


FESTMAN

Executive Summary

This report presents an in-depth financial performance analysis of FestMan Stores for the current fiscal year, compared with the previous year. The business has seen significant growth in key financial metrics, particularly in **sales**, **orders**, and **profit**, while certain areas like **profit margin** and **enterprise segment performance** require attention.


Key Performance Indicators (KPIs)

Metric	Current Year	Last Year	Growth Rate
Sales	₹9,23,11,095	₹2,64,15,266	+249.46% ▲
Orders	8,61,132	2,64,674	+225.36% ▲
Profit	₹1,30,15,238	₹38,76,465	+235.58% ▲
Profit Margin	14.1%	14.7%	-3.97% ▼
Discount Offered	₹70,59,717	₹21,45,531	+229.04% ▲

 **Insight:** Despite strong growth in revenue and profit, the overall profit margin declined, suggesting higher discounting or increased cost pressures.

Orders by Country

Country	Orders (in '000s)
Canada	247K
France	241K
United States	233K
Mexico	203K
Germany	201K

 **Observation:** Canada leads in total orders, closely followed by France and the USA.

Profit Margin by Country

Country	Profit Margin
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Germany	15.66%
France	15.53%
Canada	14.18%
Mexico	13.88%
United States	11.97%

✅ **Note:** Germany and France are the most profitable markets.

Profit Margin by Country

Segment	Profit Margin
Channel Partners	73%
Midmarket	28%
Government	22%
Small Business	10%
Enterprise	-3% (Loss)

⚠️ **Warning:** The **Enterprise** segment is incurring losses and requires immediate strategic review.

Sales Trend Analysis

- Monthly sales show consistent fluctuations with a clear upward trend mid-2014.
- There are seasonal spikes likely due to promotional campaigns or product launches.
- 🔍 **Insight:** Understanding seasonality can aid in inventory and marketing planning.

Top Products by Sales

Product	Sales Amount
Paseo	₹33,011K
VTT	₹20,512K
Velo	₹18,250K

🏆 **Top Performer:** Paseo is the best-selling product.

Profit Margin by Product & Segment

- Small Business: Avg. margin ~9.77%


- Midmarket: Avg. margin ~27.71%
- Government: Avg. margin ~21.69%
- Enterprise: Avg. margin ~-14.32%

Top Profitable Product-Segment combinations:

- VTT – Government (22.48%)
- VTT – Midmarket (27.73%)
- Carretera – Channel Partner (Above 70%)

Discount Strategy Analysis

Discount Band	% of Sales
Low ($\leq 20\%$)	9.6%
Medium (21-50%)	32.6%
High ($> 50\%$)	57.8%

 **Concern:** Over half the orders fall in the **high-discount** category. This is likely contributing to the drop in profit margin.

Strategic Recommendations

Reevaluate Discounting: Reduce over-reliance on heavy discounts; explore loyalty programs or bundling instead.

Fix Enterprise Segment: Investigate loss drivers — is it pricing, cost, or churn?

Focus on High-Margin Segments: Channel Partners and Midmarket offer the best returns.

Strengthen Top Performing Products: Increase production, marketing, or bundling of top products like Paseo and VTT.

Monitor Geographic Expansion: Consider deeper market penetration in Germany and France due to higher profitability.

Conclusion

FestMan Stores has achieved remarkable growth in sales and profitability, but sustaining this growth will require **margin optimization** and **strategic customer focus**. By aligning marketing, pricing, and product strategy with the insights from this report, the company can maximize future profitability and minimize risk.