

## **Business case**

### **Title: The best solution for the 'Food & Beverage' niche at Platform**

When starting to develop the business case, my first step was to inspect the database to ensure its integrity, ensuring it was free of errors or inconsistencies. During this analysis, I identified some points that caught my attention:

- Negative values in financial metrics such as 'purchase\_gmv', 'purchase\_commission\_affiliate' and 'purchase\_commission\_cocreator';
- Inconsistencies in the format of the 'purchase\_release\_datetime' column.

To resolve these interferences, I adopted the following measures:

#### **Case 1 - Negative values in financial metrics:**

Initially, when I came across negative values in these metrics, I researched the GMV (Gross Merchandise Volume) index to better understand its nature and application. I found that GMV represents the total value of products sold on the platform during a given period, offering a comprehensive view of sales activity. Noting that GMV should not be negative, I decided to remove negative data during the historical analysis of these economic metrics. These negative values could be due to data entry errors or incorrect calculations, based on my research.

#### **Case 2 - Inconsistencies in the format of the 'purchase\_release\_datetime' column:**

To ensure data consistency, I standardized the format of the 'purchase\_release\_datetime' column to the 'datetime' data type, allowing for more efficient manipulation of this information.

After checking the database, I moved on to data analysis, where, given the vast amount of information available, I chose to explore the 'Food & Beverage' niche. This choice was motivated by the success of this segment on the platform and the opportunity to obtain valuable insights to guide future strategies.

The 'Food & Beverage' niche emerges as one of the growing segments within the e-commerce platform, offering a wide variety of products and counting on a vibrant community of more than 14,893 creators dedicated to offering diverse options to

consumers. With an impressive total of 29,046 products available, this niche displays a robust presence on the platform, also reflected in the significant number of sales, which totaled 116,981 transactions throughout the period analyzed. Furthermore, it is intriguing to note that this market goes beyond the borders of a single country, expanding to up to 10 different countries, both in terms of access and product production. This geographic diversity reveals a unique dynamic and encourages us to further explore the potential of this market, as well as better understand the growth opportunities in different regions.

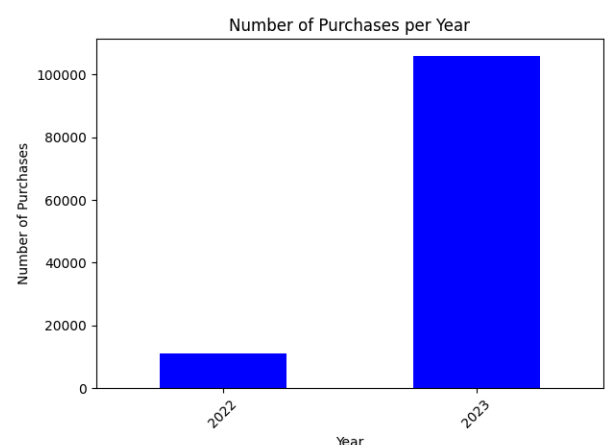
To assess the health of businesses on the platform, we selected key indicators that we consider fundamental for measuring business success:

- Market growth over the years;
- History of the GMV (Gross Merchandise Volume) index;
- Impact of the participation of affiliates and co-producers on sales volume;
- Popularity of different product formats;
- Geographic analysis of sales.

With these indicators defined, we are ready to dive into data analysis and extract valuable insights to guide future strategies and drive business growth on the platform.

## 1. Market growth over the years

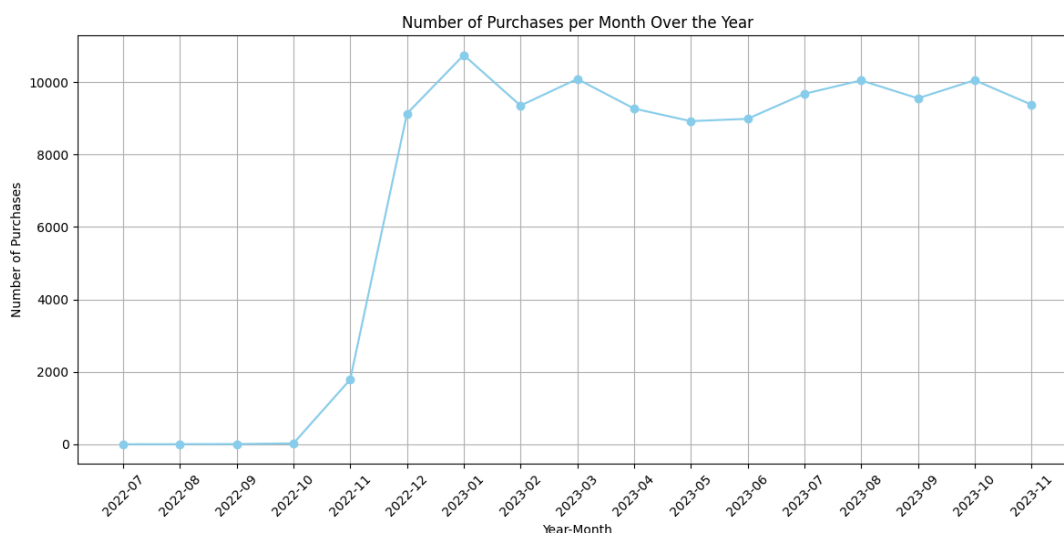
During the period from 07/04/2022 to 11/27/2023, our database revealed an impressive total of 116,981 products sold in the 'Food & Beverage' niche. As we examine growth over the years, we notice a marked upward trend in sales, as evidenced by the annual sales graph.



To further understand the dynamics of this growth, we calculated the year-to-year rate of change. When focusing our analysis on the period from 01/08/2022 to 01/08/2023, equivalent to one year, we witnessed a notable

increase of ~515.1% in sales in this niche. This indicator highlights not only growth, but also promising expansion opportunities in the coming years.

For a more detailed perspective, we explored the number of sales monthly during the period examined, as depicted in the chart below. This analysis revealed a significant inflection in sales from November 2022 onwards, marking the beginning of a period in which sales consistently exceeded previous data.



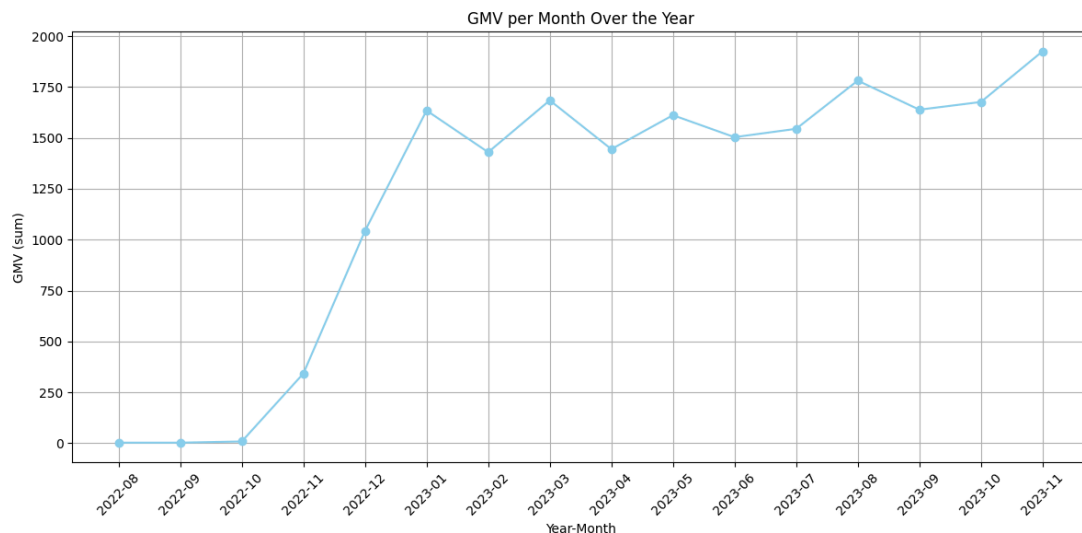
Average monthly sales in 2022 recorded around ~588 units, while in 2023 this number grew to ~3123 units, indicating an impressive increase of ~431.1%. This pronounced rise in average monthly sales is an undeniable testimony to the dynamic and sustained growth of the 'Food & Beverage' market.

When considering the data presented above, it is safe to say that the market in this niche is on the rise, supported by positive indicators and a robust growth trajectory.

## 2. GMV (Gross Merchandise Volume) index history

Analysis of the historical GMV (Gross Merchandise Volume) index reveals a significant trend of business growth throughout 2023, compared to the previous year, as evidenced by the graph presented. GMV acts as a crucial indicator for driving business growth, as it reflects both increased sales and changes in product prices over time.

One of the main advantages of GMV is its ability to offer a tangible and actionable measure of a company's financial performance, providing valuable insights into the total revenue generated, sales volume achieved and the performance of individual sellers. This metric not only allows a clear assessment of the success of business operations, but also serves as an essential guide to guide the formulation of strategies and decision-making in the business.



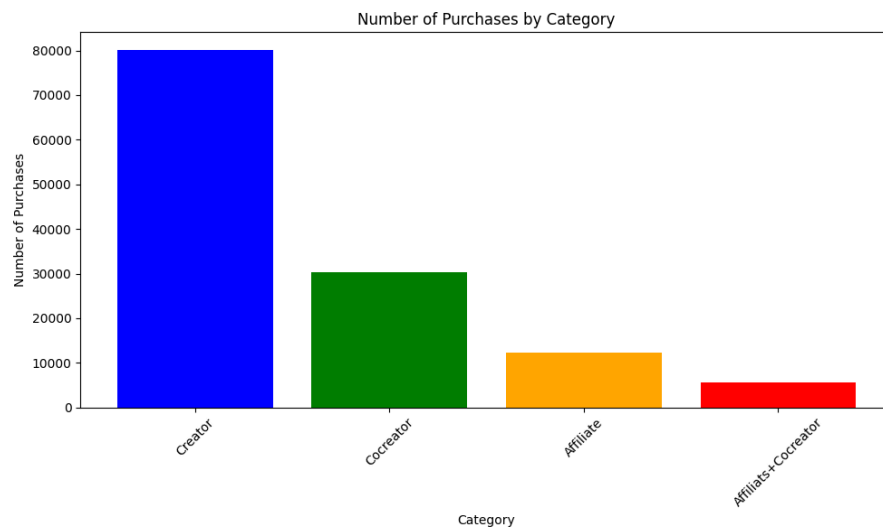
By analyzing the GMV index, we can extract valuable insights that help us better understand business performance and identify growth opportunities. Some of these insights include:

- Identification of Sales Trends;
- Product Performance Assessment;
- Efficiency of Marketing Campaigns;
- Sales Channel Performance;
- Customer Segmentation.

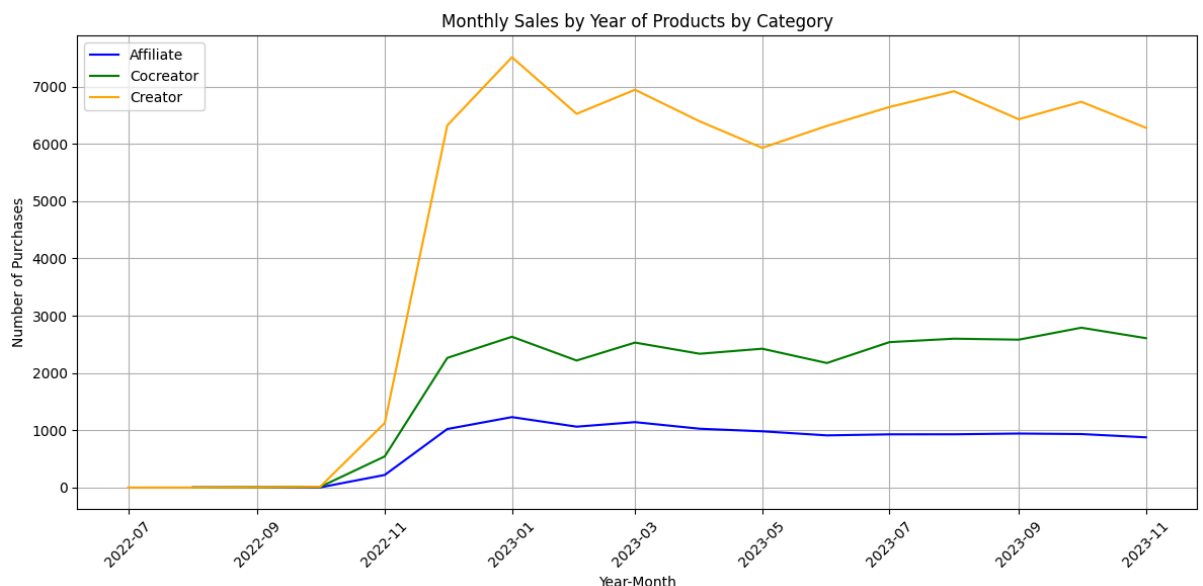
### **3. Impact of the participation of affiliates and co-producers on the number of sales**

The impact of the participation of affiliates and co-producers on the number of sales is fundamental to understanding the dynamics of the niche under study. By looking at the numbers, we can discern how much these employees drive the sector's success. The data reveals that, of the 116,981 products sold, the largest sales volume, around 68.5%, is made directly by the creator. However, it is essential to note that the contributions of co-producers and affiliates, corresponding to approximately 25.9% and 10.4% of sales, respectively, should not be

underestimated. Furthermore, sales with both possibilities represent around 4.8% of the total.



By graphically analyzing participation over the two years, we identified a period of inflection in sales, where the participation of affiliates and co-producers stands out. However, over time, we observed a stabilization in this participation, indicating that the data reached a plateau. This stability suggests the consolidation and maturity of collaboration strategies with affiliates and co-producers.



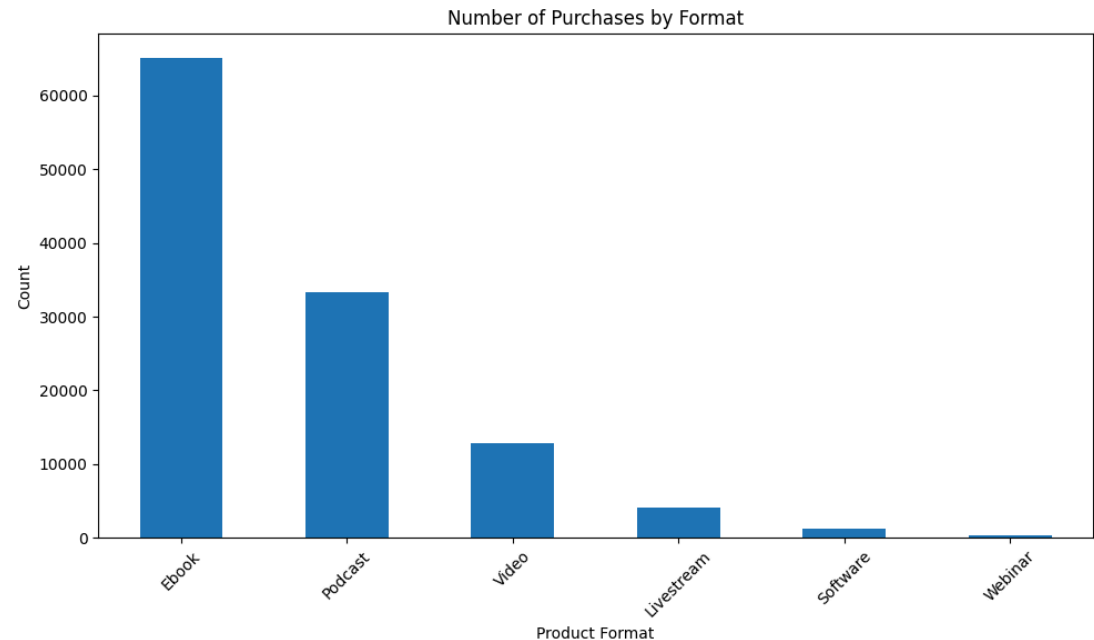
These observations provide us with valuable insights. We can consider expanding the network of affiliates and co-producers as a strategy to further boost sales. Furthermore, the analysis suggests the importance of

maintaining and strengthening existing partnerships while seeking new opportunities for collaboration.

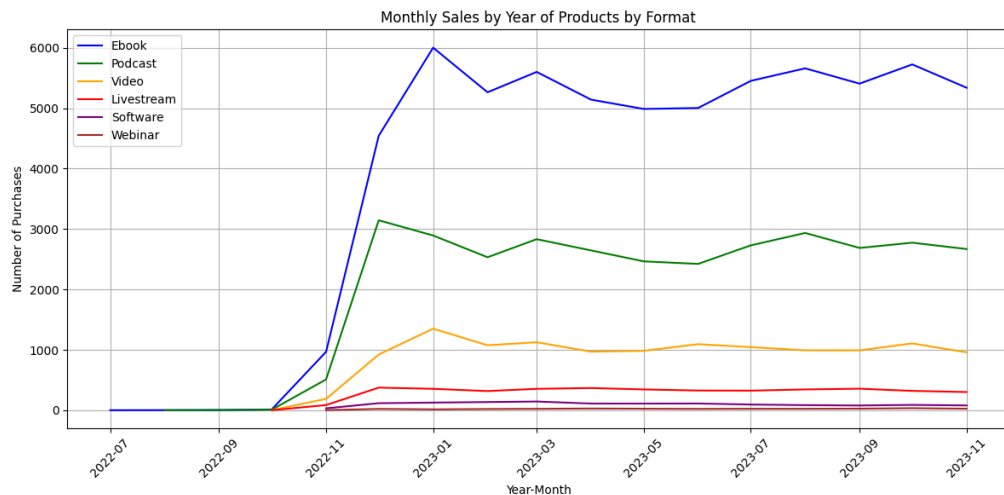
This deeper understanding of sales dynamics, combined with our ability to adapt and expand our affiliate and co-producer networks, positions us advantageously to further drive the success of the niche selected for analysis.

**4. Popularity of product formats**

The popularity of different product formats within our niche offers valuable insights into our audience’s preferences and behaviors. Among the most consumed formats, eBook stands out as the undisputed leader, followed closely by Podcast and Video.



By taking a closer look at these formats, we can better understand their distinct applications and appeals to our audience. While the eBook offers a valuable resource for reading and consultation, Podcast and Video stand out as powerful media tools, offering content in more dynamic and engaging formats.



The stability of sales across all formats after a period of sudden growth is an interesting indication. This suggests that while initial growth may have been driven by specific factors such as product launches or marketing campaigns, formats continue to maintain a consistent level of demand over time.

This analysis of historical sales data across product formats not only provides us with a deeper understanding of consumer behavior, but also serves as a solid basis for making strategic decisions related to new product development. For example, by observing that the best-selling formats are eBook, Podcast and Video, we can direct our development efforts to further expand these areas.

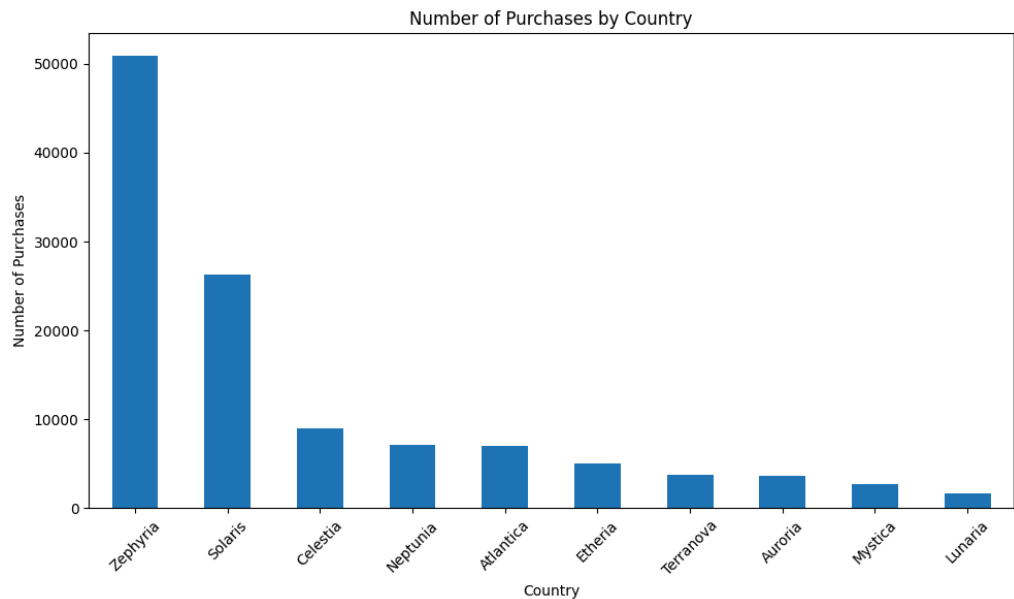
Considering the good acceptance of these formats by our audience, exploring possible synergies between them, such as combining videos with podcast content, could be an interesting strategy to expand our reach and engagement with the public.

These insights empower us to make more informed and strategic decisions as we continue to evolve and diversify our product portfolio to meet the emerging demands of our audience.

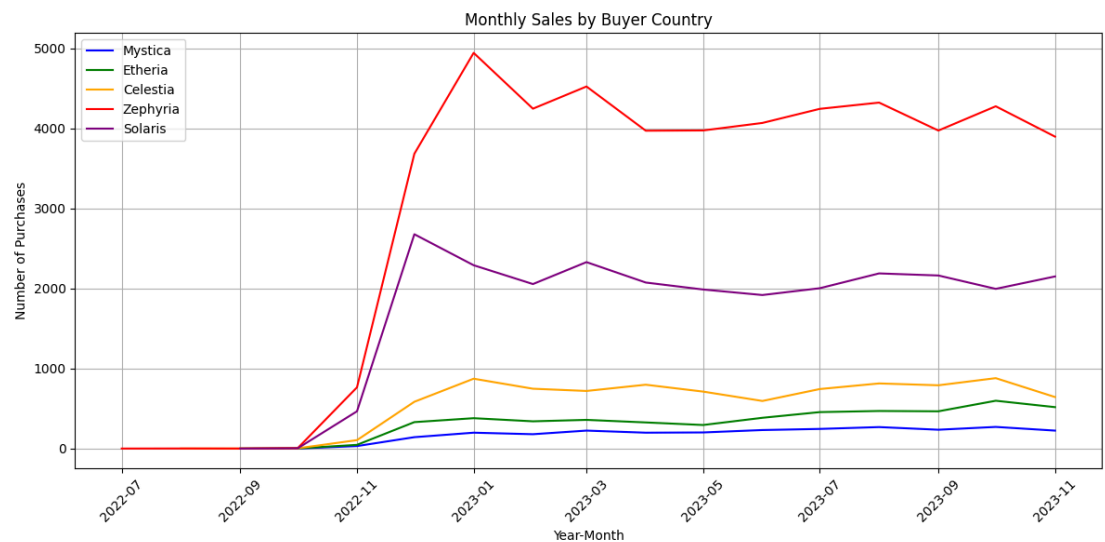
## 5. Geographic analysis of sales

Geographic sales analysis reveals interesting insights into consumer behavior and growth opportunities in different regions. Over the past two years, we have observed that sales are mainly concentrated in three countries: Zephyria,

Solaris and Celestia. These countries emerge as the main drivers of success in the "Food & Beverage" niche.



However, when analyzing consumer growth from 2022 to 2023, other regions stand out, such as Mystica, Etheria and Celestia, which experienced impressive increases of 1311.4%, 1102.9% and 1093.5%, respectively. This data highlights the importance of not only focusing on established markets, but also exploring expansion opportunities in fast-growing regions.



The analysis of the geographic distribution of sales goes beyond simply identifying the main markets. It allows us to understand the cultural nuances, lifestyle preferences and even climate issues that can influence consumer



behavior. With this information in hand, we can adapt our marketing strategies and product offerings to meet the specific needs of each market.

We can identify growth opportunities in specific countries, adapting our strategies to attract and better serve local consumers. Additionally, we can explore expansion into new geographic markets, leveraging the potential of emerging regions to further drive our global growth.

With a deeper understanding of the geographic distribution of sales, we are strategically positioned to capitalize on emerging opportunities and continue to strengthen our presence in the Food & Beverage market.

## **Conclusion**

Based on the data and analysis presented, we identified several opportunities to increase and improve the performance of the 'Food & Beverage' niche on the e-commerce platform:

- **Potential growth in specific countries:** The data revealed regions with significant potential for growth, such as Mystica, Etheria and Celestia. We can direct our efforts to expand our presence in these areas by adapting our marketing strategies and product offerings to meet the specific needs of these markets.
- **New product development:** Analysis of the most popular product formats offers valuable insights into our audience's preferences. We can explore new product development, leveraging the most successful formats such as eBook, Podcast and Video, and diversifying our portfolio to meet emerging market demands.
- **Optimizing marketing strategies for specific market segments:** Understanding the geographic distribution of sales allows us to adapt our marketing strategies to different regions. We can customize our messages and campaigns to meet the cultural and behavioral preferences of consumers in each market.
- **Expansion of the affiliate and co-producer network:** Collaboration with affiliates and co-producers plays a significant role in sales success. We may explore opportunities to expand our partner network by cultivating

relationships with influencers and producers who can help promote our products to new audiences.

These opportunities are relevant to several areas of the company:

- **Marketing and product development teams:** Responsible for implementing marketing strategies and developing new products to meet market demands.
- **Finance teams:** Responsible for evaluating the financial performance of initiatives and ensuring that investments are aligned with strategic objectives.
- **Producers and team:** Involved in the creation and production of products, collaborating with affiliates and co-producers to maximize sales and brand reach.

Actions these areas can take based on this information include:

- Expansion into new geographic markets, taking advantage of identified growth opportunities.
- Adjust marketing strategies to target specific markets and improve customer engagement.
- Development of new products that meet the needs and preferences of the target audience.
- Definition of goals and success metrics to evaluate the impact of actions and ensure they are aligned with organizational objectives.

By implementing these actions and monitoring their progress over time, we will be able to identify the success of the initiatives and ensure that we are maximizing our business potential in the 'Food & Beverage' niche on the platform.