

MARKET AND SALES PERFORMANCE

Sales performance is highly volatile because the market is unpredictable. But if we look at the sales trend of the last 4 years, we will see a decline in sales around the month of September.

Our analysis reveals three distinct sales performance clusters:

- **High Performers (>\$300):** This group comprises only two regions: Central Asia and North Asia. These regions stand out for their exceptional sales generation.
- **Mid-Performers (\$200-\$300):** Seven regions fall into this category, including Oceania, North America, and Southeast Asia. Their sales performance demonstrates solid results.
- **Lower Performers (<\$200):** Four regions - EMEA (Europe, Middle East, and Africa), Africa (likely excluding North Africa), Caribbean, and Canada - make up this group. Their sales figures are currently below the \$200 threshold.

This breakdown allows us to focus future sales strategies on maximizing performance in each category.

Global Superstore reveals an interesting sales pattern. Technology products bring in the highest sales, followed by Furniture and then Office Supplies. However, despite generating the most trade, Technology products account for fewer individual transactions compared to Office Supplies. This trend has held steady for the past four years. This data suggests a 60/40 pattern at play. In other words, a small portion of products (Technology) likely generates a significant share of the total sales (60%), while a larger portion of products (Office Supplies) contributes a smaller portion of the total sales (40%).

CUSTOMER BEHAVIOR AND SEGMENTATION

We've identified three distinct customer segments based on their purchasing behavior. These segments show clear differences:

- **Cluster 0:** These customers tend to purchase products with low recency and their transactions are typically for smaller amounts, not exceeding \$2,000.

- **Cluster 1:** This segment is characterized by frequent purchases with high recency but with a similar spending limit of up to \$2,000 per transaction.
- **Cluster 2:** Customers in this group exhibit infrequent purchases with low recency but, unlike the others, they are willing to spend more than \$2,000 per transaction.

Both Cluster 0 and Cluster 1 customers exhibit low purchase frequency, typically buying only once or twice in the past four years. Conversely, Cluster 2 demonstrates the highest purchase frequency within the same timeframe.

We can say, Cluster 2 contributes the most sales compared to the combined sales of Cluster 0 and Cluster 1.

PRODUCT PORTFOLIO OPTIMIZATION

An analysis of sales data from the past four years across different product categories reveals that technology products deliver the highest return on investment (ROI). This is driven by two key factors: strong profit margins and a healthy growth rate of 23.25%.

SUPPLY CHAIN AND SHIPPING EFFICIENCY

The provided column chart highlights a key customer experience challenge. While standard shipping is the most popular option, followed by 2nd class, 1st class, and same-day delivery, the cost structure tells a different story. Same-day delivery incurs the highest shipping cost, followed by 1st class, 2nd class, and finally, standard shipping, the most preferred option.

This cost discrepancy creates a trade-off for customers: affordability versus speed. Unfortunately, the current pricing structure may lead to customer dissatisfaction regarding delivery convenience.

To address this and improve customer experience, Global Superstore should explore strategies to reduce shipping costs, particularly for same-day delivery. This could involve optimizing fulfillment processes, negotiating better rates with carriers, or offering tiered pricing structures based on order value.