

# Zepto Data Analysis

## Executive Summary

This project analyses Zepto's product catalogue to understand **pricing strategy, discount patterns, stock availability, and category-level performance**.

The objective is to uncover **business insights** that can help optimize **pricing, inventory management, and revenue growth**.

Key findings reveal that:

- Zepto relies heavily on **discount-driven pricing**
- Certain categories use **aggressive discounts** to drive volume
- **Out-of-stock patterns** indicate demand–supply mismatch
- Weight and quantity inconsistencies affect pricing efficiency

## Category-Level Insights

### Dominant Categories

- **Fruits & Vegetables**
- **Dairy & Breakfast**
- **Snacks & Beverages**

These categories:

- Have **high SKU density**
- Are **price-sensitive**
- Rely on **frequent discounts**

*Fresh categories drive traffic, not margins.*

## Pricing & Discount Analysis

### Discount Trends

- Average discounts range from **10%–25%**
- Fresh produce typically has **lower discounts**
- Packaged goods receive **higher promotional discounts**

High discounts = customer acquisition strategy

Low discounts = demand stability

### MRP vs Selling Price Gap

Many products show:

- Large gap between **MRP and selling price**
- Suggests **MRP inflation** to enable visible discounts

*Psychological pricing strategy to increase perceived value.*

## Inventory & Stock Insights

### Out-of-Stock Analysis

- Several fast-moving items are marked outOfStock = True
- Indicates:
  - High demand
  - Poor demand forecasting
  - Supply chain lag

*Out-of-stock = lost revenue + poor user experience*

## Available Quantity Patterns

- Most products have **low availableQuantity**
- Supports Zepto's **dark store + quick turnover model**

## Weight & Quantity Observations

- Weight inconsistencies across similar products
- Some products priced higher despite lower weight
- Quantity values vary significantly within categories

*Opportunity for pricing normalization & better unit economics.*

## SQL-Based Analytical Use Cases (from SQL file)

SQL logic enables:

- Category-wise revenue estimation
- Discount effectiveness analysis
- Stock availability checks
- High-value product identification

This shows **strong backend analytics capability**.

## Key Takeaways

Discounts are the primary conversion lever

Fresh items drive platform engagement

Packaged goods drive discount campaigns

Stock-outs directly impact revenue

MRP inflation risks customer trust

## Strategic Recommendations

### Pricing Strategy

- Reduce **artificial MRP inflation**
- Introduce **dynamic pricing** for high-demand items

### Inventory Optimization

- Improve demand forecasting for fast-moving SKUs
- Prioritize stock for **high-conversion products**

### Discount Optimization

- Shift from flat discounts to **personalized offers**
- Limit heavy discounts to slow-moving inventory

### Product Standardization

- Normalize pricing per gram/ml
- Improve transparency for customers

### Project Summary:

This project analyses Zepto's product dataset to understand pricing strategy, discount patterns, and inventory behaviour. Using SQL, the analysis identifies category-wise trends, highlights the impact of discounts on selling prices, and uncovers stock availability issues affecting revenue. Key insights show heavy reliance on discount-driven pricing, demand-supply mismatches for fast-moving items, and opportunities for pricing standardization and better inventory forecasting. The findings provide actionable recommendations to optimize pricing, improve stock management, and enhance overall business efficiency.