

Business Analytics: Trends or Necessity?

Eileen Blümel

December 7, 2025

What is Business Analytics?

Business Analytics is everywhere. You hear people talk about it, but do you understand what they mean by it? Business Analytics, at its core, is the scientific process of turning diverse data into meaningful insights that organizations can use. The field combines statistics, programming, data management and domain knowledge to help businesses better understand what is happening, why it is happening, what might happen next and what they should do next. It is used for operational as well as strategic decision-making in businesses around the world. Today, business analytics plays a huge role in organizations as they rely on it to improve efficiency, reduce costs, predict future trends and enhance customer experiences. This can go from small decisions like how to optimize inventory to huge decisions like how to expand into a new market. Business Analysts provide evidence and clarity to support efficient choices in a quickly changing business world.

Why People Think It is a Trend

In recent years, there has been an increasing hype from the media about analytics, big data, AI and machine learning. More and more people started to use large language models like Chat GPT and the need for data scientists and analysts has risen drastically. While companies talk about big-data and a newly developed data-driven culture, behind everything are business analysts that deal and work with the data and turn it into the insights the business need. Due to the influence of social media and the increasing supply of online courses, people tend to only see analytics as a trend recently.

Why It is Actually a Necessity

Companies generate massive data using apps and a huge number of transactions every day. The need for real-time decision-making increased over the years and companies are in the need of having analysts that help them make business-driven and data-driven decisions. Due to large amounts of competition, companies need to

have evidence for their decisions and a manual analysis is just impossible for the modern data and its volumes. That is when Business Analysts come into place.

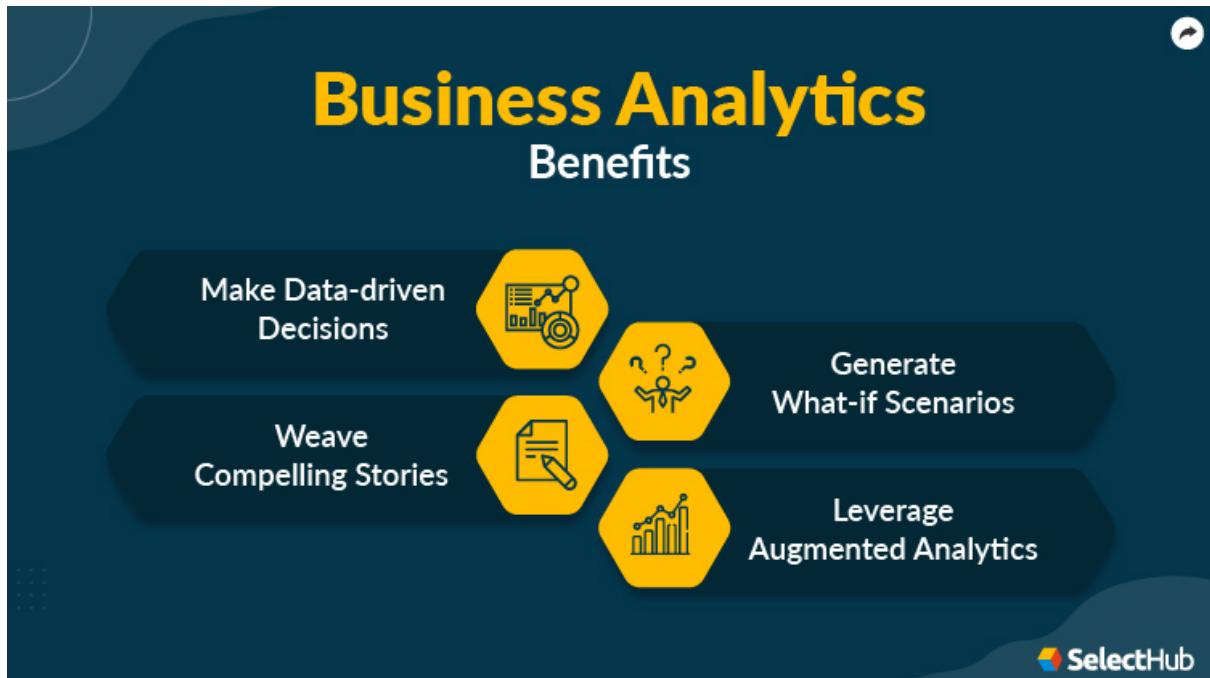


Figure 1: [Benefits of Business Analytics](#)

They use their skills of programming, working with the data, machine learning, etc. to Make data-driven decisions. They generate what-if-scenarios and ask just the right questions. They transform the data and build useful dashboards and give invaluable recommendations for the businesses by telling compelling stories. Additionally, they leverage augmented analytics. Further, with increasing regulations in regards of compliance, governance and business ethics, the data needs to be managed properly.

Examples of Business Analytics in Daily Operations

Business Analytics is everywhere. Think of any field and you will realize soon enough that data and transactions happen in every area of life. Let's think about retail. Business analysts are needed to make demand forecasts or improve inventory. In Finance, a huge part of machine learning is to predict. Imagine without Business Analysts, banks would have a hard time predicting if a potential customer could be a fraud or not and lose lots of money. With Business analysts, this risk is reduced immensely. In Healthcare, business analysts work with data in order to predict patient pathways and to allocate resources. In Marketing, businesses need to segment their customers or make churn predictions which can be done due to classification by business analysts. Think of any other fields and you will realize that there is most likely

someone behind the company that dealt with the data before there has been a decision made.

Skills Needed Today and Why They Matter

A basic foundation for any Business Analyst today is knowledge about SQL and databases. This is the background of retrieving data. Before even using SQL and doing any query, analysts need to really deal with the data, ask lots of questions and make sure they understand the project requirements. By using SQL then, they can simply query the most important information. Next to that, they need to know about ETL and ELT in order to extract, transform and load or extract, load and transform the data in a way that makes sense for their specific business context. Further, they need to have basic statistics knowledge which is a base for understanding data problems. Then, machine learning skills are needed in order to make classifications and predictions for numerical and categorical data. Further, business analysts should be able to code and use different programming languages like R or Python. Lastly, it matters a lot that they are able to break down the most difficult queries and code into easy to understand graphs and visualizations so that communication and storytelling is facilitated.

Why Companies Cannot Ignore It

Next to all reasons stated above, companies need to invest in their data analytics teams as this will increase the customer experience, it will reduce costs by optimizing processes and operations and will lead to better product decisions and predictions. Moreover, business analytics helps to have a stronger data governance and be compliant with the law and regulations. Additionally, by having prepared and ready to use data and dashboards, companies can get faster insights and make quicker predictions which can give them a competitive advantage.

Future of Business Analytics

There has been a huge increase in business analytics in recent years and it looks like real-time analytics will become the new norm. There will most likely be more increases automation in business processes as well as more low-code analytical tools and more integration of AI in data workflows in the workplace.

Conclusion

So, is Business Analytics just a trend? No, it is a long-term business requirement and therefore a necessity. Organizations that ignore it will most likely fall behind and will have trouble keeping up with customer demands and competition. It is most important to use business analytics efficiently as data literacy is becoming a core skill for everyone.