

Sales and Profit Analysis Report

1. Executive Summary

- **Total Sales:** ₹1,928,887.86
- **Total Profit:** ₹247,961.52
- **Average Order Value:** ₹232.00
- **Overall Profit Margin:** ~12.86%

The business is profitable overall, with Technology contributing the highest sales and profit, but certain high-ticket products are generating significant losses.

2. Key Findings

Category Performance:

Category	Sales (₹)	Profit (₹)	Profit Margin
Furniture	622,342.10	17,888.67	2.87%
Office Supplies	602,093.61	108,211.12	17.97%
Technology	704,452.15	121,861.73	17.30%

Insights:

📦 Furniture:

- Generates substantial sales but contributes the lowest profit margin (2.87%).
- Likely reasons:
 - Higher manufacturing or procurement costs.
 - Heavy discounts on bulk orders.
 - Higher shipping costs due to size/weight.
- Implication: Even though volume is good, profitability is being squeezed. Without margin improvement, more sales won't significantly grow profits.

📁 Office Supplies:

- Strong profit margin (17.97%), indicating efficient pricing and cost control.
- Demand is likely stable year-round due to consumable nature of the products.

- This category can be leveraged for steady revenue growth with minimal risk.

□ Technology:

- Highest total profit with a margin of 17.30%.
- Fast-moving high-value items boost revenue quickly.
- However, tech items have some extreme loss-makers (see point 3) that need attention.

3. Product Wise

Top 5 Profitable Products

Product Name	Sales (₹)	Profit (₹)
Canon image CLASS 2200 Advanced Copier	39,899.89	16,239.96
Fellowes PB500 Electric Punch Plastic Comb Binding Machine	20,081.64	9,278.24
Ibico EPK-21 Electric Binding System	13,985.93	6,274.77
Hewlett Packard LaserJet 3310 Copier	15,959.73	5,975.91
Canon PC1060 Personal Laser Copier	11,619.83	4,570.94

Top 5 Loss-Making Products

Product Name	Sales (₹)	Profit (₹)
Cubify CubeX 3D Printer Double Head Print	11,099.96	-8,879.97
Lexmark MX611dhe Monochrome Laser Printer	16,829.90	-4,589.97
Cisco TelePresence System EX90	22,638.48	-1,811.08
Chromcraft Bull-Nose Wood Conference Table	6,281.17	-1,774.15
Bush Advantage Racetrack Conference Table	7,508.51	-1,187.79

Insights:

- High-ticket tech products like **3D printers** and **conference systems** are generating **huge losses**, likely due to high procurement costs or aggressive discounting.

Business Strategy for Improving Sales & Profitability

1. Product Portfolio Optimization

- **Remove or Fix Loss-Making Products**
 - Review pricing, supplier agreements, and discounts for 3D printers, large conference tables, and loss-making printers.
 - If profitability can't be improved, **phase out these SKUs** to stop revenue leakage.
 - **Double Down on High-Profit Products**
 - Increase stock levels of Canon copiers, binding machines, and other high-margin items.
 - Feature them in promotions, bundles, and email campaigns.
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2. Category-Specific Approach

- **Furniture:**
 - Increase margins through **cost negotiation** and **value-added services** (premium delivery, assembly).
 - Target B2B bulk buyers (schools, offices, co-working spaces) for higher volume sales at better profit rates.
 - **Office Supplies:**
 - Continue to drive stable sales with subscription models (e.g., monthly delivery of paper, toner, pens).
 - Offer bundle deals to boost order size.
 - **Technology:**
 - Focus on fast-moving, profitable items and accessories.
 - Create **after-sales service packages** to build recurring revenue.
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3. Pricing & Discount Strategy

- **Dynamic Pricing:** Adjust prices based on demand, competition, and seasonality.
- **Targeted Discounts:**
 - Avoid blanket discounts on high-cost products.

- Use promotions only on profitable or slow-moving inventory to clear stock without harming margins.

4. Marketing & Customer Engagement

- Promote high-margin products through:
 - Email campaigns
 - Targeted social media ads
 - Cross-selling on the website (e.g., "Customers also bought...")
- Introduce **loyalty programs** to encourage repeat business for office supplies and consumables.