



ZEOTAP

27/01/2025

# Business Insights Report

**PREPARED BY:**

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## **5 Business Insights:**

**Insight 1:** Customer Segmentation

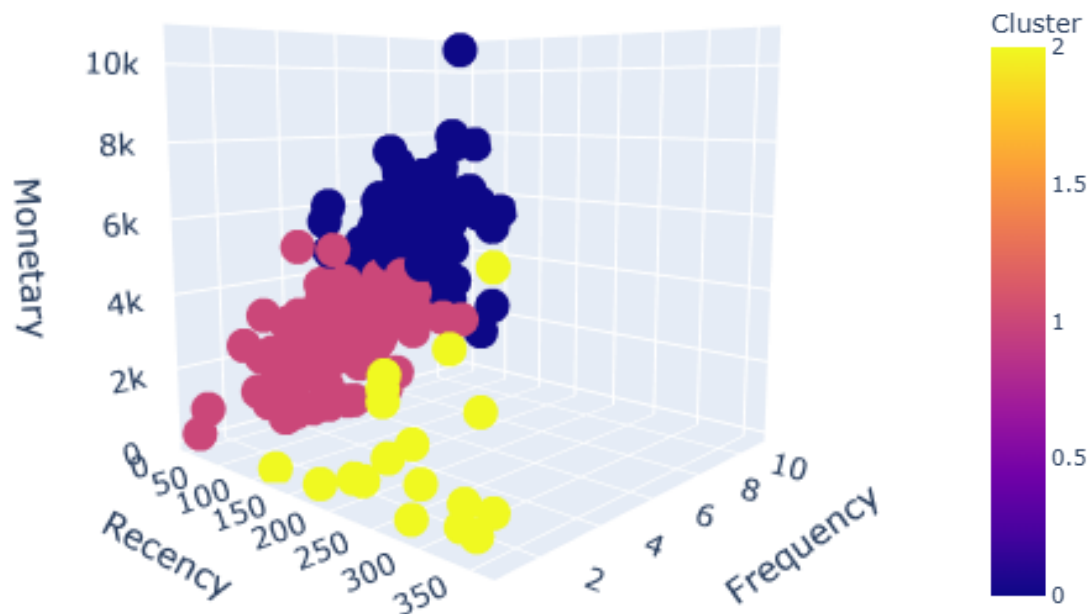
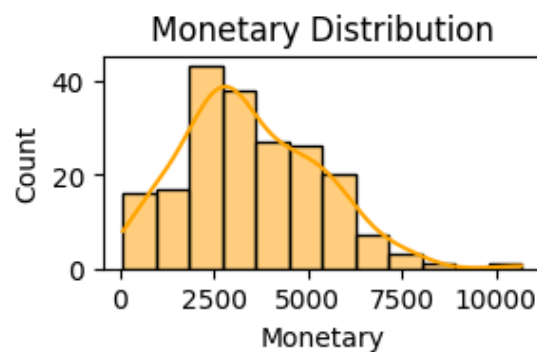
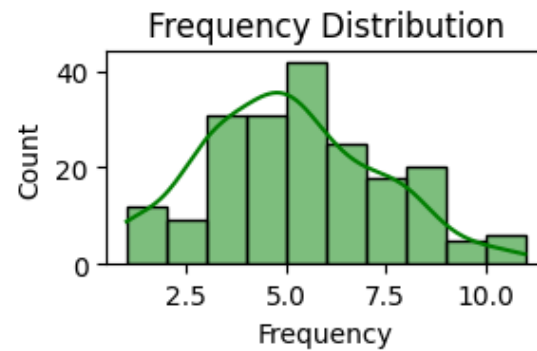
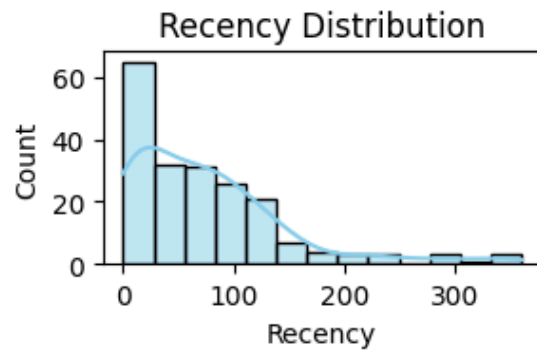
**Insight 2:** Regional Preferences

**Insight 3:** Transaction Patterns

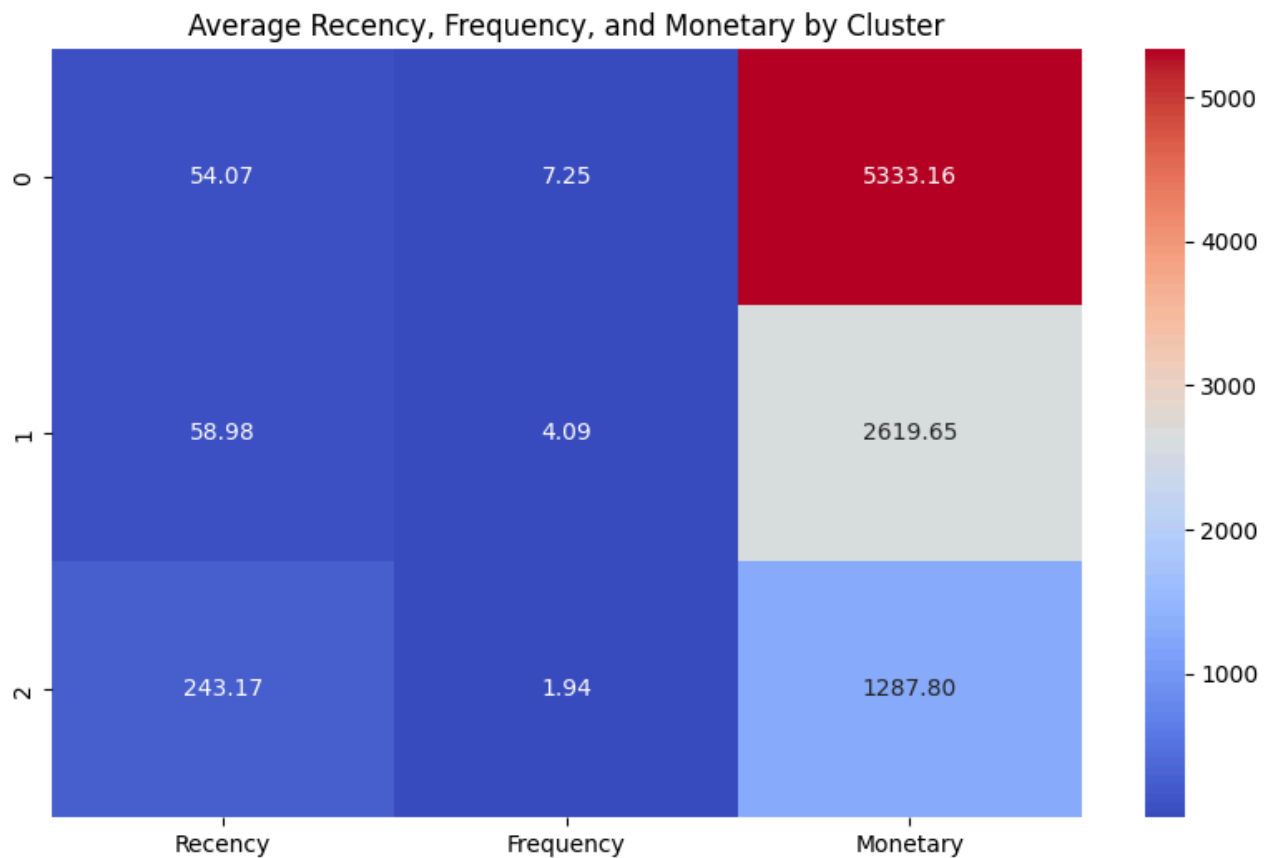
**Insight 4:** Product popularity and Sales trend

**Insight 5:** Customer lifetime value (CLV)

# Insight 1: Customer Segmentation



3D Customer Segmentation

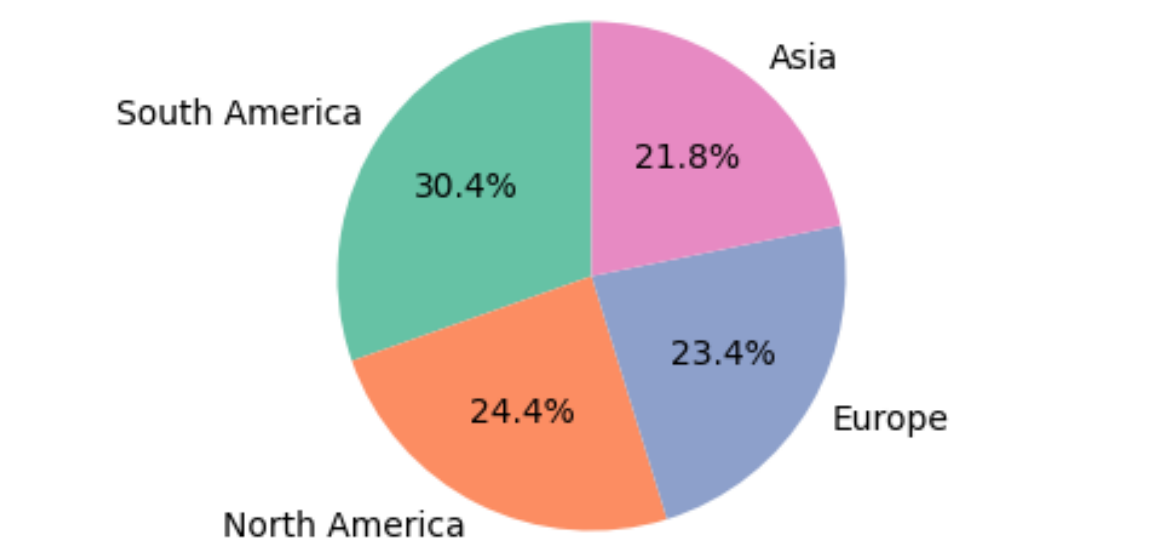


**The heatmap shows the average Recency, Frequency, and Monetary (RFM) values for four customer clusters:**

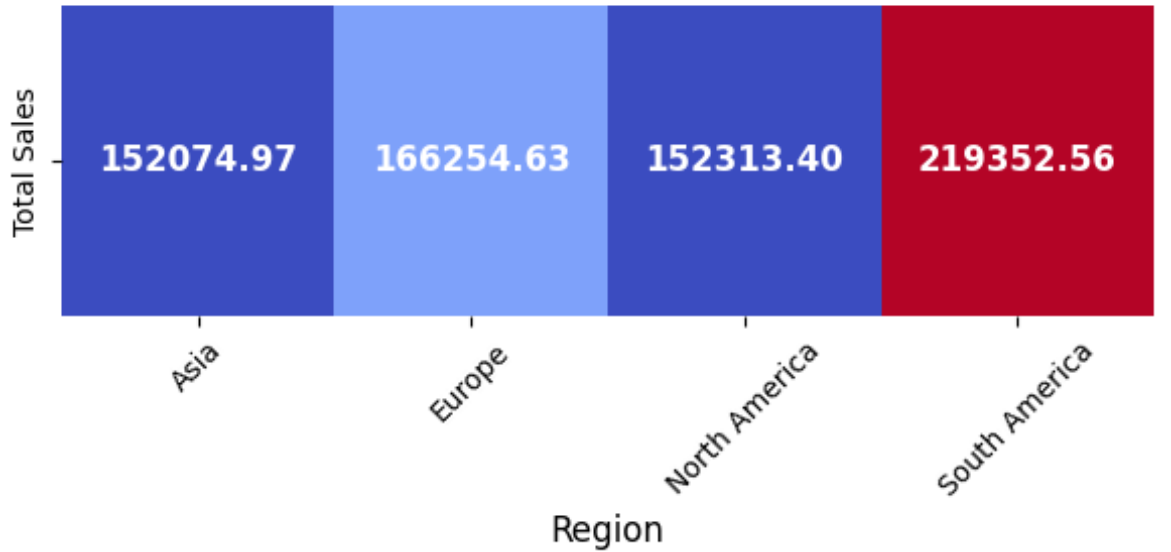
- Cluster 0: Recent, frequent customers with the highest spending (VIP segment).
- Cluster 1: Moderately recent, moderately frequent customers with medium to low spending (value-seekers).
- Cluster 2: Least recent and infrequent, with the lowest monetary value (disengaged customers).

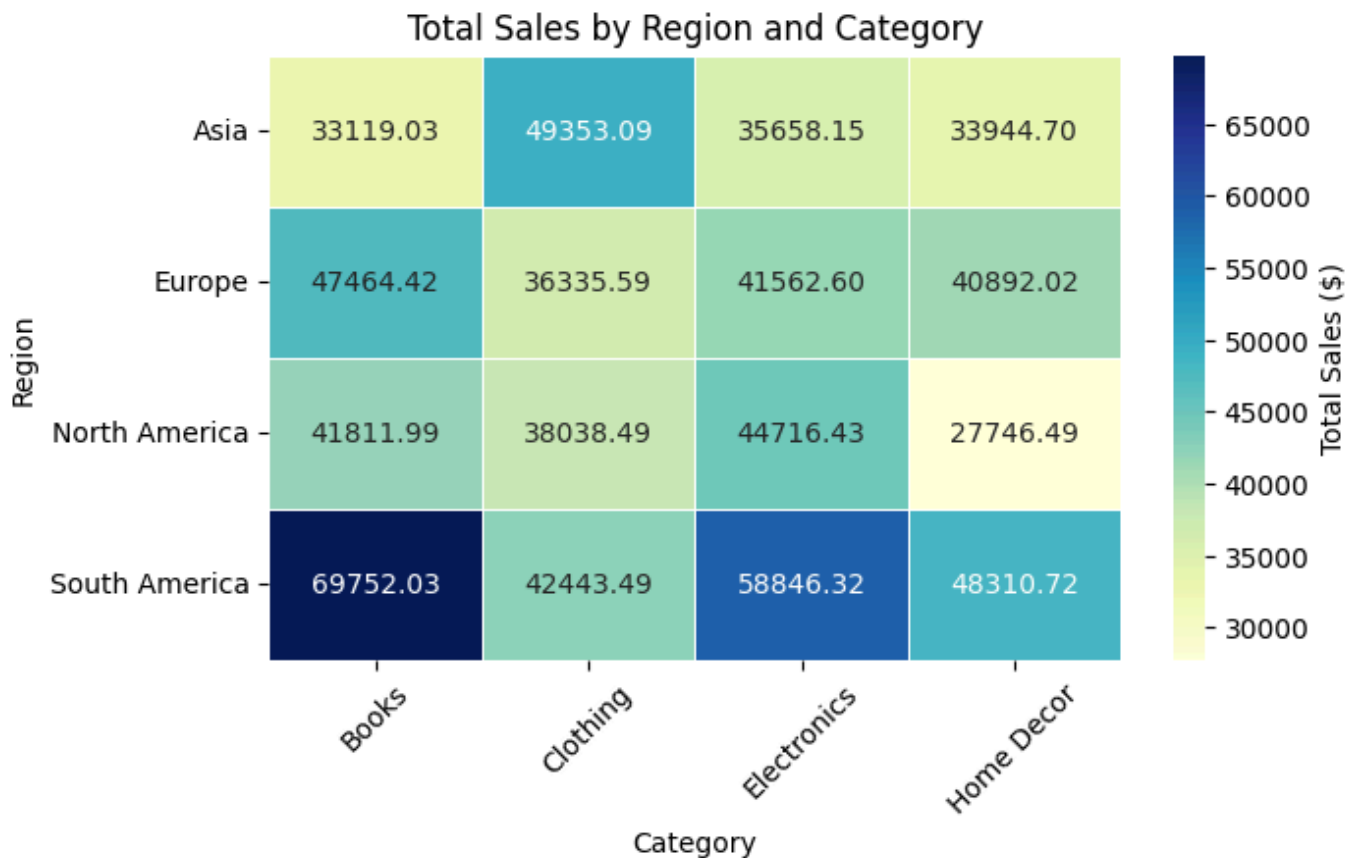
# Insight 2: Regional Preferences

Transaction Distribution by Region



Total Sales by Region



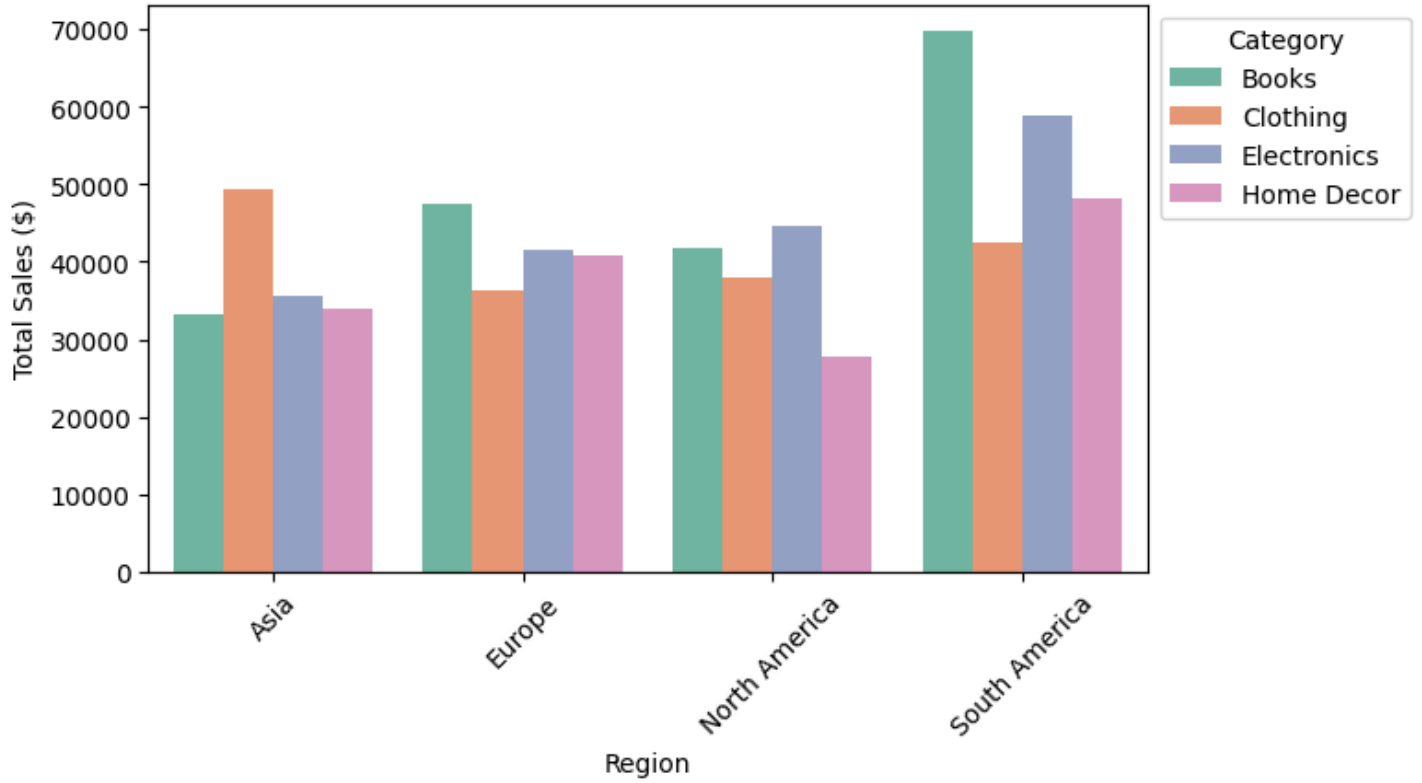


- South America contributes the most to total sales, accounting for 31.8%, followed by Europe at 24.1% and North America at 22.1%. Asia is the smallest contributor, with 22.0% of total sales.

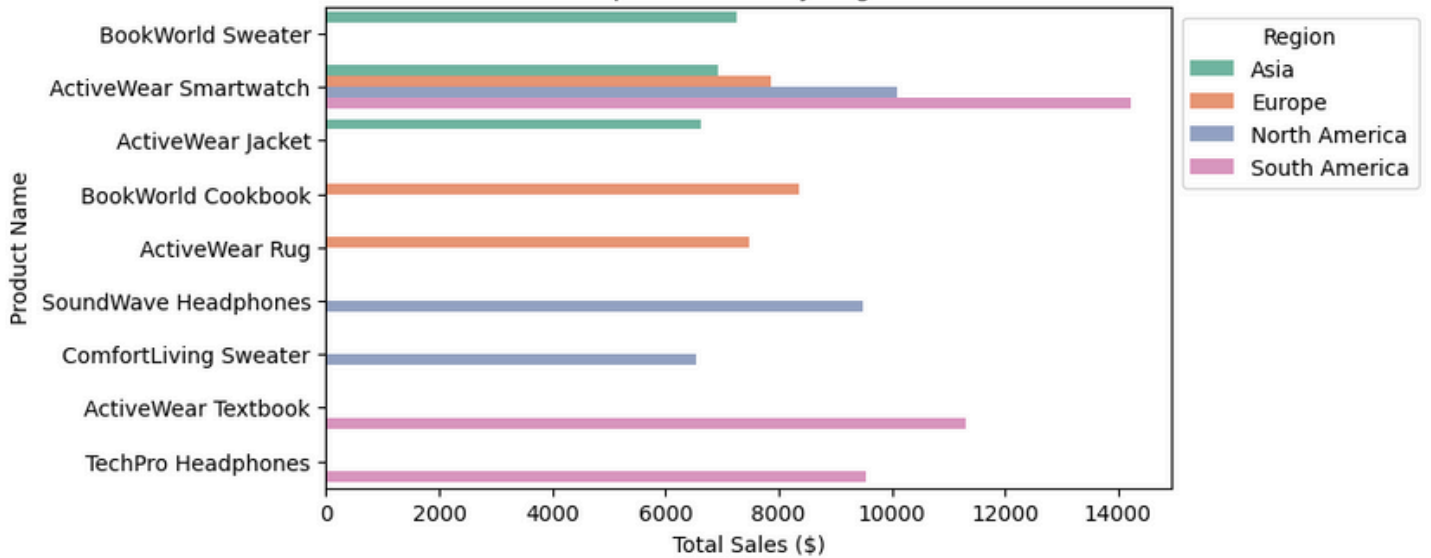
### Top performing categories by Region:

- South America - Books
- North America - Electronics
- Europe - Books
- Asia - Clothing

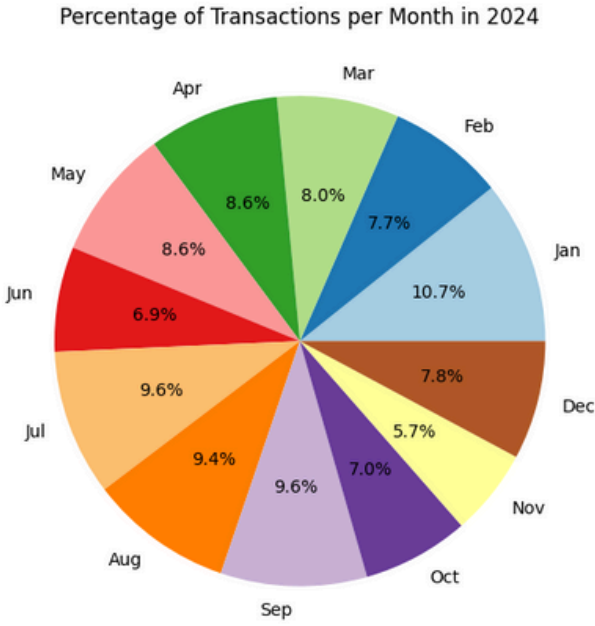
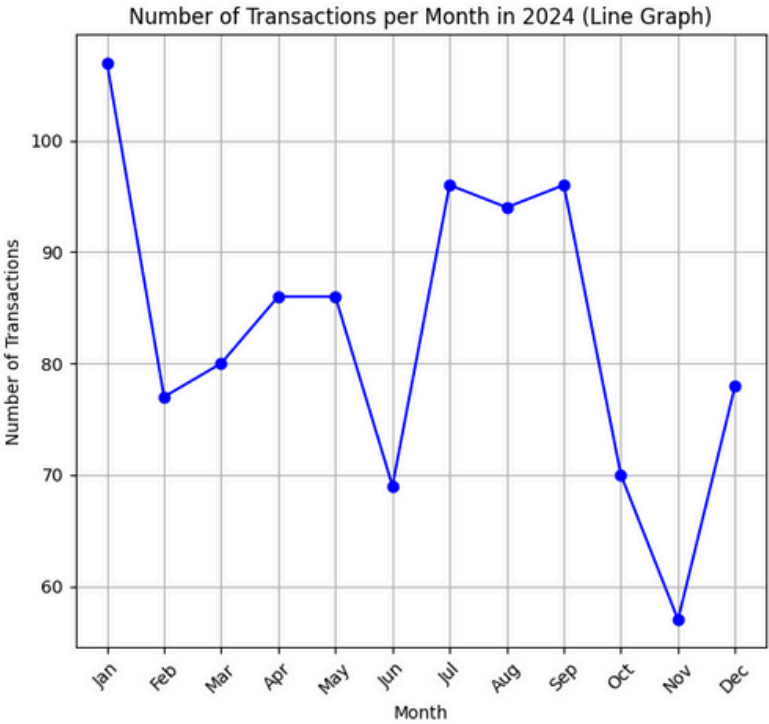
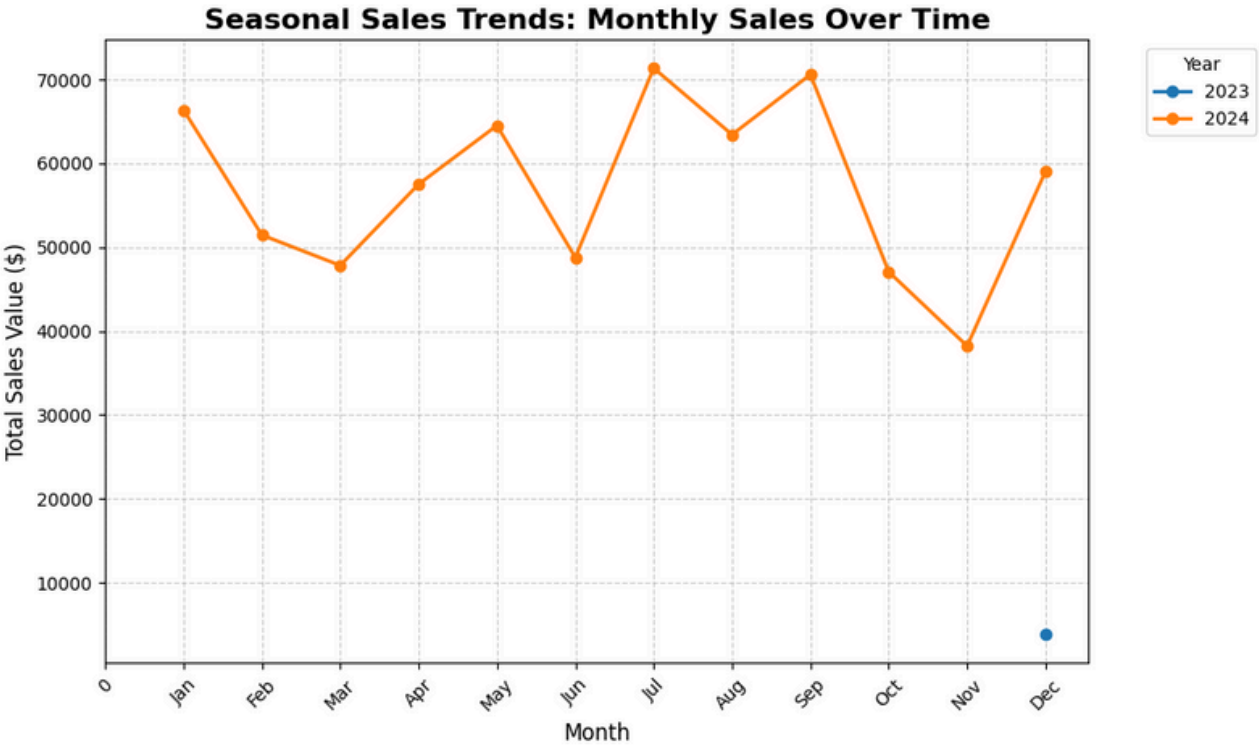
### Sales by Region and Category



### Top 3 Products by Region



# Insight 3: Transaction Patterns





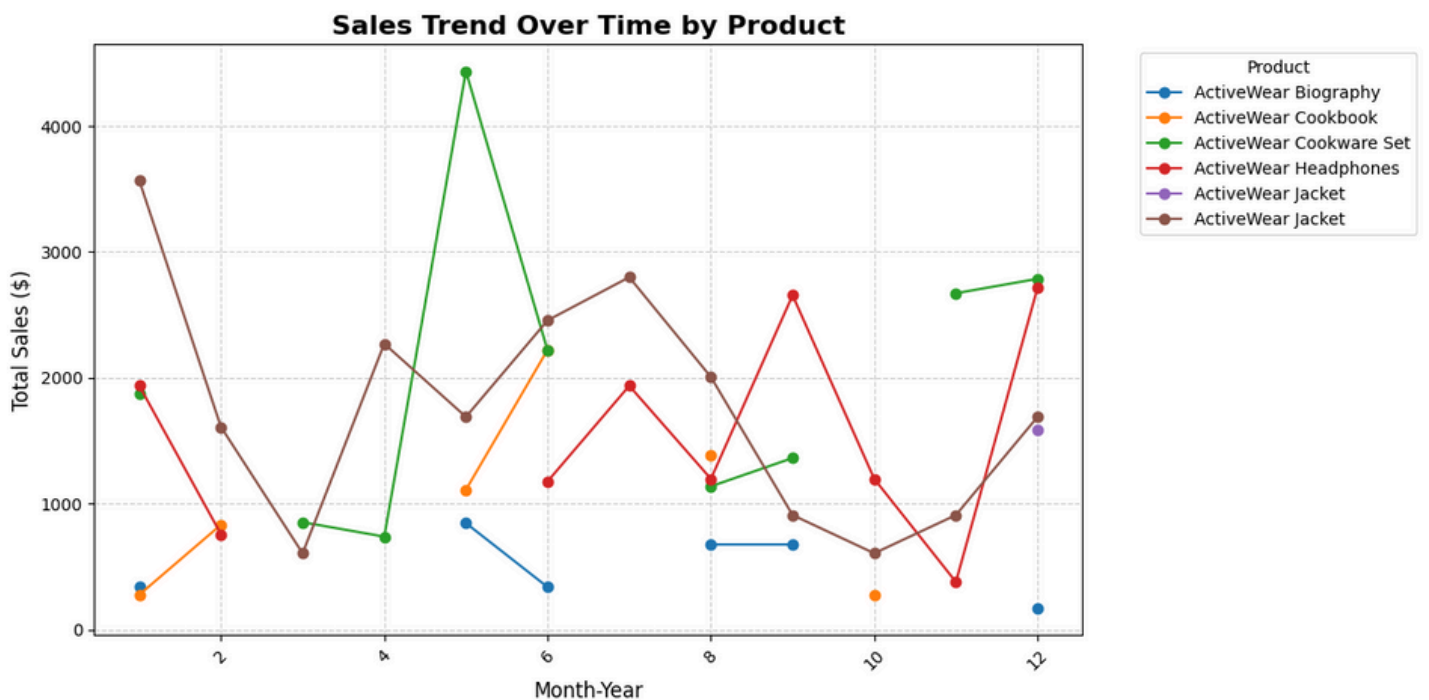
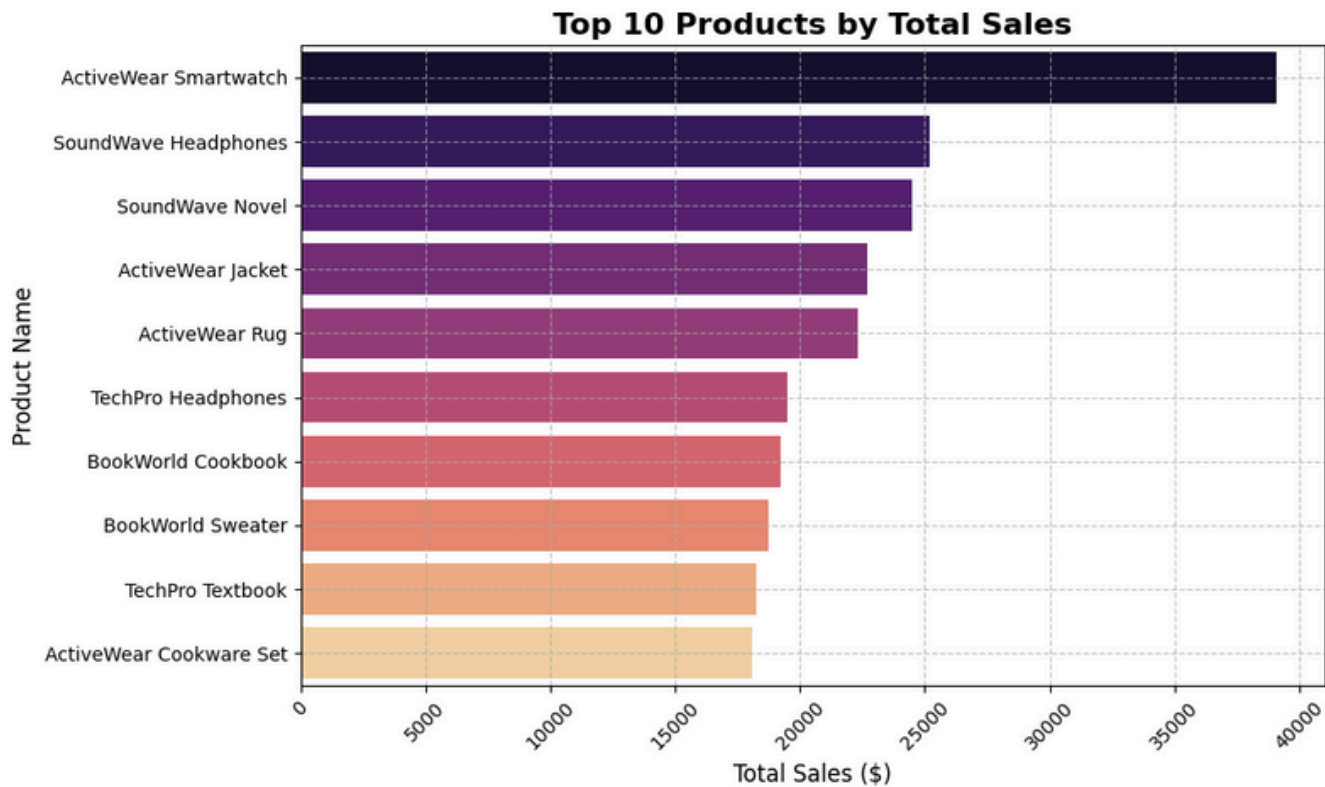
**The above graphs shows the most business making and least business making months:**

- sales peak in January, July, August, and September, driven by New Year and seasonal trends.
- drop significantly in June, October, and November. The end-of-year decline suggests waning consumer interest, followed by a January surge.

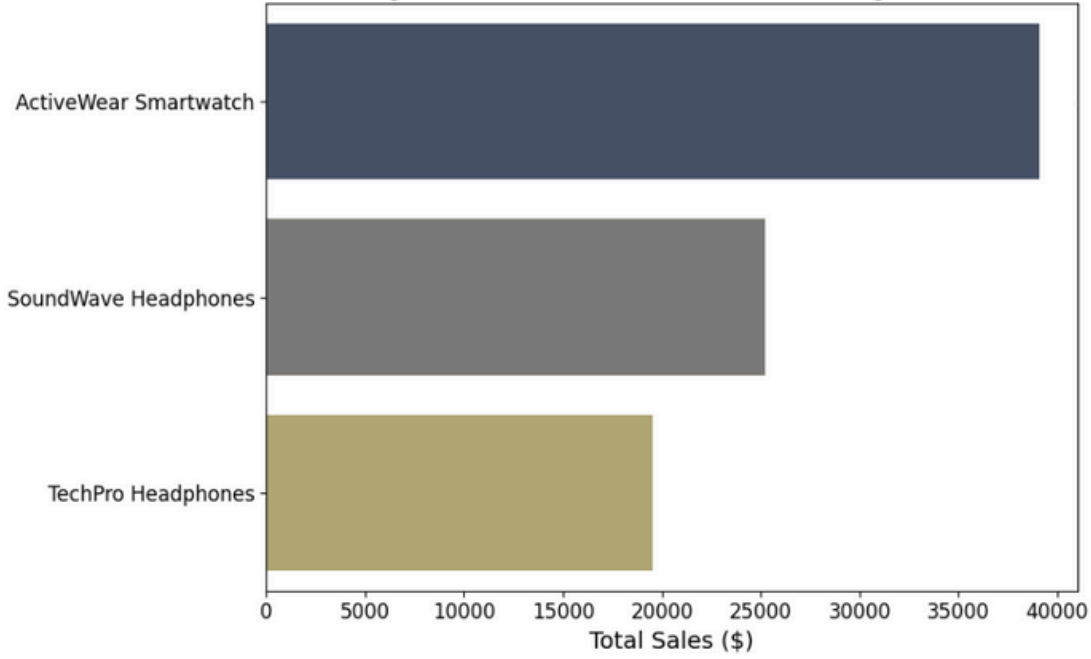
**Solutions:**

- Launch targeted promotions and discounts in June, October, and November to boost sales.
- Implement loyalty programs to retain customers during low-sales periods.
- Leverage marketing campaigns emphasizing limited-time offers to sustain engagement through quieter months.

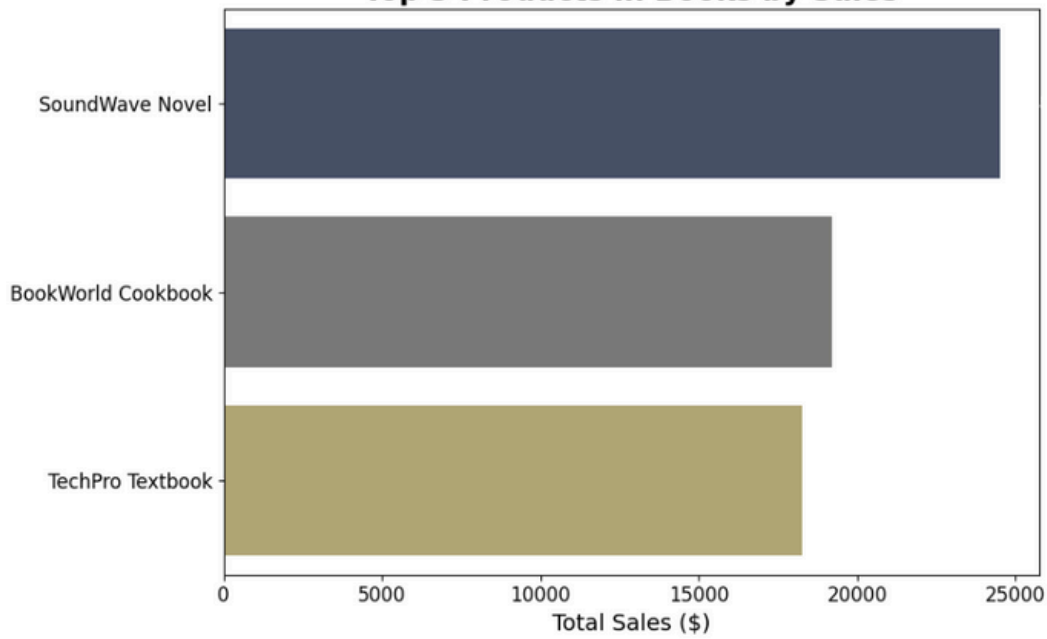
# Insight 4: Product popularity and Sales trend



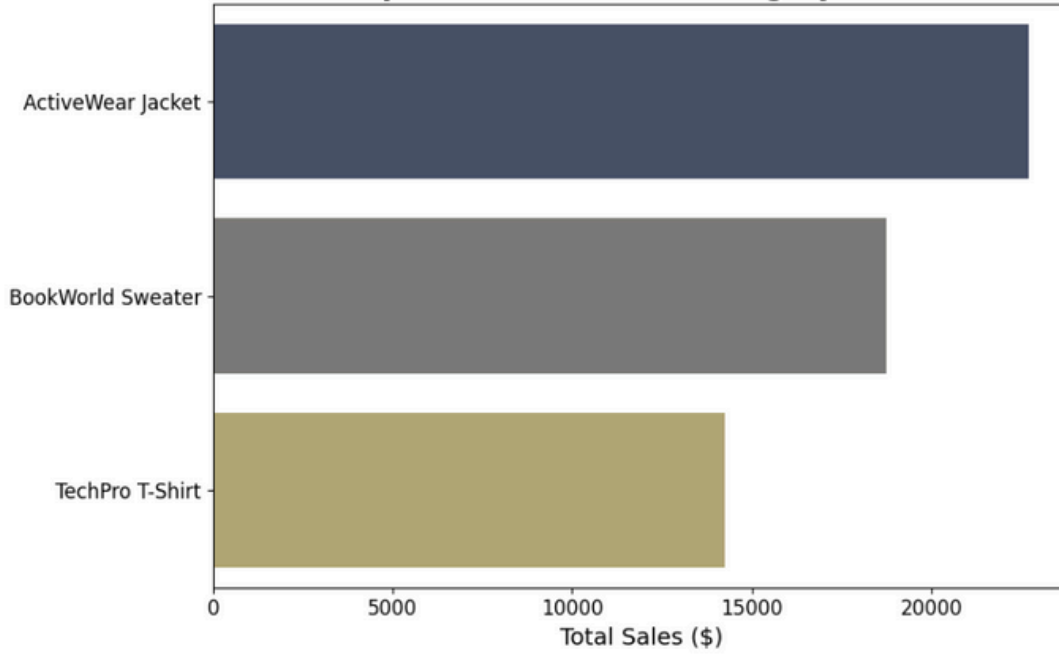
**Top 3 Products in Electronics by Sales**



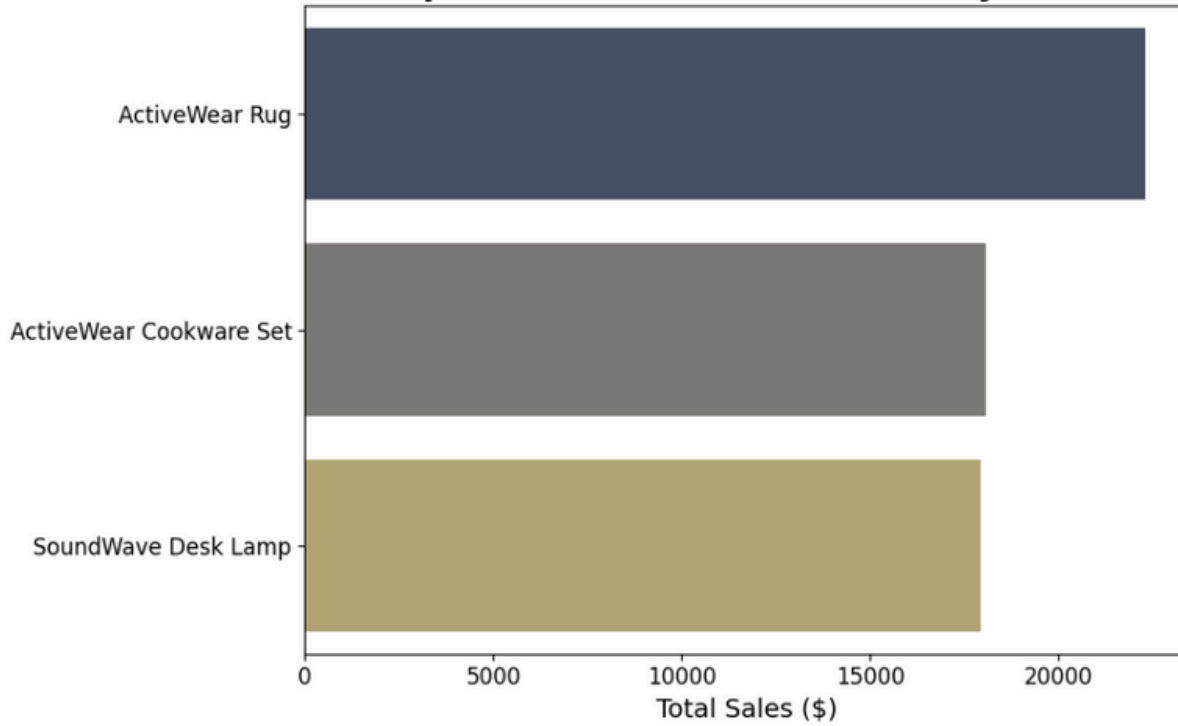
**Top 3 Products in Books by Sales**



**Top 3 Products in Clothing by Sales**



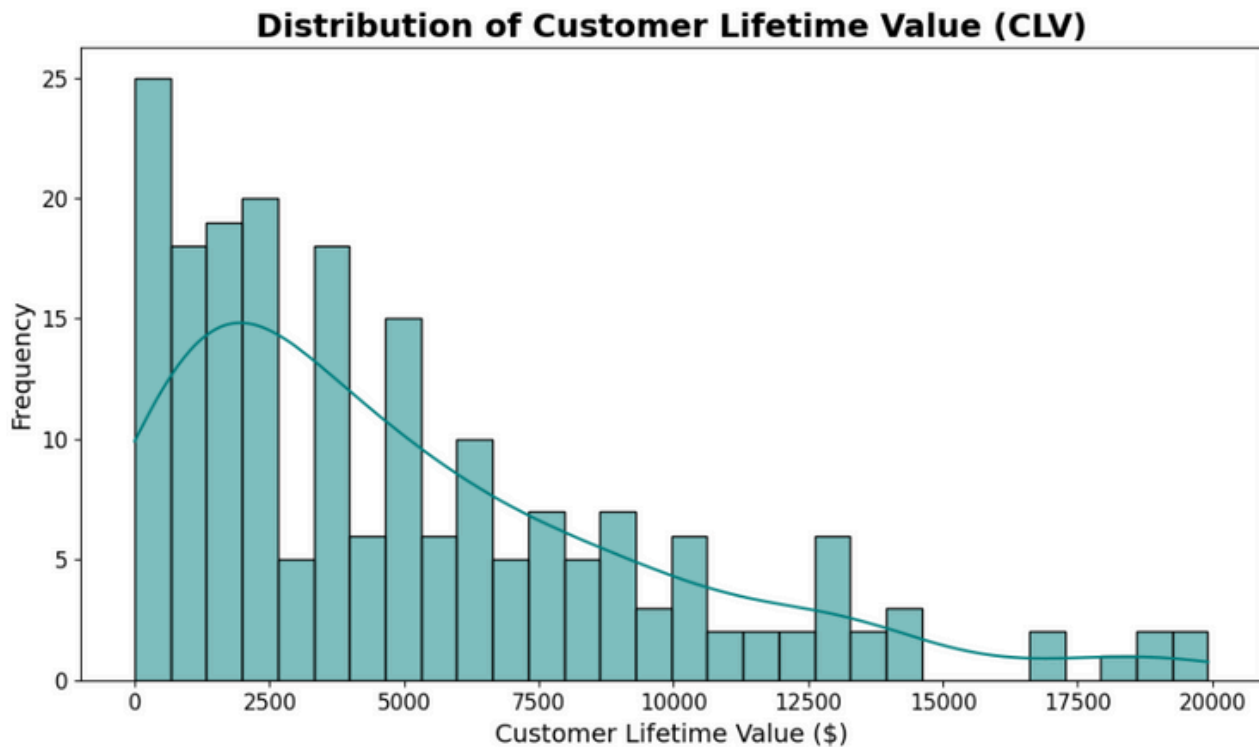
**Top 3 Products in Home Decor by Sales**



**Top 3 Products in each Category by sales:**

	1st	2nd	3rd
Electronics	Activewear Smartwatch	SoundWave Headphones	Techpro Headphones
Books	SoundWave Novel	BookWorld Cookbook	TechPro Textbook
Home Decor	Activewear Rug	Activewear Cookware set	SoundWave desk lamp
Clothing	Activewear Jacket	BookWorld Sweater	TechPro T-shirt

# Insight 5: Customer lifetime value (CLV)



## **Insights:**

- A large portion of customers have a low CLV (under \$2,500), indicating a need to increase revenue per customer through upselling or cross-selling.
- A small segment of high-value customers (CLV above \$10,000) contributes significantly to overall revenue and should be prioritized for retention efforts.
- Marketing strategies should focus on converting mid-value customers (CLV \$2,500–\$10,000) into high-value customers.
- Tailor personalized offers and loyalty programs for high-value customers to maximize lifetime profitability.