



Sales Analysis Report

Superstore Performance 2014- 2017

Comprehensive analysis of \$2.3M revenue across regions, categories, and time periods to identify profitability patterns and growth opportunities.

CHALLENGE

Business Problem Statement



Optimizing Retail Profitability

High sales volume but inconsistent profitability across regions and categories. Despite revenue growth, certain transactions result in significant losses.

Objective: Identify root causes of losses—discounting strategies, shipping costs, underperforming product lines—and recommend strategies to maximize net profit.

Research Questions & Hypotheses

1

Category Efficiency

Which product categories generate high revenue but disproportionately low profit?

2

Product Drivers

Which sub-categories are the primary drivers of \$2.3M total revenue?

3

Geographic Dominance

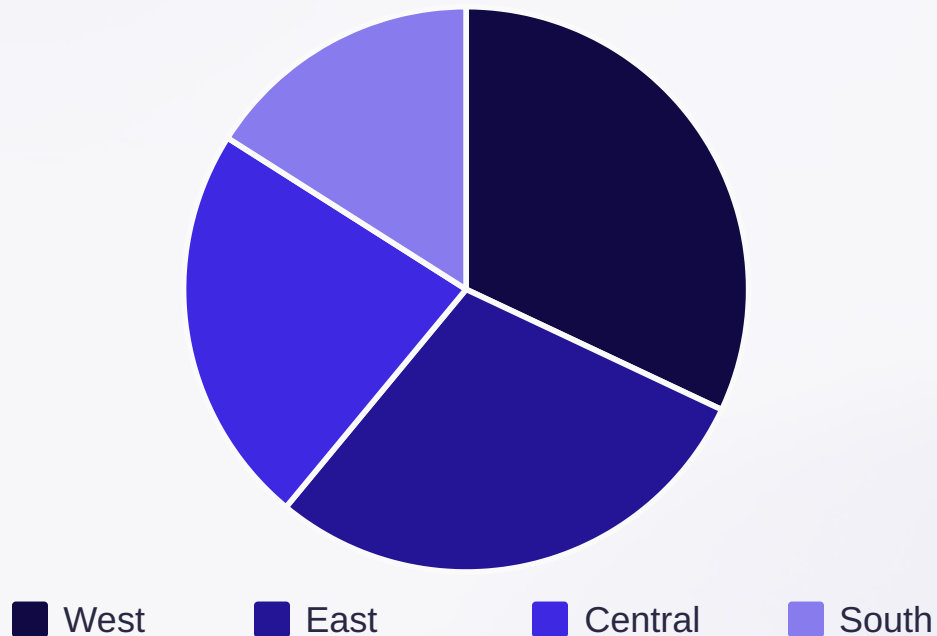
Which states and regions are sales powerhouses requiring marketing focus?

4

Seasonality Patterns

Is there predictable timing for sales spikes requiring inventory planning?

Regional Customer Distribution



Coastal Dominance

Customer base is primarily split between West (32%) and East (29%) regions, making up majority of customers.

Key Insight: Most customers are located on the coasts, while the South has the lowest customer presence at just 16%.

Seasonal Sales Patterns



Strong Year-End Surge

Business exhibits strong seasonality with aggressive peaks at year-end. November is the highest-grossing month at \$340K.

Critical Periods: Significant spikes in September (\$300K) and March (\$200K). February is the slowest month, dipping to \$60K.

Top Revenue Drivers

\$330K \$328K \$224K

Phones

Leading sub-category in
total sales

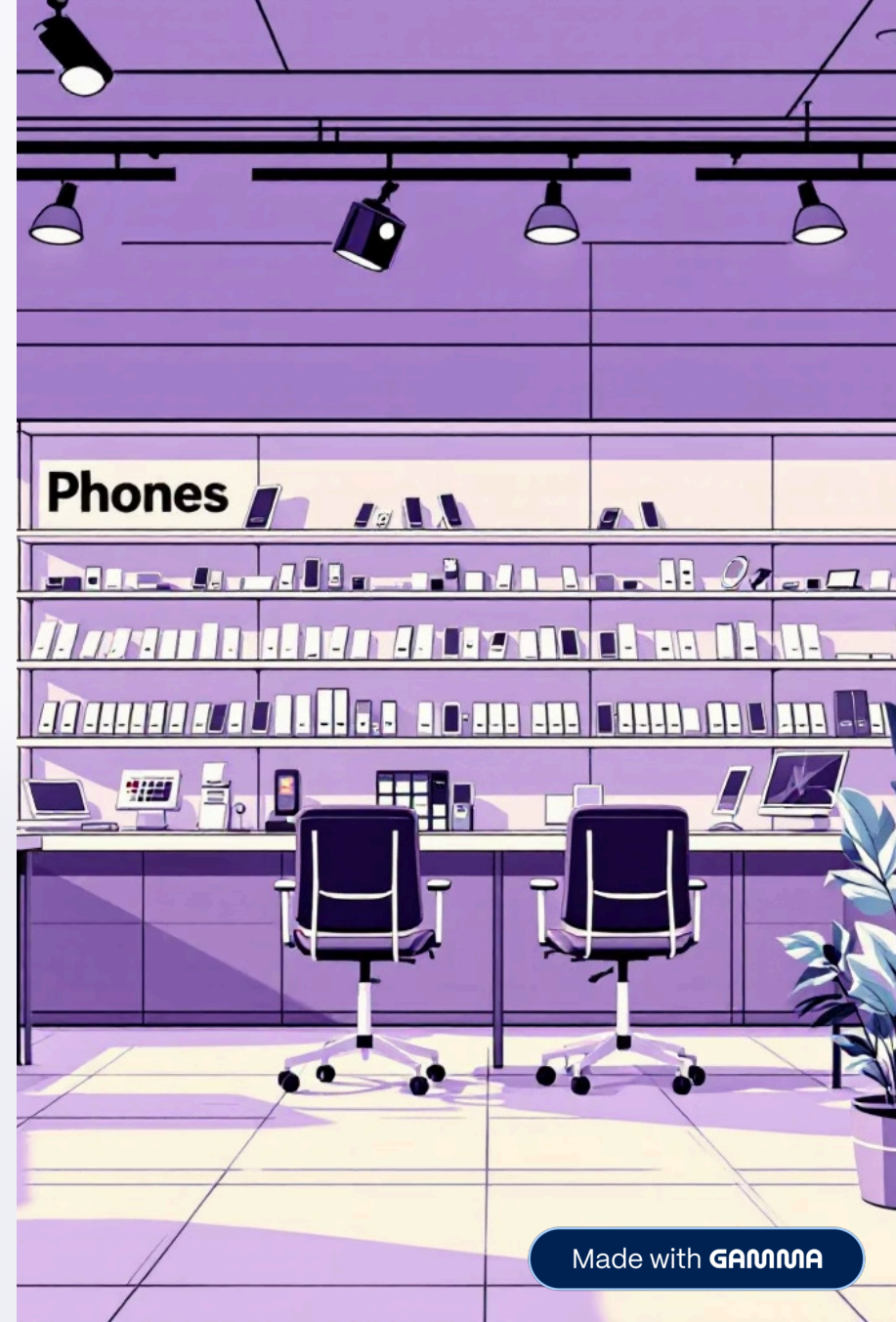
Chairs

Second-highest
revenue generator

Storage

Solid mid-tier performer

Two products—Phones and Chairs—are clear market leaders, driving the highest revenue. Sales volume is top-heavy; the business relies heavily on just these two sub-categories for significant total revenue.



Geographic Sales Concentration

California Dominance

West Coast powerhouse generating nearly \$458K in sales

East Coast Strength

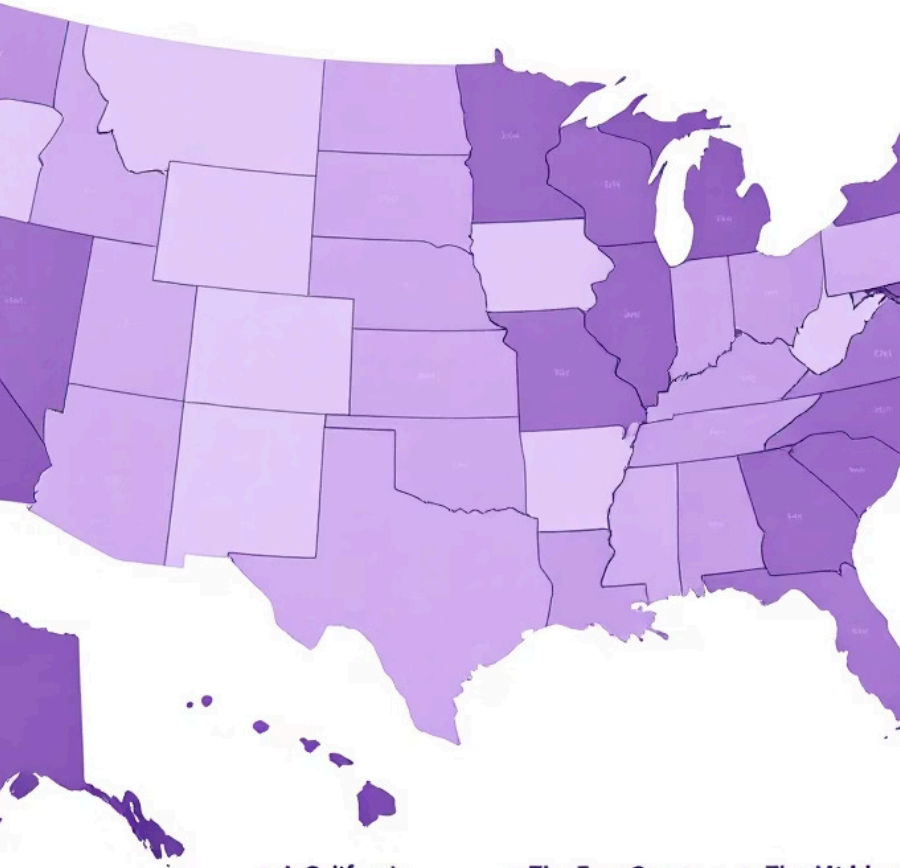
New York and surrounding states show strong performance

Central Gap

Midwest and central states remain largely untapped markets

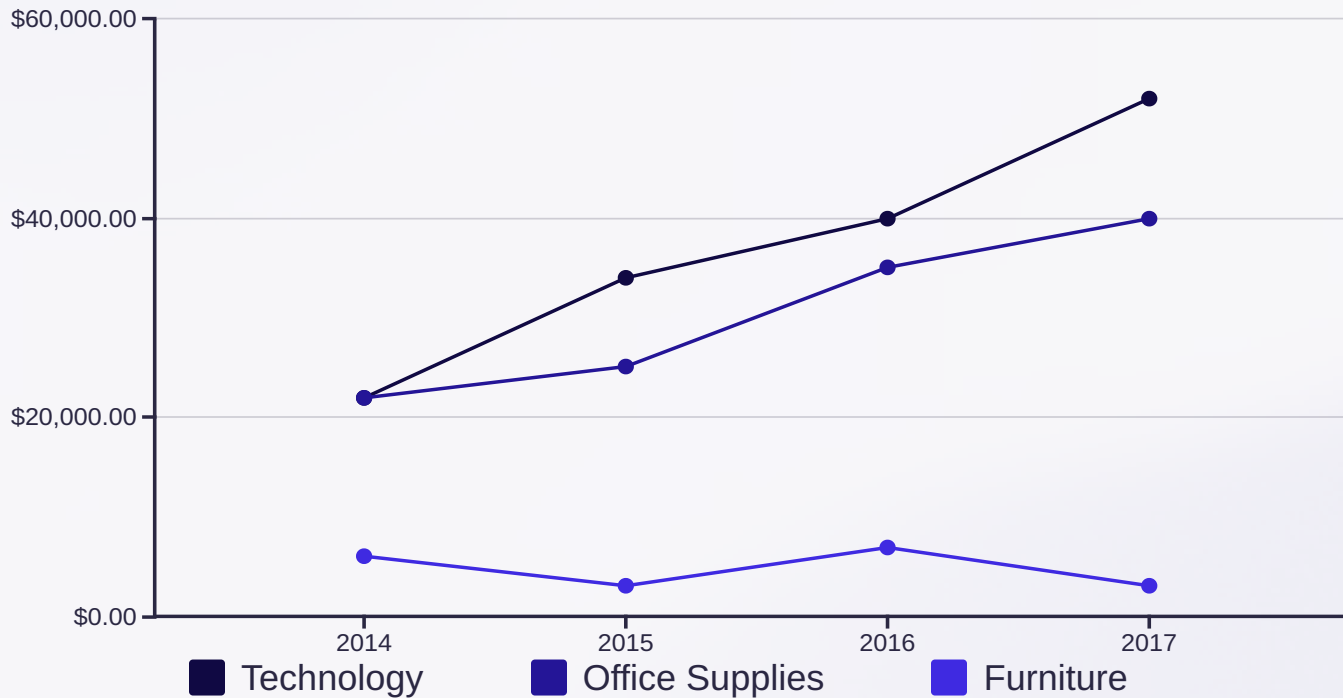
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The Profitability Problem



Critical Finding

Technology: Most profitable category, more than doubling from \$22K to \$52K (2014-2017)

Office Supplies: Steady growth from \$22K to \$40K

Furniture: Essentially flat at ~\$5K for four years—high sales but near-zero profit growth

Key Findings Summary

Revenue vs. Profit Disconnect

\$2.3M revenue driven by Technology and California customers, but Furniture category shows stagnant profit despite high sales volume.

Seasonal Dependency

Business relies heavily on November-December surge, suggesting need for optimized holiday inventory planning.

Geographic Concentration

Coastal strategy dominates with West and East regions, while South region remains significantly underperforming.

Strategic Recommendations

01

Audit Furniture Pricing & Logistics

Review shipping vendors for heavy items and reduce excessive discounting to fix flat profit margins.

02

Optimize Q4 Inventory

Ensure maximum stock of Phones and Chairs by October to prevent stockouts during November-December rush.

03

Regional Marketing Focus

Double down on West Region advertising while investigating South region underperformance.

04

Product Bundle Strategy

Create bundles pairing high-margin Technology items with lower-performing products to boost overall profitability.

