

How Business Leaders Can Take Control of Their Business With Data



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The parable of “The Blind Men and The Elephant” tells the story of six blind men who come across an elephant for the first time. They each examine a different part of the elephant. The trunk. The ears. The tusks... You get the gist.

Consequently, each person comes to a very different conclusion about what an elephant is.

They are all partly right – but also entirely wrong.

The moral of this story is simple. Different perspectives and incomplete information can lead to varying – and often inaccurate – interpretations. It’s an old story. But it’s a

fable we should pay close attention to in our modern world. Especially when working with data.

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Less will (almost) always be more

Business leaders worldwide want to use their data to make better decisions and get more accurate insights into their business.

But often, businesses will have multiple layers in their tech stacks. Some are new. Some are old. Some are integrated. Some are totally siloed. Each of these layers captures different data. And you get inaccurate insights when these pieces aren't talking to each other.

Businesses have access to more data than ever before. But quantity doesn't equal quality.

For many organizations, the actual quality of their data is being diluted. You create misaligned incentives by having so many different elements in your tech stack. One aspect of your stack may tell you one thing, but then the next part can contradict it. We see this a lot in advertising technology. A myriad of different buying platforms, data partners, publishers, analytics tools, CRM, segmentation tools and more. Often, it becomes so messy over time that it's hard to get the actionable data you need to create insights, actions, and business impact.

Access to lots of data sets does not equal good data. Looking at data sets in silos is an easy way to paint the wrong picture, which increases the likelihood of poor decision-making.

Data is exciting, but you need to be able to view it in a single place, which is why I think the principles of vertical

integration should be implemented here.

Vertical thinking

Vertical integration is a strategy that allows a company to streamline its operations by taking direct ownership of processes. In other words, it allows you to control your own destiny. In theory, it gives businesses greater efficiencies, reduced costs, and more control of the manufacturing and distribution process. Tesla is a famous example of this model practice.

Tesla implemented vertical integration across its business structure – but with a major focus on two key aspects: battery production and energy storage. Tesla knew that batteries were critical to EVs – and that success hinged on owning a highly contested battery supply chain. This enterprise allowed Tesla to leverage its expertise in battery technology and apply it to the energy storage market, creating synergies and shared resources across different product lines.

It does everything from designing the cars, building the tech, and making its own chips to selling the cars. Everything is in-house, meaning supply chain issues or manufacturing partners don't slow it down. This integration has helped the company scale its operations, drive technological advancements, and position itself as a sustainable transportation and energy solutions leader.

Owning your data can work in the same way. But without the need to build a multi-billion dollar gigafactory in Nevada.

By taking control of your tech stack and ownership of your information, you gain a more holistic view of what is happening with your business. And you also insulate yourself from issues in the outside world.

This is invaluable on its own. But this singular view becomes

even more powerful when you factor in the exponential growth of AI and ML technologies. Applying these tools to a vertically integrated data set can transform a business and unlock previously unknowable insights.

Essentially if your data is disparate and not well integrated, you can never get to the “Unknown Unknowns”—the things you didn’t even know to ask about. There are patterns invisible to human eyes. You can only see these with good data.

More insights. More efficiency. More control. Vertical integration offers businesses control of their supply chains. But there are challenges, too. Even if you aren’t building huge factories, you need investment and support to make the necessary changes. And most importantly, you need to ensure that becoming self-reliant doesn’t mean you get tunnel vision and lose sight of developments outside your business.

Related: 8 Ways Data Analytics Can Revolutionize Your Business

Data and elephants

If you look at different data sets in isolation, you will likely emerge with an incorrect idea of what an elephant – aka your business – really is.

You might be partly right in places, but you will also be entirely wrong.

Vertical integration allows leaders to see the full picture of their business – from customer to creative, hoof to tusk.

<https://www.entrepreneur.com/leadership/why-vertical-integration-allows-leaders-to-actually-control/467160>