Boost Product Development and Business Planning with Google Correlate

Description

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Google Correlate gives you the first step in moving from quantitative data to qualitative insights. This is a game changer for left-brain thinkers, which by the way is a myth. Your data is only as good as the insights it gives you, and it can be very tough to move from one to the other. Google correlate can give you starting points to attaching meaning to the strings of quantitative data you have.

Google Correlate is part of Google Trends. It works as the reverse twin to Google Trends, with one giving a time series based on a search query (Google Trends) and the other giving correlated search queries to a given time series (Google Correlate).

- A search query simply refers to the word or set of words people use to search in a search engine
- A time series is a data set that shows the frequency of a particular thing over time, usually punctuated over equal time periods. An example could be profit figures on a quarterly basis or yearly employee turnover.
- Correlation simply refers to the mutual relationship between two quantities or more. It measures the degree to which these quantities move together or not; -1 means they tend to strongly move together in the opposite direction, 1 means they tend to strongly move together in the same direction while 0 means they do not move together at all.

Example of Time Series

So if you have time indexed data for the occurrence of any statistic, say sales or customer churn, Google correlate can give you a set of search queries that correlate positively or negatively to that data. Get creative and go for data relating to external factors that affect your business like weather patterns, economic fluctuations and see if search queries relating to your business occur.

Correlation Across Time

Correlate works not only across time but across space as well. If you are in the US, correlate can map the strength of correlation between your data or search queries with related search queries across US states.

Correlation Across Space

You can structure your data in a spreadsheet, like Office Excel, then copy-paste it into Google Correlate. You can also export your data as a .csv file from any application and upload it to Google Correlate. If constructing time series data is not your forte, or you do not have the data to create a time series, you can enter a search query into Google Correlate, it will get the time series for you from Google Trends then give you a list of related search quarries.

The Google Correlate trends website has a fun to read comic about how it all works here, as well as a tutorial on how to use the tool here

A word of caution is necessary here though. Correlation does not equal causality, dependence or co-dependence. Two items may show a strong correlation, but it does not mean that they were caused by the same thing. Or that they were caused by one another or one has an influence on the other. Because Google Correlate works on the basis of the math behind only, some results could be sheer coincidences with no relation at all. It is up to you to investigate further if these results are indeed related or there is no insight to be gleaned from them.

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With a little additional work and a dash of imagination, Google Correlate could allow you to;

1. Understand your competition

Search has made it so much easier for clients to do comparisons before purchase than ever before. While in the past comparisons meant a day in the sun walking around into physical locations, modern-day comparisons are made in the comfort of wherever the client may be. The scale of comparisons has grown as well. The modern-day clients need not search competing brands on the basis of price alone but can look at factors like specifications, reviews, support, warranties, etc.

Understanding your competition with Google Correlate is a little easier. If you collect data on search for your brand and brand assets, correlate could give you a set of other brands that are searched during the purchase consideration. Even for businesses starting out, research on data for search on products you want to pursue could give you an understanding of what players consumers are already looking at in the market.

Not only will you get a sense of the competition in the field, you could also get insights into what consumers look for when they are comparing. This particular query on Google Correlate showed a strong correlation between searches for HP pavilions and Dell Inspirons .

Understanding Competition with Google Correlate

2. Complementary Products

Itâ??s always beneficial for businesses to create the power couples of products. Complimentary products could allow you to sell more products with the same marketing effort. Better yet, you could create packages, entice clients with discounts but ensure that you push more volumes. With so many decisions in the purchase funnel being made with the assistance of search, your clients are giving you a sneak peek into products they find complimentary to yours.

Analysing your sales data on Google Correlate or search terms for your brand terms could give you insights into complimentary relationships you can leverage. As a start-up or small business, you could use the same process to diversify your product range and ensure you are fully capturing your potential markets. You could take it a step further by searching for products that correlate with good performance in your business, or bad performance. If you could find queries that are prevalent during low performance but you can diversify into, you can start building products that perform when your current line up isnâ??t.

This particular query on Google Correlate showed a strong correlation between searches for jeans and coats. This data could be used for offers or merchandising on, say, an e-commerce site.

Finding Complementary Products with Google Correlate

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3. Vertical Integration

As a firm, you might not be able to provide other services relating to your product though itâ??s crucial. Such services may include support, repairs and maintenance, etc. These will not always be obvious to you; as usage of your product grows, your customers can grow new expectations that you previously did not envision. This is even tougher for small or new businesses because you may not have an existing client base to understand what these support needs are.

Many businesses will find integrating vertically with businesses that offer these to be beneficial. Particularly for software providers, you may find enterprises have already sprung up to meet these needs. You may want to incorporate them into your business formally, include them in your documentation, or provide support to ensure the quality they uphold meets the standards of your brand as a whole. Itâ??s beneficial to your business as well.

Based on this particular query on Google Correlate that showed a strong correlation between searches for smartphones and chargers not working, manufacturers may want to ensure they have accredited charger providers where they market their products. They could open their own or invest in local retailers to carry their brands.

Finding Vertical Integration Opportunities with Google Correlate

4. Marketing Opportunities

As a business you usually get data that marks significant shifts in your business performance or how stakeholders interact with your brand. With so many decisions today starting from search, Google correlate could allow you to gain an understanding of why those shifts took place. You could be for example suffering a spike in customer churn, if you plot that data, you could find a significant number of

search queries relating to customer support that was going unanswered about your product causing clients to abandon it.

If you were looking to go into a market, you could look at similar data for your competitors and see the queries that offer an opportunity for your new brand to capture a niche in the market. You can even search for their brands or brand related terms directly. The trick is to use correlated queries to find where the established players could be under-serving their clientele.

This particular query shows a strong correlation between a search for burgers and waiting times, an important marketing opportunity for joints that pride themselves on quick service and a learning point for slow pocks.

Marketing Opportunities with Google Correlate

Conclusion

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While it may be tough to move from quantitative data to insights in your analytics, Google Correlate can give some important starting points. It is always important to remember that correlation does not equal causation. Instead, put on your analytics cap and try to see where the relationships could be coming from. Google Correlate also seems to also have not been updating queries for a while. Despite these limitations though, Google Correlate can offer an important departure when doing your analytics.

Category

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2. Business Insights
3. Business Planning
4. Product Analytics

Tags

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Date Created
December 14, 2017
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