|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Decorative | | | | |
|  |  |  | |  |
| SALES AND PROFITABILITY REPORT  YEARS IN REVIEW | | |
| OfficeSTuff CORPORATION | | Prepared by Danny Guerrero |

|  |  |
| --- | --- |
|  |  |
| Introduction This report highlights some potentially actionable information about OfficeStuff’s profitability of their products. OfficeStuff’s sales data from 2014 to 2017 was retrieved and analyzed in order to influence business decisions. Report Summary The sales data shows that California, New York, and Texas comprised the most sales made per state, however, Texas was the most problematic state profit-wise.  OfficeStuff made the most profit from our Technology products, as Accessories, Copiers, and Phones were our most profitable products. Tables, Bookcases, and Supplies were determined to have made a net decrease in company profit.  Profits between product categories have been analyzed, showing trends such as Copiers, Accessories, and Phones profits increasing over the years. | |
|  | |  |
| Figure 1 | |  |
| Sales by State OfficeStuff sales data reveals that California has the most sales out of all the states. The next top four states were New York, Texas, Washington, and Pennsylvania. The states with the least sales were (in order) North Dakota, West Virginia, Maine, South Dakota, and Wyoming. Profit-increasing action towards the highest selling states is recommended; it would result in maximized profits due to the relatively large number of sales that would be affected. Action could also be taken towards our lowest-selling states in order to widen OfficeStuff’s market. Profit by StateProfits between states were also calculated. Trends show that Texas, Ohio, Pennsylvania, Illinois, and North Carolina are our least profitable states. This is crucial information that requires urgent action, as Texas and Pennsylvania comprise a large portion of our company’s sales. Profit is being lost in some of our top-selling states and it is costing the company. Efforts should absolutely be made towards improving these states’ profits.Profitability between Product Categories Data indicates that Furniture is our most problematic product category profit-wise. Tables and Bookcases sales have made a net loss in company profit. Tables and Bookcases also have a relatively high average discount between sales, which could indicate their discounts being the cause of the loss of profits.  The Office Supplies product category also could use improvements; Fasteners and Supplies have relatively low profits compared to the rest of the products. There is a potential correlation between Office Supplies product sales and average discount, with the more discounted products such as Binders and Appliances having more profit than others. A raised discount for Fasteners and Supplies might be a solution to their low profits.  For Technology, Machines profit is extraordinarily low. Decreasing Machines’ relatively high average discount would likely remedy the low profits. Profit Trends Over time, Copiers, Accessories, Phones, Paper, and Appliances increased in profits. Profit trends also show that Machines, Tables, Binders, Bookcases, and Envelope profits decreased in 2017. The positive trends of OfficeStuff’s strongest products profit-wise should be noted; aspects that result in their greater performance should be utilized for our least-performing products in an effort to negate their profit decline. | |  |

A graph of different colored lines

Description automatically generated

**Figure 2**

**CONCLUSION**

In summary, areas were highlighted that showed OfficeStuff’s weakness and strengths. These trends are intended to inform business decisions in order to maximize company profitability and growth. Trends such as: Texas and Pennsylvania have top sales for the company, yet also have the worst profits, show that OfficeStuff requires changing their business approach.