Online Retailer Uses Automated Data Collection Software for Advanced Analytics

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Shopzilla, one of the world's biggest e-commerce companies, recently updated its inventory management system to use automated data collection software to offer items at the best prices to consumers, InfoWorld reported.

Internet shopping is now bigger than ever, as eMarketer reported in February that total e-commerce sales worldwide topped $1 trillion in 2012. As online shopping profit margins grow, so too does the number of firms selling goods online. In an increasingly crowded marketplace, companies need to leverage every advantage they can. For Shopzilla, this process included inventory management, according to InfoWorld.

In order to have the best website possible, Shopzilla wanted to make sure the products it offers on its homepage change in accordance with consumer demand, InfoWorld reported. However, the company must first make sure it knows about what is in all of its related warehouses. With automated data collection software feeding information into its consumer database, Shopzilla can predict what each site visitor is looking for and then match that information to items are currently logged in its automated data collection system.

How Automated Data Collection Software Enables Big Data
Shopzilla is just one example of the hundreds of organizations that are now leveraging big data analytics to boost profits. With big data, companies pool together massive quantities of information from a wide variety of sources to have more oversight over customer preferences and better predict future spending habits. According to global consulting firm McKinsey & Company, all smart companies will soon be leveraging big data analytics to provide higher quality service to customers.

"The use of big data will underpin new waves of productivity growth and consumer surplus," the managed consulting company said. "For example, we estimate that a retailer using big data to the full has the potential to increase its operating margin by more than 60 percent. Big data offers considerable benefits to consumers as well as to companies and organizations. For instance, services enabled by personal-location data can allow consumers to capture $600 billion in economic surplus."

However, the success of any big data analytics initiative depends on the sources it draws from. By using automated data collection software, companies will be able to generate massive warehouses of quality information to analyze. These systems allow companies to look at everything from the efficiency of their supply chains to specific return on investment achieved from utilizing certain warehouse management practices. In addition, by automating data collection methods, businesses can more quickly and accurately pool together large amounts of information without having to worry about the time or hassle of manual data collection systems.