“DIGITAL MARKETING STRATEGIES”
Leveraging The “Back-End” Tools
Professional Background

RACING INDUSTRY EXPERIENCE:
• First Job Out of Undergrad:
  - Arlington Park, Assistant to the VP of Marketing
  - Sponsorship Manager
• Director of Marketing – Los Alamitos Racecourse

CLASICALLY TRAINED CONSUMER BRAND MARKETER:
• Industry Experience: Retail, Agency, Manufacturing, CPG and Consulting. Developed & launched +1,500 products across 45 different categories

EDUCATION:
B.S. in Agribusiness – Cal Poly University - San Luis Obispo, CA
M.B.A. – Pepperdine University - Malibu, CA

THOROUGHBRED OWNER: Red Apache, Grandson of Tabasco Cat
We Call Him Riggs!

Purchased “Off-the-Track” (Turf Paradise) in 2014 as a 4 YO.

2015 Pima Cup Futures Champion!
Agenda

• What is “Big Data”?
  - Creating a Frame of Reference
  - The “4 V’s” – Drivers of Big Data

• Social Media Data Sources & Technology Landscape

• Data Types: Structured vs. Unstructured

• Consumer Insights & Today’s Systems
  - Implementing Unstructured Data
  - Data Visualization

Social Media Influencers
  - The “Klout” Score
  - Identifying Social Media Influencers
  - Measuring Influencer Value

• Identifying Racing Data

• Key Takeaways
Big Data is like teenage sex:

- Everyone talks about it
- Nobody really knows how to do it
- Everyone thinks everyone else is doing it
- So everyone claims they are doing it
What is Big Data?

Data sets with sizes beyond the ability of commonly used software tools to capture, curate, manage, and process data within a reasonable amount of time.

Big Data = Transactions + Interactions + Observations
Data Frame of Reference

Megabyte (MB) - A good sized novel.

Gigabyte (GB) - 1600 books. About 300 MP3s.

**Terrabyte (TB)** – 1.6M books. 30 weeks worth of high-quality audio.

Petabyte (PB) – 160M books.

Exabyte (EB) – 3000 times the entire content of the Library of Congress.

Zettabyte (ZB) – 1 billion Terrabytes; Two hundred billion DVDs.

Yottabyte (YB) – 1 trillion Terrabytes.
The “Four V’s” – Drivers of Big Data

Volume
SCALE OF DATA

- 40 ZETTgetBytes
- 6 billion people have cell phones
- World population: 7 billion

Velocity
ANALYSIS OF STREAMING DATA

- New York Stock Exchange captures 1 terabyte of trade information during each trading session
- By 2016, it is projected there will be 18.9 billion network connections - almost 2.5 connections per person on earth

Variety
DIFFERENT FORMS OF DATA

- 420 million wearable, wireless health monitors
- 4 billion+ hours of video are watched on YouTube each month
- 30 billion pieces of content are shared on Facebook every month
- 400 million tweets are sent per day by about 200 million monthly active users

Veracity
UNCERTAINTY OF DATA

- 1 in 3 business leaders don’t trust the information they use to make decisions
- 27% of respondents in one survey were unsure of how much of their data was inaccurate

It’s estimated that 2.5 quintillion bytes of data are created each day

Most companies in the U.S. have at least 100 terabytes of data stored
Data Sources

WHERE IS DATA COMING FROM?

- Twitter users send out 277,000 tweets
- Google processes more than 2 million search queries
- Facebook processes almost 350 GB of data
- 72 hours of new video are uploaded to YouTube
- Individuals and organizations launch 571 new websites
- Walmart processes almost 17,000 transactions
- More than 100 million new emails are generated
- Sprint processes more than 250,000 phone calls
Structured vs. Unstructured - Defined

Data is classified as either Structured or Unstructured.

- **Structured Data** refers to information that resides in a traditional row-column database—like Excel.

- **Unstructured Data** refers to information that doesn't reside in a traditional row-column database.

**NOTE:** Experts estimate that 80 to 90 percent of the data in any organization is unstructured.
**Examples of Structured Data**

*Structured Data* usually refers to information that resides in a traditional row-column database—like Excel. Here the data is stored in fields in a database.

<table>
<thead>
<tr>
<th>Factors</th>
<th>Winning Posts</th>
<th>Winning Payout</th>
<th>TOP 4 RANKED</th>
<th>WIN%</th>
<th>PLACE%</th>
<th>SHOW%</th>
<th>ACCURACY</th>
<th>WIN ROI</th>
<th>PLACE ROI</th>
<th>SHOW ROI</th>
<th>TOP 4</th>
<th>ADV.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg. Best 2 of Last 3</td>
<td>6 7 4 8</td>
<td></td>
<td></td>
<td>32</td>
<td>64</td>
<td>68</td>
<td>31.58</td>
<td>$25.60</td>
<td>$19.40</td>
<td>$2.90</td>
<td>75</td>
<td>4.2</td>
</tr>
<tr>
<td>Avg. Turf Earnings</td>
<td>7 4 8 5</td>
<td></td>
<td></td>
<td>18</td>
<td>43</td>
<td>61</td>
<td>28.18</td>
<td>$-25.40</td>
<td>$-4.00</td>
<td>$-0.10</td>
<td>68</td>
<td>0.2</td>
</tr>
<tr>
<td>Avg. Speed Last 3</td>
<td>7 5 4 1</td>
<td></td>
<td></td>
<td>14</td>
<td>39</td>
<td>46</td>
<td>25.36</td>
<td>$-30.00</td>
<td>$-13.60</td>
<td>$-14.70</td>
<td>68</td>
<td>0.7</td>
</tr>
</tbody>
</table>

TOP 4 tells you how often a horse ranked within the Top 4 for a factor wins this race type.
Examples of Unstructured Data

Unstructured Data files often include text and multimedia content. Examples include email messages, word docs, videos, photos, audio files, presentations, etc. This data doesn't fit neatly in a database.
Consumer Insights

Today’s systems can structure the unstructured, then correlate key internal data with the relevant social media universe – revealing new, actionable insights.
Implementing Unstructured Data

**Big Data Tools**
Software like Hadoop or Oracle Endeca can process both unstructured and structured data that are extremely large, very complex and changing rapidly.

**Data Integration Tools**
Combine data from disparate sources to be analyzed from a single application & the capability to unify structured and unstructured data.

**Search and Indexing Tools**
These tools retrieve information from unstructured data files such as documents, Web pages and photos.
Data Visualization

Data visualization is the presentation of data in a pictorial or graphical format.
Social Media Influencers

A Social Influencer is one who:
- Has the maximum followers
- Can influence others easily
- Creates and shares content regularly

Benefits of identifying Social Influencer:
- Leverage 3rd-Party credibility (others)
- Expand the message & the business

How to Identify the Influencers:
- Scores like “Klout” score are available to measure the influence of someone in social media
The Klout Score

- **Klout** is a digital service that uses social media analytics to rank its users according to online social influence via the "Klout Score”

- **Klout** measures influence by using data points from various sites
  - Twitter, Facebook, Google+, LinkedIn, Instagram etc., and Klout itself.
  - Count, follower count, retweets, list memberships, influential follower retweets unique mentions. Information is blended with data from other social network followings & interactions to come up with the Klout Score.
Identifying Social Media Influencers

When developing an influencer outreach campaign, make sure you’ve got a good “READ” on the situation!

- **R** (Reach): How large an audience does the influencer speak to?
- **E** (Engagement): How well can the influencer motivate their audience?
- **A** (Alignment): How topically aligned is the brand to the influencer?
- **D** (Data): How willing is the influencer to provide more data?
Measuring Influencer Value

Several Key Performance Indicators (KPIs) can be combined into meaningful ratios to help measure audience activity and engagement.

- Sentiment
- Re-tweets
- Forward to a friend
- Social media sharing
- Comments
- Like or rate something
- Reviews
- Contributors and active contributors
- Page views
- Unique visitors
- Traffic from social networking sites
- Time spent on site
- Response time
Identifying Racing Data

• Wagering volumes, on-track/off-track/on-line
• Loyalty program information
• Attendance
• Non-wagering revenues (F&B, Parking, Merchandise)
• Social Media sites, racing blogs
• Odds
• Race quality/types
• Results
• Handicapping data
• Performance history
• Wager types: win, place, show, exotics
• Weather
• Seasonality
• Track condition
• Special events
Key Takeaways

- Marketing Analytics is the primary opportunity-driver of business growth going forward.
  - “Dip your toe in the water now!”.
- Unstructured data will reveal new value and actionable insights.
- Operators need to take the long-view and invest to grow the sport.