Coffee Shop Analysis

Objective

The main objective of this project is to analyze retail sales data to gain actionable inside that will enhance the performance of the coffee shop.

Sample Questions

1. How do sales vary during the hours of the day?
2. Are there any peak times for sale activity?
3. What is the total sales revenue for each month?
4. How do sales vary across different store locations?
5. What is the average price/order per person?
6. Which products are the best selling in terms of quantity and revenue?
7. How do sales vary by product category and type?

Concepts and Technologies Applied

- **MS-Excel**
- **Interactive Dashboard**
- **Data Cleaning and Preprocessing using Power-Pivot Query Editor**
- **Pivot Tables**

Insights

1. The period with the highest footfalls in stores is from 7 AM to 11 AM.
2. Coffee, followed by tea, are the major categories, contributing to approximately two-thirds of the total revenue.
3. Small-sized drinks are the least ordered, accounting for 9% of total products sold, while regular and large-sized drinks are ordered in equal proportions, each capturing 30% of the total products sold.
4. The top revenue-generating drinks are Barista Espresso ($91K), Brewed Chai Tea ($77K), Hot Chocolate ($72K), and Gourmet Brewed Coffee ($70K).
5. Despite a dip in February, sales doubled from January ($81K) to June ($166K).
6. All stores are performing similarly, with around 50,000 quantities ordered and $230K in revenue generated from each store.

Recommendations

1. **Optimize Morning Operations**: Since the highest footfalls occur between 7 AM and 11 AM, consider increasing staff and optimizing operations during these peak hours to ensure efficient service and enhance customer satisfaction.

2. **Promote High-Revenue Categories**: Focus marketing efforts on coffee and tea, as they contribute to approximately two-thirds of total revenue. Special promotions, loyalty programs, or seasonal flavours could boost sales further in these categories.

3. **Incentivize Small-Sized Drink Purchases**: Since small-sized drinks are ordered the least, consider introducing incentives such as discounts, bundling with snacks, or limited-time offers to increase their sales.

4. **Highlight Top-Selling Drinks**: Promote the top revenue-generating drinks—Barista Espresso, Brewed Chai Tea, Hot Chocolate, and Gourmet Brewed Coffee. Feature these items in marketing campaigns, and consider offering them as part of combo deals to attract more customers

5. **Address Seasonal Sales Variations**: Analyze the factors contributing to the sales dip in February and develop strategies to mitigate this in the future. Seasonal promotions or events can help maintain steady sales throughout the year.

6. **Standardize Best Practices Across Stores**: Since all stores are performing similarly, identify and standardize best practices that contribute to this performance. This could include employee training programs, operational guidelines, and consistent customer service practices.

7. **Enhance Customer Experience**: Given the similar performance of all stores, consider implementing measures to further enhance the customer experience across the board. This could involve updating store interiors, improving product quality, or introducing new menu items based on customer feedback.