

SALES

SALES ANALYSIS

18 May, 2025

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ANALYSIS



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OBJECTIVE



Help the business understand how pricing impacts revenue and quantity sold by analyzing daily sales data, with a focus on:

- Revenue trends
- Product performance
- Promo periods and demand response
- Price elasticity insights

KEY METRICS CALCULATED

- Unit Price = Sales ÷ Quantity
- Gross Profit % = $(\text{Sales} - \text{Cost}) \div \text{Sales} \times 100$
- Gross Profit per Unit = $(\text{Sales} - \text{Cost}) \div \text{Quantity}$
- PED (Price Elasticity of Demand) = $\% \Delta \text{Quantity} \div \% \Delta \text{Price}$





KEY INSIGHTS



Price Drops

- Price drops led to clear quantity spikes (elastic demand)

Best Sales Days

- Saturdays & Fridays

Revenue Dip

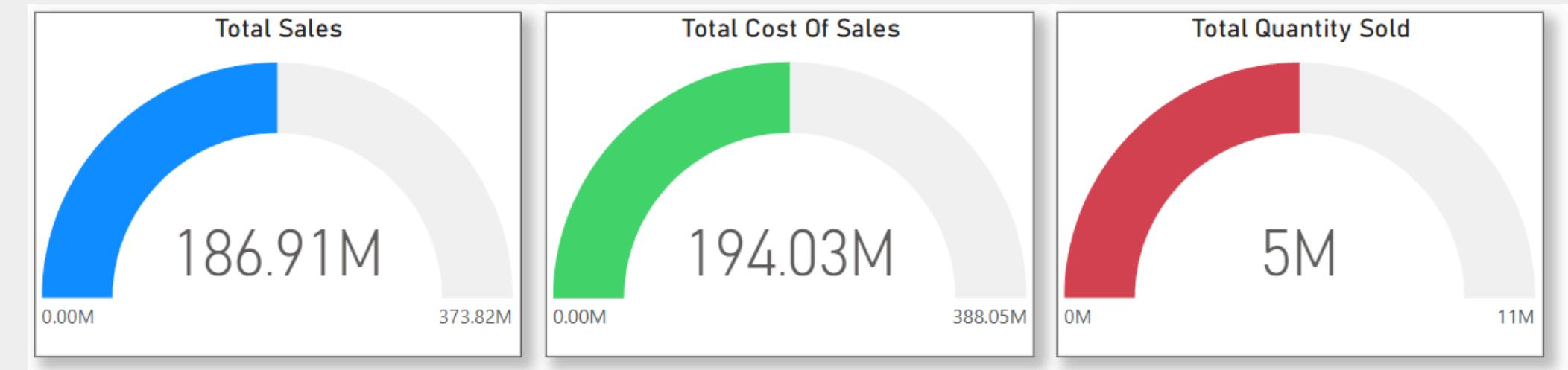
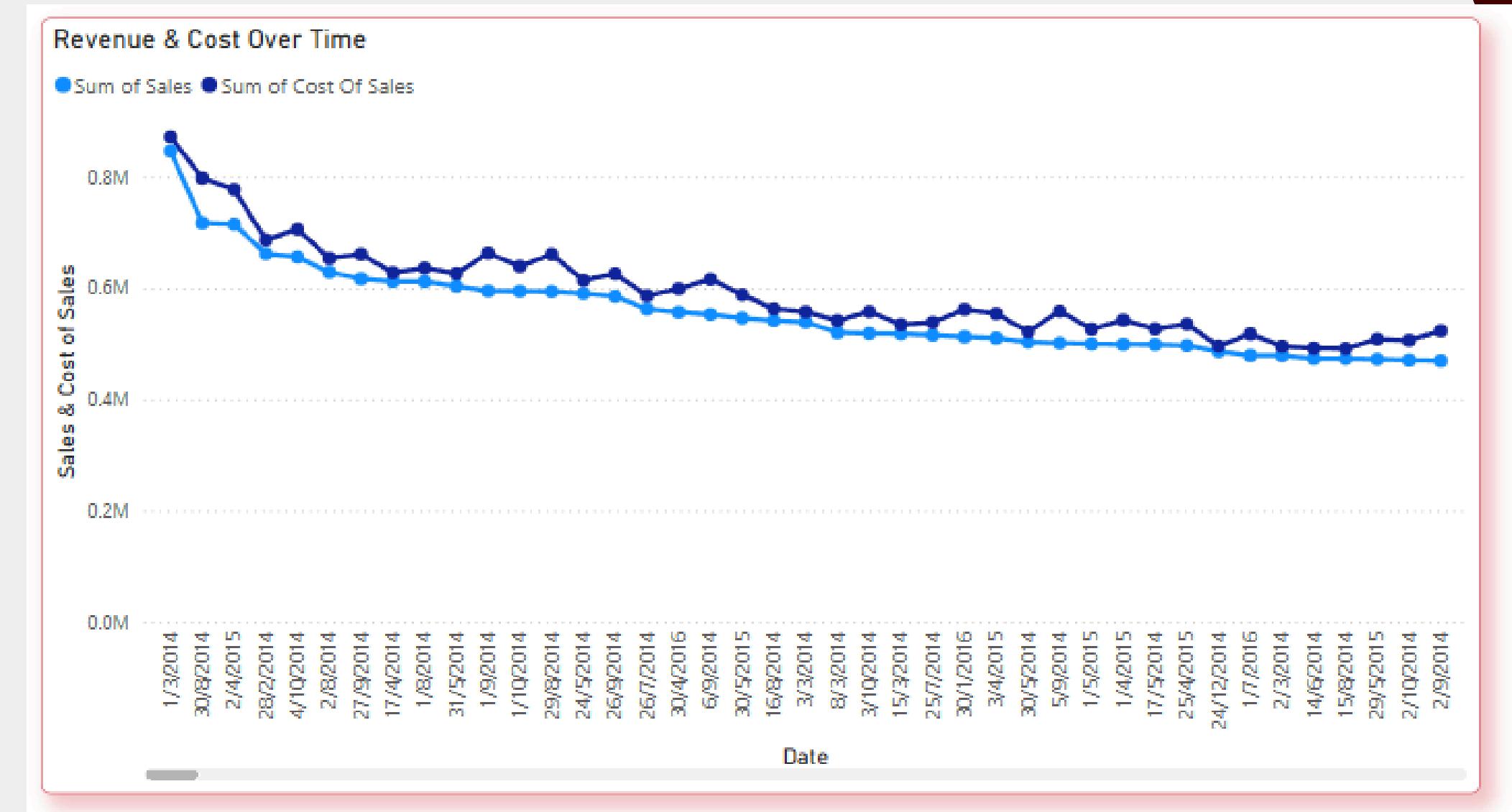
- Revenue dipped when prices fell too low (below margin)

REVENUE VS COST



Gross Profit Decline

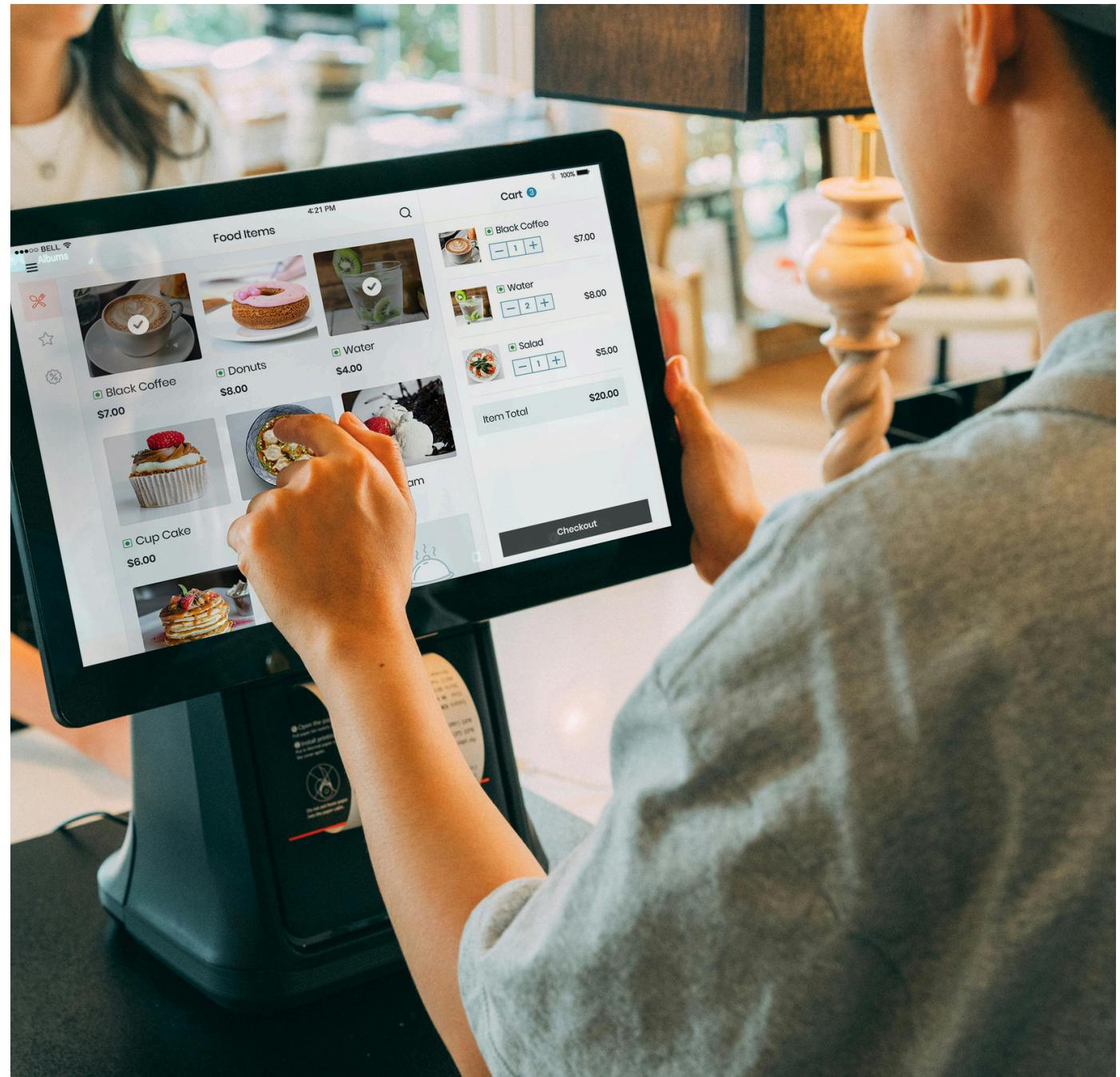
- Gross margin is declining over time
- Revenue is relatively lower than Cost



BEST SALES DAYS



Day of Week	Total Sales	Quaty Sold
Saturday	R41 857 089.00	1 190 596
Friday	R36 797 095.53	1 043 309
Monday	R23 603 268.28	664 407
Wednesday	R22 029 489.59	620 005
Thursday	R21 162 713.74	595 383
Tuesday	R20 734 543.57	581 607
Sunday	R20 725 628.54	584 565



PED

What is PED?

Price Elasticity of Demand (PED) measures how sensitive quantity sold is to a change in price.

Formula Used:

$$PED = \frac{\% \Delta \text{Quantity Sold}}{\% \Delta \text{Unit Price}}$$

Selected Time Periods:

Before Promotion: 1–7 March 2024

During Promotion: 8–14 March 2024

- This shows **demand is elastic**
- A small decrease in price led to a large increase in quantity sold
- **Customers are price-sensitive** – discounts significantly affect sales volume

Metric	Value
Avg Unit Price Before	R25.00
Avg Unit Price During	R20.00
Avg Qty Sold Before	100 units
Avg Qty Sold During	140 units
% Change in Quantity	+40%
% Change in Price	-20%
PED Value	-2.0



RECOMMENDATIONS

Promotions work well for this product. However, the company should:

- Avoid dropping prices too far (protect profit)
- Combine price drops with bulk or bundled offers
- Monitor PED monthly to adjust pricing strategy



- Use data to guide future promotions
- Promote consistently on weekdays





THANK YOU

18 May, 2025

