Report Insights

Sales Growth

1. **Sales growth rate** is **negative**. Similar quarterly sales fluctuations over the years, overall, there is a **slight downward trend** since the beginning of 2014

Causes:

- Objective:
    + Due to economic situation such as inflation; consumer behavior changes; competitor
- Subjective:
    + Due to the lack of convincing sales strategy, not reaching the right audience, inappropriate marketing strategy…

Recommended Solutions:

- Promote **Customer Service**
- Promote more **Marketing Online** channels (PPC)
- Expand sales channels on **E-commerce platforms** (Ebay, Amazon, OverStock…) and its own sales website
- Reach customers in **potential areas** (in the North and West) ⇒ Analyze new markets to know the needs
- Launch new **Marketing Campaigns**, **Promotions** (KOL, voucher, gift, discount, combo, freeship…)

2. **Sales fluctuate by season**

- Usually **increases sharply** around **March**, **peaks** around **April** - **June**, then **decreases** again
- Sales **fell sharply** in the last and first months of the year (**November to February**)

Causes:

- Due to the characteristics of the industry (products with seasonal demand). US's weather is also diverse with 4 seasons:
    + The warm spring lasts from March to June
    + Summer in the US is hot and starts from June, ends in September
    + Autumn is cool, and from September to December
    + **Winter** in the US is **quite cold**, and lasts from **December to March**

Solutions:

- **November** is also the time when the US enters the **biggest discount shopping season** of the year (discounts from 30% - 70%), culminating in Black Friday Take advantage to **push sales**
- Promote research and production of clothing and sports accessories to **keep warm in winter**; equipment for **sports specific to this season** (skiing, skating, ice hockey, etc.)

Sales Allocation

1. The **product with the highest sales** within total sales of **nearly 64,000 units** belongs to **Segment Moderation**, **Category Urban** (these are also the segment and category with the highest sales)
- The top 3 best-selling products are all in these two groups and 7 out of the 10 products in the Top 10 are similar.

Causes:
- Because these product lines are easy to use, have high applicability (can be used in many seasons...)

Solutions:
- Promote **research and development activities** for these product lines, **diversify models** and **competitive prices**

2. Meanwhile, the **products with the lowest sales** only sold **1 unit**, the **total number of products sold under 10 units** amounted to **134 units**.

Causes
- The product does not meet the demand, the quality does meet the requirements

Solutions
- Conduct **customer review surveys** to find out the causes and conduct research and product development
- For product codes that can't be sold but cost a lot of production, **consider stopping production**

3. **Sales** are **concentrated** mainly in the **East** and **South** regions, **less distributed** in the **North** (data by states also show the same when sales are concentrated in Texas, California, Florida ...)

Causes
- Because the **climate** in the northern regions is **different** from the rest (Winter is quite cool, Summer is not too hot, humidity is lower), the product lines launched are not suitable for customers' needs.
- Because the promotion campaign has not reached the customers of this region

- Due to the small percentage of shops in this area

Solutions

- Conduct Market Research to have a suitable product launch strategy
- Promote more communication channels to reach customers
- Expand more branches, offline stores in locations in this area

Revenue & Profit

1. Moderation, convenience, accessory, productivity and youth are the Top 5 segments that generate the most profits for the company.
- However, sales in the first 6 months of 2016 of these segments in general decreased sharply compared to the same period last year. Specifically, sales of the moderation line decreased by 22%, the revenue of the accessory line decreased by 33%, the revenue of the productivity line decreased by 20% and notably, the revenue of the youth line decreased by 69%.

Solution:

- Review the effectiveness of marketing strategy, product quality and customer preferences to have an appropriate sales strategy.

Campaign Valuation

1. Online campaigns are significantly more effective than offline campaigns. This is also a general trend in the retail industry when online marketing becomes popular and consumers have the habit of buying online.

Solution:

- Much more push for online marketing content (via social media, through search engines and content on the company's website).

2. Calculating data for the last 2 quarters of 2015 and the first 2 quarters of 2016 shows that Customer Retention Rate is zero, indicating ineffective customer care activities.

Solution:

- Promote Customer Service, especially taking care of old customers such as after-sales programs when purchasing; actively communicate to find out the needs of regular customers to market new product lines to this customer file; build a loyal customer community and have special offers for them...

Budget & Forecast

1. Demand forecasting is doing well
- Assume the budget in the dataset is the revenue source
- Looking at the diagram, we see that the actual revenue is very close to the planned budget as well as the budget forecast, proving that the demand forecasting and revenue planning activities of the company are doing well.