

KAREN FOLEY: The Online Business Exchange was a two day live event presented by the business school at the Open University. During the event, there was live chat and forum discussions. The live chat is now closed, but we hope you enjoy the video that follows.

KAREN FOLEY: Hello, and welcome back to the Online Business Exchange, presented by the Open University Business School. Well, I am joined in the studio by Julian Cooper. Welcome, Julian.

JULIAN COOPER: Hi, Karen.

KAREN FOLEY: We are doing sessions with you on sales and marketing, and we've got a range of sessions throughout this 48 hour programme. And we're going to be involving some live video like this, and also some live chat. So I wanted to start, because this session is all about big data, and of course sales, and marketing are very intertwined.

And in fact, a lot of our audience are saying that this is the topic that they are most interested in, so this will be of great interest to our audience. Tell us, then, about this relationship between sales and marketing. And you might want to mention something around how big data fits into that.

JULIAN COOPER: OK yeah, thank you. It's a concept that, I guess, is very much a buzz word, big data. We'll look in a bit more detail, and if we can, define it.

But I guess if we think about ourselves as marketers or as salespeople, in today's environment, especially in a digital environment, we tend to cross over a lot more. We don't necessarily have just clearly defined salespeople, and clearly defined marketers. So that's one aspect to think about.

And what's driven that crossover? Well I think, to some degree it's technology that's forced us to come together a little bit, because in the end, whether we're selling or we're marketing, it's really part of having information about customers and trying to understand what those customers think, how they feel, and how to capture information about that. So if we think about that, and we jump back to that concept of big data, think about how we've changed how we work in our business over the past 5 to 10 years. It's quite incredible for me, I don't know about yourself.

Not that long ago, I was looking up paper files. And perhaps I was entering some information onto a particular spreadsheet, or something like that. Maybe that was my list of top 10 customers, and I was looking at their rate of conversion in new products, or something like that.

KAREN FOLEY: Now it's all online. I mean, we're drowning in it. Where do we start?

JULIAN COOPER: Absolutely. So that was me interacting with a machine, if you like. Where have we come in the past 5 or 10 years, in particular?

If we think about some of the bigger organisations that we interact with, maybe in our business life, but also in our social life, think about social life for a moment. We are, most of us, online a lot of the time. I bet you either have a Facebook account, or a Twitter account, or both, and maybe a lot more.

There are so many social media outlets now. And if you like, they're all touch points, from a marketer's perspective, about actually understanding and getting information about people. So that information has to be captured, and increasingly is captured in huge, huge volumes by Google, by Facebook, and other organisations.

So we have to try to think about that, because what we're doing is actually putting down a digital footprint. And that digital footprint becomes immensely valuable. And as we think about that digital footprint, and as we study it, we realise that the interactions of that digital footprint are massive and many. So that's our social interaction. Let's think about our business life. That's changed massively as well for many organisations. I'm sure there are exceptions, I know there are.

But even if, maybe, you're the producer of Morgan cars, which are handcrafted cars, you'll be using software to actually help design new components for that vehicle and all those data that's being captured. If you were in a retail business, just think about the amount of information that could come in every day. Volume is massive, velocity is massive.

And that amount of data that comes in, actually capturing it, storing it, and then managing it is a huge operation for something like a big retailer, like a Tesco's or a Lidl, or something like that. So those are, if you like, examples of our own lives in business and in our social life to show you how much data is now being produced.

Do we need to store it? That's a big question. Some people say, well actually, there's so much

data, I can't possibly look after it all. There's just too much to understand.

KAREN FOLEY: How do consumers interact with this idea then, because you're talking about this very much in terms of large scale corporations, accessing our behaviour online, getting this data. Some will use it very effectively. I know that when I'm logging onto a lot of my social media networks, and I've been looking a shoes, for example, all of a sudden I will see these feeds.

And you know, companies are marketing to consumers bearing in mind some of those footprints. How are consumers then interacting with that? And how does that then affect an impact on that sales network?

JULIAN COOPER: Yeah, that's a very good point. And I think, perhaps from our own experiences, we've perhaps had some great experiences when we have that interaction with that playback of the information that's being collected. So let's take a negative, to start with.

Well, you may make a fairly random look at a particular hotel in a particular country, and within a few hours you're getting that play back to you on various social media that you're signed up to. You may have almost had a random view of that, but for the next week, or two, or three maybe, you're going to get lots and lots of that particular hotel, or that particular city, popping up in your social media. That can be valuable, but it can also be intensely annoying and frustrating.

And that's like an indication of how, when I talked about managing the data, perhaps the organisation has not quite got that right. They either haven't been able to, or are not able to, implement the correct tools that, if you like, balance that mix between value to the consumer and actually, frustration. Now actually, from a sales and marketing perspective, that can be very disruptive, very annoying, and actually, it can lose you business.

There's a very fine balance today. The way we behave and interact with information online is a whole art in itself, which we can discuss later. But actually, it means that quite easily, if you push too much data at consumers and in business, you can very quickly lose the goodwill. It may not be stated, but it's there. Emotionally, you are less attracted to that company, to that brand.

KAREN FOLEY: So in terms of then, a lot of our audience will be-- a lot of them are in full time employment, et cetera. I imagine that the actual people implementing some of these decisions about big data are very few people, perhaps, in our audience. The majority, I imagine, are involved in some

aspects to do with sales and marketing, where perhaps they're making decisions on things like the extent to which they use personalisation in direct mail, how they're using that big data, I guess, in a more applied setting.

What are some of the issues that are hot topics right now? You've mentioned before about that balance between not annoying consumers and getting those right. How are people using big data to define some of that balance, really?

JULIAN COOPER: Yes, well, it does very much depend on the type of organisation you are. You may be an employee in a large organisation with thousands of employees, it may be a global organisation. Or you may be working for, maybe, an SME with 5 or 10 employees. But actually, you could still have global reach.

And so, you have to start thinking about how you actually capture data globally, not just within your local environment. So I think that's really important. The tools that we use. Let's just step back a moment to that piece about data and the technology that underlies it, because for many organisations, they've had to make decisions over the past few years. And many are coming to that point regarding how they actually manage their overall information that they're gathering from customers and from other sources, and how they then store it and use it within an organisation.

Now, if you are maybe a large corporate, and you have many, many clients, and many, many customers, then you will be taking decisions, you may have taken decisions, on how you capture and store that data. Now typically, in today's technology, so much data would be coming into that corporate, that actually, it's pretty much physically impossible to manage it on, say, a relational database, for instance. What you're having to do is to start to look at business and technology tools that actually manage that pretty much automatically.

And once you get into that process, you have to actually think about, what's the structure and what's the skill base in my organisation? And you have to make decisions about whether you step up to that, if you like, digital management of information yourself and put in place digital skills and capabilities within the organisation. Or, and do you, if you like, outsource that?

So you may have heard of the cloud, and mention of the cloud. And it's a bit like big data. It's a buzz word. It's a term.

What we can think about, as salespeople and marketers, is that actually, it's a very important

concept for managers and directors of companies, be they big or small. Because the way that has become set up means the what effectively you can do is outsource a lot of your data capture. And how that works for a big amount of data, or you can even allocate some small chunks if you like and have a small account with someone like Amazon. But you can actually put that totally into someone else's hands to manage for you, working with you to understand how you want to access.

And for example, the way it works from a technical perspective, you may have lots of separate, very large servers capturing information but networking between them. So when we say cloud, perhaps you can have a vision of a whole load of separate, very big computers sitting up there in the cloud. Actually, they may be based in Milton Keynes. They may be based wherever.

But the key thing is, they can consume, and they can manage, and increasingly analyse, vast quantitative data. And they do this by networking between them. And because they have that network capacity, they're able to do more. And then they're able to reduce that data down to something that's more meaningful.

Some people who are into this and understand that side of it-- there's a technology called Hadoop. It's a type of open source technology, but it reduces that data and makes it manageable for us as marketers and sellers. So that gives you some idea of the technical complexities underlying this.

Now, there's a link here, if I would just say, from understanding a bit more about the digital technology to actually being able to effectively talk to and work with your customers in understanding what they want. If you don't have some of that technical understanding, it's quite difficult to interact with customers, because most of your customers will actually be asking questions that relate to digital information today. So there's a kind of strand there, in terms of what tools do we need to actually help us? Well, we need a different set of skills and capabilities from our sales team. And that's actually challenging a lot of businesses.

KAREN FOLEY: It's a very difficult question then, that extent to which we want to be able to manage that data ourselves, or like you say, to outsource it. To have someone else do it. I'm very conscious as well that, whilst we're talking a lot about big businesses, as you say, big data is accessible to small businesses, and tomorrow in the programme we're talking a lot about small businesses, and how they're using social media, for example, and various touch points to actually do things. And that's becoming increasingly important.

I mean, on Yammer, Anton's been saying that he's starting a business for a mobile app development. And one of my friends who runs a small business has been saying, well there's all of these new apps about integrating some things, getting some of that big data and being able to say, well who's interested in this, this, and this? How could I, as a small business, be able to access some of that? Where are the trends going, in terms of that accessibility to someone else managing it? And how that can then feed in to impact, specifically on smaller businesses.

JULIAN COOPER: Yes, well I think actually, small businesses are in quite a good position today, because they're able to get access to the resources and to the skills that actually can help them do that. One of the things that's really expanded in the last decade is that of, if you like, free but open source technology and software. And that's wha-- take the example many of you will have heard of something called Linux. That was a Scandinavian guy, who actually wrote a whole load of quite complex code.

And rather than try to claim intellectual property on it, he opened up, if you like, to society, business at large, to use it. Because what he saw, was that, just like most things in our business life, what's tends to happen is that new inventions get patented, captured. And therefore, they become very expensive to access. So the ability for small businesses to actually even get an application made was quite difficult, because it could be quite expensive.

Now with the rise of open source software, and more and more people who were skilled in doing that, the rise of groups and a mash ups that they call them. So you can go in and have a beer in many big cities in the UK, and in most of the Western world, if not more. And you can sit down with a few people, maybe from the same industry, maybe not.

And you can just play with your laptop, with your computer. And you can play with your coding. And you begin to build apps.

The company I worked for until recently, they had a whole innovation function. And actually, the purpose of this was to encourage people within the wider industry to join together, and to swap ideas about coding and software, to be able to learn. And there was a prize at the end.

And the one who built the best, if you like, the most attractive, and the most beneficial app, would get a prize to help them develop further. So that's just an indication of how, within a smaller business, there are lots of roots to actually, perhaps, putting your own app out there. And you don't have to be a big organisation today to do that.

KAREN FOLEY: But many small businesses may not have the time or ability to look at coding and things like that. Are there any apps or devices that they could then tap into, to be able to do that for them?

JULIAN COOPER: I guess the thing here is, yeah. There's obviously learning through simple things, like YouTube even. There are many, many courses available to learn coding, for example, should you want to. Or maybe a couple of people in your business are interested in that, and you think it's worthwhile doing that.

KAREN FOLEY: But if you don't want to, then?

JULIAN COOPER: So if you don't want to, then there are organisations that will do that for you.

KAREN FOLEY: These days surrounding apps, maybe.

JULIAN COOPER: Yeah, absolutely. You can just do a search. You can go to your local industry forum, and there will be organisations, small companies. And that's their absolute remit, is to develop apps for users. And so even if you're, perhaps, a small restaurant chain, and you want to actually expand, and you want to actually get some more people in those more intimate ways, and those simpler ways, it's very simple to actually work with a company to provide that application for you.

I think what I'm saying is, you have to think about those decisions, even if you are a fairly small business. To what degree do you want to put and build your own capabilities for the digital environment? And to what degree are you going to move that out? And it's like business hasn't changed in many ways.

It's still about what you do. To what degree are you vertically integrated as a business? Do I do it all? Can I afford to?

Now, a lot of organisations over the past decade have actually recognised that digital is becoming so dominant, that they have moved from a position of outsourcing, because it was just too difficult, to recognising it's a key part of what they offer in their business. And it's a key part in sustaining their revenues.

So sometimes looking at competitors, and looking at your own skill bases, you have to come up. And in the end, your top suite have to make those decisions. Are we going to put a digital

strategy together to start to build those capabilities in-house? But you definitely do need to do some assessment, some thinking, and decide where you want to be as an organisation.

KAREN FOLEY: We've asked our audience in the Watch and Engage about some of the issues in digital marketing. And they've been putting some of those up in the Watch and Engage. And if you are the Watch and Engage, and you haven't added your thoughts to that, please do. And if you are in the Watch Only, and you'd like to add your thoughts, please come through to the Watch and Engage.

It's very easy. You can just be directed from the Online Business Exchange website, and they'll direct you through to that so that you can engage. But there's no strong, big theme here. Lots and lots of various issues, as we can see. So staying ahead is one.

Social media management. Reducing bounce rates. Relevance to customers.

Impact of websites. Very, very different ranging issues. Is there anything you'd like to pick out from some of those issues that our audience are saying are important to them right now?

JULIAN COOPER: Yeah. I think you mentioned bounce rates. What does that actually mean? Well, it's the number of potential customers who would come in and then disappear fairly quickly. And that kind of takes you back to thinking about those various touch points with your customers. And a website is clearly one of the key ones.

You may sell on eBay, you may sell on other media platforms, but most likely you do have your website. And again, there's a balance between, is that my core, my primary selling medium for the digital economy? Or is it just one?

Does it actually say more about what my products and services are? Is it more of a relationship website? Or is it very much an active selling website?

So, for example, you could have a small business in perhaps the media industry, or the drinks industry. And you're trying to make an impact with some new products. So you may very much want to develop your own website to build customers, to build relationships.

And we have what marketers would call, if you like, the user experience. And most of us have heard of that. You either have a lousy user experience, or you have a great one.

Is there anything in between? Well, there's a lot in between. It's quite difficult to get it totally

right. Again, we're finding that we're developing new skills and capabilities now.

Businesses, people who was skilled at actually thinking about the design of that website. You would call them a UX designer, user experience designer. That's a job description that didn't exist 20 years ago, perhaps. But it's a very important one now.

So those people are thinking about personalisation. They're thinking about the sort of people who would be coming on board. And they're trying to design a fairly seamless experience, to make sure that the visuals in the website are attractive and not overwhelming. To make sure that information is simply presented and easily accessible through one, two clicks.

To make sure that the key points they're trying to make in a website are not hidden deep down, because the more clicks you make, the more bounces you'll get. And that's a real art and a real skill that's critical for marketing and selling in many of our businesses today. And if you're not addressing that, you really should be.

And you should be monitoring your websites on a daily basis. And you have analytics to do that for you, to present you in whatever form you like. Do I like pictures? Yes.

Do I like figures? No. Give me it in pictures, please. I want to be able to see, on a pretty exact basis, how that website is doing.

Who is going where? And of course, within that website, and if you set that up correctly, you're capturing just enough information about people to help to know them a bit better without turning them off completely. So they're no, I'm not going to give you all those emails. I'm not going to give you this and that, no way.

That's a really difficult art to get right. That balance, again, between yes, I want to see more, but no, I'll give you more when I want to give you more from my perspective. Remember, this is turning into so much more of a two way activity now, as well.

So we're moving from a simple one way interaction with a website to two-way chat. So how often now, when you look at a site, you'll see popping up the digital chat. Hi, do you want to talk?

KAREN FOLEY: And of course, anybody can do this using Google Analytics, so there's really no excuse. We've talked about big business and using data, in terms of profiling customers, and that balance there. We've also spoke about using data, in terms of looking at websites and analytics.

We asked our audience some of the issues in sales that they were experiencing. And overwhelmingly, customer feedback issues are of the primary concern to people. Other issues are things like, who are my customers? Issues around privacy, ethics, agility, et cetera.

So these are all very important issues. In terms of a digital economy, which is what's centrally holding this conversation together, what would you say about the customer feedback issue? And how are we're using data to actually ascertain that?

JULIAN COOPER: Clearly, customer feedback has always been, and still is, absolutely critical, in terms of how we enable it to happen, if you like. And then what we do about it. I was once told that, actually, the most important touch point from customers, people who are contacting the business I worked for, is actually the complaints department, because those are people who bothered to feedback. They bothered to say something. And actually, you can turn those people into advocates of your products and services, if you work hard at it.

INTERVIEWER: Is that a British thing, to only complain? Or is that a fairly global phenomenon, in terms of that cohort of people providing that feedback.

JULIAN COOPER: Yeah, there are differences in cultures, I guess. But very much, it's more of a global phenomenon now. And certainly, where you used to be able to argue that in the U.S., yes, people would complain at the touch of a button. And now, that's perhaps more prevalent in U.K. As well.

But actually, for some people now, there's a recognition that it's not just to complain, is actually about feedback. And actually about, I want to work with you. I could offer some advice.

There's quite a famous case from a few years ago, when the big organisation LEGO had some quite vociferous complaints from this particular guy who was quite upset with what they were doing, or they were not doing. And actually, what they did was eventually, they got in touch with him. And the person who's looking after the various products that he was complaining about ended up talking to him.

They then employed that guy to actually work with them. He had some great ideas. So that was a fascinating, and really pertinent, example of how a big organisation, which you might not expect to be that friendly and that understanding, took that on board, and then turned it to their advantage. And what they were doing was actually tapping into something that we've done over the years.

We have worked with our customers. We worked with them in early releases of products, for instance. And services. And lots and lots of services today are beta versions of services.

What does that mean? Well essentially, it's not quite right yet. And actually, we want you to help us get it right. That begins to change cultures.

So if something doesn't quite work, but you're using a beta version of that software or that service, you maybe have a little bit of a think, OK, all right. They haven't got that right yet, but they're being honest about it. And if you're cute, and if you're clever as an organisation, you'll have great feedback routes set up to capture that information. You may have separate forums for people to work with that version.

You may release it to some of those people earlier than anybody else to just play with, see if you can break this. Now, that early interaction and engagement with an organisation that you're having a purchase with is really quite valuable, because it gives you that little bit more than just a foot in the door selling this. It makes you think about that organisation and what they're trying to achieve. It perhaps begins to sort of tickle your emotions and make you feel quite sympathetic towards what they're trying to do.

KAREN FOLEY: And of course, the customers love having a sneak preview, even if it's not perfect.

JULIAN COOPER: Yeah, yeah. It's great. You get that feeling of, yeah, I'm looking first. And I really want to look at this. They've given me an opportunity.

Now, I know that may be, to some degree, basic and blatant marketing. But nevertheless, it does attract us. And emotionally, we feel more part of that product or service.

KAREN FOLEY: Fantastic. Julian Cooper, thank you so much for joining me. I'm delighted that this is just one of the sessions we're doing, because we're going to be spending a lot of time over the next 48 hours talking about sales and marketing. And we now have a chat session which Julian is going to be running.

We've had questions in the chat relating to data, and I think this is a really interesting one I'm hoping you can address in the chat, which is, how can customers opt out of giving data? Again, relating to the privacy, perhaps, that was on the concern to some of our audience. So Julian, thank you. And Julian will be continuing this conversation in the chat.

If you aren't in the chat, and would like to be so, and would like to talk to Julian and further about some of these issues, then you need to go to the Watch and Engage option. Go back to the main website. It's guided very clearly on there about how you can do that.

You either log in using your Open University Computer username, or if you don't have one of those, you can get a free, quick and easy to get OU visitor account. That will then provide you with the website, your email address even, and the password that you create to enter this interface. There's also a little guide about how to use the interface, if you aren't sure what will happen when you get there, that may be very useful to you.

A lot of what's going to happen now is going to be the chat discussions, which Julian is going to be running, we will then be having a break in our programme, where we'll be looking at the Yammer discussions. So when you've registered for this event, you will have been invited to some closed Yammer networks. There will be themes for each discussion, as well as a coffee shop and places for networking. So I hope that you can engage with that.

We also have a Twitter feed, where we'll be picking up things and bringing those into the discussions that will follow this afternoon and then into the evening. And that hashtag is #OU_Exchange. So please do engage with us.

Let us know where you're at with things. If you have any questions, how sales, marketing, finance, and supply chain management are affecting your business and your work in a digital economy, let us know how all of these are impacting on you, and we'll be bringing those back. In the evening, we're going to be developing some of the things we've been talking about. We're going to start looking at supply chain management, and more on sales and marketing, et cetera.

So do join us for the rest of that programme. But in the meantime, Julian will be on chat, I'll be back here later this evening, and a lot of these replays will be up if you have missed them already, so you can catch up on them as soon as we have got them prepared for you. Thank you very much for watching. I hope you enjoy, and if you'd like to give us some feedback, there's a quick survey on the website. We'd be very happy to know what you think. I'll see you very soon.