Brazilian Retail Analysis (Olist) Conclusions & Business Implications

This exploratory analysis of the Olist marketplace aims to understand how customer behaviour, product performance, seller activity, and logistics efficiency interact and impact overall business performance.

The results show that revenue is highly concentrated. A relatively small group of customers generates a significant share of total sales, while the median customer revenue remains much lower. This highlights both an opportunity for customer retention strategies and a potential risk related to revenue dependence on a limited customer base. The average order value is around160.99 R$, providing a general reference for customer spending behaviour.

From a time perspective, revenue, number of customers, and total orders showed a clear upward trend throughout 2017. However, this growth slowed down in 2018, with more stable monthly figures. This stabilization appears to be linked to structural factors rather than operational issues alone.

Product and seller performance help explain this behaviour. Changes in the product mix played an important role, as the category that generated the highest revenue in 2017 dropped to third place in 2018. At the same time, average seller productivity declined, with the average number of products sold per seller decreasing by around 9.5%. This reduction may indicate lower seller activity or weaker demand in certain categories.

From an operational perspective, logistics performance clearly improved. The percentage of late deliveries decreased in 2018, and average delivery time was reduced by approximately one day.

These improvements had a strong positive impact on customer satisfaction. Orders delivered on time achieved much higher review scores compared to late deliveries, confirming that delivery reliability is a key driver of user experience in marketplace businesses.

In conclusion, while Olist made significant progress in logistics efficiency, these improvements alone were not sufficient to sustain revenue growth. The analysis suggests that future performance depends not only on operational excellence, but also on strengthening seller performance, optimizing product mix, and reducing revenue concentration risks. Overall, this project demonstrates how combining customer, product, seller, and logistics data can support data-driven decision-making in a real business context.