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<u>Graph:</u> Trend of Quantities by Year

This graph indicates consistent growth between years 2016 to 2019 in quantities sold, peaking in 2019. However, it was followed up by a sharp decline in 2020 and 2021. This significant drop shows a decline in performance of quantities sold.

The steep decline in the graph suggests possible performance issues caused by supply chain disruptions (possible delays and shortages), demand reduction (COVID-19), and challenges in operation (inefficiencies in fulfillment).

The peak in 2019 can serve as a benchmark for strong performance. The subsequence decline emphasizes the need to:

-Boost demand by increasing marketing promotions
-Improve fulfillment by resolving bottlenecks affecting delivery and inventory
-Evaluate product performance to determine which products drove past growth and focus efforts there.

Overall, we are to replicate strategies from our peak year, investigate the root causes of sharp drop, and implement campaigns to restore sales.

<u>Graph:</u> Trends in Last Order Dates

This graph shows a steady rise of customers from late 2018 to early 2020, indicating positive growth momentum. However, there were drops in customer activity in between that time period around mid-2019 and post-2020. This suggests a decrease in engagement and operational issues.

The sharp declines highlight market disruption due to the COVID-19 pandemic, declines in repeat purchases, as well as reduced customer royalty.

The peaks in 2020 suggest an increase in demand as people are in FOMO due to the onset of the pandemic, marketing campaigns and seasonal trends. Post-2020, customer trend seems to level off at a lower point compared to previous year indicating its inability to return to previous performance levels.

Our recommendations for improving performance are to:

-Re-engage inactive customers by implementing targeted campaigns to win them back
-Focus on improving customer retention by offering loyalty programs
-Create marketing strategies to draw in new customers

<u>Graph:</u> Total Revenue by Customer Type and Year

This graph shows that the revenue for new customers started decreasing dramatically after 2018, reaching its lowest point in 2021. We can take action by focusing on our targeted acquisition strategies to promote growth.

However, since our existing customers contributed to a majority of revenue between 2019 and 2020, we need to enhance retention efforts through personalized offers and loyalty programs to maintain our customers.

Both revenues in 2021 had a significant drop including both existing and new customers and therefore we are to address the gaps in retention and acquisition to stop and reverse the decline.

<u>Graph:</u> Sales trend vs Cost trend by Region

This graph shows total revenue and total cost across all the regions. Regions with higher peaks suggest larger market sizes and stronger product demands which all lead up to higher sales and cost activities.

The gaps between total revenue and total cost indicates profitability. A larger gap means higher profits while smaller gaps suggest lower profit margins. Online showed a significant spike in both revenue and cost which suggest a dominant market with high sales. This graph helps identify which regions are higher and lower performing.

<u>Graph:</u> Total Sales Comparison by month (2019 vs 2020)

There was a significant drop in sales in 2020 between March and april. There was a strong start of sales early into the year, similar to 2019. However, the drop happened right around the COVID-19 pandemic. This is due to a number of factors such as:

-Lockdowns and restrictions disrupting the economy
-Supply chain issues
-Decreased consumer spending due to uncertainty

While sales bounced back quickly in May 2019, the recovery in 2020 is way slower. Post may 2020, sales remain to be significantly lower than its 2019 counterpart. This poses underlying challenges in demand and operations.

Towards the end of the year in December, we can see for 2019 that there was a massive holiday sales surge whereas compared to 2020, it struggles to keep up in sales.This well reflects the ongoing impact of the pandemic on consumer spending.

The Pandemic led to a sharp drop in sales from March 2020 to December 2020, revealing key issues that need to be addressed.

-Supply chain problems- Factory closures, shipping delays, labor shortages
-Low consumer demand- economic uncertainty, changes in consumer behavior
-Inventory and Fulfillment delays- inventory shortages and delivery delays

Recommendations for improvement:

-Digital sales- boosting online sales would be a core factor for making up for the challenges faced by physical stores.
-Prioritize inventory management to ensure products are in stock to avoid possible delays
-Targeted promotion campaigns to boost demand especially during declining months

<u>Graph:</u> Late Delivery Rate by Product

This graphs highlights key fulfillment challenges such as

Critical issues where products with 100% late delivery rates become clear bottlenecks affecting customer satisfaction and overall performance.

Systemic problems as many products from various different categories show late delivery rates above the 60% mark. This clearly indicates a more underlying cause in management and logistics.

This data from the graph also gives us insight on what products require immediate attention such as the 100% late delivery rate ones.

To improve performance we can:

-Fixing fulfillment delays to improve delivery times, which leads to better customer retention and satisfaction
-Address issues like stockouts and vendor delays to ensure more on time deliveries.
-Ensuring product delivery on time boosts reputation as well as encourages repeat purchases which drives more revenue growth

<u>Graph:</u> Order Status Distribution

This graph shows a high rate of unfulfilled orders, as high as 79.1% of orders not being filled, indicating an ongoing operational problem. Only 20.9% of orders were successfully filled, showing inefficiencies in the fulfillment process.

An abundance of unfulfilled orders often leads to

-Customer dissatification leading to loss of business
-Revenue loss from uncompleted orders
-Damaging brand’s reputation and sales

Looking into the root causes:

-Inventory problems- are products often out of stock?
-Supply chain issues- any delays in shipping?
-Are there any internal delays or bottlenecks affecting order fulfillment?

Recommendations to improve performance:

-Optimize inventory to ensure high-demand products are in stock often
-Collaborate with vendors to minimize delays
-Use real-time tracking and automation to speed up the process and avoid delays
-Prioritize clearing unfulfilled orders to recover lost revenue

Conclusion

To improve performances in the next quarter, we would recommend the following strategies:

Focus on high performing products/services

- Prioritize promoting your best-selling products and consider bundling them with slover-moving items to boost overall sales.

Improve fulfillment rates

- Optimize inventory management tools to monitor stock levels in real-time to prevent shortages or excess inventory.

Re-engage inactive customers

- Showcase recent launches of new products/services tailored to their past preferences. Offer free samples to pique their interest.
- Provide unique discounts, loyalty rewards/perks, and promotional codes to motivate their return.

Enhance operations in higher performing regions

- Gather data by exploring customer habits, preferences, and buying trends in top-performing regions to adapt products, services, and promotions to align with the demands of the local market.
- Focus investments by shifting budgets from underperforming regions to ones with higher potential.