

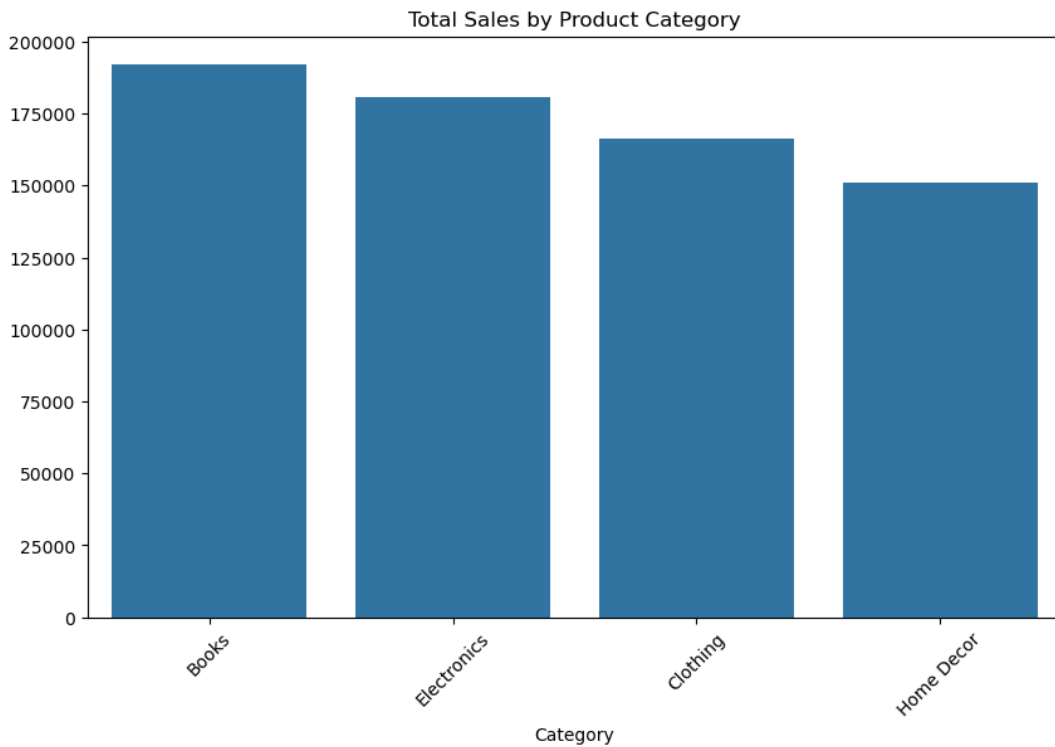
A Report on eCommerce Business Insights

Areas of evaluation:

The five business insights that are to be derived during the EDA process is as follows:

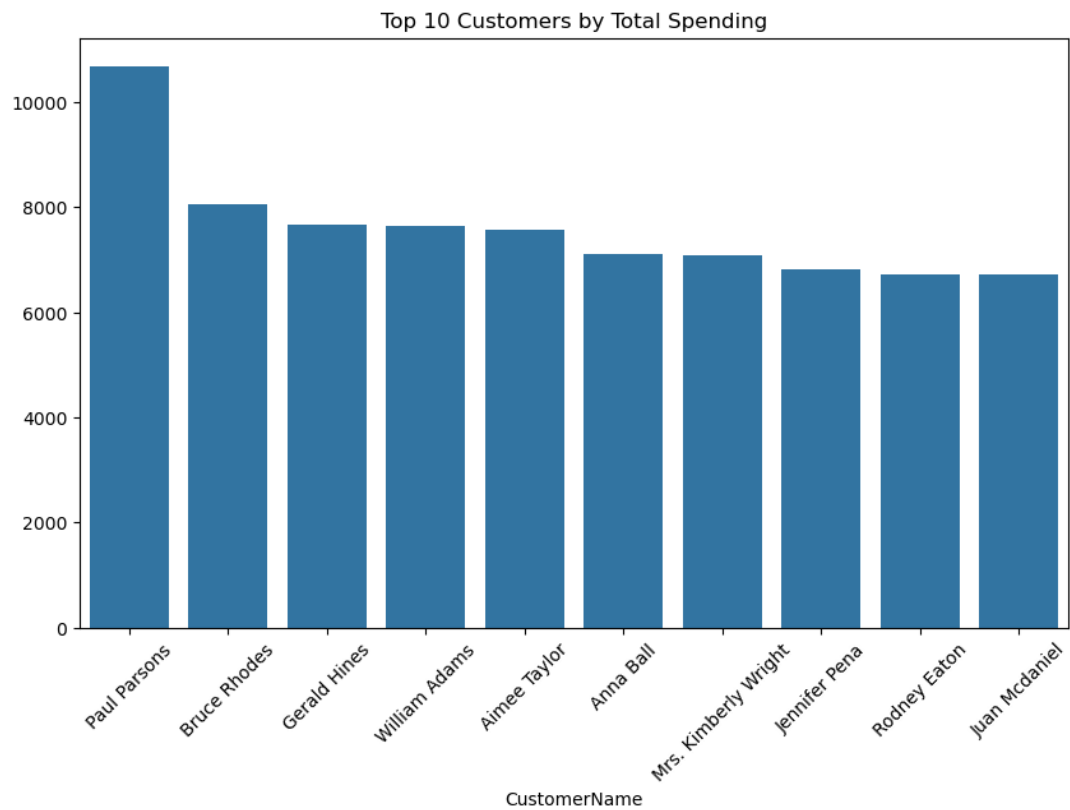
1. Products with higher sales margin
2. Revenue driving factor
3. Volume and Nature of the transactions
4. Growth of the sales over a period of time
5. Regional spending variations

1. Product with higher sales margin



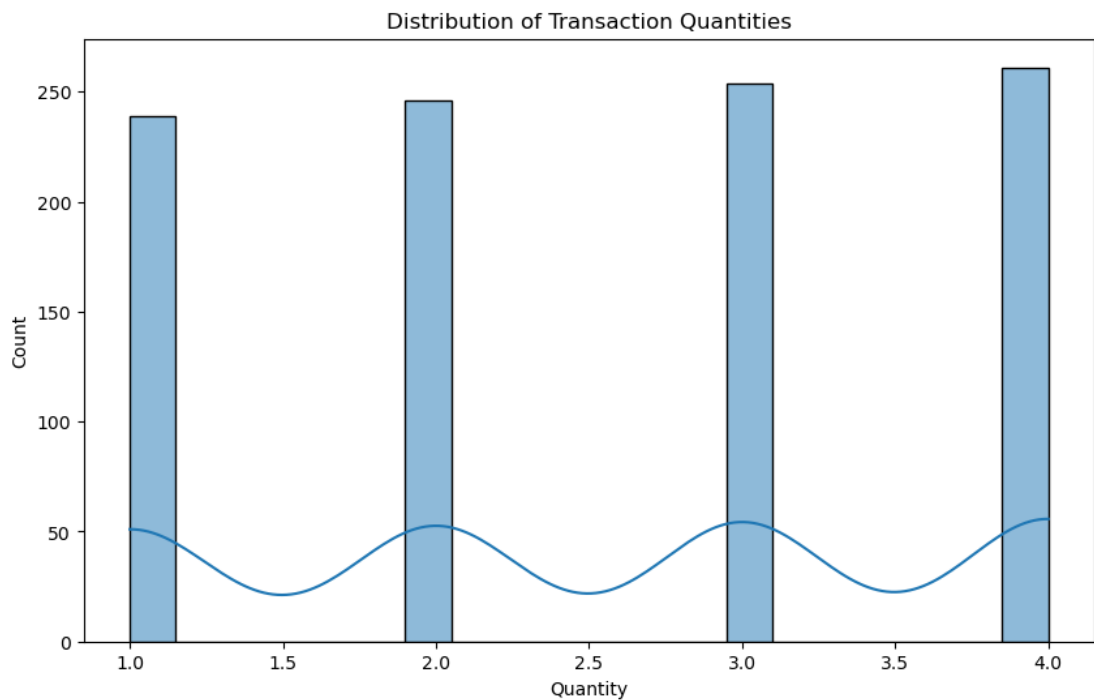
Clearly, Books and Electronic items dominated the sales, followed by the clothing and home décor items. The difference in the quantity of sales is conveniently visible for the different products mentioned before. This makes it easier to find the most profitable product and target the customers accordingly.

2. Revenue Driving Factor



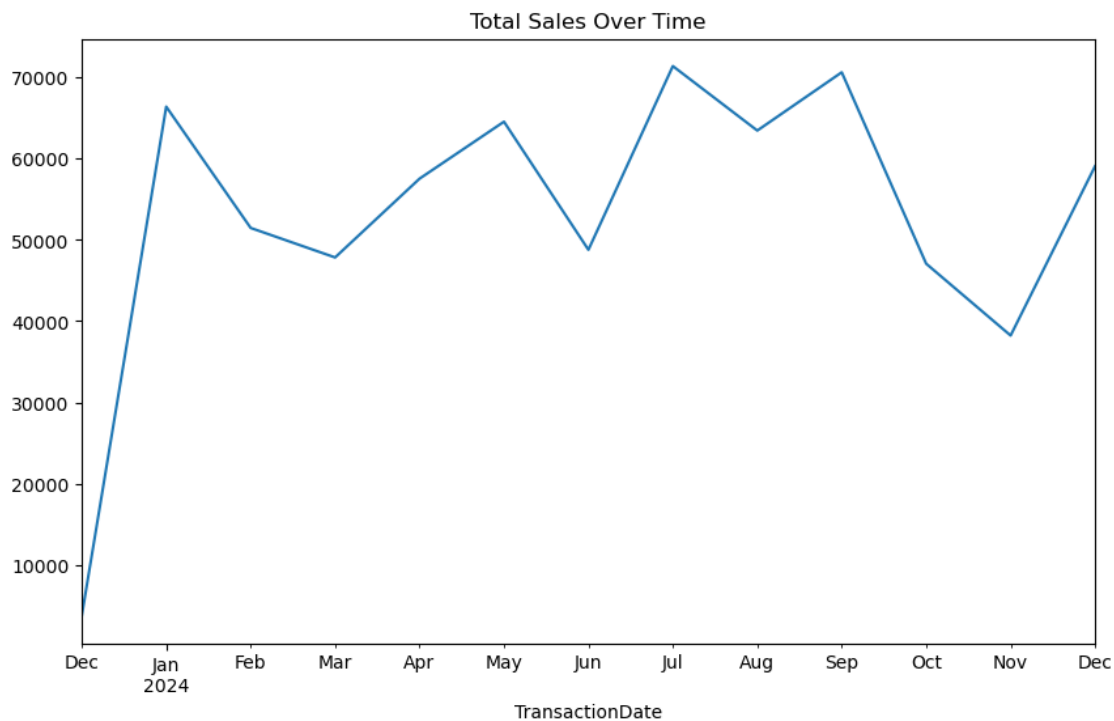
By analyzing the picture, it becomes clear that the high-profile customers capable of spending the most have varying spending habits, wherein the selected top customers are driving the revenue by a considerable percentage, when compared to others. This gives a clarity on whether to target large number of regular customers and boost sales or to target only selected high-profile customers and reduce sales to an extent without affecting the quality of service these customers expect.

3. Volume and Nature of the Transactions



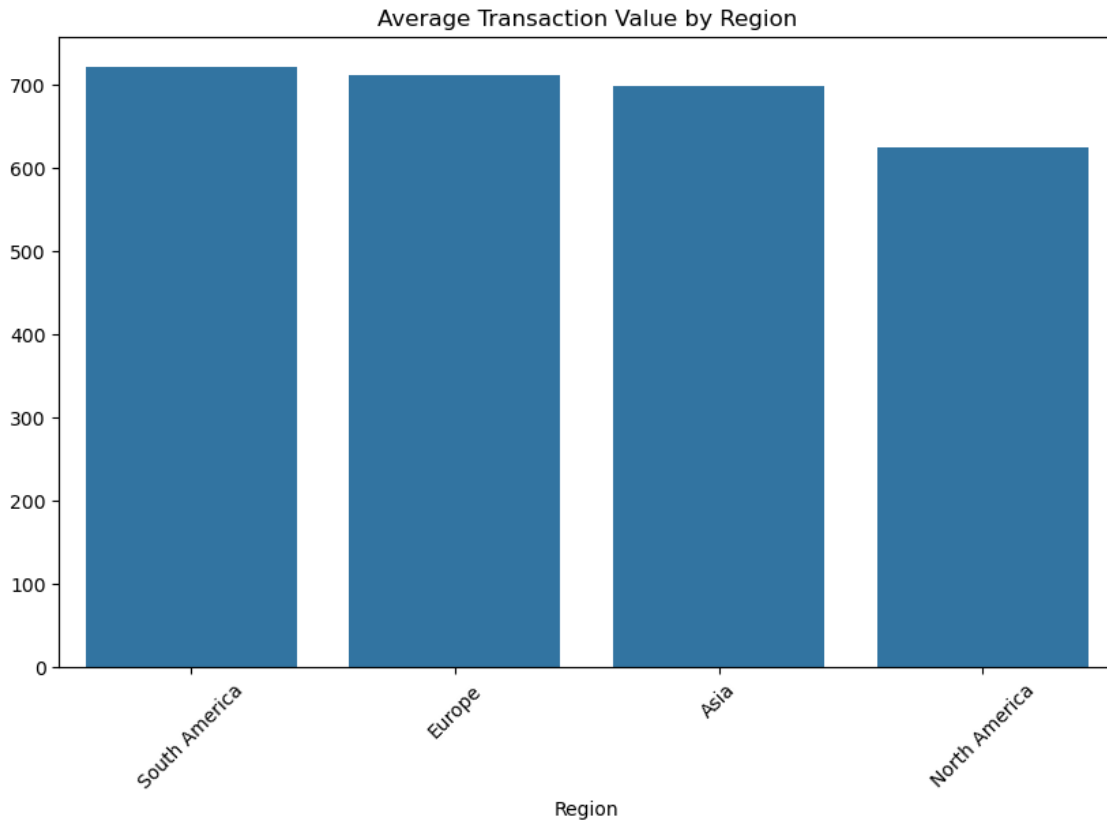
The distribution chart suggests that the volume of transactions is high for such purchases whose expenditure is the least, meaning smaller transaction amounts. The items coming under such kind of transactions are often essential items that is an integral part of everyone's life, like groceries, gadgets and other produces, when compared to items that are mostly non-essential and luxury products, which is as expected. This presents an opportunity to capture the market comprising of target customers in huge volume by bridging the supply-chain activity between the customers and producers.

4. Growth of the Sales Over a Period of Time



The graph convincingly shows a steady increase over time. With the factors which had been discussed before, the sales growth can be increased furthermore. In addition to that, additional things like festive offers, regular discounts and effective deals, market-basket analysis, proper marketing etc. can also be done to further boost the sales growth.

5. Regional Spending Variations



The chart, although showing differences in the spending over regions, looks almost the same across different continents. Factors like Purchasing Power Parity and so on is responsible for this almost same average transaction. While the chart suggests that the average expenditure is somewhat same for all the continents with a slight variation, it still brings into picture other parameters like Per Capita Income, spending power of an individual, regional and seasonal trends and so on. Regions like South America tops the list mainly because of the accumulation of produces from the west, which is not always available locally due to which eCommerce sites are being used. Likewise, based on the import-export tradeoff, regions have varying factors which ultimately determine the spending pattern.