

SALES ANALYSIS REPORT SUPERSTORE PERFORMANCE (2014 - 2017)





BUSINESS PROBLEM STATEMENT

Optimizing retail profitability: identifying loss-making patterns and growth opportunities

The superstore is experiencing high sales volume but inconsistent profitability across different regions and product categories. Despite revenue growth, certain transactions result in significant financial losses (negative profit). The objective is to analyze historical sales data to identify the root causes of these losses—specifically focusing on discounting strategies, shipping costs, and underperforming product lines—and to recommend actionable strategies to maximize net profit without sacrificing customer retention



PROJECT ASSUMPTIONS

- **Data Completeness:** The dataset accurately reflects all sales transactions from 2014 to 2017 without exclusion.
- **Currency:** All financial figures (Sales, Profit) are in USD.
- **Geographical Scope:** The dataset covers the United States exclusively .
- **Metric Definitions:** "Sales" refers to gross revenue, while "Profit" refers to correctly accounts for the cost of goods sold (COGS) and operational expenses.



RESEARCH QUESTIONS

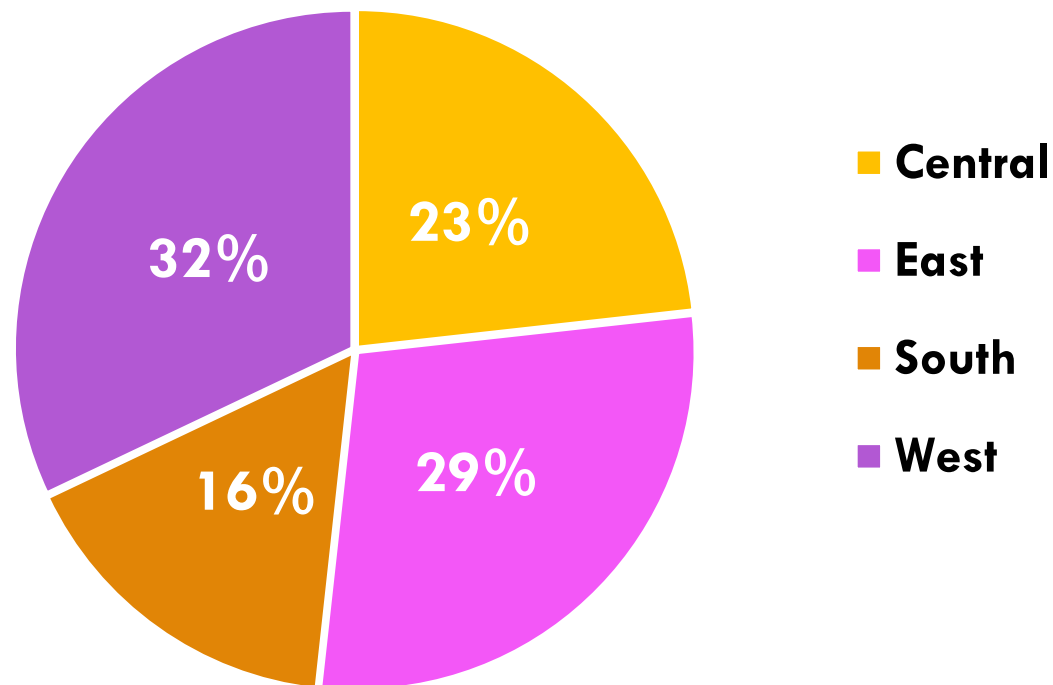
- 1- (Category Efficiency):** Which product categories generate high revenue but disproportionately low profit?
- 2- (Product Drivers):** Which specific sub-categories are the primary drivers of the 2.3 Million total revenue?
- 3- (Geographic Dominance):** Which states and regions are the "Powerhouses" for sales, and should marketing focus be concentrated there?
- 4- (Seasonality):** Is there a predictable time of year when sales spike, requiring inventory planning?

HYPOTHESES

- **Hypothesis 1 (category underperformance):** the "furniture" category has the lowest profit margin compared to technology and office supplies due to high shipping costs.
- **Hypothesis 2 (regional disparity):** the "south" region has lower sales volume but higher profit margins than the "central" region.
- **Hypothesis 3(volume vs. Value):** high sales volume (quantity) does not correlate strongly with high profit; bulk orders often yield lower margins.

ANALYSIS AND FINDINGS

Region-Wise customer counts





REGION-WISE CUSTOMER COUNTS

The customer base is primarily split between the west and east regions.

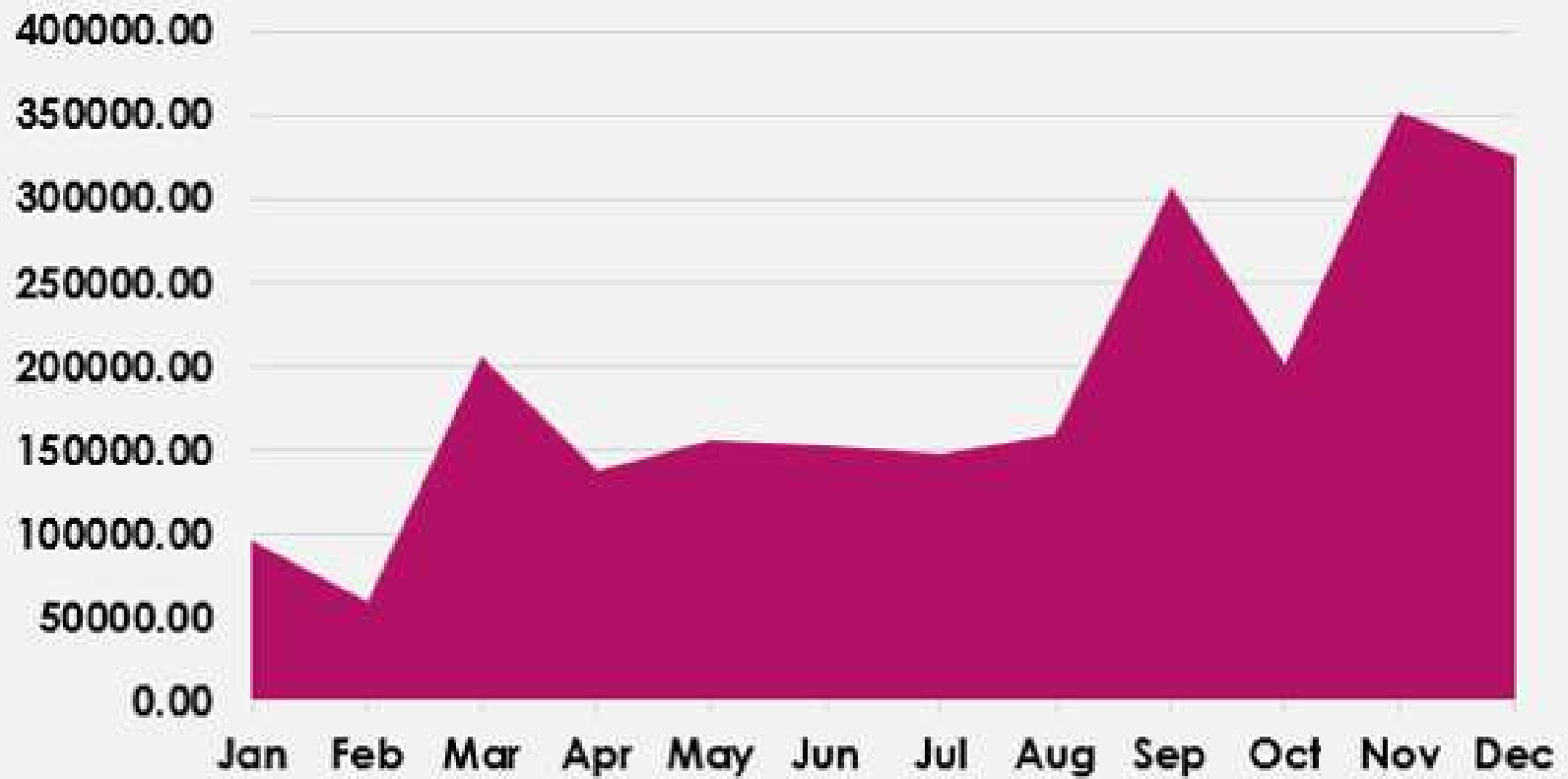
Top regions: the west (purple) and east (light pink) regions are the largest slices, making up the majority of the customer base.

Smallest region: the south (dark orange) has the smallest share of customers.

Central region: the central region (dark pink) is significant but smaller than the west and east.

In short: most customers are located on the coasts (west and east), while the south has the lowest customer presence.

Sales By Month





SALES BY MONTH

The business exhibits strong seasonality, with sales peaking aggressively at the end of the year.

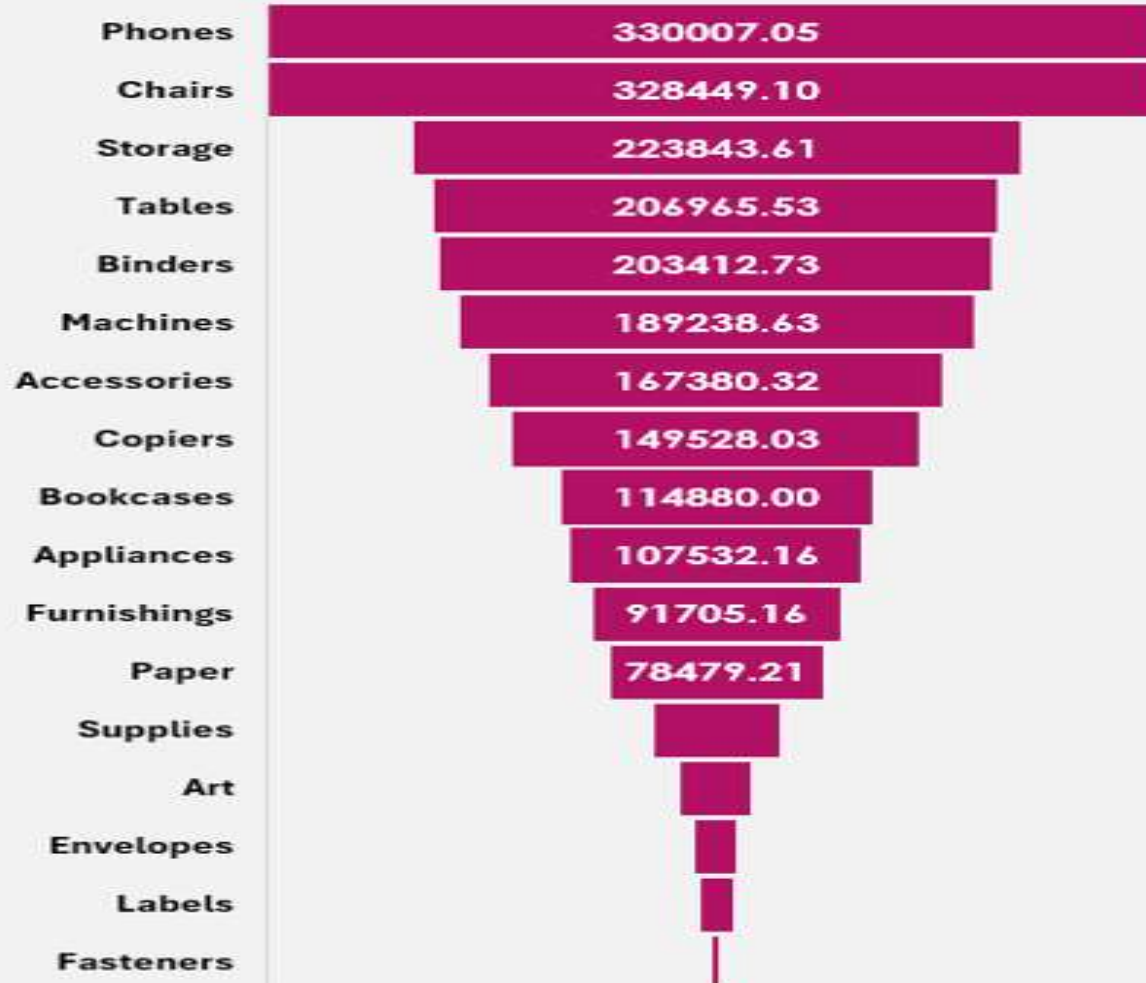
Top month: November is the highest-grossing month, reaching a peak of approximately 350,000 in sales.

Key surges: there are significant sales spikes in September (approx. 300,000) and an early-year boost in March (approx. 200,000).

Lowest performance: February is the slowest month of the year, dipping to the lowest point (around 60,000).

Mid-year plateau: from April to August, sales remain relatively stable and consistent, hovering around the 150,000 mark.

Total Sales By Sub Category





TOTAL SALES BY SUB CATEGORY

Two products “phones and chairs” are the clear market leaders, driving the highest revenue.

Top performers: **phones** (\$330,007) and **chairs** (\$328,449) are the top-selling sub-categories, significantly outperforming others.

Solid mid-tier: categories like **storage** (\$223k), **tables** (\$206k), and **binders** (\$203k) provide consistent revenue, creating a strong middle ground.

Lowest performers: the bottom five categories (supplies, art, envelopes, labels, and fasteners) contribute a negligible amount to total sales, with **fasteners** being the absolute lowest.

In short: the sales volume is top-heavy; the business relies heavily on just two sub-categories (phones & chairs) for a significant portion of its total revenue.

State-wise Sales

Series1

457687.63

919.91

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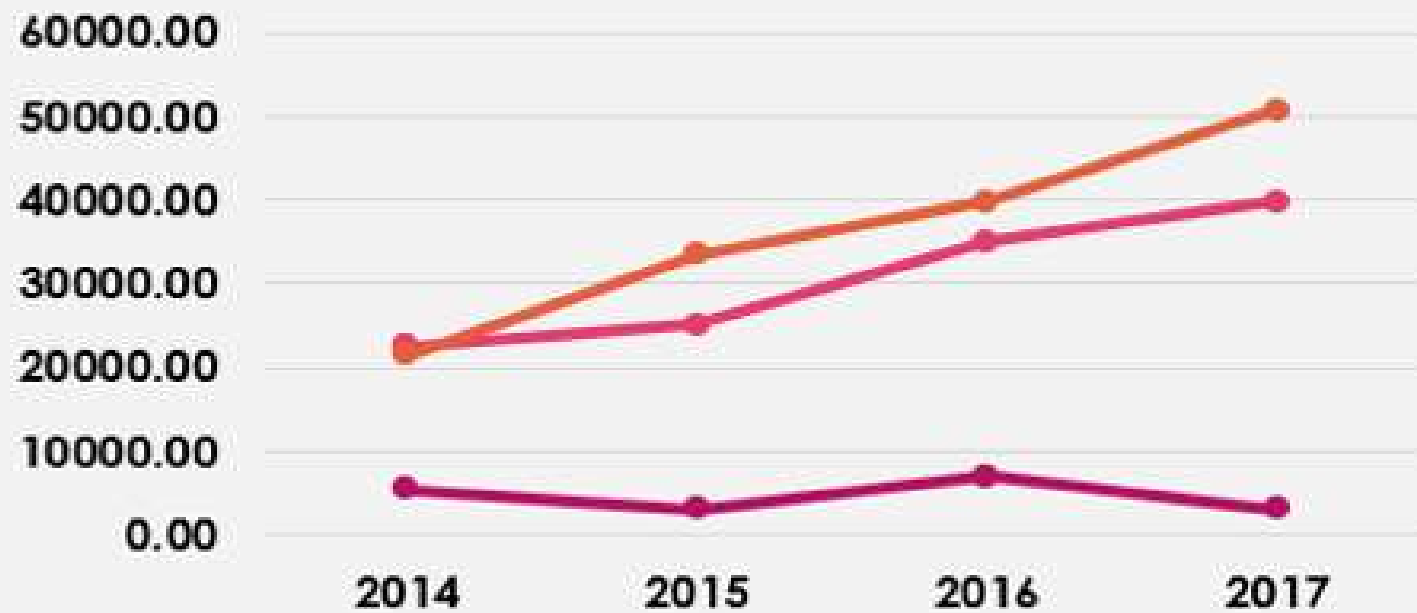


STATE-WISE SALES

The business follows a "coastal strategy," where the vast majority of revenue comes from the west coast **(California)** and the east coast **(New York)**, while the middle of the country remains largely untapped.

Low performance zone: the vast majority of the central and midwestern states (the middle of the map) are very light pink, indicating significantly lower sales activity compared to the coasts.

Year-Wise Profit by Category



Category

Furniture

Office Supplies

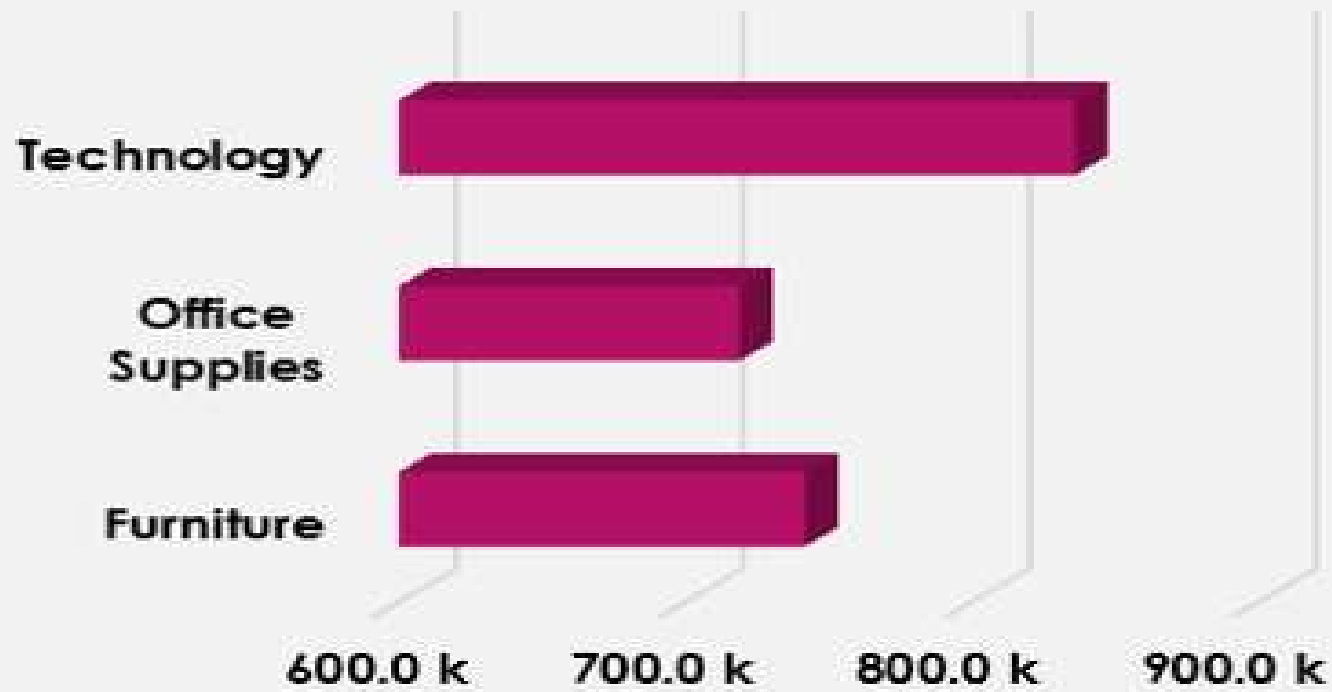
Technology



YEAR-WISE PROFIT BY CATEGORY

- **Top Performer: Technology** (Orange Line) is the most profitable category. It shows a consistent upward trend, starting around 22,000 in 2014 and more than doubling to over **50,000** by 2017.
- **Steady Growth: Office Supplies** (Pink Line) also shows healthy, steady growth, rising from approximately 22,000 in 2014 to around **40,000** in 2017.
- **The Problem Area: Furniture** (Purple Line) is essentially flat. It hovers near the bottom (around 5,000 profit) for all four years, showing almost no growth or contribution to the company's rising bottom line.

Sales By Category





SALES BY CATEGORY

- **Top Seller: Technology** is the clear leader, with the longest bar extending well past the **800,000** sales mark.
- **The Runner-Up: Furniture** comes in second place. Despite its low profitability (seen in your previous charts), it generates a significant amount of revenue, sitting roughly between **700k and 800k**.
- **Lowest Volume: Office Supplies** generates the least amount of total revenue among the three categories, sitting just above the **700,000** mark.



SALES ANALYSIS DASHBOARD

Category

Furniture

Office ...

Techno...

Ordered_year

2014

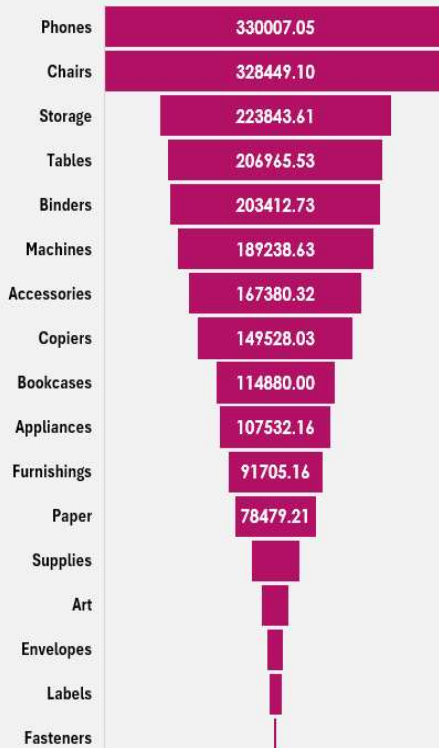
2015

2016

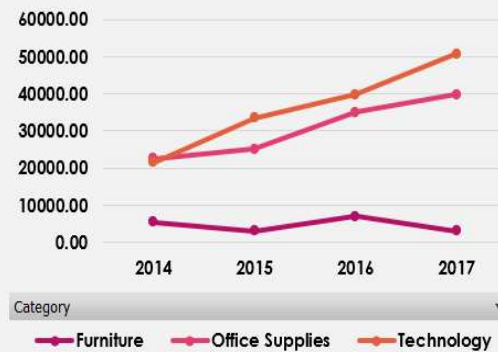
2017

TOTAL SALES : 2.3 Million

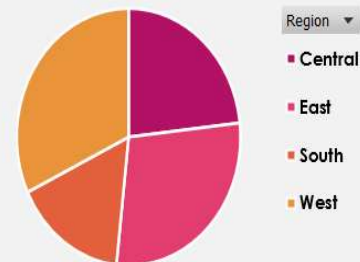
Total Sales By Sub Category



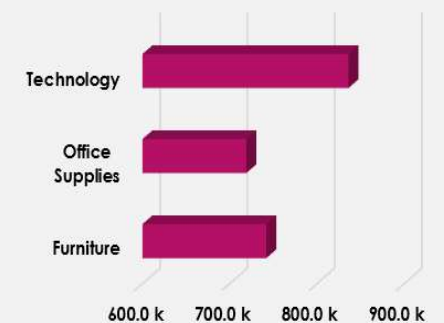
Year-Wise Profit by Category



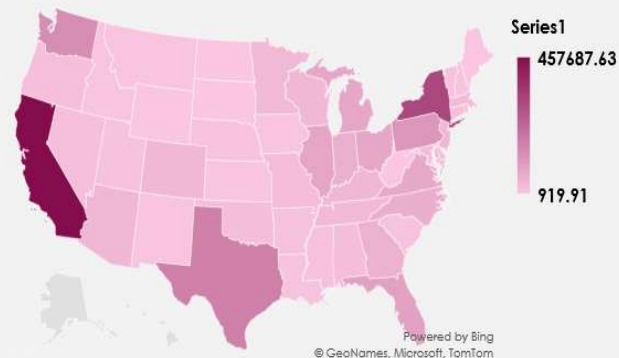
Region-Wise count of customers



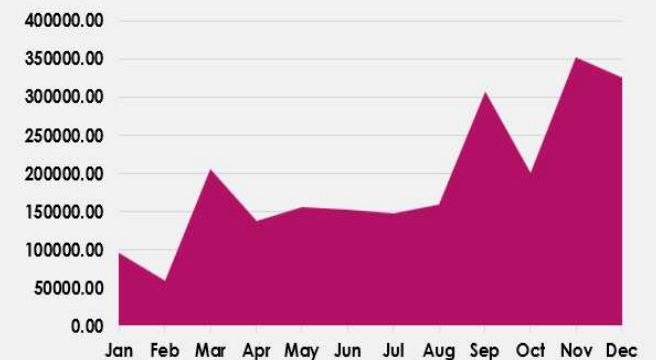
Sales By Category



State-wise Sales



Sales By Month



A decorative graphic on the left side of the slide, consisting of a network of light blue lines and circles, resembling a circuit board or a stylized tree structure, set against a dark blue background.

SUMMARY

The analysis reveals that while the superstore is generating strong revenue of **\$2.3** million—largely driven by the **Technology** category and customers in **California**—it faces a critical profitability issue. Specifically, the **Furniture** category is underperforming; despite high sales volume (similar to other categories), its profit has remained stagnant near zero for four years. Additionally, the business is highly seasonal, relying heavily on a massive surge in sales during **November** and **December**, which suggests that optimizing inventory for the holiday rush and fixing furniture margins are the key steps to future growth.



SUGGESTIONS

Audit furniture pricing & logistics: since furniture sales are high but profits are flat (purple line), high shipping costs or excessive discounting are likely eating the margins.

Action: review shipping vendors for heavy items (chairs/tables) or reduce discounts on furniture.

Inventory stockpiling for Q4: the "sales by month" chart shows a massive spike in **Nov/Dec**.

Action: ensure maximum stock of "phones" and "chairs" (top sub-categories) by **October** to prevent stockouts during the holiday rush.

A decorative graphic consisting of white circuit-like lines and circles on a blue gradient background, located on the left and right sides of the slide.

Regional Marketing Strategy: California alone brings in nearly half a million.

Action: Double down on advertising in the West Region to maximize the stronghold, while investigating why the "South" region (smallest slice in Pie Chart) is underperforming.

Product Bundle Strategy: "Phones" are the #1 seller and "Technology" is the most profitable category.

Action: Create bundles pairing high-margin Tech items with lower-performing items to boost overall basket profitability.