

# Trendora Performance Analysis Report

## Project Overview

This report presents an in-depth analysis of the performance data of an e-commerce business dealing in **furniture, clothing, and electronics**. The dashboard created visualizes key performance indicators (KPIs) to help stakeholders make informed decisions for scaling business growth.

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## Dashboard Metrics Analysis

### 1. Average Order Value (AOV)

- **Insight:** The AOV is \$4.34K.
- **Why It Matters:** A higher AOV indicates that customers are making larger purchases in a single order, which positively impacts profitability.
- **Business Impact:** Tracking this metric helps in crafting upselling and cross-selling strategies to increase the overall value of each order.
- **Recommendation:** Introduce product bundling offers and discounts for purchases above certain thresholds.

### 2. Profits

- **Insight:** Total profits stand at \$36.96K.
- **Why It Matters:** Profits provide a clear picture of the company's financial health and operational efficiency.
- **Business Impact:** A healthy profit margin ensures sustainability and the ability to reinvest in the business.
- **Recommendation:** Regularly assess product pricing strategies and operational costs to maintain or improve profit margins.

### 3. Sales Revenue

- **Insight:** Total revenue has reached \$2.17M.
- **Why It Matters:** Sales revenue reflects the business's growth trajectory and customer demand.
- **Business Impact:** Identifying seasonal trends can help optimize inventory and marketing strategies.
- **Recommendation:** Boost sales through targeted promotions during peak seasons, based on month-wise revenue trends.

#### 4. Top 5 Revenue-Generating Customers

- **Insight:** Top customer, Harivansh, contributed \$103K in revenue.
- **Why It Matters:** High-value customers often drive a significant percentage of revenue.
- **Business Impact:** Maintaining relationships with top spenders can lead to repeat business and increased loyalty.
- **Recommendation:** Implement loyalty rewards or personalized offers to retain and engage high-value customers.

#### 5. Distribution of Payment Modes

- **Insight:** The most common payment modes are COD (684), UPI (331), and Debit Card (202).
- **Why It Matters:** Understanding payment preferences improves the checkout experience and minimizes cart abandonment.
- **Business Impact:** Helps in streamlining the payment process and potentially reducing transaction fees.
- **Recommendation:** Promote low-fee payment modes like UPI through discounts or cashback offers.

#### 6. Month-on-Month Profit Trends

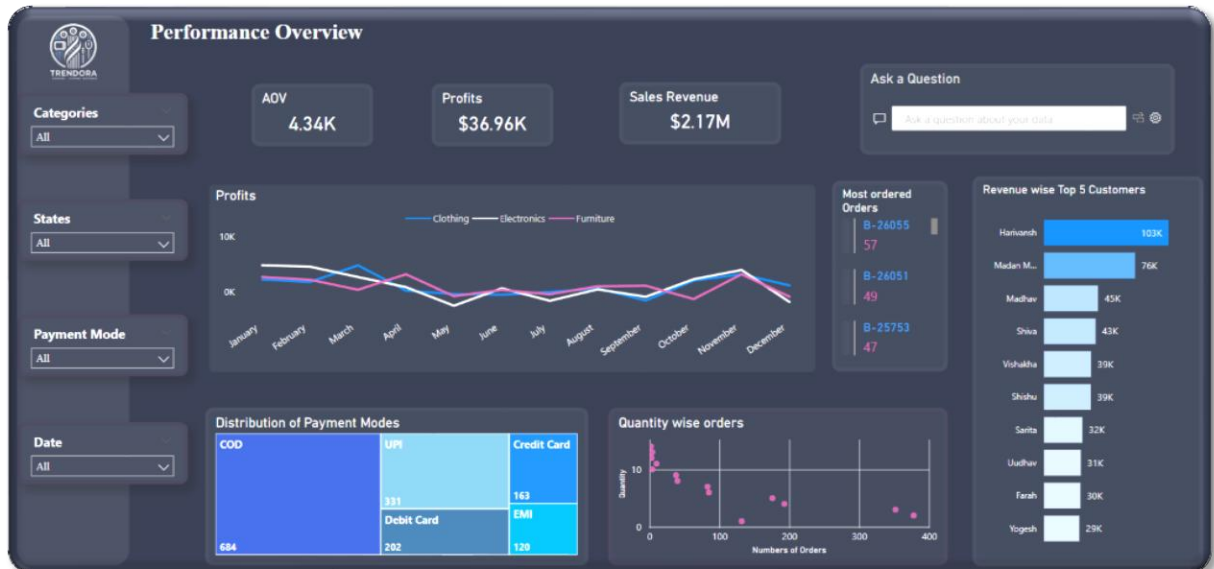
- **Insight:** Peaks observed in May, October, and December.
- **Why It Matters:** Reflects seasonal buying patterns or successful marketing campaigns.
- **Business Impact:** Helps in demand forecasting and planning inventory accordingly.
- **Recommendation:** Align marketing campaigns and stock levels with anticipated demand during peak months.

#### 7. Quantity-Wise Orders

- **Insight:** A majority of orders are for smaller quantities, with a few bulk purchases.
  - **Why It Matters:** Helps identify customer buying behaviour.
  - **Business Impact:** Offers insights for adjusting inventory and offering bulk discounts.
  - **Recommendation:** Introduce volume discounts or special offers for bulk buyers.
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## Findings

- The majority of revenue comes from a small percentage of high-value customers.
- COD remains the most preferred payment mode, which may incur higher operational costs.
- Profits and revenue spike during festive seasons and year-end months.





## Recommendations

1. **Customer Loyalty:** Develop a loyalty program targeting top-spending customers.
  2. **Promote Digital Payments:** Offer small discounts for using UPI or debit cards to reduce cash handling costs.
  3. **Seasonal Campaigns:** Increase marketing spend in the months preceding historically high-profit periods.
  4. **Product Bundling:** Create combo offers to boost the AOV and encourage multi-category purchases.
  5. **Inventory Optimization:** Use trend data to adjust stock levels before peak sales periods.
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## Conclusion

This analysis highlights the key drivers behind the e-commerce business's performance. By focusing on improving customer retention, optimizing payment methods, and leveraging seasonal trends, the business can enhance profitability and ensure sustainable growth.

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