

Analysis of Annual Payment Type Usage

Overview :

E-commerce businesses generally provide open-payment systems that allow customers to choose from various available payment types. Analyzing the performance of existing payment types can provide insights for creating better strategic partnerships with payment service providers. In this section, we will conduct an Annual Payment Type Usage Analysis by analyzing the total usage of each payment type.

Here is the summary table of total usage of each payment type overall and by year :

	payment_type character varying (50) 🔒	num_usage_2016 bigint 🔒	num_usage_2017 bigint 🔒	num_usage_2018 bigint 🔒	total_usage bigint 🔒
1	credit_card	258	34568	41969	76795
2	boleto	63	9508	10213	19784
3	voucher	23	3027	2725	5775
4	debit_card	2	422	1105	1529
5	not_defined	0	0	3	3

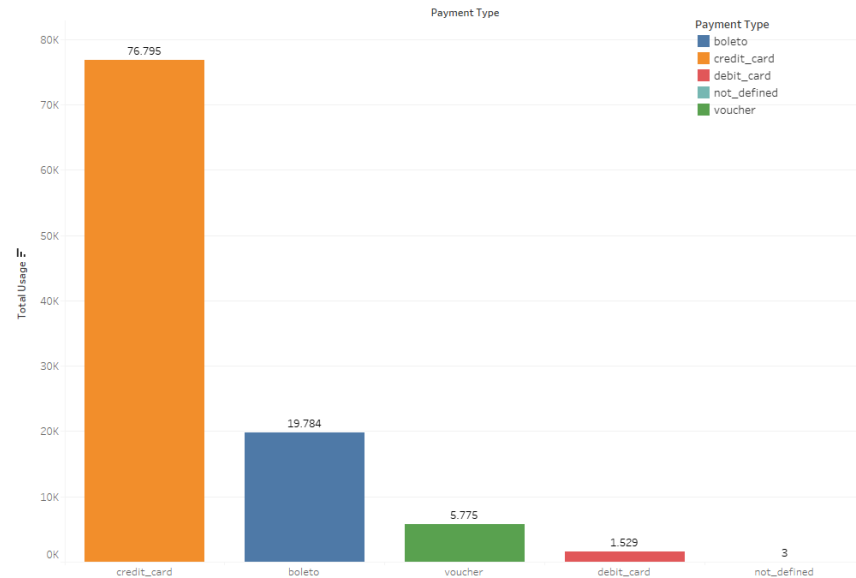
Analysis of Annual Payment Type Usage

1. Total payment type usage Overall

	payment_type character varying (50) 🔒	total_usage bigint 🔒
1	credit_card	76795
2	boleto	19784
3	voucher	5775
4	debit_card	1529
5	not_defined	3

Total Payment Type Usage Overall

4 mains payment methods are credit card, boleto, voucher and debit card



Insight :

- Since credit card is the most preferred payment method, it's essential to ensure smooth and secure credit card processing. This may involve negotiating competitive transaction rates with payment processors, implementing robust fraud detection measures, and offering seamless checkout experiences for credit card users.
- Other payment methods need to be enhanced in the future.

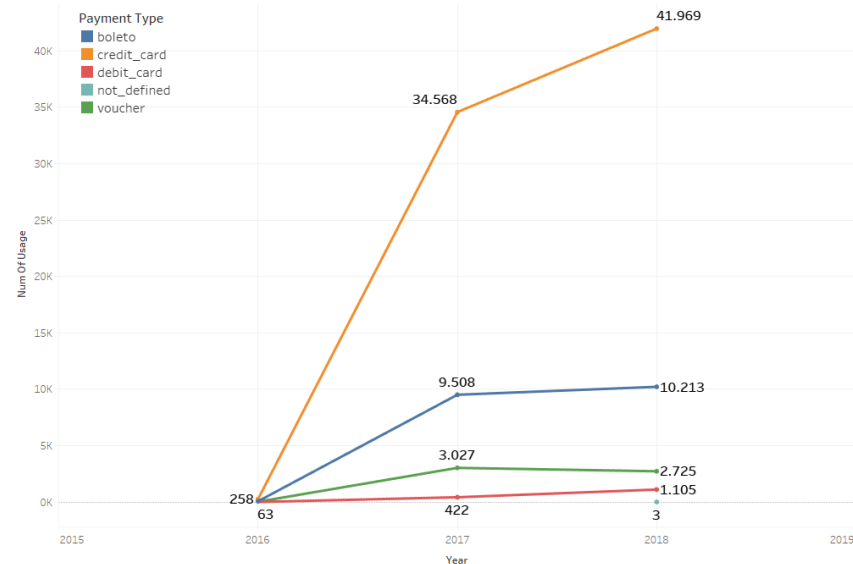
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2. Total payment type usage per year

	payment_type character varying (50)	total_usage_2016 bigint	total_usage_2017 bigint	total_usage_2018 bigint
1	credit_card	258	34568	41969
2	boleto	63	9508	10213
3	voucher	23	3027	2725
4	debit_card	2	422	1105
5	not_defined	0	0	3

Total Payment Type Usage by year

All 4 payment methods usage increase every year with only voucher declined in 2018



Insight :

- The consistent growth in credit card, boleto, and debit card usage suggests that customers prefer convenient and secure payment options when shopping online. This could be attributed to factors such as improved online payment infrastructure and increased trust in digital transactions.
- The decline in voucher usage in 2018 may indicate a shift in consumer behavior or a specific event affecting voucher redemption. We need to analyze the factors contributing to the decline in voucher usage in 2018 and develop a targeted revitalization strategy such as refreshing promotional offers, introducing new types of vouchers, or improving the visibility of voucher redemption options during checkout.