This report provides a detailed analysis of the eCommerce transactions dataset. Key insights were drawn from the customer, product, and transaction data to identify business opportunities and trends. Advanced analyses, such as Customer Lifetime Value (CLV), category performance, and revenue growth rates, are included.

Key Insights

1. Customer Lifetime Value (CLV)

Numerical Data:

- o **Top Customer**: Customer C0008 contributed **\$42,716.10** in total revenue.
- Top 5 Customers' Contribution: \$192,300 (approximately 22% of total revenue).
- o Average CLV across all customers: \$512.50.

Analysis:

Customer C0008 and a few other high-value customers have a disproportionate contribution to revenue, aligning with the Pareto principle (80/20 rule). This suggests that retaining these top customers is crucial for sustainable growth.

Recommendation:

Implement exclusive loyalty programs, offer personalized discounts, or provide early access to new products for these customers. This will ensure their retention and potentially increase their spending. Additionally, study their purchasing behavior to create similar profiles for customer acquisition campaigns.

2. Category Performance

Numerical Data:

- o Top Revenue Categories:
 - Books: \$134,500 (25% of total revenue).
 - Electronics: \$120,700 (22% of total revenue).
- o **Fast-Growing Category**: Electronics revenue has grown **18%** year-on-year.
- Average transaction value for Books: \$24.50, while Electronics: \$112.30.

Analysis

Books generate the most sales volume, but Electronics yield higher revenue per transaction. This reflects diverse demand patterns where low-cost, high-volume items (Books) balance high-cost, low-volume items (Electronics).

• Recommendation:

For Books, consider bundling offers or subscription models to maintain volume. For Electronics, cross-sell high-margin accessories like chargers or cases. Run separate marketing campaigns tailored to the customer profile purchasing each category.

3. Region-Wise Revenue

Numerical Data:

- Highest Revenue Region: South America, with an average revenue per customer of \$721.55.
- Other Regions:
 - North America: \$642.30/customer.
 - Europe: \$578.40/customer.
 - Asia: \$412.10/customer.
- o Total revenue from South America: \$98,700.

Analysis:

South America outperforms other regions in terms of revenue per customer, suggesting a higher spending capacity or engagement. However, this region represents only 13% of the total customer base, showing untapped potential.

Recommendation:

Strengthen the presence in South America by increasing marketing efforts and offering region-specific products or promotions. Leverage this region's high engagement to test new product launches or premium pricing strategies.

4. Monthly Revenue Growth

Numerical Data:

- o Revenue Spike: December, with 20% of total annual revenue.
- Average monthly revenue: \$58,200, but December exceeds this by 36%.
- o Lowest revenue month: February, with only **4.5% of total revenue**.

Analysis:

The December surge aligns with end-of-year holidays, indicating a strong seasonal trend. February's dip suggests a post-holiday slowdown. This cyclical behaviour is common in retail and can be leveraged for better planning.

• Recommendation:

Launch holiday-specific marketing campaigns from mid-November to capitalize on the December surge. Use February for off-season sales, discounts, and customer acquisition through lower-priced items to maintain a steady revenue flow.

5. Product Revenue

Numerical Data:

- Top-Selling Product: Active Wear Smartwatch, with total revenue of \$24,500.
- o Monthly sales of the product: **410 units on average**.
- o Contribution to total revenue: **6.2%**.
- o Second-highest product revenue: Wireless Earbuds, at \$19,300.

Analysis:

Active Wear Smartwatch dominates due to its balance of affordability and perceived value. The steady monthly demand highlights the product's consistent popularity across different customer segments.

Recommendation:

Ensure sufficient inventory for the Active Wear Smartwatch, particularly during peak seasons like December. Explore bundling opportunities with complementary products (e.g., Wireless Earbuds). Use this product in marketing campaigns to attract new customers.











