E-Commerce Behaviour Data Analysis

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Objectives & Approach

Objective: The task is to clean the data, analyze it, extract useful insights and then present your findings in a short report with visualizations. Dataset link: <u>eCommerce behavior data from multi category store</u>

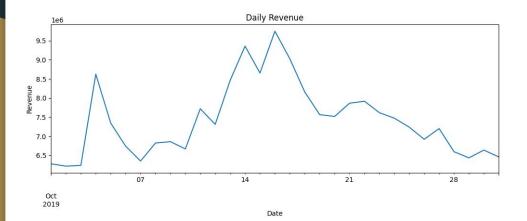
Approach:

- The dataset given for the task was extremely huge with more than **42 Million rows**, hence the computation was resource-intensive.
- I used a parallel processing python library which has **similar syntax to Pandas**, named **Dask**. It is extremely efficient and fast. Dask works on the philosophy of lazy evaluation and does not do indepth calculation unless called out to.
- Data Cleaning was handled using Dask then saved the file into a **parquet format**. Parquet stores files into binary format thus saving space and allows faster computation.
- Using this method of Dask + Parquet, I successfully reduced 5.3 GB of dataset into 2.1 GB.
 Furthermore, data analysis was done using Matplotlib for Exploratory Data Analysis and creating visualisations.

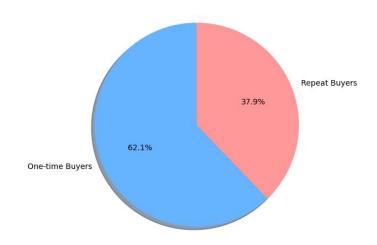
Key Insights

Revenue Volatility:

- Daily revenue ranged from ~6M to 9.7M
- Peak performance: Mid-October (14th-16th)
 with revenues exceeding \$9.5M
- Later trend: Declining in the final week, dropping to ~\$6.5M-\$6M.



Proportion of Repeat vs. One-time Buyers



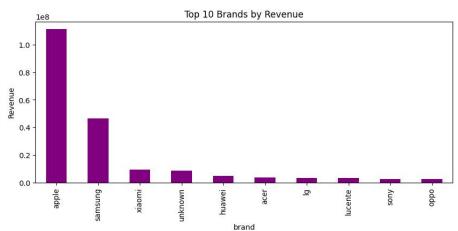
Customer Engagement Metrics:

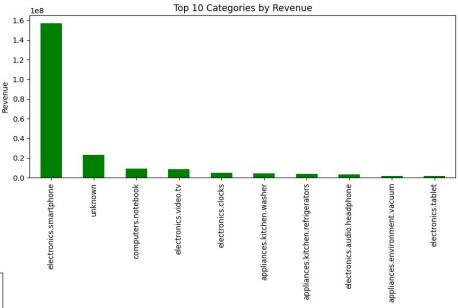
- Average events per user: 14.03 (shows moderate-low engagement)
- Repeat purchase rate: 37.86%
- Retention: Nearly 2 out of 3 customers are one-time purchasers

Key Insights

Category-Revenue:

- Electronics & Smartphones dominate: \$150M+ revenue
- Second tier: Unknown category at \$24M
- Market concentration: Top 2 categories account for approx 70-75% of total revenue.





Brand-Revenue:

- Apple leads significantly: \$100M+ revenue
- Samsung second: ~\$50M revenue
- Market concentration: Top 2 brands account for approx 70-75% of total revenue.

Business Recommendations

Diversify Revenue Streams:

- Expand product categories: Invest in growing underperforming categories (computers, tv, clocks, etc).
- Reduce dependency: Reducing dependency on electronics/smartphone category to approx 50-55% of total revenue.
- Brand diversification: Developing relationships with emerging brands to reduce sole dependency on Apple/Samsung.
- It should be high priority work with a planned timeline of work.

Customer Retention Program:

- Target the 62% one-time purchasers:
 Developing personalized engagement campaigns.
- Loyalty program: Creating rewards system to increase repeat purchase rate from 38% to 50%+.
- Behavioral targeting: Use the 14+ average events per user to identify high-intent customers for retention efforts.
- It should also be high priority work with a planned timeline of work.