Harmonization: The Tower of Babel

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The Tower of Babel, a theme of stories shared across many civilizations, recounts how everyone in the world spoke a common language and began building a tower to heaven to establish a name for themselves. God determined that they overstepped their bounds and resolved the situation by giving them different languages and scattering them across the globe, so they could no longer collaborate on such a grand scale.

Consumer goods companies (CGs) encounter the reverse situation when they attempt to collect and analyze consumer demand data – they need to consolidate a multitude of languages into a single temple. Retailer POS and replenishment data, distributor inventory and shipments and syndicated market data are all data sources electronically communicated in different “languages”. The data is delivered in different ways and “spoken” with different definitions, syntaxes and grammars.

In order to manage and interpret the data, CGs typically create and maintain multiple silos¹ of information, each serving the needs of different user bases within their enterprises – manufacturing, customer logistics, finance, marketing and every customer’s sales team. Sometimes, even individual users have their own silos for special reports and analytics that they need to publish monthly, weekly or even daily.

It is more practical and efficient for CGs to combine all of this data into a single repository that can be shared by all users – a “Demand Signal Repository”² (DSR). The problem is that the multitude of data sources vary by nearly as many languages and dialects as exist on Earth. Creating a Tower of Babel for consumer demand data with a common vocabulary, syntax and grammar is the challenge of translating, aligning and normalizing data into a shared, valid and timely platform. Being able to interpret those sources of data and speak with one language is the challenge of “Harmonization”.

Click here to receive the rest of this white paper on creating a Demand Signal Repository from your retail activity data.

¹ Information Silos: Operational databases for targeted analytics, typically used within departments or teams
² Demand Signal Repository: Data warehouse for storage of consumer demand data, often for consumer goods companies