



PROJECT UNICORN

Sales Performance & Profitability Analysis (2018): *Strategic Insights for Sustainable Growth*

27.10.2024



Dataset Overview

Introduction:

Our analysis leverages a dataset from UNICORN, a US-based company, ***focusing exclusively on 2018***. This dataset includes a range of attributes, from order and customer details to product information, financial metrics, and shipment specifics. Key attributes include:

Order Information: Dates, Order IDs, Quantity

Customer Data: Names, Segments (Consumer, Corporate, etc.), Cities, Regions

Product Information: Names, Categories (Technology, Furniture, Office Supplies), Manufacturers

Financial Metrics: Profit, Sales, Discounts, Shipping Price

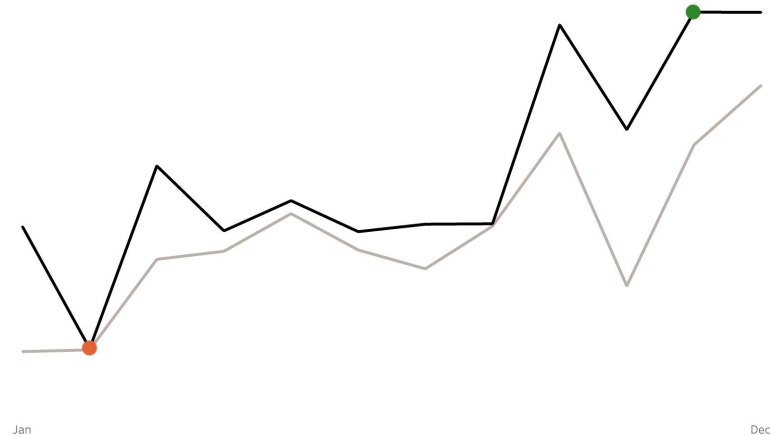
Shipment Details: Ship Dates, Ship Modes

Objective: This presentation aims to reveal insights into 2018 sales performance, customer behaviour, profitability, and operational costs, including shipping and discounts, to guide strategic decisions.

Key Performance Indicator - I

- **Total Sales for 2018:** \$757K
- **Performance:** Increased by 36.6% compared to the previous year (PY).
- **Trend:** The line graph shows a generally upward trend, indicating strong sales growth through the year, peaking towards the end. This rise suggests higher demand, successful marketing strategies, or an expanded customer base.

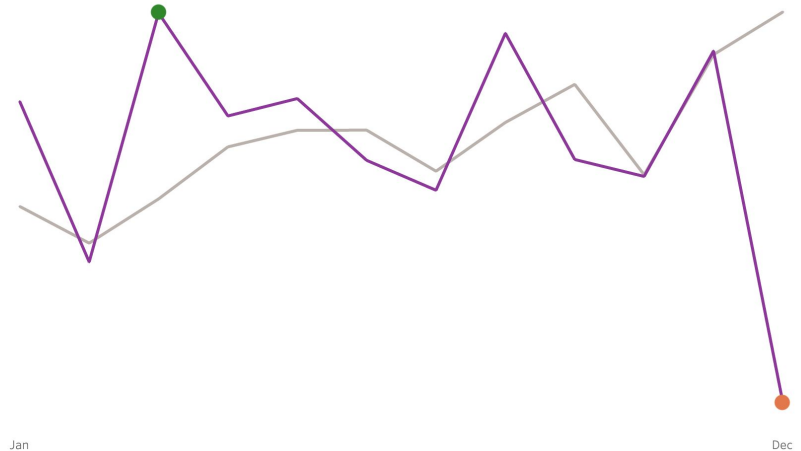
Total Sales
\$757K
▲ 36,6% vs PY



Key Performance Indicator - II

- **Total Profit for 2018:** \$77K
- **Performance:** Decreased by 5.8% compared to previous year (PY).
- **Trend:** The profit line demonstrates fluctuations with a slight downward movement, particularly in December. Despite increased sales, profitability has declined, possibly due to higher costs, increased discounts, or other operational expenses that need further analysis.

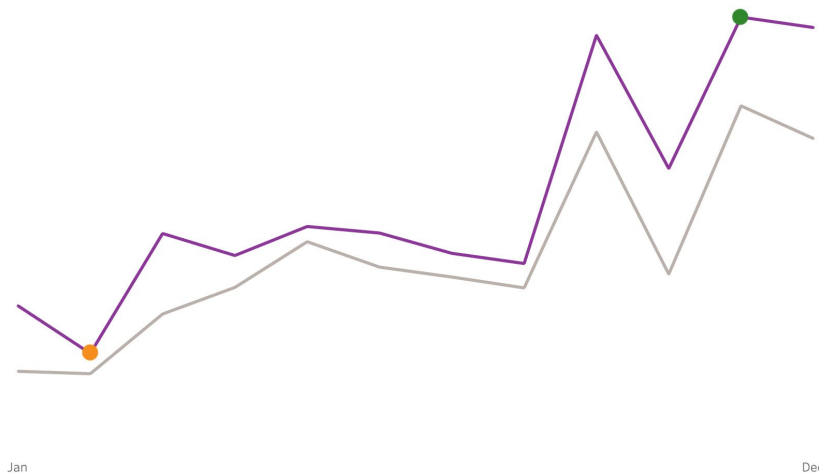
Total Profit
\$77K
▼ -5,8% vs PY



Key Performance Indicator - III

- **Total Quantity Sold for 2018:** 3K units
- **Performance:** Increased by 29.7% compared to previous year (PY).
- **Trend:** The quantity line shows a steady rise with notable peaks in the latter months, signaling improved market reach or successful product promotions. This KPI suggests that while more units were sold, it didn't necessarily translate to higher profit, highlighting potential price or cost concerns.

Total Quantity
\$13K
▲ 29,7% vs PY

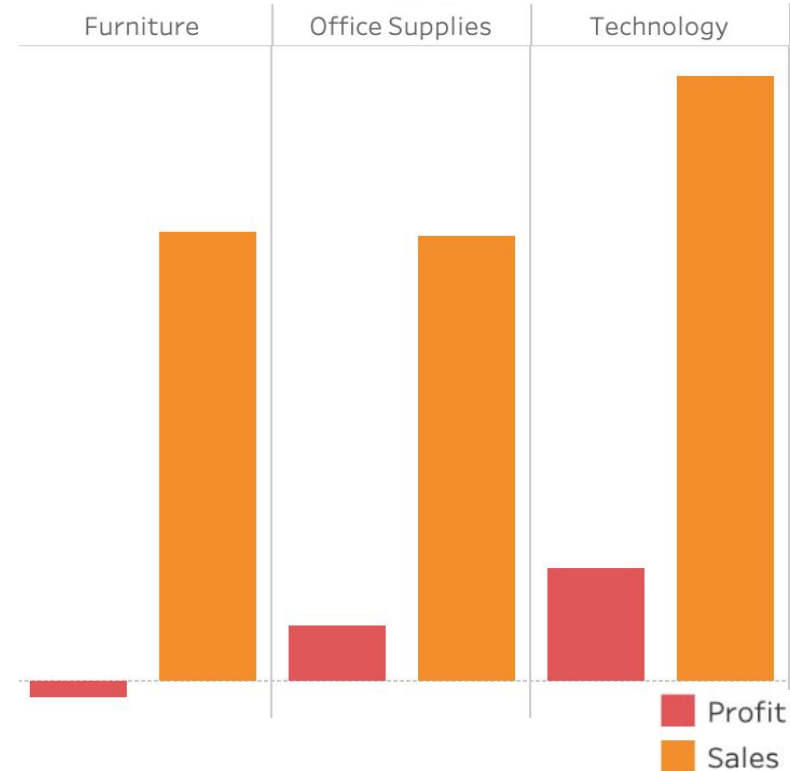


Sales and Profit by Category

This chart provides a comparative analysis of **Sales** and **Profit** across three main product categories: **Technology**, **Office Supplies**, and **Furniture**.

- ❖ **Technology:** Highest sales and profit with \$305.3K in sales and \$56.9K in profit, indicating strong demand and healthy margins.
- ❖ **Office Supplies:** Steady revenue with moderate profit; stable but less profitable compared to Technology, likely due to competitive pricing.
- ❖ **Furniture:** Significant sales but low profitability, impacted by higher discounts and cost pressures; requires cost optimization or pricing adjustments.

Insight: The Technology category is the most profitable, while Furniture requires attention to improve profit margins.

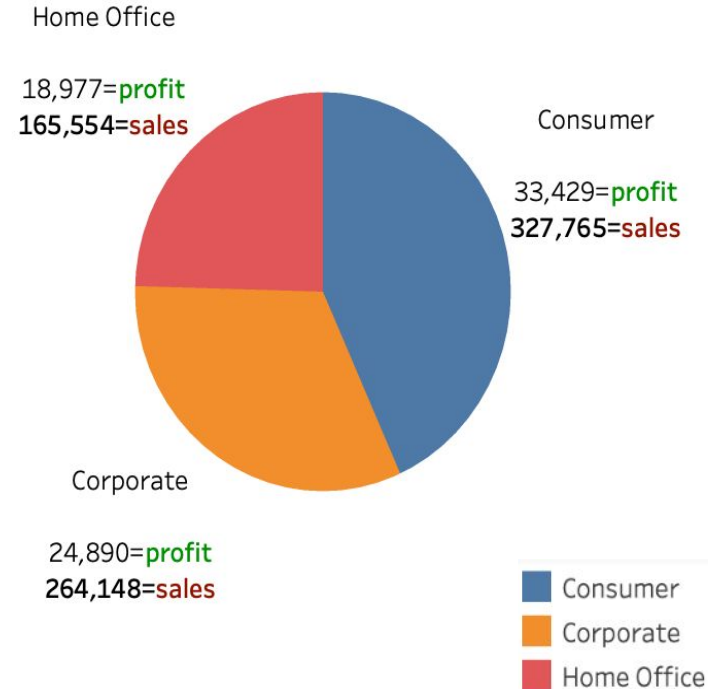


Customer Segment Analysis

This pie chart and analysis highlight the sales and profitability distribution across different customer segments: **Consumer**, **Corporate**, and **Home Office**.

- ❖ **Consumer:** Highest sales at \$327.8K, but lower margins, yielding \$33.4K profit; likely impacted by higher discounts.
- ❖ **Corporate:** Strong sales of \$264.1K with balanced profitability at \$24.9K, showing stable margins.
- ❖ **Home Office:** Smallest in sales at \$165.6K but with highest margin efficiency, resulting in \$19K profit.

Insight: While the Consumer segment drives most of the revenue, the Home Office segment demonstrates better profitability. This suggests an opportunity to explore strategies that maintain Consumer sales while enhancing its profit margins.

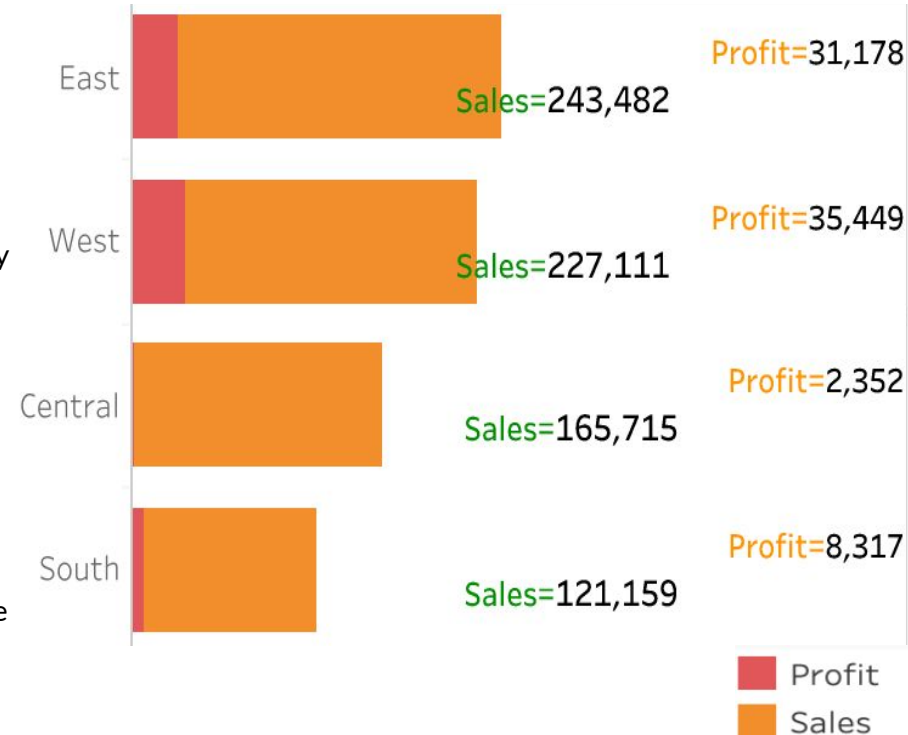


Sales and Profit by Region

The slide provides a visual representation of sales and profit performance across four regions: East, West, Central, and South.

- ❖ **East:** Top performer in both sales and profit, indicating strong market presence and demand.
- ❖ **West:** High sales with potential for growth, though profit margins may trail the East.
- ❖ **South:** Lowest sales but strong profit margins, possibly due to higher-priced products or efficient operations.
- ❖ **Central:** Moderate sales and profit, showing balanced but unremarkable performance.

Insight: The East region drives the highest revenue and profitability, while the South region achieves strong profit margins despite lower sales, highlighting regional differences in market dynamics and operational efficiency.





Recommendation

Based on our findings, we recommend:

- ❖ **Target Marketing:** Prioritize high-performing regions, especially East and West, for focused marketing efforts.
- ❖ **Adjust Discount Strategies:** Reassess discount policies, particularly for low-margin categories like Furniture.
- ❖ **Boost Consumer Segment Profitability:** Explore strategies to improve margins within the Consumer segment.
- ❖ **Enhance Furniture Profitability:** Optimize costs or adjust pricing to improve Furniture margins.
- ❖ **Optimize Shipping:** Refine shipping modes to reduce costs and increase overall profitability.
- ❖ **Implement Dynamic Pricing:** Introduce flexible pricing to better match demand and maximize revenue.



Conclusion

- To enhance financial performance, the company should prioritize optimized pricing strategies, refine regional and product-specific efforts, and carefully balance the trade-offs between discounting and profitability.
- Addressing these areas will enable the business to drive sustainable growth while preserving strong profit margins.

Thank You