Market Basket Analysis (MBA): A Tool For local grocery shops/convenience stores to build strategy to compete with Supermarket

Abstract:

Supermarkets are using transactions data to find out relationships between sales of one product with other. This is known as affinity analysis or marketing analysis. On the other hand most of the Grocery shops/Convenience stores are not using any strategy. The research is going to help the Grocery Shops/Convenience stores to analyze the sale of the product so that they can create competitive pricing to increase sales. The study discusses XLMiner as a tool for analyzing the transactions which will help the Grocery shop/Convenience stores owners to achieve the competitive edge through technology. Market Basket Analysis (MBA) has emerged as the next step in the evolution of merchandising and promotion. MBA has allowed leading retailers to quickly and easily look at the size, contents & value of their customer’s market basket to understand the patterns of product affinities and products. The paper proves advanced implementation of market basket analysis leverage near-instant results to encourage “train-of-thought” or interactive analysis, enabling retailers to drill down into customer buying patterns over time to precisely target & understand specific combinations of products, brands, categories & even time of day.