Data Analytics

Data analytics is a broad term describing a set of techniques to analyze sets of data. Analytics is particular powerful in the context of consumers and merchants since it can indicate ways to minimize operation costs as well as predict future transactions. A consumer’s purchase history is an excellent example of a data set to analyze. For this case, we can develop a model that describes a consumer’s shopping habits and trends to show that someone who buys Product A might be more likely to buy Product B – but only during the summer months.

Yep would greatly benefit from having a strong analytical engine for two reasons: ease of adoption and the untapped market potential. Since Yep acts as a rewards / membership card, there is low friction at the point-of-sale. Thus, tracking purchases is not necessarily slower than checking for membership or rewards eligibility. Moreover, the targeted market (13-18) seems to be a predominantly cash market. Thus, the data that Yep could gather would be fresh, new data for businesses.

There is a multitude of data Yelp could collect with a data analytics engine. Purchasing relationships between merchants can be tracked (i.e. a consumer buys a product and then immediately goes to a neighboring business). The time / date purchases are made can be related to particular demographics to forecast future sales. Finally, even consumers with seemingly disjoint interests and non-obvious connections can be used to improve one another’s interests.