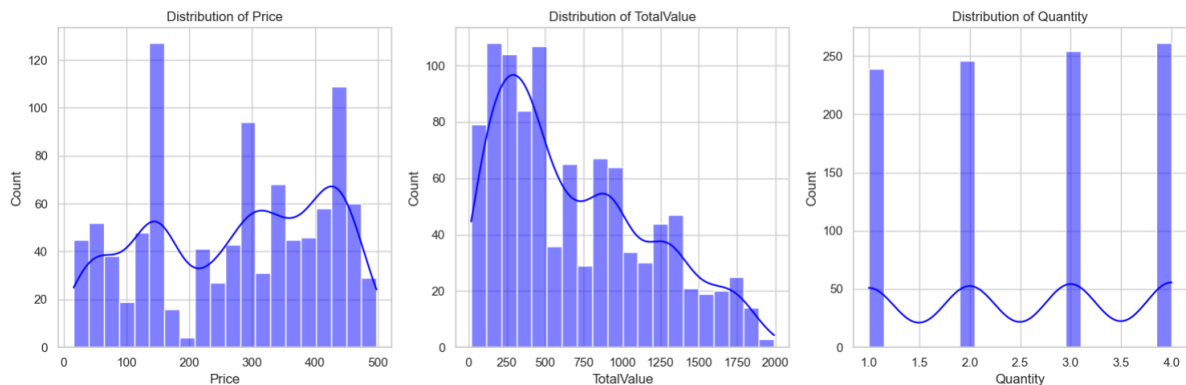# Business insights



## 1. Price Optimization and Popularity Trends

- Products priced at $100, $200, and $400 are most frequently purchased, with clear peaks in the price distribution.

- **Business Strategy:** Leverage these price points in promotions, such as discounts or bundles, to attract more buyers. Additionally, consider introducing new products in similar price ranges to align with customer spending behavior.

## 2. <u>Transaction Value Segmentation</u>

- The majority of transactions have a total value below $500, with a steep decline in higher-value transactions.

- **Business Strategy:** Introduce loyalty rewards or exclusive perks (e.g., free shipping or cashback) for purchases exceeding $500 to encourage high-value transactions and boost revenue.

## 3. <u>Driving Bulk Purchases</u>

- Quantities of 1 to 4 dominate transactions, indicating limited bulk purchases.

- **Business Strategy:** Implement bulk purchase incentives like "Buy 3, Get 1 Free" or tiered discounts for larger quantities. Highlight these offers in

product listings and marketing campaigns to increase average transaction size.

## 4. Category-Level Revenue Insights

- Certain product categories (based on further analysis) are likely driving revenue, while others may lag.

- **Business Strategy:** Focus marketing efforts on best-performing categories and cross-sell with related products. Revise pricing or stock management for underperforming categories to enhance profitability.

## 5. Regional Marketing Opportunities

- Transaction and signup activity are concentrated in specific regions, while others are underrepresented.

- **Business Strategy:** Develop localized marketing strategies for high-performing regions to strengthen customer engagement. For underserved regions, explore barriers (e.g., logistics or product availability) and consider targeted campaigns or partnerships.

## These Insights Matter:

- These insights directly tie to increasing sales, improving customer loyalty, and optimizing inventory and marketing strategies. By leveraging data trends in pricing, transaction values, and customer preferences, the business can align its decisions with customer behavior and market demand.

## Customers by Region
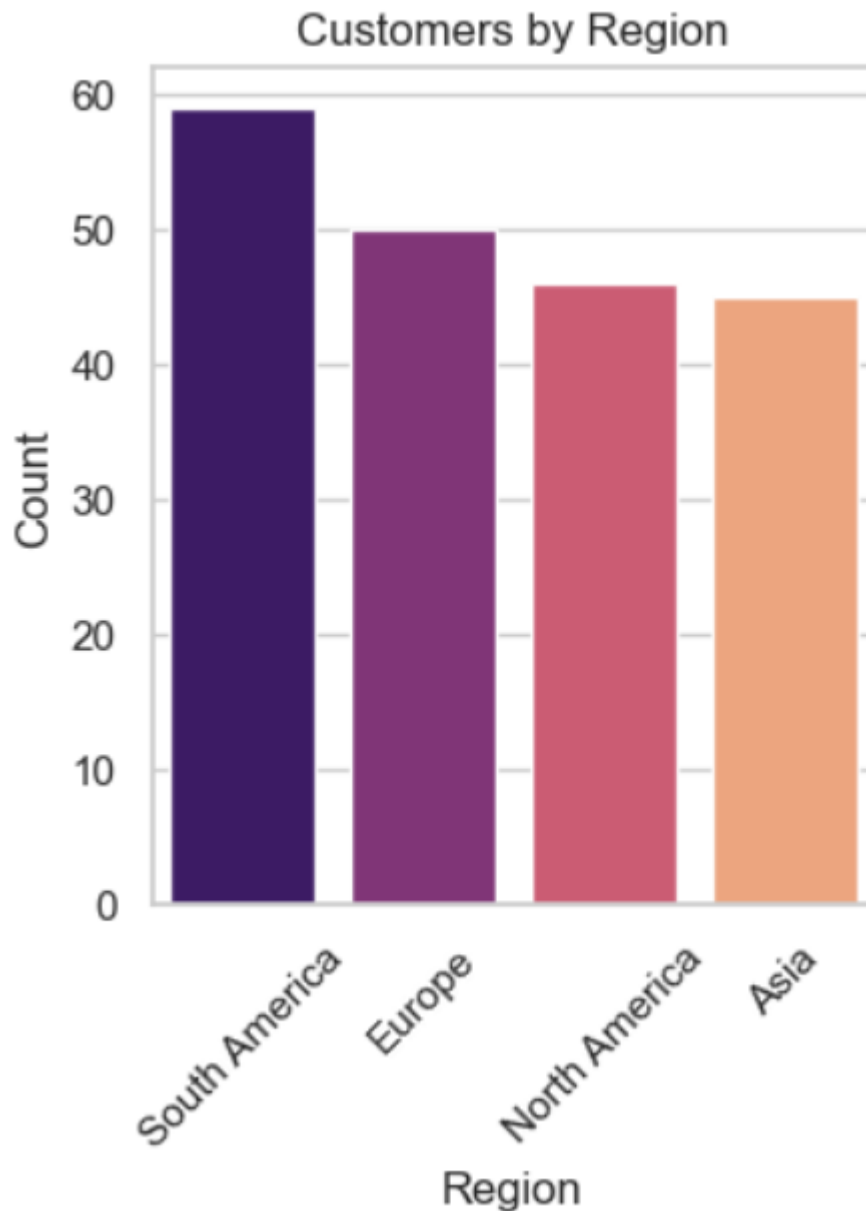
South America has the largest customer base, making it a key market to prioritize with targeted marketing and logistics improvements. Europe, North America, and Asia show balanced customer distribution, offering opportunities for growth with region-specific strategies like premium offerings in Europe and competitive pricing in Asia. To drive expansion, focus on personalized campaigns for high-value customers in these regions. Lastly, retaining customers in South America through loyalty programs and personalized offers will help sustain growth in this competitive market.

Transactions Over Time
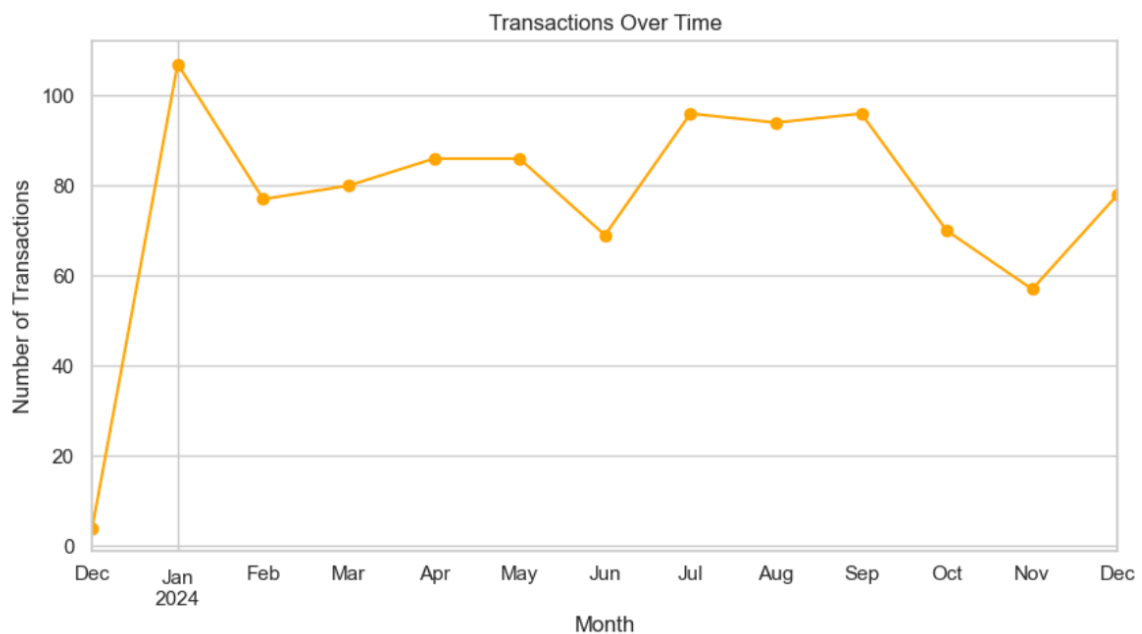
From the plot, January and July are your strongest months, likely due to effective campaigns or seasonal demand. However, there's a sharp drop from August to October, indicating a need to boost engagement during this period. December shows recovery, likely tied to holiday shopping.

**Suggestions:**

1. **Replicate Success:** Analyze January and July strategies and apply them to other months.

2. **Fix Low Periods:** Run targeted promotions and loyalty programs from August to October.

3. **Optimize Holidays:** Enhance December campaigns to maximize holiday sales.

**Total Revenue by Region**
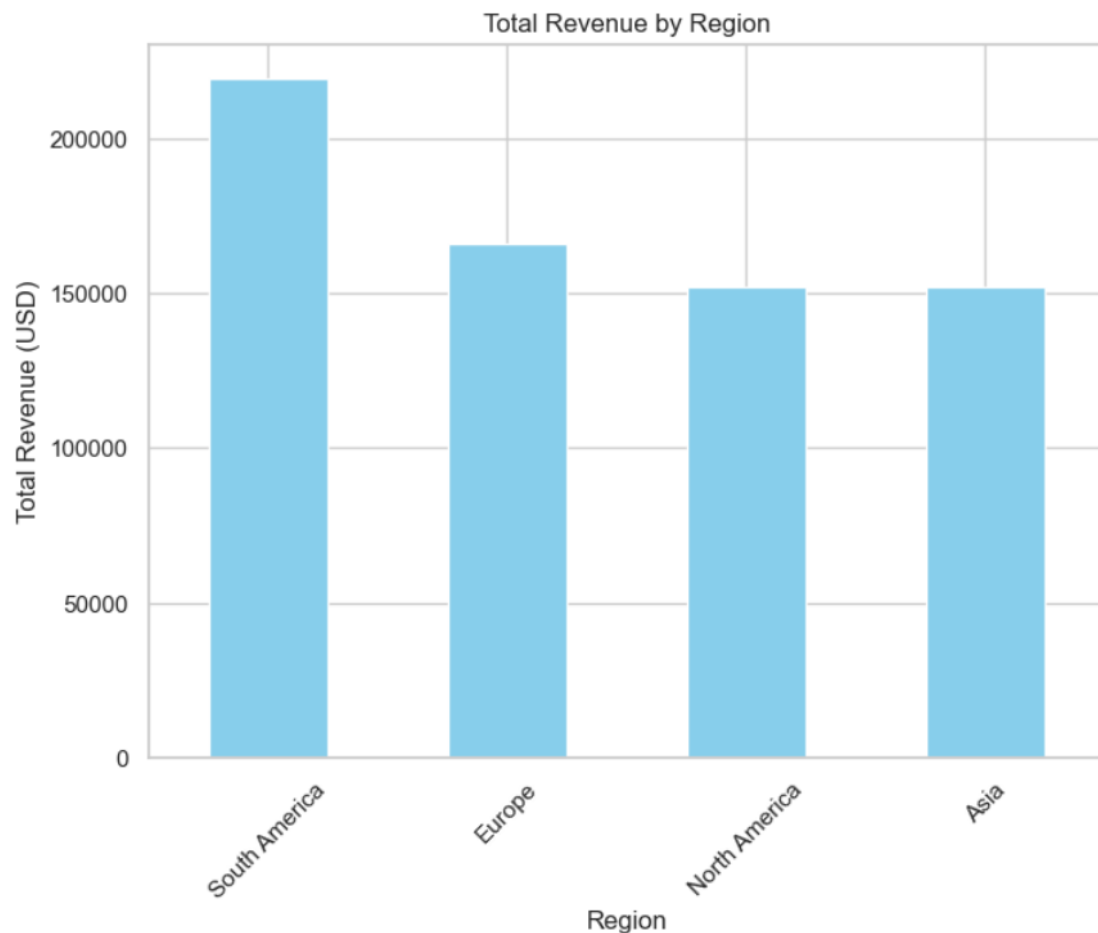
The chart shows that South America generates the highest revenue among all regions, while Europe, North America, and Asia have similar but lower revenue levels. This suggests that South America is a strong market, and efforts should be focused on maintaining and growing its performance through continued investment in products and marketing. At the same time, there is potential for growth in Europe, North America, and Asia. By identifying what works well in South America, such as popular products or effective campaigns, similar strategies can be applied to these regions to boost their revenue.

Total Quantity Sold by Product Category
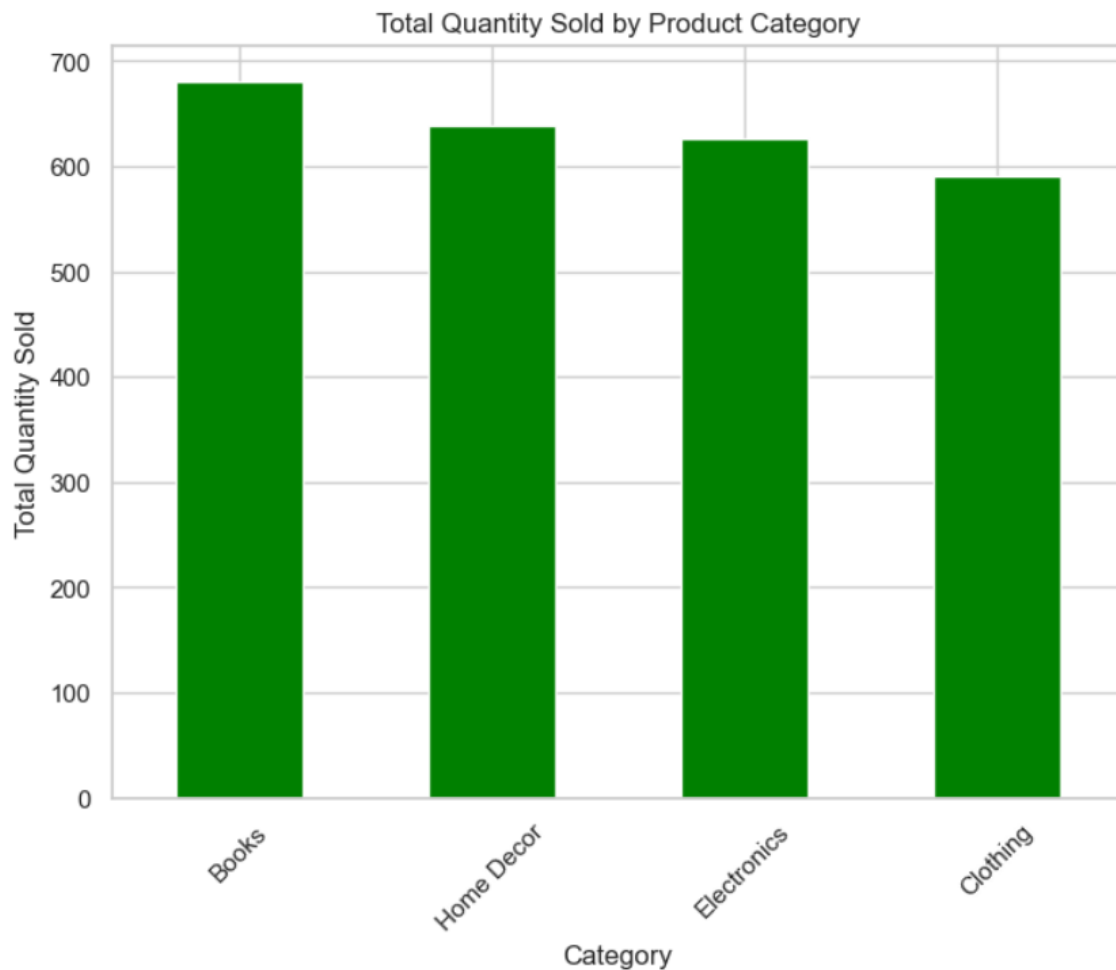
The chart shows that books have the highest quantity sold among all categories, followed closely by home decor, electronics, and clothing. This indicates that books are a popular product and should remain a focus for sales and marketing efforts. Home decor and electronics also show strong sales and present opportunities for further growth through targeted promotions. Clothing, while performing slightly lower, still has significant sales and could benefit from refreshed marketing strategies or discounts to increase its appeal. Overall, maintaining the momentum for top-selling categories while boosting clothing sales would maximize overall growth.

Customer Purchase Frequency
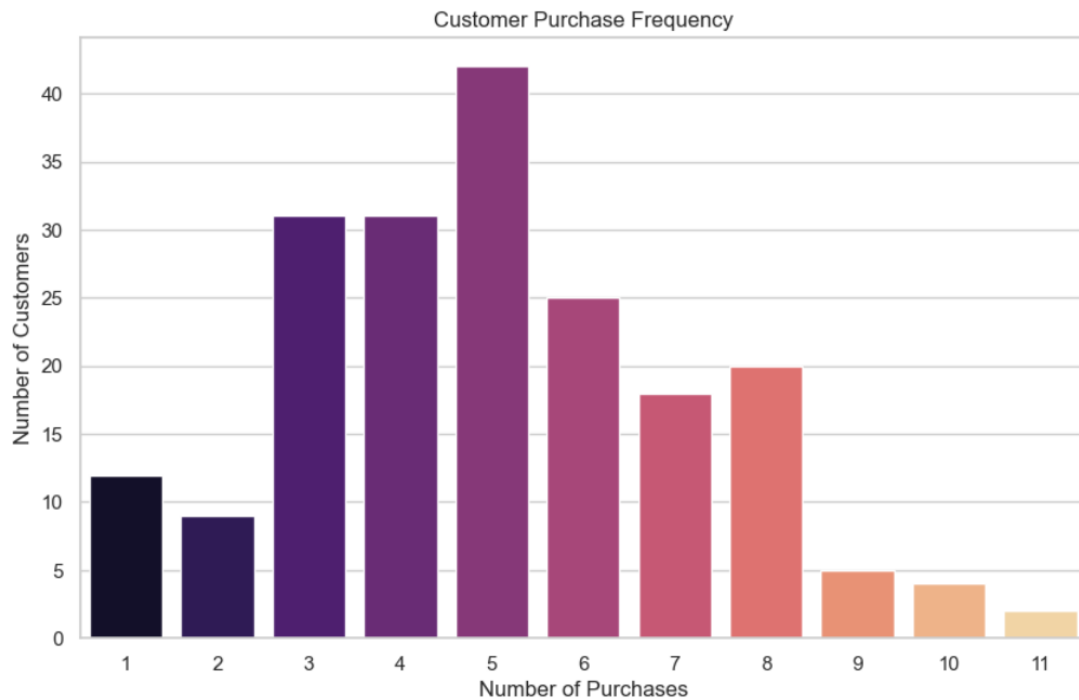
▢ **Peak Activity:** Most customers make **5 purchases**, showing a key engagement point.

▢ **Low Engagement:** Many customers drop off after **1-2 purchases**—target them with retention campaigns.

▢ **Loyal Segment:** Customers with **3-6 purchases** are the largest group and should be nurtured.

▢ **High Purchasers Decline:** Customers making **8+ purchases** are rare—explore premium offers for them.

▢ **Retention Opportunity:** Focus on converting **low-frequency buyers** into mid- or high-frequency segments.

Top 10 Most Popular Products
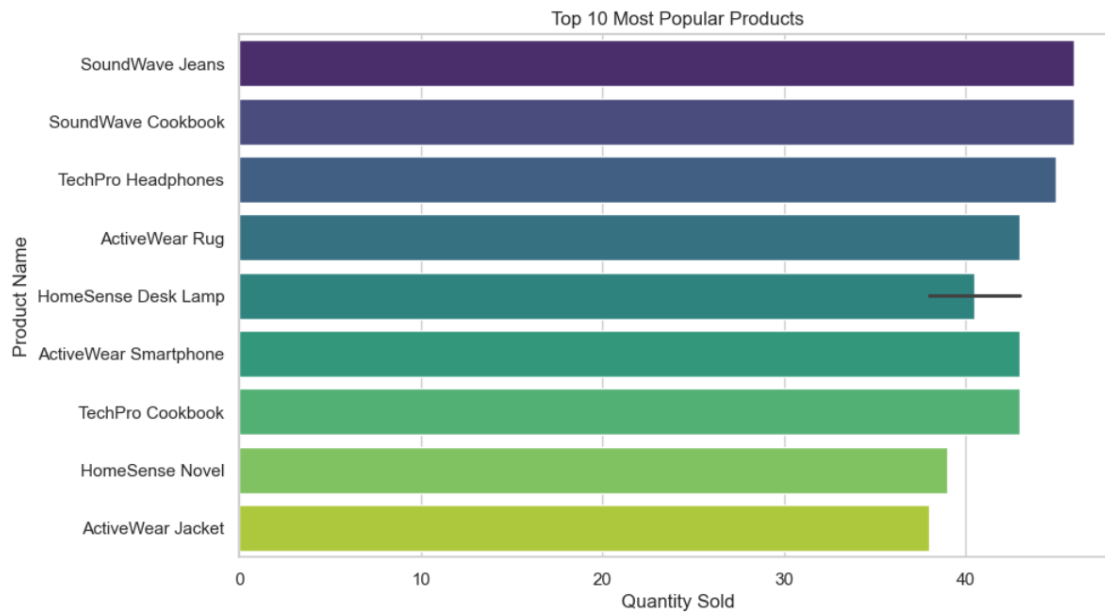
## 1. Capitalize on High-Selling Products

- **Action:** Focus marketing on top sellers like **ActiveWear Jacket (40 units)** and **HomeSense Novel (35+ units)**. Create exclusive bundles or discounts.

- **Outcome:** Boosts total sales and revenue from proven bestsellers.

## 2. Maximize Mid-Tier Product Sales

- **Action:** Mid-ranked products like **TechPro Headphones (~30 units)** can grow through targeted campaigns and improved pricing strategies.

- **Outcome:** Increases total unit sales by converting moderate performers into high sellers.

## 3. Enhance Category Reach

- **Action:** Leverage the diversity in sales, with products from ActiveWear, TechPro, and HomeSense contributing to overall sales volume (~300+ units combined). Highlight variety in ads.

- **Outcome:** Expands the customer base by emphasizing choice.

## 4. Optimize Low Sellers

- **Action:** Products like **SoundWave Jeans (~25 units)** may have untapped potential. Rebrand, bundle, or discount to attract new buyers.

- **Outcome:** Increases total sales and reduces unsold inventory.

## 5. Customer Retention Programs

- **Action:** Engage repeat customers to drive sales across the entire portfolio. Offer loyalty discounts on top-selling and mid-tier products.

- **Outcome:** Sustains high total sales volumes over time