

This report summarizes the findings from the customer data of an online food ordering app, with the aim of identifying key trends in customer demographics (age and occupation) and how these trends correlate with revenue generation. The analysis includes sales patterns based on different time periods, with a specific focus on occupation and purchasing behavior.

Key Findings

1. Sales Trends by Month

Sales data indicates that the busiest months for the app are the winter months (November through January). The spike in sales during this time is likely driven by customers seeking convenience due to adverse weather conditions. Cold weather may deter people from going outside, making the app an attractive solution for getting food delivered without leaving the comfort of their homes.

2. Sales Performance by Year

The peak sales year was 2018, with a dramatic decline in 2020. The drop in 2020 is likely attributable to the COVID-19 pandemic, which disrupted various industries, including food delivery services. Despite this, the app had strong performance in 2018, which may have been a result of growing demand for online food delivery during that period.

3. Sales by Occupation

- **Total Sales by Occupation:** A significant variation in total sales was observed across different occupations, with students being the largest consumer group in terms of the volume of purchases.
- **Average Sales by Occupation:** In contrast, the average sales figures did not show much variation between different occupations, suggesting that while certain groups may purchase in higher quantities, other groups contribute more to overall revenue.

4. Highest Sales Quantity Contributors

The largest consumers in terms of quantity were employees, who contributed significantly to the app's total food item sales. These users purchased over 14,000 food items, demonstrating a high level of engagement with the app. However, there was no overlap between the users with the highest sales quantity and those who contributed to the highest sales amount.

5. Highest Sales Amount Contributors

In terms of revenue, employees also played a significant role. The users who contributed to the highest sales amount spent over \$1 million on the app. Despite this, these users were not the same as those who purchased the highest quantities of food, indicating that the highest revenue-generating users were likely purchasing more expensive items or making fewer, larger orders compared to students, who purchased more items but at a lower overall cost.

Conclusions

- **Demographic Insights:** The findings suggest that while students were the demographic purchasing the most food items, employees were the highest contributors in terms of revenue generation. This discrepancy likely arises from the differences in purchasing behavior between the two groups. Students may have more frequent but smaller orders, while employees may place larger, less frequent orders.
- **Sales Trends:** The predicted peak sales years (2019-2020) did not align with actual performance. Instead, 2018 saw the highest sales, followed by a sharp decline in 2020, likely due to the pandemic's effects on consumer behavior.
- **Popular Sales Months:** Winter months (November to January) were the busiest times for the app. The cold weather likely increased the demand for food delivery services, as customers sought convenience over venturing outside.
- **Predicted vs. Actual Demographics:** The prediction that students would generate the highest sales was partially correct—they contributed significantly to sales quantity. However, employees were responsible for the highest sales amounts. This shows that while student users order in large quantities, employees make more valuable purchases on average.

Recommendations

1. **Targeting Employees for Revenue:** Given that employees contribute the most to sales in terms of revenue, targeted marketing efforts could focus on attracting and retaining this demographic. Promotions for larger orders, such as group meals or premium items, might appeal to this segment.
2. **Leveraging Winter Trends:** Winter months proved to be the busiest for orders, so the app should consider running promotions or exclusive deals during this time to capitalize on increased demand.
3. **Diversify Offerings for Students:** Since students purchase in higher quantities, offering student discounts or meal bundles could encourage even greater volume, while maintaining a competitive price point to sustain revenue.
4. **Revisiting the Pandemic Impact:** Given the dramatic dip in sales in 2020, it is essential to explore new ways to recover post-pandemic, such as improving delivery speed, offering contactless options, and enhancing the app's user experience to adapt to changing consumer expectations.

Conclusion

In summary, this analysis of the online ordering app's customer data reveals insightful trends about how different customer demographics influence sales and revenue. Understanding these patterns is critical for optimizing marketing strategies, refining product offerings, and driving future growth.