Article Side

Significance of incorporating Advanced Analytics Techniques in Consumer Industry

by Sandeep Agarwal

Article published on January 7th 2012 | Marketing

In present world where every aspect of the business is so dynamic that you need to be Bang on Target to sustain in the industry. This verdict is very much true for the Consumer industry. Let me elaborate a bit on as to what is consumer industry. Consumer industry is part of secondary sector and it involves selling of products and services directly to the â€œCONSUMERSâ€•. The most important word of the previous line is Consumers. As consumer industry is directly selling the product or service to end consumers, they need to be continuously evolving in terms of products or services. They need to keep up with the changing interests and habits of the consumers. Increasing competition, Consumer preferences, increasing number of product offerings, increasing number of players are few of the key aspects which make this industry dynamic thus constantly evolving with time.

In order to keep up with all the aspects, the consumer industry has significantly incorporated â€œAnalyticsâ€• in their business decisions. Analytical techniques not only help the officials in understanding the past behaviour of customers but also help in predicting the future. Business officials needs to completely understand the key questions which are very much important to increase buzz, brand equity, brand loyalty and sales thus revenue. As they deal with transactional level the data size is huge as well as the number of parameters are also very high. The data has many features such as consumer information, purchase information, product information, time information, economic indicators etc. Each and every piece of data contains a huge amount of insights for the officials.

The officials requires analytical techniques to understand the changing preferences of customers, to understand the probability of a particular customer to buy a particular product, what products consumers tends to buy together, predicting sales for future periods so that you can plan supply, inventory and other aspects of business accordingly. Few of the analysis which is being used are churn analysis, forecasting using time series, causal effect, impact of advertising on sales, market mix modelling, market basket analysis, market campaign effectiveness using multivariate techniques, consumer segmentation using cluster analysis and other techniques. The stated techniques are just few of them which are being used in this industry but there are numerous amounts of analytic techniques which are being done.

These analytics techniques helps business officials to plan advertising expenditure evaluate campaign effectiveness; understand the marketing channels performance, pricing strategies, optimal pricing of the product, evaluating future sales thus adjusting decisions accordingly, and understanding seasonal impact on sales. Today analytics has become backbone of this industry, as almost all the major players have started incorporating analytics in business decisions significantly. These statistical analyses help significantly in better understanding the business and taking proper business decisions. These analytical techniques help to dive deeper into the data and pinpoint specific reasons to every business query.

Now officials have even started to understand the impact of placement of products on sales. They significantly understand it through the analytical techniques and incorporate the same in big outlets, malls etc. Here I will quote a case in which the officials have significantly increased sales by altering the placement of products. They have shifted the position of female undergarments and other accessories close to the food products which boosted the sales close to 3 times. The primary reason as stated was that data revealed that femaleâ€™s frequency of visiting food and beverages section is very high as compared to the other one.

Article Source:
http://www.articleside.com/marketing-articles/significance-of-incorporating-advanced-analytics-techniques-in-consumer-industry.htm - Article Side

Sandeep Agarwal - About Author:
a target_new Meltdata Business Solutions is a result oriented, technology-driven full service Market Research and Marketing Solutions provider. Our specialized range of services comprise of extensive end-to-end data collection services, data processing, data analysis and reporting services.

Article Keywords:
best market research company in India, market research companies in India, market research services, low cost data collection services, analytics services India, survey designing services India, high quality market research services India

You can find more free articles on Article Side. Sign up today and share your knowledge to the community! It is completely FREE!