Retail analytics: practical applications

Markus Kohlbacher
Leder & Schuh AG, Austria

Key words
Predictive Analytics, Retail, Forecasting

Abstract

Top performing organizations use analytics to guide future strategies and act on day-to-day business operations, with the goal to achieve competitive advantage. Even though most retailers collect large amount of data on a daily basis, often the full potential of data collection is not being used. Companies normally use some sort of data analysis but there is still a substantial gap between general principles and application of specific tools. Thus, the chances are being neglected to act on data and turn it into valuable information to improve decision making. By applying quantitative analysis and predictive modeling, retailers are able to more accurately react on the competitive environment. The major obstacle for not applying data analysis is the lack of understanding of how to use analytics to improve the business. This paper discusses some practical applications of retail analytics with the goal to point out the possibilities of data analysis for retailers. To create awareness of the wide variety of opportunities connected to data, applications in different areas will be discussed, such as business development, sales forecasting, and category management.