



Data Collection and analysis for forming Sales Strategy in E-commerce

Description

This article presents insights into problems faced by companies in getting competitive information from e-commerce channels and what they can do in such a scenario.

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Ecommerce in India is expected to be around USD 22 billion in 2015 with around 243 million in 2014. Internet penetration is only 19% and is expected to grow significantly in coming years¹.

Given these facts, companies have started forming strategies to become part of e-commerce growth. As part of same, they primarily need to look into the following areas:

- Channels to sell on (like Amazon, Big basket, Peppertap etc)
- Pricing
- Marketing and promotions
- Complementing existing channels rather than cannibalizing existing channels
- Order fulfillment

- Content Management (Ensuring right content on each channel for every product)
- Competition analysis (Keeping an eye for new one too!!)

In traditional method of selling, companies relied on data from their market research efforts and external partners to form relevant strategies.

Following type of data analysis is used to build sales strategy:

- Market share divided based on
 - Volume
 - Value
 - Geography
 - SKU's wise (like say share in 1 KG pouch versus 25 gram pouch for one time use)
- Market forecast
- Competition analysis
 - Pricing
 - Geographical reach

With emergence of e-commerce, market share would not be available unless your e-commerce partner agrees to share it with you.

So, in this scenario, companies need to look into new parameters, customized for online marketplaces:

- Most popular channels for concerned product
- Market trackers
 - Price comparison
 - Promotions run by competition
 - Data on bestsellers in relevant product category
 - Top ranked products
 - Own's and competition's share of 1st page
 - New launches
- Search optimization
- ROI from promotions
- Customer ratings of product

These parameters would complement their own sales data and can help in implementing an effective e-commerce strategy.

Source:

1. [PWC report, eCommerce in India Accelerating growth](#)