Business Report

On

Exploratory Data Analysis (EDA)

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Exploratory Data Analysis (EDA)

Introduction

The EDA process aims to understand the dataset, identify patterns, and extract business insights that can help in decision-making. The dataset consists of three files:

- 1) Transactions.csv Contains purchase history details.
- 2) Customers.csv Contains customer profile information.
- 3) Products.csv Contains product details.

Data Overview

The data was loaded and inspected using head() and info() functions to understand the structure, columns, and data types.

Customer Data:

- Top five records was displayed using customers_df.head()
- Information about data types and missing values checked with customers_df.info().

Transactions Data:

- Top five records was displayed using transactions_df.head()
- Information about data types and missing values checked with transactions df.info().

Data Merging:

The datasets were merged using CustomerID and ProductID to create a comprehensive dataset for analysis.

Exploratory Data Analysis

1. Top 5 Customers by Purchase Value

• The top customers were identified based on the total purchase value.

```
Top 5 Customers by Purchase Value:
CustomerName
Paul Parsons 10673.87
Bruce Rhodes 8040.39
Gerald Hines 7663.70
William Adams 7634.45
Aimee Taylor 7572.91
Name: TotalValue, dtype: float64
```

Fig: Top 5 Products by Purchase Value

• Explanation: The chart shows the top five customers who spent the most money. The x-axis shows customer names, and the y-axis shows the total money spent.

2. Top 5 Products by Sales Quantity

• The highest selling products were determined using:

```
Top 5 Products by Sales Quantity:
ProductName
ActiveWear Smartwatch 100
SoundWave Headphones 97
HomeSense Desk Lamp 81
ActiveWear Rug 79
SoundWave Cookbook 78
Name: Quantity, dtype: int64
```

Fig: Top 5 Products by Sales Quantity

Explanation: This chart shows the top five products sold in the highest quantity. The longer the bar, the more units sold.

3. Monthly Sales Trend

• This bar plot shows the monthly sales trend.

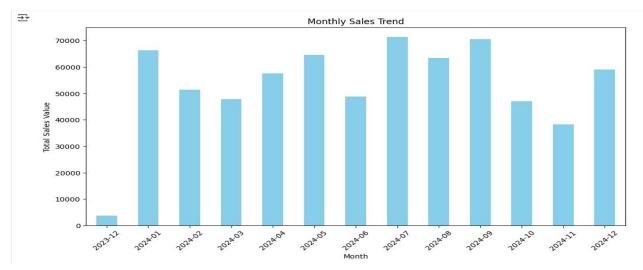


Fig: Monthly Sales Trend

• Explanation: This chart shows total sales for each month. The x-axis has months, and the y-axis has total sales.

4. Customer Distribution by Region

• This bar plot is showing the distribution of customers across different regions.

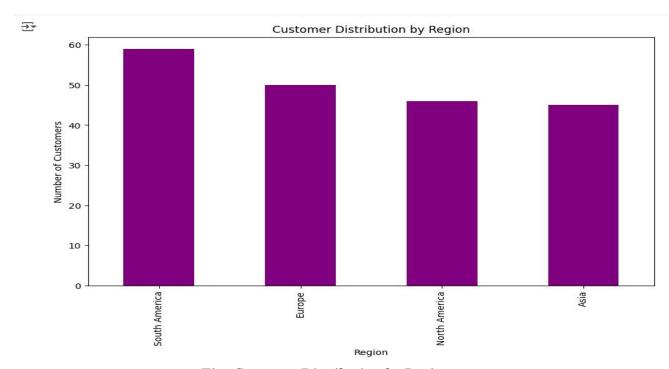


Fig: Customer Distribution by Region

• Explanation: This chart highlights the number of customers in each region, helping identify the most populated areas by customers.

5. Sales Performance by Product Category

• This bar plot is showing the revenue contribution from various product categories.

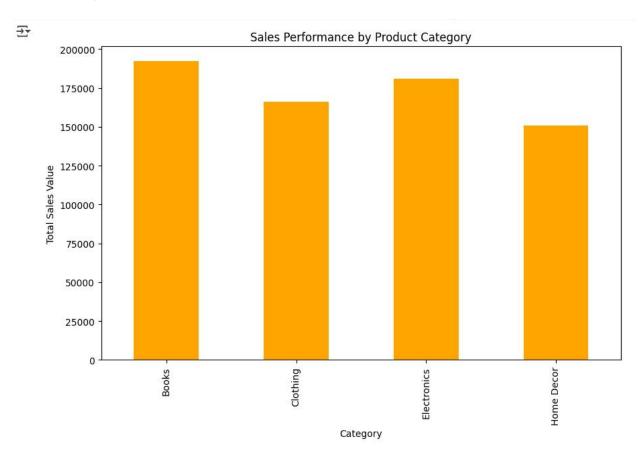


Fig: Sales Performance by Product Category

• Explanation: This chart helps understand which product categories earn the most revenue.

6. Seasonal Sales Trends

• This line plot is showing sales performance trends across different months.

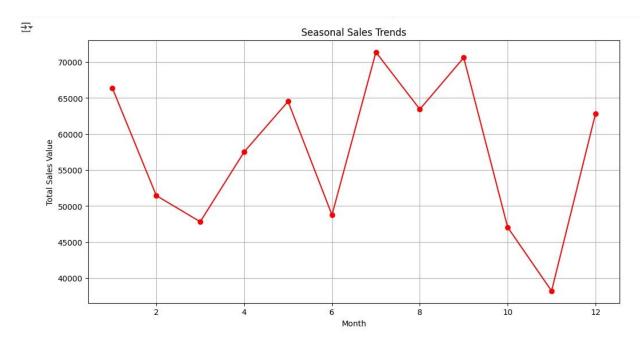


Fig: Seasonal Sales Trends

• Explanation: The line plot shows fluctuations in sales value across different months, indicating potential seasonal patterns and peak sales periods.

7. Top Customers Contribution to Revenue

• This pie chart is illustrating the revenue contribution from top customers.

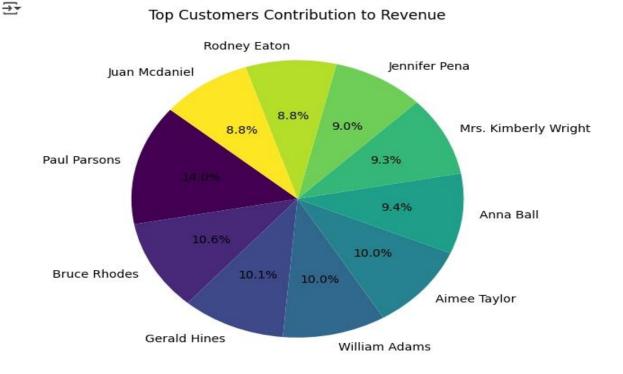


Fig: Top Customers Contribution to Revenue

Explanation: This pie chart visualizes the percentage contribution of the top customers to the total revenue.

8. High-Value vs Low-Value Product Comparison

• This bar plot is highlighting the contribution of high-value products.

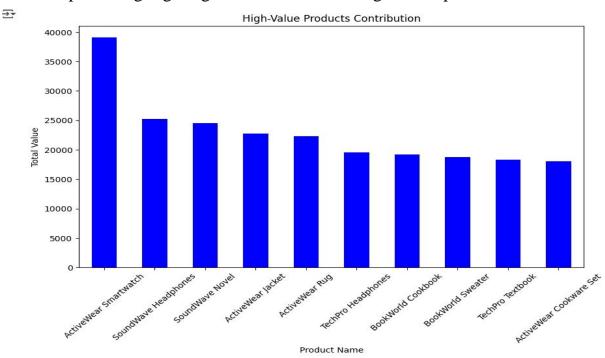


Fig: High-Value vs Low-Value Product Comparison

• Explanation: The chart shows how high-value products contribute more revenue despite selling in lower quantities.

Business Insights

- The highest number of customers come from South America.
- Electronics and Clothing are the top-selling product categories.
- Sales show a peak during the months of March and August.
- A small group of customers contribute to a large percentage of total sales.
- High-value products contribute significantly to revenue despite lower quantities sold.