

## BUSINESS INSIGHT REPORT

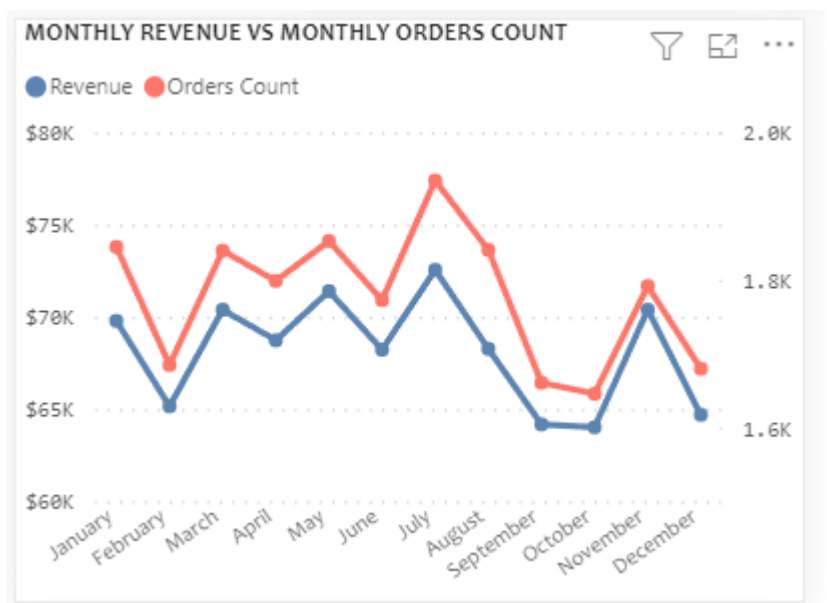
PC Foods established in 2015 and located in the United States has decided to review its first year in the Pizza business to strategically prepare for the coming years. The management wants to understand the pattern of their sales in the first year, the factors affecting sales, the products to take off the pizza menu, or promotional activities the business could leverage to improve their sales.

In 2015, PC Foods made a gross revenue of \$817,860.05 selling a total of 49,574 units of pizza from 21,350 unique orders. They made at least \$2,284.53 daily from an average of 60 orders per day.

The following questions were designed for the analysis of this business and the insights found are provided below:

### 1. What's the sales monthly? And do we have any seasonality in our sales?

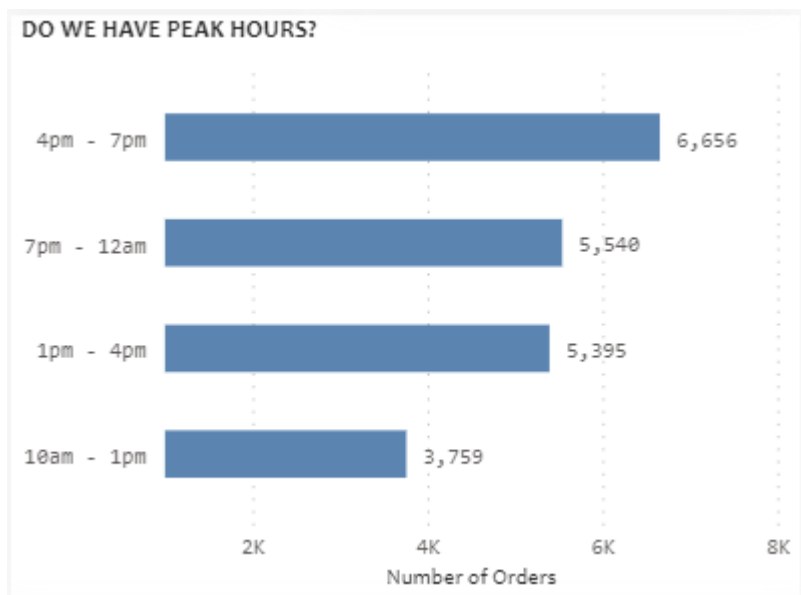
The year started for PC Foods with a revenue of \$69,793.3 which was followed by months of fluctuations in revenue before an all-time high in revenue was achieved in the month of July with the company making \$72,557.90. However, we saw a dip in revenue again but this time, for 3 consecutive months (August,



September, and October) leading to an all-time low in the year with revenue going as low as \$64,027.6 before ending the year with fluctuation in revenue in the last two months.

I took a step further to compare the revenue to the monthly demand and found the same pattern. Therefore, it is worth mentioning that the business had a negative seasonality as there was an obvious decline in both revenue and demand which happened from August to October 2015.

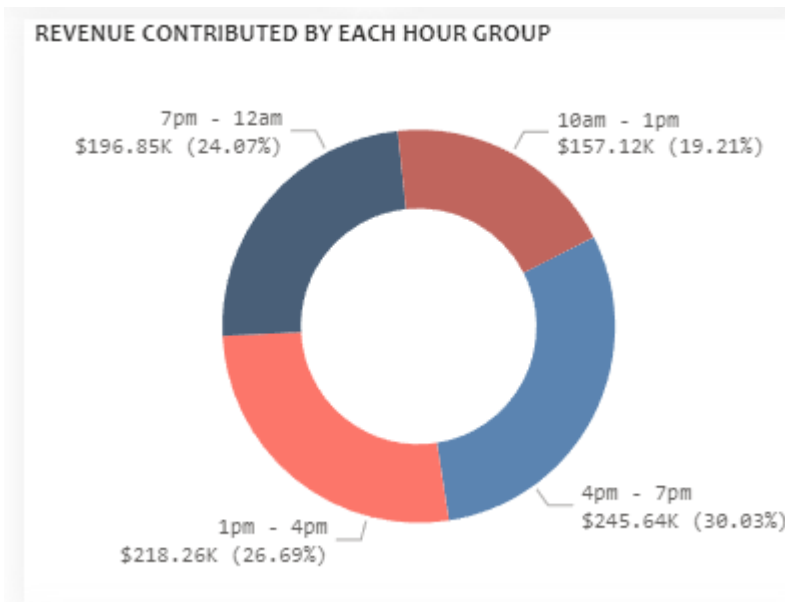
2. Do we have peak hour in our daily sales? And what is the percentage of the revenue made during the peak hours?



The business clearly has peak hours from the chart previewed. It is important to mention that to capture accurately and precisely the peak hours, the active hours of PC Foods had to be grouped into a 4-hour group which can be seen from the chart. The busiest hour group was from 4pm till 7pm where PC Foods had a total of 6,656

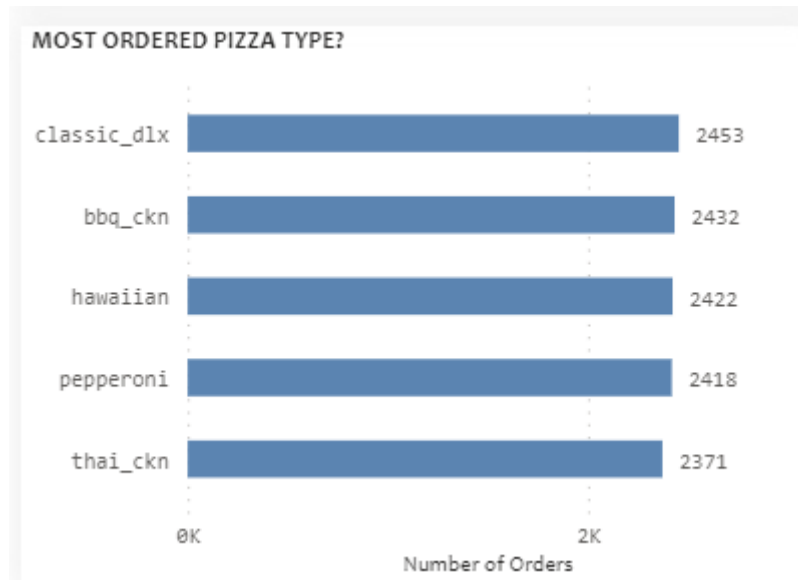
unique orders followed by 7pm - 12am with unique 5,540 orders. The hour group with the least order was 10am-1pm where the total unique orders were approximately 57% lesser than the busiest hour group. I would therefore mention that the peak hours of PC Foods are the period 4pm-7pm when 31% of all the business orders were made.

This also translated into how much revenue each hour group contributed to the business. A whopping sum of \$245,637.7 (30.03 of the business revenue) was made from 4pm – 7pm and \$218,259.4 (26.70% of the business revenue) was made from 1pm – 4pm. The hour group with the least profit was 10am – 1pm where the business recorded a total revenue of \$157,117.35 (19.21% of the business revenue).



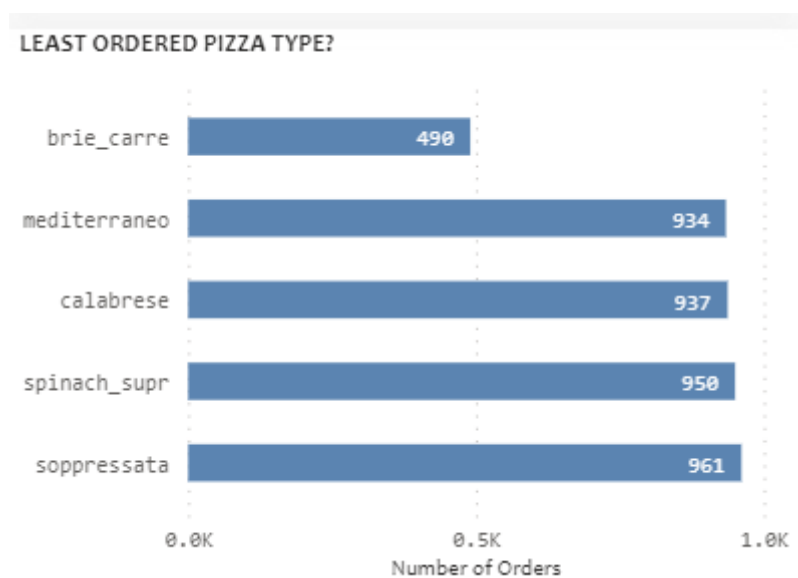
Peak hours of the business generated more demand and revenue for the business; therefore, PC Foods needs to ensure top-notch productivity during these hours to further increase demand which would surely translate into more revenue for the business.

### 3. Which pizza type is our customers ordering? which pizza type are they less interested in?



The top-most ordered pizza type by customers of PC Foods includes the Classic Deluxe Pizza, the Barbecue Chicken Pizza, the Hawaiian Pizza, the Pepperoni Pizza, and the Thai Chicken Pizza. The Classic Deluxe Pizza was the most purchased pizza with a count of 2,453 unique orders, followed by the Barbecue Chicken Pizza with 2,432

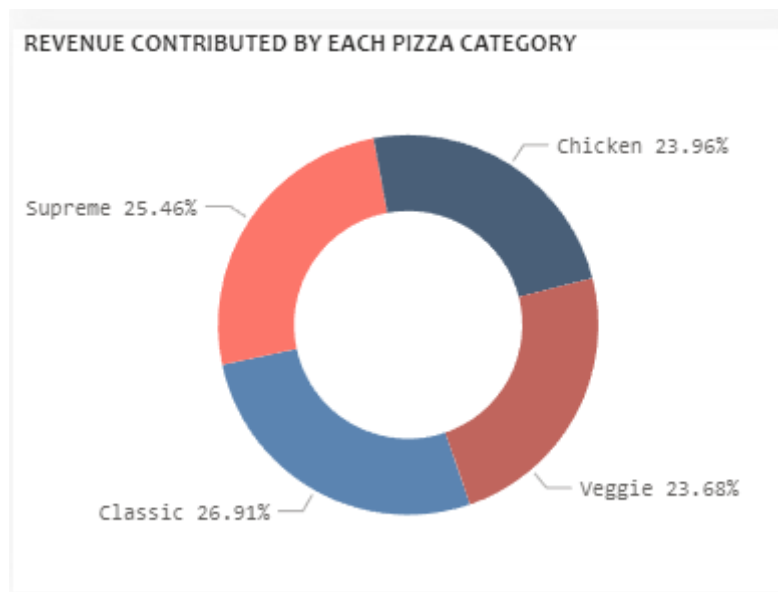
unique orders. The Hawaiian Pizza, the Pepperoni Pizza, and the Thai Chicken Pizza were 2,422 times, 2,418 times, and 2,371 times respectively.



The Brie Carre Pizza, the Mediterranean Pizza, the Calabrese Pizza, the Spinach Supreme Pizza, and the Soppressata Pizza dominated the least-ordered pizza type group. These categories achieved less than approximately 59% of the most ordered pizza type. These pizza types contributed less than 10% of the entire business revenue. It would be ideal to

take them off the menu list because efforts concentrated on these least ordered pizzas can be focused on the pizza types with good demand and this would translate positively on the business revenue.

#### 4. Is there a widespread between the revenue contributed by each pizza category?

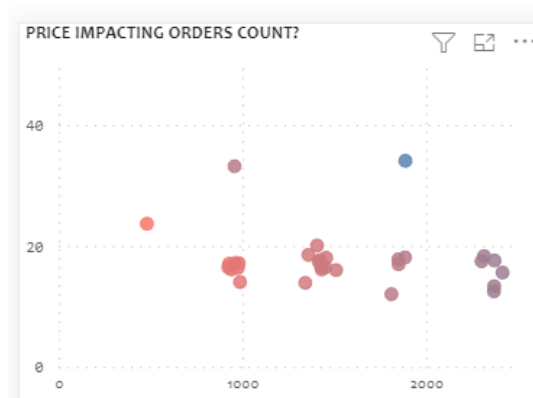


Regardless of the results of question 3, we can see a balanced spread within the pizza categories. The Classic category contributed 26.91% of the revenue while the Supreme category 25.46% of the revenue, and the Chicken category and the Veggie category both contributed 23.96% and 23.68% respectively. This result implies that there is no widespread

between the revenue contributed by each pizza category regardless of the most demanded or least demanded pizza types.

#### 5. Is there a relationship between the price of the pizzas and the demand levels?

With a correlation coefficient of  $-0.0322$  and as seen from the scatter plot here, we can conclude there is no relationship between price regardless of the size and the demand level for each pizza. Therefore, I would recommend that PC foods should maintain their price level for each pizza.



## RECOMMENDATIONS

- The business should increase its productivity between 1pm – 12pm as this is the period where the business receives most of its orders. This should include increasing workforce to create a shift system for its employees to derive more productivity from its employees.
- The least-ordered pizzas showed in this report should be taken off the business menu to enable the business and its employees to focus on pizza types with significant demand.