Exercise 1.2 – Critical Thinking Questions

1. Other than selling more cars, what potential benefits do connected-car technologies offer auto makers such as BMW in terms of enhancing long-term customer relationships?

Connected-car technologies can offer BMW so many things in terms as long-term customer relationships. Purchasing a car is a big decision and all consumers have different categories that can edge one car brand over the other. Connected-car technologies truly gives the driver a whole different experience overall. In today’s day in age it’s not only important how a vehicle looks but also what can your vehicle do. Car connected technologies bring in consumers who are looking for an easier and safer ride. With BMW thriving to be at the fore front of vehicles with car connected technologies, consumes know if they continue purchasing BMWs, that their car will always have the latest capabilities and features. Consumers will continue flocking back to BMW to purchase a vehicle based on that commitment.

1. What responsibilities does BMW have to its customers regarding the data it captures via the various connected car technologies that it builds into its cars?

BMW’s number one responsibility to their customers in regards to capturing data, is to keep their customer’s data confidential and not allow for their data to get leaked into get the wrong hands. For example, GPS data can obtain the customers home and work address, places they frequent and current location. Car-Connected technologies can also include functions that allow customers the ability to purchase goods or services directly from there car. Payment methods leaking into the wrong hands open customers for financial troubles and hardships.

1. In your own words, write a paragraph about how you think the BMW case study is relevant to this class’s goals.

The overall goal of this class is to give student the understanding of how large-scale data processing and storage correlates to data science and the trade fundamental tradeoffs. The BMW case study allows students to learn one of multiple approaches BMW uses to attract new customers as well keep long term customers coming back to purchase their vehicles. Data mining allows BMW to analyze large amounts information and turn that information into knowledge to help ID reasons that motivate people to buy and factors these consumers factor in when purchasing a car. That right there encompasses what data science is, combining modeling, statistics, analytics and computer science to uncover the answers to the most perplexing questions and how to use that knowledge in business decision making. BMW was able to determine by the use of data science that their investment in car connected technologies was a fundamental tradeoff because it allowed them to keep their long-term customers as well as attract new customers resulting in BMW making more money and expanding their brand.