Optimized Exploratory Data Analysis Report

1. Introduction

This report analyzes online retail transaction data to uncover insights into sales trends, product performance, and customer behavior. Key columns include:

- InvoiceNo: Transaction identifier.
- InvoiceDate: Transaction date and time.
- StockCode: Item identifier.
- **Description**: Product description.
- Quantity: Units sold per transaction.
- UnitPrice: Price per unit.
- Country: Customer location.

Objectives

- Analyze sales trends.
- Identify top products and regions.
- Provide insights for inventory and customer segmentation.

2. Data Overview

Dataset Summary

- **Shape**: (541,909 rows, 8 columns).
- **Key Columns**: All relevant data types are as expected.

Issues Identified

- Missing values:
 - o **Description**: 1,454 missing entries (filled as Missing).
 - o CustomerID: 135,080 missing entries (replaced with Unknown).
- Outliers in Quantity and UnitPrice.

3. Data Cleaning

Steps Taken

- 1. Handling Missing Values:
 - o Description: Replaced with "Missing".
 - o CustomerID: Replaced with "Unknown".
- 2. Derived Column:
 - o Added TotalRevenue = Quantity × UnitPrice.
- 3. Datetime Conversion:
 - o Converted InvoiceDate to datetime format.
- 4. Removed Outliers:
 - o Filtered rows with negative or zero Quantity and UnitPrice.

4. Exploratory Analysis

4.1 Sales Trends

- Peak sales occurred in **November**, showing seasonality.
- Monthly revenue trends indicate strong end-of-year performance.

4.2 Product Performance

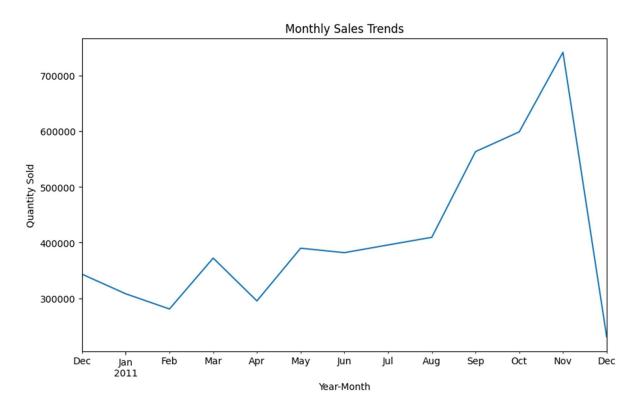
- Top Products by Quantity Sold:
 - o WORLD WAR 2 GLIDERS ASSTD DESIGNS.
- Top Products by Revenue:
 - o DOTCOM POSTAGE: £206,245.48.
 - o REGENCY CAKESTAND 3 TIER: £164,762.19.

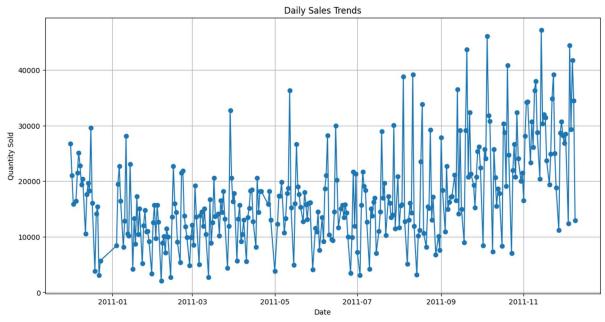
4.3 Regional Insights

- Top Countries by Revenue:
 - o United Kingdom: £8,209,930.48 (80%+ of total revenue).
 - o Netherlands: £284,661.54.
 - o EIRE: £263,276.82.

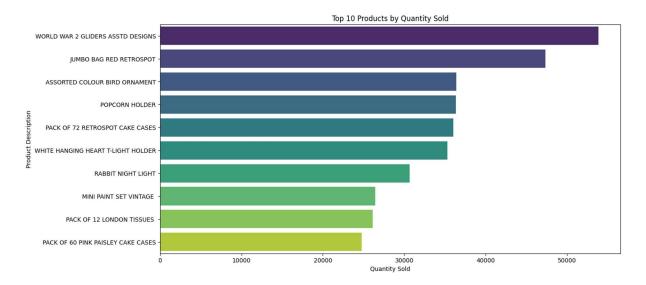
5. Visualization

5.1 Sales Trends



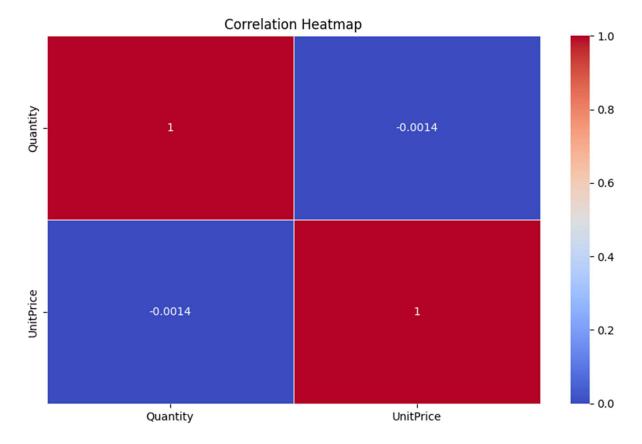


5.2 Product/Category Performance:

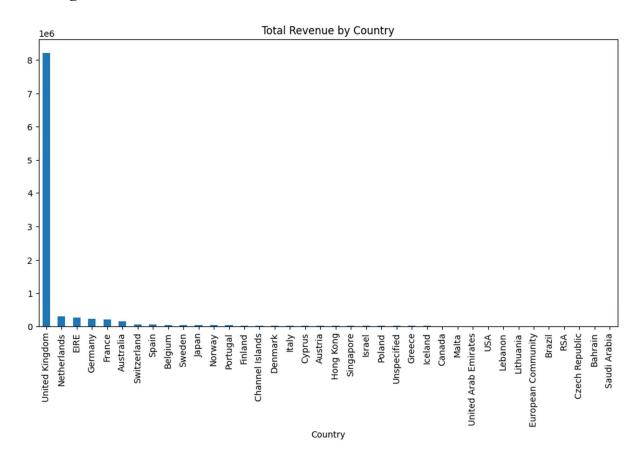


5.3 Correlation Analysis:

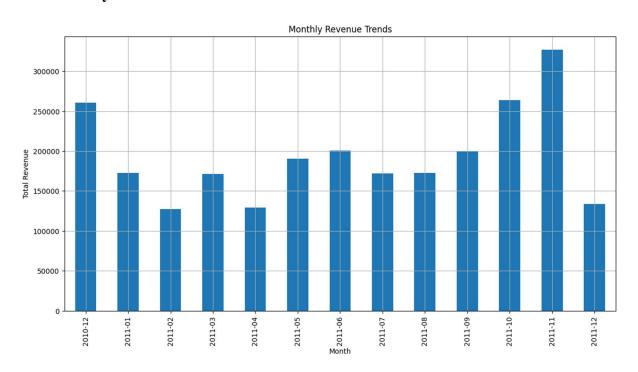
Heatmap showing a correlation between Quantity and Unit Price.



5.4 Regional Sales:



5.5 Monthly Revenue Trends:



5. Insights and Recommendations

5.1 Key Insights

- 1. Top-performing product: DOTCOM POSTAGE drives significant revenue.
- 2. **Regional dominance**: The United Kingdom generates the majority of revenue.
- 3. Seasonal peak: November shows the highest sales activity.

5.2 Recommendations

- 1. Inventory Management:
 - o Maintain high stock for top-performing products.
- 2. Regional Focus:
 - o Strengthen marketing in the UK and explore Germany for expansion.
- 3. Pricing Strategies:
 - o Regularly review prices for optimization.
- 4. Return Management:
 - o Investigate reasons for high returns and address them proactively.

6. Conclusion

This analysis highlights the UK as the primary market and identifies significant seasonal trends. Top-performing products and regions provide actionable insights for inventory and marketing strategies.

Next Steps:

- 1. Analyze customer demographics for deeper segmentation.
- 2. Implement predictive modeling to forecast future trends.