

Sales Performance Analysis Report

Report Title: Sales Performance Analysis – (Month/Quarter/Year)

Prepared by: Aminat Aminu (Data Analyst)

Date: 23rd August 2025

1. Executive Summary

This project analyzes historical sales data to identify trends, evaluate regional and individual performance, and assess product profitability. Using data analytics techniques—including data cleaning, visualization, and performance evaluation—I generated actionable insights to support data-driven decision-making and optimize sales strategies. The analysis demonstrates my ability to transform complex datasets into meaningful business recommendations that enhance overall performance and drive measurable results.

2. Capstone Project Question

"How can regional sales performance and product profitability be optimized using historical sales data?"

This question frames the analysis and guides the objectives, methodology, and recommendations throughout the project.

3.Strategic Questions to be Answered:

- Which regions generate the highest/lowest revenue?
 - Who are the top-performing sales representatives, and what patterns do they show?
 - Which products are most profitable or least sold?
 - Are there seasonal trends in sales performance?
 - What recommendations can be made to improve inventory allocation or sales strategies?
-

3. Objectives of the Analysis

The main goals of this analysis were to:

- Understand overall sales performance.
 - Identify top and low-performing regions and sales representatives.
 - Analyze revenue, profit, units sold, and customer behavior.
 - Assess product-level profitability and trends.
 - Provide actionable recommendations to improve sales and business performance.
-

3. Dataset Overview

Dataset Name	Source	Rows	Columns	Tools Used
Sales Data	EvolveHQ / Provided dataset	1000	18	Excel

Key Fields definitions:

Field Name	Description
Product_ID	Unique identifier for each product sold.
Product_Category	Category or grouping of the product (e.g., Electronics, Kitchen, etc.).
Sale_Date	The date the sale occurred.
Region	Geographic sales location (e.g., North, South, West).
Sales_Rep	Name of the sales representative responsible for the sale.
Quantity Sold	Number of units sold in each transaction.
Unit Cost	Cost of acquiring or producing one unit of the product.
Unit Price	Original selling price per unit before discount.
Discount	Discount applied to the product (percentage or amount).
Selling Price after Discount	Final selling price after applying the discount.
Sales Amount	Total revenue generated (Selling Price × Quantity Sold).
Total Cost	Total cost of goods sold (Unit Cost × Quantity Sold).

Field Name	Description
Profit	Earnings after subtracting total cost from sales amount.
Profit Margin	Percentage of profit relative to sales amount.
Profit Status	Indicates whether the sale was profitable or not.
Customer Type	Categorizes customer as New, Existing, or Returning.
Payment Method	Payment channel used (e.g., Cash, Transfer, Card).
Sales Channel	Sales platform used (e.g., Online, In-store, Wholesale).

4. Data Cleaning & Preparation

Key steps performed to prepare the data:

- Removed duplicates and handled missing values.
- Corrected data types (dates, numbers).
- Standardized region and product names.
- Added calculated fields (e.g., Profit Margin, Selling price after discounts, Sales amount, Total cost, Profit).

5. Descriptive Statistics

Metric	Value
Total Sales	₦ 59,686,173
Total Profit	-₦4,155,920
Total Product Ordered	25,355
Total Cost	₦63,842,094
Number of Customers	1001

Highlights:

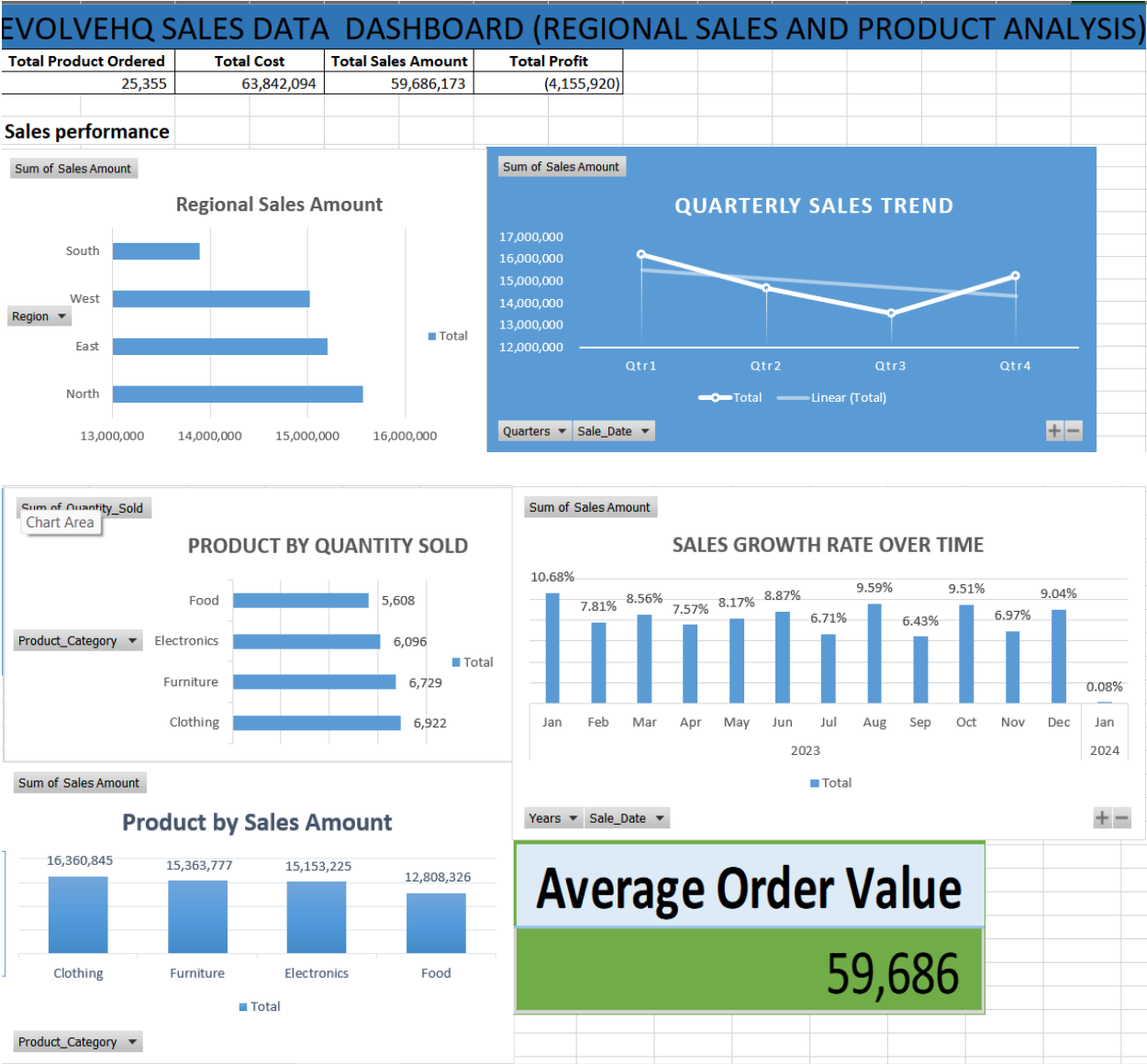
- Sales peaked in the first Quarter of the year, showing seasonal trends.
- [Region X] generated the highest revenue while [Region Y] underperformed.

- Top-performing products were [Product A, Product B].

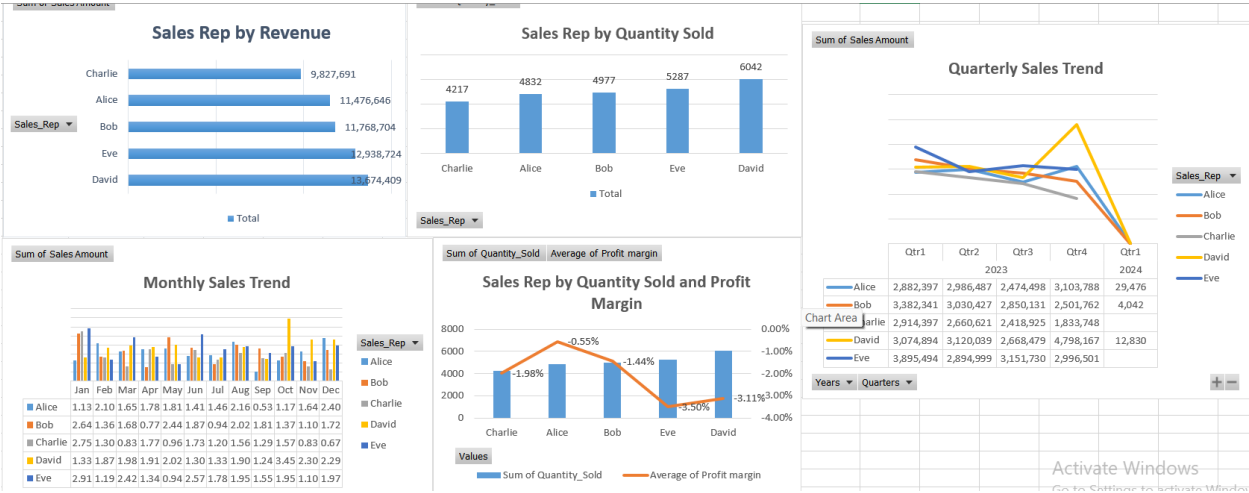
6. Sales Dashboard (Visuals)

Overall Sales Dashboard

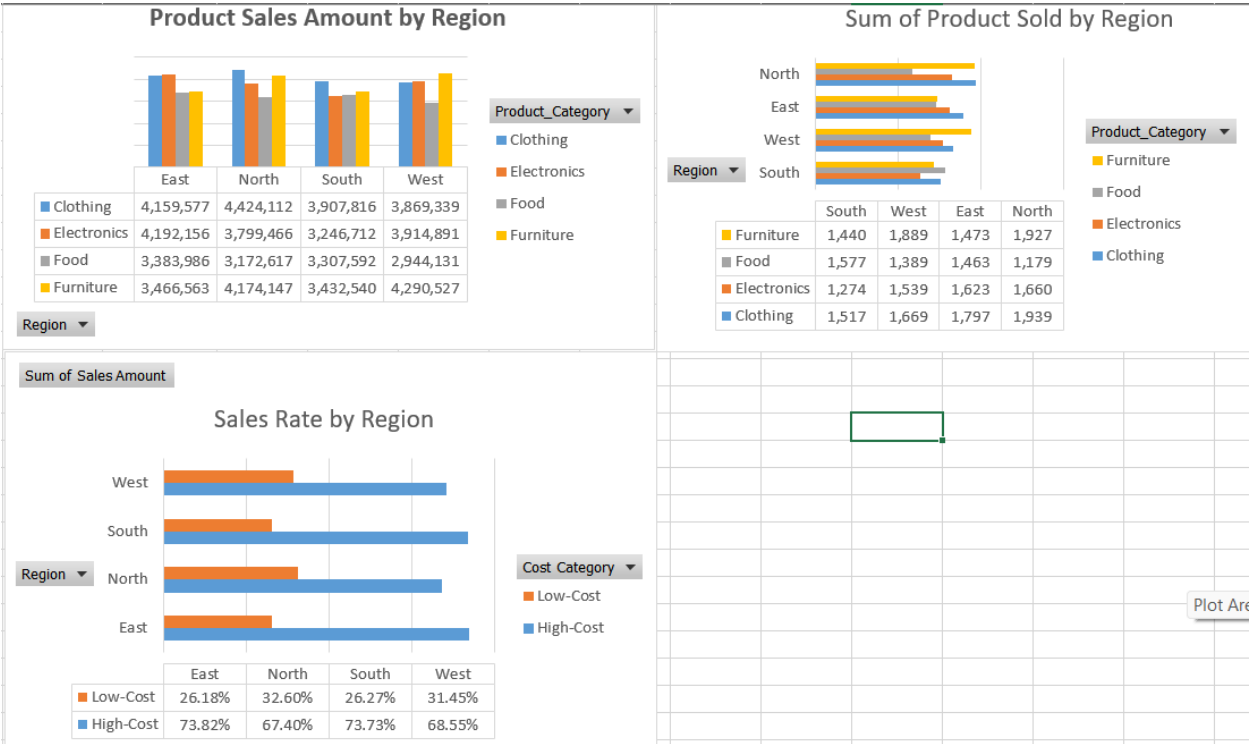
- Sales Performance Metrics



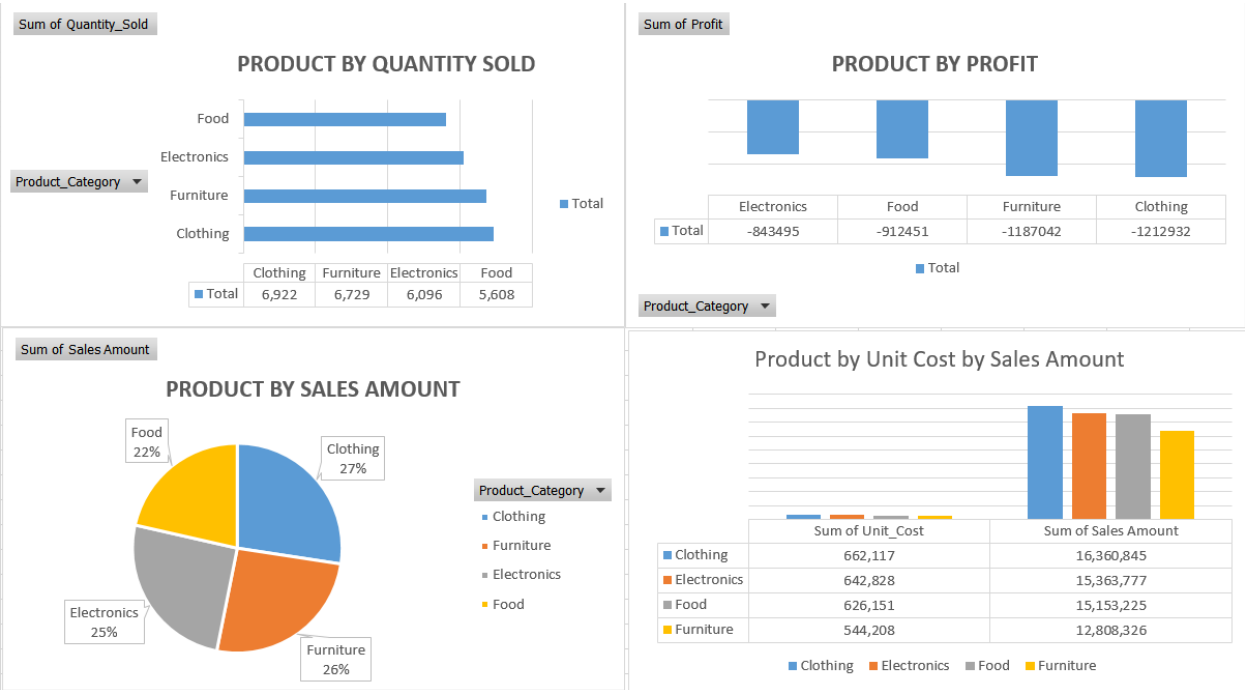
• Sales Rep Analysis



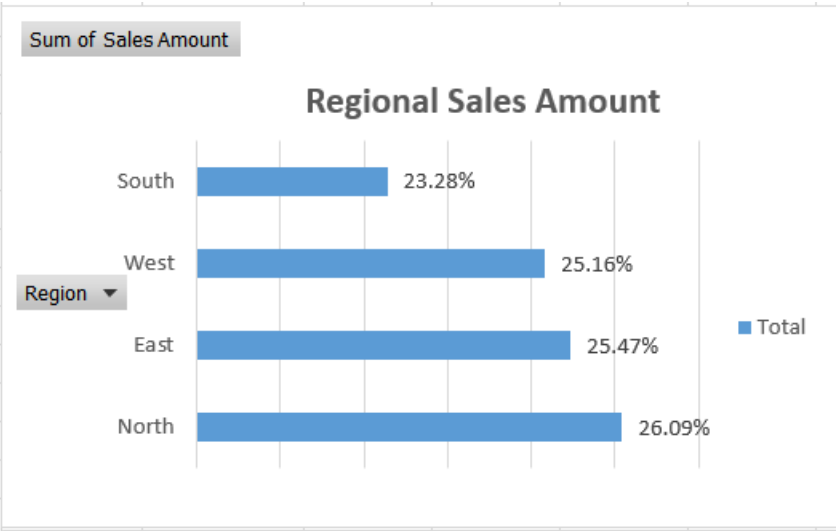
• Regional Insights



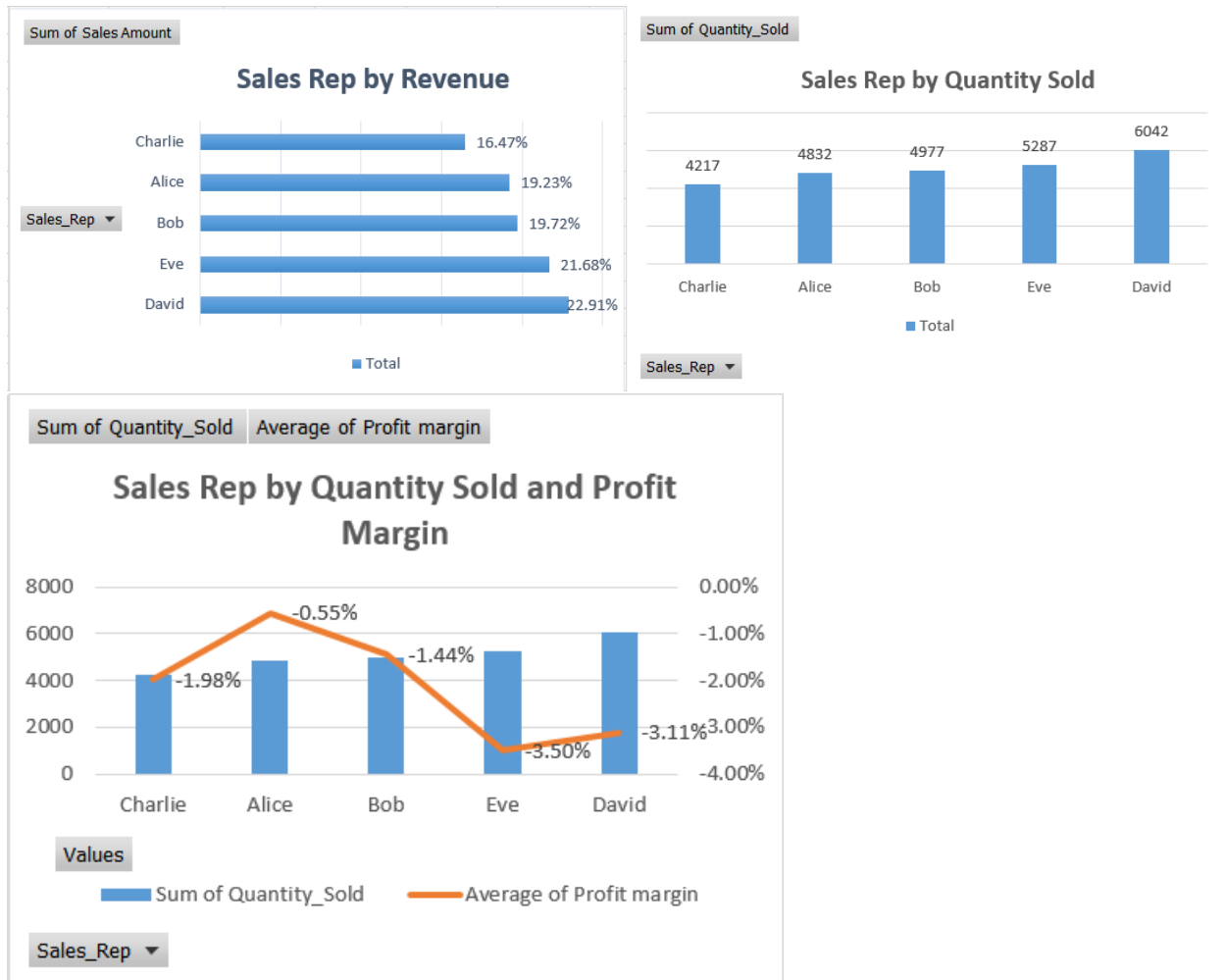
- Product and Inventory Metrics



- Revenue by Region



- **Top Representatives Performing Sales**

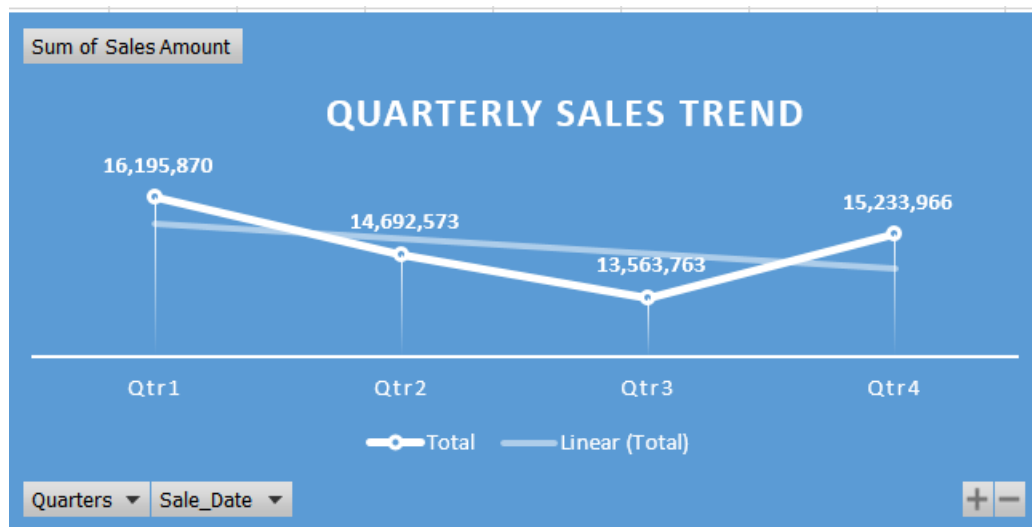


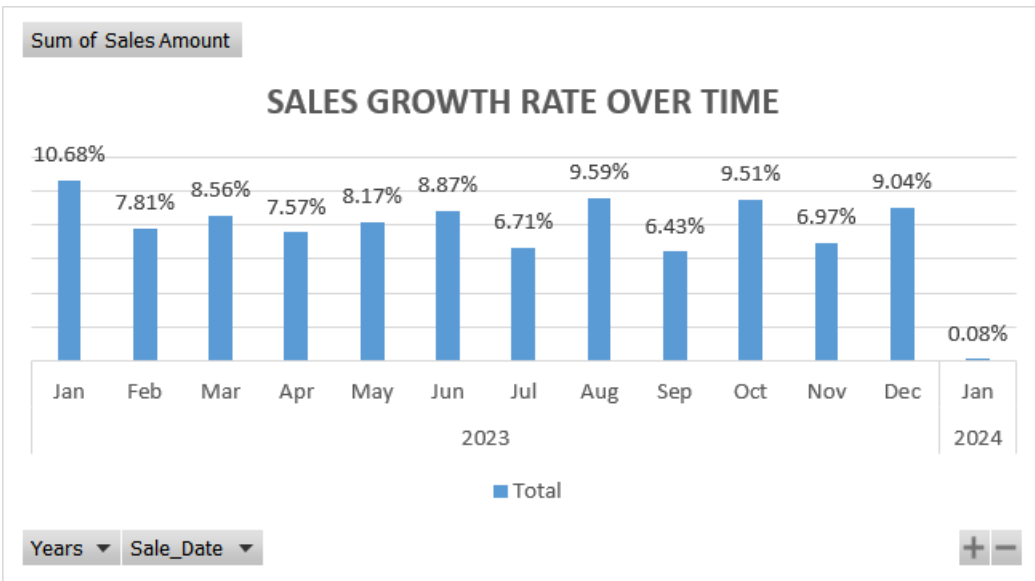
- **Best and Worst Performing Products**



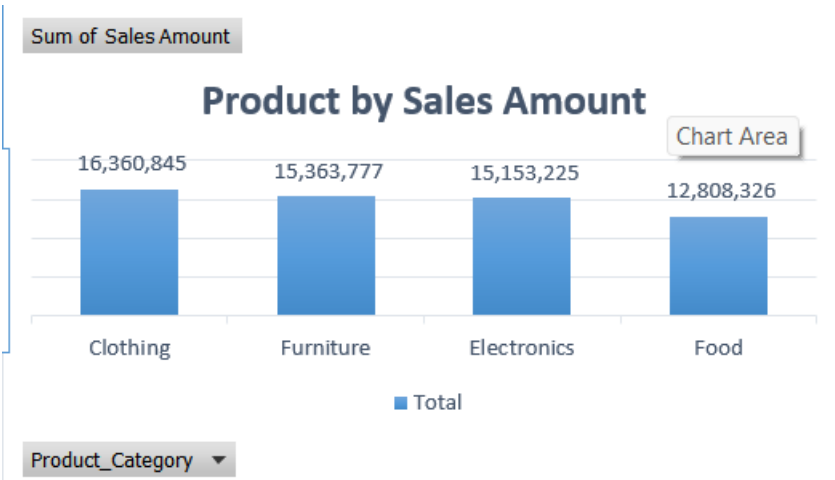


- Seasonal Sales Pattern



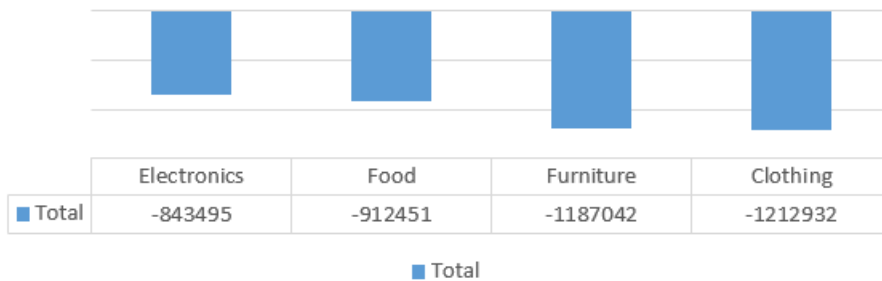


- Sales by Product Category



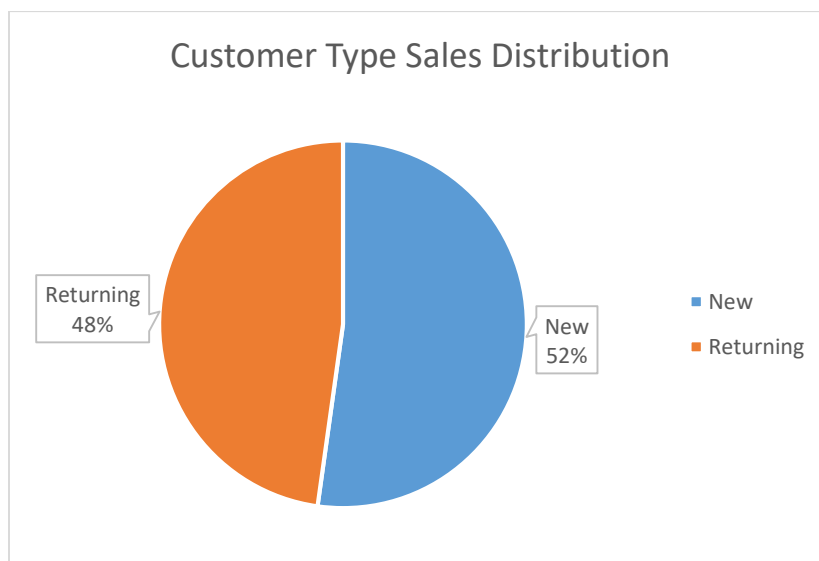
Sum of Profit

PRODUCT BY PROFIT



Product_Category ▼

- Customer Segment Analysis



7. Key Insights & Findings

7.1 Revenue by Region

- The **North region** generated the highest share of revenue at **26.09%**, making it the top-performing region.
- The **East (25.47%)** and **West (25.16%)** regions follow closely, indicating fairly balanced performance across these areas.

- The **South region** contributed the lowest revenue at **23.28%**, showing potential growth opportunities through targeted marketing or improved distribution.

The South region consistently underperforms compared to other regions, indicating possible gaps in demand, sales coverage, or customer engagement.

7.2 Top Performing Sales Representatives

- **David** is the top-performing sales representative, contributing **22.91% of total revenue** and achieving the **highest quantity sold (6,042 units)**.
- **Eve** follows closely, generating **21.68% of revenue** with **5,281 units sold**.
- **Bob** and **Alice** contribute **19.72%** and **19.23%** of total revenue, with **4,977** and **4,832** units sold respectively.
- **Charlie** comes in last among the group with **16.47% revenue contribution** and **4,217 units sold**.

Profitability Insight

Despite high sales volume across all representatives, **the company incurred losses**, as **all sales reps recorded negative profit margins**:

- **Eve:** -3.50% (highest negative margin)
- **David:** -3.11%
- **Charlie:** -1.98%
- **Bob:** -1.44%
- **Alice:** -0.55% (lowest negative margin)

Interpretation

- While David leads in both revenue and quantity sold, **Alice performed better in profitability**, achieving the **least negative profit margin**, meaning her sales were managed more efficiently.
- Eve and David's high negative margins suggest **discount overuse**, **high cost of goods**, or **inefficient pricing strategies**, despite strong sales performance.
- Charlie, although not the lowest in revenue, performed poorly in profitability with a higher negative margin than Alice.

7.3 Seasonal Sales Pattern

- **Sales peaked in Q1**, indicating a strong start to the year.
- **A decline occurred in Q2 and Q3**, showing a mid-year slowdown.

- **Sales began to recover in Q4**, although the overall yearly trend still reflects a **general decline**.
- There was **positive year-over-year growth from January 2023 to January 2024**.
- **Top-performing months: January, August, October, and December**.
- **Weakest months: September and July**, showing the lowest growth.
- **January 2024 growth dropped close to zero**, possibly because the new sales cycle had just begun.
- Here is a polished interpretation you can add under your sales trend insights:

Interpretation

The sales pattern suggests strong early-year performance driven by renewed customer demand or seasonal purchasing behavior. The mid-year decline in Q2 and Q3 may indicate reduced customer activity, supply challenges, or lower promotional efforts during that period. The slight recovery in Q4 shows potential for end-of-year sales opportunities, but the overall downward trend highlights the need for improved marketing, better stock availability, or stronger customer retention strategies. The near-zero growth in January 2024 reflects the typical slowdown that occurs at the beginning of a new fiscal year before sales momentum builds.

7.4 Best and Worst Performing Products

- **Clothing is the best-performing product category**, contributing **27% of total revenue** with **6,922 units sold**.
- **Furniture** follows closely, generating **26% of total revenue** and **6,729 units sold**.
- **Electronics** accounts for **25% of revenue**, with **6,092 units sold**.
- **Food** is the lowest-performing category, contributing **22% of total revenue** with **5,608 units sold**.

Interpretation

Clothing and furniture drive the highest revenue and sales volume, indicating strong customer demand and consistent performance across both categories. Electronic is slightly behind in both revenue and units sold. The food category has the lowest contribution, suggesting either lower demand, pricing challenges, or limited product variety. The company may need targeted promotions, improved pricing strategies, or expanded product offerings to boost sales in the food category.

Product Profitability Analysis – Key Insights

- **All product categories recorded negative profit**, indicating the company is operating at a loss across all product lines.
- **Clothing** has the **highest loss**, with a total negative profit of **₱1.21M**.
- **Furniture** follows closely with a loss of **₱1.18M**.
- **Food** recorded a loss of **₱912,451**.
- **Electronics** had the **lowest loss**, at **₱843,495**, but still remains unprofitable.

Interpretation

The negative profit across all product categories suggests systemic issues rather than isolated product problems. This could be due to high unit costs, excessive discounting, operational inefficiencies, or pricing strategies that do not cover total costs. Clothing and furniture, despite being the highest revenue generators, are also the most unprofitable—likely because their cost-to-sales ratios are extremely high. Electronics, though generating lower revenue compared to clothing and furniture, shows relatively lower losses, which may indicate better cost control or higher pricing efficiency. Overall, profitability improvement will require revisiting pricing strategy, reducing operational costs, and optimizing discount policies.

8. Recommendations

1. Adjust Pricing and Discounts Strategy

- Reduce unnecessary discounts
- Increase prices slightly where possible
- Focus on selling items that can bring better profit

2. Review and Optimize Cost Structure

- Check supplier prices
- Reduce high operational costs
- Look for cheaper alternatives without reducing quality

3. Improve Inventory Management

- Stock more of high-demand items (Clothing and Furniture)
- Reduce overstock of slow-moving items
- Use sales trends to plan inventory better

4. Improve Product Performance

- Promote and bundle low-performing products like Food
- Focus marketing efforts on best-selling categories
- Introduce seasonal promotions to increase sales

5. Strengthen Sales Team Performance

- Study how top reps (David and Eve) sell and share their methods with others
- Encourage reps to sell more profitable items, not just high-volume items
- Reduce over-reliance on discounts during sales

6. Improve Customer Retention

- Encourage returning customers with small rewards or loyalty offers
- Use customer type data (new vs returning) to plan better promotions

7. Monitor Profitability Regularly

- Create simple monthly reports showing:
 - Profit or loss by product
 - Revenue by region
 - Discount impact
- This helps the company respond faster when profits start dropping.

9. Tools & Skills Demonstrated

- **Data Analysis:** Excel
- **Data Visualization:** Excel charts
- **Skills:** Data cleaning, trend analysis, performance evaluation, reporting, actionable insights generation

10. Conclusion

This analysis highlights important sales trends, top-performing regions, products, and customer patterns, as well as areas that require improvement. By applying data analytics techniques, the project demonstrates how data-driven insights can support better decision-making, optimize sales strategies, and improve overall profitability.