

# E-Commerce Business Insights Report

## Key Business Insights

### 1. Regional Market Dominance and Opportunity

South America leads in sales with \$219,352.56 in total value and 304 transactions, significantly outperforming other regions. However, North America shows potential for growth, having the second-highest transaction count (244) but lower total value, indicating an opportunity to increase average transaction value through targeted promotions and premium product offerings.

### 2. Product Category Performance Analysis

The books category is the top performer, with \$192,147.47 in sales and 681 units sold, suggesting strong market demand. Electronics shows high revenue (\$180,783.50) with fewer units (627), indicating higher profit margins. This suggests an opportunity to expand the electronics category while maintaining the substantial books segment.

### 3. Customer Purchase Behaviour Pattern

The average customer makes five transactions with a mean total spend of \$3,467.31. However, there's significant variation (std dev: \$1,832.68), with top customers spending up to \$10,673.87. This indicates the potential for a tiered loyalty program to increase engagement among lower-spending customers while rewarding high-value customers.

### 4. Transaction Value Distribution

The business shows healthy per-order values with an average transaction value of \$690.00 across 1,000 transactions. The total customer base of 199 active buyers generating \$689,995.56 in revenue suggests strong customer loyalty but also indicates room for customer base expansion.

### 5. Product Pricing Strategy Impact

Product prices vary significantly within categories (e.g., Clothing items ranging from budget to premium pricing like the \$429.31 TechPro T-Shirt), suggesting successful market segmentation. However, Home Decor shows the lowest total value (\$150,893.93) despite the high quantity sold (639), indicating the potential for price optimization in this category.

## **Recommendations**

1. Implement targeted marketing campaigns in North America to increase the average transaction value
2. Expand the electronics product range while maintaining a strong books category
3. Develop a tiered loyalty program to increase customer engagement
4. Focus on customer acquisition to expand the active customer base
5. Review and optimize Home Decor pricing strategy to improve category performance