

## Executive Summary – Customer and Sales Performance

This analysis reviews customer purchasing behavior and sales performance to understand what drives revenue, which products perform best, and when customers are most likely to buy. The objective was to generate clear, actionable insights to support decisions around marketing, inventory, and customer engagement.

### Key Insights

#### 1. Overall sales are stable, but category-level seasonality is significant

Total sales revenue remains relatively consistent over time, indicating steady demand and a mature sales environment. However, when analyzed at the product category level, clear seasonal patterns emerge. Individual categories peak in different months, meaning overall stability masks important timing differences in customer demand.

#### 2. Revenue is driven by a relatively small group of high-value customers

Customer segmentation shows that high-value loyal and high-value occasional customers contribute a disproportionate share of total revenue through higher spending and repeat purchases. In contrast, a large portion of the customer base consists of low-value or infrequent buyers with limited impact on overall performance.

#### 3. Customer age influences purchasing behavior, but not order size

Mid-age and older customers (particularly ages 25–34, 55–64, and 65+) generate the majority of revenue and orders. Average order value remains relatively consistent across all age groups, indicating that revenue differences are driven by how often customers purchase rather than how much they spend per order.

### Recommendations

#### 1. Implement category-specific seasonal strategies

Marketing campaigns, inventory planning, and pricing decisions should be aligned with each product category's peak sales period rather than applying uniform promotions across all products. A targeted, category-level approach can increase revenue during high-demand months while reducing overstock and missed sales opportunities.

#### 2. Prioritize retention of high-value customers

Retention efforts should focus on high-value loyal and high-value occasional customers through personalized offers, loyalty incentives, or targeted communication. Increasing purchase frequency within this group is likely to deliver stronger returns than broad, untargeted customer acquisition initiatives.

#### 3. Increase engagement among younger and high-value customers

Retention efforts should focus on high-value customers to encourage repeat purchases, while strategies aimed at younger customers should prioritize increasing purchase frequency rather than discounts, as their order values are already comparable to other age groups.

### Data Limitation / Caveat

The most recent months in the dataset may be incomplete, which could understate actual sales performance toward the end of the period. As a result, recent declines should be interpreted cautiously and confirmed with finalized reporting before informing strategic decisions.