Retail Expansion Analytics

SQL-Based Business Case Study (Coffee Chain)

Project Overview

Analyzing 1.5 years of coffee sales data for strategic retail expansion.

Online success since Jan 2023, now planning 3 offline outlets in major Indian cities.

Business Objective

Identify Top Cities

Recommend 3 cities for new offline coffee outlets.

Data-Driven Insights

Based on revenue, customer base, growth, market size, rent-to-revenue, unit economics.

Key Stakeholders

Founders / Business Owners

Marketing Team

Operations & Supply Chain

Investors

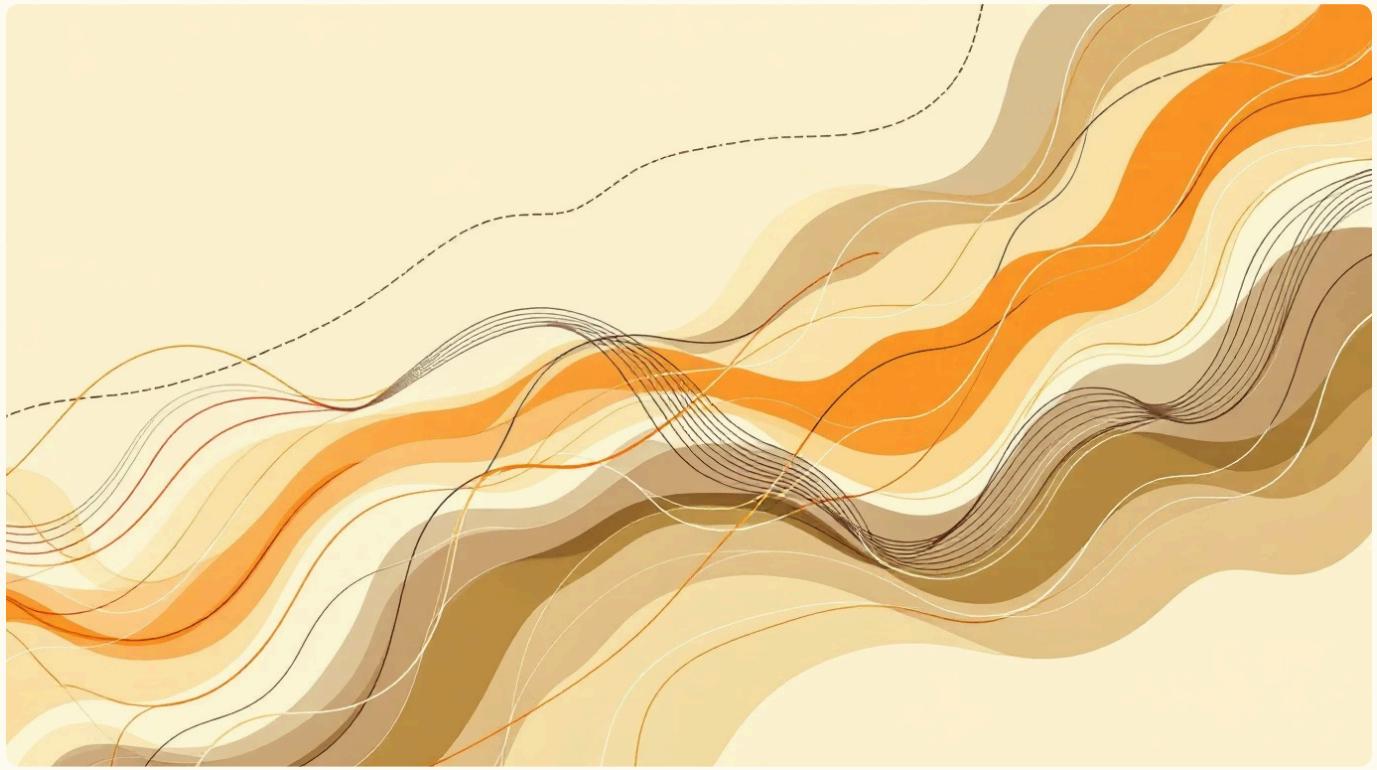
Data Analytics Team

Customers

Analytical Approach

SQL Server used for analysis:

- City-level revenue analysis
- Customer segmentation
- Window functions (RANK, LAG)
- Monthly sales growth
- Rent-to-revenue comparison
- Market size estimation (25% population consumption)
- Unit economics evaluation



Key Business Insights

- **Revenue Concentration**

  Sales concentrated in top-performing cities.

- **Market Penetration Gap**

  Low penetration in several cities, untapped demand.

- **Customer Monetization Variance**

  Average revenue per customer varies across cities.

- **Product Demand Concentration**

  Few products drive most sales volume.

- **City-Level Demand Heterogeneity**

  Top-selling products differ by city.

- **Unit Economics Variation**

  Revenue/rent per customer varies substantially.

- **Growth Momentum Differences**

  Inconsistent monthly growth rates across cities.

- **Multi-Metric Expansion Criteria**

  Optimal decisions need revenue, customer base, cost, and growth.

Recommended Cities for Expansion

1. Pune

Highest total revenue, strong average spend, moderate rental cost, stable customer base.

2. Chennai

Second-highest revenue, balanced earning-to-cost, strong customer retention, sustainable potential.

3. Jaipur

Highest customer count, lowest rent per customer, strong revenue efficiency, attractive unit economics.

Cities Not Recommended

Bangalore

- High rental costs
- Highest rent per customer
- Profit margin risk

Delhi

- Large market size
- Lower revenue per customer
- Higher rent reduces profitability

Final Recommendation

Pune

Optimal balance of demand, cost, and efficiency.

Chennai

Optimal balance of demand, cost, and efficiency.

Jaipur

Optimal balance of demand, cost, and efficiency.

These cities offer optimal balance between demand potential, operational cost, and revenue efficiency.

Tools Used

SQL Server

Database management and querying.

Advanced SQL

CTE, Window Functions, Aggregations, Ranking, Growth Analysis.