

Business Insights

1. Strong User Growth with Regional Challenges:

The company has seen **54.15% growth in 2023** and **93.77% growth since 2022**, with **all users completing at least one transaction**. However, **regions outside South America have experienced negative growth in new sign-ups**, highlighting a need for **improved marketing strategies** to boost user acquisition in underperforming regions.

2. Balanced Product Portfolio with Regional Preferences:

The company's products are **almost equal in number, price range, and average cost**. However, **electronics** is preferred in all regions, while **clothing** sees the highest spending tendency. This suggests a **strong market for electronics globally** and an opportunity to **expand clothing offerings** to capitalize on high demand, especially in regions with high spending.

3. High Revenue Concentration from Top Customers:

The **top 25% of spenders** contribute **42.29% of total revenue**, whereas the **top 25 customers by number of transactions** generate **20.41% of total revenue**. This highlights that a **small group of customers drives a substantial portion of sales**. Targeting **retention and loyalty strategies** for this segment could significantly increase overall revenue.

4. Strong Customer Retention and Low Churn:

With **84.92% of customers making a transaction within 90 days** and **92.96% within 120 days**, the company shows **strong customer retention**. However, the **13 lost customers**, who haven't made a transaction in the last 180 days, suggest potential areas for improvement in **re-engaging inactive users**.

5. Critical Product Catalog Optimization:

The company has **59 duplicated products(same name,same brand, different id & price)**, with **only 25/59 being unique**, and the **bottom 20% of products account for just 11.67% of total sales**. **Immediate action is essential** to streamline the catalog, eliminate inefficiencies, and focus on high-performing products to maximize profitability.

Note: While **signup data spans from 2022 to 2024**, the **transaction data only includes 2024**.

