

Big data and its big potential in Africa

By [James Bayhack](#)

19 Aug 2020

Data, on its own, is quite inconsequential - a small moving part in a bigger operation. Only when it is made valuable and accessible can companies explore its true potential in improving decision-making and measuring positive business outcomes.



James Bayhack, CMcomsub-Saharan Africa Director

As it stands, 2.5 quintillion bytes of data is being generated each day, with each person generating 1.7 megabytes in just a second. This is because data is easily generated. Obtained through various online sources, including social media sites, Google searches, WhatsApp messages, GPS signals, transactional records and more, almost all of our actions produce data.

When these data points from different platforms and people are combined into huge datasets, you get “big” data. Big data has been referred to as the “new gold”, hinting at its importance for driving business outcomes and profit.

That’s why it shouldn’t come as a surprise that a survey of top executives revealed that 97% of their organisations are now investing in big data and AI projects.

Many companies are realising that big data is positioning itself as a solution and the way forward to guide and grow businesses. With access to seemingly endless amounts of information, local businesses have opportunities to tap into real-time insights, transforming decision-making, customer service, logistics and supply chain management.

Opportunities for big data in Africa

Much like gold, data needs to be mined to extract its value. Yet, due to the sheer volume of data available and the rate at which it is compounding, companies need to find a way to aggregate, integrate and validate vast amounts of data.

In an African context, the value of big data is immeasurable. When handled correctly, it has the potential to derive actionable insights to enhance customer experience, lead innovative product and service development, and generate actionable knowledge. This will, in turn, maximise revenue and improve overall efficiency.

Data can help companies to understand customers' purchasing motivations, their preferences, and their brand loyalties, making systems that can manage this information invaluable. With the right analysis tools, this data can even be used to predict future buying decisions and how likely a consumer is to continue supporting a brand. It, therefore, becomes critical that companies use generated data to gain a deeper understanding of customer needs and behaviour and add value to their experiences.

FNB is a stand out example of a company that successfully continues to mine and analyse their customer data to improve customer experience and develop better products.

In the competitive world of financial services, FNB has been able to combine available customer datasets, such as debit and credit transactions, transfers, channel and communication preferences, rewards use and loyalty behaviour to offer their clients a more personalised approach to selling products. This helps to ensure that the right customer is offered the right product at the right time. Additionally, they have used data to offer customers rewards that they care about through their eBucks programme.

Discovery, another big South African business, uses website logs, internet clickstreams, social media activity and mobile-phone call details for insights to effectively understand customer needs and cross-sell more products to customers. Recently, Discovery Life, along with its sister company, Discovery Health, has been able to correlate data trends for better insights into cancer-related cases. With cancer cases on the rise, Discovery Life has been able to predict treatment costs and adjusted their premiums accordingly to better serve their customers and improve their bottom line.

Adopting innovative methods of data collection, management, and analysis

Becoming a mature, data-driven organisation starts by understanding where the data is coming from and recognising the value in analysing information and rich data sources.

To adopt big data practices, companies will need to invest in technology that supports the collection, management, and analysis of this data. This will require strategies and systems to process the large amounts of data being generated. Established data governance models and robust processes will be necessary for capturing, integrating, curating, validating,

and retaining the data. Building these systems and models from scratch is out of reach for many companies, but luckily there are excellent platforms that they can plug into to reap the benefits of big data.

Look for platforms that offer access to personal and relevant advertising, enabling you to look at personalised customer data, past activities and current behaviours, and respond to latent needs. By using analytics and predictive models, these platforms let businesses assess which offer or promotion suits each customer best – completely customising the customer journey. And by unifying customer touchpoints across all channels, you'll have a single, complete view of your customers, allowing you to engage with them in more meaningful conversations.

Insights gathered from the smart use of good quality data can be used to improve customer experience and ultimately, increase revenue and profits. In the end, it's not about the amount of data being generated, but how adept organisations are at extracting value from it.

ABOUT THE AUTHOR

James Bayhack, QMcom sub-Saharan Africa Director

For more, visit: <https://www.bizcommunity.com>