

# Executive Summary

## Results

### Conversion Funnel

## Synopsis

Based on total conversion, from viewing an item to purchasing: 10% of those who view a product end up making a purchase.

Looking at conversion to next stage: 29% of those who viewed an item make it to the shopping cart stage, and 36% of those who add it to their cart purchase the item.

Sending customers "shopping cart" email reminders may be helpful in increasing the rate of shopping cart to checkout stage.

Since only 36% of those viewing the cart make a purchase, checking if the purchase interface is clear and user friendly could affect these numbers.

Consider price matching on larger items to steer customers away from competition.

### Retention Rates

Based on cohort groupings, by the next month after purchase,we see an average fall off of 93%. This drops to around 98-100% by months 3 and 4.

This data did not include later months for the newer cohorts, so we cannot get a full picture of overall retention within these groups.

Without a full year of data, possible seasonality cannot be accounted for, along with long term retention.

Many items in the dataset included appliances and tech - items that would not need frequent purchasing. Based on this, data over a longer time period may yield different results.

To increase retention, emails with coupons or suggestions based on purchase patterns could increase incentives for repurchase. E.g. cartridges for printers, accessories for phones/computers, or other items related to initial purchase.

Offering customers a referral email code could help bring in new customers, along with helping retention of current customers.

## Analysis

### Raw Data

## Description

Data was collected from 09/24/2020 - 02/28/2021. It includes 6 columns, user\_id, event\_type, category\_code, brand, price, and event date.

This data was collected from the business website, where in each row represents an activity or event by a user.

It included 3 event types, "view", "shopping cart", and "purchase". These three event types were used to create the conversion funnel.

The purchase activity sheet was created by filtering for only the event type "purchase", in order to create an analysis based on this subset.

The columns, "category\_code", "brand", and "price" were not used for the purpose of this analysis.

### Conversion Funnel

The conversion funnel was created by using the "event\_type" as rows, and the count of unique user ID's as values. The total conversion and conversion to next stage was created from this information

### Retention Rates

To calculate retention rates, cohorts were formed based on the user id's first month of purchase. This spanned from 2020-09 to 2021-02.

The data for cohorts 2020-11 to 2021-02 does have limitations in the dataset, since we do not have enough data to accurately calculate long term retention.

The retention rates were calculated by dividing the current months cohort size by the starting cohort size, and formatting as a percentage