

Problem Statement Worksheet (Hypothesis Formation)

How can Olist increase sales by 20% over next two years by identifying customer preferences across product categories, delivery experience, and different regions in Brazil?

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1 Context

Olist is a Brazilian e-commerce platform that connects sellers and customers across the country through a centralized marketplace. Despite offering a wide variety of products, sales performance varies significantly across regions and product categories. To boost growth, the company aims to identify which products are most in demand in specific geographic areas. By understanding regional customer preferences and purchasing behavior, Olist can optimize marketing, inventory, and delivery strategies to increase sales and satisfaction.

2 Criteria for success

Sales will increase by 20% over next two years by identifying customer demand for specific products in different regions.

3 Scope of solution space

Olist aims to boost sales by identifying which regions show higher demand for specific products. By understanding regional purchasing patterns and customer preferences, the company can tailor its product offerings and marketing efforts accordingly.

4 Constraints within solution space

- Getting missing data regarding why some regions have late delivery and others have not.
- Stakeholder resistance to get the right data.
- Only historical data — no real-time user interaction data

5 Stakeholders to provide key insight

- CEO
- Chief marketing officer
- Vice President of Logistics and Supply Chain Management

6 Key data sources

Olist orders_dataset
Olist order_items_dataset
Olist order_reviews_dataset
Olist products_dataset
Olist customers_dataset
Olist sellers_dataset

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