

CAPSTONE PROJECT

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Course: POWERBI

Topic: Nestle Product Analytics

Introduction to the Case

Nestlé is the largest food company in the world, marketing over 8,500 brands and 30,000 products. It operates nearly 500 factories across 5 continents and employs over 200,000 employees worldwide. As the World Food Company, Nestlé is the provider of the best food for whatever time of day and for whatever time of your life. Nestlé R&D Australia plays an important role in the development of products for Nestlé Nutrition, with focus on creating products with micronutrient fortification to address deficiencies.

The company wants to expand its business by adding new product lines. However, the Head of Growth and Strategy suggested that it was important to know the performance of the current products.

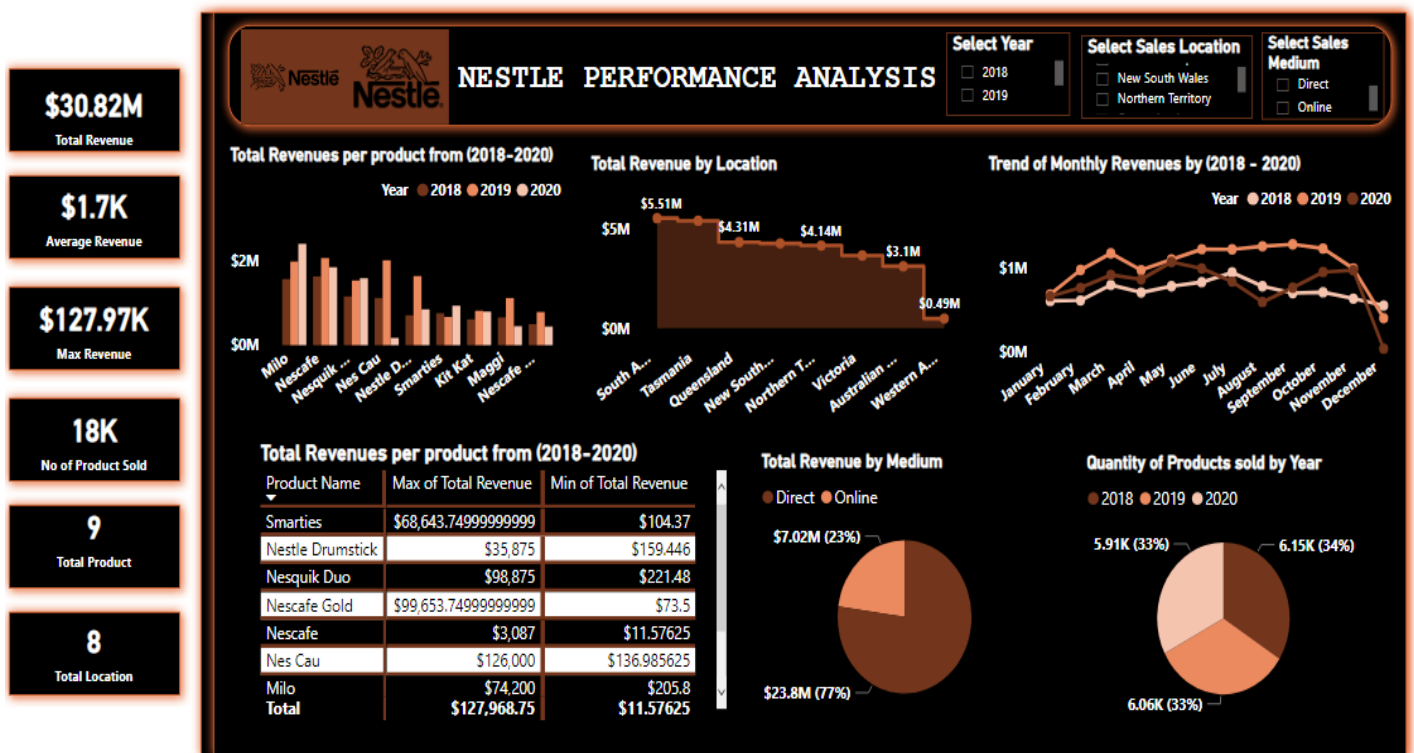
You have been employed as a Data Analyst in the Growth and Strategy Department of Nestle and asked to develop a product comparison dashboard to help the company take a decision on its expansion plans.

Case Scenario

1. What is the trend of total sales per product in the last 3 years?
2. What is the monthly sales trend?
3. Compare the different products based on the maximum and min revenue generated?

- Which location had the highest and lowest sales?
- Generate insights from the sales medium to help the Head of Growth take a decision?

DASHBOARD:



Revenue:

Nestle analysis within 2019 – 2020 gave rise to a total revenue generated of \$30.82 million.

Significantly, the highest revenue of \$12.6 million was in 2019, while 2020 the lowest at \$9.5 million.

Analyzing the revenue distribution over months, June consistently had the highest cumulative revenue of \$3.1 million while May and July showed significant revenue contributions.

From the yearly revenue trend, it is evident that December consistently records the lowest revenue generation, approximately \$1 million, over the past three years.

The total sales recorded over the three years was 18,115 which is broke down to 6,147 sold in 2018, 6,055 in 2019 and 5,913 in 2020. Significantly, there is a steady decline over the years.

Products:

Total of nine products was analyzed, the top five revenue-generating products over the three-year period are Milo, Nescafe, Nesquik Cao, Nes Cau, and Nestle Drumstick.

Milo emerged the highest revenue generator, accumulating a total of \$6.0 million with 2020 the most generated year. Nescafe Gold recorded the lowest revenue at \$1.7 million over the three years.

Also, an observation was drawn across the significant gap between the maximum revenue for all products \$127,968.75 against the minimum revenue of \$11.57.

Location:

Among the eight locations where our products are distributed and sold, South Australia had the obviously highest revenue of \$5.51 million generated by location while Western Australia the lowest generated location of \$0.49 million.

Tasmania performed the best with 3,200 sales over the past three years and Western Australia had the lowest sales, with a total of 300 during the same period.

Medium:

Remarkably, a significant trend of 77% was observed by the direct orders which translates to be more preferred by most customers. This preference highlights the value customers place on trust, assurance, and the ability to address concerns directly with sellers, ensuring product/service quality. While online orders took the least of 23%.

Recommendations:

- ✚ Since direct orders generate more revenue, creating more sales locations is advised to accommodate more sales. However, investing in improving the online platform, gathering customer feedback and monitor customer preferences will help to identify areas for product improvement and proactive decision making.
- ✚ For products with low sales, such as Nescafe Gold, a targeted marketing strategy should be devised and implemented, with a focus on enhancing engagement strategies by personalized interactions, proactive customer support, etc.
- ✚ Additionally, analyze the factors contributing to lower sales in December and consider strategies to boost sales during this time, such as holiday-themed promotions or gift packages.
- ✚ Identifying competitors is key. Nestle should be aware of their competitors. Tracking their competitor's weakness and strength will help to re-direct and guide in decision making.
- ✚ Detailed attention should be paid to customer service, customers/consumers feedback and community relations.
- ✚ Based on the data analysis, it is evident that December consistently records the lowest revenue generation, approximately \$1 million, over the past three years. To optimize cost management and resource allocation, it is advisable to reduce production output during this period.

Summary:

By incorporating these recommendations into our overall business strategy, we can effectively address underperforming products, expand our sales reach, optimize cost management, and foster overall growth and success.

