

Internet of Things, Business Intelligence & retail sector - awesome threesome...



By [Chirag Shivalker](#)

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Internet of Things gives rise to Business Intelligence in the Retail sector making the competition really tough; giving nightmares to the retailers...

The concept of Internet-of-Things has set the world on fire, not literally, tough! Stuff that were once a part of sci-fi literature or movies have transformed into reality. Thanks to rapidly progressing Enterprise mobility services, Internet of Things has made a (grand) entry into almost all walks of life! In fact, according to Business Intelligence estimates - IoT is all set to multiply ten-fold; going 2.5 billion in 2014 to around 24 billion by 2019.

As such; it is being embedded into almost every industrial sector; even in the least expected vertical, i.e. retail sector, and is fully geared to explore the amazing benefits of it. Going by the recent reports published by SAP; the revenue generation in retail sector through Internet of Things is speculated at a whopping \$329bn.



"Good comes with a taste of bad"; likewise this projected massive growth is likely to make way for several issues related to privacy, compliance as well as cybersecurity, along with others product liability. We shall see how internet of things is the next big shot in retail sector and some of those common concerns and ways to address them effectively.

Knowing the customers better to customise and consistent improvement is the only way to nail competition. Business Intelligence supports and simplifies data analytics; that gives an insight into the market scenario and customer's psyche.

[Business Intelligence](#) has deep impact across markets; however; some of them have significantly emerged promisingly at the moment:

Multi-channel retail

Commonly referred as "me-tailing" it enables the retailers to gather real-time data related to customers using various sources including mobile, in-store channel, social media as well as wearable technologies.

Business Intelligence tools help retailers to gather data and analytics based on personalised interactions with their customers say for an example; preferences collected by communicating with customers about customised offers.

Similarly, the need to have simplified and streamlined payment gateways shows one of the most relevant areas of where Internet of Things technologies have a chance to grow. Smartphone, smartwatches or any other wearable technology empowers you to communicate with the system of shops providing you easy and faster payments options.

Monitoring items and customers

RFIDs are already in use for prevention of acts like theft; and business intelligence tools are now used to gather extra information about customers, their inclinations as well as their location. In fact, to manage inventory effectively; RFID integration becomes the ultimate savior.

The Internet of Things lies in its sensors - They can be effectively be used in the retail sector to transform the environment, like for an example an interactive display - It can be set up when a shopper is in the proximity. BI is utilised for in-store analytics and thus to monitor and measure the flow of customers in particular areas or shops. Market Pundits though are seeing the future of retail in Bluetooth Low Energy (BLE) applications widely known as beacons.

Most of Smartphones and wearable gadgets effectively support such applications; communicating with the beacon devices located in shops allowing the retailers to follow and send notifications to their customers - all to collect valuable data to feed their Business Intelligence tools.

Apart from this, one of the main advantages of beacon consists of detecting the location of customers giving a very detailed estimation which makes in-shop marketing activities like tracking and payment much more efficient and detailed. Say for an instance; customers notified for push marketing on their Smart devices when they get close to discounted products.

Looking at current trends, Internet of Things and Business Intelligence in the Retail Sector are likely to bring some ground breaking changes.

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