E-Commerce Website Analysis

By Aaron Charles Vergara

Scenario

An e-commerce company is selling books of various genres. The company is trying to cut costs and focus on the top 10 genres that would be the most profitable. How will you approach this problem?

<u>website</u>

Process

I. Establishing the business problem and asking the right questions

In order to provide a well-defined analysis on this scenario, it is important that the business problem and the goal is well-defined at the start before any preparation and analysis of data is performed. Effective questions are required to establish the foundational details regarding the overall situation, the data and resources to be handled, and the stakeholders involved.

From such, I asked the following questions:

- What is the current problem?
- What are the parameter/s for success in this scenario?
- What is the available data to me? What is the history, condition, and location of this available data?
- What are the gaps or limitations existing in this data? What are the opportunities in this data for analysis?
- What would be the optimal goal or preferred outcome expected in this scenario, from the stakeholders perspective?

With the following questions, I responded with:

 The company is having a problem where the current book repertoire and its profitability does not justify the budget to maintain it, hence the need to cut down costs.

- The parameter of success involves the overall profitability of a genre.
- The available data for analysis involves all book data from the given e-commerce website. Each book consists of descriptive details such as book title, price, and stock availability, etc., while falling under a genre group.
- Limitations in data include unequal distribution of books per genre, the lack of usable values in some descriptions, such as tax, prices including/excluding tax, and number of reviews, and lack of historical data. Opportunities exist in genre, prices, ratings, and availability data.
- The optimal goal is to identify the top 10 most profitable genres to be recommended for the e-commerce's continued service.

With the given scenario, the business problem can be:

 Which book genres are the most profitable and cost-effective to maintain in service?

With the following business problem, the following hypotheses can be made:

- The most expensive genres have the most highly rated reviews.
- Genres with the least expensive books overall have lower stock available.
- The most rated genres have the least amount of book stocks.

II. Preparing Data for Exploration and Processing

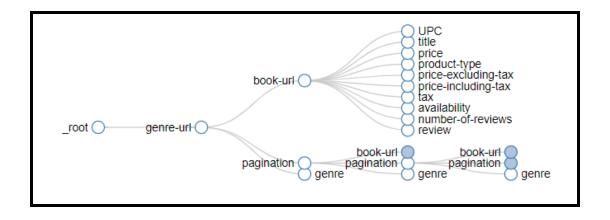
After establishing the business problem, objectives, and hypotheses to guide the data analysis process, it is now time to decide what data is required to answer the situation. Looking at the website, the following data are available:

- Book Title
- Book Genre
- Book Price in pound sterling (£)
- Stock Availability
- Star Rating, from 1 to 5
- Product Description

- UPC
- Product Type
- Price including and excluding tax
- Tax
- Number of Review

From this set of data, we can disregard the book description from the gathering process as the other data are more usable for quantitative analysis, as well as the genre can serve as general categorization of the information related to the description.

With the e-commerce book store website as the data source, the main process to gather the information will be through web scraping. The tool used for web scraping is <u>webscraper.io</u>, which is an easy and intuitive way to gather website information. The sitemap utilized for the web scraping process is as follows:



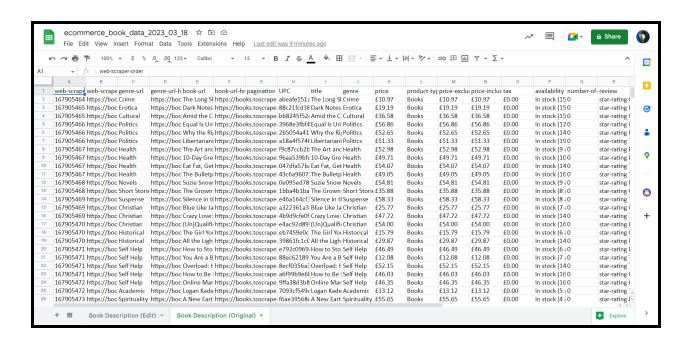
Where *genre-url* selector allows us to visit every genre available, which then consists of a recursive process per each genre section visited. Through this action, the scraper gathers the genre data the books belong to with *genre* selector, visits every book url with *book-url* selector and gathers the needed book information, and then presses the next page button with the *pagination* selector, if available, to repeat the process again. This is then saved as a .xlsx file for data processing and cleaning through a spreadsheet.

III. Data Cleaning Process

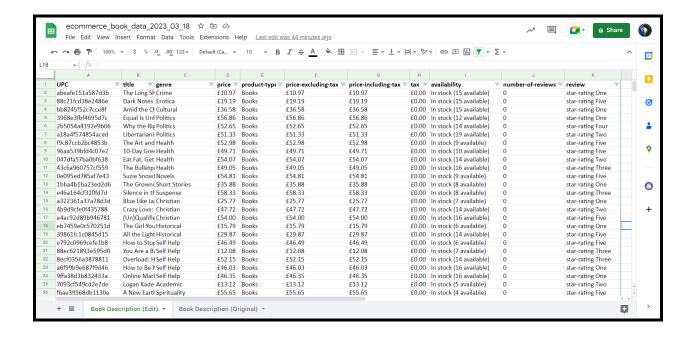
Getting into the data cleaning process, I have the following dataset, from left to right:

- web-scraper-order
- web-scraper-start-url
- genre-url
- genre-url-href
- book-url
- book-url-href
- pagination
- UPC
- title

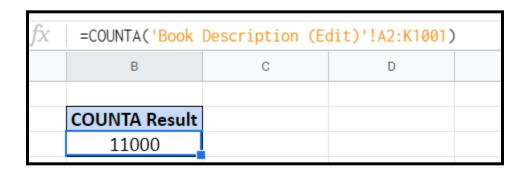
- genre
- price
- product-type
- price-excluding-tax
- price-including-tax
- tax
- availability
- number-of-reviews
- review



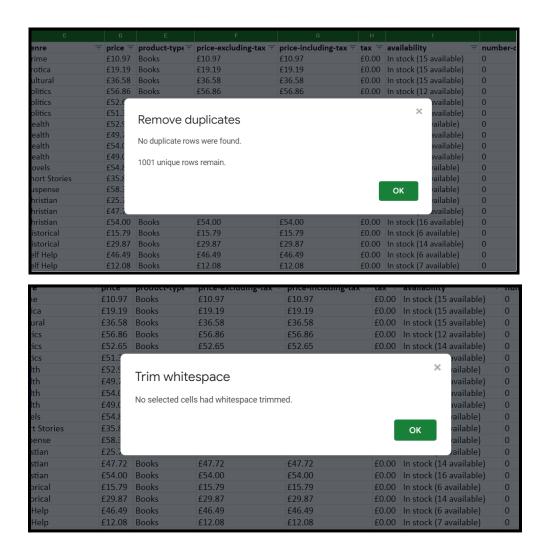
Before starting, it is good practice to duplicate the dataset first before transformation and cleaning, to ensure that I will be capable of undoing the edit if needed, as well as for easier verification purposes after the processing. Alongside this, proper naming convention should be followed with the document name, which I named as "ecommerce_book_data_2023_03_18".



Looking at this data set, there is no need for the link values, pagination, and web scraping information for the analysis, which makes it easy to be removed from the sheet. Looking back at the e-commerce website, there are a total of 1000 records or books overall. From such, we can use the COUNTA function to check whether the 11 columns of data left are all filled with 1000 records each with no null values, resulting in an overall count of 11000.



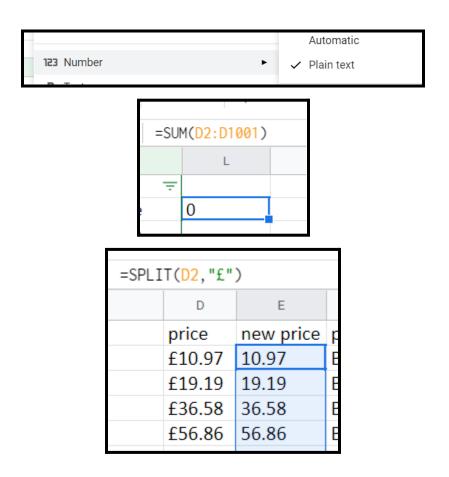
We can then check for duplicates with the remove duplicates tool. Result shows that all rows are unique with no duplicates. Alongside this, we can also trim possible leading, trailing, and repeated spaces in data with the trim whitespace tool. Again, results show that there are no whitespaces in the data.



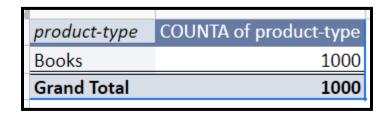
From here, I can now check for each column and manage or transform them to be usable for analysis. The process I took are as follows:

- The UPC and Book Title values are maintained as they can be used as identification of each book available in the website.
- Genre is also kept as it is already in a usable and descriptive enough format.
- For price, which is in pound sterling (£), was detected to be in text format, upon looking at the Format -> Number tab. From such, I tried to change it to currency format but it would show the value 0 when I tried checking through the SUM function. Therefore, I considered that the existing pound sign might be influencing the output, which made me perform a SPLIT function with the £ as the

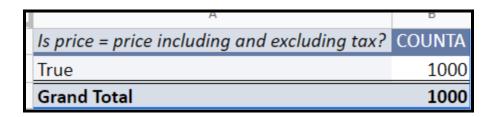
delimiter to get a new set of prices column without the preexisting sign. Afterwards, I removed the old values with the new results converted to the appropriate currency.



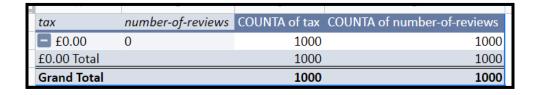
 With product type, there is only one type which is "Books", as counted through a Pivot Table. The column can be removed as it would not introduce any differing insight in the analysis.



• For both price including and excluding tax, I performed the same process I did with the original price column. However, one noticeable aspect of all price-related columns is that the prices look similar, which might indicate that all three columns have the same values. From such, I utilized the IF function to check the similarity of values per row, and then counted all true values and checked if it totals to 1000 with a pivot table. Achieving a total of 1000 concluded that all three columns are the same, which allows me to remove the price-tax related columns.



 Tax and number of reviews column also follows the unchanging value situation like product type, allowing me to remove both of the columns without issue.



• For data under the availability column, I could first check whether there is a "no stock" value through a pivot table. Seeing that only values present are the ones in stock as well as having a consistent first half of the values, I can use the MID function to extract all the stock number values consistently.

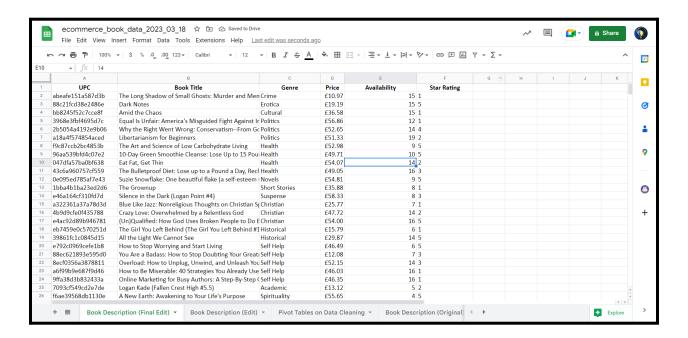
| availability | COUNTA | _ |
|-------------------------|--------|---|
| In stock (1 available) | 98 | |
| In stock (10 available) | 2 | |
| In stock (11 available) | 28 | |
| In stock (12 available) | 34 | |
| In stock (13 available) | 5 | |
| In stock (14 available) | 136 | |
| In stock (15 available) | 87 | |
| In stock (16 available) | 84 | |
| In stock (17 available) | 5 | |
| In stock (18 available) | 11 | |
| In stock (19 available) | 23 | |
| In stock (2 available) | 14 | |
| In stock (20 available) | 4 | |
| In stock (22 available) | 1 | |
| In stock (3 available) | 196 | |
| In stock (4 available) | 47 | |
| In stock (5 available) | 65 | |
| In stock (6 available) | 35 | |
| In stock (7 available) | 53 | |
| In stock (8 available) | 47 | |
| In stock (9 available) | 25 | |
| Grand Total | 1000 | |

| | | _ |
|-------------------------|------------------|----|
| availability | new availability | 1 |
| In stock (15 available) | 15 | 9 |
| In stock (15 available) | 15 | 9 |
| In stock (15 available) | 15 | 9 |
| In stock (12 available) | 12 | 9 |
| In stock (14 available) | 14 | 9 |
| In stock (19 available) | 19 | 93 |

 Lastly, the review column contains the element attribute scrapped from the website. The star-rating text and the number value are separated by the split text to columns tool. The numbers are then replaced with numerical equivalents with the find and replace tool.

| | review | |
|---|-------------|------|
| 5 | star-rating | One |
| 5 | star-rating | Five |
| 5 | star-rating | One |
| 2 | star-rating | One |
| 1 | star-rating | Four |
| 1 | stor rating | Turo |

After the cleaning, the data is left with UPC, Book Title, Genre, Price, Availability, and Star Rating columns, which are cleaned for analysis.



For the final processing, I needed to handle the imbalanced dataset in terms of genre. For this, I used Python with Jupyter Notebook to analyze the book distribution by genre. The analysis displayed a big gap between the maximum and minimum book count among genres.

```
books[["Genre"]].value counts().head(10)
Genre
Default
                  152
Nonfiction
                   110
Sequential Art
                   75
Add a comment
                   67
Fiction
                   65
Young Adult
                   54
Fantasy
                   48
Romance
Mystery
                   32
Food and Drink
                    30
dtype: int64
```

This result shows that performing analysis with our current dataset may introduce disproportionate influence or bias leading to misrepresentation, as the data is heavily skewed to genres with more books. From such, I considered undersampling the high book count genres to equalize with the less represented genres, as well as removing some of the genres with too little data for analysis. This would introduce limitations to our analysis as few genres will not be analyzed, but it would make the analysis more balanced.

To do such, I extracted the mean value of all genre's book counts, which resulted in 20 books available per genre on average. From then, I extracted a randomized sample of 20 for every genre with book count greater than 20, and also took all genres with 15–20 books, as the book count can be satisfactory enough to make an analysis. Results are saved as a .csv file for spreadsheet analysis and visualization.

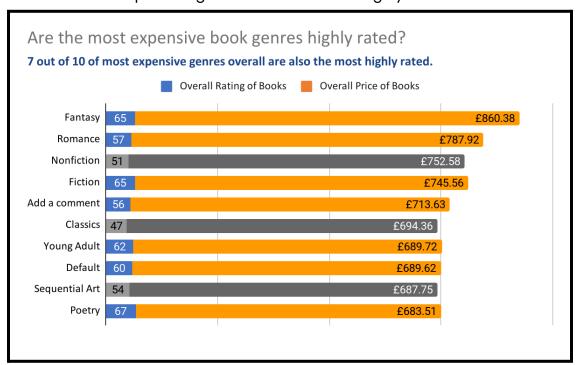
| | 0.0s | | | | | |
|-----|------------------|--|-----------------|-------|--------------|-------------|
| | UPC | Book Title | Genre | Price | Availability | Star Rating |
| 436 | d30b9215c72cca87 | Wild: From Lost to Found on the Pacific Crest | Default | 46.02 | | |
| 432 | 4266f48a0aa1c37d | The Maze Runner (The Maze Runner #1) | Default | 20.93 | | |
| 541 | e6af5bf1163c1151 | Soul Reader | Default | 39.58 | 16 | 2 |
| 487 | bb967277222e689c | Adultery | Default | 20.88 | 11 | |
| 548 | e10e1e165dc8be4a | The Boys in the Boat: Nine Americans and Their | Default | 22.60 | 19 | 4 |
| | | | | | | |
| 396 | 18ad3ed896c7ce05 | Join | Science Fiction | 35.67 | 16 | |
| 397 | e30f54cea9b38190 | Mesaerion: The Best Science Fiction Stories 18 | Science Fiction | 37.59 | 19 | |
| 382 | 6717a70913b3db79 | Having the Barbarian's Baby (Ice Planet Barbar | Science Fiction | 34.96 | | 4 |
| 390 | 3fc124f59f3068e4 | Foundation (Foundation (Publication Order) #1) | Science Fiction | 32.42 | | |
| 395 | 9270575728a13a61 | William Shakespeare's Star Wars: Verily, A New | Science Fiction | 43.30 | 15 | 4 |

Overall, there are 346 records of books extracted. The randomized books per genre is then saved as a .csv file to be analyzed and visualized in the spreadsheet.

IV. Data Analysis and Findings

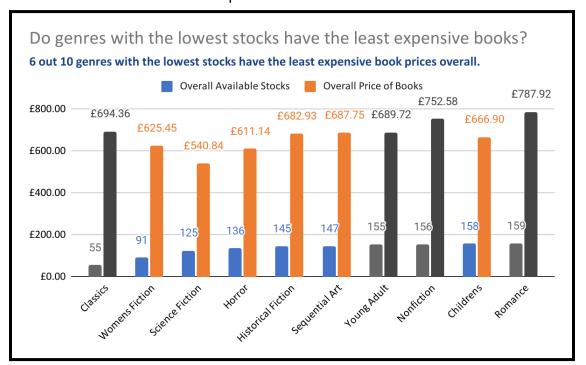
The dataset contains 346 rows of book inputs, with 6 columns of book descriptions, which includes: (1) the UPC code, (2) the title of the book, (3) the book genre, (4) the price of the book (£), (5) the stock available for sale, and (6) the review rating of the book, from 1 to 5 stars. With this, we can attempt to answer our initial hypotheses.

The most expensive genres have the most highly rated reviews.



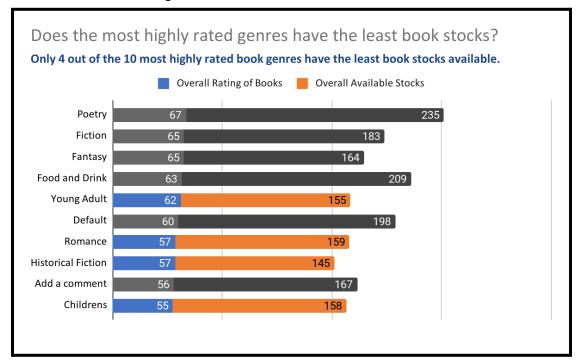
With the following graph, it can be seen that more expensive books are more likely to be highly rated. This could imply that these genres have higher quality books that justifies the high price customers pay for, which can indicate customer satisfaction. Meanwhile, the genres of nonfiction, classics, and sequential art are expensive overall but rated poorly in comparison. This may indicate customer dissatisfaction due to spending highly for a poorer quality book. From such, we can consider expensive genres as long as it is rated highly.

• Genres with the least expensive books overall have lower stock available.



6 of the 10 least expensive genres also have the least amount of available stock left on their books. This may imply that lesser expensive genres cause more purchasing decisions from customers due to affordability. From such, a good balance between affordability and price can be a factor that decides whether more people would buy books, leading to higher profitability.

The most rated genres have the least amount of book stocks.



The following graph displays that most highly rated genres often have the most stock remaining for purchase. This indicates that despite being higher quality, less books are being purchased by customers, which may be due to their price. Despite this, 4 out of 10 of the most highly rated books still get lower stock count, which may indicate popularity among these genres.

V. Conclusion and Recommendations

The results of the hypothesis displays the following conclusions:

- More expensive genres are more likely to be highly rated.
- Less expensive genres are more likely to have less stock available.
- Highly rated book genres often have more stocks available.

The results also showed that customers would buy expensive books if they are highly rated in quality, as well as if the book is under an affordable price. To achieve the best customer satisfaction, I can provide genre recommendations that fulfill the following criteria:

CRITERIA 1: High price, low in stock, and highly rated

CRITERIA 2: Affordable, low in stock, and highly rated

CRITERIA 3: High price, low in stock, but lowly rated

CRITERIA 4: Affordable and low of stock.
CRITERIA 5: High price and highly rated.
CRITERIA 6: Affordable and highly rated.

| Genre | Overall Rating of Books | Overall Available Stocks | Overall Price of Books |
|--------------------|-------------------------|--------------------------|------------------------|
| Fantasy | 65 | 164 | £860.38 |
| Romance | 57 | 159 | £787.92 |
| Nonfiction | 51 | 156 | £752.58 |
| Fiction | 65 | 183 | £745.56 |
| Add a comment | 56 | 167 | £713.63 |
| Classics | 47 | 55 | £694.36 |
| Young Adult | 62 | 155 | £689.72 |
| Default | 60 | 198 | £689.62 |
| Sequential Art | 54 | 147 | £687.75 |
| Poetry | 67 | 235 | £683.51 |
| Historical Fiction | 57 | 145 | £682.93 |
| History | 53 | 181 | £671.31 |
| Childrens | 55 | 158 | £666.90 |
| Womens Fiction | 53 | 91 | £625.45 |
| Food and Drink | 63 | 209 | £618.92 |
| Horror | 46 | 136 | £611.14 |
| Science Fiction | 36 | 125 | £540.84 |
| Mystery | 53 | 176 | £517.68 |

^{*}Green Highlights

- 1. Highest Rated Book Genre Overall
- 2. Lowest Available Stocks in a Genre Overall
- 3. Highest Book Prices in a Genre Overall

With the following table, the genres that fulfill Criteria 1 are **Romance** and **Young Adult** genres, having high ratings, low stocks remaining, and high price. This indicates that both of these genres have expensive books that are actively popular and high in quality, contributing to high profits.

For Criteria 2, genres such as **Historical Fiction** and **Childrens** can be considered, as they have high ratings with low stocks remaining, despite not being in the high price range. This shows their popularity and quality, which is valuable in keeping customer satisfaction leading to more buying decisions.

Nonfiction, **Classics**, and **Sequential Art** belong to Criteria 3, as despite the low rating, the available stock numbers are among the lowest in comparison, particularly with the classics. These genres are popular enough to get bought by customers, which may be due to reasons outside of overall ratings.

With Criteria 4, **Womens Fiction**, **Horror**, and **Science Fiction** can be considered due to their low stock and having an affordable price. From such, it indicates that these genres are popular to be bought even at a lower price and not considering its overall rating.

For Criteria 5, **Fantasy**, **Fiction**, **Add a comment**, **Default**, and **Poetry** are considered, as these are highly rated genres despite their high price. Despite the stock not being lower, the quality of the books under these genres ensure that there would be consistent consumers for these types of content. This means a consistent stream of profits.

Lastly, we have the **Food and Drink** genre for Criteria 6, as it is highly rated and affordable. However, it also has a large amount of stock remaining, which may indicate that there are not many buyers of books under this genre.

History and **Mystery** genres will not be considered for the recommendation, as both are low in rating and price, as well as maintaining many unsold stocks.

With the following, I would recommend the following genres:

- Romance
- Young Adult
- Historical Fiction
- Childrens
- Nonfiction

- Classics
- Sequential Art
- Womens Fiction
- Horror
- Science Fiction

For the following reasons:

- High rating and expensive books that are low in stock
- Affordable, but low on stock and highly rated
- Lowly rated and expensive, but low on stock
- Affordable and low on stock

VI. Recommendations on Further Tasks and Considered Limitations

To further improve the insights of this analysis, the following are recommended to extend past current limitations:

- Gather data regarding the sales of the books, as the only indication of possible sales is the variability of available stock per book.
- Contextualize the target audience of the business by obtaining customer data, if available
- Determine trends based on historical data, may it be daily, weekly, monthly, etc.