Few Ways Data Analytics can Help Your Business Thrive

TechRounder PDF Edition

Live article: https://www.techrounder.com/business/few-ways-data-analytics-can-help-your-business-thrive/

By Vipin PG | Published February 23, 2023 | Updated March 8, 2026 | Format: Article | 6 min read

In brief

Do we ever wonder why data is so valuable for business? Let’s explore the importance of having a data-driven strategy for any business, including yours.

Do we ever wonder why data is so valuable for business? Let’s explore the importance of having a data-driven strategy for any business, including yours.

One key reason data can help your business thrive is probably the increase in revenue, improvement in customer retention, and more flexible and optimized processes.

What is data analytics for business?

Data analytics can be a tool for uncovering insight from any raw data.

It often involves automated processes and algorithms for faster and easier analyzing information.

Businesses leverage these tools to better understand their customers, creating customized content, refining their advertising, and using all the information above to improve their profits.

When you access raw data, you can access a wealth of potential knowledge.

And the knowledge you have is sensitive, and it’s prone to phishing and hacking attacks.

Every raw data needs to be secured, and preventing ATO is one of the essentials when you’re fighting attacks.

Discussing data analytics strategies and preparing for every type of scenario is imperative.

Because without the right data analytics strategies and proper guidance, businesses cannot access this knowledge and take advantage of its benefits.

So, data analytics can be a huge contributor to helping any business and making them grow.

Why is data analytics important in the tech industry?

There is a good reason for it. Besides helping companies make better decisions, collecting patterns, and improving customer experience, there is much more to consider.

Data analytics involves collecting and organizing a large amount of data - to identify patterns and trends that can be used to drive better business decisions.

Various ways of doing that involve:

- Marketing and sales
- Product development
- Customer experience
- Optimizing operations

Since there are always discoveries and exciting advancements in data analytics, we know that data analytics technology will shape careers and markets in the future.

However, there are challenges, and the biggest barriers to adoption mostly relate to cultural challenges, such as change management, resistance, and a lack of organizational skills. Overcoming these hurdles requires a comprehensive approach that includes leveraging data-driven insights, such as utilizing analytics tools like Amazon, Shopify eBay Analytics Tools | ZIK Analytics.

These tools enable sellers to gain valuable insights into market trends, competitor analysis, and performance metrics, empowering them to make informed decisions and optimize their strategies accordingly. By incorporating such analytics tools into their operations, businesses can stay ahead of the curve and maximize their potential for success

In the meantime, let’s check some of the analytics techniques. They will be worth considering.

How do core analytics techniques work?

As we already mentioned, many advancements are happening, and there are expected changes in data collection methods.

Method of descriptive analytics

The simple method answers the question, "What happened descriptively?".

In descriptive analytics, relationships and trends are identified using current and historical data. This is one of the simplest forms of data analytics because it doesn’t discuss the data.

This type of analytics is used daily, for example, by statistical software such as Microsoft Excel, BI tools, or data visualization tools like Google Charts.

Procurement, for example, can answer questions like, how much have we spent on entity Y last quarter, and who are our most significant suppliers?

These tools can aid in identifying trends and relationships between variables and presenting information visually.

Descriptive analytics aims to communicate change over time and use it for further analysis.

Diagnostic analytics

When it comes to diagnostic analytics, several concepts must be considered.

These include hypothesis testing, distinguishing between correlation and causation, and learning about diagnostic regression analysis.

If you want to uncover the sources of trends and correlations between variables, you can analyze the data by running algorithms, such as Microsoft Excel, or manually.

For example, sales leaders can use diagnostics to identify the behaviors of sellers who are on track to meet their quotas using data mining capabilities.

A hypothesis test can guide and focus your diagnostic analysis by proving or disproving an assumption.

It’s essential to appreciate the contrast between correlation and causation. If there is a link between two or more variables, their directions are correlated. For example, if two variables have a positive relationship, an increase in one will increase in the other.

But, if they have a negative correlation, a rise in one will cause a decline in the other.

The use of diagnostic regression analysis is to explain the relationship between variables in a historical context. Also, it can be used to develop forecasts for the future - leading us to predictive analytics.

Use of predictive analysis

For example, data will be used to predict the future instead of reviewing the past.

Predictive analytics is going to make a mark in many industries. For example, banks and financial institutions will use this technology to mitigate risks related to loans and credit cards.

Healthcare, for instance, will use it as a predictive analysis model for detecting risks and possible diseases.

Law enforcement will use it to identify and prevent crime trends; marketers will leverage it for different trends and use it for targeted advertising.

As we see the benefits of the maturation of data analytics, we also know why it is important to inform yourself about it. For example, predictive analytics can discover and evaluate predictive patterns with forecasting and machine learning.

By analyzing and understanding such data, every company can be better prepared for the future and solve the problems they encounter.

Prescriptive analytics

Prescriptive analytics determines the best way to achieve or influence a particular outcome.

As a result of combining prescriptive analytics with predictive, prescriptive analytics naturally draws upon and extends insights, answering the question: What needs to be done? Or what should we do next?

Using data to determine the optimal course of action is called prescriptive analytics.

In light of this, prescriptive analytics is a valuable tool for data-driven decision-making since it considers all relevant factors.

In this type of analytics, machine learning algorithms are often used to analyze large amounts of data more quickly and often more efficiently than humans can.

Based on a combination of requirements, algorithms make recommendations based on "if" and "else" statements.

Algorithms can provide data-driven recommendations, but they can’t replace human refinement.

Prescriptive analytics can only be viewed as a tool to inform decision-making and strategy.

For example, we’re all watching never-ending posts on Linkedin or any social media about ChatGPT. Chances are, it’s due to algorithmic content recommendations.

By scrolling through social media, you encounter many posts or videos popping up while browsing. Businesses use these algorithms to collect data from your past activity on their platform.

Those actions can act as indicators for the recommendation engine to suggest specific content to you.

The algorithms analyze the information and behavior and offer more content that would appeal to you.

Data analytics is evolving rapidly

Modern technology trends combine data analytics with future technologies like AI, Blockchain, IoT, Edge Computing, and more.

Exciting new developments in the field are helping businesses unlock hidden insights and use data more effectively than ever. But just consider that it was just an experiment a few years ago.

Also, this is creating thousands of career opportunities in data analytics.

With the right skill set, you can take advantage of this growing industry. The most important thing is being proactive and learning to stay relevant.

Remember to watch out for specific trends in the field of data analytics:

- Increasing demand for real-time insights
- A more significant emphasis on explainable AI

With the advent of streaming data and the growing popularity of IoT devices, businesses are now looking for ways to gain insights from their data in real-time.

This requires techniques and tools to quickly handle a large volume of data and provide results.

As AI becomes more prevalent in business decision-making, there is a need for methods that can explain how AI models arrive at their results. This is important not only for transparency but also for building trust in AI systems.

Is your business data-driven?

You need to answer this before you start embellishing the information you just gathered.

When we combine all of the rule-based approaches and incorporate established information in a structured way, research groups use every optimization technique to identify optimal outcomes, with its benefits and challenges.

Combining predictive and prescriptive capabilities is often the initial step in creating executable plans, solving business issues, and making more informed decisions.

To be data-driven, businesses must recognize the potential applications of carried analytics to decide the competencies, roles, infrastructure, and technologies needed.

References

1. datadome.co - learning-center / how-to-prevent-account-takeover-attacks - https://datadome.co/learning-center/how-to-prevent-account-takeover-attacks/

2. zikanalytics.com - https://www.zikanalytics.com/

3. techtarget.com - searchbusinessanalytics / definition - https://www.techtarget.com/searchbusinessanalytics/definition/data-mining