**How Walmart Uses Predictive Analytics**

With Walmart being the largest retailer in the world, it makes sense that they would take a data driven approach to make decisions. In the article linked below, it is explained how Walmart uses an AI inventory system to leverage predictive analytics to set inventory around the holiday time. Walmart uses historical and geographical data to be able to “strategically place holiday items across distribution and fulfillment centers, and stores, optimizing the entire shopping experience.” The use of predictive analytics allows Walmart to optimize the layout and inventory of their stores to serve their shoppers the best they can. The predictive models can show Walmart trends that allow them to understand and predict consumer behavior with high accuracy. According to the article, “Our AI-driven systems leverage a variety of factors to determine both quantity and timing of inventory flow, as well as more precisely identify where we distribute.” The predictive models have enough depth to give insights as to how geographic locations consumers will have different behaviors. This allows Walmart to cater to the consumers in each geographic location rather than treating all consumers the same. Although this article talks about the specific example of using historical data for the layout and inventory of the stores, predictive analytics is certainly used heavily for forecasting sales and revenue in the business. The same type of historical data that is used for layout, is used to determine what months/days have the most/least sales. Predictive analytics is something that is an incredibly powerful tool for businesses, and it is only going to get stronger with the increasing technology at our disposal.

<https://tech.walmart.com/content/walmart-global-tech/en_us/news/articles/walmarts-ai-powered-inventory-system-brightens-the-holidays.html>