

Store and SKU-Level Performance Analysis

Key Findings:

1. Conversion Rate Distribution:

- The overall SKU-level conversion rates are generally high, with the top SKUs reaching over 99%.
- Store-level conversion rates are significantly lower, with many stores performing below 0.40, indicating potential inefficiencies at the store level despite strong product performance.

2. Top and Bottom Performers:

- **Top Performing SKUs:** Products like `SKU_1`, `SKU_2`, and `SKU_3` consistently show conversion rates above 99%, regardless of store, implying strong product appeal or effective marketing/sales strategies.
- **Top Performing Stores:** A few stores consistently have high conversion rates, suggesting effective staff performance, layout, or localized marketing.
- **Low Performing Stores:** Stores such as `Store_15` and `Store_14` have high footfall but poor conversion (<0.40), highlighting a missed opportunity to capitalize on visits.

3. Revenue vs Conversion Mismatch:

- There are SKUs with **high revenue but low conversion**, indicating that while they bring in money, many customers choose not to buy — possibly due to price sensitivity, stock issues, or unmet expectations.
 - Correlation analysis shows a moderate positive relationship (≈ 0.57) between revenue and SKU conversion rate, but it's not perfect, suggesting room for optimization.
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Recommendations:

1. Focus on Low-Performing High-Traffic Stores:

- Stores with high visits but low conversion (e.g., `Store_15`, `Store_14`) should be audited for customer experience, stock availability, and staff engagement. Improvements here could yield substantial gains.

2. Replicate Success of Top Products:

- Analyze what makes SKUs like `SKU_2` successful (e.g., pricing, placement, offers), and replicate these strategies for other SKUs or bundle them with underperforming products.

3. Optimize High Revenue / Low Conversion SKUs:

- Investigate customer feedback or transaction logs on these items. Are people abandoning carts or inquiring but not buying? This points to an opportunity for improved UX or promotional strategies.

4. Enhance Training & Store Layouts in Low-Converting Locations:

- Consider staff training in conversion-focused sales tactics or store layout changes to guide visitors better and improve checkout rates.