

# A New Era in Decision Making: Welcome to the Petabyte Age

We all know that technology has fundamentally altered business. Fifteen years ago, very few of us thought about selling items on the Internet. Ten years ago, the content available on-line was a small fraction of what is available today and several common elements of today's web weren't even invented yet (Facebook, twitter, several search engines, etc.). Five years ago, finding Point of Sales Systems that integrated into accounting software and an on-line sales environment was just a dream. Two years ago, the thought of pulling out a phone to search the "real" Internet to shop, look up information, watch video or blog was inconceivable. The amount of information available to all of us through internal means (accounting software, point of sales systems), external means (the Internet, industry specific data sources) and user driven means (social media, electronic surveys) is growing exponentially. Hardware is becoming more connected, convenient and mobile. Utilizing the mass of data available to make business decisions is the new model for the Petabyte Age.



**Why do they call it the Petabyte Age?**- A Petabyte is a unit of data, like a gigabyte or terabyte. Two years ago, Google Servers processed a Petabyte of information every 72 minutes. This mass of data is used as a reference point for those using data driven models to make decisions utilizing the following guidelines-

**It all starts with data.** Accurate inventory, up-to-date accounting, a method to track the effectiveness of different marketing techniques, a computerized point of sales system that allows different internal searches, external data collection and some exposure to outside interactive information sources are crucial to data driven decision making. It seems simple, but if you don't have access to accurate data, you can't make accurate decisions.

**Be passionate about your business, be dispassionate about what activities make you money within your business.** All businesses or organizations have things they "like to do" and things they "don't like". Likes and dislikes can color your judgement. A dispassionate look at the dollars and cents effect of different activities may reinforce a predisposition, but it may also show businesses that more energy or resources dedicated towards an unpopular activity are justified.

**I disagree with some individuals that assert the Petabyte Age is the end of experimentation.** Conversely, the Petabyte decision making process requires a level of experimentation, especially in regards to marketing avenues. In a city like Emporia, with very small pockets of extremely diverse demographic groups it is VERY important to measure the effect of broadcasting your message through specific media outlets. For example, I am extremely familiar with KVOE and The Emporia Gazette. In my years in the private sector, those two entities were generally my "go to" advertisers. Recently, Emporia Main Street was presented with a media sponsorship opportunity that allowed us to test the effect of different media independently on events that we collected solid data for last year. Thankfully, we live in a wonderful community with media that understands the need for limited experimentation, but our data collected will allow for more comprehensive marketing decisions made in the future.

**Use data for more than a review of activities, use it to PREDICT the effect of different promotions.** Data driven decision making encourages creativity, but requires benchmarks to determine the success of the event. Benchmarking is a goal setting process which requires an entity to assign well

defined goals to an activity. In English, that means saying activity "X" will result in sales growth percentage "Y" and traffic increase "Z".

**Avoid looking for Zebras in Data Sets.** In the medical field, sometimes people look for exotic explanations for different problems instead of searching for a more simplistic cause. When you hear hooves clapping, it's probably a horse and not a zebra. When you are reviewing an activity, success or failure may have more to do with weather, traditional marketing, competing events or other simple issues than exotic marketing, political topics, public mood or other hard-to-define factors.

**Realize that data driven decision making requires you to challenge preconceived notions.** *"That's the way we've been doing things for 20 years". "I'm not sure incorporating technology reaches the market I'm going after". "My customers are going to have to learn to deal with me on my terms." "I've been in business long enough that people should know me by now." "It's all about price, and I don't need to update my look." "I want to work when I want to work. It's my business."* I get a little scared when I hear some of these statements. The market is constantly changing. Individuals within the market place are constantly changing. The demographics of the area are constantly shifting. Technology is constantly improving. Without a plan to push forward, your business may be moving backwards.

For more information on the Petabyte Age, and its effect on science, industry and decision making, [check out this article from Wired Magazine.](#)

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