

# UNICORN E-COMMERCE

PRODUCTS  
PROFITABILITY  
ANALYSIS

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**COMPANY**

# OVERVIEW

SALES AND PROFITS

# OVERVIEW

*What Are the Profits For Unicorn In Each Year?*

**2015**

Sales:  
\$497,371.00

Profits:  
\$54,092

**2016**

Sales:  
\$470,425.00

Profits:  
\$61,544.00

**2017**

Sales:  
\$607,904.00

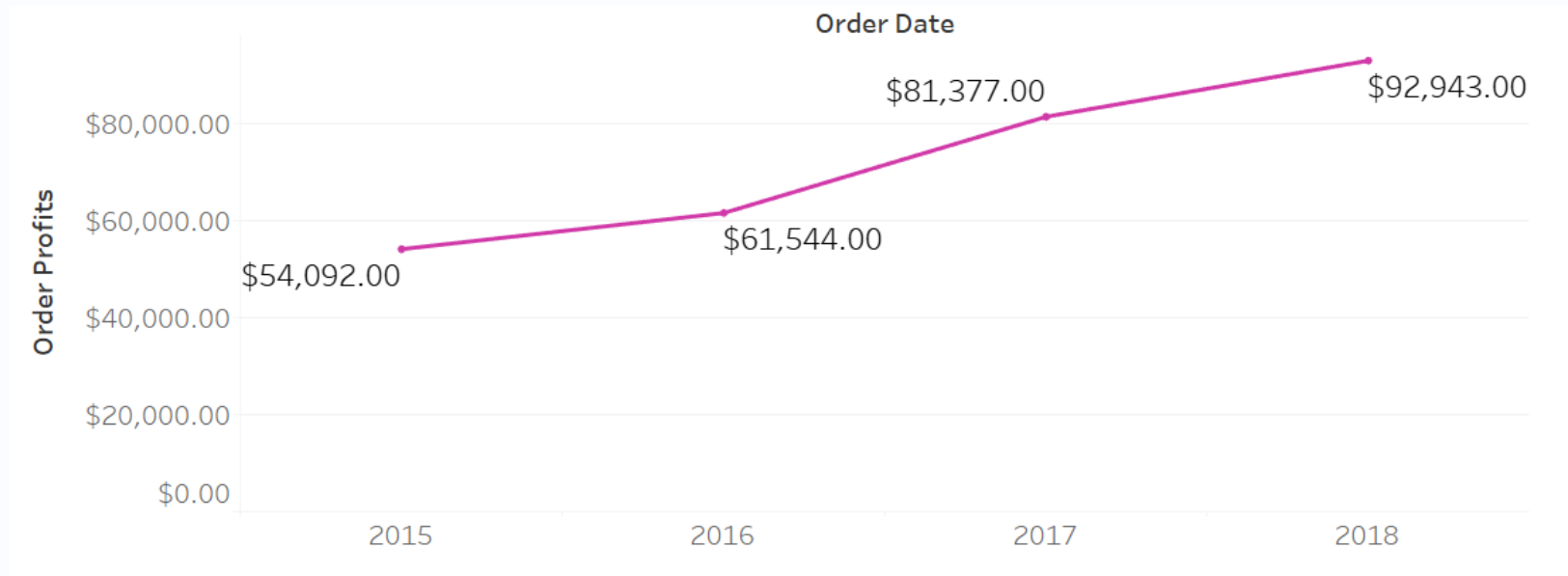
Profits:  
\$81,377.00

**2018**

Sales:  
\$731,549.00

Profits:  
\$92,943.00

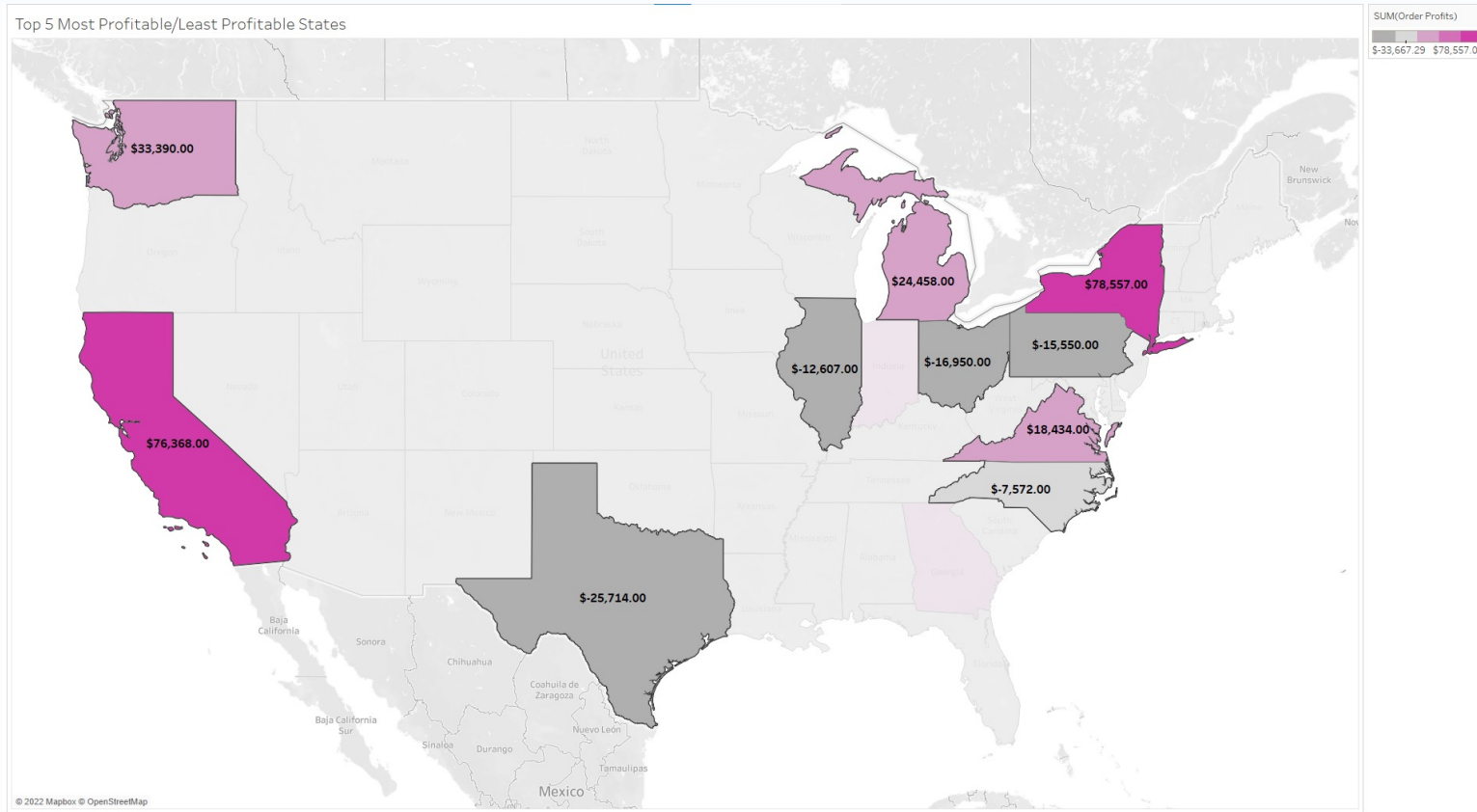
## PROFITS PER YEAR



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# OVERVIEW

## Where Are Our Profits Coming From?



**New York** is making the most profit with **\$78,557**.

**Texas** is making the least profit, going into the negative with **\$-25,714**.



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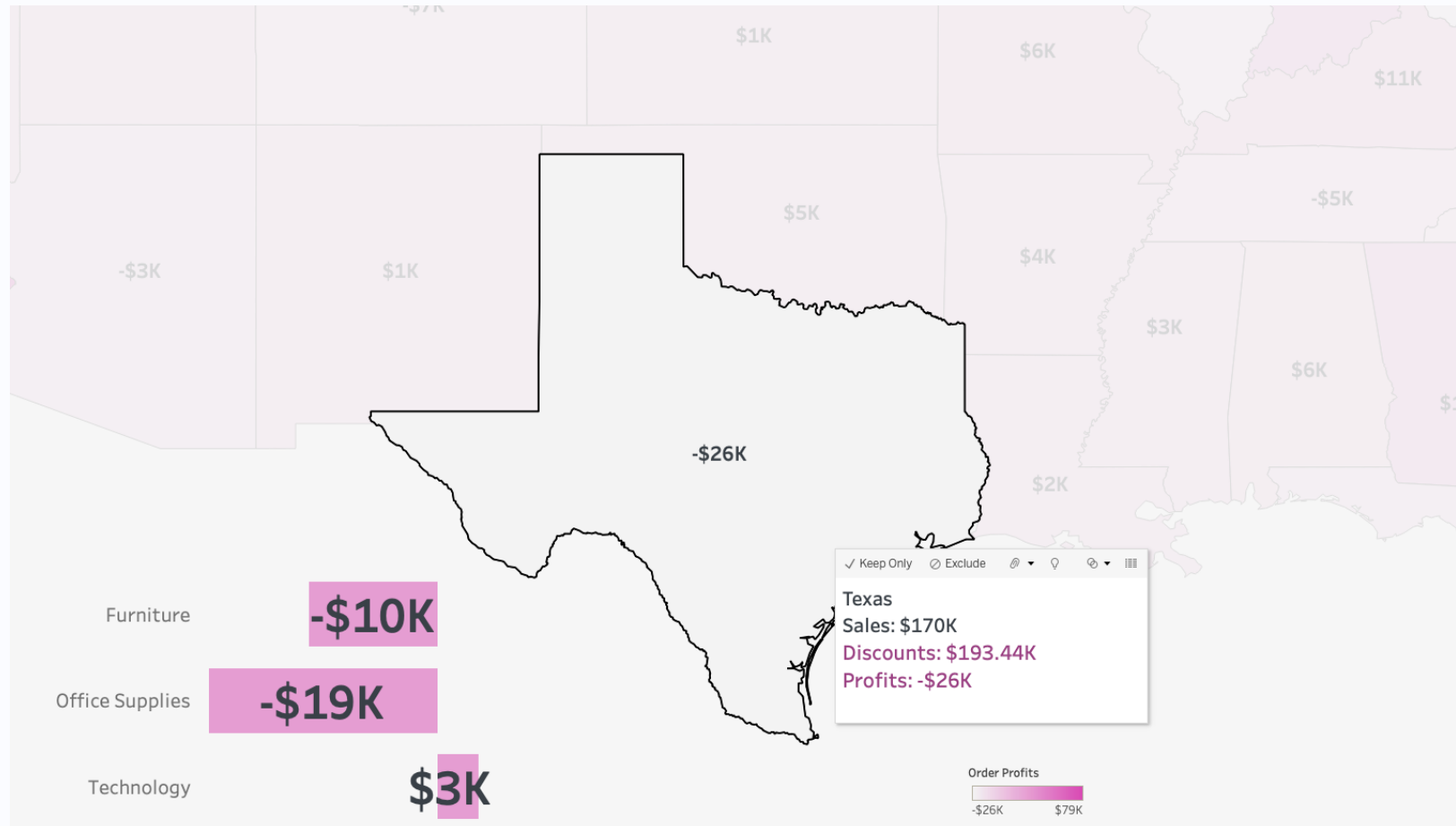
# PROFITS ANALYSIS

LEAST PROFITABLE STATE

# LEAST PROFITABLE STATE

Texas

OVERVIEW



Texas experienced the largest loss in profits in the country.

Although ranking 3<sup>rd</sup> highest in total sales in the US (\$170,187), total profits amounted to \$-25,714. The product category that contributed the most to this loss is Office Supplies. Further analysis reveals that their total applied discounts exceeded their sales.

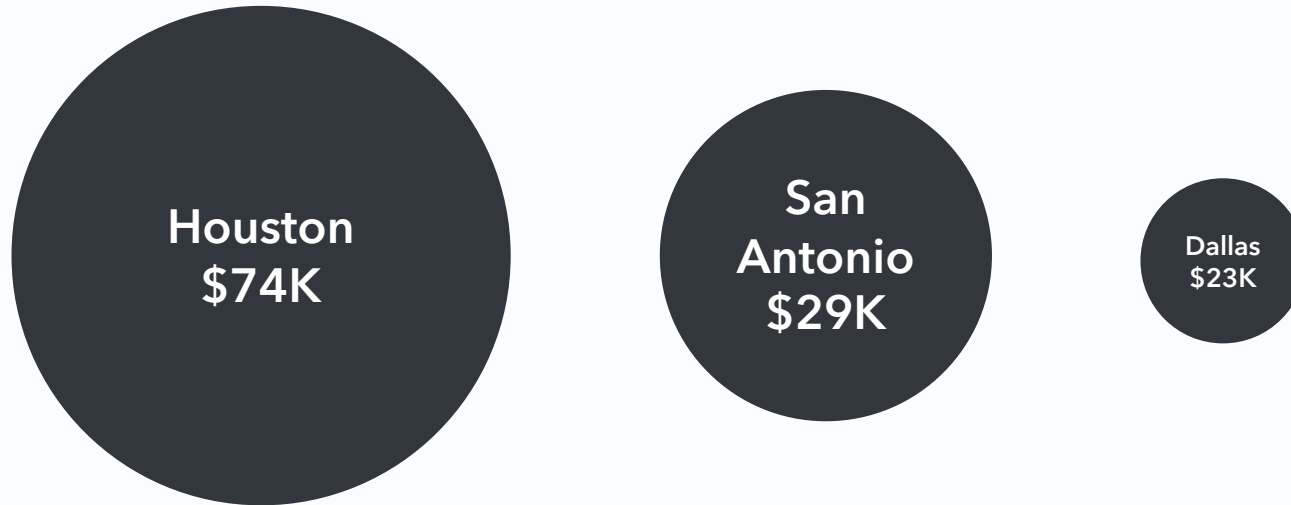


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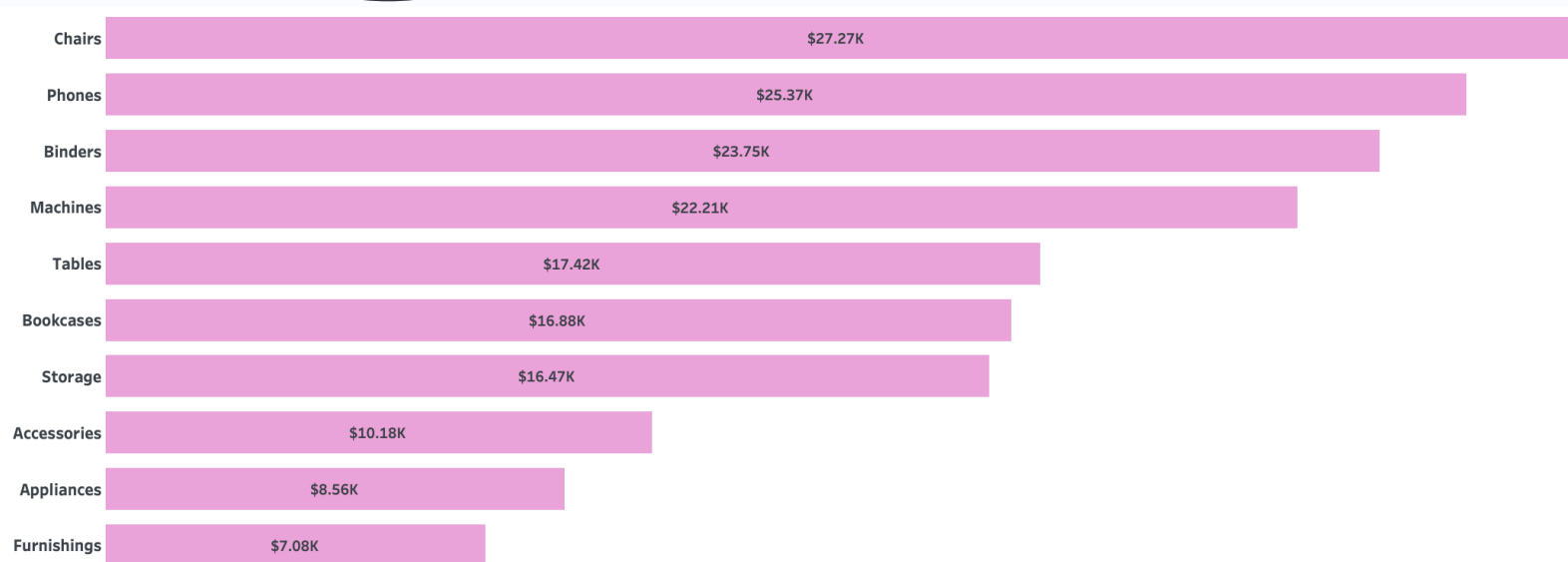
# LEAST PROFITABLE STATE

Texas

PRODUCTS PROFITABILITY ANALYSIS



The **top 3 cities in Texas** which applied the largest discounts are **Houston, San Antonio, and Dallas**. About 76% of discounts given for the entire State are from these 3 cities alone.



A breakdown of subcategories also highlights which products have the **most applied discounts**, 50% of which are in the **Chairs, Phones, Binders, and Machines** Subcategories.



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# LEAST PROFITABLE STATE

## Texas

### PRODUCTS PROFITABILITY ANALYSIS

To find out why **Texas** was struggling compared to the more successful states, we wanted to look at which products were responsible for generating the **most profit** across the country and compare those numbers to the profits generated in Texas.

Here we can see that, while these numbers do present some similar trends between **Texas** and the rest of the country, we can also see that some of the companies' **more profitable products** also happen to be a weak point for Texas, most noticeably in **Binders, Appliances, and Furnishings**.

#### Subcategory Profits Nationwide

Produ.. ≡	Year of Order Date			
	2015	2016	2017	2018
Tables	\$-3,129.00	\$-3,511.00	\$-2,949.00	\$-8,144.00
Bookcases	\$-347.00	\$-2,760.00	\$210.00	\$-582.00
Supplies	\$489.00	\$-24.00	\$-697.00	\$-955.00
Fasteners	\$358.00	\$172.00	\$294.00	\$306.00
Machines	\$370.00	\$2,978.00	\$2,909.00	\$-2,870.00
Art	\$1,409.00	\$1,487.00	\$1,410.00	\$2,224.00
Labels	\$2,622.00	\$1,327.00	\$1,194.00	\$1,748.00
Envelopes	\$1,493.00	\$1,957.00	\$2,067.00	\$1,439.00
Furnishings	\$1,977.00	\$3,054.00	\$3,770.00	\$4,103.00
Appliances	\$3,182.00	\$2,507.00	\$5,302.00	\$7,866.00
Storage	\$4,166.00	\$3,501.00	\$6,206.00	\$6,933.00
Chairs	\$7,526.00	\$6,229.00	\$5,764.00	\$7,644.00
Binders	\$4,824.00	\$7,539.00	\$10,213.00	\$7,658.00
Paper	\$6,633.00	\$6,573.00	\$8,907.00	\$12,034.00
Accessories	\$7,800.00	\$10,194.00	\$9,586.00	\$15,660.00
Phones	\$11,806.00	\$10,391.00	\$9,448.00	\$12,847.00
Copiers	\$2,913.00	\$9,930.00	\$17,743.00	\$25,032.00

#### Subcategory Profits in Texas

Produ.. ≡	Year of Order Date			
	2015	2016	2017	2018
Binders	\$-5,993.00	\$-1,053.00	\$-2,207.00	\$-5,452.00
Appliances	\$-1,099.00	\$-1,920.00	\$-914.00	\$-2,217.00
Furnishings	\$-418.00	\$-384.00	\$-1,123.00	\$-1,387.00
Machines	\$-2,541.00	\$10.00	\$34.00	\$-169.00
Chairs	\$-575.00	\$-582.00	\$-939.00	\$-417.00
Bookcases	\$-130.00	\$-797.00	\$-972.00	\$-491.00
Tables	\$-546.00	\$-438.00	\$-323.00	\$-908.00
Supplies	\$1.00	\$-19.00	\$-825.00	\$7.00
Storage	\$-206.00	\$-224.00	\$-33.00	\$-298.00
Fasteners	\$2.00	\$10.00	\$48.00	\$21.00
Labels	\$50.00	\$38.00	\$75.00	\$39.00
Art	\$38.00	\$32.00	\$94.00	\$157.00
Envelopes	\$472.00	\$118.00	\$190.00	\$66.00
Accessories	\$162.00	\$375.00	\$399.00	\$170.00
Copiers	\$625.00	\$327.00		\$678.00
Paper	\$340.00	\$709.00	\$527.00	\$851.00
Phones	\$681.00	\$1,283.00	\$739.00	\$518.00



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# LEAST PROFITABLE STATE

## Texas

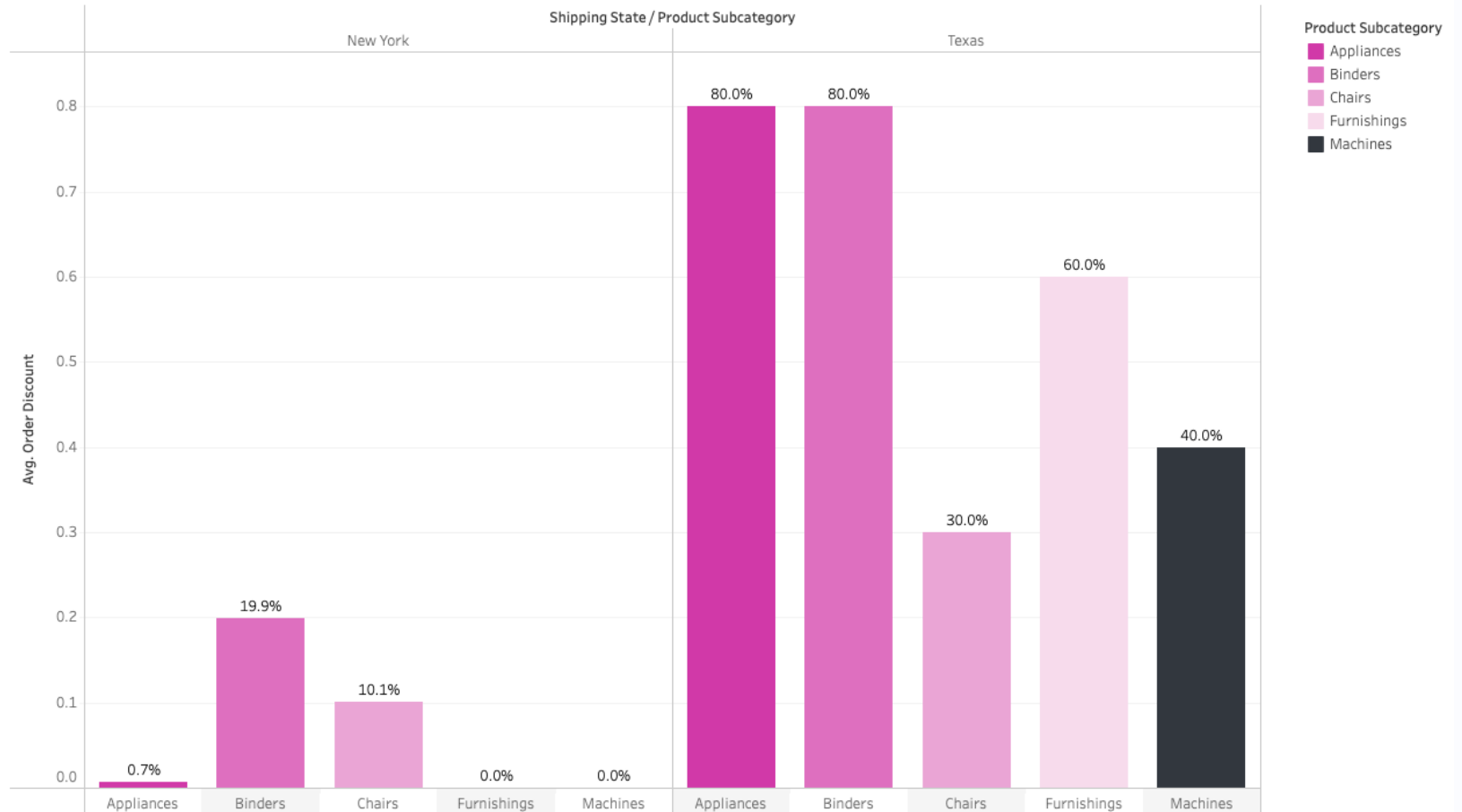
### OVERVIEW

To dig deeper in an attempt to find out why **Texas** was failing where other states were succeeding, we had a look at their **discounting practices**.

Here we can see a comparison between the **average discount applied** per order in **New York**, the company's most profitable state, and in **Texas**, based on the 5 product subcategories where Texas seems to be struggling most.

From these numbers, it looks like **Texas**, on average, discounts orders of both appliances and binders by **80%**, and furnishings by **60%** where New York seems to offer very few discounts in these same areas.

Average Discount per Order New York VS Texas



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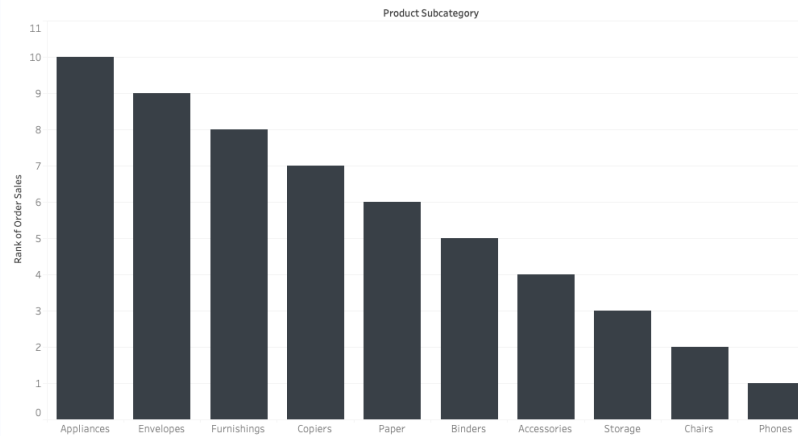
# CONCLUSION

LEAST PROFITABLE STATE

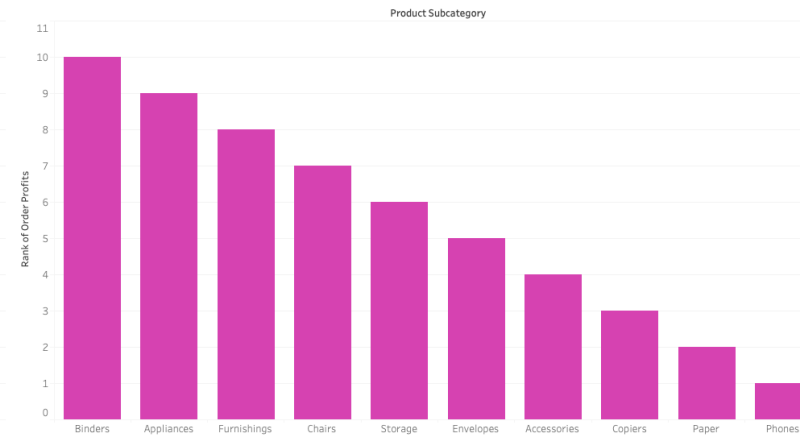
# CONCLUSION

## *Sales & Profitability Analysis*

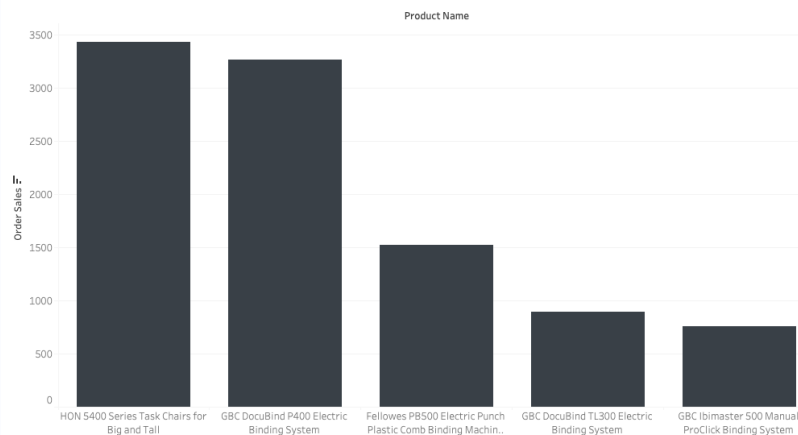
Total Subcategory Sales (Ranked)



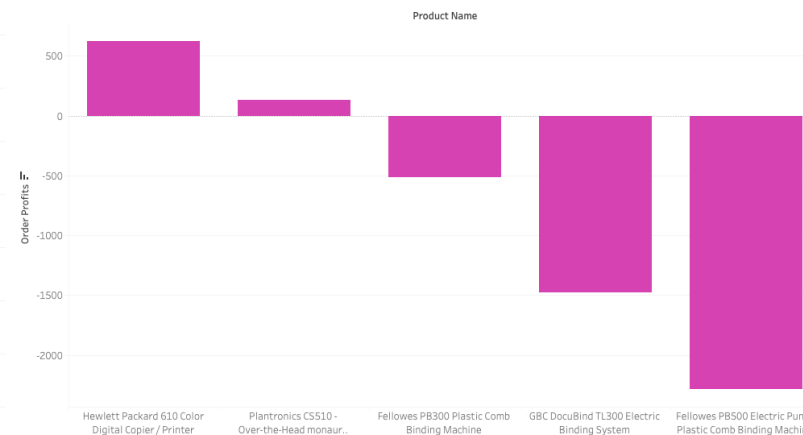
Total Subcategory Profits (Ranked)



Total Product Sales



Total Product Profits



## SOLUTIONS

- Focus on profitable products
- Reduce discounts on items -> mimic other profitable states
- Reduce inventory/stop buying inventory of non-profitable items

## NEED

- Inventory count
- Operating costs
- City and store information
- Floorspace/storage space sq footage

## CAN PROVIDE

- More precise solutions for suffering states
- Drill down of problem areas by specific cities
- Drill down of problem areas by store
- P&L of store and storage floorspace based on sq footage



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# THANK YOU

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