Data Analysis and Interpretation Task: User Engagement on a D2C site Shopify's Abandoned Cart Features

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Introduction to the Analysis

Shopify's Abandoned Cart Feature: Insights and Optimizations

Objective
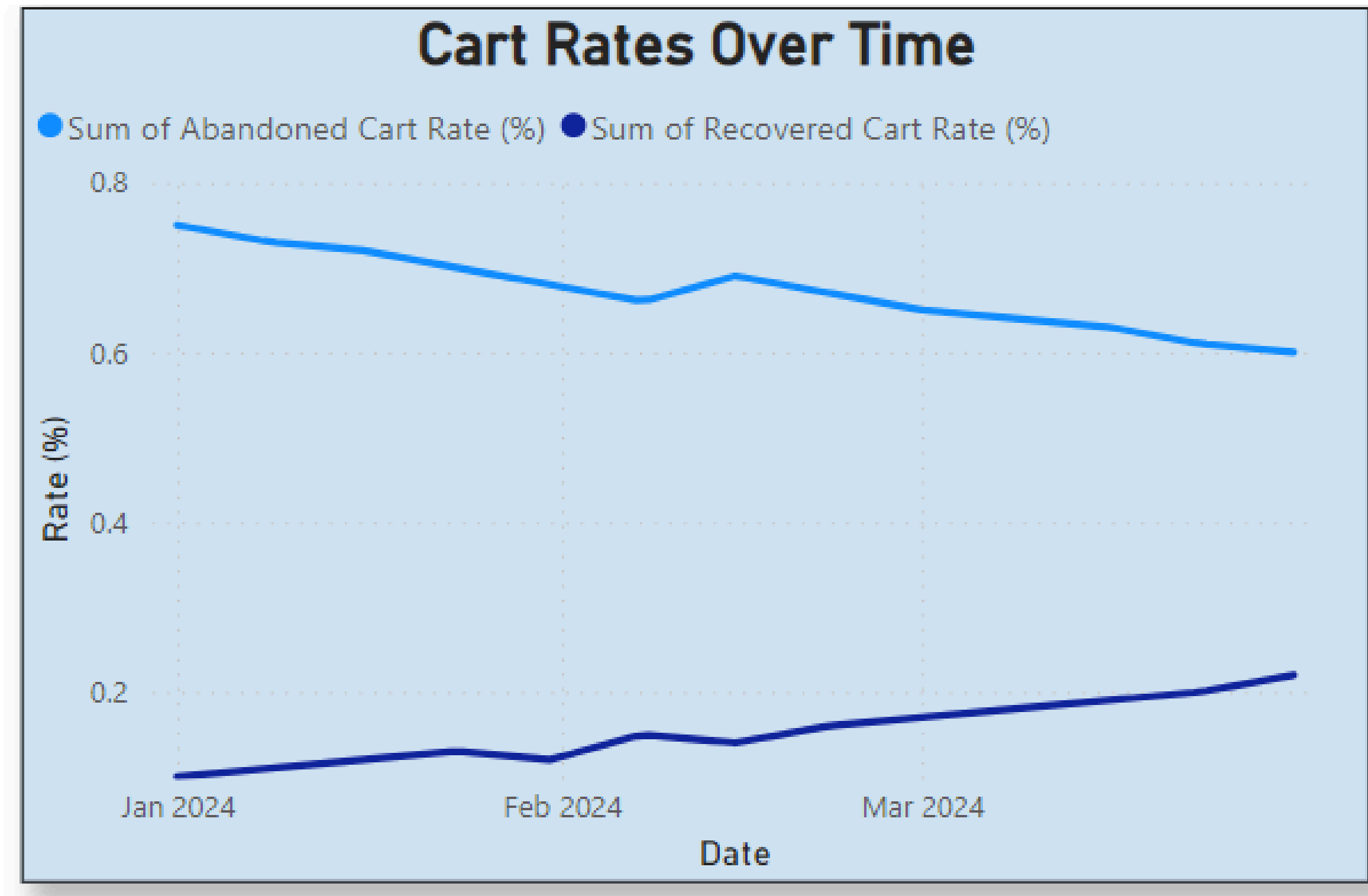To analyze Shopify's abandoned cart metrics and propose actionable strategies.

Scope
Key insights, friction points, and data-driven recommendations for improvement.

Outcome
Practical solutions validated through A/B testing to improve user engagement and recovery rates.

Analyzing Key Insights

Analyzing Key Insights

E-commerce Abandoned Cart Feature

Average Abandoned Cart Rate: 74.5%
This rate is declining at an average of 1.2% per month, reflecting gradual improvement.

Average Recovered Cart Rate: 15.8%
Recoveries are improving by 0.8% per month, indicating positive trends in retention efforts.

Key Insight
While recovery rates are improving, nearly three-quarters of carts remain abandoned, necessitating more effective strategies.

Identifying Friction Points

Device Insights into Abandonment Rates

- **Mobile Abandonment Rate: 60.2%:** The highest rate, showing the critical need for mobile checkout optimization.

- **Desktop Abandonment Rate: 29.7%:** Moderate rate; desktop experiences appear more stable.

- **Tablet Abandonment Rate: 10.1%:** The lowest rate, indicating better user engagement on tablets.
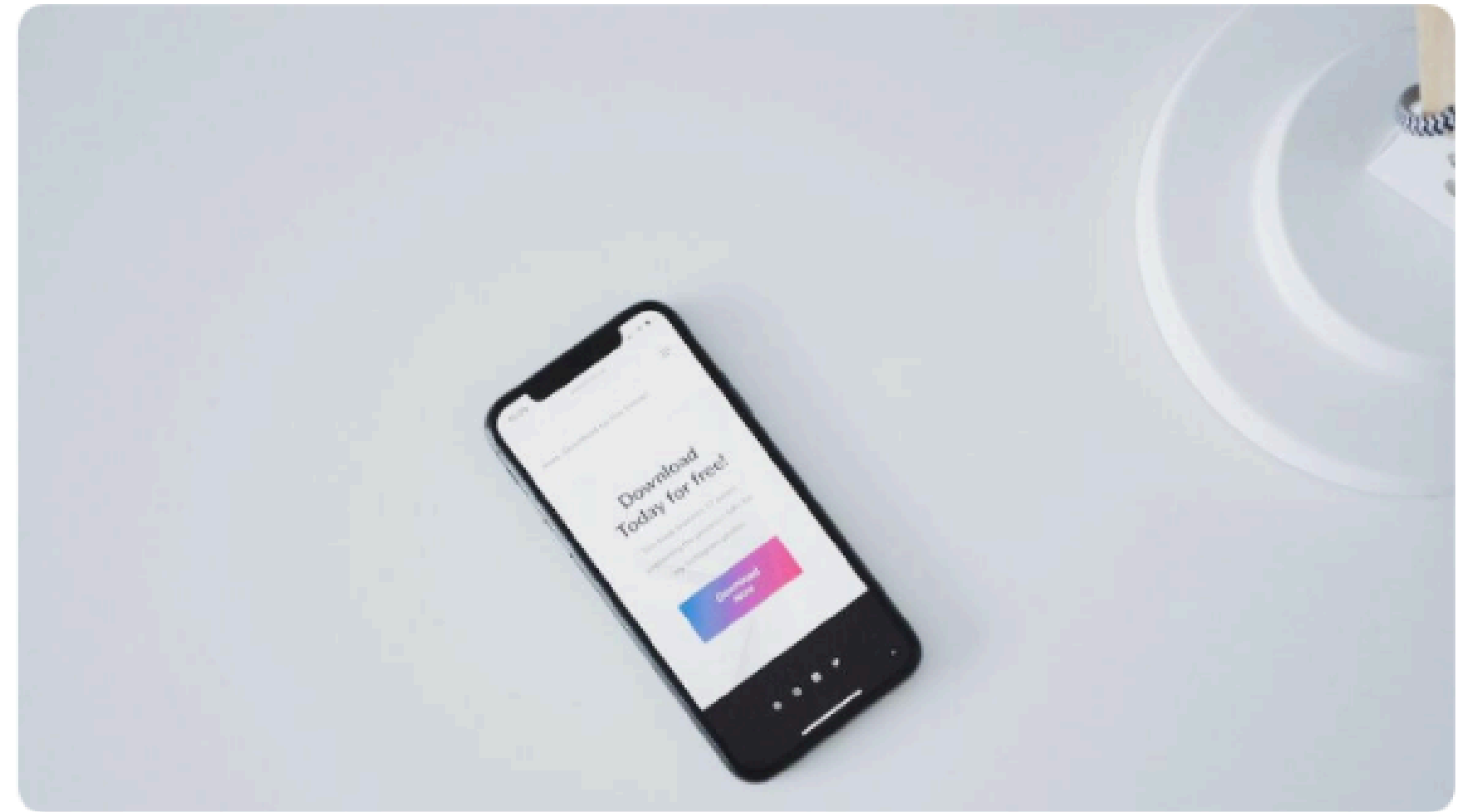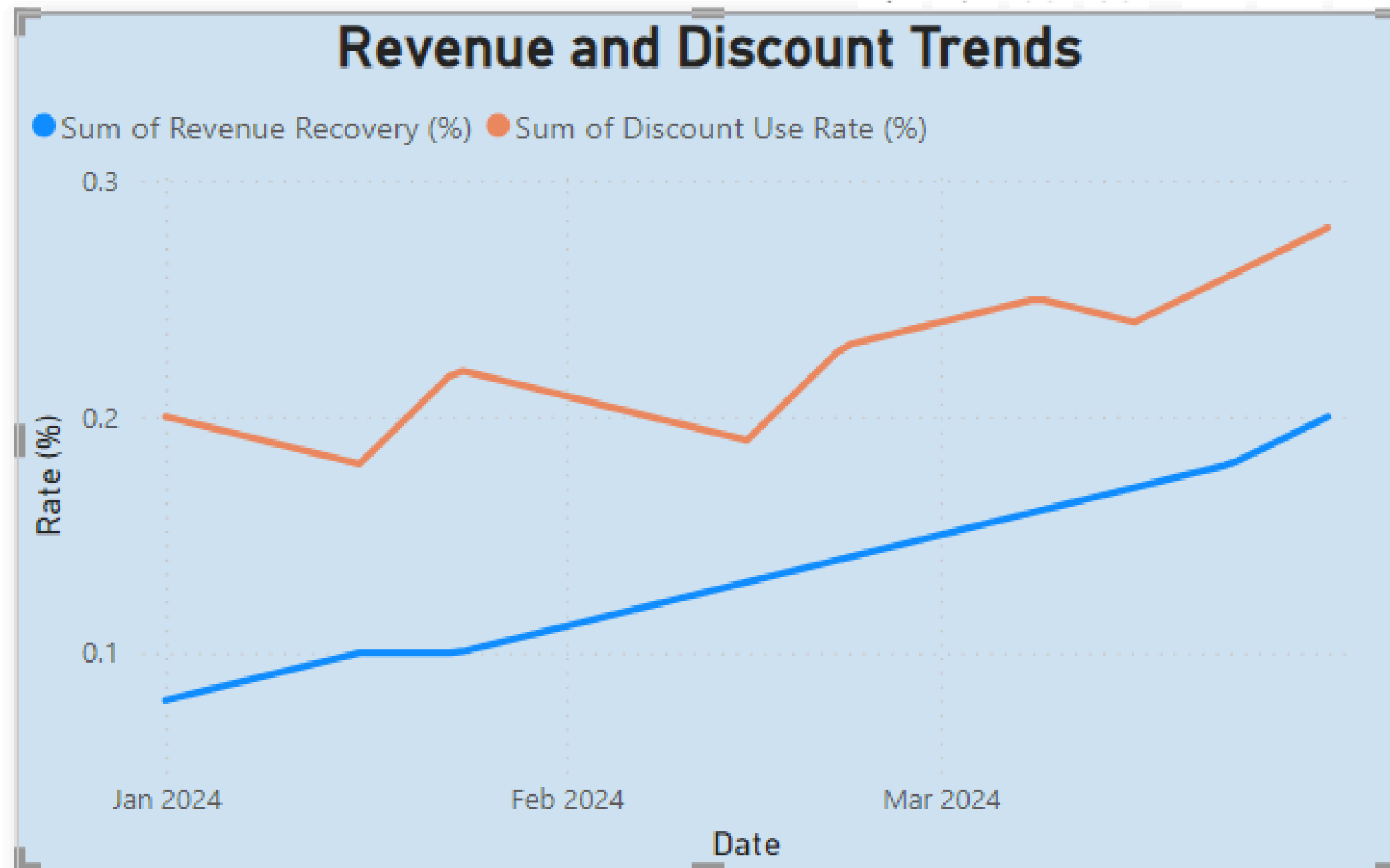

Photo by Aidan Hancock on Unsplash

Recommendations for Optimization

Revenue and Discount Trends

● Sum of Revenue Recovery (%)   ● Sum of Discount Use Rate (%)

- **Revenue recovery rate of 22.4% is growing by 1.1% per quarter.**

- **Decline in the current discount use rate of 18.5%**

Recommendations for Optimization

Improving Recovery Rates & Revenue

Revenue Recovery Rate: 22.4%
Recovery is growing at 1.1% per quarter; focus on sustaining growth through targeted actions.

Discount Use Rate: 18.5%
Slightly declining, suggesting the need for personalized, urgency-driven discount strategies.

Optimization Focus
Enhance personalization in discounts, improve urgency messaging, and streamline checkout flows.

A/B Testing Plan

Validating Recommendations

Test Mobile UX Enhancements
Focus on reducing the mobile abandonment rate (60.2%) by testing optimized checkout flows.

Experiment with Discount Personalization
Measure the impact of tailored discounts to counter the declining discount use rate (18.5%).

Urgency-Driven Messaging
Test effectiveness of time-sensitive offers to boost recovery rates.