Product Performance Overview

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Content:

- **Purpose:** To provide a comprehensive analysis of individual product performance across sales, profitability, customer engagement, and returns.
- **Key Questions Addressed:**
    - Which products are our top revenue drivers and profit generators?
    - How long do our products remain active, and how frequently are they purchased?
    - What is the efficiency of our products (e.g., return rates, AOV)?
    - What are the performance trends within our product categories?
- **Goal:** Inform strategic decisions for product development, marketing, inventory, and lifecycle management.

Top 10 Products by Gross Profit

Key Takeaways:

- **"Canada Goose Men's The Chateau Jacket" Leads Profitability:** This single product generates the highest gross profit at **$6,209**, making it our most profitable item.
- **Strong Performance from Outerwear & Activewear:** Several outerwear items (e.g., "Quiksilver Men's Rockefeller Walkshort," "The North Face Men Ski Pants," "Canada Goose Men's Citadel Parka," "The North Face Apex Bionic Jacket") and activewear (e.g., "NIKE WOMEN'S PRO COMPRESSION SPORTS BRA") consistently rank high in gross profit.
- **Diverse Category Representation:** While outerwear is prominent, the top 10 includes a mix of categories, including men's shorts, jackets, and a women's sports bra, indicating varied profit drivers.
- **High-Value Units Drive Profit:** The nature of these products (jackets, ski pants, etc.) suggests that higher-priced or specialized items are contributing significantly to overall gross profit.
- **Focus for Inventory & Marketing:** These top-profit items should be prioritized for inventory management, prominent marketing, and potential cross-selling/upselling strategies to maximize overall profitability.

Top 10 Products by Gross-Profit

Product Id	Name	
18340	Canada Goose Men's The Chateau Jacket	6,209
22812	Quiksilver Men's Rockefeller Walkshort	6,030
23989	The North Face Freedom Mens Ski Pants 2013	5,337
23648	The North Face Apex Bionic Jacket - Men's	5,039
23742	Canada Goose Men's Citadel Parka	4,894
15486	NIKE WOMEN'S PRO COMPRESSION SPORTS BRA *Outstanding Support and Comfort*	4,822
18656	JORDAN DURASHEEN SHORT MENS 404309-109	4,795
23646	Diesel Men's Lophophora Leather Jacket	4,405
24428	The North Face Apex Bionic Mens Soft Shell Ski Jacket 2013	4,348
20368	Diesel Men's Jimeneo Jacket	4,330

Customer Distribution by Product Performance

Vast Majority of Users Engage with Low-Performance Products:
A striking **180,314 Orders** (the overwhelming majority) have purchased products categorized as 'low_performance' (i.e., generating less than $1,000 in total sales). This indicates a very broad base of customers, but individually they are buying low-revenue items.

Limited Users Engagement with High-Performance Products:
Only **122 Orders** have purchased 'high_performance' products (those generating over $2,500 in total sales). This suggests that while these products drive significant revenue individually, they reach a very niche customer base.

Mid-Range Products Have Modest Customer Reach: 'Mid-range' products (generating $1,000-$2,500 in sales) are purchased by **1160 Orders**, a small fraction compared to low-performance products.

Strategic Opportunity:

- **Monetize Low-Performance users:** Explore strategies to upsell or cross-sell higher-value products to the large 'low_performance' customer base.
- **Expand Reach of High-Performance Products:** Invest in marketing and accessibility to bring the 'high_performance' products to a wider audience, as they clearly drive significant sales per item.
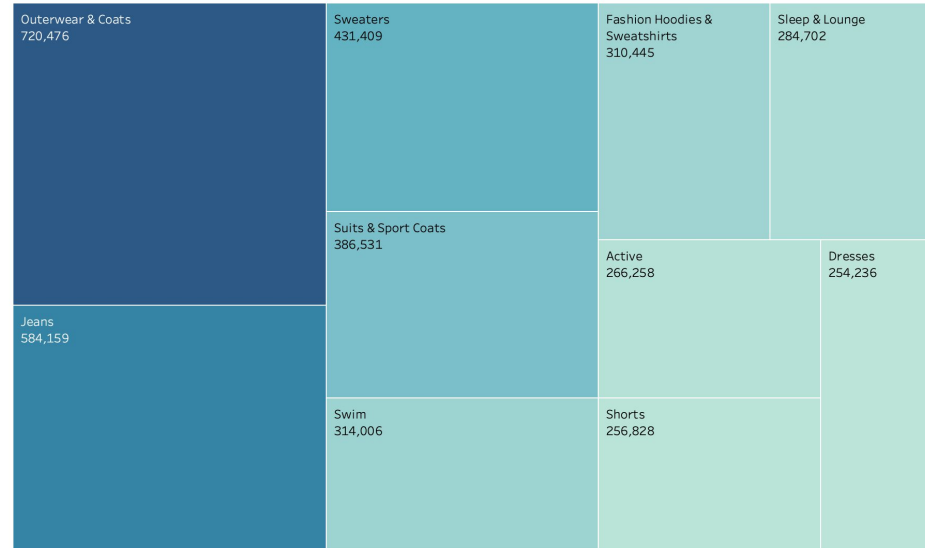

Products Gross-profit Performace
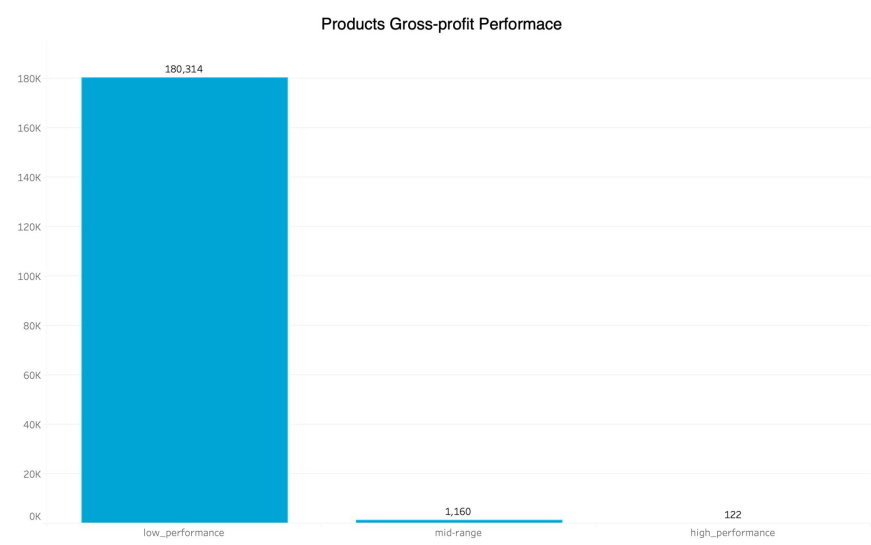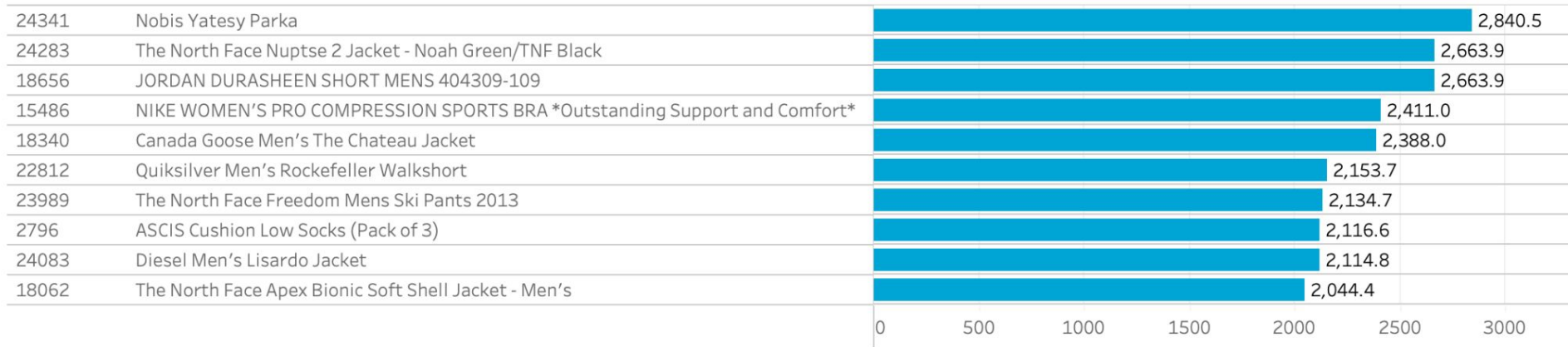
Top 10 Categories by Gross Profit

Key Takeaways:

- **"Outerwear & Coats" Lead Profitability:** This category is by far the most significant gross profit contributor, generating **$720,476**. This highlights its critical role in overall profitability.
- **"Jeans" are a Strong Second:** Despite being a single product type, "Jeans" hold a very strong second position with **$584,159** in gross profit, indicating high demand and/or good profit margins.
- **Apparel Dominates Top Profit Categories:** The majority of the top 10 profitable categories are related to apparel, including "Sweaters," "Fashion Hoodies & Sweatshirts," "Suits & Sport Coats," "Active," "Sleep & Lounge," "Dresses," "Swim," and "Shorts." This confirms clothing as a core profit driver.
- **Diverse Profit Streams within Apparel:** While "Outerwear & Coats" and "Jeans" are clear leaders, there's a healthy distribution of profit across various apparel sub-categories, indicating a diverse and robust apparel product line.
- **Strategic Focus on Apparel:** The data strongly suggests that continued investment and strategic focus on product development, marketing, and inventory for these top apparel categories will be crucial for maintaining and growing overall gross profit.

Top 10 Categories by gross-profit

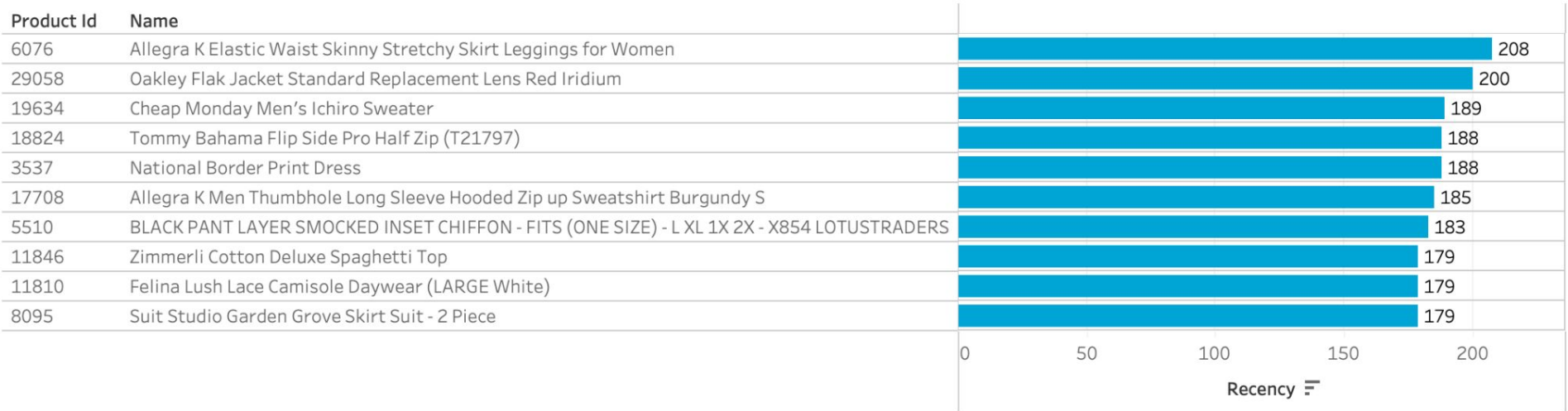|			
Outerwear & Coats 720,476	Sweaters 431,409	Fashion Hoodies & Sweatshirts 310,445	Sleep & Lounge 284,702
	Suits & Sport Coats 386,531	Active 266,258	Dresses 254,236
Jeans 584,159	Swim 314,006	Shorts 256,828	

Top 10 Products by AVG Orders Value

ID	Product	AVG Orders Value
24341	Nobis Yatesy Parka	2,840.5
24283	The North Face Nuptse 2 Jacket - Noah Green/TNF Black	2,663.9
18656	JORDAN DURASHEEN SHORT MENS 404309-109	2,663.9
15486	NIKE WOMEN'S PRO COMPRESSION SPORTS BRA *Outstanding Support and Comfort*	2,411.0
18340	Canada Goose Men's The Chateau Jacket	2,388.0
22812	Quiksilver Men's Rockefeller Walkshort	2,153.7
23989	The North Face Freedom Mens Ski Pants 2013	2,134.7
2796	ASCIS Cushion Low Socks (Pack of 3)	2,116.6
24083	Diesel Men's Lisardo Jacket	2,114.8
18062	The North Face Apex Bionic Soft Shell Jacket - Men's	2,044.4

Key Takeaways:

- **Premium Outerwear Dominates AOV:** Products like "Nobis Yatesy Parka," "The North Face Nuptse 2 Jacket," and "Canada Goose Men's The Chateau Jacket" are consistently at the top, driving the highest average revenue per order. This indicates that high-value, typically outerwear items, contribute significantly to transactional value.
- **Diverse Product Types with High AOV:** While outerwear is prominent, the list also includes activewear (e.g., "JORDAN DURASHEEN SHORT," "NIKE WOMEN'S PRO COMPRESSION SPORTS BRA"), demonstrating that various product types can command high average order values.
- **"ASICS Cushion Low Socks (Pack of 3)" as an Anomaly:** The inclusion of socks in the top 10 is notable and might indicate a specific high-value multi-pack or a unique pricing strategy that drives up its individual order value. This warrants further investigation.
- **Strategic Upselling/Bundling Opportunities:** Products with high AOV are excellent candidates for featured promotions, premium bundling, or cross-selling initiatives to further boost overall transaction size.
- **Focus on High-Value Items:** To increase the average revenue per customer transaction, prioritizing the promotion and visibility of these high-AOV products is crucial.

Sources

Recency (Months)

Product Id	Name	Recency
6076	Allegra K Elastic Waist Skinny Stretchy Skirt Leggings for Women	208
29058	Oakley Flak Jacket Standard Replacement Lens Red Iridium	200
19634	Cheap Monday Men's Ichiro Sweater	189
18824	Tommy Bahama Flip Side Pro Half Zip (T21797)	188
3537	National Border Print Dress	188
17708	Allegra K Men Thumbhole Long Sleeve Hooded Zip up Sweatshirt Burgundy S	185
5510	BLACK PANT LAYER SMOCKED INSET CHIFFON - FITS (ONE SIZE) - L XL 1X 2X - X854 LOTUSTRADERS	183
11846	Zimmerli Cotton Deluxe Spaghetti Top	179
11810	Felina Lush Lace Camisole Daywear (LARGE White)	179
8095	Suit Studio Garden Grove Skirt Suit - 2 Piece	179

Recency axis: 0, 50, 100, 150, 200

Key Takeaways:

- **Significant Product Inactivity:** The chart highlights products that have been inactive for extremely long periods, with the top product ("Allegra K Elastic Waist Skinny Stretchy Skirt Leggings for Women") not having been purchased for **208 months (over 17 years)**. This indicates a substantial portion of our catalog may be "dead stock."
- **Deeply Stale Inventory:** All products in the top 10 show recency values ranging from 179 months (nearly 15 years) to 208 months. This is not just recent inactivity but a long-standing issue of products that are no longer selling.
- **Diverse Product Types Among Inactive Items:** The list includes a variety of products like leggings, jacket lenses, sweaters, dresses, and shorts, suggesting that inactivity isn't confined to a single product type or category.
- **Implications for Inventory & Financial Health:** These highly inactive products represent potential carrying costs (storage, depreciation) and tied-up capital. Their continued presence in the catalog might also clutter product discovery.
- **Urgent Need for Review:** These products require immediate attention for:
  - **Discontinuation:** Removing them from the catalog.
  - **Liquidation:** Aggressive sales or clearance to recover some cost.
  - **Data Audit:** Verifying if these products were ever truly active or if data issues exist.

You've uploaded the "Products With High Recency (Month).png" chart. Your clarification that "Recency" here means the number of months a product *hasn't been bought* (since the current date) is crucial. These are the "stale" products.

Core Challenges Identified:

- **Significant User Churn:** Over 74% user churn demands urgent, comprehensive retention strategies.
- **Stale Product Inventory:** A substantial number of products show extreme recency (15+ years inactive), tying up resources and signaling poor lifecycle management.
- **Customer Engagement Gap:** While many customers buy low-performance products, very few engage with our high-value/high-profit items.

Strategic Imperatives:

1. **Prioritize Customer Retention & Engagement:**

   - Implement targeted re-engagement campaigns for inactive users.
   - Focus on driving higher-value product purchases within our large "low-performance" customer base.
   - Tailor product offerings and marketing for our highest-spending age groups (e.g., "Above 50").
2. **Optimize Product Portfolio & Lifecycle:**

   - Develop a clear strategy for managing inactive products: aggressive clearance, bundling, or systematic discontinuation.
   - Double down on "Outerwear & Coats" and "Jeans" as primary profit drivers, ensuring optimal inventory and promotion.
   - Leverage high-AOV products (e.g., premium outerwear) for increased transaction value.
3. **Strengthen & Diversify Sales Channels:**

   - Sustain and enhance "Search" performance as the leading revenue source.
   - Strategically invest in "Organic," "Email," and "Facebook" to grow and diversify traffic and sales.
4. **Deepen Market Focus:**

   - Continue to serve and grow our core user bases in China, the United States, and Brazi

We recommend establishing cross-functional task forces to develop detailed action plans for:

- **Customer Retention & Lifetime Value.**
- **Product Lifecycle Management & Portfolio Optimization.**
- **Strategic Marketing Channel Investment.**

Let's schedule a follow-up session to define KPIs and responsibilities for these initiatives.