

## Observations for Verdun Group Delegates (2013–2014)

### Sales and Profit Performance:

- Total sales amounted to **\$109.93M**, with the **Government segment** contributing the highest gross revenue of **\$52M**.
- The **total profit** was **\$15.16M**, with the **year 2014** accounting for the majority (**\$11.64M, 76.77%**), indicating stronger performance compared to 2013.

### Product-Level Insights:

- **Paseo** was the best-performing product, generating **\$30.5M** in sales and accounting for **314K units sold**, making it the top-selling product.
- The **Carretera** product recorded the lowest sales at **\$13.1M** but maintained parity in unit sales (137K units) with higher-selling products like Montana.

### Profit by Discount Band:

- The **High discount band** contributed the largest share of profits (**\$6.19M, 40.83%**), while **Medium discounts** added **\$5.58M (36.81%)**. Low discounts generated the least profit (**\$3.39M, 22.36%**).

### Segment Contribution:

- After the Government segment, the **Small Business segment** contributed **\$46M** in gross sales, followed by **Enterprise** at **\$9M**.
- The **Channel Partners** segment lagged significantly, generating only **\$2M** in sales.

### Product Profit Contributions:

- **Paseo** led in profit generation, contributing **\$4.3M**, while **Carretera** ranked lowest at **\$1.5M**.
- Profits from other products like VTT (**\$2.6M**) and Velo (**\$2.2M**) were moderate but fell short of Paseo's dominance.

### Unit Sales Consistency:

- Unit sales across products (except Paseo) were relatively balanced, ranging from **137K to 155K units**, indicating no significant disparity in product popularity.

## Recommendations for Verdun Group

### Maximize Profitability from the Government Segment:

- Since the **Government segment** contributed the highest sales (**\$52M**), Verdun Group should strengthen partnerships with government entities by offering tailored solutions, exclusive products, or bulk discounts to retain and grow this segment.

### Revitalize the Channel Partners Segment:

- With only **\$2M in sales**, the **Channel Partners segment** requires attention. Introduce incentive programs, increase marketing efforts, or re-evaluate the product mix offered to this segment to boost engagement and revenue.

### Focus on Top-Performing Products:

- **Paseo** leads both sales (**\$30.5M**) and profit (**\$4.3M**). Capitalize on its success by increasing production capacity, enhancing marketing efforts, and exploring opportunities for geographic expansion.
- For products with lower sales and profits like **Carretera (\$13.1M sales, \$1.5M profit)**, consider revisiting pricing strategies or exploring opportunities to improve appeal through redesigns or marketing campaigns.

### Leverage High Discount Band Profitability:

- The **High discount band** generated the highest profit (**\$6.19M, 40.83%**). Verdun Group should analyze its success and replicate this discounting strategy across other underperforming products or customer segments while maintaining profitability margins.

### Enhance Sales in Small Business and Enterprise Segments:

- The **Small Business segment** performed well (**\$46M sales**) but has room for further growth. Verdun Group should target this segment with tailored marketing campaigns or financing options to encourage higher product uptake.
- For **Enterprise**, invest in building stronger relationships, offering customized deals, or focusing on products that resonate with this segment to increase its contribution beyond **\$9M**.

### Capitalize on 2014's Performance for Sustained Growth:

- Since **2014 accounted for 76.77% of the profit (\$11.64M)**, Verdun Group should analyze the specific strategies, product promotions, or market dynamics responsible for this success. Replicate these strategies to maintain momentum in future years.

#### **Optimize Resource Allocation Across Products:**

- Unit sales are relatively balanced across most products (**137K–155K units**). Verdun Group should ensure efficient production and inventory management to meet demand while prioritizing high-margin products like Paseo.

#### **Improve Marketing for Low-Selling Products:**

- For products like **Carretera** with lower sales (**\$13.1M**) and profits, introduce targeted campaigns, bundle offers, or limited-edition versions to create demand and differentiate from competitors.