

COMP 333 — Week 5 Business Intelligence

Business Intelligence

Business Intelligence is the modern name for Decision-Support Systems in business.

Early successes of Decision-Support Systems in business,

for example,

by Wal-Mart is streamlining its supply chain, and

by Amazon in building out a distribution channel

have since been followed by even greater successes of

Data Analytics and Big Data

Today e-commerce is replacing bricks-and-mortar shopping.

that sparked Data Analytics more broadly across society

Definition Business intelligence (BI) is a technology-driven process

for analyzing data and presenting actionable information

which helps executives, managers and other corporate end users

make informed *business* decisions.

Wal-Mart

Wal-Mart revolutionized the relationship between shops and their suppliers.

JIT (Just-in-Time) delivery moved costs to the suppliers

E-commerce introduced network standards to support JIT and cut order processing costs

Wal-Mart used its leverage as a bulk orderer to get better deals from suppliers

Some History

1987 Wal-Mart completes the largest private satellite communication system in the US. It links all operating units of company and headquarters with two-way voice, data and one-way video communication.

A check-in system designed to take full advantage of container bar-code labeling is in the back room of every Wal-Mart store.

1990 A data warehouse prototype is created to store historical sales data.

1992 Wal-Mart deploys the Retail Link system to strengthen supplier partnerships. The system provides vendors information on sale trends and inventory levels.

Amazon

Amazon built out the distribution channel

to support online shopping

gathering all shopping in one site

The recommender system aims to maximise sales to individual buyers.

What data does Amazon collect? Amazon gathers data on every one of its customers while they use the site.

As well as what you buy, the company monitors

- ▶ what you look at
- ▶ your shipping address
- ▶ whether you leave reviews/feedback

Amazon can take a surprisingly good guess at your income level based on where you live

You may find the supplementary material informative.