

Maven Toys Analysis

Data Description

- Four tables: inventory, products, sales, and stores
- The toy store chain has categories: Electronics, Games, Art & Crafts, Sports & Outdoors, Toys
- 35 products in total in all categories
- Stores' locations spread over four areas: airport, commercial, downtown, and residential
- In total there are 50 stores in 29 different cities in Mexico
- Data is from two-year period 2017 – 2018

Purpose of Analysis

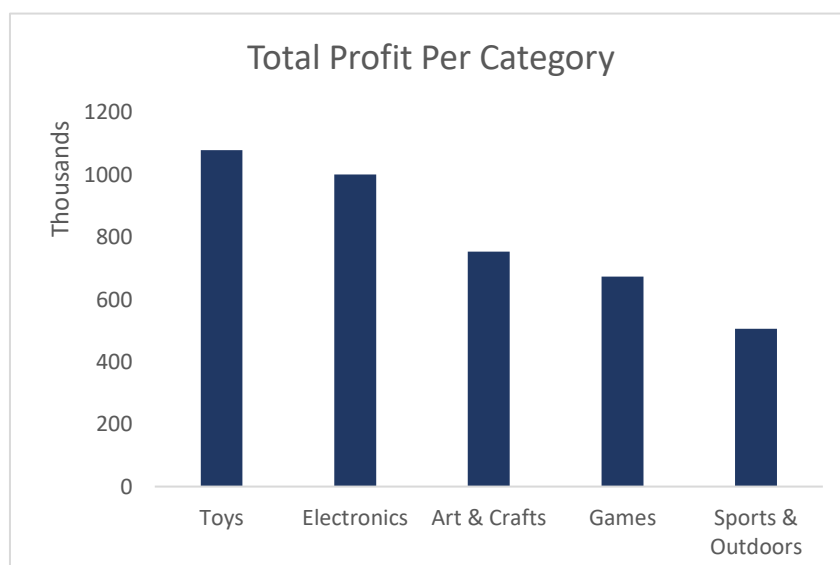
To identify which categories can be improved in sales strategy to increase profitability

Research Questions

1. Which categories generate the highest profit?
2. What products within these categories have the highest profit?
3. Do products with higher profitability gain more popularity?
4. How does the sales trend change from 2017 to 2018?

Results & Conclusions

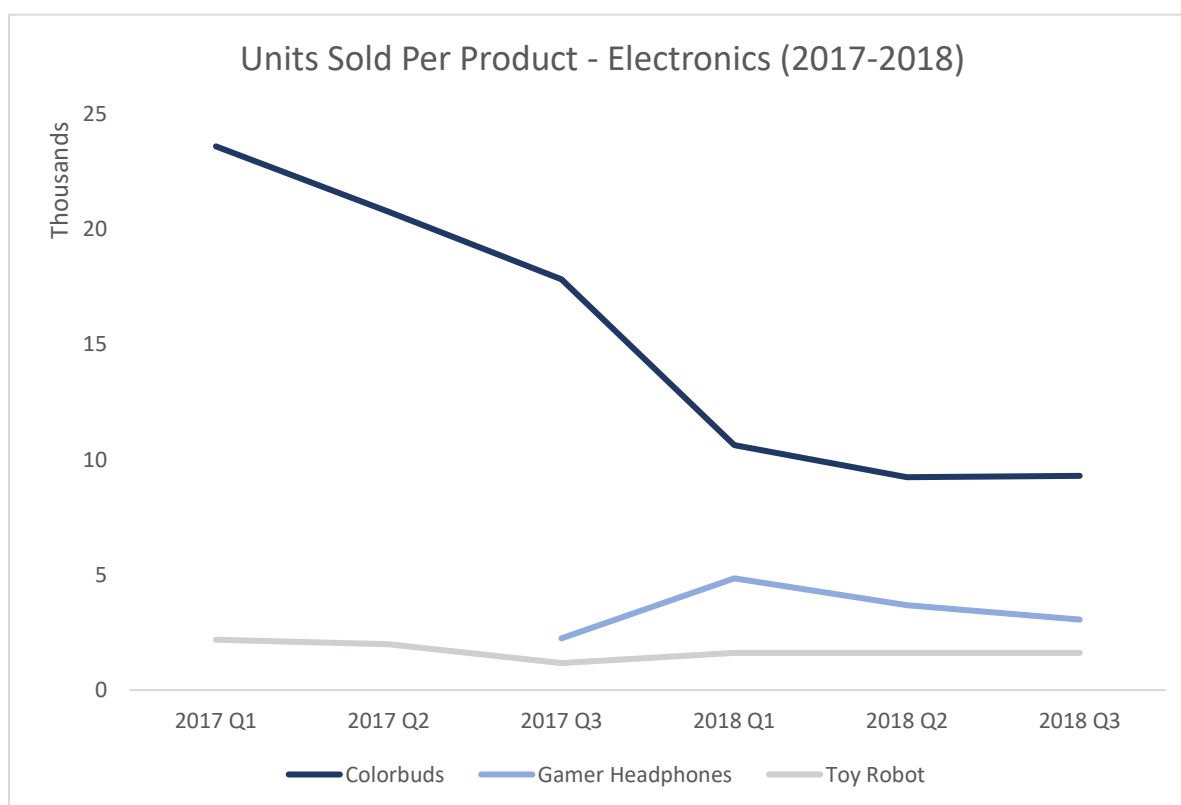
1. Toys and Electronics categories with the highest average profit



2. Toys Category - Decline in profit per unit: lower profitability products gaining a larger share of sales

Product Name	Profit Per Unit	2017 Q1 - Q3		2018 Q1 - Q3	
		Units	% From Total	Units	% From Total
Action Figure	\$6	29,496	28%	20,923	17%
Dino Egg	\$1	10,793	10%	27,111	22%
Total		105,101		125,855	
Average Profit Per Unit		4.22		3.74	

3. Electronics Category
 - Colorbuds experienced a sharp decline in units sold from 23K to 9K, while Gamer Headphones saw a gradual increase.



- Colorbuds have a higher profit margin compared to Gamer Headphones, despite their lower price.

Product Name	Price	Cost	Profit
Colorbuds	\$14.99	\$6.99	\$8.00
Gamer Headphones	\$20.99	\$14.99	\$6.00

- Sales show a strong negative correlation, indicating internal competition.

The analysis reveals a strong negative correlation (Pearson Correlation = -0.930, p-value = 0.00027) between the monthly sales of **Colorbuds** and **Gamer Headphones** from Q3 2017 to Q1 2018. This indicates that as the sales of **Colorbuds** decrease, the sales of **Gamer Headphones** increase significantly. These findings suggest potential internal competition between the two products, where the success of **Gamer Headphones** may have contributed to the decline in **Colorbuds** sales

Conclusions & Recommendations

1. Going into 2018, there is a movement in the Toys category towards a preference for cheaper, lower-profit products, and it is recommended to focus marketing efforts on these items to increase traction and sales volume.
2. In the Electronics category, the decline in sales of Colorbuds intensified in mid-2017, coinciding with the introduction of Gamer Headphones. To mitigate the impact of internal competition, it is advisable to explore repositioning Colorbuds to target a different market segment while leveraging the success of Gamer Headphones by introducing an additional, higher-profitability gamer headphone model to enhance overall profit margins