The Daily Grind Coffee Shop Sales Analysis

2019 - 2022

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Overview

The analysis of the sales and customer patronage level for The Daily Grind Coffee shop from years 2019-2022.

Understanding the problem

1
Which coffee types are the most profitable, and which are sold in the highest volume? How can this information be used to inform pricing, promotions, and product placement?

2
Who are the most valuable customers, and what are their purchasing habits? How can the business leverage this information to create targeted loyalty programs and marketing campaigns?

3
Where are sales most concentrated? How can the business use geographic data to identify new market opportunities or refine its distribution strategy?

Understanding the problem cont'd

4
What is the most effective way to manage inventory for each coffee type based on sales trends and order quantity?

5
What are the overall trends in sales over time (e.g., month on month, year-over-year)? How can this information be used to forecast demand and allocate resources more efficiently?

Project objective:

1. **Financial Performance Analysis: To calculate and visualize key metrics such as total sales by coffee type and total sales by country to understand the business's financial health and identify top-performing products and markets.**

2. **Customer Segmentation and Profiling: To identify and analyze the top 10 customers based on their sales contribution. This aims to pinpoint the most valuable customer segments and inform strategies for customer retention and loyalty programs.**

3. **Operational Efficiency: To determine the total quantity ordered for each coffee type, which is essential for optimizing inventory, managing the supply chain, and forecasting future demand.**

4. **Interactive Reporting: To create a dynamic and user-friendly dashboard with filtering options for variables like roast type, loyalty card status, year, and size, allowing stakeholders to explore the data and derive their own insights.**
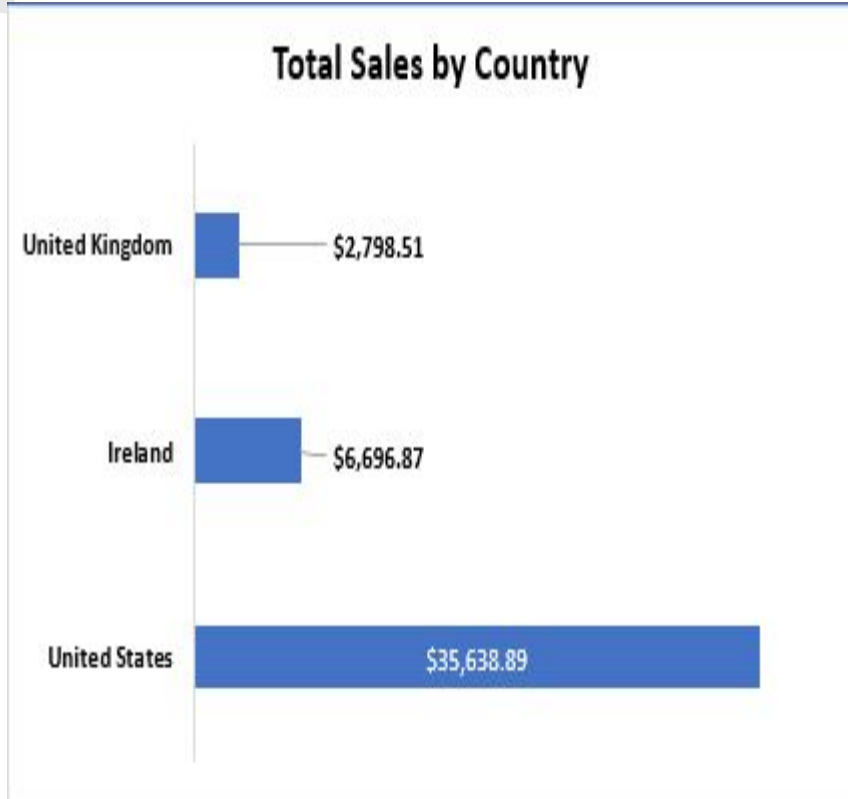
Understanding the market

# Current Market

- United Kingdom
- United States
- Ireland

Market trends

Total Sales by Country

United Kingdom — $2,798.51

Ireland — $6,696.87

United States — $35,638.89

- **Sales are overwhelmingly concentrated in the United States, which accounts for a substantial majority of the revenue. The United Kingdom and Ireland represent smaller but still significant markets.**
- **United States has the highest overall sales of $35,638.89 compared to other countries. United Kingdom has the lowest overall sales of $2,798.51.**
- **All the Coffee types have a general high total sales in The United States as compared to other countries.**

Quantity ordered by Coffee type

- **Arabica and Robusta are the most frequently ordered types by quantity. Liberica has the least frequent order.**
- **Arabica has the highest sales quantity of 947packs followed by Robusta with 878packs.**
- **In terms of average price, Liberica coffee and Excelsa have the highest average prices of $15.1725 and $14.2625 respectively.**
- **No price and no quantity ordered for Sugar which could mean sugar is sold for free and not included in the orders.**

Coffee type by Quantity

Coffee type	Quantity
Lib	854
Exc	872
Rob	878
Ara	947

Sales trends
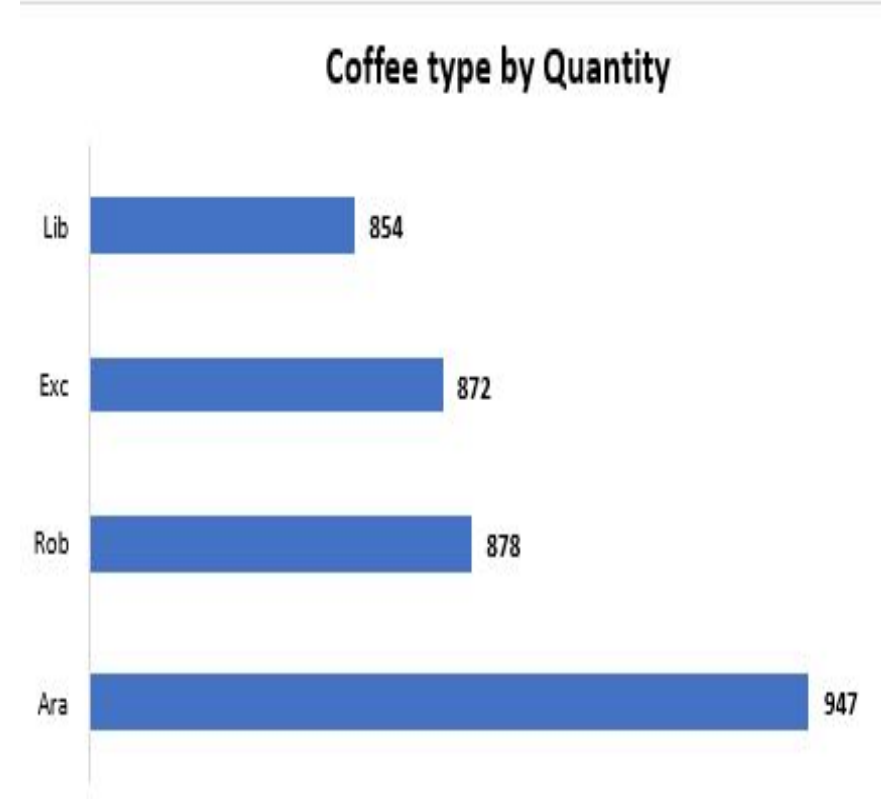
Sales Trend by Coffee types
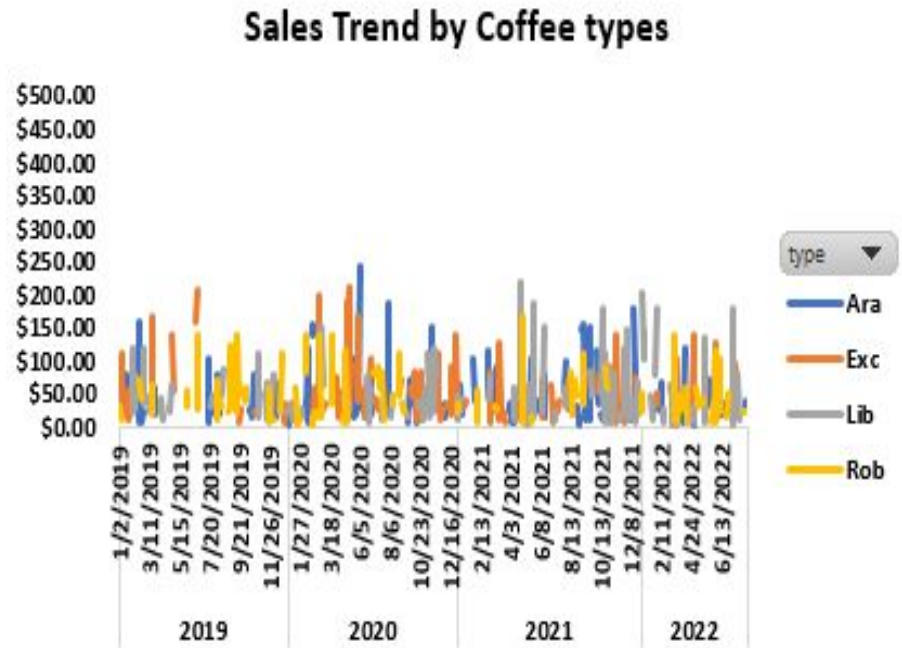
- **Excelsa coffee and Liberica coffee are the top-selling coffee types by total sales, with Arabica and Robusta following close behind. This suggests these varieties are the most profitable and popular.**
- **In 2019, Excelsa coffee had the highest Total sales of $3,481.46 and Robusta with the lowest sales of $2,401.07.**
- **In 2020, Excelsa coffee still maintained the status quo of highest total sales with a value of $3,663.41 and Robusta also had the lowest total sales of $2,493.27.**
- **In 2021, Arabica coffee brought in the highest total sales of $4,045.63 and Robusta still brought in the lowest total sales.**
- **Sales was incredibly low in 2022 with Liberica taking the lead with the highest total sales of $2,234.92 while Arabica had the lowest total sales.**

Sales trends

Sales Trends by Year
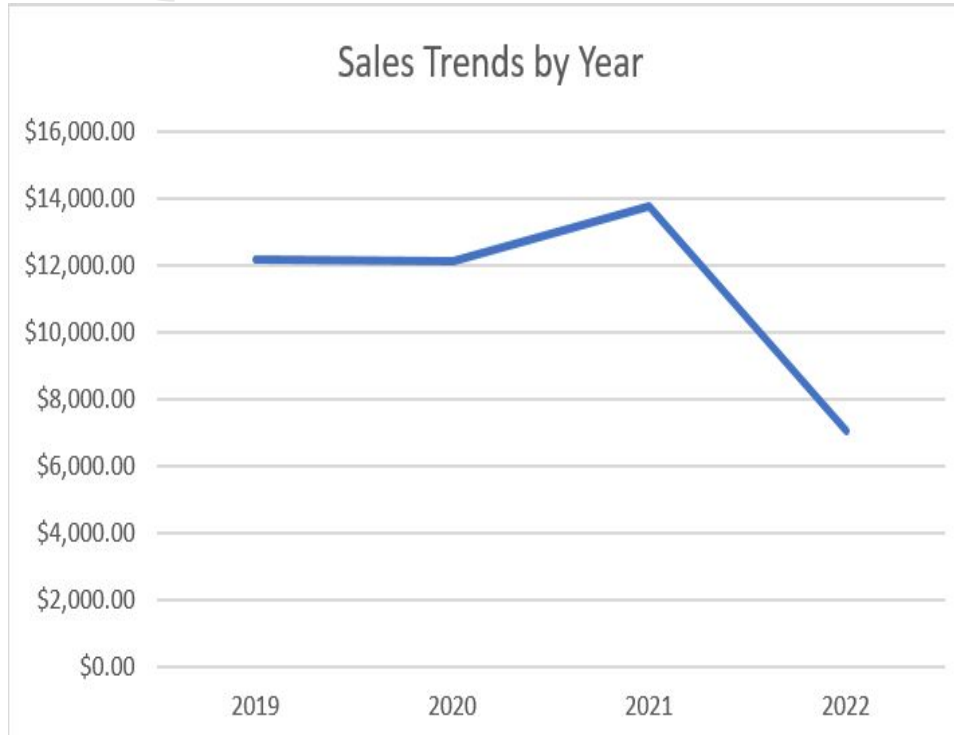
- When the Coffee shop started selling in Year 2019, sales were initially fair, but reduced further in 2020 by $69.72.
- Sales rose in the following year 2021 to $13,766.11 which was about 13.60% increase as compared to the previous year.
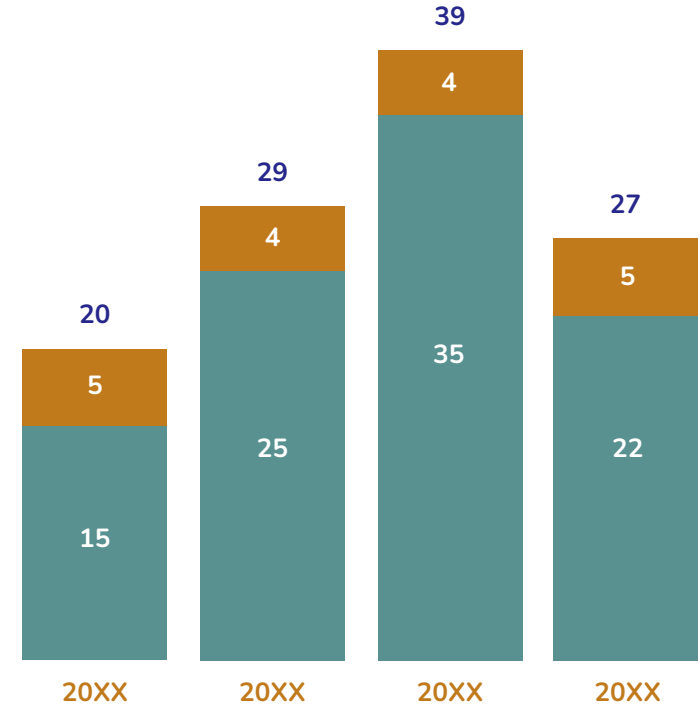- However in 2022, Total Sales dropped to $7,063.44 which was a 48.68% decrease from the previous year.

Top 10 Customers

- **The shop has a total of 1,000 customers. However only 913 are active with a total of 3,551 orders.**
- **87 customers have not placed any orders since 2019.**
- **Allis has the highest overall total sales of $317.07 followed by Brenn with $307.05 with a contribution percentage of 0.70% and 0.68%.**
- **The top 10 customers have a total sales contribution percentage of 5.76% from the overall total sales of $45,134.26.**

Top 10 Customers by Total Sales
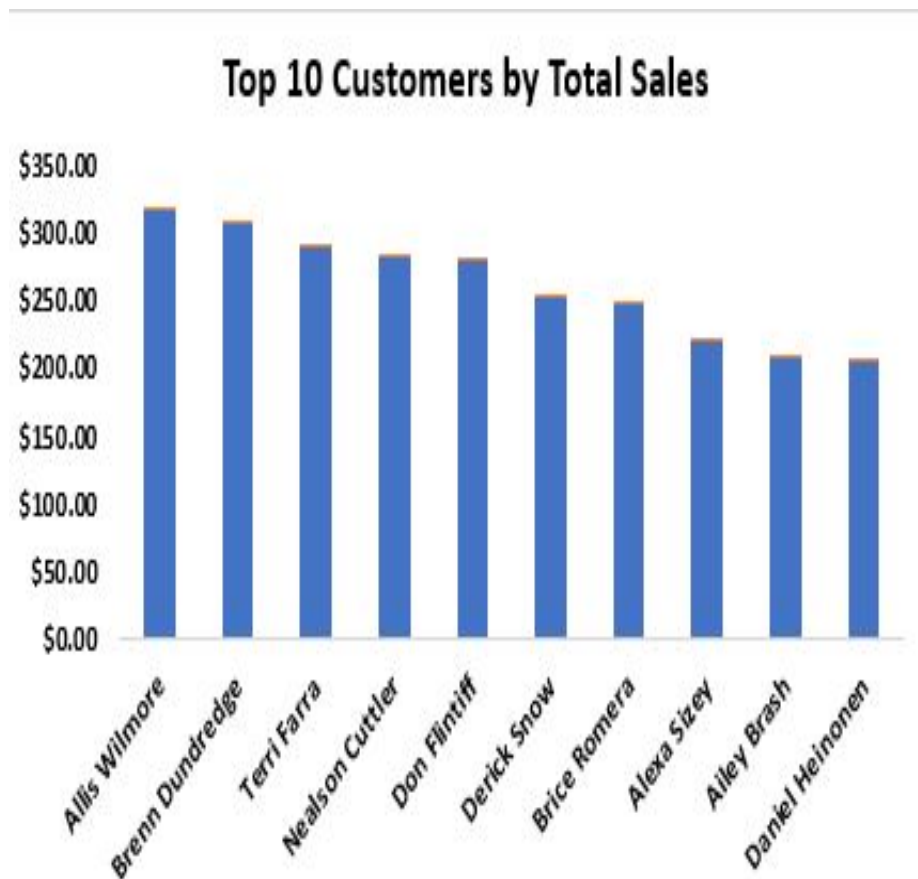
Recommendations

- Marketing Strategy: Launch targeted promotions for Excelsa and Liberica to further boost their high-value sales.
- Inventory Management: Ensure ample stock of Arabica and Robusta to meet consistent demand.
- Customer Loyalty: Create a special program or discount for your top-contributing customers to foster brand loyalty.
- Also make inquiry from the non-active customers to know what is stopping their orders and explore ways of improving their orders e.g free/reduced delivery fee for first order.
- Geographical Expansion: Explore targeted marketing campaigns in the UK and Ireland to grow these smaller markets.

Item 1
Item 2

39
4
35

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20XX   20XX   20XX   20XX

THANK YOU!