



BUSINESS REPORT

EXECUTIVE SUMMARY

This report provides a comprehensive analysis of the summer clothing sales data from Wish.com, uncovering valuable insights into sales performance, customer satisfaction, and marketing effectiveness. Our data-driven approach has revealed several key findings that are pivotal for strategic decision-making.

- **Sales Trends:** Analysis shows a concentration of sales within a select group of products, with a significant majority falling into the 'Low' sales volume category. This suggests room for growth and the potential to elevate these products through targeted marketing and inventory optimization.
- **Customer Satisfaction:** Customer ratings have a strong correlation with sales volumes, highlighting the importance of quality and customer experience. Products with higher ratings are clear market favourites, suggesting that consumer satisfaction is a critical driver of sales success.
- **Urgency Marketing:** Products labelled as 'URGENT' do not show a significant difference in sales volume compared to non-urgent items. This finding prompts a revaluation of urgency as a sales tactic.
- **Profitability:** The profitability analysis indicates that certain products yield high returns, identifying them as key contributors to the overall financial success of the summer clothing category.
- **Badges Impact:** The presence of product badges does not correlate with the top 50 products by sales volume, suggesting that badges alone may not be a strong influence on consumer purchasing behaviour.

Based on these insights, we recommend the following actions:

1. **Inventory and Marketing Focus:** Shift focus towards high-performing products with 'GOOD' and 'EXCELLENT' ratings to leverage customer satisfaction and drive sales.
2. **Strategic Pricing:** Review pricing strategies for products with low sales volumes to enhance competitiveness and attract price-sensitive customers.
3. **Customer Engagement:** Amplify efforts to collect customer feedback, which serves as a valuable indicator of product performance and can guide product development.
4. **Marketing Tactics Review:** Assess the effectiveness of urgency banners and consider alternative marketing strategies that could better influence purchasing decisions.
5. **Badge Strategy:** Investigate the potential of badges as a marketing tool and consider strategies to leverage them more effectively to enhance trust and appeal to consumers.

By acting on these recommendations, Wish.com can aim to enhance its product offerings, improve customer engagement, and ultimately drive higher sales and profitability.

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INTRODUCTION



In this report, we dissect Wish.com's extensive data on summer clothing sales to unravel patterns and insights integral to strategic decision-making. Our analysis is fuelled by a commitment to data-driven clarity, aimed at enhancing Wish.com's understanding of market dynamics and customer preferences. We meticulously curated the dataset, extracting a streamlined narrative that reveals the undercurrents of consumer behaviour and business performance.

Through strategic data processing and the introduction of key performance indicators, we have laid the groundwork for targeted analysis. This report not only reflects on past and present sales achievements but also casts a forward gaze, pinpointing opportunities for growth and refinement in product offerings and marketing tactics. It is crafted to serve as a beacon for the management team, guiding strategic initiatives in an increasingly competitive e-commerce landscape.

DATA OVERVIEW

This section introduces the dataset sourced from Wish.com, focusing on the summer clothing category, a vibrant and competitive segment of the e-commerce market. The dataset encompasses a wide array of variables crucial for understanding product performance, customer preferences, and market dynamics.

Key Components of the Dataset Include:

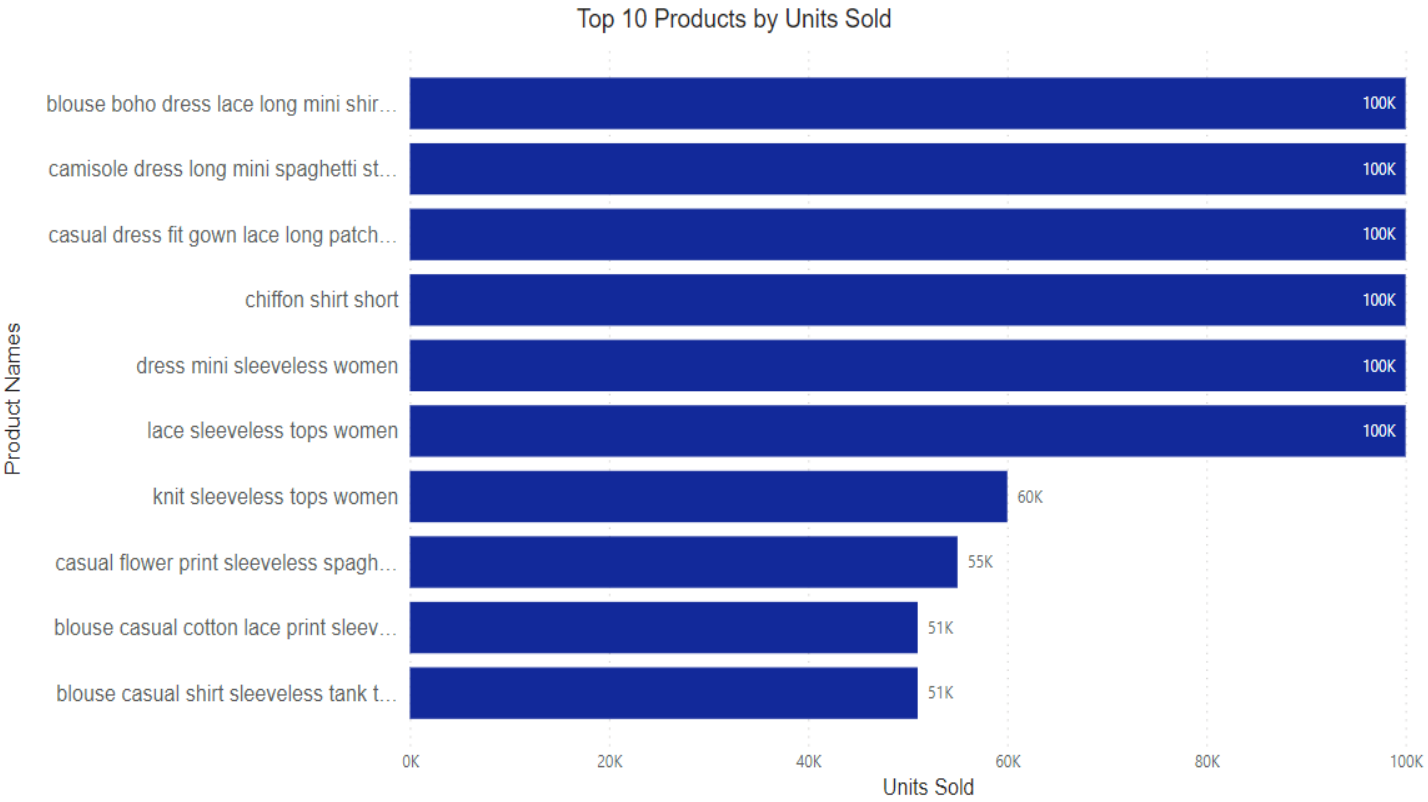
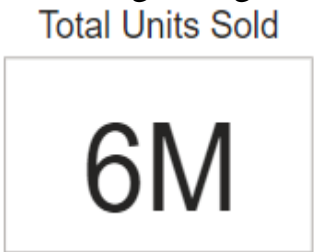
- **Product Details:** Including unique identifiers, enhanced product names, and standardized attributes such as colour and size.
- **Sales Metrics:** Data on units sold, price points, and retail costs providing insight into sales volume and revenue generation.
- **Customer Engagement:** Ratings and review counts offer a glimpse into customer satisfaction and product reception.
- **Market Strategy Indicators:** Information on product badges, pricing strategies, and promotional efforts.

This dataset serves as the foundation for our analysis, aiming to uncover patterns and insights that can drive strategic decisions. By examining sales performance, profitability, and customer feedback, we seek to identify opportunities for growth and optimization within Wish.com's summer clothing offerings.

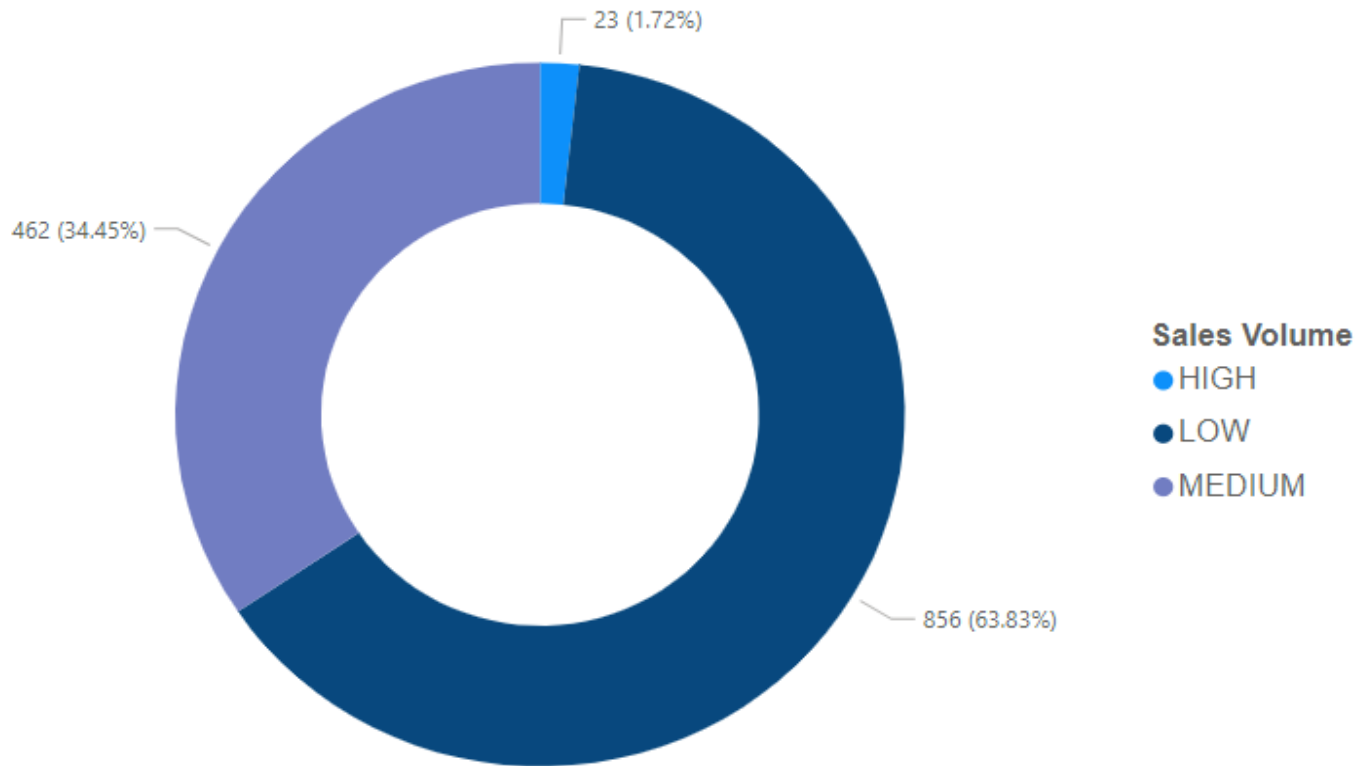
Significance for Business Strategy: Understanding the intricacies of this dataset allows us to pinpoint key drivers of success and areas for improvement. The following analysis sections leverage this data to provide comprehensive insights into how Wish.com can enhance its market presence, optimize its product portfolio, and better cater to customer needs.

SALES PERFORMANCE ANALYSIS

The bar chart showcasing the reveals a significant lead in sales volume for certain items, indicating strong consumer demand. Notably, the 'blouse boho dress lace shirt' outperforms other products by a substantial margin. This dominance in sales volume suggests a successful market fit, likely driven by current fashion trends and consumer preferences. The chart also underscores the importance of dress and blouse categories within the summer clothing line, signaling potential areas for inventory focus and marketing campaigns.



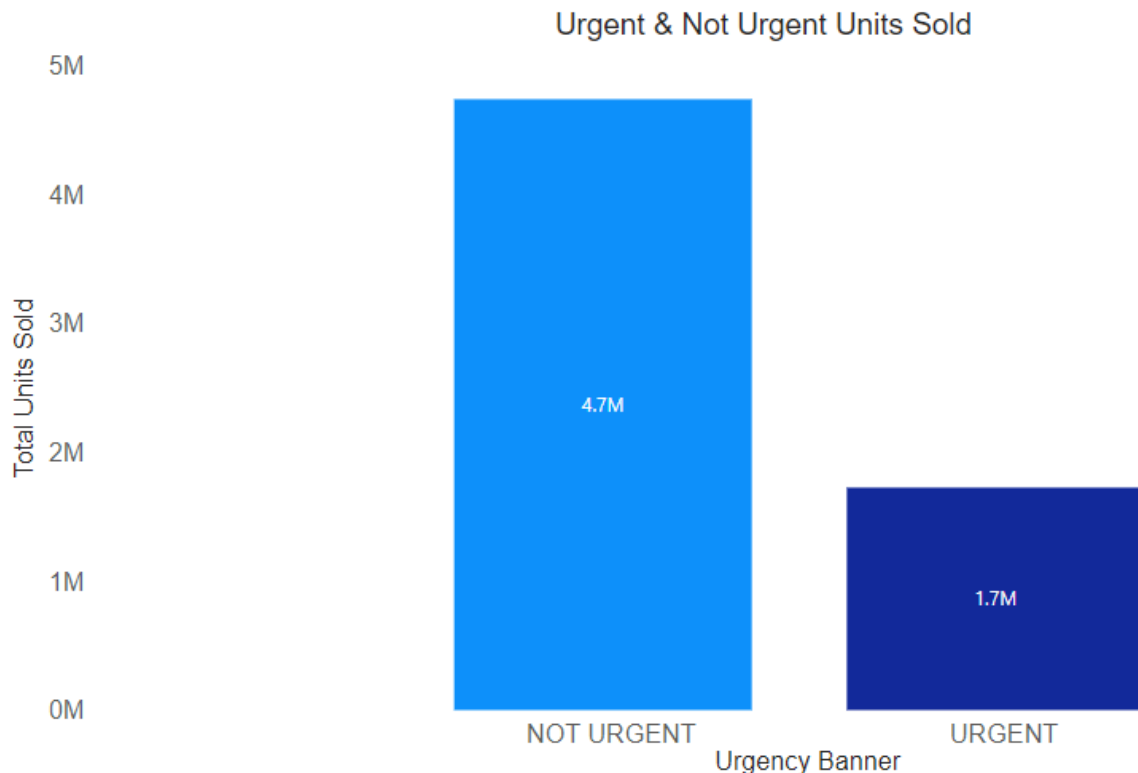
Products by Sales Volume



In addition to individual product successes, it is crucial to examine the overall distribution of sales volume across our entire product range. The accompanying donut chart categorizes our offerings into three distinct sales volume levels: Low, Medium, and High. The chart illustrates that most of our products, 63.83%, are classified under the 'Low' sales volume level, suggesting that these items have not reached their sales potential. In stark contrast, only a small fraction, 1.72%, are performing at a 'High' sales volume level, which are our bestsellers. This stark disparity presents a valuable opportunity for strategic analysis and action. By dissecting the characteristics and marketing strategies of high-performing products, we can derive valuable insights to inform decisions aimed at improving the sales performance of the lower-tier products. The goal is to employ targeted interventions to elevate the sales volume status from 'Low' to 'Medium' or even 'High', optimizing our product portfolio and capitalizing on untapped market potential.

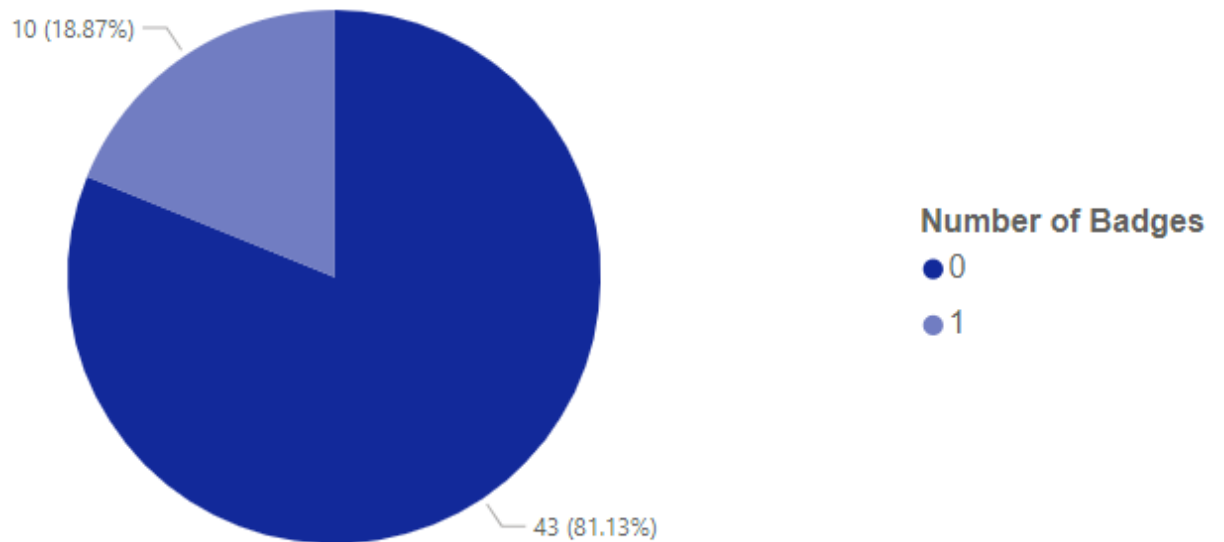
Marketing and Sales Urgency Analysis

The bar chart indicates that products without an urgency banner ('NOT URGENT') have significantly higher total units sold compared to those with an urgency banner ('URGENT'), at 4.7M and 1.7M respectively. This could suggest that urgency marketing does not heavily influence purchasing decisions, or that a smaller selection of products is labeled as urgent. It may be beneficial to reassess the application of urgency banners to optimize their impact.



Badge Analysis

Top 50 Products and Badges



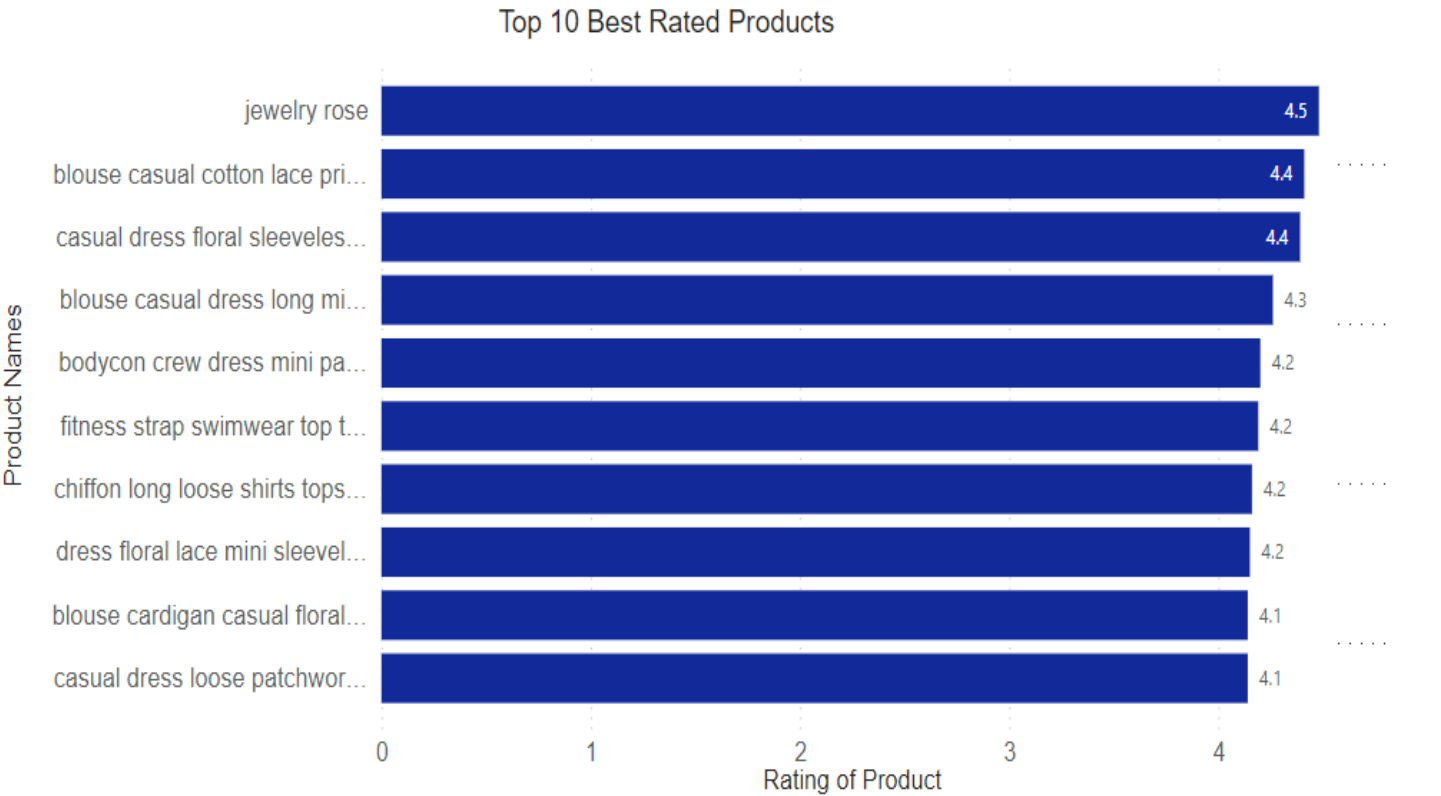
The pie chart examines the presence of product badges within the top 50 products. A majority, 81.13%, do not carry any badge, while 18.87% have at least one badge. This distribution indicates that badges are not a predominant feature among the top-performing products, questioning the effectiveness of badges in driving sales within this product subset.

CUSTOMER SATISFACTION ANALYSIS

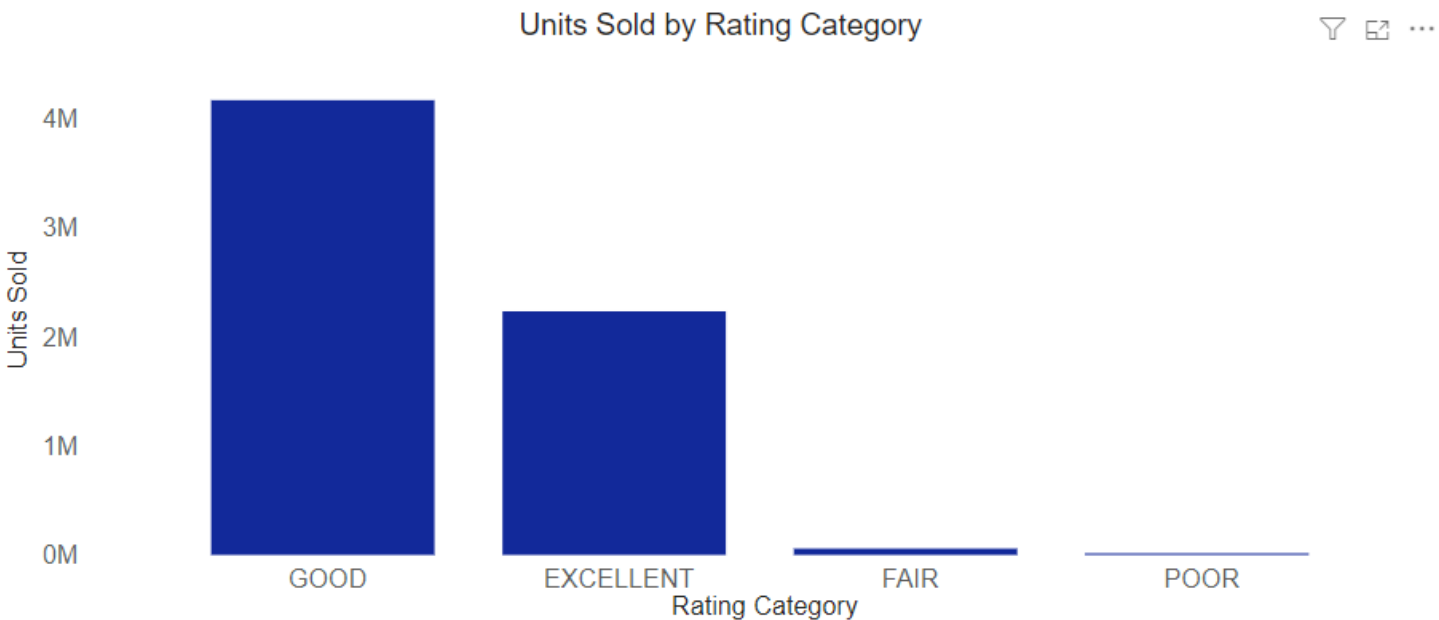
For the 'Top 10 Best Rated Products' bar chart, only products with a rating count greater than 5,000 reviews were considered to ensure a robust data set. The product 'jewelry rose' holds the highest average rating, a testament to its quality and customer satisfaction. This high rating, coupled with substantial review volumes, underscores the critical impact of positive customer feedback on product perception and sales success.

Average Rating

3.88

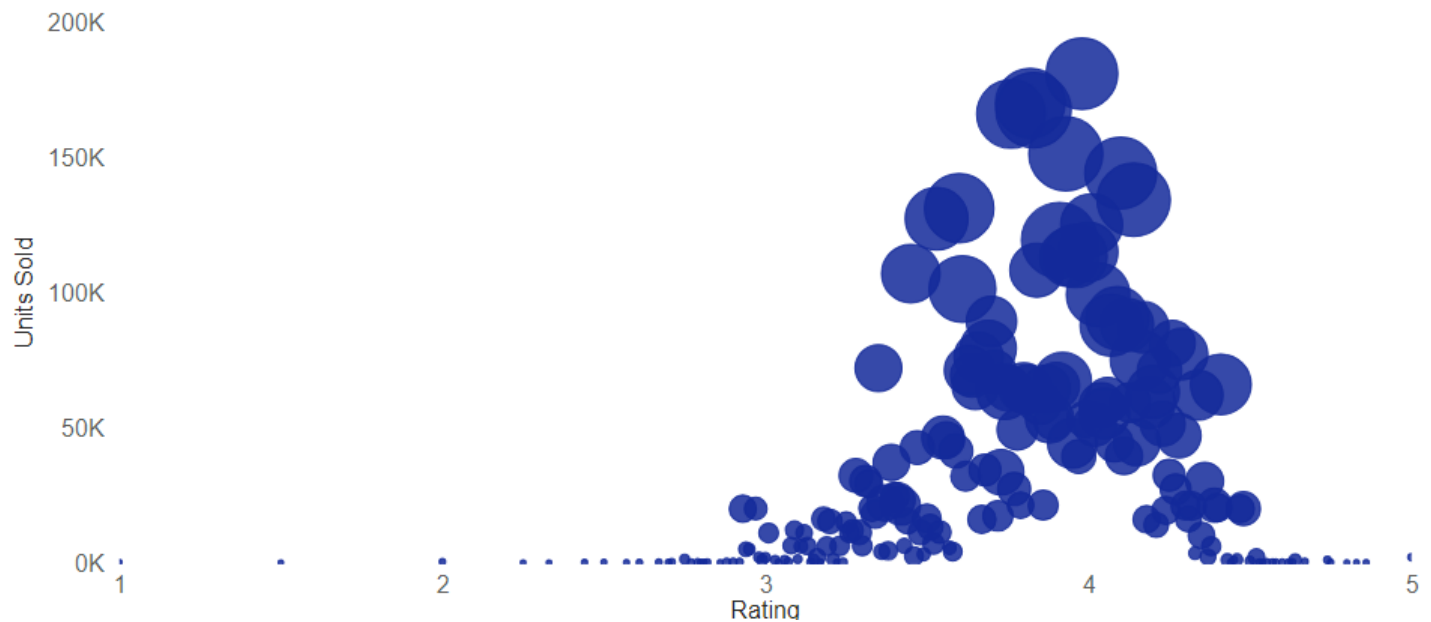


Product Performance by Rating Category



In the bar chart, products with a 'GOOD' rating category dominate sales, followed by those rated as 'EXCELLENT'. 'FAIR' and 'POOR' categories show significantly fewer units sold. This suggests that higher-rated products are more likely to achieve greater sales volumes. Focusing on improving and marketing products that resonate positively with customers could enhance overall sales figures.

Sales and Rating Correlation Analysis



The scatter plot presents a positive correlation between product ratings and units sold, particularly noticeable in the concentration of data points towards higher ratings. Larger bubbles, representing a higher count of ratings, are predominantly situated in the 3 to 5 rating range, implying that products with better ratings tend to sell more and receive more reviews, highlighting the importance of customer satisfaction in driving sales.

CONCLUSIONS AND RECOMMENDATIONS

The analysis of Wish.com's summer clothing line data reveals several key insights:

- **Sales Performance:** The highest units sold are concentrated within a specific subset of products, suggesting a focused consumer demand. Meanwhile, the urgency banner does not appear to significantly drive sales.
- **Customer Satisfaction:** Products with higher customer satisfaction levels, as indicated by the ratings, show higher sales volumes. Products with 'GOOD' ratings dominate the sales volume, highlighting the importance of quality in product offerings.
- **Marketing Efficacy:** The use of urgency marketing banners does not have a clear correlation with increased sales, which calls into question their current use and placement.

Based on these findings, we recommend the following actions:

1. **Product Focus:** Prioritize marketing efforts and inventory stocking for products that demonstrate high sales volumes and customer ratings, particularly those in the 'GOOD' and 'EXCELLENT' rating categories.
2. **Customer Feedback:** Continue to foster customer feedback mechanisms, as ratings significantly impact sales. Engage with highly-rated products to understand success factors that can be applied to other items.
3. **Review Marketing Strategies:** Reassess the use of urgency banners and consider alternative marketing strategies that could be more effective in driving sales, such as targeted promotions for high-performing products.
4. **Badge Utilization:** Given that badges are not extensively used among top-selling products, evaluate whether badges could be leveraged more effectively as a trust signal to promote sales.
5. **Optimize Product Listings:** For products with lower sales volumes and ratings, explore optimization opportunities, such as better product descriptions, improved visuals, and competitive pricing strategies.

By implementing these recommendations, Wish.com can enhance its sales strategy, improve customer satisfaction, and strengthen its market position within the competitive e-commerce landscape.

APPENDICES

Initial Data Assessment:

- Reviewed the dataset for completeness and consistency.
- Evaluated the dataset for missing values, outliers, and duplicate entries.

Data Cleaning Steps:

- **Duplicates Removal:** Identified and removed duplicate product entries, ensuring a unique representation for each item.
- **Data Type Standardization:** Corrected data types for numerical and categorical variables to align with their respective analytical functions.

Variable Enhancement and Reduction:

- **Titles Consolidation:** Replaced the title and title_orig fields with a singular Enhanced Product Names column, populated with concise descriptors distilled from original titles.
- **Redundant Field Exclusion:** Removed the tags and urgency_text columns to streamline the dataset, focusing on variables with a direct impact on sales and customer satisfaction.

New Variable Creation:

- **Financial Metrics:** Calculated Profit Margin, Profit Per Unit, and Total Profit for a granular view of financial health.
- **Sales Metrics:** Introduced Sales Volume to quantify the success of product sales.
- **Pricing Analysis:** Developed Markup and Discount Percent to evaluate the effectiveness of pricing strategies.
- **Profit Analysis:** Created Profit Ratio to understand profit in relation to sales, and Price to Retail, which compares the selling price against the retail price.

Sales Volume Categorization:

- To facilitate analysis, sales_volume was categorized based on the number of units sold:
 - Low: Sales volume less than or equal to 100 units.
 - Medium: Sales volume greater than 100 units and up to 20,000 units.
 - High: Sales volume greater than 20,000 units.
- This categorization enables targeted analysis by sales performance levels, assisting in identifying products that require marketing boosts or stock adjustments.

Rating Category Definition:

- Customer product ratings were categorized to simplify analysis of consumer satisfaction:
 - Poor: Ratings below 2.
 - Fair: Ratings from 2 up to, but not including, 3.
 - Good: Ratings from 3 up to, but not including, 4.
 - Excellent: Ratings of 4 and above.
- These categories help in quickly assessing product reception and prioritizing improvements.

Urgency Text Conversion:

- Original urgency values were binary/Boolean. For clarity, these were transformed to textual representations:
 - 1 was changed to "URGENT."
 - 0 or missing values were changed to "NOT URGENT."
- This transformation aids in the intuitive understanding of the dataset, particularly in visualizations and analysis focused on product promotion urgency.

Colour and Size Standardization Attempt:

- Acknowledging the complexity of categorizing the product_color and product_variation_size_id due to their vast variations and occasional inaccuracies, a simplified approach was initially considered but not implemented.
- For future consideration, a basic strategy could involve grouping colours into primary categories (e.g., "Red", "Blue", "Green") and sizes into general bins (e.g., "Small", "Medium", "Large"). This would require creating a mapping table or logic to standardize these attributes.

Final Data Validation:

- Ensured the integrity and reliability of the dataset post-transformation for accurate and robust analysis.

Conclusion of Data Processing

The data processing and cleaning procedures have been systematically executed to ensure that the subsequent analysis is based on the most reliable and pertinent information. The refined dataset provides a solid foundation for deriving insights that will inform strategic business decisions.