MOBILITY MEETS BIG DATA

BIG DATA PROMISES TO OPTIMISE E-COMMERCE LOGISTICS AND DELIVERIES
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Big Data is becoming instrumental in enhancing online shopping, which continues to grow significantly. Although retail in general is still facing difficult times, fuelled by the recent economic downturn, the European e-commerce turnover still managed to increase by 15% to €530 billion in 2016. Against this backdrop, it is safe to say that e-commerce is here to stay.

Today, customers are demanding a high level of service from retailers, regardless of how they buy products or receive delivery, creating new challenges for the retailers. Whether their business is online, in physical stores, or both, all retailers face similar challenges. They have to deliver a seamless customer experience at every sales point, maximise sales across every channel and device, and live up to their promises regarding product availability and delivery. In the UK and Germany, more than 65% of shoppers aged 21 or younger prefer to have both a physical and an online experience. Consumers expect shopping to be convenient, and expectations are still rising: 40% are looking for even easier shopping across online and offline channels, 41% expect improved customer service, 45% want improved delivery service, and 46% ask for easier return and refund (E-commerce Europe, 2016).

In addition, consumer surveys — including the latest study by Citizens Advice — reveal that as many as two thirds of consumers are likely to have experienced at least one problem with their online shopping parcel delivery in the past year. The most common problem is not a late or lost parcel, as one might think, but of not being at home to pick up the parcel.

Overall Big Data can help not only in identifying challenges and trends, but also in helping to devise new approaches and solutions to streamline e-commerce. Indeed, surveys have revealed that factors such as personalised services, dynamic pricing, predictive analytics, supply chain optimisation and visibility are some of the core Big Data application areas in the field of e-commerce.
More people than ever before are shopping online, a phenomenon which plays an important role in radically enlarging the customer base for retailers and fostering competitiveness. Industry, businesses, delivery companies, transport companies and retailers can all benefit from this growing trend.

However, in order to ride the e-commerce wave, it is pivotal to look at how consumers behave online, especially through social media. Today, all social media platforms such as Facebook, Twitter, Pinterest, and even LinkedIn are vehicles for advertising, while google algorithms are making sure that netizens are viewing ads that are relevant to them. This makes it much more enticing for anyone to press a button and get the latest running shoe, smart phone or multi-flavoured macarons that will be delivered right to his or her door.

This is exactly why social media is a top priority for many business executives today. Decision makers, as well as consultants, are constantly looking for ways in which firms can make money from platforms such as Wikipedia, YouTube, Facebook, Second Life, and Twitter. While there could be confusion on what the term social media really means, one way to view it is to consider it as all sites and networks which feature user-generated content (which is why Wikipedia can somehow fit into social media as well).

All this activity and content are of course generating huge amounts of data – from high-traffic times to purchasing trends – which all need to be analysed, a challenge which falls entirely within the realm of Big Data. To put it simply, by analysing all the information emerging from social media, retailers can improve their services, while logistics companies can streamline their operations once they’re armed with this valuable insight.

A major part of TransformingTransport’s e-commerce pilot involves analysing social media and extracting usable information so that e-shops can optimise their products and services. The pilot team is currently examining the importance of user-generated content and identifying key performance indicators (KPIs) that businesses can use to measure content importance. The team is outlining different ways in which e-commerce companies can use KPIs and extract useful information, overcoming the challenge of being overwhelmed by all the data. The pilot’s findings will no doubt contribute to improving delivery and ultimately e-commerce.