

Big Data Can Make or Break a Product—Here’s How to Use it the Right Way

By Arthur Friedman



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[Big data](#) has certainly changed the way apparel companies plan and market their products, but how they follow through with that information can spell the difference between success and failure.

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As Edward Hertzman, founder and president of Sourcing Journal, asked experts on the panel “[Big Data and Manufacturing](#)—How to Effectively Capitalize on the Next Big Trend,” Tuesday at [Texworld USA](#), “Is there inherent risk to relying too much on data when it comes to...making decisions on your product?”

The risk, [Trendalytics](#) founder and CEO Kathy Leake said, stems from “relying on one source of data,” such as retail’s over-reliance on historical data. That can be “incredibly dangerous,” especially when there are so many other data sources available to help drive business decisions, she added.

There is by its nature inherent risk in launching new products, which deliver 50 percent to 80 percent failure rates, Gretchen Jezerc, senior vice president of marketing at [First Insight Inc.](#), said. Rue 21, a [First Insight](#) client, saw 93 percent of new products fail when tested in stores, she said.

“The good news is that there are tools available leveraging data and a variety of sources of data and tools to be able to mitigate that risk,” Jezerc said. “First Insight, for example, has been able to improve new product success rates by 30 percent to 80 percent.”

First Insight recently signed an agreement with [Li & Fung](#) to integrate First Insight’s Voice of the Customer analytics with Li & Fung’s digital product development solution to help brands and retailers buy with more confidence, minimize markdowns and end the season with less excess stock.

Billy Naveed, head of strategy at [Zilingo](#), said from his point of view, having data at one’s fingertips isn’t necessarily the answer to successful product launches or performance. “If the data doesn’t bring you to that ‘so what,’ moment,” he said, then the data is essentially “useless.”

For Zilingo, data science is about getting the right information to the stakeholders along the supply chain that can make a difference in developing and delivering to right product to the consumer, Naveed said.

Zilingo’s supply chain software helps companies act more efficiently and transparently throughout their operations and manufacturing network, Naveed said. The software digitizes the manufacturing process in areas such as quality control, line balancing and invoicing, as well as production on the factory floor.

Companies that are able to “harness the power of data,” from the top down are poised for success, Leake noted. Jezerc agreed that “actionable is a key word” because “a bunch of data isn’t the same thing as...information that you can actually use to drive decisions.” Adopting “technology and tools and

integration of those into the process” is what makes for success,” she added.

Leake and Naveed both concurred that having the correct supply chain to carry out a product launch is vital to quality, delivery and consistency.

The challenge, Jezerc said, is also getting retailers and brands to understand that analytical tools are there to help them if used properly. She and Leake stressed that’s why it’s important for brands and retailers to utilize companies like theirs that can help them synthesize the data and put into work.

“The fact that consumers are telling us what they want in increasing levels of scale over the past 10 years in an incredible opportunity,” Leake added. “There’s no single measure of demand than a search query. And we’re not just listening to the data, we’re parsing it, analyzing it and driving insights from it.”

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