THE IMPACT OF BIG DATA ON THE OPTIMISATION OF MARKETING CAMPAIGNS: A LITERATURE REVIEW

e-ISSN: 3089-3925

Loso Judijanto

IPOSS Jakarta, Indonesia losojudijantobumn@gmail.com

Abstract

This literature review explores the impact of big data in optimising marketing campaigns. Big data has revolutionised the way companies collect, analyse and utilise data to develop more effective marketing strategies. With the ability to process large amounts of data from various sources, big data introduces new methods for understanding consumer behaviour and preferences. This study identifies that the application of big data enables higher personalisation in marketing campaigns, increasing consumer engagement and conversion through relevant and targeted messages. In addition, the measurement and evaluation of campaign effectiveness becomes more accurate and real-time, enabling quick and precise adjustments to marketing strategies. Overall, the use of big data in marketing not only provides strategic advantages for companies, but also increases competitiveness in dynamic and competitive markets.

Keywords: Impact, Big Data, Optimisation, Marketing Campaigns, Literature Review

Introduction

In an increasingly advanced digital era, companies are faced with major changes in the way they collect, manage, and use data. One of the biggest changes in the last decade has been the emergence of the Big Data concept, which refers to a very large and complex data set that cannot be managed with traditional tools or methods of analysis (Laney, 2001). Big Data is generated continuously by various sources, such as social media, Internet of Things (IoT) device sensors, e-commerce transactions, and other digital activities. This data includes not only text or numbers, but also images, videos, sounds, and other unstructured data. To be defined as Big Data, the data must meet three main characteristics, namely volume (the amount of data is very large), velocity (the speed at which data is created and processed), and variety (various types and formats of data) (Demchenko et al., 2013).

Big Data is very important because of its ability to provide deeper and more accurate insights into various aspects of business and everyday life. In the business field, for example, Big Data analysis allows companies to better understand consumer behaviour, optimise operations, predict market trends, and make smarter data-driven decisions. This is not only beneficial for increasing the effectiveness of marketing campaigns, but also for efficiency in supply chains and product development (Duan & Cao, 2015). In addition, in the public sector, Big Data is used

to improve public services, monitor public health, and even in scientific research to address global challenges such as climate change and pandemics. Thus, Big Data has great potential to bring positive change in many aspects of life (Sathi, 2012).

Big Data in the health sector, for example, enables real-time monitoring of patient conditions, disease prediction, and the development of more effective treatments. In the financial sector, Big Data analysis helps in fraud detection, risk management, and personalisation of financial services for customers. In the transportation industry, Big Data is used for route optimisation, traffic management, and prediction of vehicle maintenance needs. In science and technology, Big Data enables more in-depth research, faster data processing, and new innovations based on big data analysis (Shuaib et al., 2018).

In the field of marketing, Big Data plays a crucial role in understanding consumer behaviour and increasing the effectiveness of marketing strategies. By analysing data from various sources, such as social media, online transactions and customer interactions, companies can gain deeper insights into consumer preferences and habits. This allows companies to perform more precise market segmentation, personalise marketing messages, and create more effective and relevant campaigns (Jagadish et al., 2014). In addition, Big Data analysis also helps in identifying market trends, responding more quickly to changing consumer needs, and optimising marketing spending to get a better Return on Investment (ROI). By utilising Big Data, companies can build stronger relationships with customers and increase their loyalty (Hilbert, 2016).

Therefore, by using Big Data analysis, companies can perform more accurate market segmentation, personalise marketing campaigns, and make better trend predictions. This can not only increase the effectiveness of marketing campaigns, but also cost efficiency and return on investment (ROI). However, the application of Big Data in marketing also faces various challenges. The complexity of collecting and analysing big data, privacy and ethical issues, and the need for sophisticated technological infrastructure are some of the obstacles that must be overcome. In addition, not all companies have the resources or expertise needed to optimise Big Data (Marr, 2016).

Therefore, this study aims to examine the impact of Big Data on the optimisation of marketing campaigns through a literature review. By understanding how Big Data can be used to increase the effectiveness of marketing campaigns and identifying existing challenges, it is hoped that this study can make a meaningful contribution to marketing practitioners and researchers in this field.

Research Methods

The study in this research uses the literature method. The literature research method is a systematic approach to identifying, evaluating, and interpreting

scientific works relevant to a particular research topic or problem. This method involves the collection and analysis of existing literature, such as academic journals, books, research reports, and other related sources (Okoli, 2015); (Randolph, 2009). The aim is to understand the theoretical background of an issue, identify gaps in previous research, and provide a basis for further research. Literature research usually begins with the formulation of clear research questions, followed by a search for and sorting of relevant literature, an evaluation of the quality of the studies found, and finally a synthesis of the findings to provide a comprehensive overview of the topic under study (Grant & Booth, 2009).

Results and Discussion

The Impact of Big Data Use in Marketing Campaigns

One of the main impacts of using Big Data in marketing campaigns is the ability to understand consumers more deeply. By collecting and analysing data from various sources, such as social media, websites, sales transactions and surveys, companies can identify patterns of consumer behaviour and preferences (Chen & Zhang, 2014). This analysis allows marketers to build more accurate consumer profiles, so that marketing campaigns can be tailored to the specific needs and desires of each market segment. This rich data helps marketers create messages that are more relevant and appealing to the audience, which in turn increases the effectiveness of the campaign (Kaisler et al., 2013).

With Big Data, personalisation and market segmentation become easier and more effective. Companies can use algorithms and data analysis techniques to group consumers based on various characteristics, such as demographics, geographic location, shopping behaviour, and product preferences (Katal et al., 2013). This allows marketers to deliver content tailored specifically to each segment, so that the message conveyed is more relevant and can attract consumer attention. With better personalisation, companies can increase conversion rates and customer loyalty, as consumers feel that the products or services offered truly meet their needs (McAfee & Brynjolfsson, 2012).

Big Data also helps companies optimise their marketing spend. With in-depth data analysis, marketers can identify the most effective and efficient marketing channels. For example, companies can track the performance of advertising campaigns on various digital platforms and determine which ones provide the best return on investment (ROI). This data allows marketers to allocate marketing budgets more wisely, reduce unnecessary expenses, and maximise the impact of every dollar invested. Over time, this can result in lower marketing costs and increased profitability (Gobble, 2013).

Speed and accuracy in decision making are other advantages of using Big Data in marketing campaigns. In a rapidly changing business environment, the ability to

respond quickly to market trends and shifts in consumer behaviour is critical. Big Data provides real-time access to information and analysis, enabling marketers to make data-driven decisions quickly. For example, if an advertising campaign does not reach the expected target, analytical data can immediately show weaknesses and allow the marketing team to make the necessary adjustments. This helps companies to remain competitive and agile in facing market challenges (Manyika, 2011).

Big Data also plays an important role in improving the customer experience. By analysing customer interaction data at various points of contact, companies can identify areas where the customer experience can be improved. For example, data from customer service, product reviews, and social media can provide insights into issues that customers often face. With this understanding, companies can take steps to improve services, improve products, and provide better support. A better customer experience will increase satisfaction and loyalty, which in turn will have a positive impact on customer retention and brand reputation (McKinsey Global Institute, 2011).

Finally, the use of Big Data enables companies to make accurate predictions and continuous innovation. With advanced analytical techniques, marketers can better predict future consumer needs and trends. This gives companies a competitive advantage in planning marketing strategies and product development. In addition, big data can reveal new opportunities for innovation, both in product development and in the design of creative marketing campaigns. The ability to constantly innovate based on insights gained from data will help companies stay relevant and thrive in dynamic markets.

Optimisation That Can Be Achieved By Using Big Data

Big Data allows companies to analyse their operational processes in depth and find areas for improvement. By utilising data from various sources such as production systems, customer feedback, and the Internet of Things (IoT), companies can identify previously unseen obstacles or inefficiencies. For example, predictive analytics can be used to plan machine maintenance in a timely manner, reduce downtime, and improve overall efficiency (Bryant et al., 2008).

In a dynamic business environment, fast and accurate decision making is essential. Big Data provides a foundation for better decisions by providing clear and sharp insights into market trends, consumer behaviour and potential risks. With real-time analytics dashboards, business leaders can make decisions based on upto-date and relevant data, reducing reliance on gut instinct (Chen & Zhang, 2014).

By analysing customer data from various touchpoints, companies can understand the preferences and needs of individual consumers more deeply. This enables the creation of personalised marketing strategies, increasing customer interaction. For example, product recommendation services supported by Big Data analytics can increase conversion rates by suggesting the right product at the right time to customers (Provost & Fawcett, 2013).

Big Data can support innovation by providing insights into emerging market trends and needs. With in-depth market analysis, companies can identify opportunities to develop new products or services that are more in line with consumer demand. In addition, the feedback obtained from this analysis can be used to refine existing products or services to make them more competitive (Gantz & Reinsel, 2011).

In the digital age, data security is one of the top priorities for organisations. Big Data can be used to improve security through real-time analysis of network activity data to detect threats or suspicious behaviour. In addition, risk analysis can be optimised with big data to predict and avoid possible failures or deviations that can affect business (Wamba et al., 2015).

By collecting and analysing data from across the supply chain, companies can achieve better visibility in inventory management, production, and distribution. This information enables better optimisation in terms of stock, reduction of operational costs, and an increase in the company's ability to respond quickly and responsively to changes in market demand. Big Data gives companies a competitive advantage in the management of their supply chains (Riahi & Riahi, 2018).

Thus, by effectively implementing and utilising Big Data, various business sectors can achieve optimisation in various operational and strategic aspects, supporting long-term growth and sustainability.

Conclusion

The application of big data in marketing campaigns has had a significant impact on the optimisation of marketing strategies. Big data enables the collection of large amounts of data from various sources, including social media, shopping history, and consumer surveys. This data is then analysed to discover patterns of consumer behaviour, preferences, and trends that are not visible with traditional analysis methods, which ultimately helps companies to develop more effective and efficient marketing strategies.

In addition, the use of big data in marketing enables greater personalisation in marketing campaigns. By understanding individual behaviour through data, companies can deliver more relevant and targeted marketing messages to their audiences. This not only increases consumer engagement, but can also increase conversion rates and customer loyalty. The use of machine learning algorithms and artificial intelligence also helps in more accurate market segmentation and product development that suits consumer needs.

Finally, big data also makes a significant contribution to improving the

measurement and evaluation of the effectiveness of marketing campaigns. With real- time data, companies can monitor campaign performance more easily and make adjustments quickly if needed. This ensures that marketing resources are used optimally and achieve the expected results. Overall, the application of big data in marketing campaigns provides various strategic advantages that can increase the competitiveness of companies in an increasingly competitive market.

References

- Bryant, R., Katz, R., & Lazowska, E. (2008). Big-Data Computing: Creating revolutionary breakthroughs in commerce, science and society. Computing Community Consortium.
- Chen, Y., & Zhang, Z. (2014). The deployment of Big Data Data-as-a-Service (DaaS) in Cloud. 2014 IEEE International Conference on Service Operations and Logistics, and Informatics (SOLI), 34–39.
- Demchenko, Y., Grosso, P., De Laat, C., & Membrey, P. (2013). Addressing big data issues in scientific data infrastructure. 2013 International Conference on Collaboration Technologies and Systems (CTS), 48–55.
- Duan, L., & Cao, G. (2015). Big data analytics and business analytics. Journal of Management Analytics, 2(1), 1–21.

 Gantz, J., & Reinsel, D. (2011). Extracting value from chaos. IDC iView, 1–12.
- Gobble, M. M. (2013). Big data: The next big thing in innovation. Research-Technology Management, 56(1), 64–66.
- Grant, M. J., & Booth, A. (2009). A Typology of Reviews: An Analysis of 14 Review Types and Associated Methodologies. *Health Information and Libraries Journal*, 26(2), 91–108.
 - Hilbert, M. (2016). Big data for development: A review of promises and challenges.
 - Development Policy Review, 34(1), 135–174.
- Jagadish, H. V., Gehrke, J., Labrinidis, A., Papakonstantinou, Y., Patel, J. M., Ramakrishnan, R., & Shahabi, C. (2014). Big data and its technical challenges. Communications of the ACM, 57(7), 86–94.
- Kaisler, S., Armour, F., & Espinosa, J. A. (2013). Big data: Issues and challenges moving forward. 2013 46th Hawaii International Conference on System Sciences, 995–1004.
- Katal, A., Wazid, M., & Goudar, R. H. (2013). Big data: Issues, challenges, tools and good practices. 2013 Sixth International Conference on Contemporary Computing (IC3), 404–409.
 - Laney, D. (2001). 3D data management: Controlling data volume, velocity, and variety.
 - META Group Research Note, 6, 70.
- Manyika, J. (2011). Big data: The next frontier for innovation, competition, and productivity. *McKinsey Global Institute*, 1–136.
- Marr, B. (2016). Big Data in Practice: How 45 Successful Companies Used Big Data Analytics to Deliver Extraordinary Results. Wiley.

- McAfee, A., & Brynjolfsson, E. (2012). Big data: The management revolution. *Harvard Business Review*, 90(10), 60–68.
- McKinsey Global Institute. (2011). Big data: The next frontier for innovation, competition, and productivity.
 - Okoli, C. (2015). A Guide to Conducting a Standalone Systematic Literature Review.

 Springer.
- Provost, F., & Fawcett, T. (2013). Data Science for Business: What You Need to Know about Data Mining and Data-Analytic Thinking. O'Reilly Media, Inc.
- Randolph, J. (2009). A Guide to Writing the Dissertation Literature Review. *Practical Assessment, Research, and Evaluation*, 14(13), 1–13.
- Riahi, A. J., & Riahi, S. (2018). Introducing big data technologies in vehicular networks: Challenges and opportunities. *IEEE Intelligent Vehicles Symposium* (IV), 100–106.
- Sathi, A. (2012). Big Data Analytics: Disruptive Technologies for Changing the Game. McGraw-Hill Osborne Media.
- Shuaib, M., Al-Ghamdi, M., Sheltami, T., & Saddik, A. E. (2018). Big data and GPUS: the future of securing large databases. *Energies*, 11(3), 1–17.
- Wamba, S. F., Akter, S., Edwards, A., Chopin, G., & Gnanzou, D. (2015). How 'big data' can make big impact: Findings from a systematic review and a longitudinal case study. *International Journal of Production Economics*, 165, 234–246.