

BEHAVIORS VERSUS DEMOGRAPHICS

Digital marketing and big data allow you to market your company and your products exclusively to certain demographic segments of the online population. But just because you can, doesn't mean you should.

In the world of big data and everything it offers, it can be easy for marketers to seek to simplify their lives by dropping leads into demographically sorted buckets. Any lead searching for “servers”, “anti-virus software” or “computer monitors” gets allocated to the “IT” bucket and suddenly three leads becomes one bucket and is that much easier to manage. Right?

Wrong.

Buckets over simplify. Nuance is the key to click-through-rates (CTR) and buckets and the segmentation they require lose all sense of nuance. This kind of generalization is the opposite of targeted marketing.

Company A doesn't buy your product because they fit some particular demographic bracket. Having a certain number of employees, or people with specific titles, or serving a particular industry isn't what steered them toward your company. They buy your product because it's the answer to a problem they have.

While demographics may correlate closely with purchase, an understanding data and statistics reminds us that correlation does not equal causation—and the causation is the piece that matters.

A company doesn't buy chairs because they're a 50-person tech group in San Diego. They buy chairs because they're growing fast and running out of places for people to sit.

In the digital arena, however, it can seem difficult to align your products and marketing with buyer behavior. Many ad-buying platforms only allow you to target your audience by those same demographic buckets. Location. Size. Industry. Things that tell you what a company is, but not what it wants

Thankfully, data has evolved to the point that it can tell us what businesses want, and even let them tell us what they want themselves. Search retargeting uses queries and search data to measure buyer behavior and intent

and uses this data to present them with the products and companies that answer the questions they're asking.

Harvard Business School professor Clay Christensen calls this “Integrating around the job to be done.”¹ The user “hires” a product to a “job” and understanding this helps companies develop their marketing plan around what causes a business to buy a product and not by their identity with a particular demographic segment.

With programmatic advertising, though, this kind of nuance is recognized and put to use. It allows for a more tailored approach that can be adjusted during a campaign, instead of set in stone before a launch. Programmatic advertising recognizes the importance of granular data and takes care of all the heavy lifting for you, leading to higher ROI.

