## **CUSTOMER SEGMENTATION & BEHAVIOR**

- Sales by Customer Segment: The consumer segment contributes the largest share of sales, followed by the corporate and home office segments. And understanding the distribution of sales across different segments helps tailor marketing strategies for each segment's needs.
- Sales by State: California and New York are top-performing states.
- Purchase Frequency by Segment: The "Consumer" and "Corporate" segments have a higher average purchase frequency compared to the "Home Office" segments, indicating that customers in these segments tend to make purchases more frequently, which could be leveraged for targeted marketing campaigns and loyalty programs.
- Average Order Value by Segment: The "Home Office" segment shows the highest average order value, although it has fewer customers than the "Consumer" and "Corporate" segments, which indicates the value of each order is higher, suggesting potential for high-value targeted promotions and customized offers to maximize revenue from this segment.

## **SHIPPING and LOGISTICS EFFICIENCY**

• Shipping Mode: This analysis of shipping and delivery performance highlights Standard Class's dominance in terms of sales but also reveals potential opportunities to improve profitability by promoting Second—and First-Class shipping options. Understanding customer preferences and optimizing the cost structure for different shipping modes can lead to better strategic decisions and enhanced profitability for the Superstore.

## **DISCOUNT IMPACT ANALYSIS**

- Revenue after Discount and Profit by Discount: Both revenue after discount and profit sharply decline as the discount rate increases, with a notable drop occurring beyond a 0.2 discount rate. This suggests that discount rates above 0.2 significantly reduce both revenue and profit, making them unsustainable for maintaining financial health.
- Relation between Discount and Profit Margin: Profit margins deteriorate as discount rates increase, with a trend towards negative profit margins beyond a 0.3 discount rate. This highlights that higher discount rates, particularly those above 0.3, are detrimental to profitability, emphasizing the need for careful discount rate management.













