

Ecommerce Profit Analysis

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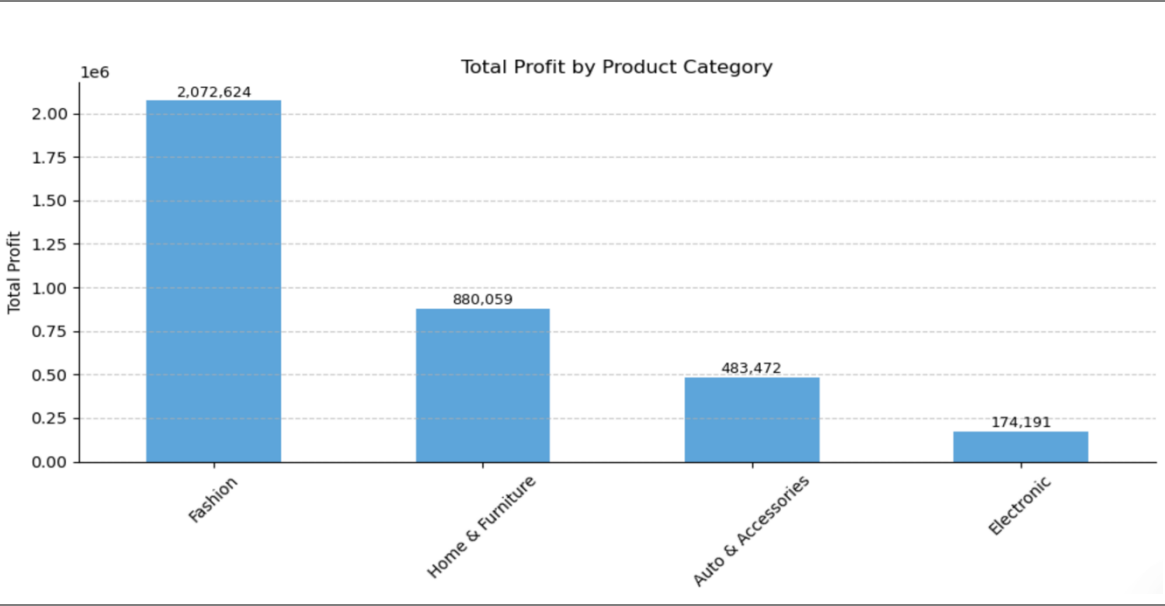
1. Analysis Objective & Dataset Overview

- **Business question:**
 - Where is the most profit coming from?
 - Who contributes the most to it?
- **Dataset:** 1 year of e-commerce customer transactions
- **Method:** Exploratory and diagnostic analysis
 - **Products:** Where the profit comes from?
 - **Customers:** Who generates high-quality orders?
 - **Customer vs Products:** What behaviour patterns are linked to profitability?

2. Key Insight ①: Where Profit Comes From (By Product)

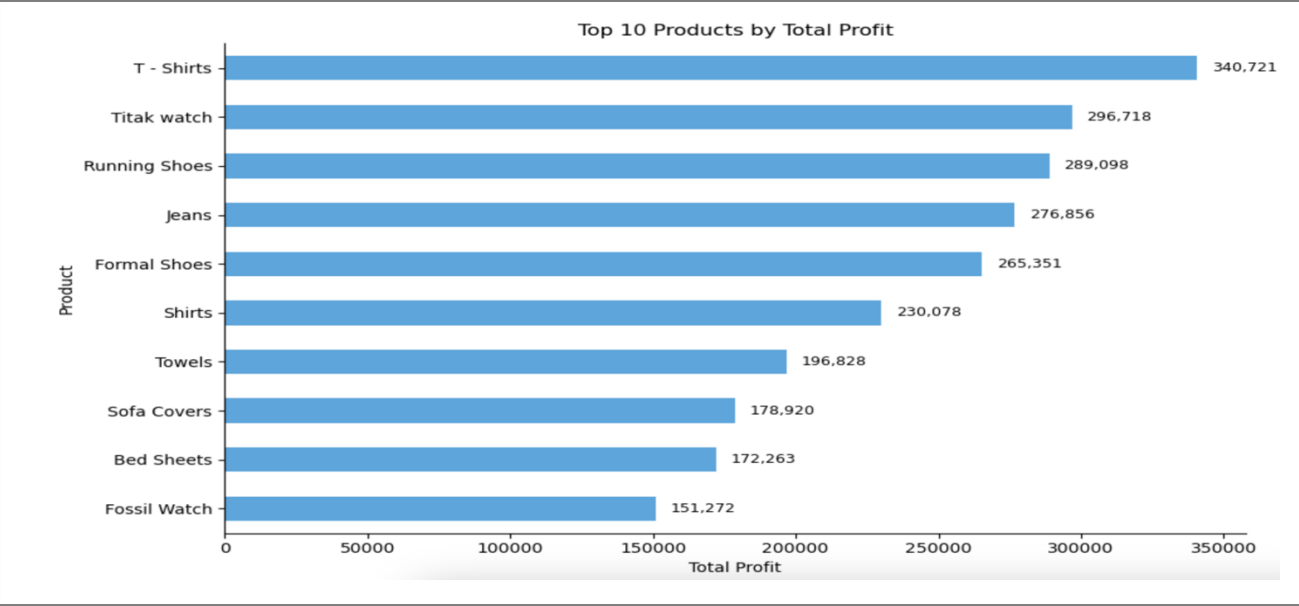
Total Profit by Product Category

- **Fashion** generates over **\$2M** in profit, significantly outperforming all other categories.
- **Home & Furniture** comes second, but with far less profit.
- **Auto & Accessories** and **Electronic** contribute the least.



Total Profit by Product

- **T-Shirts, Titak Watch, and Running Shoes** are the top individual profit drivers — each generating over **250K**.
- All **top 10 products** come from the **Fashion** category, confirming its strategic importance.




- **Fashion is the core profit engine**, both in scale and in product-level contribution.
- **Prioritising Fashion** products in our marketing, pricing, and inventory decisions.

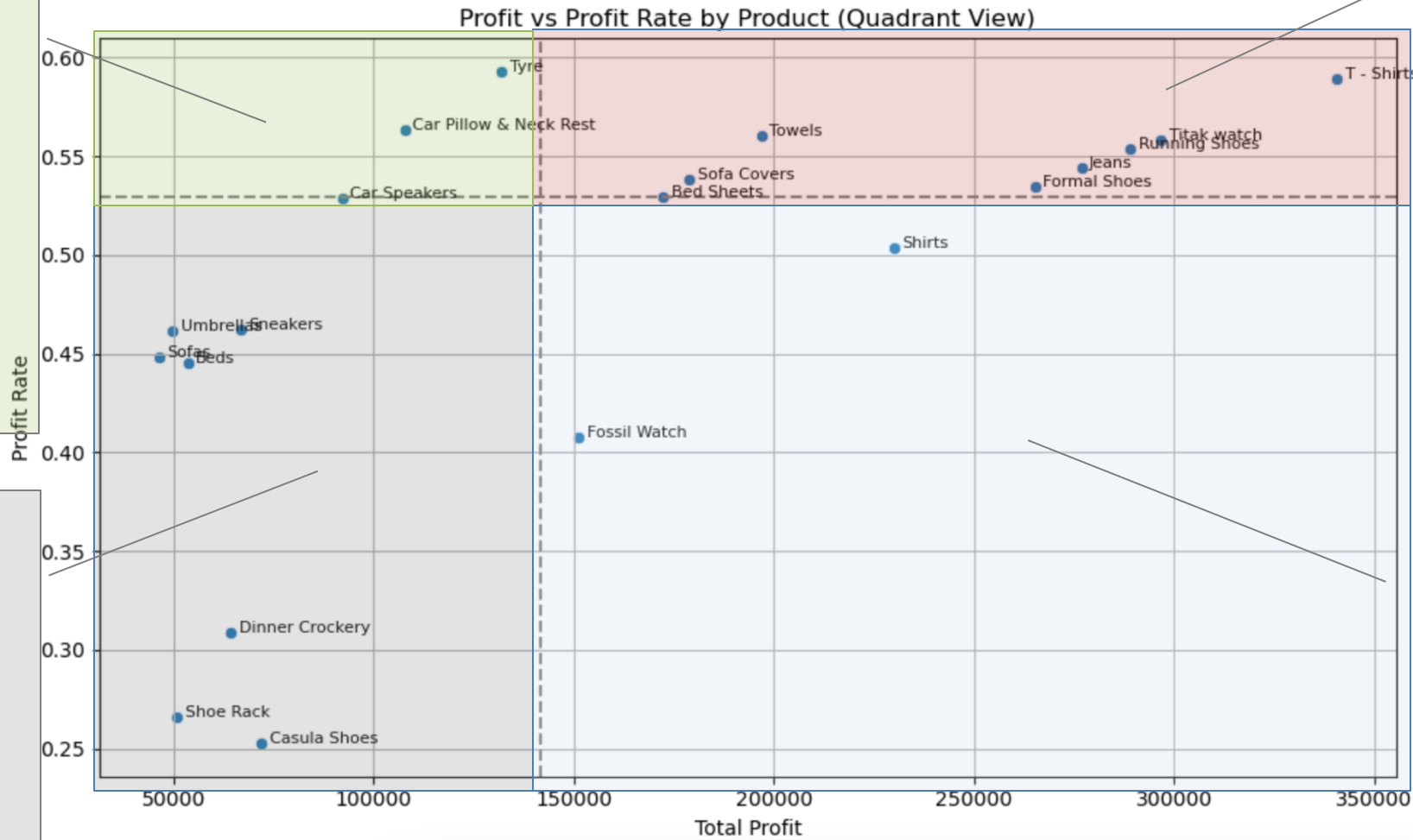
2. Key Insight ①: Where Profit Comes From (By Product)


 **High-Potential**

- High margin, low profit
- Upsell, bundles, increase visibility, targeted campaigns


 **Underperformers**

- Low profit, low margin
- Reprice, reposition, or consider discontinuing



 **Star Products**

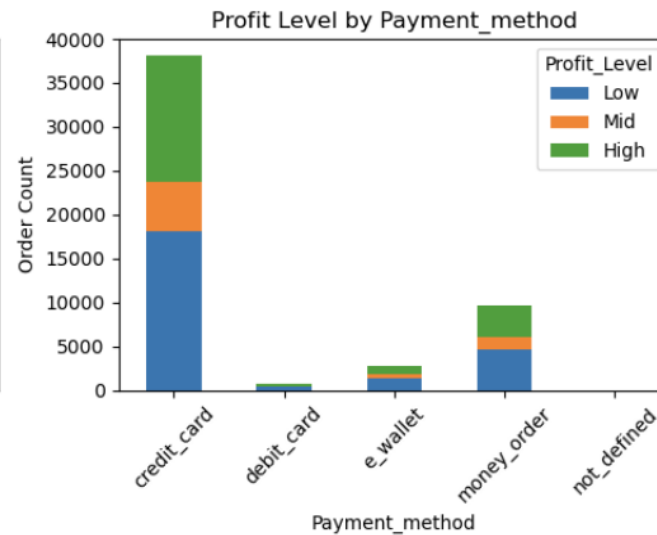
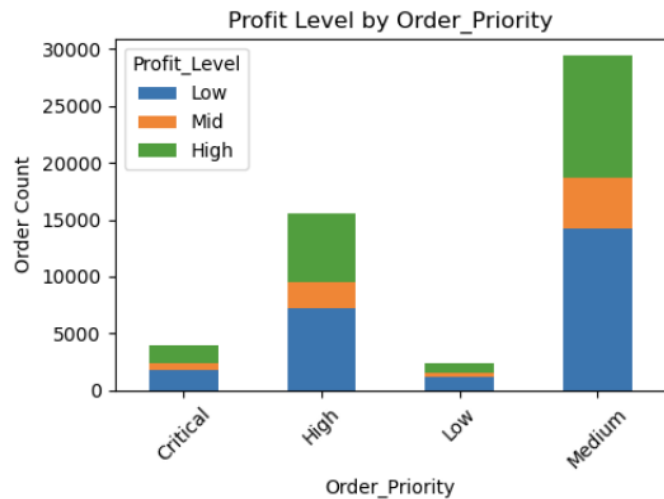
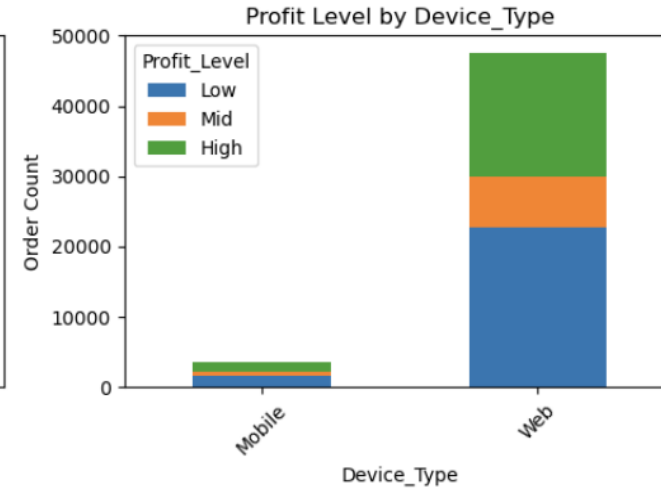
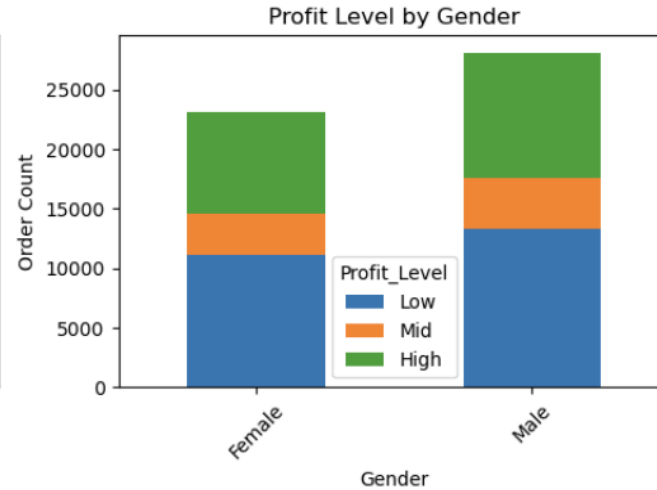
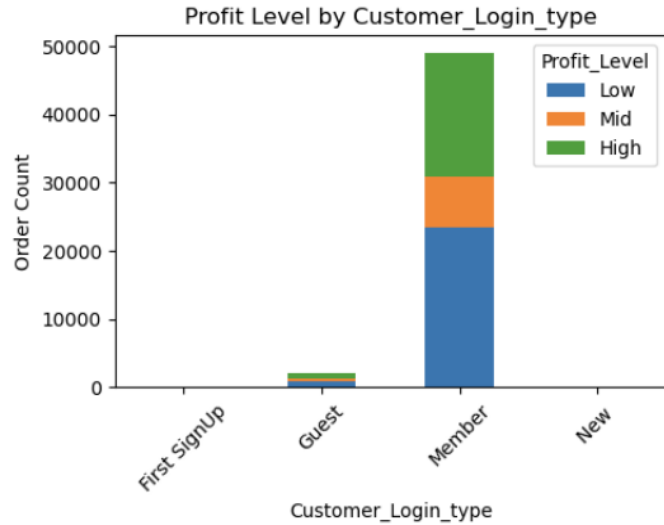
- High profit, high margin
- Promotion, maintain inventory

 **Volume Drivers**

- High profit, low margin
- Review pricing/discount strategy, control costs

- This visual helps prioritise product decisions not just by revenue, but by how smartly that revenue is earned.

3. Key Insight ②: Who Generates High-Quality Orders



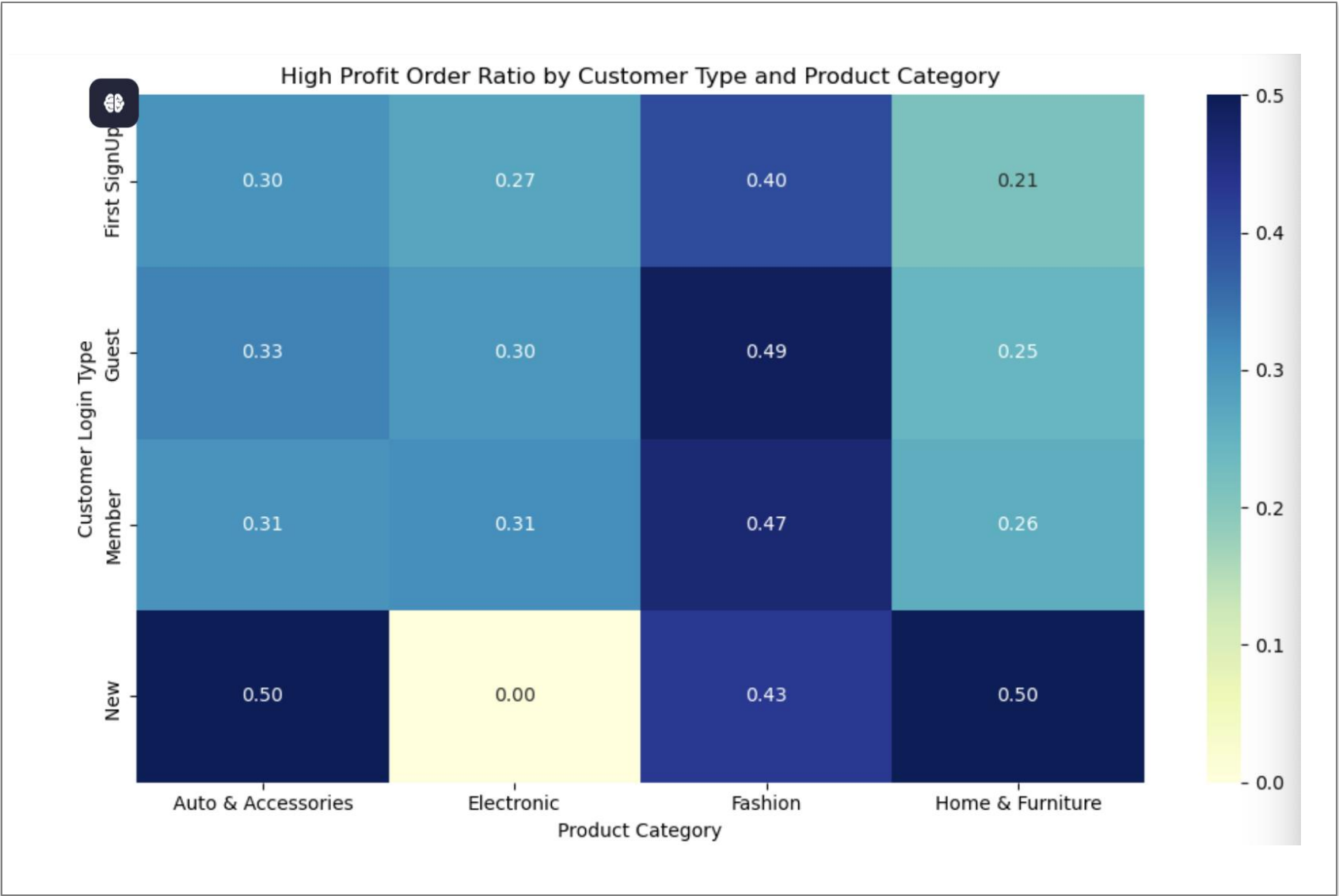
Conclusion:

If we want to focus on quality, we should target **Member users, on Web, with medium-priority orders.**

Insights:

- **Members** generates the most high-profit orders, indicating strong customer value.
- **Web users** outperform mobile in quality and quantity
- **Medium-priority orders** are most profitable.
- **Credit card users** drive order volume, but structure is mixed

4. Key Insight ③: Customer × Product Insight



Insights:

- **Fashion** consistently delivers high-profit orders across all customer segments
- **Member + Fashion** is a strong and reliable high-margin combination
- **Guest users** show a weaker profit structure, favoring lower-margin categories
- **New users** show spikes in niche categories — possibly due to promotions

Recommendation:

- Focus targeted promotions on **Fashion for Members**
- **Convert Guest** users in Fashion into Members

6. Conclusion & Recommendations

◆ Product Strategy

- **Double down** on star products like T-Shirts and Titak Watch
- **Upsell or bundle** high-margin, low-volume items like Tyres
- **Optimise pricing** for volume-driven products like Shirts
- **Reposition or phase out** underperformers like Casual Shoes

◆ Customer Strategy

- Prioritise **Members users, on Web**, with **Medium-priority orders** for better profit quality

◆ Customer × Product Strategy

- Focus on the **Member + Fashion** segment for stable, high-profit orders
- **Convert Guest users** in Fashion into Members via targeted campaigns

Thank you