

Analysis of the Olist e-commerce dataset follows standard data analysis steps, by utilizing nine linked datasets (orders, products, sellers, customers, geolocation, order payment, order items, order reviews, and product category). Below is the summary of my analysis; Workflow, Findings, Insight and Final Recommendation.

Workflow

1. **Problem Definition/Business Questions:** The objectives of the analysis were clearly defined, such as analyzing business performance, identifying top-performing categories, or understanding factors influencing review scores.
2. **Data Collection & Integration:** The nine distinct CSV files were gathered and proper modelling was carried to unify the dataset for comprehensive analysis.
3. **Data Cleaning & Preprocessing:** Handle missing values, outliers, and structural errors. Standardize data formats and potentially perform feature engineering (e.g., calculating delivery time, order value).
4. **Exploratory Data Analysis (EDA) & Modeling:** Use statistical summaries and visualizations (e.g., heatmaps, geospatial analysis) to uncover initial patterns.
5. **Validation & Interpretation:** Test findings and interpret the results to derive actionable business insights.
6. **Communication:** Present findings and recommendations to stakeholders using reports or interactive dashboards (in Power BI)

Findings and Insights

- **Order and Revenue Trends:** Olist processed about 100,000 orders between 2016 and 2018, with total revenue around 16 million. And there was steady growth from September 2016 to September 2018, with the highest order volumes typically occurring around March.
- **Customer Satisfaction:** The average product rating is around 4.09 out of 5, and the order cancellation rate is low (~0.6%), suggesting generally high satisfaction. However, 1-star reviews are a significant portion of feedback, indicating potential quality issues in specific categories.
- **Logistics & Delivery:** Delivery time significantly impacts customer review scores; faster shipping improves satisfaction. Delivery performance varies by region, and while the overall logistic performance is good, some intracity routes have performance issues.

- **Product Performance:** The most popular product categories by order volume are **health and beauty**, **bed and bath**, and **watches and gifts**.
- **Customer Behavior:** Credit cards are the most popular payment method (around 76-78% of users). A key challenge is the low customer retention rate (high churn rate of around 87.5%), meaning most customers make only a single purchase.
- **Geolocation:** Sao Paulo is the state with the highest customer concentration.

Final Recommendation

Based on my analysis, here are key recommendations for Olist to optimize growth and customer loyalty:

- **Enhance Product Quality Control:** Investigate the product categories receiving low (1-star) reviews and implement quality control measures to address consistency and meet customer expectations.
- **Optimize Logistics:** Analyze and address the specific bottlenecks and delays in high-priority or low-performing shipping routes to improve overall delivery times and, consequently, review scores.
- **Improve Customer Retention:** Focus on strategies to convert first-time buyers into repeat customers. Implement loyalty programs with exclusive discounts or free shipping for targeted high-density customer locations like Sao Paulo.
- **Personalize Marketing:** Utilize customer segmentation data to tailor recommendations and offers, creating a more engaging and personalized shopping experience for different customer groups.
- **Strategic Expansion:** Capitalize on high-profit-margin products (e.g., `telefonia_fixa`, `drinks`) through targeted marketing, and consider strategies to onboard more sellers to improve product variety and balance the distribution of seller locations.