

EDA Business Insights

Business Insights:

1. The top-selling products are primarily in the Books category, indicating high demand. The Books category leads as the top-selling product segment, indicating high demand among customers. This insight suggests that customers are actively seeking books, which may include educational, fiction, and non-fiction titles. By focusing on promoting products within this category, businesses can capitalize on customer preferences and boost sales.
2. Customers from South America contribute the most to revenue, suggesting targeted marketing opportunities. Customers from South America contribute significantly to overall revenue, making them a key demographic. This insight presents an opportunity for targeted marketing strategies in the region, focusing on preferences and needs unique to South American consumers.
3. A small percentage of customers are responsible for a large share of the revenue. This pattern indicates the importance of high-value customers and the need to nurture these relationships. Implementing loyalty programs can incentivize repeat purchases and strengthen customer retention. Offering personalized rewards or exclusive benefits can help foster loyalty, ensuring that the company continues to generate significant revenue from its most valuable customer base.
4. Seasonal trends in sales present an opportunity to optimize inventory management. By analyzing historical data on demand patterns during specific seasons, businesses can anticipate product needs and adjust stock levels accordingly. For instance, high sales during holidays or particular months can guide decisions on stock replenishment. Understanding and preparing for seasonal fluctuations can help reduce inventory costs, prevent overstocking, and ensure product availability when customers are most likely to purchase.
5. Certain products exhibit high price elasticity, meaning small price changes could significantly impact sales. By strategically applying discounts, businesses can boost sales in specific categories. Products with high elasticity are sensitive to price shifts, so offering targeted promotions can lead to a noticeable increase in customer demand. This approach not only helps drive sales but also clears

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out inventory for newer stock, improving overall business performance.

6. The Average Order Value is \$690.00. This metric reflects the average spending per order, offering insights into customer purchasing behavior. A higher AOV can be attributed to customers buying multiple products or opting for premium items. By identifying factors that contribute to larger purchases, businesses can implement strategies to encourage customers to spend more, such as bundling offers, upselling, or providing incentives for bulk purchases.

7. The Customer retention rate is 93.50%, a strong indicator of customer loyalty and satisfaction. A high retention rate suggests that most customers are satisfied with their purchases and are likely to return for repeat business. Maintaining or improving this rate is crucial for long-term success, as retaining existing customers is more cost-effective than acquiring new ones. Focused efforts on customer service, personalized marketing, and loyalty programs can further enhance retention and drive future revenue growth.