

# introduction to Data Analytics

## What Is Data Analytics?

Imagine a business — say, a café. Every day it collects data like:

- How many people came in
- What drinks they ordered
- What time they came
- How much money they spent

Now, if the café owner **just stores** this data and never looks at it — it's useless. But if he **studies** the data to find patterns like:

- “Most people come between 5–7 PM”
- “Cappuccino sells more than latte”
- “Rainy days = fewer customers”

Then he can **make better decisions** — maybe offer discounts during slow hours or stock up more Cappuccino ingredients.

☞ That process of *collecting data, studying it, and using it to make better choices* is called **Data Analytics**.

## Data Analytics Cycle

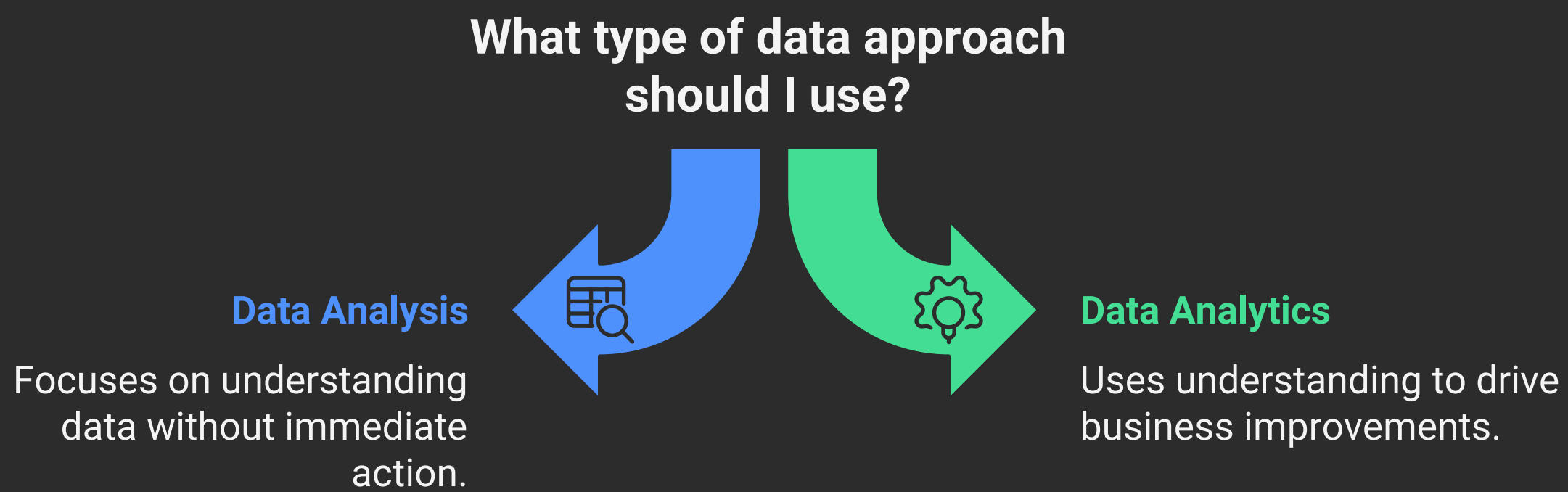


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## What's the Difference Between Data Analysis and Data Analytics?

- **Data Analysis** means simply *understanding* the data. Like: “I looked at my sales — they went up 10% last month.”
- **Data Analytics** means using that understanding to *improve your business*. Like: “Sales went up because of my new ad campaign, so I’ll run similar ads next month.”

👉 Think of it like this: **Analysis = Understanding. Analytics = Understanding + Action.**



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## Why Is Data Analytics Important in Business?

Because it helps companies:

1. **Make better decisions** — based on facts, not guesses. Example: Starbucks checks which locations get the most traffic before opening a new café.
2. **Save money** — by spotting inefficiencies. Example: Airlines use data to find the shortest, cheapest flight paths.
3. **Understand customers** — what they like, when they buy, and why. Example: Netflix uses your watch history to suggest shows you’ll enjoy.
4. **Reduce risk** — detect fraud or errors early. Example: Banks use data to catch fake transactions.
5. **Innovate** — create new ideas or products from patterns in data. Example: Spotify created “Discover Weekly” by analyzing listening habits.

So basically, **data helps every business run smarter.**

# Strategic Data Analytics



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## What Are Variables, Measurement, and Data?

Think of a spreadsheet — every column is a **variable** (like Name, Age, Salary).

- A **variable** is something that can change from one person or record to another.  
Example: Age, Weight, Country.
- **Data** is the actual value of that variable. Example: 22 years old, 75 kg, India.
- **Measurement** is how you describe or record that data.

## Why So Much Data Is Being Generated

Every second, billions of actions happen online — and each one creates data.

Examples:

- You watch a video → YouTube records that view.
- You search something on Google → that's a data point.
- You buy a phone on Amazon → that's data.
- You wear a smartwatch → it tracks your steps, heart rate, etc.

So, from phones, laptops, apps, sensors, social media — all of them generate data nonstop.

That's why we're drowning in data — around **1.7 megabytes per person, every second**.

## How Does Data Add Value to Business?

1. **Better Decisions:** Starbucks uses data to open stores only in high-traffic areas.
2. **Optimization:** Airlines use data to save fuel and time by flying efficient routes.

3. **Customer Experience:**Netflix or Amazon personalize your homepage based on your behavior.
4. **Risk Reduction:**Banks detect unusual transactions to stop fraud early.
5. **Innovation:**Apple studied user patterns and designed new features people actually want.

So, **data helps companies know what's working and what's not** — and act faster.

## Data-Driven Business Value Cycle



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### What Is a Data Warehouse?

Imagine a company that has data in many places:

- Sales in one database
- Marketing in another
- HR data somewhere else

A **data warehouse** collects all of that into *one big organized place*.

Then, analysts or managers can easily get a full picture — without jumping between systems.

Example:

- Walmart collects sales data from thousands of stores.

- It keeps all that in a data warehouse.
- Then it can quickly find patterns like: “Bread and butter sell more together in winter.”

👉 So, a **data warehouse** = a **huge library** where all business data lives neatly.

## 🔧 What Is a Data Product?

A **data product** is something that uses data to give a service or feature.

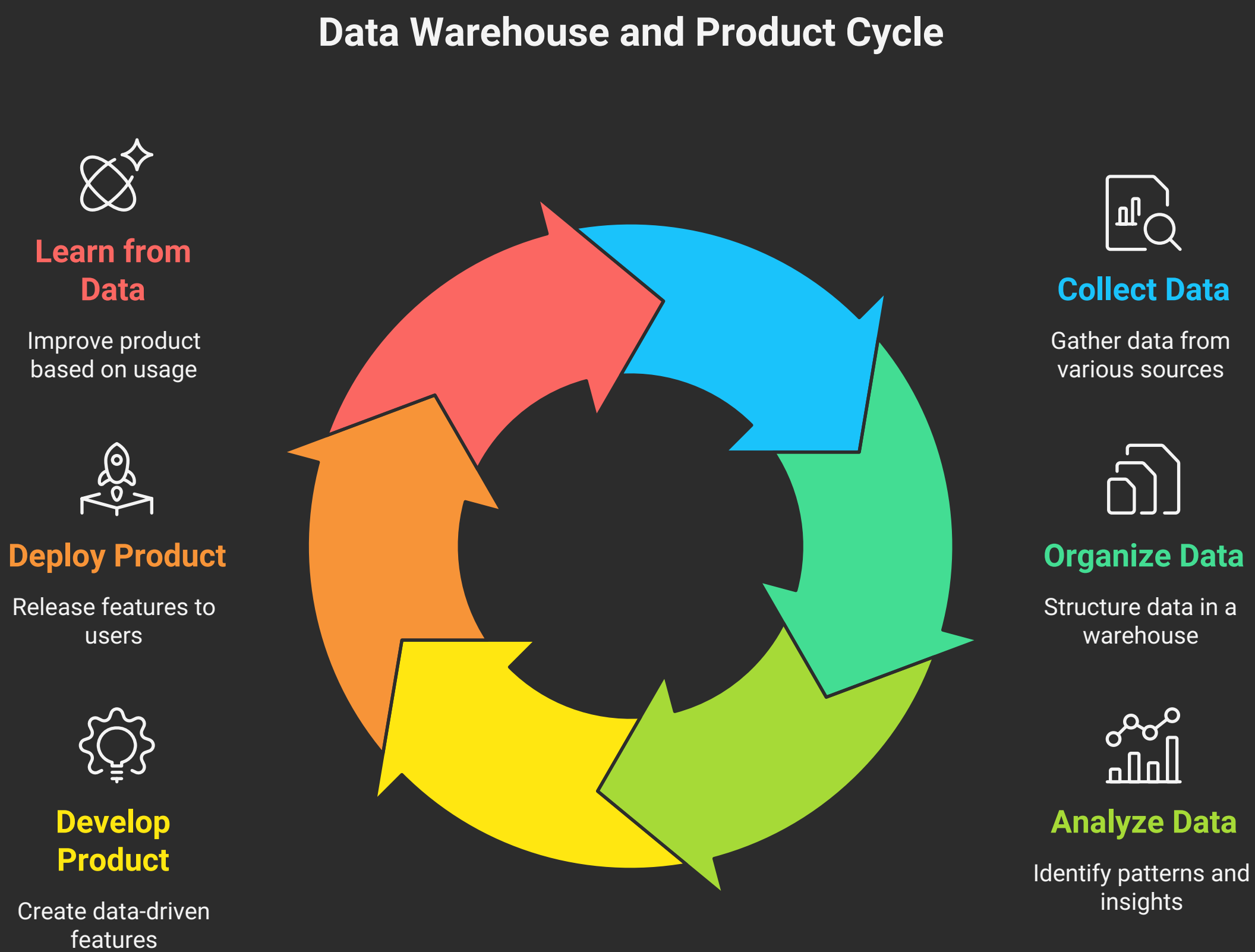
Examples:

- **Spotify** uses your listening data to recommend songs.
- **Google Maps** uses real-time location data to show traffic jams.
- **YouTube** recommends videos you’ll like next.

To make a data product:

1. Collect data
2. Clean and prepare it
3. Find patterns or train ML models
4. Build the feature
5. Deploy it to users

Basically — a product that *learns from data* to help users.



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## 🔍 What Does “Discovery of Data Insights” Mean?

It means finding something *useful* inside the data that wasn’t obvious before.

Example: An online store discovers:

- Most people shop after 8 PM
- Evening discounts = triple the sales

That's an **insight** — something you didn't know but now can use to act smartly. So, insight = "aha moment" from data.

## Different Types of Data Analytics

### **Descriptive Analytics → “What happened?”**

Looks at past data. Example: “Sales increased 20% last month.” You use charts, dashboards, or reports.

### **Diagnostic Analytics → “Why did it happen?”**

Finds reasons behind results. Example: “Sales increased because of Diwali discount.” You compare data, look for patterns or causes.

### **Predictive Analytics → “What will happen next?”**

Uses past data to predict the future. Example: “We'll get 10% more sales next month.” Done with machine learning or statistical models.

### **Prescriptive Analytics → “What should we do?”**

Suggests the best next action. Example: “Run the same discount next weekend to maximize sales.” Uses AI or optimization models to guide decisions.

## Which type of data analytics should be used?



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### Real-Life Example (Swiggy)

Let's apply all 4 types to Swiggy.

- **Descriptive:** "Orders increased 40% this weekend."
- **Diagnostic:** "Because of cricket matches and 50% offers."
- **Predictive:** "Next IPL match → expect 60% more orders."
- **Prescriptive:** "Add more delivery agents near stadiums during matches."

👉 That's the full cycle — data → analysis → insight → action.



### Final Thoughts

charts or software — it’s about understanding *why things happen* and *how to improve them*.

So remember:

- Data = facts.
- Analytics = using facts to make smart decisions.
- Insights = what the data reveals.
- Action = what you do with that knowledge.

That’s how businesses grow smarter using data.

Would you like me to now turn this whole “plain English” version into a **visual whiteboard layout (with arrows and boxes)** you can open in VS Code — like a proper “flow of learning”?

It’ll look like a mind map in text format, super easy to follow.