



What is the Value of Data Mining Anyway?

Daymond Ling

Customer Insights & Relationship Marketing

CIBC

Two inter-related Value

Value to Organization

- **Business Return**
- **Improvement in process**

Value to You

- **A calling or a career or a job**
- **Self satisfaction**

If you don't know the answer to that question clearly, your value to organization is at risk

We are all experts at prediction, aren't we?

Predict our own future

When it gets personal, Aggregate Properties no longer seem relevant

Max *Perceived Value* of Output
s.t. **fuzzy / changing business environment**
urgency / time available
available tools / data
latest / greatest advances
work / life balance
competitive job market

Real question is:

**How to collectively raise the Value of
Insights & Data Mining**

**i.e., how to turn Data Mining from Tactical
to Strategic**

**? What is the highest level a Data Miner
has achieved**

? CEO, COO, CFO, CIO, ... is there a CDMO?

Magic...

isn't all in the technical bits of Data Mining

is all about how you decide to approach the problem, and

is all about how you go about presenting what you have found

is all about *Connection* to the business

is very much about *Perception*

As a minimum,

Do you know the real importance of the project?

Do you know all of the real business concerns?

Can you connect to the business?

Can you tell a compelling story? Remember Data Mining is a black-box.

Are your presentations (style) exciting, or is it like watching paint dry?

For example, how do you go about

- **Showing people your model?**

- $\text{logit} = -1.073744687E+00$
 - + $-4.786031781E-01 * \text{MXB9}$
 - + $6.332809531E-01 * \text{BCRAM9}_0$
 - + $9.256540882E-02 * \text{N_SERV10};$

- **Explaining the power of the model**

R² is...

Concordance is...

K-S is...

ROC is...

Are you connecting with your audience?

Success requires you to know...

- Data Mining (threshold requirement)**
- Business Knowledge / Acumen**
- System & Data Sources**
- Communication**
- Sales (of your results and recommendation)**

Elevate Our Game!
Promote Strategic Insight

