The Retail Data Opportunity

Retail is an industry that is being completely transformed from growing data volumes driven by changing customer demographics, demands, and expectations. At the same time, retailers have been challenged with outdated systems for processing and storing new and emerging data types, lack of in-house experience to handle this data, and the inability to monitor real-time analytics.

Savvy retailers, however, realize the benefit of capturing insight from big data — data from web browsing patterns, social media, industry forecasts, existing customer records, and other sources — to respond to trends and to better understand changing customer demands. Furthermore, retail analytics is about mastering multi-channel marketing. More buyer research and purchasing is being done online, customer demands and expectations are increasing, and consumers have access to more product, brand, and retailer information from third party sources such as social media.

With a rapidly changing landscape and more consumer buying power, retailers have no choice but to get ahead of big data in order to stay competitive. Pentaho has witnessed this with retail customers that have leveraged big data in order to drive more efficient operations, increased revenue, and customer loyalty. Distilling it down, three key themes have remained prevalent with Pentaho's most successful retail customers: omnichannel marketing to drive increased sales, customer loyalty for repeat revenue, and operational efficiency to ensure a smooth customer experience.

Omnichannel Marketing to Drive Increased Sales

Today's consumers live in multiple dimensions: on the web, in-person, and on social networks. Being able to understand what customers want, where they are in their buying process, and how to engage with them from different channels can reduce the sales cycles and drive more revenue.

RichRelevance, a leader in omnichannel personalisation, leverages consumer behavior data from various channels to help their retail customers serve up products that are relevant to consumers as they browse retail websites. The challenge RichRelevance faced was how to process the volumes and wide variety of customer data from all of their customers in a timely manner. The company leveraged Pentaho to provide their retail customers with a blended view of that data in an embedded analytics dashboard. In doing so, RichRelevance became a valuable platform for retailers to access and make quick decisions about which

products to suggest to customers. By better understanding customers through data, retailers are able to be present the right offer to the right customers at the right time, increasing their sales opportunities.

While the concept of Customer 360 has been around for a while, it is only more recently that retailers have been able to leverage more data to truly impact the customer journey. Pentaho has developed a blueprint, a data architecture and best practices guide dedicated to the [Customer 360 use case](#).

Customer Loyalty for Repeat Revenue

Building customer loyalty means understanding how your customer engages with you. Are they engaging with you from their mobile device? Are they responding to certain promotional offers? Are they talking about you over social media?

Paytronix, a leading provider of gift, loyalty and email solutions for restaurants, looked to blend all of this data together to provide their clients with a single view of their restaurant patrons. Access to more customer data in a blended view meant that Paytronix's customers were able to make better decisions based on those interactions.

The company leveraged Pentaho to migrate data into Hadoop and blend data from more than 8,000 restaurants, including customer preferences, loyalty programs, gift programs, and social media — adding up to several tera-bytes of data. By doing so, Paytronix was able to surface otherwise unused customer data into a customer-facing dashboard so that their retail customers could make better data-informed decisions into their customer loyalty programs.

Operational Efficiency

In this competitive environment, retail organisations need to ensure they are running efficiently from top to bottom. Significant dollars are lost due to inefficiencies or poor product positioning. Understanding your organization's data results in better management of inventory, products and services.

Founded in 2006, Le Bon Coin has become the leader in France for online classified advertisements focusing in four main verticals: consumer goods, automotive, real estate and recruitment. It boasts 25 million live ads - with 700,000 new ads submitted each day, and handles seven billion page views and 22 million unique visitors per month. To further its growth and continuously improve its online services, the company consolidated its many diverse internal databases into a single central database to simplify new product analysis and decision-making. The company leveraged Pentaho to integrate the site's daily volume of transactional data in less than six hours. In doing so, Le Bon Coin could visualise their advertisement data and give managers tools to analyse and proactively improve product and service offerings based on analytics.

Another example of improving operational efficiency is Sears Holdings Company. Owner of two multi-billion-dollar retail businesses, Sears Holdings struggled with tracking and monitoring customer returns. To effectively manage product returns, an organisation as large as Sears Holding Company needed the ability to track each return regardless of which system it was originally processed through. By turning to Pentaho, Sears Holding Company was able to pull data from a diverse set of sources to create a consolidated report about their returns that could be shared with their

Access to more customer data in a blended view
means that Paytronix's customers are able to make better
decisionsbased on those interactions.

A large UK supermarket chain uses Pentaho to analyse store-level sales data by presenting KPIs to store managers for early visibility of potential low stock situations that would affect daily profit and customer service targets.

associates. Since the launch of the report, the number of returns being processed past the return deadline decreased by 30%, having a significant impact on financials and returns processing.

In addition to visibility into performance metrics and operational efficiencies, retailers use data for inventory management, store layout decisions, and staffing choices to increase positive customer sentiment. A large UK super-market chain uses Pentaho to analyse store-level sales data by presenting KPIs to store managers for early visibility of potential low stock situations that would affect daily profit and customer service targets.

Learn More

Big data can be leveraged in a number of ways in the retail industry — from driving more efficient operations to more personalised customer experiences for increased revenue. Over 1,500 customers, including the top retail companies, rely on Pentaho to drive their strategic business decisions. Learn more at pentaho.com.

pentaho
A Hitachi Group Company

pentaho.com/contact | +1 (866) 660-7555