

Business Insights

1. Customer Distribution:

The customer distribution analysis reveals significant regional disparities. The highest number of customers is located in South America, which also generates the largest share of revenue. South America is followed by Europe and North America, both contributing substantially to the company's overall performance. However, the Asian region has the lowest customer base and revenue contribution. This indicates potential under-penetration or weaker demand in Asia. To capitalise on growth opportunities, the company should focus on targeted marketing and product strategies in South America, while assessing and addressing challenges in the Asian market.

2. Top Products:

The top-selling product is P029, which has generated USD 19,513.80, significantly outpacing all other products. The second and third highest-selling products are P079 (USD 17,946.91) and P048 (USD 17,905.20), respectively. These products are critical revenue drivers and must be prioritized for inventory management and marketing efforts. On the other end, Product P044 has the lowest sales, indicating weak demand. This might suggest either a lack of customer awareness, poor market fit, or high competition. The company should assess whether to improve marketing for P044 or discontinue the product to reallocate resources to higher-performing items. Furthermore, bundling top products with slower-moving items like P044 could help drive additional sales.

3. Signup Trends:

The customer signup trends indicate average performance at the beginning, with steady withering in the early years. There was a sharp decline in signups in 2023, marking the lowest point in customer acquisition. Despite this dip, 2024 saw a strong recovery, with the highest number of signups recorded to date. This recent growth signals a successful turnaround, likely driven by improved marketing, product offerings, or regional expansion. The company should now focus on retaining these new customers through loyalty programs, personalized recommendations, and continued engagement. Additionally, investigating the reasons for the sharp decline in 2023 could help prevent future setbacks.

4. Category Performance:

The analysis shows that Books is the highest-performing product category, accounting for approximately 28% of total sales. This dominance suggests a strong customer preference for content-driven products. Leveraging this trend, the company could expand its offerings in books,

including popular genres, exclusive releases, or collaborations with publishers. On the other hand, Home Décor is the weakest category, indicating low customer interest or ineffective marketing. Efforts should be made to either reposition the Home Décor category or reduce inventory to focus on more profitable categories like Books.

5. Seasonality

Sales analysis across quarters reveals clear seasonal trends. The highest sales occurred in Q3, which could be attributed to back-to-school shopping, seasonal promotions, or specific holidays. Sales are average in Q1 and Q2 and lowest in Q4, highlighting a significant drop in demand during the end of the year. This seasonality presents an opportunity to focus marketing efforts and promotions in Q3 to maximize revenue during the peak period. Simultaneously, the company could explore strategies to boost sales in Q4, such as holiday-themed campaigns or year-end clearance promotions.