Importance of Data Analytics in Advertising

Submitted By: Nazmul Ahsan
INTERNSHIP REPORT ON

Importance of Data Analytics in Advertising

Internship Report
Course Code: BUS400

Submitted to
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BRAC University
8th May 2019

Mr. N. M. Baki Billah
Lecturer
BRAC Business School, BRAC University.

Subject: Letter of Transmittal for internship report.

Dear Sir,

It is my honor to submit this internship report at Ada Bangladesh as per my course requirement. The topic of my report is “Importance of Data Analytics in Advertising”.

I have joined Ada Bangladesh as an intern in February 10 in their Strategic Planning Department. During my internship period, I assisted my supervisor on several clients such as Robi, Airtel, Shwapno etc. Working there has helped me learn several aspects of Digital marketing and digital advertising.

I believe I have the capabilities to satisfy the goals and prerequisites of my internship effectively through the accommodation of this report. I have tried my best working on this report and I would like to thank you for your support and guidance.

Sincerely

Nazmul Ahsan
ID: 15104184
BRAC Business School
BRAC University
Acknowledgment

Firstly, I would like to express my gratitude to the almighty Allah, without his grace this report could not have been done. I would like to thank my internship supervisor Mr. N. M. Baki Billah, despite having a very busy schedule who has always been there for all kind of support. Without his guidance and support, this report could not have been completed.

I am thankful to Raisa Tarannum Hashib, manager, digital strategy at Ada Bangladesh. She has been my supervisor at work and an amazing mentor. Working with her has been a memorable journey where she helped learn from the scratches.

Moreover, I want to thank my all other coworkers at work who have helped me whenever I needed them. Their constant support and warm welcoming attitude have made this internship a long cherish able memory for me.
Executive Summary

The world has experienced fast paced growth due the advancement in technology. The advertising world is no different. Few things have changed rapidly in last few years and advertising are one of them. Advertising, one of the most vital aspects of a business have become completely dependent on digital. Making things easier for the brands, reaching out to the customer and showing them ads have become a more controlled process. Incorporation of consumer data in advertising ensured effective reach and higher conversion. With the help of data, designing and planning campaigns have become easier. Ads in digital platforms are more effective. Data analytics have helped reach the ads only to people that are relevant or to the potential customers. As a result, spending for businesses have also went down. Availability of data helped businesses craft strategies that best suit their target customer. Consumer journey mapping helped businesses understand which touch points are crucial and effective to increase top of mind awareness. Last but not the least, brands can now have the privilege to proactively design campaign forecasting using the past trend data of the customers. Data not only helped business gain efficiency, but also made advertisement an eventful experience for the audiences as well.
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Chapter 1: Organization Overview

1.1 Company Profile

With the objective to disrupt the industry and break the silos between creative and media, Ada started their journey back in 2013. Unlike other traditional agencies, Ada combines data analytics, technology and media strategy to provide business solutions. Since its inception, Ada is proudly serving its client all across Asia keeping up the pace with its parent company, Axiata Digital.

In last few years, the technology has developed very rapidly. This development directly impacted both the businesses and consumers. The consumer space and the marketing industry has become data driven. Ada team combines Data scientists, growth hackers and skilled marketers to design its offerings. Using data sciences and modern technology, Ada ensures reaching out to the right consumer at the right time at right place for its clients. The goal for Ada is to drive marketing transformation for business. Ada is completely data guided and data driven organization where we also incorporate AI and Machine learnings in our operations. Identifying customer segment with the help of Artificial Intelligence, automated campaign managements, digital monitoring of campaigns and introduction of using machine learnings to optimize media costs; Ada has made the life of businesses easier and cost efficient.

Ada has grown significantly both in terms of business and geographical expansion. They are currently operating in Bangladesh, Sri Lanka, Thailand, Cambodia, Philippines, Indonesia Singapore and the head office is in Malaysia. With an employee size of over 250, Ada is continuously trying to change and improve the industry practices. With their efficient work models, Ada is committed to deliver service to its client at a shorter time and cheaper expense. Breaking the traditional norms of agency world and setting up new standard for the industry has also been a goal for Ada.
### 1.2 Overview of Ada

<table>
<thead>
<tr>
<th><strong>Name of the Organization</strong></th>
<th>Ada</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Parent Company</strong></td>
<td>Axiata Digital</td>
</tr>
<tr>
<td><strong>Established</strong></td>
<td>2013</td>
</tr>
<tr>
<td><strong>Industry</strong></td>
<td>Marketing and Advertising</td>
</tr>
<tr>
<td><strong>Website</strong></td>
<td><a href="http://www.ada-asia.com/">http://www.ada-asia.com/</a></td>
</tr>
</tbody>
</table>
| **Key Person** | • Srinivas Gattamneni (CEO)  
• Anurag Gupta (Chief of Agency & COO)  
• George Chua (Head of Data Science and Engineering)  
• Shihab Ahmad (Managing Director Bangladesh) |
| **Operating Countries** | • Malaysia  
• Sri Lanka  
• Cambodia  
• Thailand  
• Philippines  
• Bangladesh  
• Indonesia  
• Singapore |
| **Client Industries** | • FMCG  
• Consumer Electronics  
• Banks  
• Non-Banking Financial Industries  
• Telecom Industry  
• Retail |
| **Employees** | 250+ Employees |
| **Headquarter** | Kuala Lumpur, Federal Territory of Kuala Lumpur |
1.3 Ada in Bangladesh

ADA Bangladesh started their operation in 2017. The agency industry of Bangladesh is currently experiencing a very competitive stage. Introduction of Ada in the Bangladeshi market has been really challenging. However, countless efforts from the global team and continuous support from the local employees has put Ada at a strong position at the Bangladeshi market. The Ada Bangladesh team combines all the advertising visionaries, experienced marketers and growth hackers; led by Shihab Ahmed, a digital marketing veteran who have had experiences of working on digital products of two of the biggest telecoms of the country, Banglalink and Robi. Currently, Ada Bangladesh has around 30 employees serving in different roles and two of their major clients are Robi and Airtel. They are gradually expanding and, in the process, making the market and business aware in terms of the importance of data analytics in advertising industry. Keeping up with the Ada global trend, Ada Bangladesh also hosts Re.Con, a flagship Ada conference which emphasizes the role and importance of data in business and marketing. Where global prominent speakers come and share their valuable insights.

The main opportunity for Ada in Bangladesh is that the market is growing here. More importantly, both the consumers and businesses are becoming tech savvy. As a result, the scope for data to perform is increasing and there is a lot to offer to the market. However, no other creative agency has been emphasizing of data or analytics. Hence, when approached, Ada received appreciation as well as advantage in the market.

The key challenge is the competition. There is a good number of creative agencies already dominating the industry by working with major brands. However, Ada tackled this issue quite well by following talent acquisition strategy from the competitors. Moreover, the brand image of Axiata also helped to settle Ada in the local market smoothly.
Chapter 2: Introduction of the Report

2.1 Origin of the report

This report titled “Importance of Data Analytics in Advertising” is assigned as a requirement for the internship period for the Bachelor of Business Administration (BBA) program of BRAC Business School, BRAC University. The internship has been completed on Ada Bangladesh, a creative marketing agency.

2.2 Rationale of the study

I am proposing this topic to identify and understand the role and importance of data analytics in digital forms of advertising. The Advertising industry has completely reshaped due to the massive progresses in digital arenas in last few years. Communication is important for every product or service and reaching out to the right consumer has always been the challenge. As technology progressed, brands have gained access to consumer data analytics. In this report, I have tried to point out how those data can help business reach out to the potential customer.

2.3 Statement of the problems

This report examines how data can help advertising to be more accurately targeted and placed for the potential customer. No good product or service can survive without the consumer knowing about its existence. Advertising is the way for businesses to communicate their product or services to the customers. However, generalized advertising which reaches both target and non-target customers of the respective product, causes the brand high spending on advertisement with a lower possibility of conversion. Utilizing the available insights, filtering out the target customer and placing advertisement exclusively for them, this is where data analytics comes into play.
2.4 Scope and delimitation of the study

The study is based on the previous reports and research works on similar topic. This study will be helpful to understand the importance of data and its impact on advertising.

The study has been mainly based on secondary data sources as primary sources are hard to reach out and lack of availability in the context of our country. Availability of data has been an issue. Also, data being sensitive, there has been several confidentiality issues which hampered the progress of the study. The study discusses digital forms of advertisement such as advertisements in Google, Facebook, LinkedIn etc. and does not include print or television advertisements. The study has also been done completely in the global perspective, irrespective of any gender, age, occupation, cultural background or geographical location.

2.5 Objective of the Study

The objective of the study is to determine the role of data in the world of advertising and how it impacts both the consumer and businesses. Moreover, this study also allows scopes for further study in the advertising industry and data sciences.

2.6 Research Questionnaire

This study has been conducted to identify the answers of the following questions:

- How can data be used in digital advertisings?
- How Important data is to reach out the right audience?
Chapter 3: Literature Review

In the paper “Temporal Analytics on Big Data for Web Advertising”, the authors discuss relation and mechanism of data in display ads. User behavior data from the platform can be used to optimize advertisement for specific audiences and reach out to them. According to the authors, behavioral targeting is used on display advertising to select specific ads for specific users based on their prior search data, page view data etc (Chandramouli, Goldstein, Duan, 2012).

The paper “Data and Analytics - Data-Driven Business Models: A Blueprint for Innovation” referred data as the new oil of the world, to express the significance and value of it. According to the authors, many businesses are developing and designing new models of businesses specifically to create business value exclusively capitalizing on data (Brownlow, Zaki, Neely, Urmetzer, 2015). The authors suggested that big data utilization has always given competitive advantage to the businesses over their competitors. Data driven approaches in business have also shown a 5-6% higher output and productivity compared to similar other business, the authors cited.

The growth of mobile devices, advancement of technology and progress of wireless technology have created new opportunities for marketing in advertising (Deng, Gao, Vuppalapati, 2015). The authors in their journal “Building a Big Data Analytics Service Framework for Mobile Advertising and Marketing” suggested that the opportunity for mobile and digital advertising include real time customer engagement, better experience for the customer, creating brand loyalty and finally ensuring customer satisfaction (Deng, Gao, Vuppalapati, 2015). Furthermore, it ensures overall increased profit for the business.

Marketers and marketing researchers agree that utilizing data in making marketing decisions help change the perception of marketing to a value generating center from cost generating center (Kumar, Chattaraman, Neghina, Skiera, Aksoy, Buoye, Henseler, 2013). According to a study by Columbia Business School and the New York American Marketing Association, 91% marketing leaders and 100% CMOs believe data driven marketing decision must be taken to be successful (Rogers and Sexton, 2012). However, only 29% marketing leaders said that they have less or no access to customer data and 39% claimed that they are unable to interpret data into actionable insights (Kumar, Chattaraman, Neghina, Skiera, Aksoy, Buoye, Henseler, 2013).
Marketers no longer need to deliver ads based on the assumptions of their consumer behavior, with access to data, they can pin point what their customer want and design the campaigns accordingly ("Targeted Ads Don’t Just Make You More Likely to Buy — They Can Change How You Think About Yourself", 2019). As a result, ads are more relevant to the consumer.

Following up the global trends, Bangladeshi creative and marketing agencies also gradually shifting their focus on data analytics. As a part of it, one of the renowned marketing agencies, Grey Advertising Bangladesh launched Grey Data Science with a view to optimize consumer data to effectively use the insights on marketing campaigns and advertisements (Science, 2019).
Chapter 4: Methodology

This report is a qualitative and descriptive research. Which is based on mainly secondary data and primary data. This report can be useful to the marketers, brand practitioners who seek to understand the role of data and its importance in digital form of advertising.

Collection of Data

4.1 Primary Data
The concept of utilizing consumer data in advertising in Bangladeshi market is new. As a result, collection of primary data has been tough to access and mostly unavailable. However, I conducted informal interviews with the people who have had experiences of working with data and advertising.

4.2 Secondary Data
As a source of secondary data, I took help from several journals, research paper and publications. I also took help of Ada Internal insights. However, use of data in advertising being a new concept in the local market, Bangladesh specific information has been unavailable.
Chapter 5: Analysis and Findings

Technological developments have changed the overall business scenarios. The concepts of marketing and brandings have reached a new height. The advertising world also evolved keeping up the pace with the modern technologies. Earlier, advertising was more of a one-way communication from the brand’s end. There was no room for interaction from the consumers. The message from the brand was simply conveyed to the consumers over various channels such as television, billboards, print ads etc. Brands have no control over the reach of those ad placements whatsoever. More importantly, conversion or impact of the ads were hard to find out.

However, things have changed dramatically in digital platforms. Brands must reach out to the platforms where his desired customers are actively available. In digital platforms such as Facebook or Google, advertising has become more controlled. With data, this can further optimize to reach out to the maximum number of potential consumers ensuring highest possible conversion.
5.1 Understanding Consumer Behavior
Consumers are the reason a brand exist in market. Understanding their behavior is one key part of designing brand messages and communications. Earlier, due to inadequate data, marketers were more dependent on their own perception and assumptions. However, online presence and behavior data have helped marketers a lot in terms of understanding the consumer behavior. Hence, marketers now know what could possibly trigger the purchase decision.

Figure 3: Advertising with data Vs without Data

5.2 Reaching Out
With traditional marketing channels, who to reach and how efficiently they are reaching cannot be measured. In terms of digital, it is possible to reach out to every single potential consumer. Reaching out to the hardest has even been possible whereas the reaction of the advertisement on consumer can also be monitored and actions could be taken accordingly. With data and digitalization, customers are exposed to multiple touch points of marketing, those digital touch points can deliver brand messages at the same time can collect consumer insights.
5.2 Consumer Journey

Data helps easily the brands to identify which stage of the marketing funnel the consumers are currently in and further design communications, ads to ensure final conversion. Availability of data has given brands the privilege to even design customized advertisements for stages to ensure maximum effectiveness.

Based on the consumer funnel stage, brands can customize and personalize their interaction. With the availability of even surface level data such as age, gender, or location, customized interaction can be delivered, in most of the cases, consumer tend to react more on personalized messages rather than a generalized advertisement. Data also helped businesses understand their customer and their behavior. Brands can now identify a common behavior and capitalize on that by designing communication around that insight.

With data mapping, we can identify which platforms the consumer is available, which are the platforms he is actively present, his screen time, data usage pattern, streaming habit etc. Based on that, we could specifically push ads on specific times only on the specific platforms where his trends suggest he would be available.
5.3 Crafting Strategy

All the data that a business have about their consumer base help them decide their communication strategies. The advantage of digital ads is it is responsive, and feedbacks are quick. Ads that are not performing well can also be reviewed or cancelled. Data helps brands and businesses to identify and reach out to the potential customers in a cost-efficient way. Placing an ad for an audience who is not the Target customer will just incur cost for the brand and the probability of that person purchasing the product or service is lower. However, placing the same advertisement appropriately to the audience who are interested in similar product or services, who are target customer, the possibility of this audience going ahead and try out the respective product or service is higher.

5.4 Relevance

Consumers react more to the advertisements that they could relate to themselves. As ads are designed based insights generated from the consumer data, audiences could easily relate themselves with those ads. As a result, new customer conversion and existing customer retention is more effective on data generated advertisements.

5.5 Types & Sources of Data

There are several DMPs- Data management platforms across the globe. Big Business have their own DMPs. Other businesses can purchase Data from the DMPs. Ada has its own DMP named Ada xAct. Apart from platform specific data, which is often extracted from the behavioral aspects of the user in the respective platforms, there are also telecom data, device data. Digital platforms such as Facebook or google provide business insights to Businesses so that they can utilize and design their communication according to that. Apart from the platform specific data, business can also gain access to consumer data from the DMS and through their internal data collection methods. Those are usually grouped data and cannot be read individually.
5.6 Why Does it Matter

The main difference availability of data in advertising makes is the precision in reaching out the right customer. Specific data segments ensure precise ad reach. Two key important aspect of digital campaigns are the campaign objectives and targeting parameters. Objective defines the purpose of the advertisement or campaign being placed and usually the objectives are brand awareness, consideration or conversion. Targeting parameters define who the ads would be shown or the target audience for a specific ad or campaign. For Facebook targeting parameters could be location, demographics, interest, behavior and connections.

Digital data also allows to create look alike audience, based on the interest base of the existing customer, finding and reaching out to the other users who have a high chance of being interested in the respective brand. This allows brands to gain access to a completely new set of audience set with higher chances of conversion.

Lastly and most excitingly, one of the best things about data is it helps in forecasting, something that could not have been done from television or print advertisements. With the availability of audience profiling data and analytics tools, businesses can forecast what their customer want and proactively businesses can deliver accordingly, creating a more satisfied and loyal customer base.

5.7 Practices

During my internship in Ada, I was assigned to work on the Strategic Planning team and I worked on projects of Robi and Shwapno. With the help of xAct data and using latitude- longitude targeting, Shwapno sends out offer messages to the people nearby who are more prone to grocery shopping. The timing of the messages can also be optimized with data to understand when people purchase more or when they react to offers more. There are digital billboards that are introduced which can track its advertisement reach and people visiting the billboard receiving further advertisements. Those data can used further to remarket.
Chapter 6: Limitation of the Study

There have been few limitations of this study:

- Most of the information are collected from secondary sources
- Primary data collection has been difficult and unavailable in many cases
- Data or information regarding the Bangladeshi Market has been limited

Chapter 6: Recommendation

As per the study regarding the overall situation, there have been a few

- Data should be properly utilized to reach out to the desired target customer
- Data being sensitive, usage of data must be aligned with the regulatory bodies and business have to be vigilant in case of any breach of privacy
- To properly utilize data, businesses need to align their strategy accordingly
- Proper segmentation or grouping of data is required
- Lastly, to ensure maximum effectiveness, data must be well incorporated with overall marketing strategies.
Chapter 7: Conclusion

In a nutshell, this study has been conducted to understand the role and importance of data in digital advertisings. Data helped businesses utilize available resources properly and effective reach to the customers. On the process, reduced overall cost of advertisement as well. As a result, from advertising to operations, use of data has made things easier and well target oriented. However, data being a sensitive issue, it should be used following all the legal restrictions and regulatory issues. Unfortunately, the practice of data utilization is yet a new thing in the Bangladeshi branding industry. The earlier we adopt this, the better it is for the industry to grow.
References


