

The Importance of Clean Data and the Product Master

The benefits of good forecasting are far-reaching. Businesses that practice good forecasting may realize increased profits, improved inventory turnover, and better cashflow. But, ***the #1 requirement for good forecasting is good data***. Quality analysis can only be completed if the data that is being used is complete, accurate and clean. Otherwise, it's "garbage in, garbage out."

At [basic-code]™, the first thing we do is help companies clean and organize their data.

Cleaning the Data - By cleaning, we mean that we make sure information is accurate, complete, and not duplicated. We put together a template for companies to fill in hierarchy and attribute information. To have clean data:

- SKUs must not be duplicated.
- The numerical data history must be free from data entry errors, formatted correctly and entered into the correct time periods.
- There can be no blanks in this table, as that would result in that SKU's data being excluded from the analysis of a particular attribute.
- The attribute values must also be consistent. For example, if the name of a state is abbreviated for one SKU, but spelled out for others, the analysis for that attribute would be inaccurate.

Organizing the Data - The data is organized into a Product Master which contains the Hierarchy and Categorization of all the company's products. These are unique to each business.

- The hierarchy is the organization of products, similar to a family tree, where there is a "Parent" with one or more "children" underneath. For example, a Shopify store may have an Apparel Division, with a Women's Department underneath Apparel, and Outerwear, Tops and Bottoms underneath Women's.
- In addition to Hierarchy values being assigned to each SKU, attribute values are assigned. These are the selling features that are important to your business. For example, attributes could be seasonality, size, color, and style. By assigning attributes, store owners can slice and dice their data to get great analysis on what is and isn't working for their store.

Maintaining a quality Product Master does take diligence and effort. But, if steps are taken at the beginning to ensure only complete, accurate and clean data enters the forecasting system, businesses can realize the benefits that good data analysis and forecasting can add to the bottom line.

For more information about the importance of clean data and the Product Master:

Contact us at [basic-code]™, <https://basic-code.com/>

We'd be happy to help you clean and organize your data so you can reap the benefits of great analysis and forecasting!

