

Sales & Profit Analysis Report

1. Executive Summary

The company achieved **\$2.30M** in total sales, generating **\$286.40K** in total profit with an average discount of **0.16** and total quantity sold of **38K** units. While Technology leads in both sales and profit, certain regions and categories present growth potential, while others indicate operational inefficiencies.

2. Key Insights

2.1 Regional Performance

- West Region: Top-performing in both sales (\$725.46K) and profit (\$108.42K).
- East Region: Strong results (\$678.78K sales, \$91.52K profit).
- Central Region: Moderate sales (\$501.2K) but low profit (\$46.7K).
- South Region: Underperforms in both sales (\$391.72K) and profit (\$39.71K).

Implication: West and East are growth drivers; Central and South require efficiency improvements.

2.2 Category & Sub-Category Performance

- Technology: Highest sales (\$0.84M) & profit (\$0.15M).
- Office Supplies: \$0.72M sales, \$0.12M profit.
- Furniture: \$0.74M sales but only \$0.02M profit.
- Phones: Best-selling sub-category (\$0.33M).
- Copiers: Highest profit (\$56K); Furnishings & Appliances yield low returns.

Implication: Technology & Office Supplies are profitable; Furniture needs margin improvement.

2.3 Discount Strategy

- Some sub-categories have high discounts without higher profits.
- Average discount: 0.16.

Implication: Discounting should be more targeted.

2.4 Customer & Segment Analysis

- Top customers drive significant profit.
- Consumer segment: \$134.12K profit (highest).
- West & East regions have highest customer counts.
- NYC has the largest customer base.

Implication: Focus on top customers and high-performing cities.

3. Recommendations

3.1 Regional Growth

- Invest in West & East.
- Improve efficiency in Central & South.

3.2 Product Strategy

- Fix Furniture margin issues.
- Promote high-profit items (Copiers, Phones).
- Phase out or bundle low-profit products.

3.3 Discount Optimization

- Implement data-driven discounting.
- Run A/B tests for pricing strategies.

3.4 Customer Retention

- Loyalty programs for top customers.
- Target mid-tier customers with potential growth.

3.5 Geographic Expansion

- Focus marketing on NYC, LA, Philadelphia.
- Develop mid-tier cities like Seattle & Houston.

4. Next Steps

1. Year-over-Year (YoY) Analysis.
2. Profitability by Product-Region Combination.
3. Customer Lifetime Value (CLV) analysis.
4. Inventory Turnover Analysis.