

# Analysis of Profits

Ecommerce Company

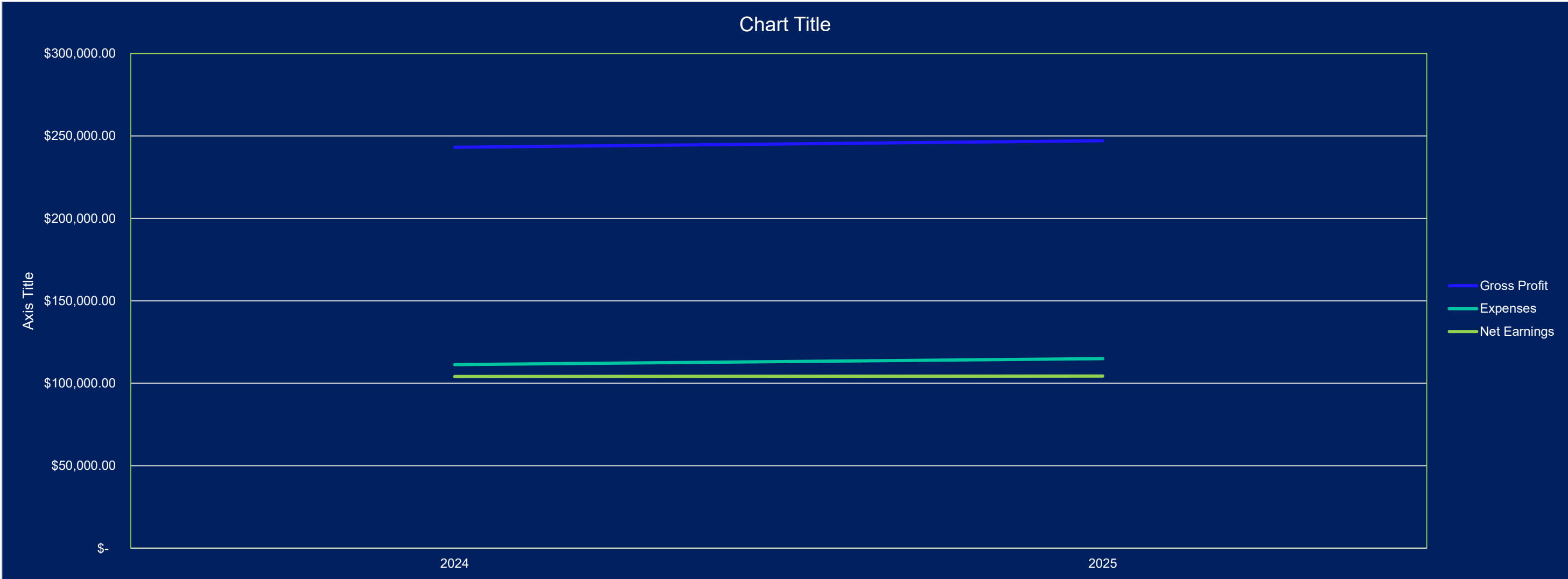
**Consultant: Rodrigo Melo**



# Agenda

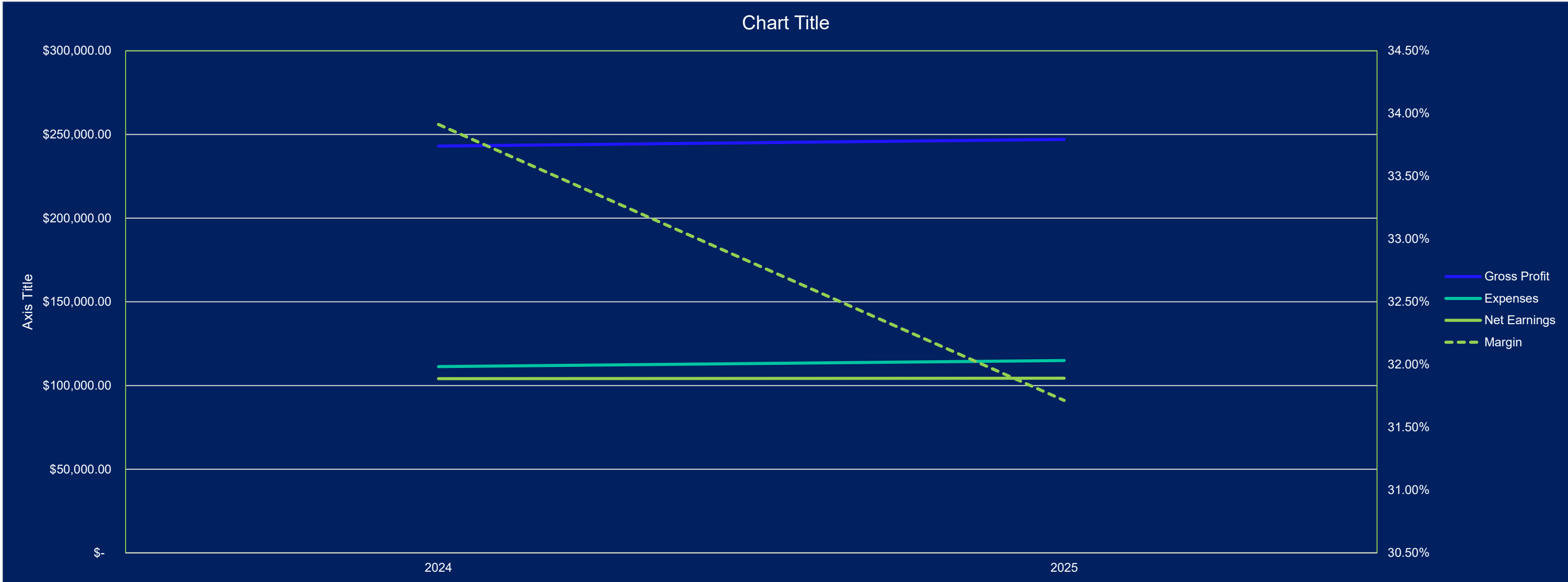
- Company Financials
- Product Performance
- Recommendation

# Company Financials



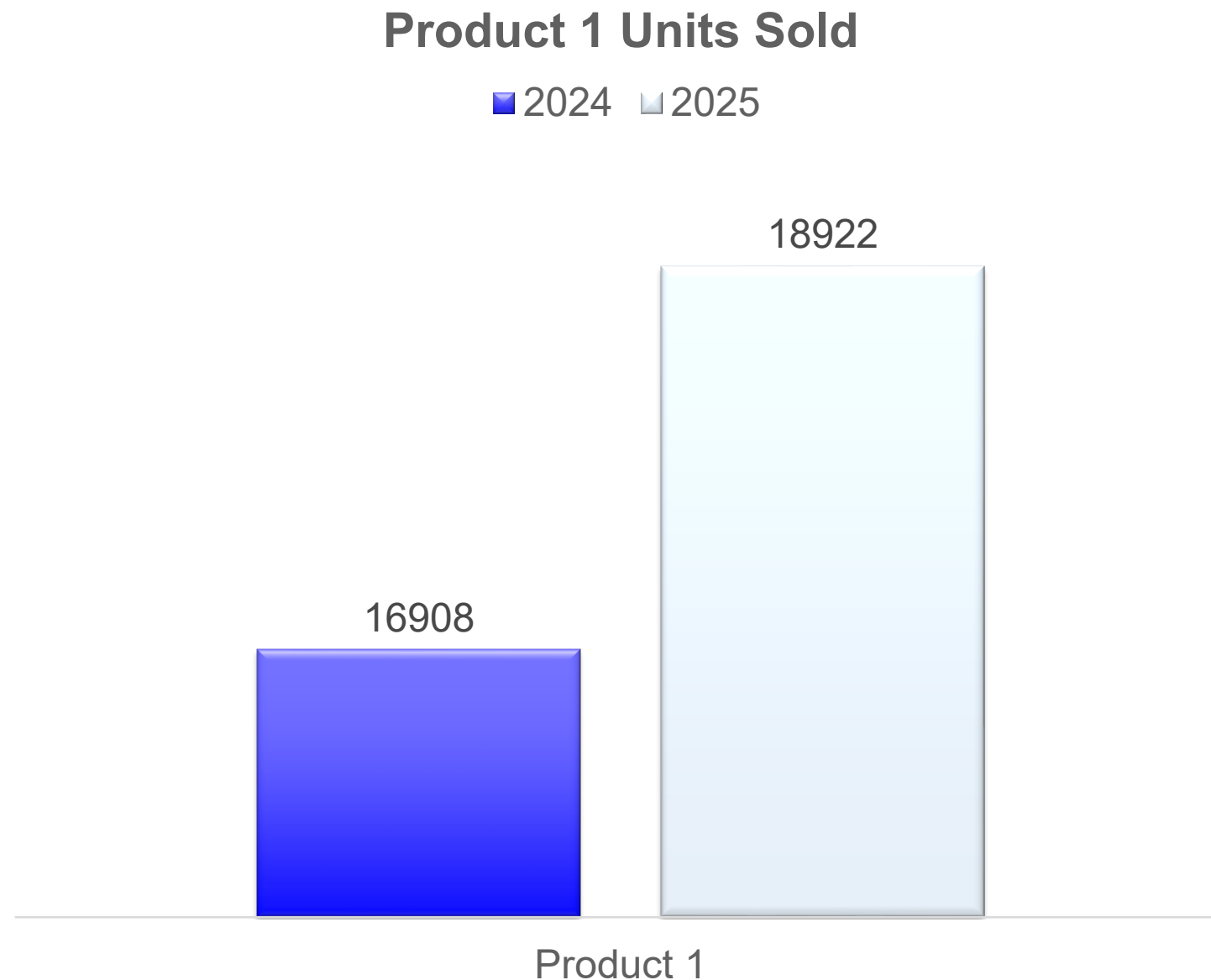
| Profit & Loss Statement | 2024          | 2025          | Compare     |
|-------------------------|---------------|---------------|-------------|
| Gross Profit            | \$ 243,080.00 | \$ 247,055.00 | \$ 3,975.00 |
| Total Expenses          | \$ 111,309.43 | \$ 114,935.80 | \$ 3,626.37 |
| Net Earnings            | \$ 104,098.75 | \$ 104,374.17 | \$ 275.42   |

# Company Financials



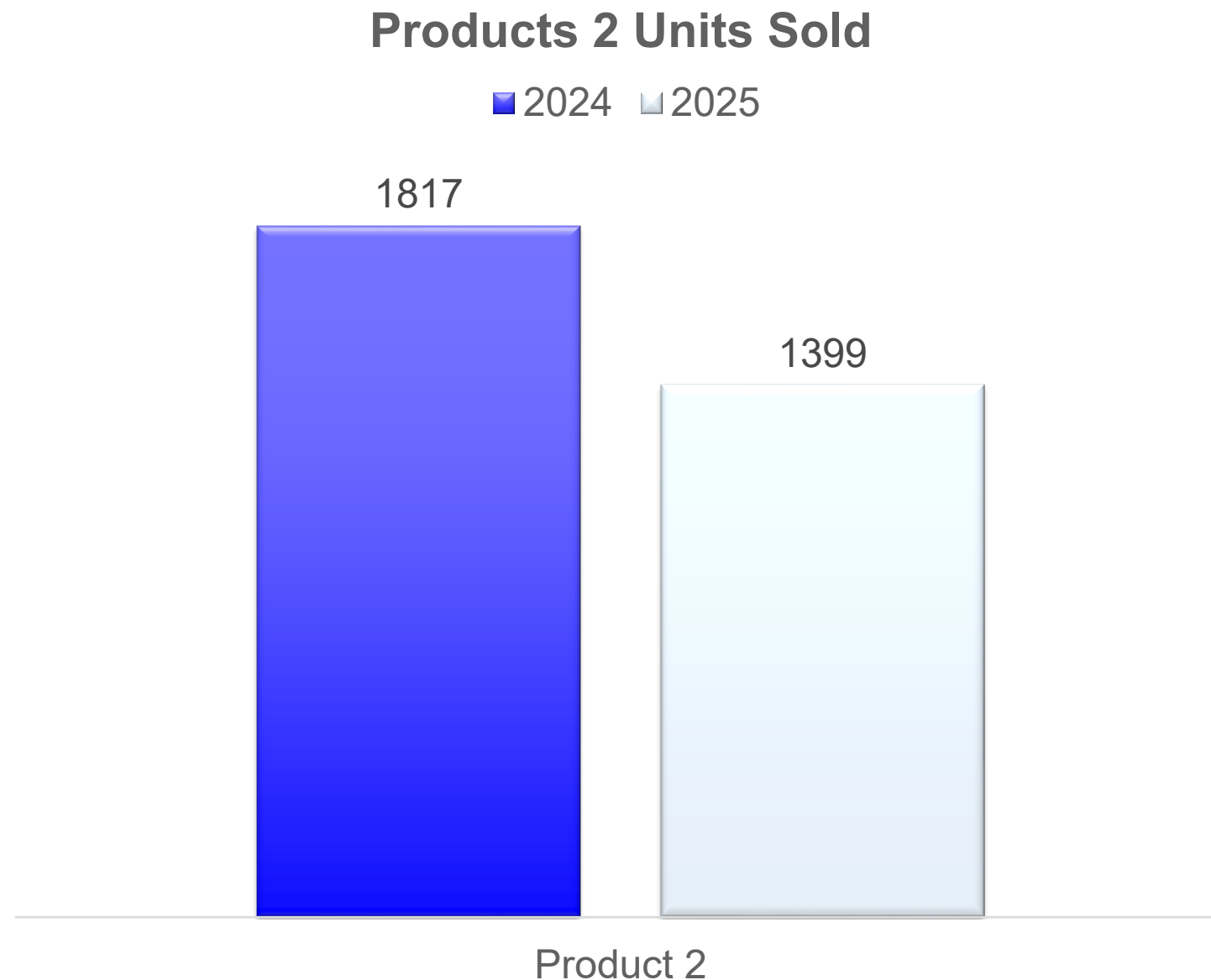
|              | 2024   | 2025   | Compare |
|--------------|--------|--------|---------|
| Gross Margin | 33.91% | 31.71% | -2.20%  |

# Product 1 - Performance



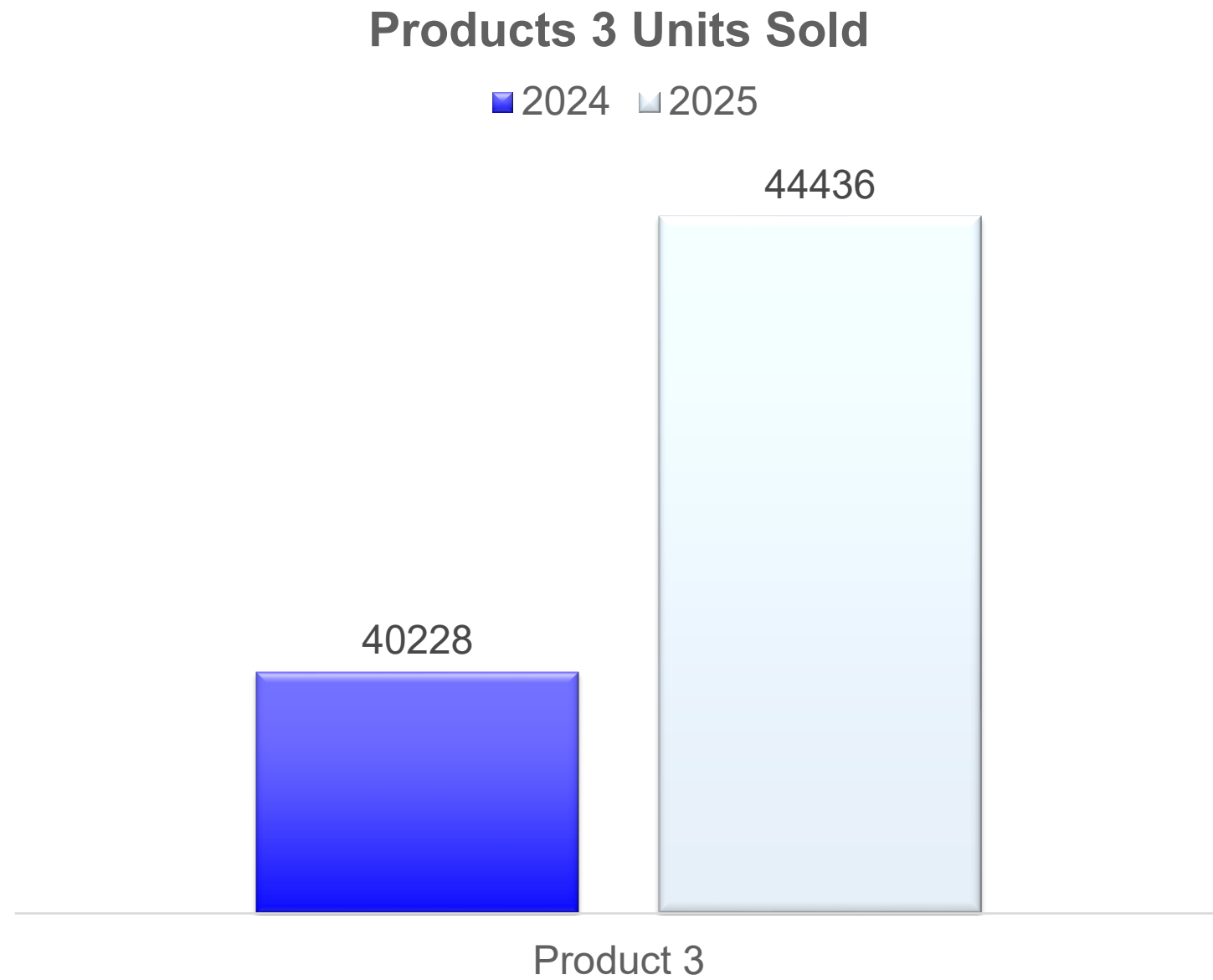
- **Total units sold in 2024:** 16,908 units.
- **Total units sold in 2025:** 18,922 units.
- **Trend:** Sales **increased** significantly from 2024 to 2025, with a **growth** of **2,014** units (~12% year-over-year). This upward trajectory suggest strengthening market adoption or successful marketing efforts for Product 1 during 2025.

# Product 2 - Performance



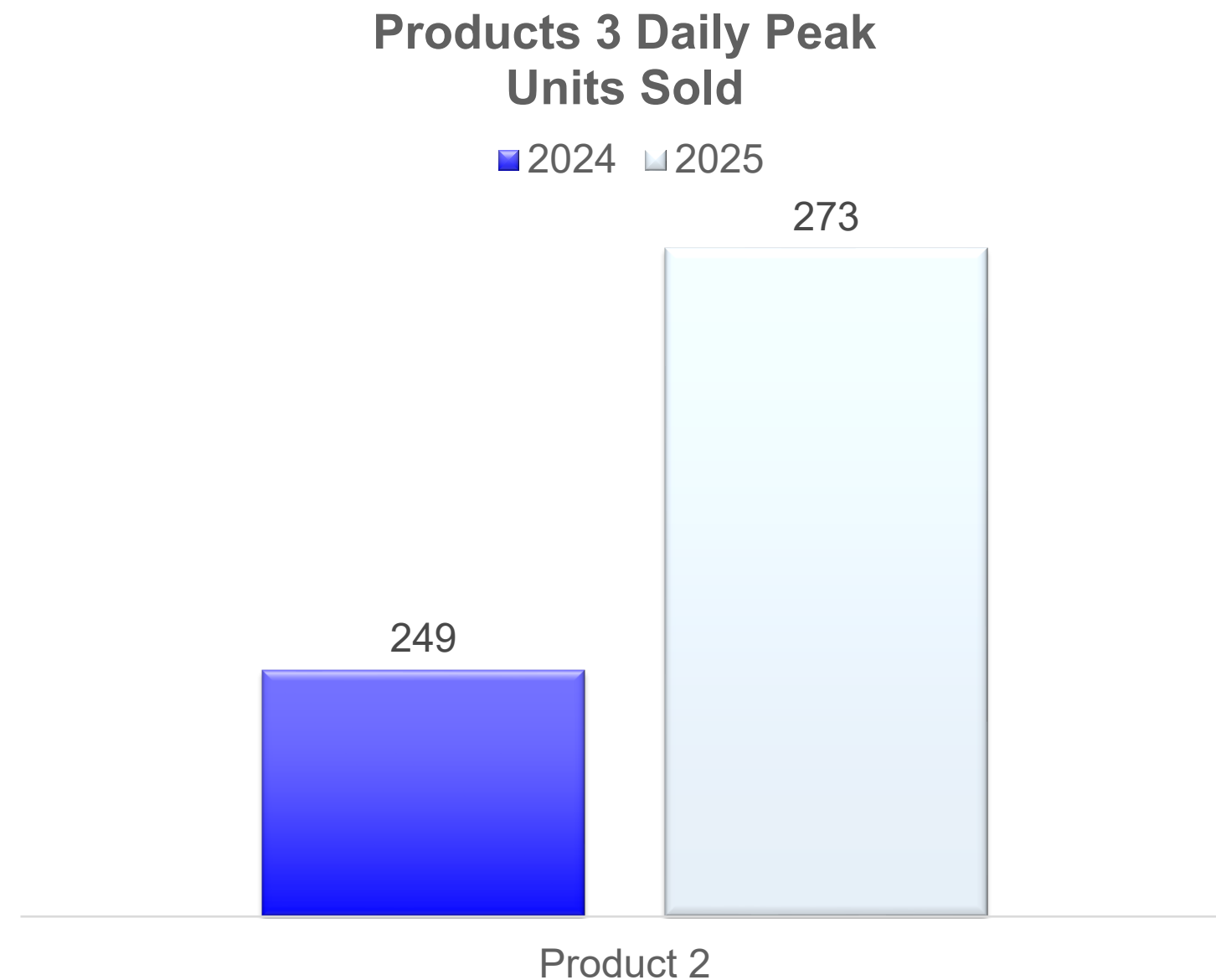
- **Total units sold in 2024:** 1,817 units.
- **Total units sold in 2025:** 1,399 units.
- **Trend:** Sales **decreased** notably from 2024 to 2025, with a **decline** of **418** units(-23% year-over-year). This downward may indicate challenges such as increased competition, market saturation, or shifts in consumer preferences for Product 2 during 2025.

# Product 3 - Performance



- **Total units sold in 2024:** 40,228 units.
- **Total units sold in 2025:** 44,436 units.
- **Trend:** Sales **increased** significantly from 2024 to 2025, with a **growth** of **4,208** units (~10% year-over-year). This upward trajectory suggests stable and growing interest in Product 3, potentially supported by reliable customer retention or successful marketing efforts during 2025.

# Product Max Daily Units



- **Top product in 2024: Product 3** with a peak of 249 units sold on January 8 and August 10. This significantly outperformed all other products on their highest single-day sales.
- **Top product in 2025: Products 3** with a peak of 273 units sold on December 2. Again, this was the highest across all products.
- **Consistency:** Product 3 was the clear leader in both years, demonstrating sustained popularity and demand spikes.



# Product 1 Max Daily Units

- **Product 1 Growth Trajectory:** The modest increase in peak daily sales(from 99 to 103 units or about 4%) mirrors the product's overall 12% surge in total units. This consistency indicates that Product 1 not only scaled aggregate demand but also amplified its ability to drive high-volume days, likely through targeted promotions or seasonal events on those specific dates(January 10, March 12, July 25 and November 26). It underscores Product 1 as the standout performer, capable of both steady volume and explosive spikes.

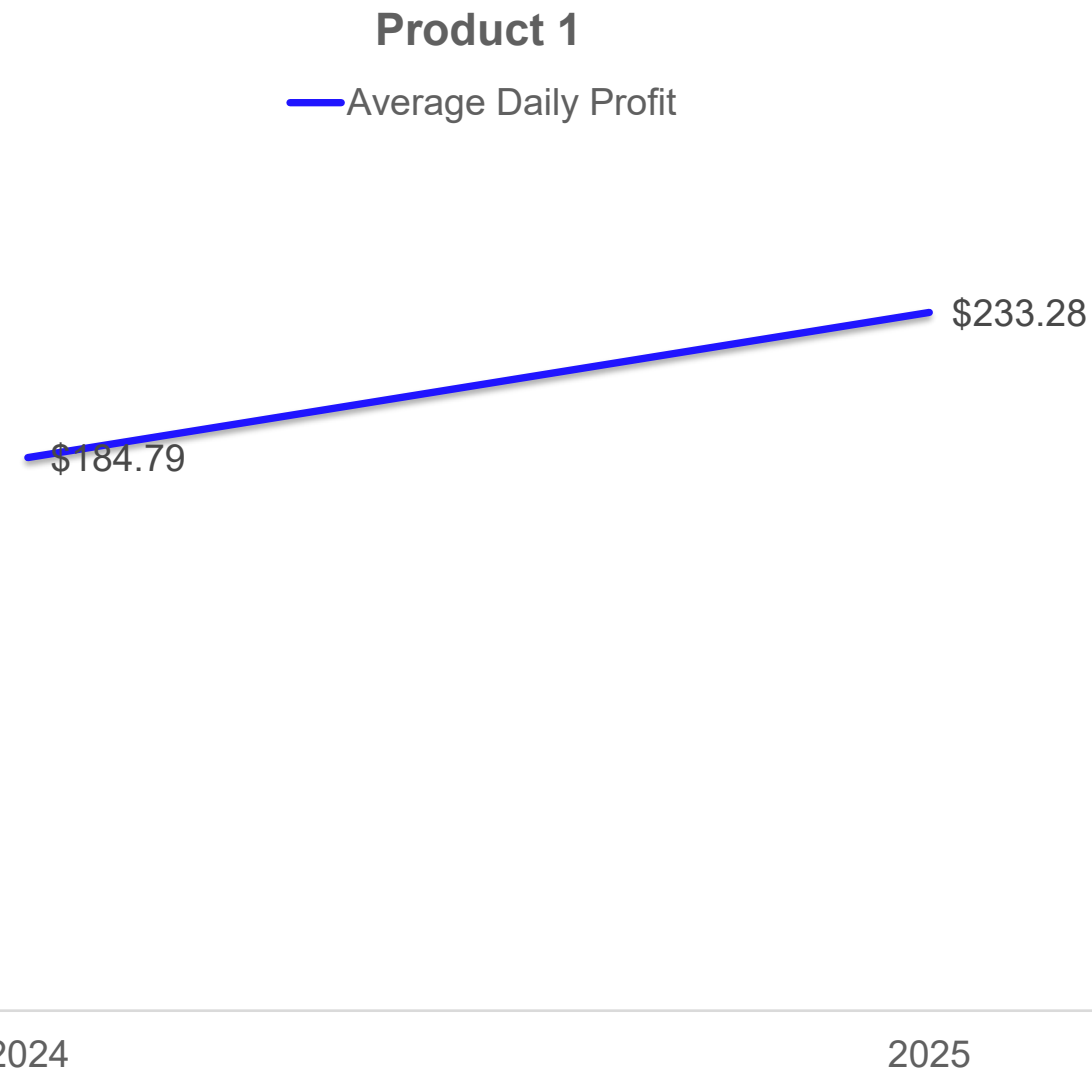
# Product 2 Max Daily Units

- **Product 2 Decline Trajectory:** On various days, sales hit max of 10 units in 2024, worsening to 9 units in 2025, which likely exacerbated the average downturn. Explanations could involve evolving consumer preferences shifting away from the products, increased competition eroding market share or market saturation limiting growth potential.

# Product 3 Max Daily Units

- **Product 3 Growth Trajectory:** This updated view strengthens the narrative for Product 3 as a “steady but high-impact” performer. Its modest 10% total sales (from 40,228 to 44,436 units) belies these impressive daily spikes (from 249 to 273 units or about 8%) suggesting concentrated demands events that drive outsized days without proportionally lifting averages.

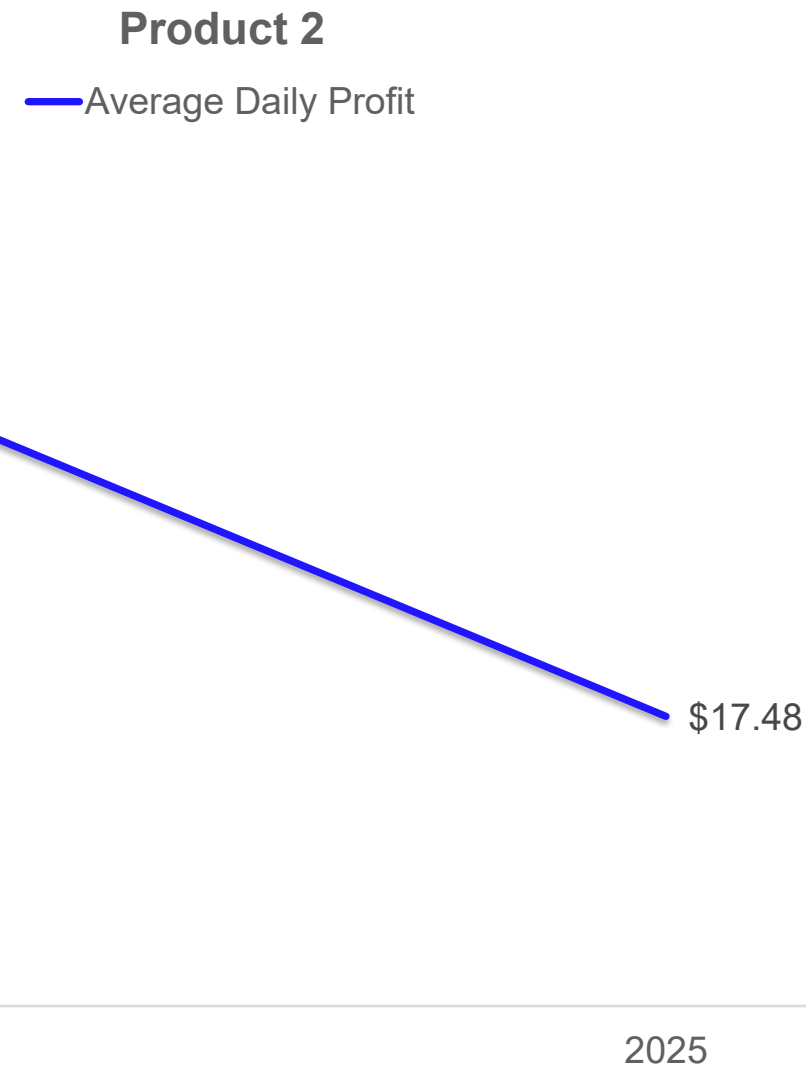
# Profit daily over years



**Product 1 (+26%, \$184.79 to \$233.28):** Volume Surge(12%) paired with an operational efficiencies like targeted marketing and cost reductions, yielded a 26% rise in average daily profit.

**Key Wins:** sold more units and boosted margins through scale. Result: Stronger, more consistent revenue stream.

# Profit daily over years

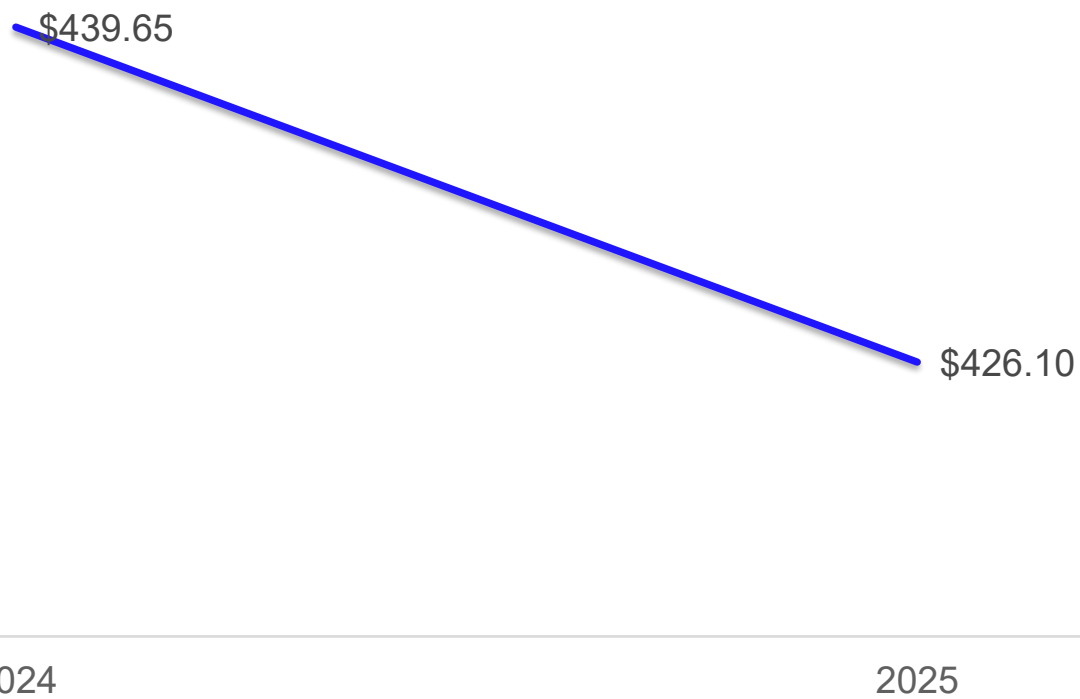


**Product 2 (-56%, \$39.72 to \$17.48):** Sharp volume drop(23%) spreads fixed costs thinner; competition or shifting preferences eroded demand, peaks fell(10 to 9).

**Key Challenges:** sold fewer units amid worsening margins from low scale. Result: Thinner, less consistent revenue stream.

# Profit daily over years

Product 3  
— Average Daily Profit



**Product 3 (-3%, \$439.65 to \$426.10):** 2025 even with 10.5% unit more sold than 2024, dilutes growth(3%) with competition or inflation eroding margins.

**Key Challenges:** more units sold, yet worsening margins from rising costs(inflation > price hikes) and more competitors. Result: less consistent revenue stream despite volume gains. Focus on cost controls for stability.

# Recommendations

- **Focus marketing and operational efforts on Product 1 and Product 3, which showed strong sales growth and volume.**
- **Reassess Product 2 strategy due to significant sales and profit decline; consider market research, repositioning, or discontinuation.**
- **Control costs and review pricing for Product 3 to address margin pressure from rising expenses and competition.**
- **Leverage peak sales periods with targeted campaigns to maximize revenue, especially for Product 3.**
- **Continuously monitor key financial indicators (margins, sales, profits) for agile decision-making and strategic adjustments.**
- **Explore portfolio diversification and innovation based on consumer trends identified in the analysis.**

Thank You!