Data Modernization in Retail & CPG use cases

According to BCG, advanced analytics and AI can drive more than 10% of sales growth for the CPG and retail sector, half of which would come from marketing. In this context moment marketing and intuitive engagement at every touch point becomes highly significant. Engaging the consumer across the buying journey and ensuring right message at the right time, is more than cliché. It is the essence of marketing strategy for Retailers and Consumer Goods industry leaders. And, this can only be made successful with precise, accurate and timely insights on behavior, preferences, buying patterns, price sensitivity and numerous other attributes for every customer. Data driven insights, automation and campaign execution at scale need strong data structures that legacy systems were not designed for. Evidently, to even begin implementing advanced analytics and AI strategies, retail and CPG businesses must first modernize their data fabric.

The future is promising for retail and CPG organizations who adapt to change and adopt strategies to make the most of data and digital transformation. Data modernization is at the core of these strategies.

Typical Data Modernization Use Cases in The Retail & CPG Sector

Rapid Marketing Innovations with Assured ROI

Often, marketing innovations stay in a state of limbo for long periods of time as there is no way to predict their success with legacy data structures.

With data modernization, this changes dramatically. CPG and retail marketers have real time, high quality data at hand to implement and test their marketing innovations at a rapid pace and scale. Marketing automation, campaign planning and execution and the ability to win customer delight with appropriate offers at the opportune moment are not just marketing success but revenue drivers. This in turn enhances productivity and marketing ROI. It pays to give marketers the opportunity to optimize their innovations in real time.

Hyper-Personalized Customer Journeys

According to a study by Epsilon, a staggering 80% of customers would rather do business with brands that offer personalization. But when customer data sits in silos across disparate systems, it is impossible to get a unified, holistic view of each customer journey in order to personalize key purchase moments

With data modernization, retail and CPG brands have the opportunity to merge their customer data points to build a single, holistic master profile of each customer. This offers them the opportunity to hyper-personalize the customer journey and offer delightful experiences. With customers demanding personalization, this naturally translates to stronger sales outcomes.

Stronger Inventory Management

Inventory control is a significant challenge for retailers and CPG brands. Maintaining the optimum stock in warehouses as well as stores is mandatory in order to offer the highest levels of customer satisfaction. Simultaneously, too much stock can impact profitability. Rationalizing distribution across stores and the ability to plan markdowns mean the difference between revenue and loss for retailers. Seasonal promotions are often directed by stock at hand in specific stores. A comprehensive strategy to ensure optimum disposal of old stock without a hit on profitability requires advanced predictive analytics capabilities.

Similarly, for CPG companies getting a strong competition from private labels, an empty shelf is a self-goal. Predicting out of stock (OOS) is essential and this means streamlined data structures for a low down on inventory and supply chain.

Retailers and CPG brands need to track sales trends, customer preferences, and deeply understand buying patterns. Implementing these strategies is only possible with data estate modernization.
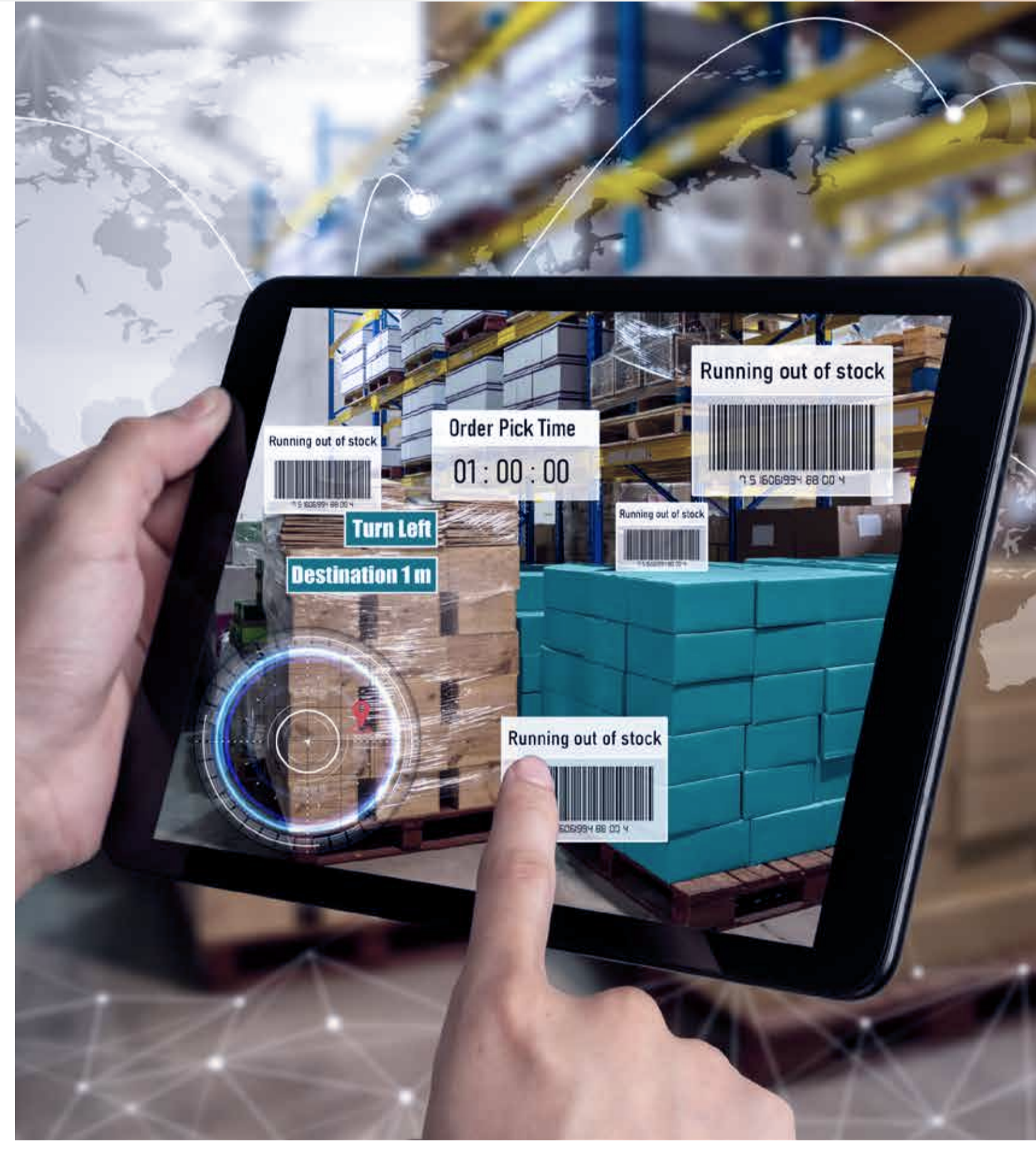
Data Modernization in Action
Enhanced Production & Cost-Efficiency for Large CPG

Data modernization with Acuvate ensured stronger outcomes across all parameters. Acuvate implemented end to end data solution with reports built in PowerBI with self-service data model. Data related to OEE loss, OEE loss classification, HR labor, Output reliability was captured in an app. IOT sensors were being implemented to automate the end-to-end data capturing process with no human intervention.

ROI

Increase in 20% OEE for some of the manufacturing units.

Improved process robustness leading to dollar saving in OPEX.

Output reliability **increased by ~8%**

Direct and in-direct **labor productivity improved.**

~1500 Person hours per month saving with automated reporting

In Conclusion

Data modernization can help retail and CPG organizations drive impactful marketing and sales campaigns and discover new and sustainable means to improve efficiency across the customer lifecycle. It helps brands drive stronger profitability and sales.

Start your data modernization journey today, to make the most of your digital transformation, AI, ML, marketing, and sales efforts. Greater ROI is waiting for you – kick start your journey with Acuvate.