for Veganism: (US)

Vegan Ice Cream
(Share of Search, US)

31%

6%

Vegan Ice Cream Market to Experience Significant Growth

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2. Adopt an outside-in approach:
Looking across category and geographic borders, near-real time data shows air fryers and magnetic eyeliner both saw dramatic increases in search as the pandemic took hold. Households looked to create more nutritious, delicious meals at home and while minimising time spent on the beauty routine.

3. Identify new or existing niches:
Opportunity doesn't always exist in the new, it's sometimes in existing places where consumer demand just isn't being adequately addressed. Smart brands are those that look to search competitiveness for gaps and website sophistication to determine whether others have already colonised the space or if there's room to move.

4. Understand the balance of supply and demand:
Trends are either driven by consumers on the demand side or competition on the supply side. For example, demand-side consumer trends like increased searches to depuff the eye area will be met by companies launching new eyecare products featuring retinol and caffeine to firm and smooth the skin.

5. Focus on real trends:
Factor in seasonality correction as well as changepoint prediction and the uncertainty window to ensure you're not focused on the wrong trends. You can also add flavour by correcting for outside events affecting the category, such as the Covid-19 skew on baking bread – we now know this was just a temporary hobby that kept many occupied when the pandemic first hit.

6. Factor in granular detail:
Zoom out of the macro to understand how the micro factors pool together on broader socio-cultural factors to measure their growth. Look at what's being spoken about on social media for real-time insight into how people are reacting. This will shed light in data-dark markets where retail point-of-sales measurement is spotty, layering on survey work as well as search and social findings for a more holistic view.

With increased digital consumption's resulting change in budget allocation, digital analytics will help you reassess your brand's media go-to-market strategy, seamlessly flowing into other work streams for a real-time read on issues relevant to your category. This, in turn, removes the grey areas as your team becomes more confident in measuring and optimising your performance and driving digital excellence in your business.

Ultimately, Covid-19 has been a stark reminder that as the world moves faster, we need to be better prepared to identify trends even before they happen to guarantee digital excellence. The speed and scale of digital data make it the perfect vehicle to do so.

Dx analytics can move you from good to brilliant and help your brand stand out in the cluttered landscape by connecting your purpose to people in unique and meaningful ways.

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