**📊 Sales Performance Analysis Report**

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**📊 Unit Sales Analysis Report**

**1️. What is the average number of units sold per subcategory?**

**🔎 Key Findings:**

* The **top 5 subcategories** with the highest units sold are **spread across different product categories**.
* **No single category dominates** the top-performing subcategories, indicating that **all five product categories are equally competitive** in the market.
* **Underperforming Subcategories:**
  + Products under **Sports & Outdoors** and **Home & Living** categories show **weaker sales performance**.
  + Specifically, **Furniture, Garden, and Equipment** subcategories are struggling to generate strong unit sales.

**📌 Implications:**

* The market appears to be **diverse and balanced**, with no single category significantly outperforming others.
* **Low sales in certain subcategories** might indicate low demand, poor visibility, or lack of competitive pricing.

**📈 Suggested Actions:**

✅ **Targeted Promotions:** Implement **discounts, special deals, or limited-time offers** on underperforming subcategories to boost sales.  
✅ **Strategic Advertising:** Increase **marketing efforts** for **Furniture, Garden, and Equipment** to drive consumer awareness and demand.

**2️. Are there regions that sell more units but generate lower profits?**

**🔎 Key Findings:**

* **No region sells high volumes but generates low profit.**
* However, an **unusual trend** was observed in the **North region**:
  + **Units Sold:** 201,869
  + **Profit Generated:** ₦5.6M
  + **Comparison:**
    - The **West region** sold slightly more units (**208,338 units**) and generated **₦5.6M in profit**.
    - Despite selling **fewer units** (about **9% lower** than the West), the North **still generated the same profit**.

**📌 Implications:**

* This suggests that the **North region is selling high-value (premium-priced) products**, leading to **higher profitability despite lower volume sales**.
* There could be **a preference for premium/luxury items** in the Northern market.

**📈 Suggested Actions:**

✅ **Premium Pricing Strategy:** Strengthen **high-value product offerings** in the **North region** to capitalize on consumer spending behaviour.  
✅ **Market Segmentation:** Investigate **why premium products perform well in the North** and replicate similar strategies in **other regions**.  
✅ **Localized Promotions:** Design **tailored promotions** per region based on sales behaviour—offering **premium product incentives in the North** and **volume-based promotions in other regions**.

**📊 Sales Performance Analysis Report**

**1️. Which region is the top performer in sales and profit?**

**🔎 Key Findings:**

* The **sales and profit performance by region** ranks as follows:  
  **1️. South** – Highest Sales & Profit  
  **2. East**  
  **3️. West**  
  **4️. North** – Lowest Sales & Profit
* The **South region** consistently outperforms others in both **revenue and profitability**, while the **North region lags behind**.

**📌 Implications:**

* **Market strength in the South:** The region may have **higher purchasing power, better product availability, or stronger demand for premium products**.
* **Potential challenges in the North:** Lower sales and profit may indicate **lower product penetration, or weaker marketing efforts** (you can consider the reservation on insecurity as factor hindering this penetration).

**📈 Suggested Actions:**

✅ **Regional Market Expansion:** Strengthen **distribution channels and marketing efforts in the North** via Online & Radio to **increase brand presence and sales penetration**.  
✅ **Localized Promotions:** Introduce **customized discounts and offers** in the **East and North regions** to **boost sales and customer engagement**.  
✅ **Leverage South’s Strength:** Double down on **successful sales strategies used in the South**, such as **exclusive product launches or targeted promotions**, and replicate them in other regions.

**2️. Which category and subcategory contributed the most to overall sales?**

**🔎 Key Findings:**

* **Top-Contributing Category:** 🏆 **Sports & Outdoors** – **₦15.7M in total sales**.
* **Top-Contributing Subcategory (within Sports & Outdoors):**
  + 👟 **Footwear** – **₦3.2M in sales**, making it the **leading product within the top-performing category**.
* **Overall Best-Selling Product (subcategory):**
  + 🎨 **Decoration (Service-Based Product)** – **Highest revenue-generating product** across all categories.

**📌 Implications:**

* **Sports & Outdoors is the strongest revenue driver**, showing **high consumer demand in this category**.
* **Footwear stands out as a dominant product**, signalling an opportunity to expand inventory or premium offerings in this segment.
* **Decoration services outperform physical goods**, indicating a **profitable service-based revenue stream**.

**📈 Suggested Actions:**

✅ **Stock Optimization:** Ensure **consistent availability of top-selling products**, especially in high-demand categories like **Footwear and Sports & Outdoors**. Since it boost sales, make it available.  
✅ **Service Expansion:** Explore ways to **expand or upsell decoration services**, possibly through **premium customization options**.

Other actions include. ✅ **Targeted Advertising** and ✅ **Product Branding Strategy**

**📊 Profit Performance Analysis Report**

**1️. Which category and subcategory provided the highest profit margins?**

**🔎 Key Findings:**

* **Top-Profit Margin Category:** 🏆 **Sports & Outdoors**
  + All subcategories within this category maintain a stable profit of around **₦900K**, making it the **most profitable category overall**.
* **Top-Profit Margin Subcategory:**
  + 👕 **Clothing** – **30.6% profit margin**, the highest among all subcategories.
  + **Close Contenders:**
    - 💊 **Supplements** – **30.4% margin**
    - 📱 **Tablets** – **30.4% margin**
    - 💻 **Laptops** – **30.4% margin**

**📌 Implications:**

* **Sports & Outdoors leads in profit generation**, suggesting **consistent demand and healthy pricing strategies**.
* **Clothing outperforms all subcategories in profitability**, meaning that **markups, cost efficiency, or brand value** contribute to its success.
* **Tech-related products (Tablets & Laptops) and Supplements also maintain strong profit margins**, making them key categories to monitor for future pricing strategies.

**📈 Suggested Actions:**

✅ **Scale High-Margin Products:** Increase **advertising and inventory** for high-profit-margin products like **Clothing, Supplements, and Laptops** to further drive revenue.  
✅ **Optimize Pricing Strategy:** Given the **strong margins in Clothing**, consider **premium product offerings** (Clothing customization).  
✅ **Expand Geographic Targeting:** Since **profitability varies by region**, introduce **targeted pricing models** for high-performing locations.

**2️. Are there any subcategories with high sales but low profit? If so, how can profitability be improved?**

**🔎 Key Findings:**

* **High-Sales, Low-Profit Products:**
  + 👟 **Footwear** – **₦3.2M in sales**, but lower profit relative to its revenue.
  + 🏋️ **Fitness Gear** – **₦9.7M in sales**, yet profit margins do not match high-selling counterparts like 👕**Clothing**.
* **Profitability Comparison:**
  + **Clothing (₦3.2M sales) generates ₦9.9M in profit**, which is **higher than both Footwear and Fitness Gear**, despite having similar sales volume.
  + **Equipment’s generate more sales than Bikes, but Bikes generate more profit**, indicating a **potential pricing gap** between product categories.
* **Geographic Influence on Profitability:**
  + Products perform **differently across regions**—some products **generate higher sales and profit in the North**, despite the North having **the lowest overall performance**.
  + The **South leads in both total sales and profit**, while the **North lags behind**, yet specific products perform exceptionally well in the North.

**📌 Implications:**

* **Pricing inconsistencies may be reducing profit margins** in high-sales categories like **Footwear and Fitness Gear**.
* **Equipment sales are strong, but their profit is lower compared to Bikes**, meaning that either **markup strategy or demand fluctuations** affect profitability.

**📈 Suggested Actions:**

✅ **Review Pricing Models:** Consider **adjusting markup percentages** on Footwear and Fitness Gear to align profits with sales volume.  
✅ **Increase Upsell & Cross-Sell Strategies:** Brand low-margin products **with complementary high-margin items** (e.g., Footwear + Clothing) to **maximize profit per transaction**. (in other words, create a package that accommodates multiple products in one transaction)  
✅ **Region-Specific Promotions:** Since **some products perform better in certain regions**, **tailor promotions and pricing strategies** to match **regional buying patterns**. (This was highlighted earlier)

**📊 Customer Satisfaction Analysis Report**

**1️. Which categories or regions have the highest and lowest satisfaction scores?**

**🔎 Key Findings:**

* **Lowest Satisfaction Region:** **❌ North**
  + The North has the **lowest customer satisfaction score** compared to other regions.
  + Previous insights suggest that **North has lower engagement in transactions**, which could correlate with its satisfaction ratings.
* **Lowest Satisfaction Categories:** **Fashion, Health & Beauty, and Sports & Outdoors**
  + These categories have the **joint lowest customer satisfaction score of 3.99**.
  + These products are highly dependent on **size, shape, and quality expectations**, which may not always meet customer preferences.
  + **Electronics & Appliances perform better** in satisfaction, possibly due to **clearer specifications and quality control (The decoration service must be top notch and also, Gadgets don’t have size variance)**.

**📌 Implications:**

* **North's low satisfaction may stem from limited engagement or fewer purchasing options.**
* **Fashion, Health & Beauty, and Sports & Outdoors categories need better quality control and sizing guides** to manage customer expectations (especially, online purchases).
* **Electronics tend to have clearer product descriptions and specifications, reducing dissatisfaction risks.**

**📈 Suggested Actions:**

✅ **Improve Product Descriptions & Sizing Guides:** For categories like **Fashion and Health & Beauty**, ensure **detailed descriptions, size charts, and customer reviews** are visible before purchase.  
✅ **Introduce a Satisfaction Guarantee:** Consider an **easy return/exchange policy** for high-dissatisfaction categories to **build trust and improve ratings**.

**2️. What is the relationship between Customer Satisfaction, Sales, and Profit?**

**🔎 Key Findings:**

* **Highest Satisfaction Region:** ✅ **West**
  + **Sales Satisfaction Score:** **4.17%**
  + **Profit Satisfaction Score:** **3.73%**
  + The West experiences **strong sales and profit performance, correlating with high customer satisfaction.**
* **Second-Highest Satisfaction Region:** 🟡 **North**
  + **Sales Satisfaction Score:** **2.94%**
  + **Profit Satisfaction Score:** **1.83%**
  + Despite being the **least engaged region in transactions**, **North still records relatively higher satisfaction levels than expected.**
  + This suggests that customers who purchase in this region may be **receiving high-value or premium products.**
* **Lowest Satisfaction Regions:** ❌ **South & East**
  + Both regions have the **lowest satisfaction scores**, despite high sales volume.
  + **Potential cause:** Misalignment between **product expectations and actual product experience**.

**📌 Implications:**

* **High satisfaction correlates with strong profit and sales performance** (West).
* **North, despite lower engagement, maintains a decent satisfaction rating, possibly due to premium product purchases.**
* **South and East may need better product curation or targeted customer feedback initiatives.**

**📈 Suggested Actions:**

✅ **Launch Customer Surveys in the South & East:** Identify key pain points and adjust product offerings based on consumer preferences.  
✅ **Region-Specific Marketing & Product Positioning:**

* **For the North:** Market premium products, as customers seem to value them.
* **For the South & East:** Focus on **improving product quality and after-sales support** to enhance satisfaction.  
  ✅ **Introduce Personalized Shopping Experiences:** Implement AI-driven **recommendation systems** that align customer purchases with past preferences to **reduce dissatisfaction rates**.

Further Observations on Data Quality:

Some transactions report zero (0) sales and profit while still recording 1 unit sold.

This pattern suggests that an item was processed as sold but did not generate revenue or profit.

**Possible Explanations:**

1. Discounts or Giveaways: The item might have been given away for free (e.g., promotional offers, customer loyalty rewards).

2. Cancellations or Voids: A sale may have been reversed, but the transaction still remained in the dataset.

3. Data Entry or System Error: There could be an issue in data recording, where the sales value was mistakenly entered as zero.

I measured that 57% of processed items recorded zero sales, this significantly impacts your analysis. The decision to remove or keep these zero-sale items depends on your analysis goals

Implications for Analysis:

- Distorted Sales & Profit Metrics: Including these zero-sales transactions lowers average sales and profit values, potentially misleading profitability insights.

- Unit Sold vs. Revenue Mismatch: If a high number of zero-sales transactions exist, analyzing units sold without revenue context can create misinterpretations (e.g., a product may appear popular but is not generating revenue).

Hence why I checked

**So I asked:**

**Operational Efficiency vs. Financial Performance: Which One is the Focus?**

* **Financial Performance Focus**: Measuring **sales, profit, margins, and growth trends** to understand how the business is performing in revenue generation.
* **Operational Efficiency Focus**: Identifying **inventory issues, product demand, and sales bottlenecks**, ensuring resources are allocated efficiently.

However, **there’s a heavy impact of zero-sales transactions (57%) suggests a significant operational issue** that **directly affects financial performance**.

**ACTION Taken:**

1️. **Adjusted financial performance metrics to exclude zero-sales items** (Updated DAX provided earlier).  
2️. **Create a separate report to analyse zero-sale transactions.**

**🚀 Next Steps:**

* Conduct further **regional pricing and customer behaviour analysis** to validate why premium items perform well in the **North region**.
* Track the effectiveness of **discount campaigns & targeted ads** on underperforming subcategories.

South & East satisfaction – have the lowest sales satisfaction % yet remain the highest sales & profit contributors  
  
this means that we may need to improve the south & easts branding/packaging for their offerings as they do not meet their level of taste and expectation – perhaps in timely delivery, tickets generation on misplaced item etc may have caused this

The north & west however, have more satisfaction rate than the east and south who have more influence on overall sales & profit