CUSTOMER SALES SEGMENTATION

Introduction

Superstore Company has achieved a total revenue of $1.5 million over the last eight years. Their data analysis has revealed some exciting results that can help the company make informed decisions to boost profitability and customer satisfaction. The company has meticulously cleaned data within Excel to maintain accuracy and consistency of their data.

The report highlights that the revenue of Premium customers has shown a steady increase from 2017 to 2019, while Regular customer revenue has experienced fluctuations but ultimately increased. The total purchases made in each product category have also been analyzed, revealing significant changes in the sum of purchases year on year. By analyzing this data, the company can make strategic decisions aimed at enhancing customer experience and operational efficiency.Superstore Company achieved $1.5M revenue over 8 years. By analyzing meticulously cleaned data within Excel, exciting results were found to help the company make informed decisions for customer satisfaction and profitability.

Premium customers' revenue steadily increased from 2017 to 2019, with Regular customers' revenue fluctuating but ultimately increasing. The Clothing category led with over $507k in revenue, and the average discount offered was highest in this category. Returns and shipments showed higher incidence in African and Western territories, particularly in Europe, indicating areas that require attention.

Data visualization helped identify sectors needing attention, guiding the company's focus on enhancing customer experience and operational efficiency.

The data also shows that Premium customers have contributed significantly to the total sales, with the Clothing product category leading with over $507k in revenue, indicating a strong performance in this category. The average discount offered on the Clothing category is the highest among all the categories, which could influence purchasing patterns across different categories.

Moreover, the return status by country and customer type shows a higher incidence of shipments and returns in African and Western territories, particularly in Europe. These findings can help the company identify areas that require attention and focus on enhancing the customer experience.

The use of a data visualization tool has been helpful in identifying sectors that require attention, and the company can use this tool to guide their focus on enhancing customer experience and operational efficiency.

DATA ANALYSIS

Data Cleaning and Preparation

In our data cleansing process within Excel, we're focusing on enhancing accuracy and consistency. Specifically, we're addressing the hexadecimal format in the "Order ID," "Product ID," and "Customer ID" columns, promptly removing them. Simultaneously, we're eliminating the header row featuring these columns to maintain data integrity. Using the COUNTIF function, we'll detect and eliminate any empty rows. Moreover, we're ensuring completeness by removing rows with insufficient information. Additionally, we're arranging the "Gender," "Purchase Amount," and "Discount" columns to exhibit currency values, refining the dataset for robust analysis and insights.
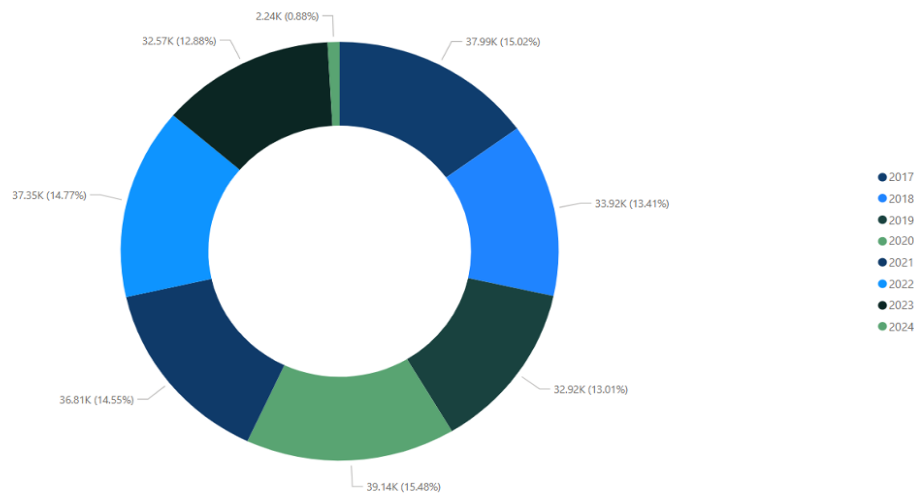
Discover trends

Total Revenue

Total Revenue

Sum of Purchase...

1.50M

Over eight years, the company has amassed a total revenue of 1.5M. This sum represents the culmination of various income streams and business activities throughout the period and, we can also get to know revenue generated by each sector by selecting particulate customer type, product category and product rating accordingly. Let's take an initial 3 years across the period from 2017 to 2019, both Premium and Regular customer segments experienced changes in revenue. Premium customer revenue rose from $100.88k in 2017 to $105.61k in 2018, and finally to $107k in 2019. On the other hand, Regular customer revenue fluctuated, starting at $105k in 2017, dipping to $104k in 2018, and then increasing to $109k in 2019. Premium revenue showed a steady increase, while Regular revenue fluctuated slightly but ended with a higher figure in 2019.

Sales Trend Over Time

2.24K (0.88%)

32.57K (12.88%)

37.99K (15.02%)

33.92K (13.41%)

37.35K (14.77%)

36.81K (14.55%)

32.92K (13.01%)

39.14K (15.48%)

● 2017
● 2018
● 2019
● 2020
● 2021
● 2022
● 2023
● 2024

This report shows the total purchases made in each category, comparing year by year. By analyzing the total purchases year on year, based on the product category and customer type, we can notice a vast change in the sum of purchases. This information can help us make data-driven decisions that lead to increased profitability and customer satisfaction.

In reviewing the premium customer's list, the sum of the purchase amount for the whole time is approximately seven hundred fifty-seven thousand dollars and fifty-nine cents and when discussing the list of regular customers, the total amount of their purchases is approximately seven hundred thirty-nine thousand dollars and twenty-four cents from the period of 2017 to 2024.

Upon examining the product categories in detail, it has been found that the total revenue generated by "Home Goods" has been nearly four hundred ninety-eight thousand dollars and ninety-five cents in its entirety. This revenue is based on the types of customers. The premium customers contributed a total revenue of $254.39k and the regular customers contributed $244.56k.

The total revenue generated by "Electronics" is about four hundred ninety thousand dollars and twenty-four cents with 248.48k premium customers and 241.76k regular customers. However, the "Clothing" has sparked five hundred seven thousand dollars and sixty-four cents holding 254.72k premium customers and 252.92k regular customers.

Average discount by product category

Avg Discount by Product Category
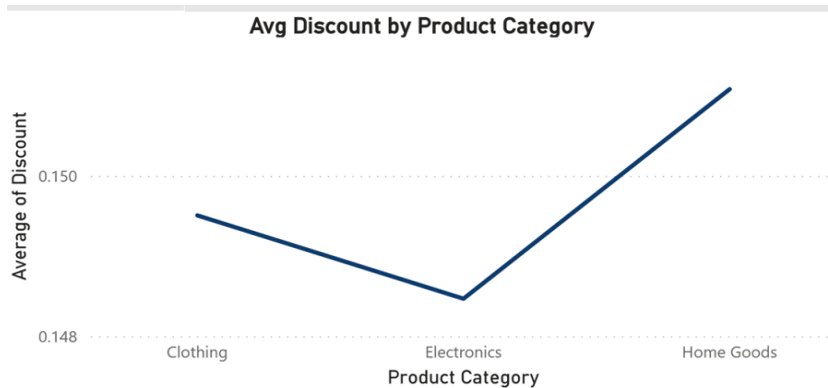
The average discount offered on Clothing products is 15%, making it the most discounted product category. Meanwhile, Electronics and Home Goods have an average discount of 10%, saying that they are comparatively less discounted.

Return status by country and customer type

If we are dividing the whole countries in to 4 different as Australian , western , Asian & Africans By looking at the data visualization tool it's pretty clear that most of shipment and returns takes place in African and western territory's especially Europe are really high , now let's take in consideration of a certain country like Korea which has 60 and 50 as the return status in both regular and premium customers with the rating of 3.2 and 2.8 respectively, and with the help of dashboard we can clearly make out which sectors we have to work upon.
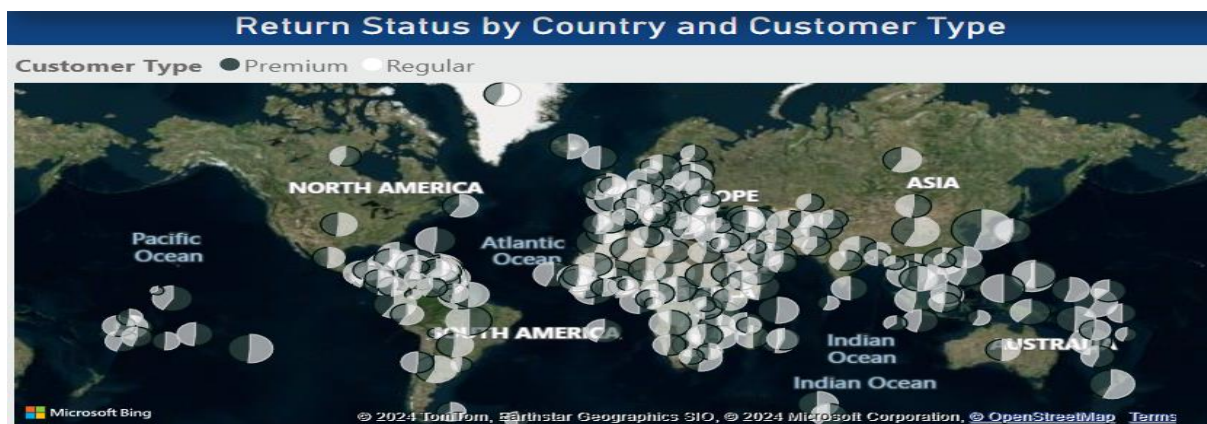
KPI (Key Performance Indicators)

As experienced professionals in our field, we are confident that we can provide valuable insights and recommendations to help drive your business forward. In this report, we have conducted extensive research and analysis to present a comprehensive overview of your business's performance, including the identification of key performance indicators (KPIs) and areas for improvement.

One of the most significant findings of our analysis is the steady increase in total revenue over the years, as shown by the "Sales Trend Over Time" chart. This is a positive indicator of your business's growth and success. However, to gain a more thorough understanding, it is essential to analyze sales data broken down by product category or customer type. By doing so, you can identify growth opportunities, detect potential issues, and forecast future performance. We are confident that by monitoring sales trends over time, you will be well positioned to capitalize on emerging market trends and take advantage of growth opportunities as they arise.

The "Customer Satisfaction Analysis" table shows that customer satisfaction has been generally increasing over time for both Premium and Regular customer types. This is a testament to the quality of your products and services. However, to further enhance your understanding of customer satisfaction, we recommend analyzing satisfaction trends by segment, such as by product category, geographical region, or acquisition channel. Additionally, gathering qualitative feedback from customers through surveys or focus groups can provide valuable insights into the factors that contribute to observed satisfaction trends. Setting clear targets for customer satisfaction and tracking progress can also help ensure that your efforts are aligned with your overall customer experience aims.

The chart titled "Total Purchase by Product Category YoY" provides insights into the year-over-year sales performance of different product categories. This is a valuable tool for identifying top-performing categories, such as the Electronic and Home Goods categories, which can be invested in further to drive sales. Addressing underperforming categories, such as the Clothing category, which seems to be fluctuating, requires investigation into the underlying factors such as changes in consumer preferences, competitive pressures, or product quality issues. Developing targeted strategies to revitalize the performance of underperforming categories can be achieved by leveraging the insights gained through analyzing the data. Additionally, diversification of the product portfolio and optimization of pricing and promotions can help you maximize sales and profitability across your product range.

While the "Return Status by Country and Customer Type" table provides limited insights into product returns, it is still an essential tool for identifying patterns and potential issues. Analyzing the return rates by country and customer type can help you understand the underlying reasons for returns and develop targeted strategies to address them. Improving product quality, enhancing customer service, or optimizing logistics and inventory management processes are all potential

strategies that can help you minimize the costs associated with product returns and improve operational efficiency. By doing so, you can maximize profitability and provide a better overall customer experience.

In conclusion, we are confident that the insights and recommendations contained in this report will prove invaluable in driving your business forward. Business success requires a deep understanding of KPIs and the ability to identify areas for improvement and take decisive action to address them. By monitoring sales trends over time, tracking customer satisfaction, and analyzing the performance of different product categories, you will be well-positioned to stay ahead of the competition and provide a better customer experience. We are confident that with the right strategy and execution, your business will continue to grow and thrive.

Let's take a closer look at some of the key discoveries from our analysis.

Sales Trend Over Time

The "Sales Trend Over Time" chart provides a clear and positive indicator of your business's growth and success. The chart shows that your business has experienced steady growth in total revenue over the years, with a few fluctuations along the way. This is a positive sign that your business is on the right track and is meeting the needs of your customers.

However, to gain a more thorough understanding of your business's performance, it is essential to analyze the data further. By breaking down the sales data by product category or customer type, you can identify growth opportunities, detect potential issues, and forecast future performance. This will help you stay ahead of the competition and take advantage of growth opportunities as they arise.

Customer Satisfaction Analysis

The "Customer Satisfaction Analysis" table provides insights into the satisfaction levels of your customers. The table shows that customer satisfaction has generally been increasing over time for both Premium and Regular customer types. This is a testament to the quality of your products and services and the efforts you have made to improve the customer experience.

However, it's important to note that customer satisfaction can vary by segment, such as by product category, geographical region, or acquisition channel. By analyzing satisfaction trends by these segments, you can gain a deeper understanding of the factors that contribute to observed satisfaction trends and develop targeted strategies to improve customer satisfaction further.

Additionally, gathering qualitative feedback from customers through surveys or focus groups can provide valuable insights that can help you improve the customer experience.

Total Purchase by Product Category YoY

The "Total Purchase by Product Category YoY" chart provides insights into the year-over-year sales performance of different product categories. This is a valuable tool for identifying top-performing categories, such as the Electronic and Home Goods categories, which can be invested in further to drive sales. Addressing underperforming categories, such as the Clothing category, which seems to be fluctuating, requires further investigation to find the underlying reasons.

Recommendations

To stay ahead of the competition and drive sustainable growth, Superstore should use customer segmentation insights, optimize product portfolio and pricing, enhance customer experience and operations, and strengthen data management and analytics. By implementing these recommendations, they can enhance performance, leverage valuable insights from data analysis, and improve customer satisfaction.

Executive Summary

Ecommerce is a thriving online business that has showcased incredible growth and success over the years. By analyzing the sales data in greater depth and using the insights gained, the company can optimize its operations, enhance the customer experience, and drive sustainable growth and profitability. The "Customer Satisfaction Analysis" table is a testament to the quality of the company's products and services and its efforts to improve the customer experience. The "Total Purchase by Product Category YoY" chart provides valuable insights into different product categories' year-over-year sales performance, allowing the company to identify top-performing categories and invest in them further to drive sales. Finally, the "Return Status by Country and Customer Type" table offers insights into the reasons for returns, allowing the company to develop targeted strategies to minimize costs and improve operational efficiency. With this data-driven approach, Ecommerce can stay ahead of the competition and capitalize on emerging opportunities, driving long-term success.