**IBM Cognos Retail Demo**


Part 3: Business Intelligence Demo

"It's often said 'retail is about detail' and analytics really help make sense of that detail in a way that allows you to take action. …Customer analytics are very important. Now that consumers are being asked to be addressed kind of as markets of one, what we try do now is provide information about how customers are buying products, where they're buying them, what they need out of their products in order to better serve them through technology."
Mark Campanella
Director, Distribution Sector Solutions & Software
IBM

Every day enormous volumes of customer transactions are generated. IBM Business Analytics software helps organizations understand that data to gain critical insights about their customers. These customer-focused insights enable companies to make timely, informed decisions about the customer experience in their stores, channels, merchandise and marketing.
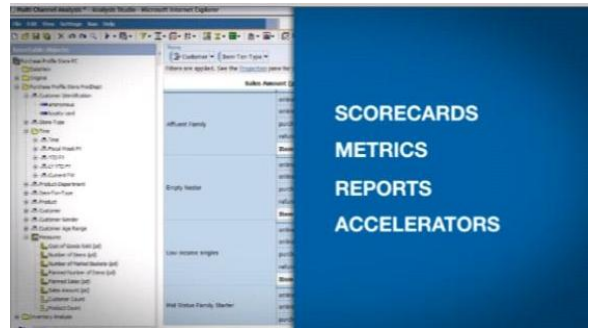
With its integrated set of reporting and analysis functionalities, the business analytics solution for IBM uses scorecards, metrics, reports and accelerators based on best practices to create a clear picture of your customer. Here's a closer look at how customer segmentation analysis helps companies…
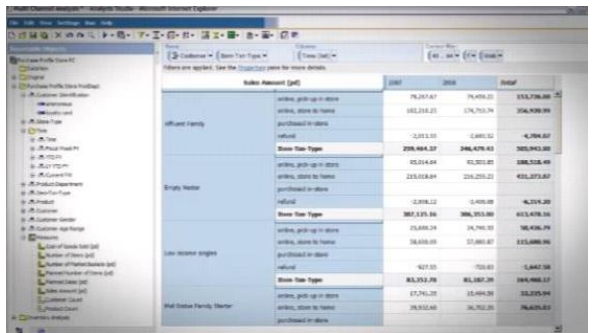

An overall understanding of customers allows companies to gain insight into individual consumer behavior as well as patterns of like customer groups or segments. Up-to-the-minute information on consumer activities allows companies to match customer preferences with product offerings, develop targeted promotions, and coordinate initiatives across channels. Insight into customer behavior and trends ultimately improves sales and increases baskets, and by extension increases loyalty and profits.

By analyzing sales patterns by segment, organizations can determine the best way to engage these shoppers and what types of targeted product promotions to offer them. These insights can help them understand what motivates different consumers to shop, which in turn allows retailers to optimize the product selection and availability that customers want, and tailor their above-the-line and below-the-line marketing activities accordingly.


Understanding segment profitability and buying patterns allows marketers to hone in on key behaviors and trends. By drilling down into specific segments we see the best selling products for customers from the Affluent Family segment between the ages of 40 to 64. This analysis can help retailers identify the preferences of this segment to create special promotions or product combination offers.
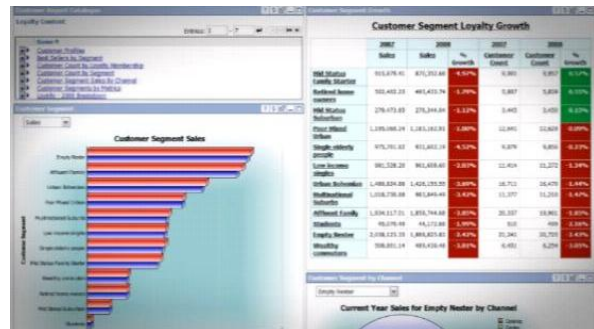
By viewing Customer Purchases, retailers can see the manner in which customers within a key demographic are purchasing a specific product, and which channels are creating the most cross-sell opportunities.
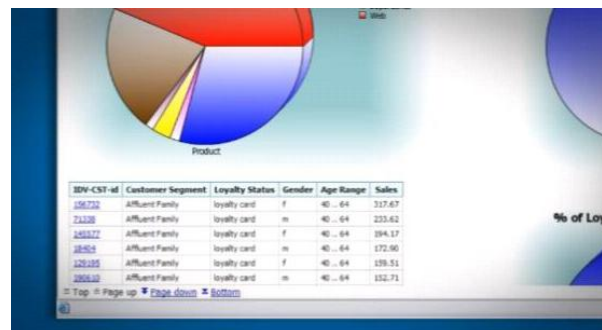
By drilling down even further, companies can get right down to the individual consumer and access their sales transactions. This view shows a single customer's sales and profitability data tracked over the course of two years, a list of the top five purchased products, and a year-to-year comparison of their purchases in the top five fastest rising products across the organization. This type of insight allows companies to personalize promotions, optimize assortment and maximize profits.
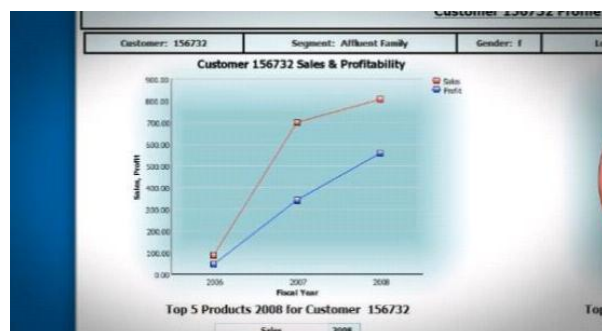
With business analytics from IBM, retailers can gain powerful and actionable insights into who their customers are, what they are buying and where. Now let's see how analytics can be used to predict what customers will be buying in the future.