

EXECUTIVE SUMMARY REPORT

OVERVIEW:

Sales and profit are growing steadily, driven by strong performance in Technology and Office Supplies, Furniture and high discounts continue to hurt profitability Key Opportunities include reducing discount losses, improving regional performance, and expanding high-margin categories and segments.

Key Performance Highlights:

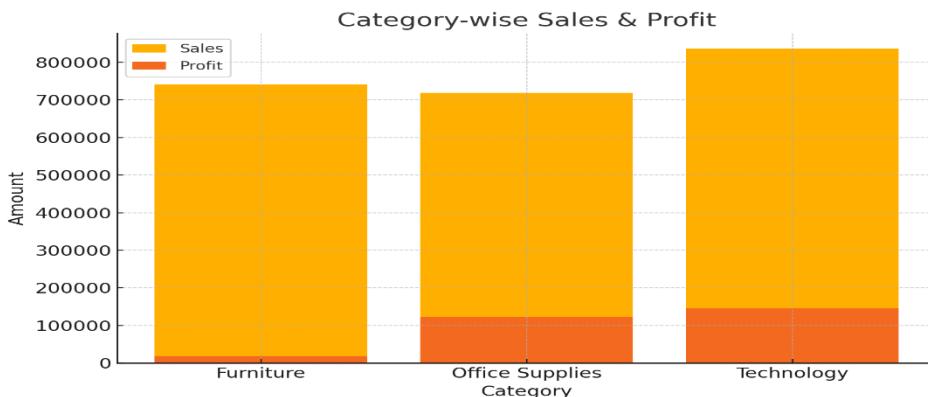
The business demonstrates consistent growth across both Sales and Profit over the four-year period (2014–2017).



- Sales increased from ₹484K to ₹733K (+51% growth).
- Profit increased from ₹49K to ₹93K (+88% growth). This upward trend reflects improved customer demand, stronger product mix, and increased repeat purchases—indicating healthy business momentum.

- Technology and Office Supplies continue to fuel profitability, while Furniture remains a significant drag on profit despite strong sales volume.

High-Profit Categories & Customer Segments:



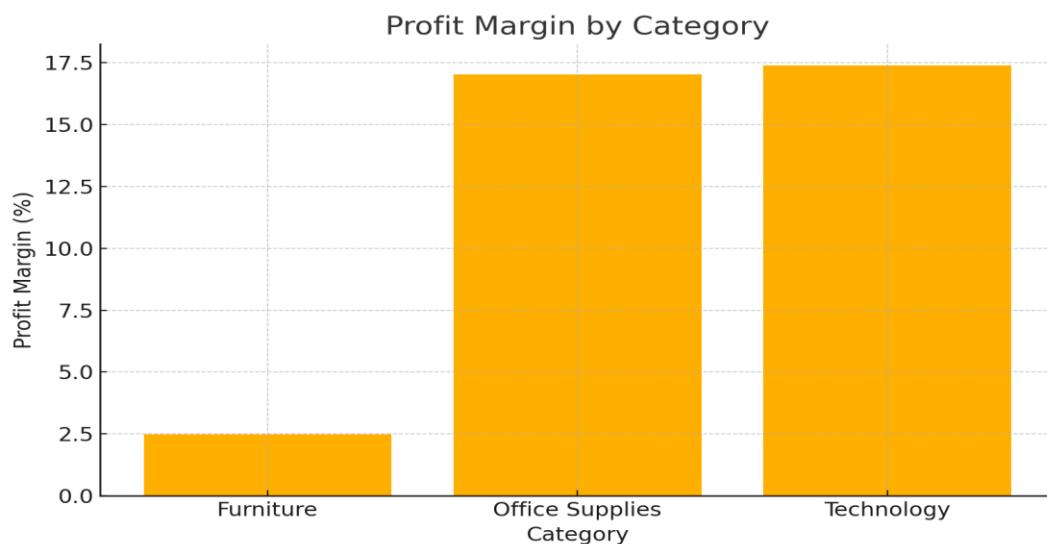
- Technology and Office Supplies are the strongest categories, delivering high sales, strong margins, and stable recurring revenue. Furniture, despite high sales, suffers from very low margins due to discounting, logistics costs, and high return rates. The Consumer Segment leads with ₹1.16M in sales and ₹134K profit, showing loyalty and repeat purchases. Corporate and Home Office segments offer growth potential through B2B strategies, bundled solutions, and hybrid work trends.

PROBLEM:

- The business shows strong sales growth, but profit is not increasing at the same rate.
- Heavy discounting—especially above 40%—is causing significant profit loss.
- The Furniture category generates high sales but very low margins due to shipping costs and discounts.

- Certain regions underperform, increasing operational inefficiencies.
- Over-dependence on the Consumer segment creates risk, limiting balanced growth.

SOLUTION:



- Focus on **high-margin categories** like Technology and Office Supplies (shown highest in the graph) to increase overall profitability.
- Reduce discounts—especially in Furniture—because its **low 2.5% margin** makes it the biggest loss contributor.
- Introduce **discount control rules** to prevent profit loss from high-discount orders.
- Improve logistics efficiency in underperforming regions to reduce cost leakage.
- Grow Corporate and Home Office customers to reduce over-dependence on the Consumer segment.

FINANCIAL HIGHLIGHTS

- Total sales grew steadily from ₹484K in 2014 to ₹733K in 2017, showing strong year-over-year momentum.
- Total profit nearly doubled during the same period, rising from ₹49K to ₹93K, indicating improved business efficiency.
- **Technology** contributed the highest profit (~₹145K), followed by **Office Supplies** (~₹122K).
- **Furniture**, despite ₹742K in sales, delivered only ₹18K profit, making it the weakest financial performer.
- The **Consumer segment** generated the majority of revenue (₹1.16M) and profit (₹134K), driving business growth.
- High discounts significantly reduced profit, with many orders turning negative at discount levels above 40%.

CONCLUSION:

In conclusion, this analysis shows a business with strong sales growth but significant opportunities to improve profitability. While Technology and Office Supplies continue to drive healthy margins, the Furniture category. Regional performance gaps and overdependence on the Consumer segment further add to operational risk. By tightening discount controls, shifting focus toward high-margin categories, optimizing logistics, and expanding into corporate customer segments, the business can strengthen its financial performance and achieve more sustainable, long-term growth