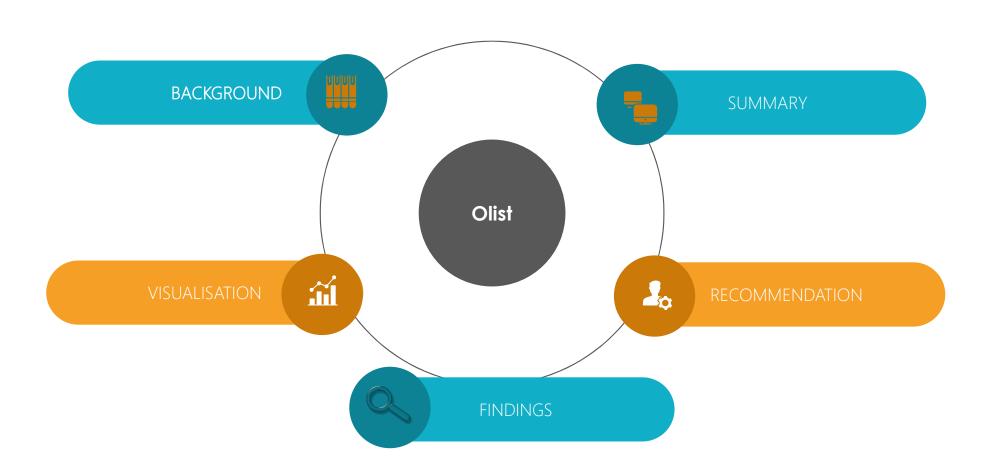


Olist Inventory Analysis Presentation

BY Suman Kumar Gouda

Agenda



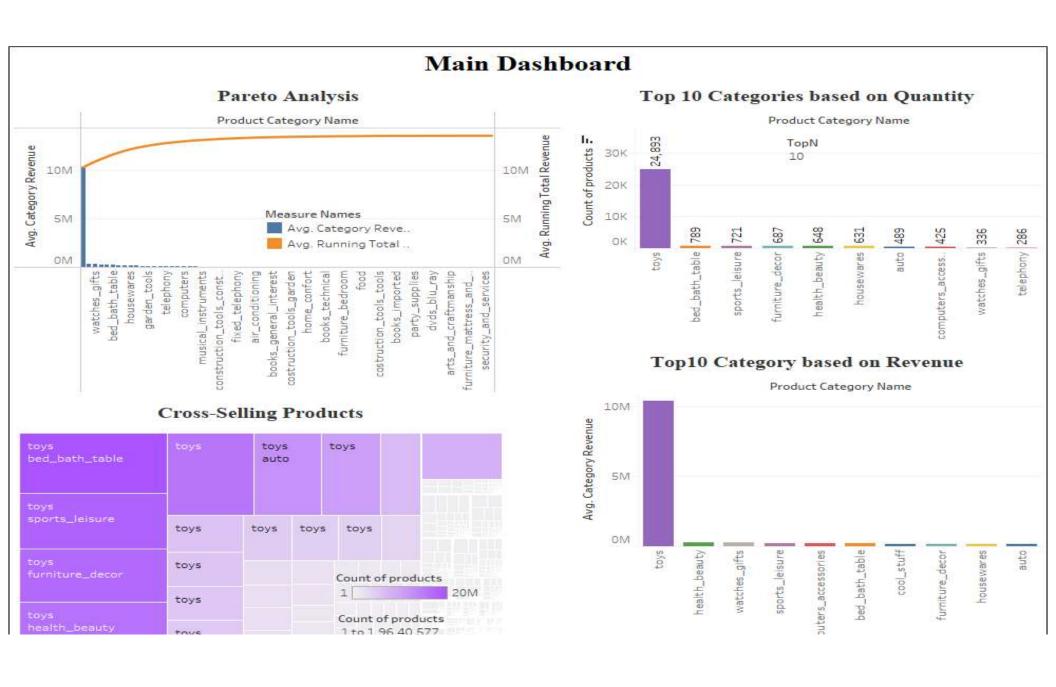
Project Background

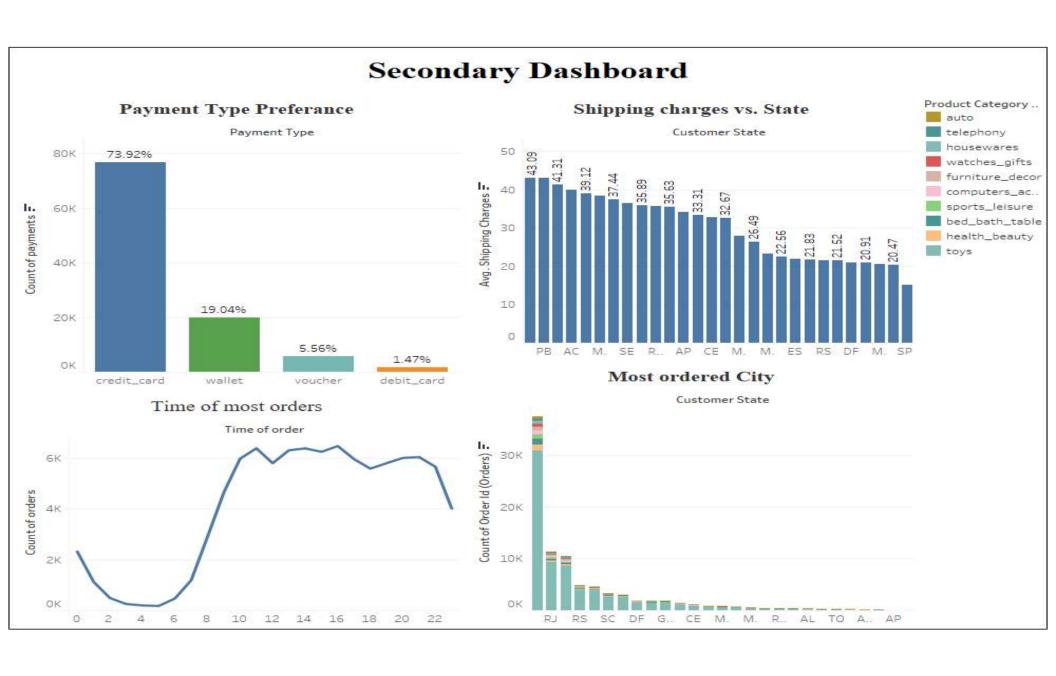
• OLIST, an e-commerce company, has recently faced losses and wanted to eliminate unnecessary cost associated with inventory management.

 The agenda is to identify the top product categories which are generating high revenue and come up with a plan for better management of inventory and to

avoid any extra cost..







Market Basket Analysis

| asket Ana | Count of products | | | | | |
|-----------------|-------------------|-------|-------|----|------------|--------|
| Product Categor | ry Name | | | | 172 | 1,96,4 |
| doys | _leisu. | onery | shony | ys | TopN 10 | |

| 172 | 1,96,40,577 |
|------|-------------|
| TopN | |

| | Product Category Name | | | | | | | | |
|--|-----------------------|-------------|------------|-----------|----------|--------------|------------|-----------|-------------|
| Product Category Name (Products1) | furniture_de | health_beau | housewares | perfumery | pet_shop | sports_leisu | stationery | telephony | toys |
| agro_indus | 14,427 | 13,608 | 13,251 | 4,725 | 3,612 | 15,141 | 4,956 | 6,006 | 5,22,753 |
| air_conditi | 27,480 | 25,920 | 25,240 | 9,000 | 6,880 | 28,840 | 9,440 | 11,440 | 9,95,720 |
| art | 10,305 | 9,720 | 9,465 | 3,375 | 2,580 | 10,815 | 3,540 | 4,290 | 3,73,395 |
| arts_and_c | 3,435 | 3,240 | 3,155 | 1,125 | 860 | 3,605 | 1,180 | 1,430 | 1,24,465 |
| audio | 10,992 | 10,368 | 10,096 | 3,600 | 2,752 | 11,536 | 3,776 | 4,576 | 3,98,288 |
| auto | 3,35,943 | 3,16,872 | 3,08,559 | 1,10,025 | 84,108 | 3,52,569 | 1,15,404 | 1,39,854 | 1,21,72,677 |
| baby | 1,69,689 | 1,60,056 | 1,55,857 | 55,575 | 42,484 | 1,78,087 | 58,292 | 70,642 | 61,48,571 |
| bed_bath_t | 5,42,043 | 5,11,272 | 4,97,859 | 1,77,525 | 1,35,708 | 5,68,869 | 1,86,204 | 2,25,654 | 1,96,40,577 |
| books_gen | 32,289 | 30,456 | 29,657 | 10,575 | 8,084 | 33,887 | 11,092 | 13,442 | 11,69,971 |
| books_imp | 6,870 | 6,480 | 6,310 | 2,250 | 1,720 | 7,210 | 2,360 | 2,860 | 2,48,930 |
| books_tech | 23,358 | 22,032 | 21,454 | 7,650 | 5,848 | 24,514 | 8,024 | 9,724 | 8,46,362 |
| christmas | 10,992 | 10,368 | 10,096 | 3,600 | 2,752 | 11,536 | 3,776 | 4,576 | 3,98,288 |
| cine_photo | 4,809 | 4,536 | 4,417 | 1,575 | 1,204 | 5,047 | 1,652 | 2,002 | 1,74,251 |
| computers | 4,122 | 3,888 | 3,786 | 1,350 | 1,032 | 4,326 | 1,416 | 1,716 | 1,49,358 |
| computers | 2,91,975 | 2,75,400 | 2,68,175 | 95,625 | 73,100 | 3,06,425 | 1,00,300 | 1,21,550 | 1,05,79,525 |
| consoles_g | 61,143 | 57,672 | 56,159 | 20,025 | 15,308 | 64,169 | 21,004 | 25,454 | 22,15,477 |
| constructio | 65,952 | 62,208 | 60,576 | 21,600 | 16,512 | 69,216 | 22,656 | 27,456 | 23,89,728 |
| constructio | 15,114 | 14,256 | 13,882 | 4,950 | 3,784 | 15,862 | 5,192 | 6,292 | 5,47,646 |
| constructio | 11,679 | 11,016 | 10,727 | 3,825 | 2,924 | 12,257 | 4,012 | 4,862 | 4,23,181 |
| cool_stuff | 1,33,965 | 1,26,360 | 1,23,045 | 43,875 | 33,540 | 1,40,595 | 46,020 | 55,770 | 48,54,135 |
| costruction | 19,236 | 18,144 | 17,668 | 6,300 | 4,816 | 20,188 | 6,608 | 8,008 | 6,97,004 |
| costruction | 7,557 | 7,128 | 6,941 | 2,475 | 1,892 | 7,931 | 2,596 | 3,146 | 2,73,823 |
| diapers_an | 687 | 648 | 631 | 225 | 172 | 721 | 236 | 286 | 24,893 |
| drinks | 13,740 | 12,960 | 12,620 | 4,500 | 3,440 | 14,420 | 4,720 | 5,720 | 4,97,860 |
| dvds_blu_r | 8,244 | 7,776 | 7,572 | 2,700 | 2,064 | 8,652 | 2,832 | 3,432 | 2,98,716 |
| electronics | 1,06,485 | 1,00,440 | 97,805 | 34,875 | 26,660 | 1,11,755 | 36,580 | 44,330 | 38,58,415 |
| fashio_fem | 3,435 | 3,240 | 3,155 | 1,125 | 860 | 3,605 | 1,180 | 1,430 | 1,24,465 |
| fashion_ba | 1,45,644 | 1,37,376 | 1,33,772 | 47,700 | 36,464 | 1,52,852 | 50,032 | 60,632 | 52,77,316 |
| fashion_chi | 687 | 648 | 631 | 225 | 172 | 721 | 236 | 286 | 24,893 |
| fashion_ma | 16,488 | 15,552 | 15,144 | 5,400 | 4,128 | 17,304 | 5,664 | 6,864 | 5,97,432 |
| fashion_sh | 32,976 | 31,104 | 30,288 | 10,800 | 8,256 | 34,608 | 11,328 | 13,728 | 11,94,864 |

Findings

Toys is the highest selling product category.

Toys alone contribute to about 76% of total revenue.

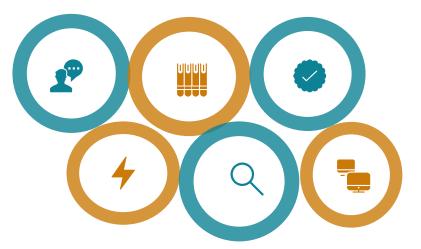
Bed bath table, sports leisure, furniture decor, health beauty are products that can be promoted for cross-selling with toys.

Products from categories like toys, bed bath table, sports leisure, furniture décor, health beauty are contributing 80% of the sales and revenue.

Recommendation

Company should always maintain a stock of toys, bed bath table, sports leisure, furniture décor, health beauty.

As our most of the customers using credit card so we need to use more credit card option and offers to attract new customers as well as retain the old customers



Between the times of 11am to 4pm most of the customers stay active so we can run advertise about our products and offers so will get maximum reach.

The state SP has most no. of orders, so we create a small warehouse nearby to reduce the shipping cost

We can give discounts and a referral coupon to our top 10 customers so that we can get some new customers and get word of mouth publicity.

Category like home appliances , construction tools, luggage accessories , musical instruments etc. that are not having subsequent contribution to the revenue and sales can be shed as currently company is facing losses.

To get rid of already existing heavy stock of slow moving products. Company can put them on sale and start reframing its future strategy referred to inventory control...

