

BUSINESS QUESTION ANALYSIS

GROUP 5
FOCUS: RESELLER- BRANDED FRANCHISE

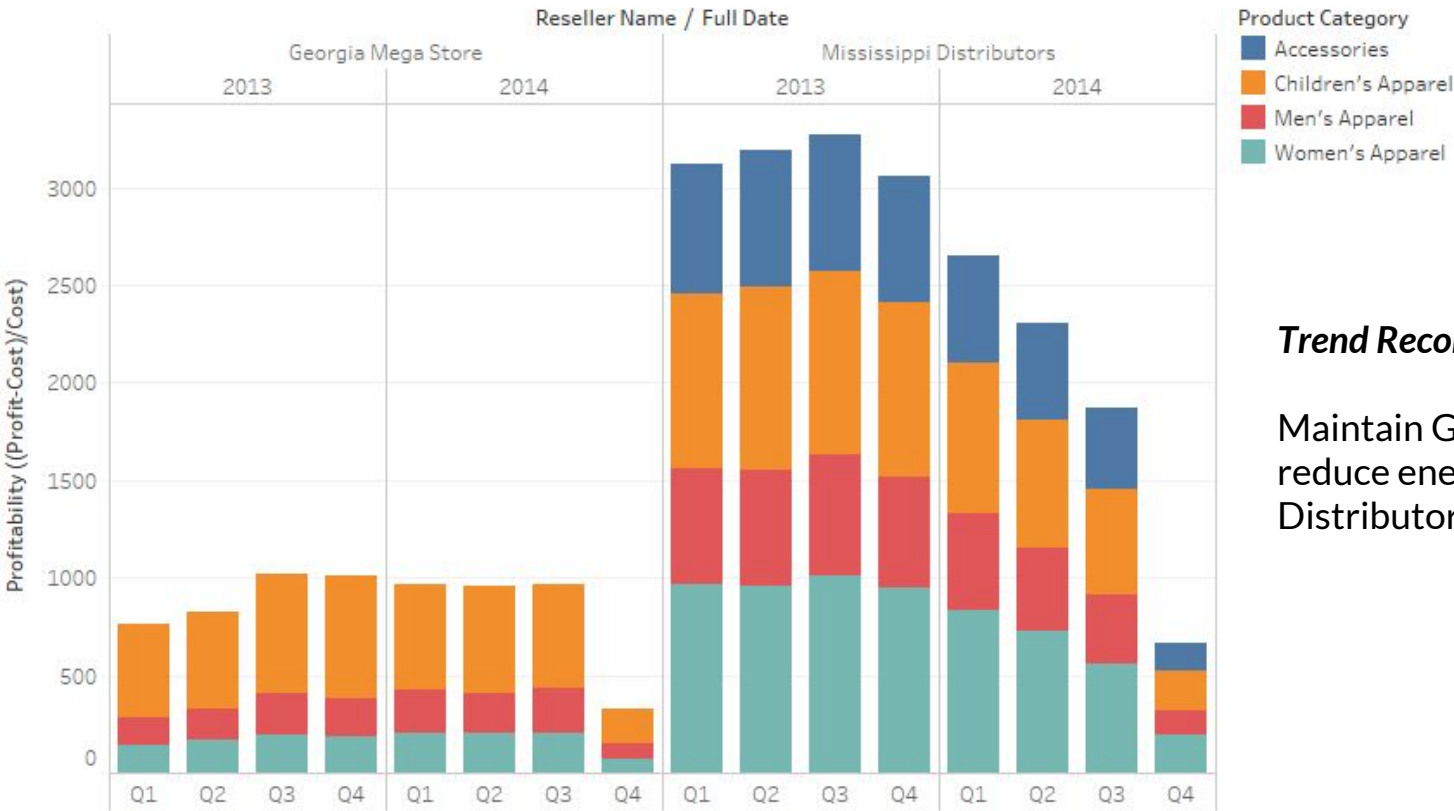
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Question 1:

Assessment of the "Branded Franchise" Channel:

- How has the resellers performed against target in 2013 and so far in 2014? Do you expect them to meet the target in 2014 by the end of the year?
- Compare the profitability trend of the resellers. Should they be used more or less in the future?
- Recommend a marketing strategy for the resellers, which products/product type/ product category should be featured? What should be done in the next year to maximize this reseller's profits?

Branded Reseller Profitability

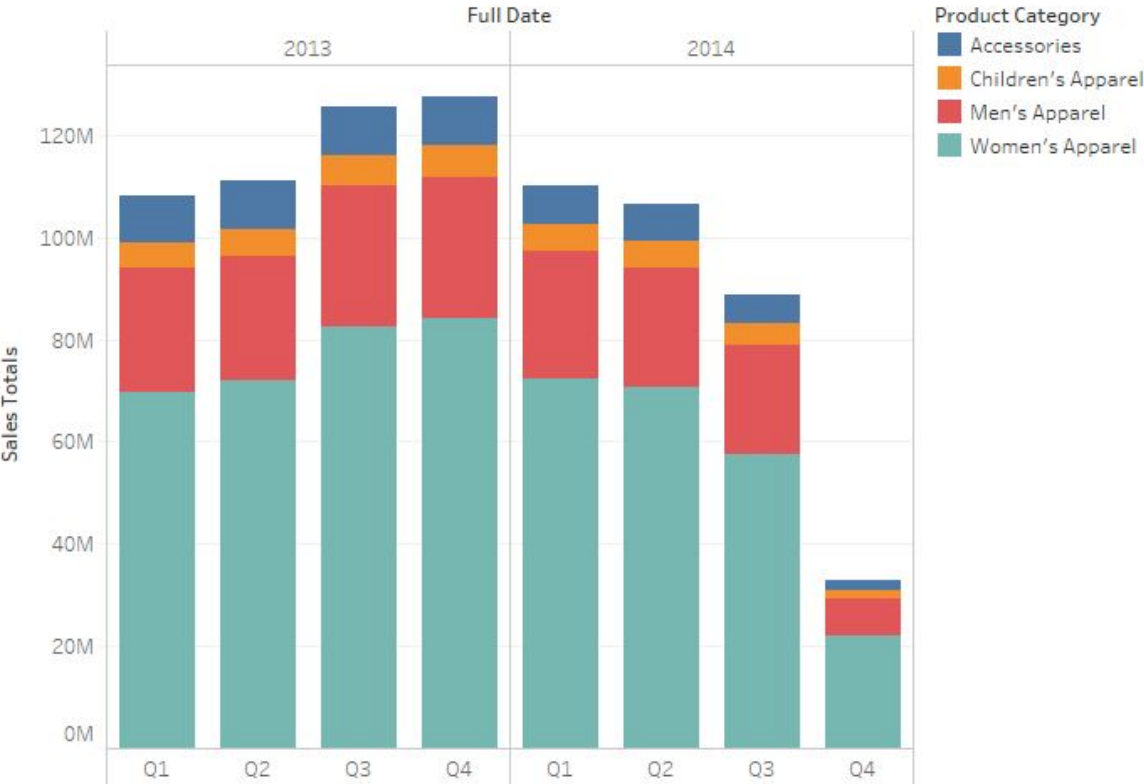


Trend Recommendations:

Maintain Georgia Mega Store, reduce energies put into Mississippi Distributors.

$\frac{[Price]-[Cost]}{[Price]}$ for each Quarter of Full Date broken down by Reseller Name and Year of Full Date. Color shows details about Product Category. Details are shown for Product Name. The data is filtered on Calendar Year, which keeps 2013 and 2014. The view is filtered on Product Name and Reseller Name. The Product Name filter keeps 22 of 22 members. The Reseller Name filter keeps Georgia Mega Store and Mississippi Distributors.

Branded Seller Product Performance



Sales Totals for each Quarter of Full Date broken down by Year of Full Date. Color shows details about Product Category. The data is filtered on Product Name and Reseller Name. The Product Name filter keeps 22 of 22 members. The Reseller Name filter keeps Georgia Mega Store and Mississippi Distributors. The view is filtered on Product Category, which keeps Accessories, Children's Apparel, Men's Apparel and Women's Apparel.

Marketing Recommendation:

Focus efforts on women & primary parents.

Question 2:

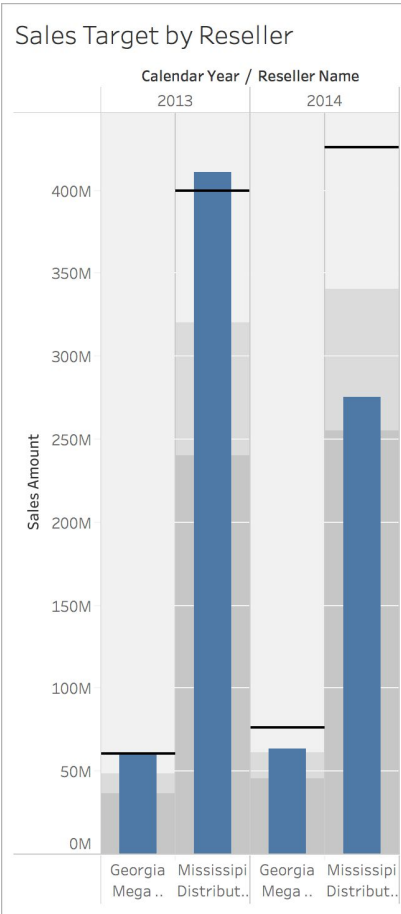
2013 and 2014 bonus amounts for resellers

Total bonus pool

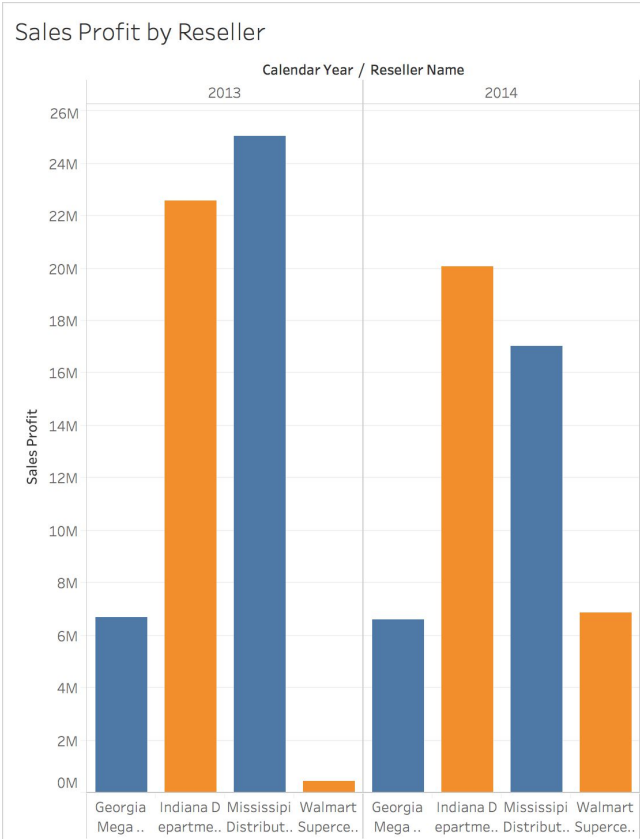
2013: \$100,000

2014: \$200,000

Criteria 1: How well are the branded franchise resellers meeting their sales targets?



Criteria 2: How well are they selling men's and children's apparel compared to the Department Store resellers?



Bonus calculations

Year	Reseller	Sales Target Factor	Sales Profit Factor	Intermediary Factor 1	Intermediary factor 2	Total bonus amount	Bonus amount for reseller
		$R1 = (Sales\ Amount / Target\ Sales\ Amount)^{\wedge}$	$R2 = c+m / Total\ c+m$	$R3=R1*R2$	$R4=R3/(R3M+R3G)$	t	$R4*t$
2013	Mississippi Distributors	1.02728804	0.457094896	0.46956812	0.790857595	100000	79085.76
	Georgia Mega Store	1.015421884	0.122291393	0.124177357	0.209142405	100000	20914.24
2014	Mississippi Distributors	0.773598409*	0.336699765	0.260470403	0.66843742	200000	133687.48
	Georgia Mega Store	0.990345431*	0.130459718	0.129200186	0.33156258	200000	66312.52

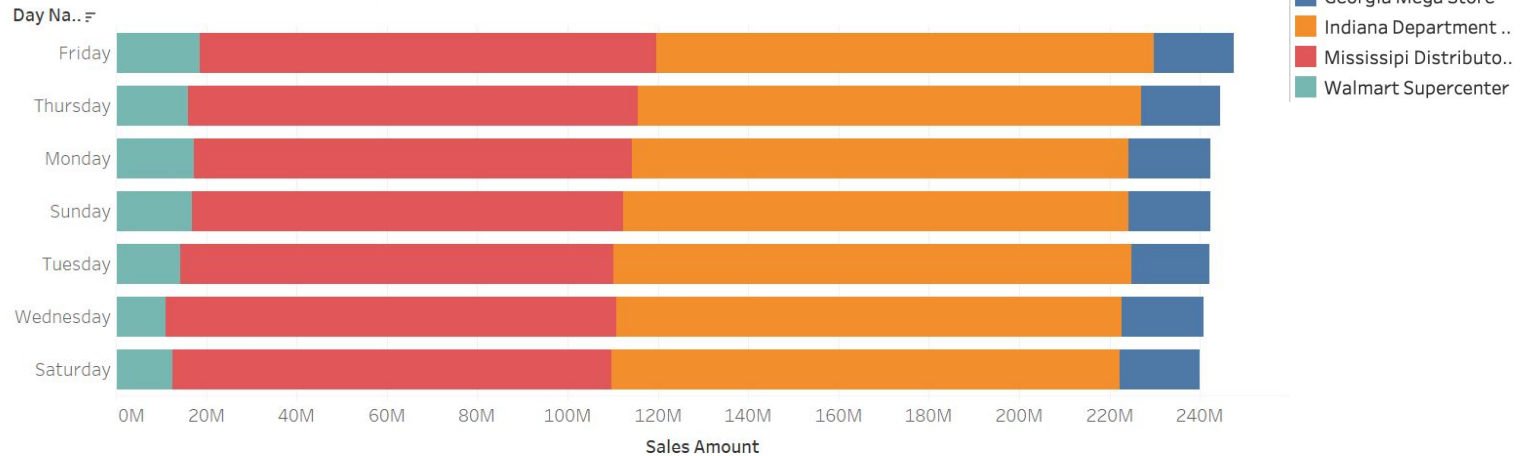
* Sales target amount for 2014 Nov-Dec is not considered and subtracted as is appropriate for the purpose of this calculation.

\wedge c: Sales of children's apparel; m: Sales of men's apparel

Question 3:

Product Sales Trend by day of the week for the
Branded Franchises

Group Q3: Sales Amount by day of the week



Key Insights:

Sales trends

Most amount of sales occur during **mid-week**. It is lower on the weekends and at the beginning of the week.

Highest Sales:

Friday

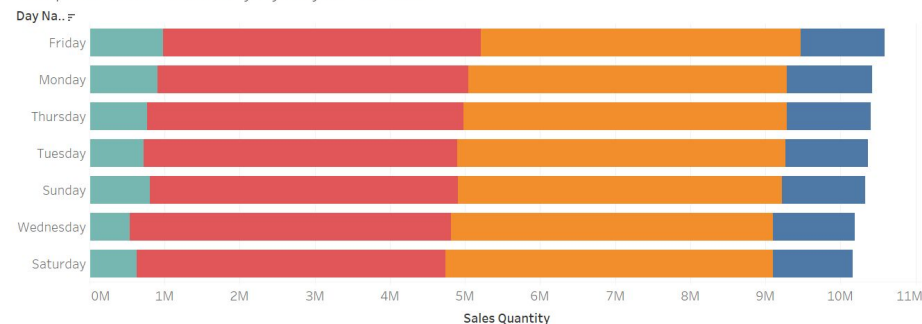
Lowest Sales:

Tuesday

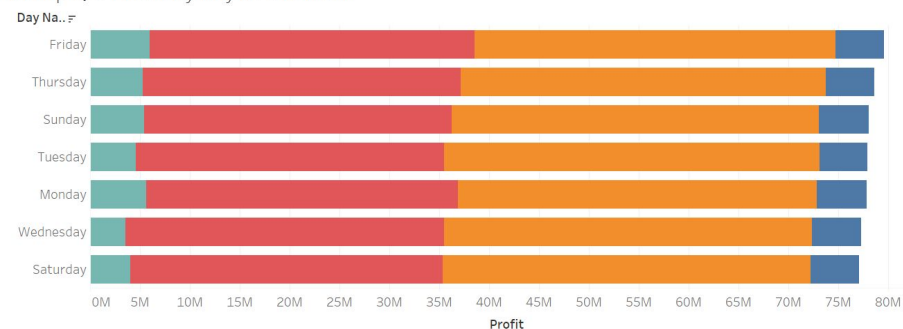
Probable Reason

The resellers would prefer to **stock up** to sell the goods on the weekends and therefore they buy from us mostly during the mid-week.

Group Q3: Sales Quantity by day of the week



Group Q3: Profit by day of the week



Recommendations:

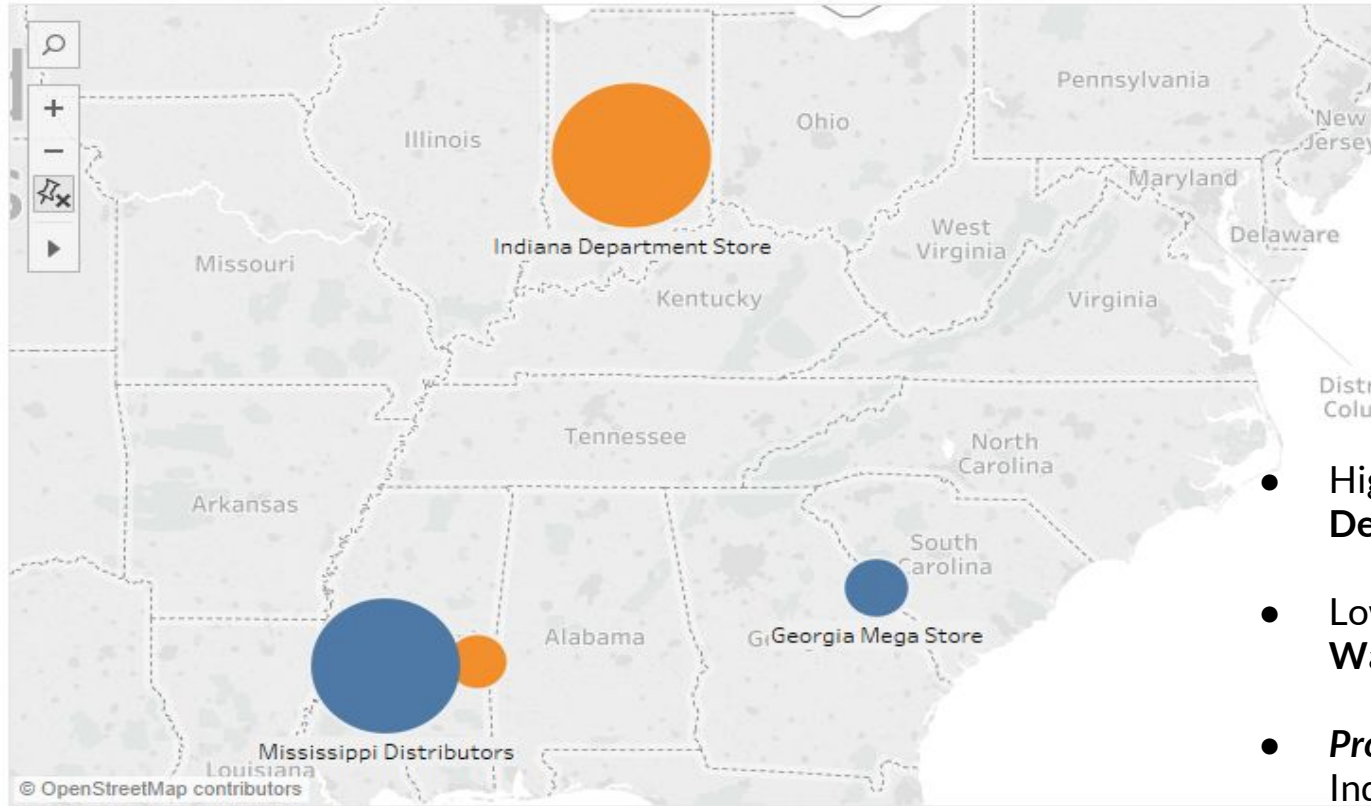
- Since the highest sales amount, quantity and profit is mostly generated during the mid-week, we should **stock up goods** to be ready to be sold to the resellers in the mid-week.
- The **selling price can also be slightly increased during the mid-week** to increase the profit margin, as the resellers prefer to stock up for the weekends during the mid-week.

Question 4:

Location & channel patterns:

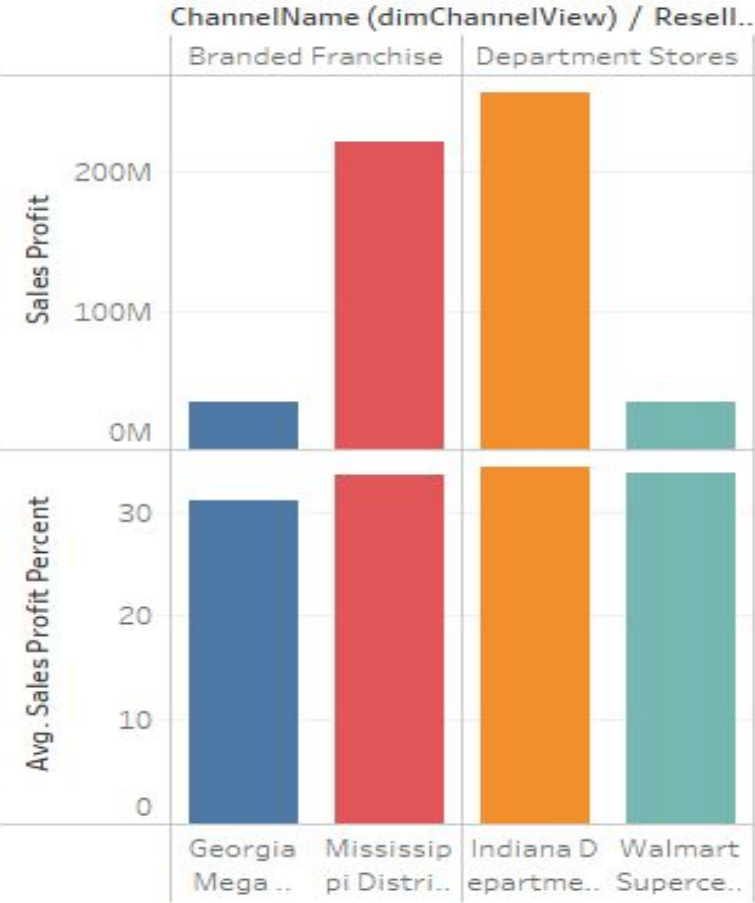
Branded Franchise vs the two Department Store resellers

Location and Sales Amount of Resellers



- Highest sales amount: **Indiana Department Store**
- Lowest sales amount: **Walmart Supercenter**
- **Probable Reason:** Indianapolis is a major metropolitan with a huge population

Sales Profit and Profit % of all Resellers

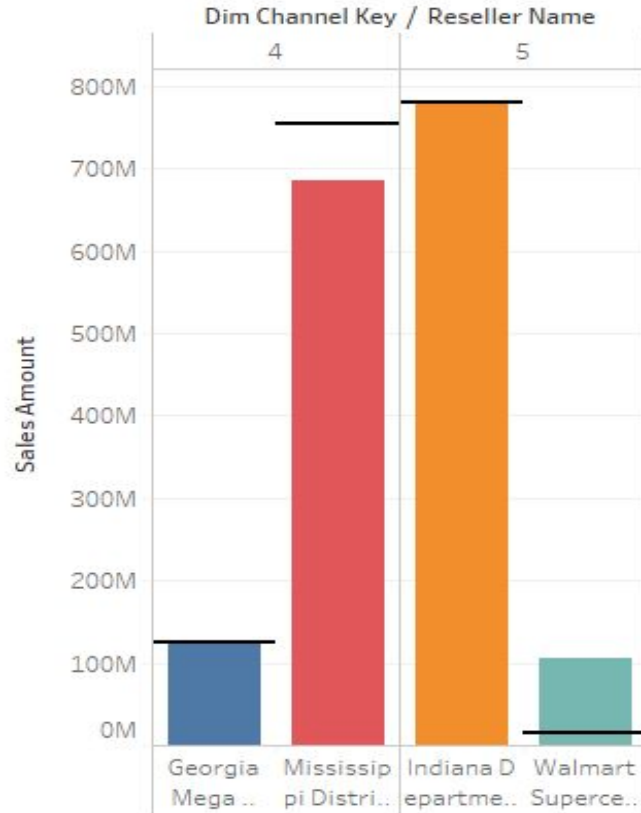


Key Insights:

Highest Sales Profit and Profit Percent :
Indiana Department Store

Lowest Sales Profit and Profit Percent :
Georgia Mega Store

Sales Amount of Resellers vs Targets



Key Insights:

- Department Store Resellers are meeting (or exceeding) their Targets.
- Branded Franchise Resellers are unable (or barely) meeting.

Recommendations:

Department Store Resellers have better performance and should be given more business.



Thank you!