5 Business Trends That Only Data Analytics Can Show You
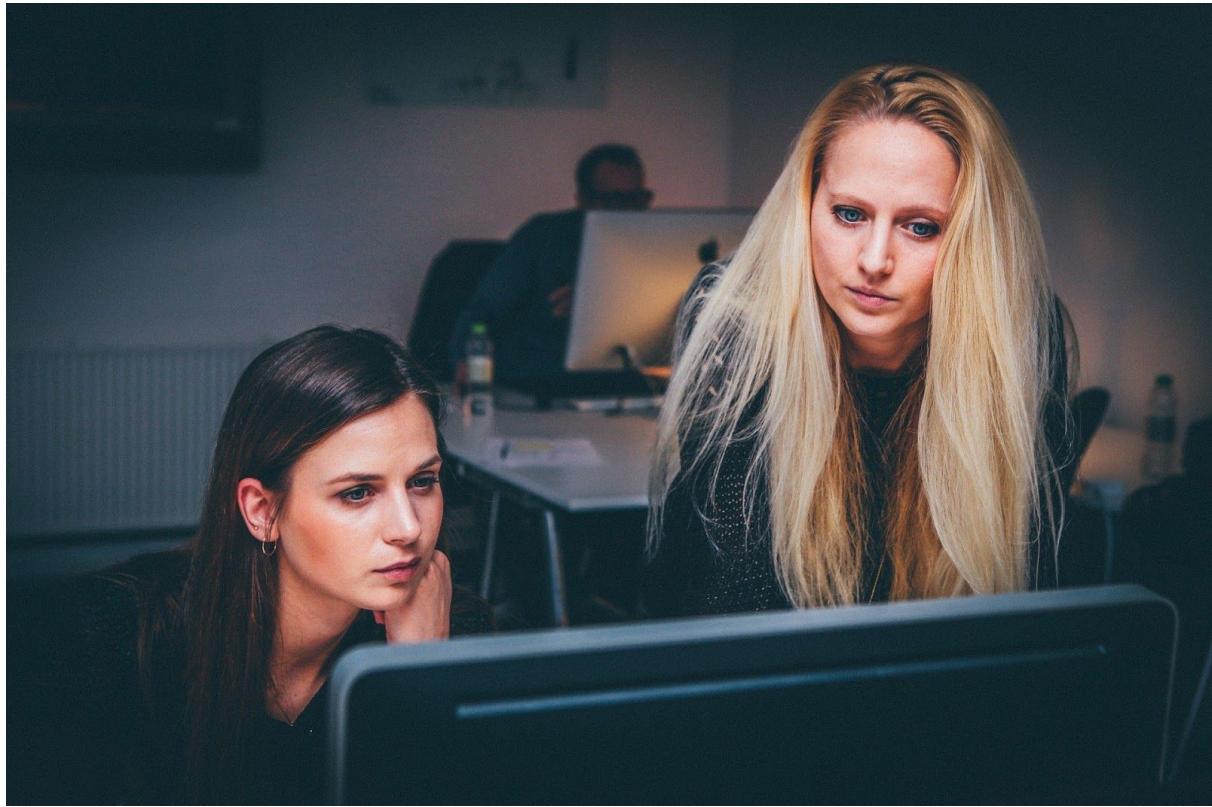

Experts predict that one-third of large businesses will have data analysts dedicated to decision intelligence by 2023. Why? Because data analytics is a rapidly growing field, and it's becoming increasingly important for successful businesses.

If your business isn't using data analytics, it should be. Here are 5 business trends that only data analytics can show you.

1. Real-time Visualization

What if you could see your customers' purchasing habits or analyze their needs and address them in real time? With data analytics, you can.

One example of this that we're probably all familiar with is the Johns Hopkins University COVID-19 Dashboard. Decision-makers from legislators to healthcare providers to social service organizations are able to use real-time data from the dashboard to visualize hotspots and target areas that need to be addressed.

Businesses can also use it to identify places they might want to focus on low- or no-contact options for customers, increase supplies of masks and cleaning products, or offer promotions for online shopping.

Whatever sector your business is in, having real-time visualization allows you to see consumer purchasing trends as they happen, along with external factors that could be impacting your customers, like weather, local events, or increased demand at certain times, like the beginning of a sports season. Being able to visualize trends that impact your customers in real time allows you to address their needs and stay ahead of the competition.

2. Predicting Future Demand

How effective will your marketing campaign be? Will it translate to customers making a purchase? When time of the year does your business make the most sales? How much inventory should you have available during the holiday rush?

These are all questions data analytics can answer. While we can never be 100% certain what will happen in the future, data analytics provide your business with a good idea of what future demand will be or what impact a given marketing campaign is likely to have.

[Hotels and airlines](#) have long used predictive analytics to help them predict demand on given days and adjust their prices accordingly to maximize profit from room reservations and ticket sales. Your business can also take advantage of predictive analytics to increase revenue.

3. Weathering The Storm

As much as we hate to think about it, there are times when things that are out of our control impact our businesses. Whether it's a recession, a natural disaster, layoffs from local employers, or a global pandemic, our businesses sometimes face periods of time when consumers scale back their purchasing.

During those times, it's important to make business decisions that help us weather the storm and hang on until demand picks up again. Using data analytics helps with that process. You can predict those downward trends, along with targeting areas where you should [cut](#) expenses.

If your business offers essential products and services along with more luxury items, you may want to scale back on products that consumers don't view as necessities while increasing your available stock of essential items. Data analytics can help you target where to cut back and which products are likely to come into higher demand.

4. Using Technology

Technology evolves at a rapid pace, and many consumers quickly adopt new technologies. If your business doesn't adapt with them, you will likely lose customers to businesses that do. That's why it's so important to stay on top of trends like which platforms your customers use to get information, where your leads are generated, what types of devices consumers use to make purchases, and what types of consumer experiences drive engagement.

Fortunately, data is available in all those areas. You just have to use it. With data analytics, you can get an in-depth look at customer journeys. You'll be able to determine where you lose customers and take steps to re-engage them. You can analyze where purchases are made and optimize for that platform.

Data analytics can help you decide whether you should develop an app, whether your consumers respond to videos or games, when you should offer promotions, whether your content is appropriately optimized for mobile, and more. Plus, you'll also be on top of the next big trends in technology so you can adapt instead of being left behind.

5. Looking Below The Surface

It's easy to look at gross profits and overall business trends. Segmenting populations and calculating return on investment among various smaller groups of customers is more difficult but ultimately pays off for your business.

Customers want personalized experiences, but how do you know what to do? Turn to data analytics. With data analytics, you can segment your customer base by characteristics and target marketing campaigns directly to each population. Then, you can also analyze your ROI for each of those campaigns.

Rather than sending out an email blast to your entire customer list, for example, you can target only the ones who are likely to have an interest in a specific particular product or service. You save money by marketing only to the right audience, and customers find value in your company because you're marketing products and services they actually want instead of inundating them with offers they have no interest in.

Additionally, you can use data to find the best time and channels to reach customers and adapt your marketing campaigns accordingly. You'll be able to create campaigns your customers find value in, and that translates to loyalty and revenue for your business. For example, if you sell clothing, data analytics can look at past trends segmented by customers to give you an idea of the best week to launch a marketing campaign for sweaters aimed at 30- to 45-year-old women in a specific geographic location.

Conclusion

Regardless of your industry, there are trends that only data analytics can tell you. Whether you want to follow customer journeys, gauge the impact of your next marketing campaign, predict changes in demand, or identify areas to cut back on ahead of an oncoming recession, data analytics provides your business with the ability to identify relevant trends and adapt for success.