Analysis of Brazilian E-Commerce Public Dataset

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General Assumptions:

- To this analysis, orders whose status is "not available" or "cancelled" are excluded, unless explicitly mentioned to the contrary.
- 2. Since the payments or other monetary-related metrics recorded in the dataset contained no indication of the currency used, I assumed it was in Brazilian Real, as Olist was specified as a Brazilian e-commerce platform.
- 3. To compare revenue or sales month-over-month or year-over-year, this report will use the "order_approved_at" dates to reflect finalized transactions. This timestamp can account for any delays in processing or cancellations and might give a more accurate picture of when the sale was confirmed.

Tools used:

- 1. Excel (for csv checking)
- 2. PowerBi (charting)
- 3. SQL (data storage)
- 4. Python (script for csv to sql)

Technical Exercise

Answers for the following questions with the appropriate visualization.

How many closed deal were won in Q3 of 2018?

Out of 842 data, 93 or 11% were closed during the third quarter of 2018.

Total Deals of Q3 2018

2018 closed deals: 839 (-88.92%)

What is the average weight of 'electronicos' in kilograms?

1.28 kg.

Average of product electronicos in kg

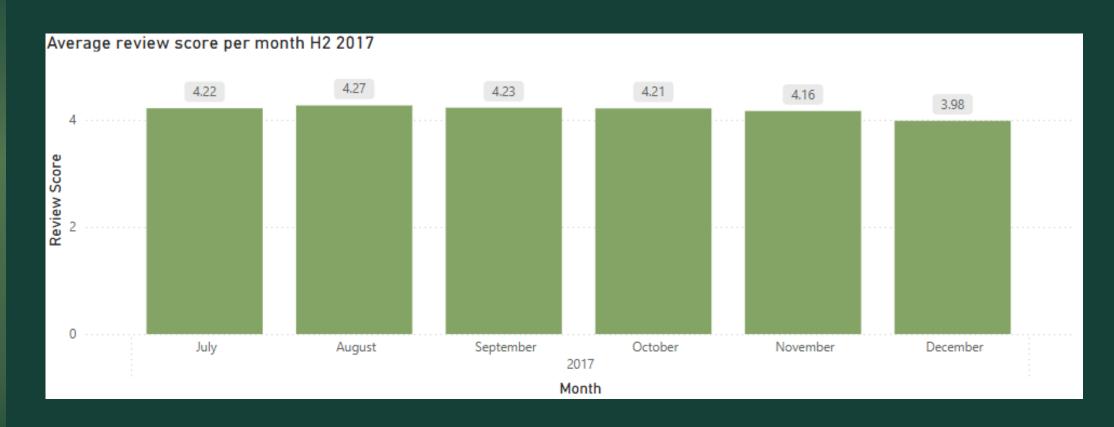
1.28

Which month in 2017 has the highest sales?

November has the highest sales based on the product revenue only in Brazilian Real.



What is the average review score per month H2 2017?



Which state has the highest number of seller per city?

- 1. SP
- 2. PR
- **3**. MG
- 4. SC
- 5. RJ





seller_state	Count of seller_id
SP	1849
PR	349
MG	244
SC	190
RJ	171
RS	129
GO	40
DF	30
ES	23
BA	19
CE	13
PE	9
PB	6
MS	5
RN	5
MT	4
RO	2
SE	2
AC	1
AM	1
MA	1
PA	1
PI	1
Total	3095

How many states have more than 300 customers in 2018?

There are 16 states which had more than 300 customers in 2018.

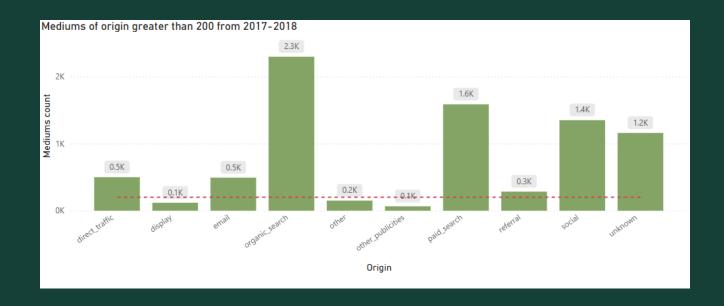




How many mediums of origin had more than 200 leads from 2017 to 2018?

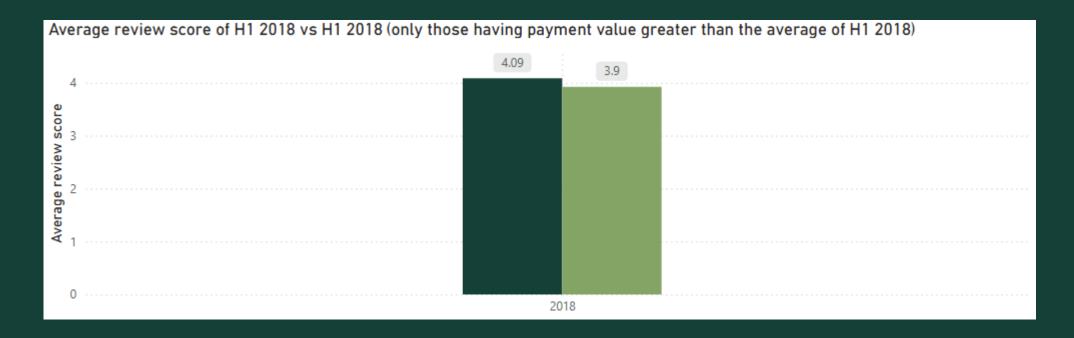
There are 200 mediums of origin.

- 1. Direct traffic
- 2. Email
- 3. Organic search
- 4. Paid search
- 5. Referral
- 6. Social
- 7. Other mediums

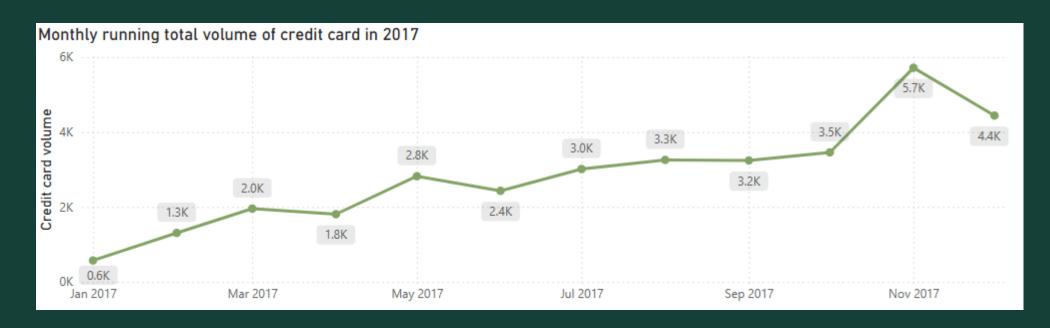


What is the average review score for orders greater than the average value in H1 of 2018?

3.9 average review score

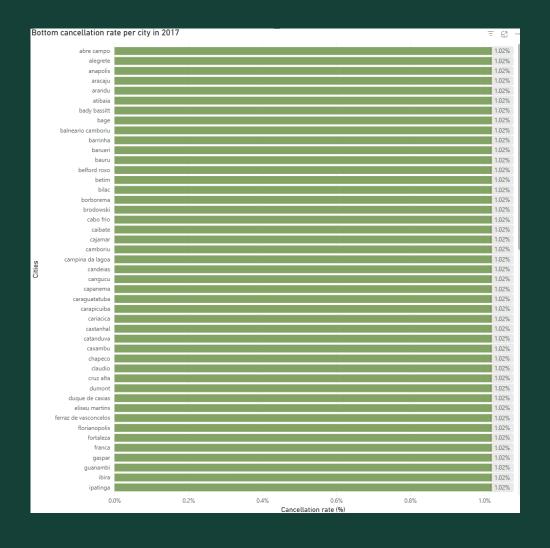


What is the monthly running total payment volume for 'credit_card' in 2017?

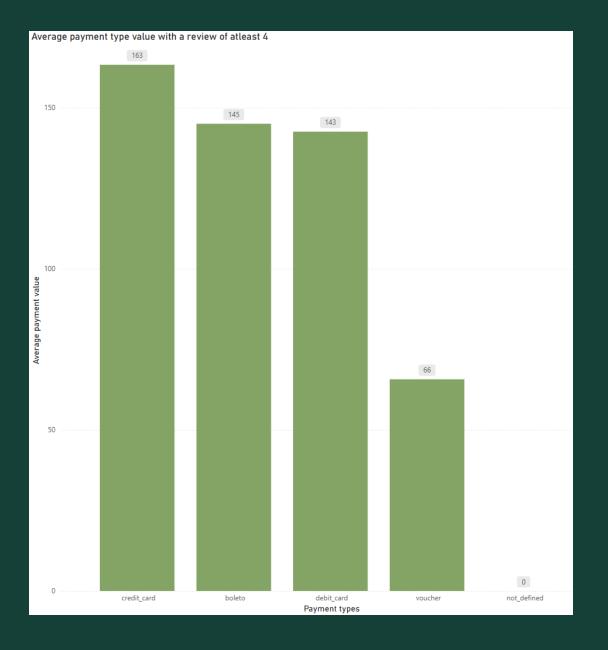


Which 3 cities have the lowest cancellation rate? What is their respective total payment volume in 2017?

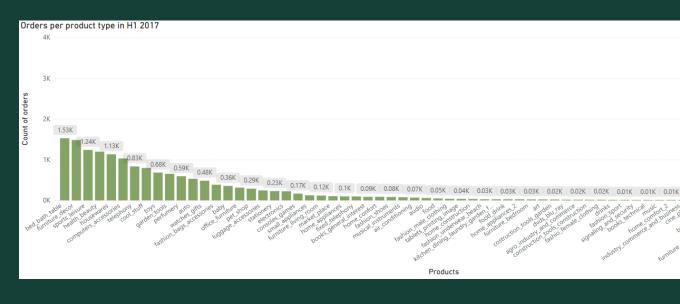
There are multiple cities who had the same cancellation rate during 2017. Mostly having 1 volume per city.



What is the average payment value per payment type for orders from sellers from Rio de Janeiro with a review score of at least 4?

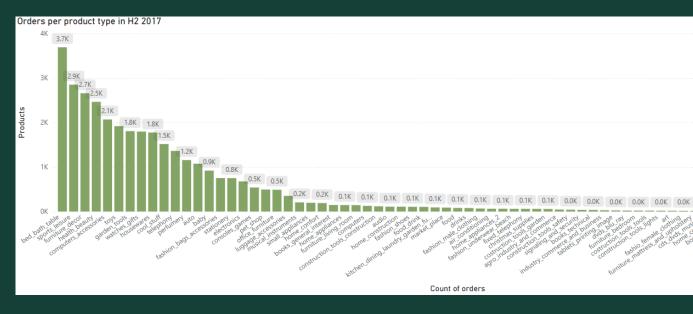


How many orders per product type in H1 2017 vs H2 2017? Show each product type in English.



product_category_name_english	Count of product_id
bed_bath_table	1525
furniture_decor	1481
sports_leisure	1239
health_beauty	1196
housewares	1131
computers_accessories	1028
telephony	833
cool_stuff	795
toys	682
garden_tools	651
perfumery	593
auto	530
watches_gifts	482
fashion_bags_accessories	385
baby	355
office_furniture	313
pet_shop	288
luggage_accessories	244
stationery	229
electronics	225
consoles_games	167
small_appliances	125
Total	15885

How many orders per product type in H1 2017 vs H2 2017? Show each product type in English.



product_category_name_english	Count of product_id
bed_bath_table	3691
sports_leisure	2852
furniture_decor	2658
health_beauty	2464
computers_accessories	2068
toys	1918
garden_tools	1806
watches_gifts	1796
housewares	1775
cool_stuff	1516
telephony	1362
perfumery	1156
auto	1074
baby	919
fashion_bags_accessories	751
stationery	750
electronics	676
consoles_games	539
pet_shop	494
office_furniture	489
luggage_accessories	352
musical_instruments	205
Total	33989

Brazilian E-Commerce Public Dataset

The Brazilian E-Commerce Public Dataset, provided by Olist, offers a rich source of information on real-world e-commerce transactions in Brazil.

This case study aims to leverage the dataset to gain actionable insights into customer behavior, sales performance, and logistical efficiency within the Brazilian online retail landscape.

olist store

Report approach



- After storing the cleaned and structured data in SQL using Python scripts, Power BI connected to this database through CSV files
 to build robust data models, establishing relationships, guided with the given ERD and creating calculated measures relevant to
 business questions.
- Through Power BI's visualization capabilities, various charts and graphs were constructed to explore trends, patterns, and anomalies within the data, such as sales performance over time, customer segmentation, or review score performance.
- By interacting with these dynamic visualizations and analyzing key performance indicators presented in Power BI, actionable insights were identified, enabling data-driven decisions regarding inventory management, marketing strategies, or customer engagement initiatives.

Exploratory data analysis

How did the e-commerce in Brazil performed?

Customer location globally

 Globally, it is not surprising that most customers involved in Brazilian commerce are in Brazil.



Customer location analysis in Brazil

Deeper analysis of customer locations in Brazil highlighted Sao Paulo (SP) state as having the most customers, with neighboring Rio de Janeiro (RJ) and Minas Gerais (MG) also showing significant numbers, possibly due to SP's regional influence.

One assumption for this customer concentration is the potential proximity of sellers within these states, although other factors may also play a role.



Seller location analysis across America

The analysis confirmed the initial assumption about seller distribution. Despite the presence of some sellers internationally, the majority are located across the main states in Brazil. This is primarily due to the high population density of the three states previously discussed within Brazil.

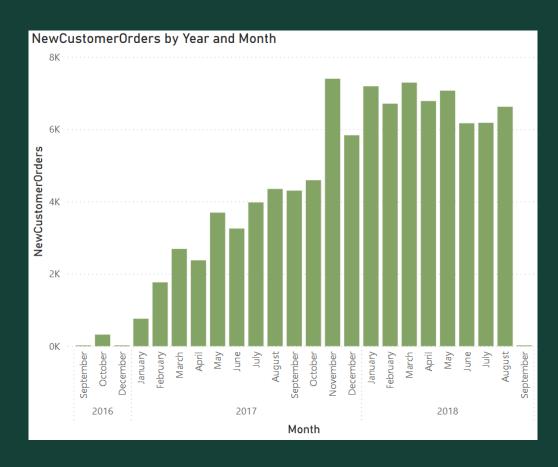


There is significant new customer orders increase from 2017–2018

Given this increase, it might be beneficial to implement a targeted strategy to encourage these new customers to place repeat orders and become long-term customers.

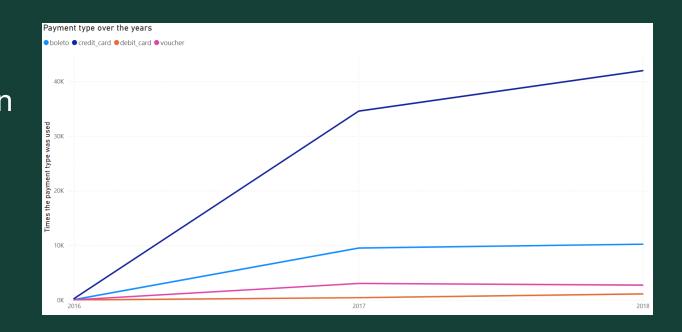
Therefore, a dedicated effort might be required to focus on these new customers to foster repeat business and ensure their retention.

To encourage these new customers to order again and build loyalty, a focused approach may be necessary.



Which payment type does the customers prefer?

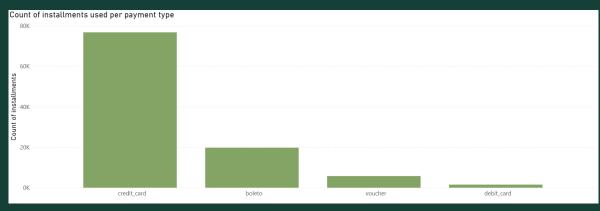
This visualization illustrates the different payment methods customers used over time when placing their orders. Notably, there was a significant shift towards credit card usage throughout the years, and this method maintained a strong lead, creating a considerable difference compared to other payment options.

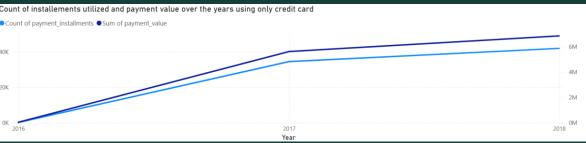


Why?

The chart emphasizes the prevalence of installment usage across payment types, with the graph showcasing the particular strength of credit cards for installment plans. Notably, there is a strong proportional link between the number of installments and the total payment value.

Another key benefit of credit cards is the option for delayed payment.



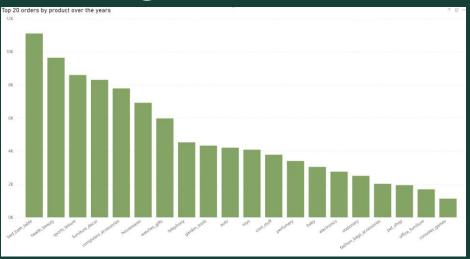


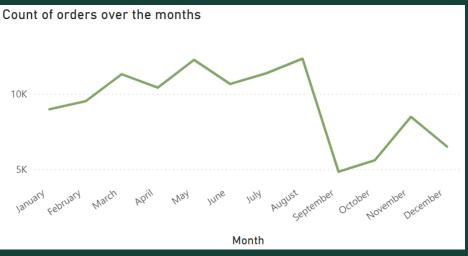
Looking at product categories, the majority of orders, representing 11% of the total, are for items intended for bedrooms, bathrooms, and dining tables.

When examining the purchase patterns in 2017, considering this is the only year where months have the complete months, the first half of the year saw the highest volume of orders.

In contrast, the second half experienced a dip, with September showing the lowest performance.

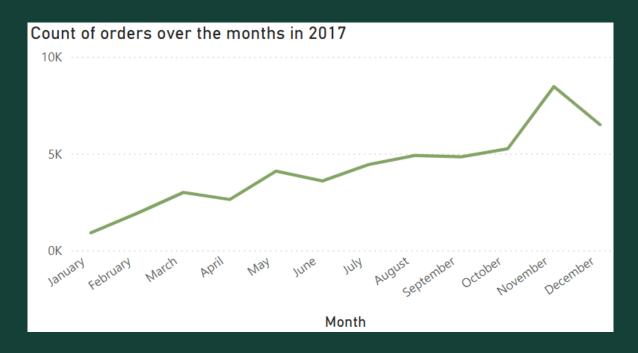
This low figure for September is likely due to the fact that data collection began and concluded in September of different years (2016 and 2018), leading to a potential bias when observing trends across multiple years.





In contrast to the earlier observation, analyzing only the 2017 data indicates that the final quarter of the year was likely the period with the highest customer purchase activity.

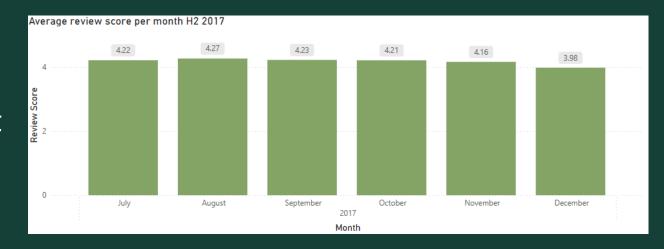
This pattern were likely due to the fact of the seasonal events happening during these months. It also happened to be the shortest quarter because of the holidays.



The fact that Q4 had the most orders highlights the significant impact of review scores for online retailers during this peak shopping period.

Looking at the second half of 2017, the marketplace benefited from a high average review score during its busiest months, contributing to an overall average of 4.11.

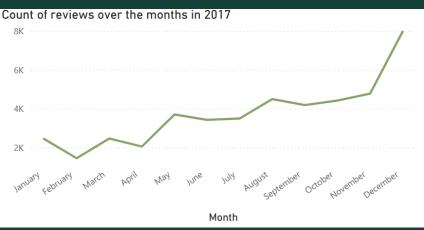
Although, a significant lower average review score was observed in December.

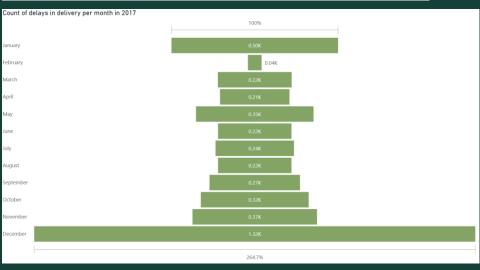


Interestingly, December 2017 also recorded the highest number of reviews received up to that point.

The likely cause for December (and potentially the entire fourth quarter) having the highest volume of reviews coupled with the lowest average score seen so far could be attributed to delivery delays during that period.

This surge in reviews in December is also likely a consequence of the high number of orders placed in November, as illustrated in a previous chart.

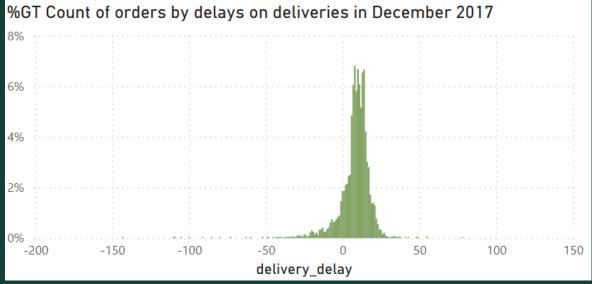




An overview of delivery timeliness in 2017

Positive figures represent deliveries that arrived before the estimated date, and negative figures represent deliveries that were delayed.



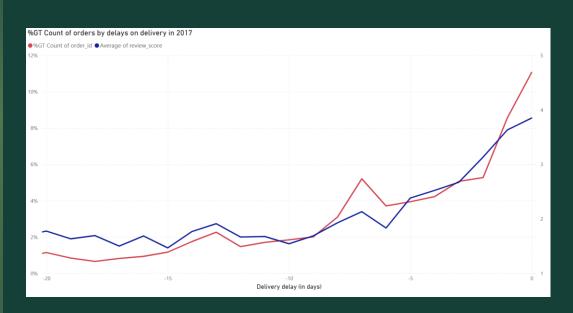


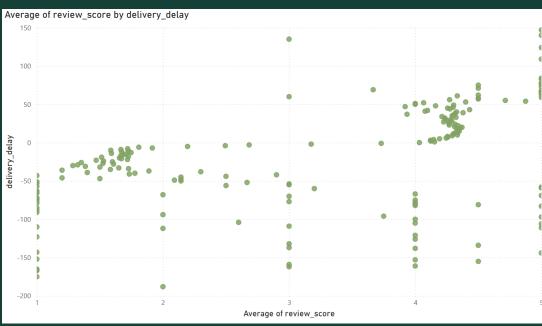
Upon closer examination, it appears that where customers were located was likely not the primary cause of late deliveries.

The purpose of emphasizing this visualization is to propose a connection between the delivery of goods via trucks and the resulting review scores. As seen in previous charts, SP again shows the highest number of delays, which is likely as its high sales volume means more deliveries, and consequently, more potential for delays in that area.



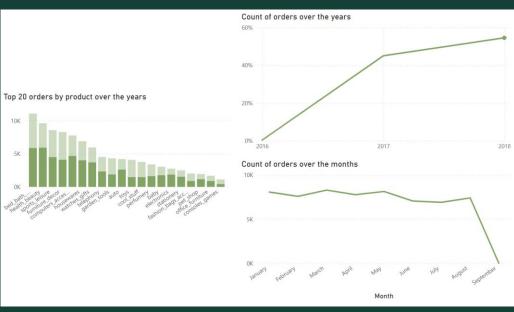
The data suggests a trend where more significant delays in order deliveries lead to poorer customer ratings.





KEY TAKEAWAYS & ACTION POINTS

 Olist performed very well on selling orders. For instance, comparison between 2017 and 2018 showcased the increase on sales by 21%, even though only up to September of 2018 was recorded in the dataset.



Drilled through chart for 2018 only.

KEY TAKEAWAYS & ACTION POINTS

- Based on the analysis, the data indicates that Brazilian e-commerce activity is highly concentrated in Brazil – particularly in states like São Paulo, Rio de Janeiro, and Minas Gerais – driven by both customer density and seller distribution.
- The significant increase in new customer orders from 2017 to 2018
 presents a prime opportunity to convert these first-time buyers into repeat
 customers. To capitalize on this growth, it is recommended to implement
 targeted retention strategies such as personalized marketing campaigns,
 loyalty programs, and follow-up incentives to encourage repeat purchases.

KEY TAKEAWAYS & ACTION POINTS

- Additionally, since the analysis reveals a strong customer preference for credit card payments – especially when installment options are available – enhancing these payment features could further drive sales. The observed seasonal trends, particularly the dip in performance during September and the delivery delays in Q4 that resulted in lower review scores, suggest that logistics improvements are critical.
- Optimizing delivery processes (for example, by leveraging more reliable transportation methods and advanced tracking systems) could alleviate these issues, leading to improved customer satisfaction. These strategic initiatives not only aim to boost retention and customer loyalty but also promise to enhance overall operational efficiency and revenue growth, as corroborated by similar findings across industry analyses online.

```
1 import pandas as pd
2 from sqlalchemy import create_engine
5 # Database connection details
6 db_user = 'root'
    db_password = '****'
8 db_host = 'localhost'
9 db_name = 'paymongo'
# Directory containing the CSV files
12 csv_directory = r'C:\Users\Maki\Downloads\2024 PayMongo Data Analyst Assessment Kit\2024\Dataset'
14 # Create a connection to the database
15 engine = create_engine(f'mysql+mysqlconnector://{db_user}:{db_password}@{db_host}/{db_name}')
18 all_files = os.listdir(csv_directory)
21 csv_files = [f for f in all_files if f.endswith('.csv')]
23 # Iterate through each CSV file
     for csv_file in csv_files:
            # Construct the full file path
            csv_file_path = os.path.join(csv_directory, csv_file)
28
            # Read the CSV file into a DataFrame
            df = pd.read_csv(csv_file_path)
            # Extract the table name from the filename (remove the .csv extension)
            table name = os.path.splitext(csv file)[0]
            table_name = table_name.lower() # Convert to lowercase for consistency (optional)
            # Import the DataFrame into the MySQL table
            df.to_sql(table_name, con=engine, if_exists='replace', index=False)
            print(f"Data from '{csv_file}' imported successfully into table '{table_name}'")
41
42
         except Exception as e:
        print(f"Error importing data from '{csv_file}': {e}")
    print("\nFinished processing all CSV files.")
```

