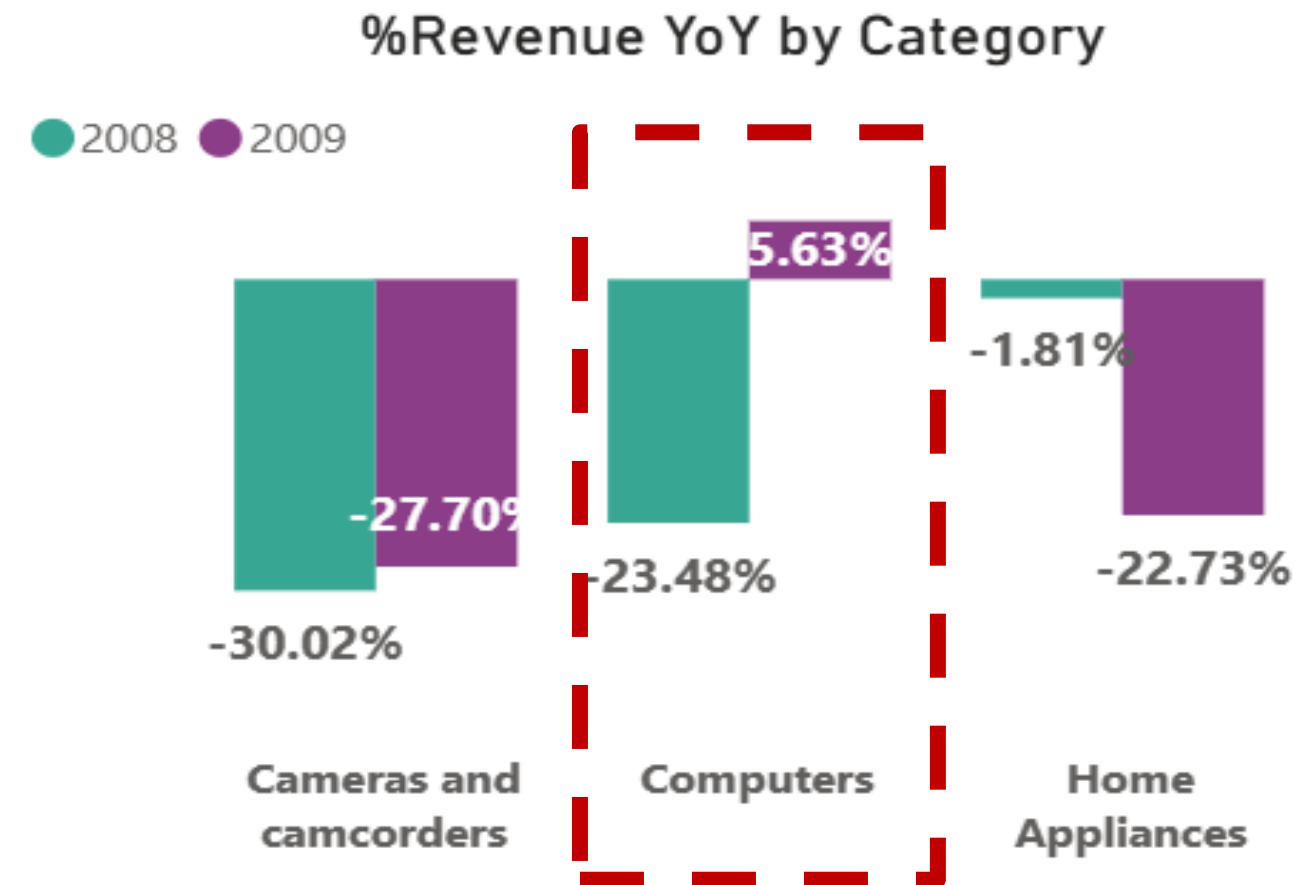# Revenue Boost for Product

Contoso Dataset

Revenue of key products dropped significantly YoY except Computer

Pareto of Revenue by Category

1013.36M — Home Appliances
865.64M — Computers — 58%
704.07M — Cameras and camcorders
329.77M — TV and Video — 80%
210.01M — Cell phones — 90%
47.08M — Music, Movies and Audio Books — 96%
40.96M — Games and Toys — 98%
38.22M — Audio — 99%
31%

%Revenue YoY by Category

● 2008 ● 2009

Cameras and camcorders: -30.02% / -27.70%
Computers: -23.48% / 5.63%
Home Appliances: -1.81% / -22.73%
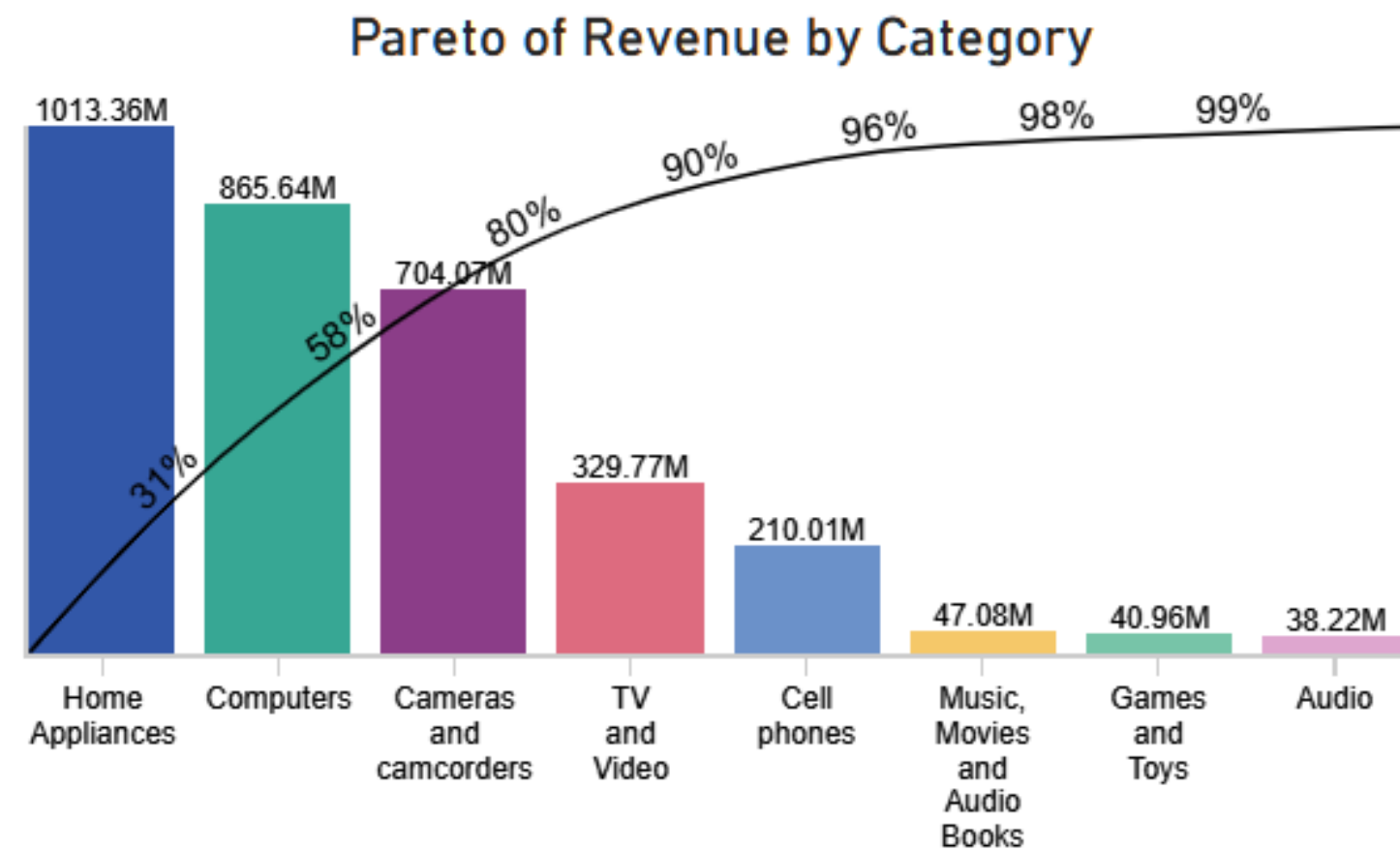
Home Appliances, Computers & cameras/ camcorders are key products of Contoso, contributing 80% of total revenue.
However, all experienced significant declines in 2008 and 2009, except for Computers, which grew by 5.63%.

Revenue dropped because of a substantial decrease in high revenue products.
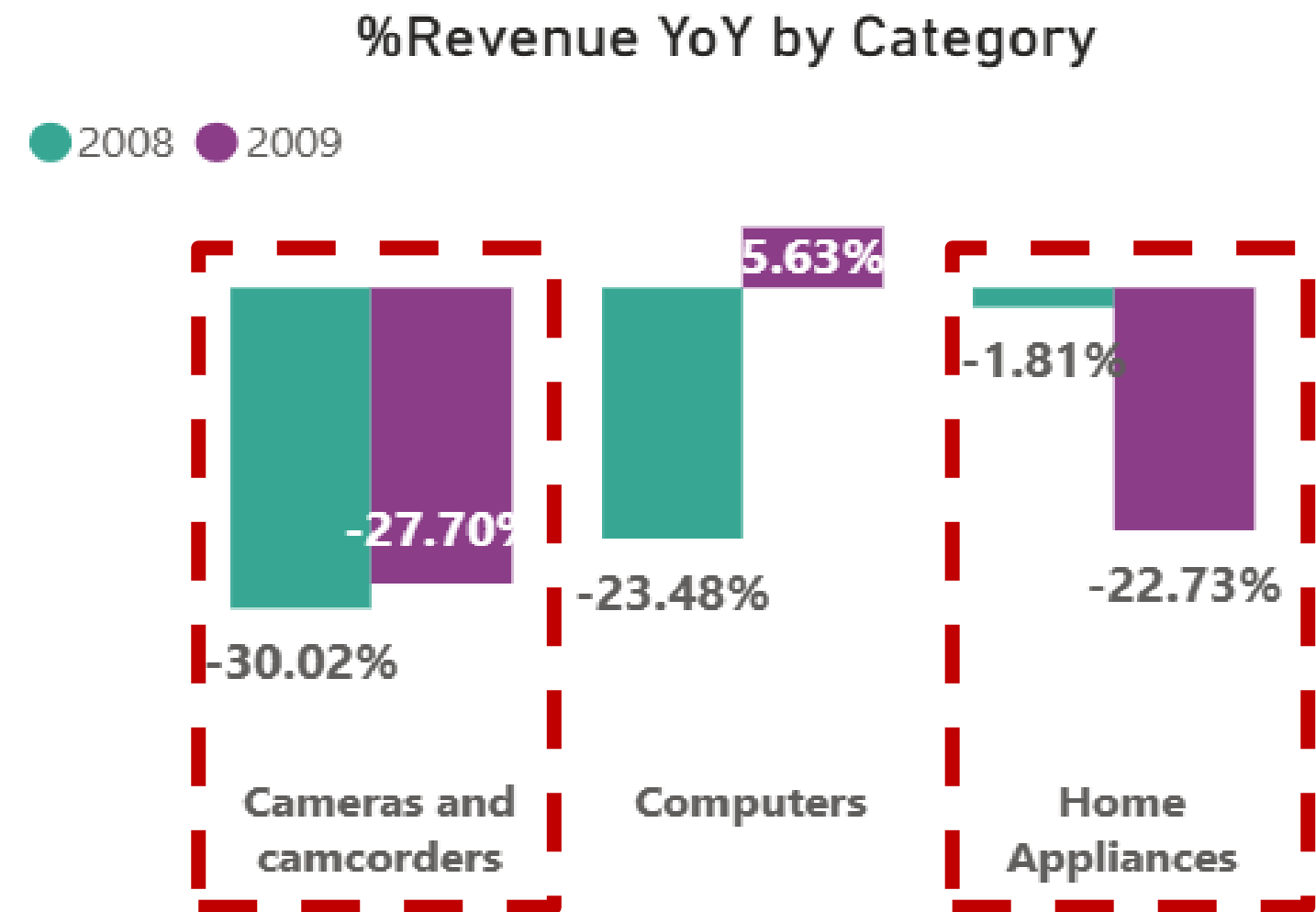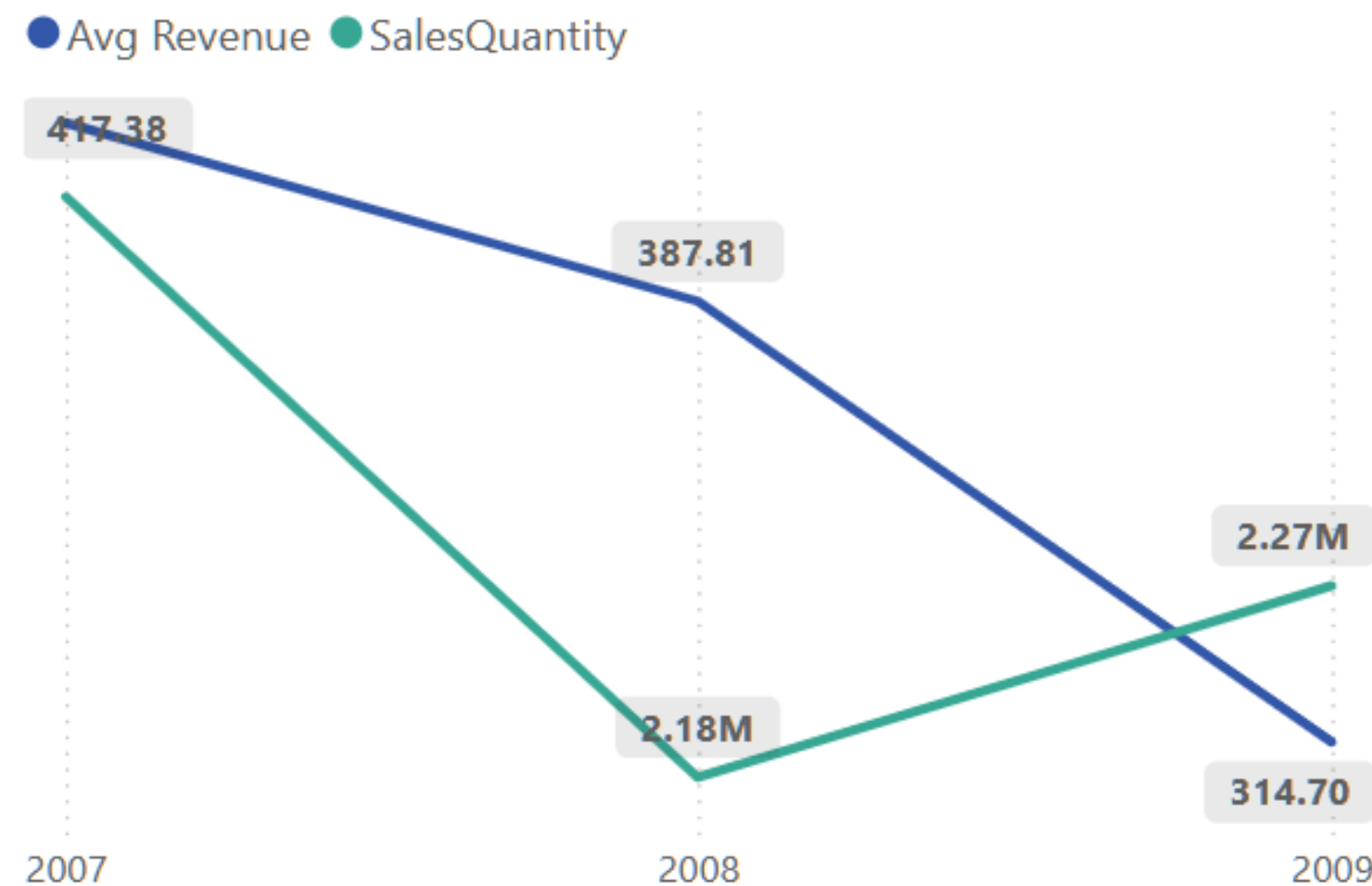
The revenue decline was primarily driven by a significant decrease in average revenue, from 387.81 to 314.7. Even sales quantity was increasing with 0.09M, it was insufficient to offset this downturn.
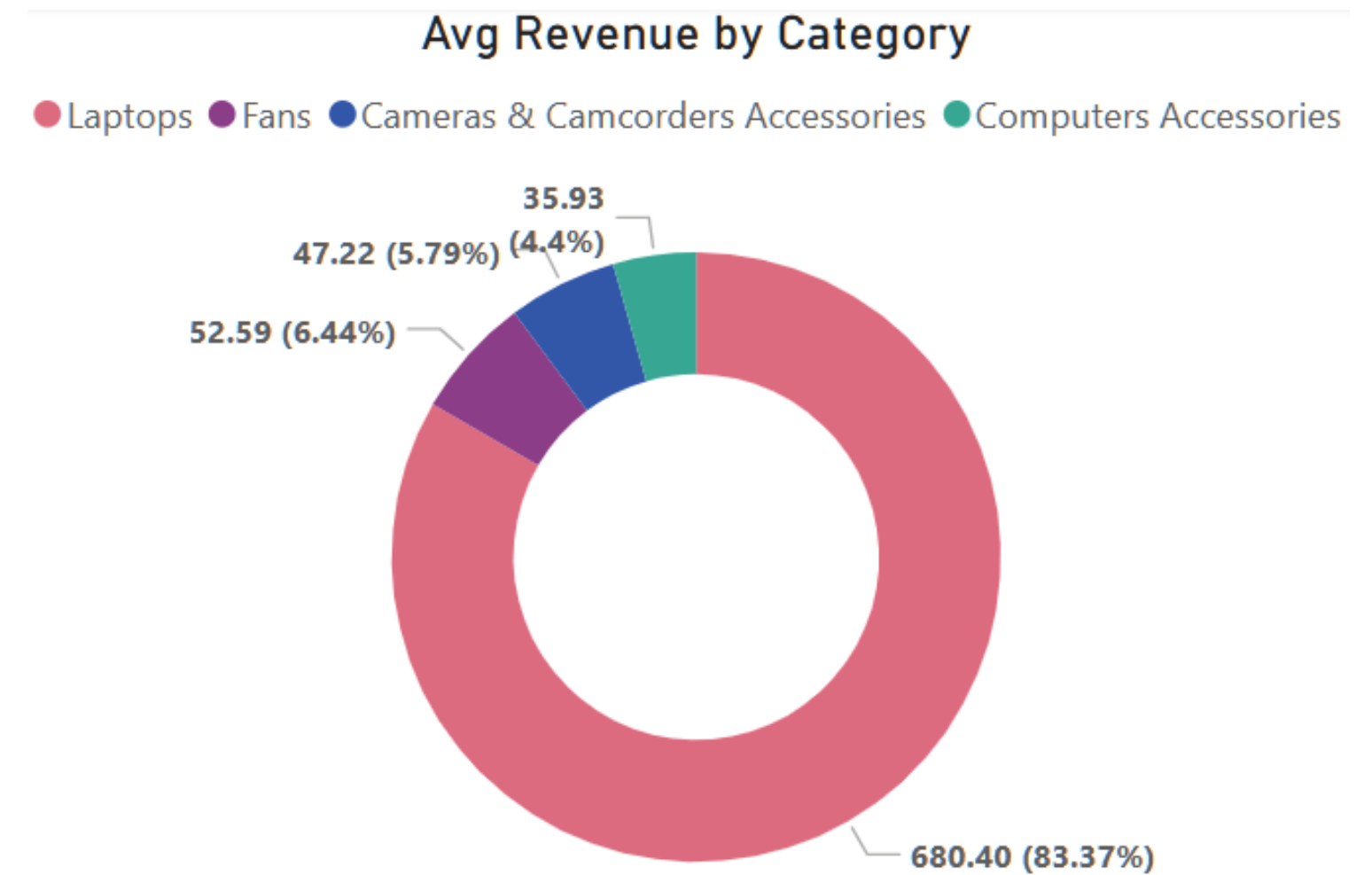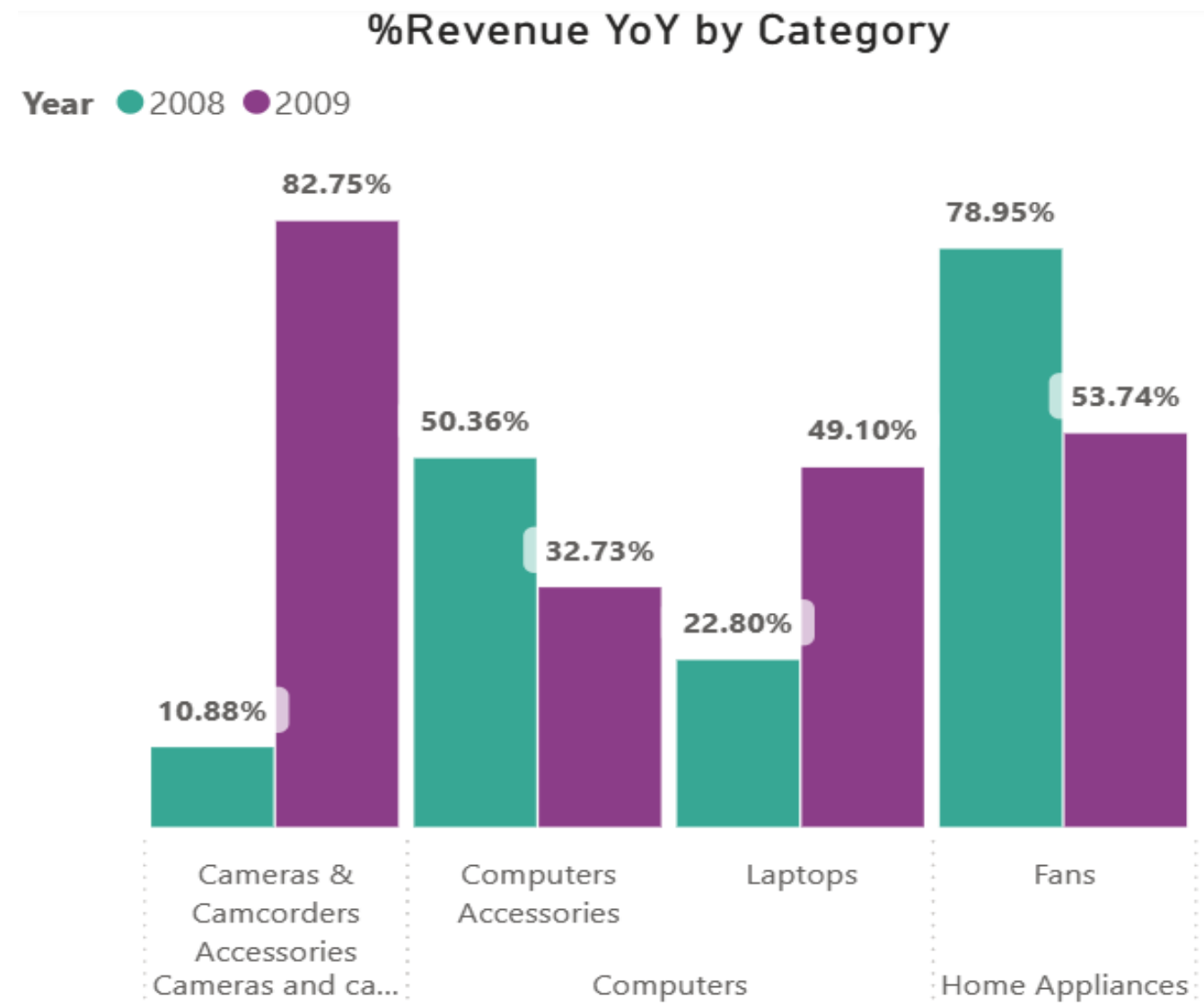➔ Higher sells for low-revenue products & **lower sells for high-revenue products** (Appendix 1)
Cameras/ camcorders and home appliances contributed hugely to the drop. ➔ Stop promoting these two

Strategy

1. Laptops are the most prominent product to invest in

Laptops demonstrated exceptional performance, achieving the highest average revenue among all categories.
They recorded 49.1% growth compared to 2008, solidifying their position as the most promising product for investment.
Moreover, computer accessories also increased in sales. ➔ **Product Bundling Strategy**
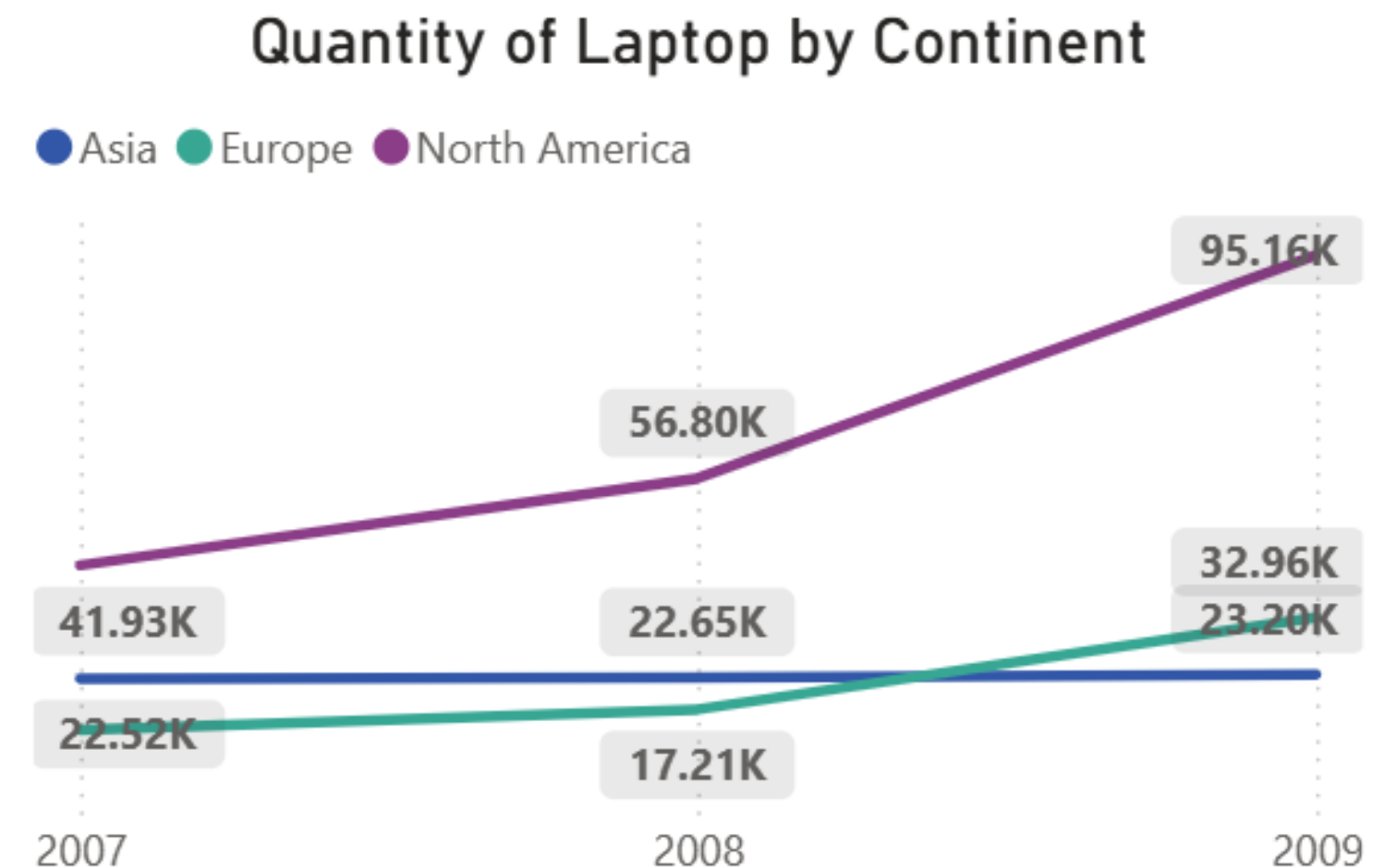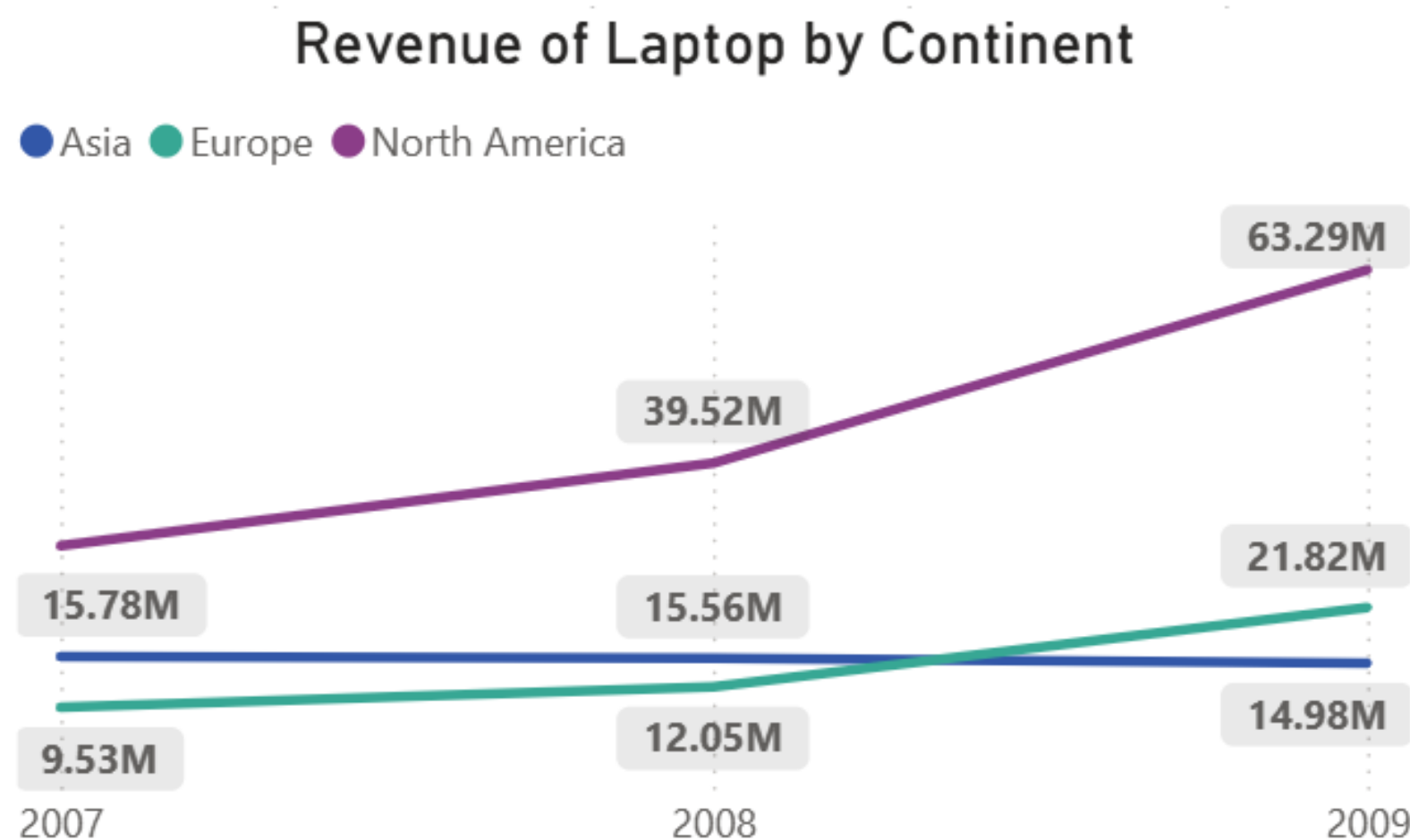
Laptops – Especially Blue models from Adventure Works & Fabrikam

Fabrikam experienced rapid growth with a CAGR of **33.7%**. With continued investment, we anticipate achieving a similar growth rate in 2010.
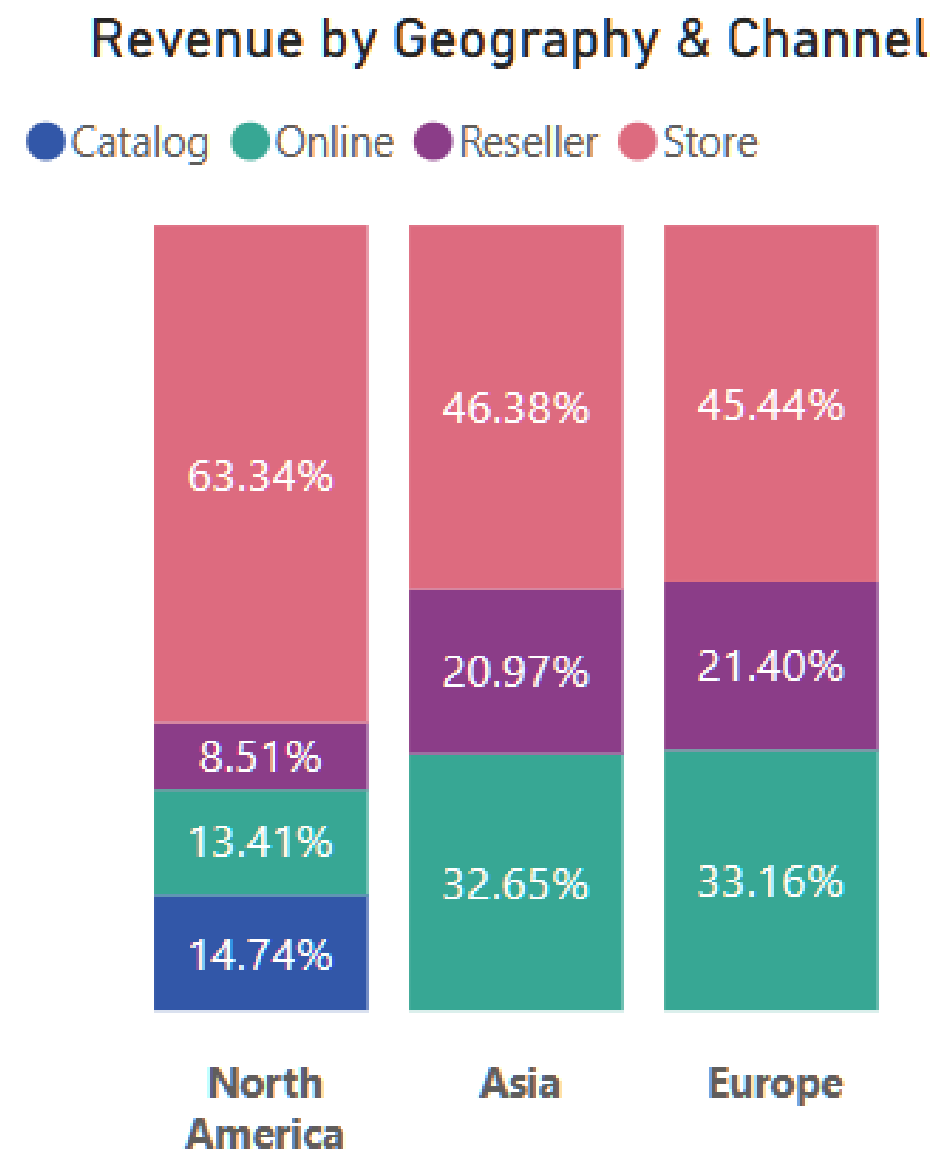The same trend went for blue models with a CAGR of **110.6%**.

2. Increase Transactions at North America & Europe

Revenue of Laptop by Continent

● Asia ● Europe ● North America

63.29M

39.52M

21.82M

15.78M   15.56M

14.98M

9.53M   12.05M

2007   2008   2009

Quantity of Laptop by Continent

● Asia ● Europe ● North America

95.16K

56.80K

32.96K
23.20K

41.93K   22.65K

22.52K

17.21K

2007   2008   2009

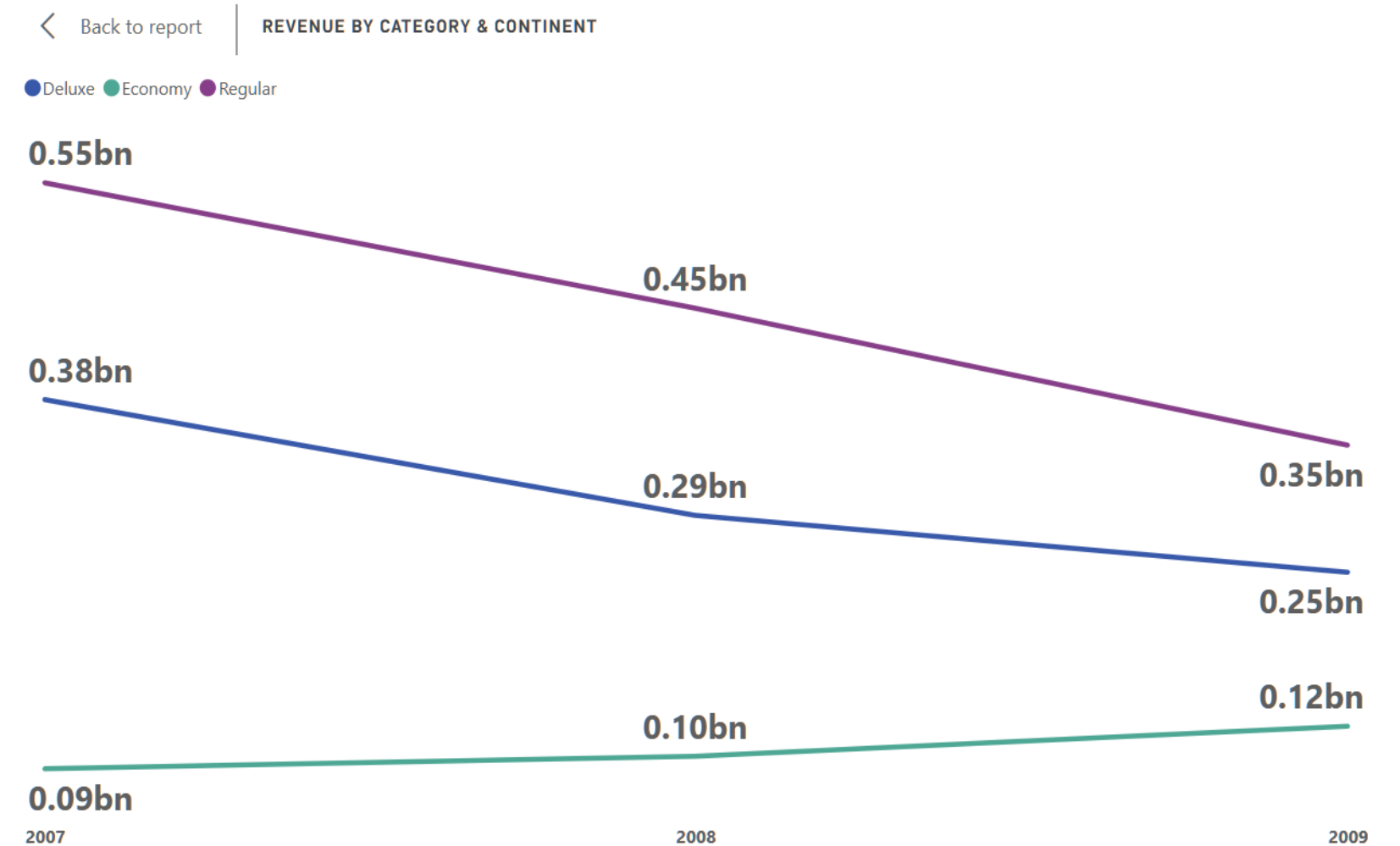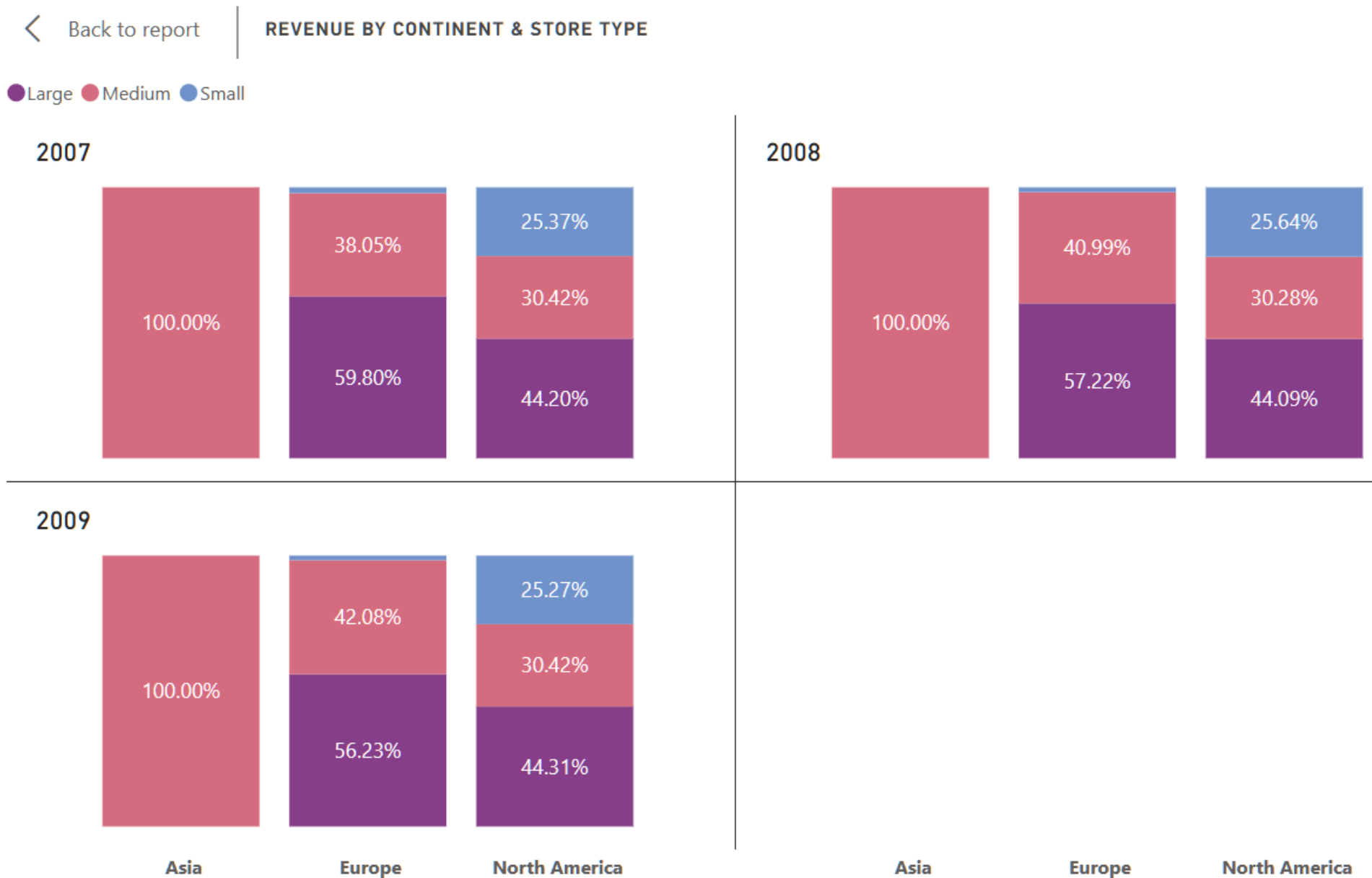North America & Europe market showed potential with steady-state growth in both revenue & quantity over 2007-2009 period.

➔ Expected to contribute **126.5%** revenue & **130.3%** quantity in 2010

3. Push sells at Store & Online in North America & Europe

Revenue by Geography & Channel

● Catalog ● Online ● Reseller ● Store

	North America	Asia	Europe
Store	63.34%	46.38%	45.44%
Reseller	8.51%	20.97%	21.40%
Online	13.41%	32.65%	33.16%
Catalog	14.74%		

Store is the leading channel for laptop as they play as a display for sell.
Online is well considered for Europe as it contributed to 33% of revenue.

Store – medium & small for Economy are preferred during economic downturn

● Large ● Medium ● Small

2007

Asia: 100.00%
Europe: 38.05% / 59.80%
North America: 25.37% / 30.42% / 44.20%

2008

Asia: 100.00%
Europe: 40.99% / 57.22%
North America: 25.64% / 30.28% / 44.09%

2009

Asia: 100.00%
Europe: 42.08% / 56.23%
North America: 25.27% / 30.42% / 44.31%

Asia   Europe   North America

● Deluxe ● Economy ● Regular

0.55bn → 0.45bn → 0.35bn (Regular)
0.38bn → 0.29bn → 0.25bn (Deluxe)
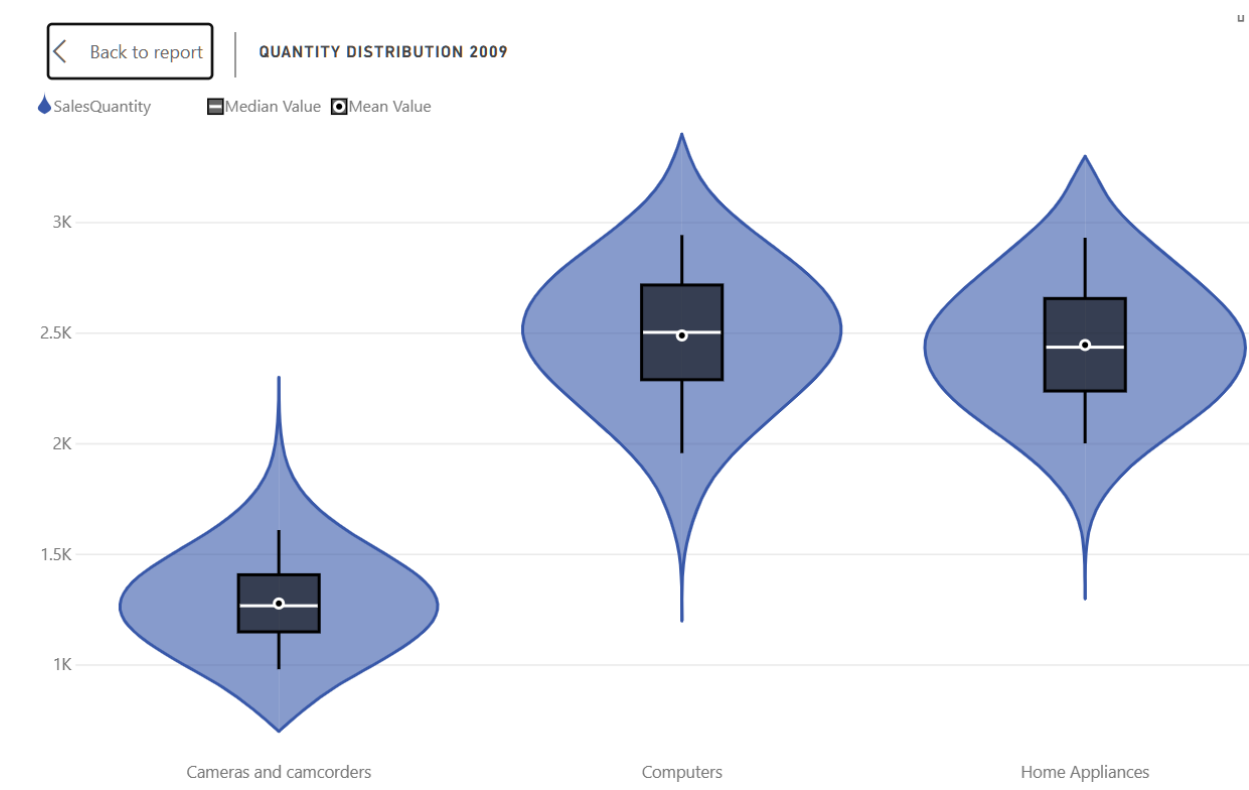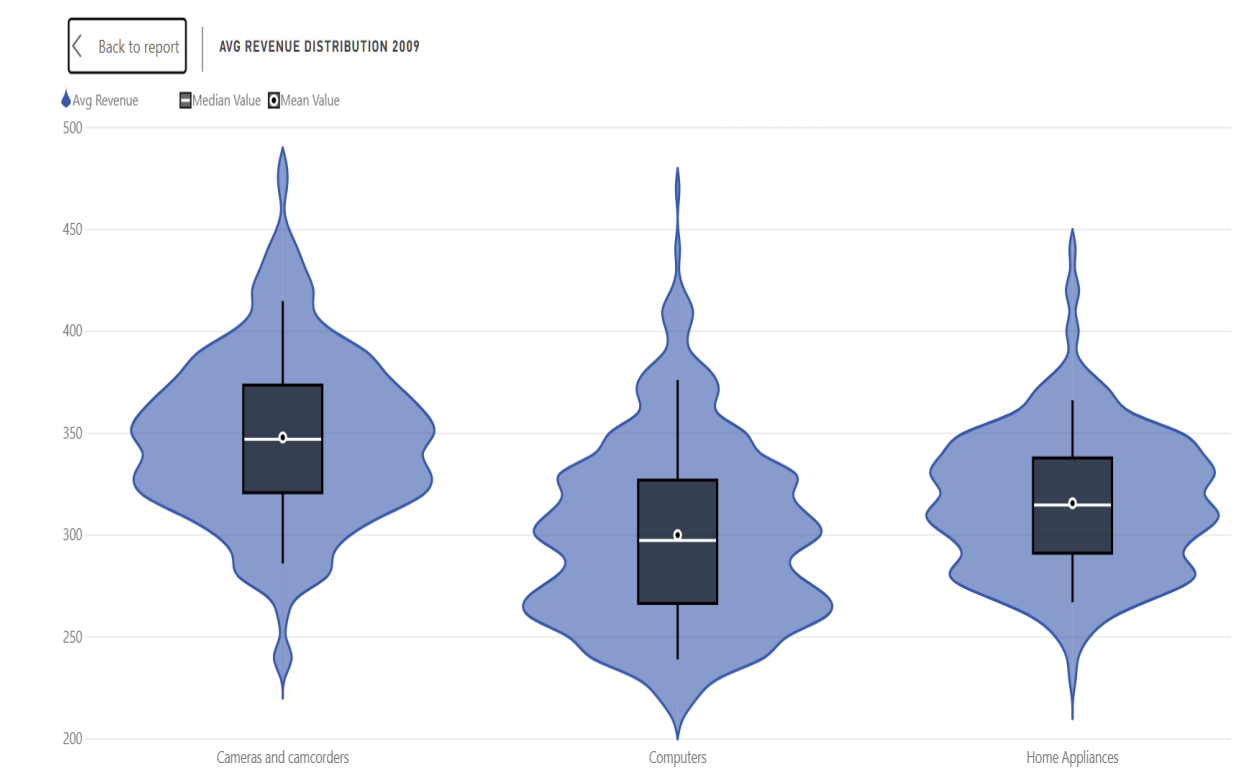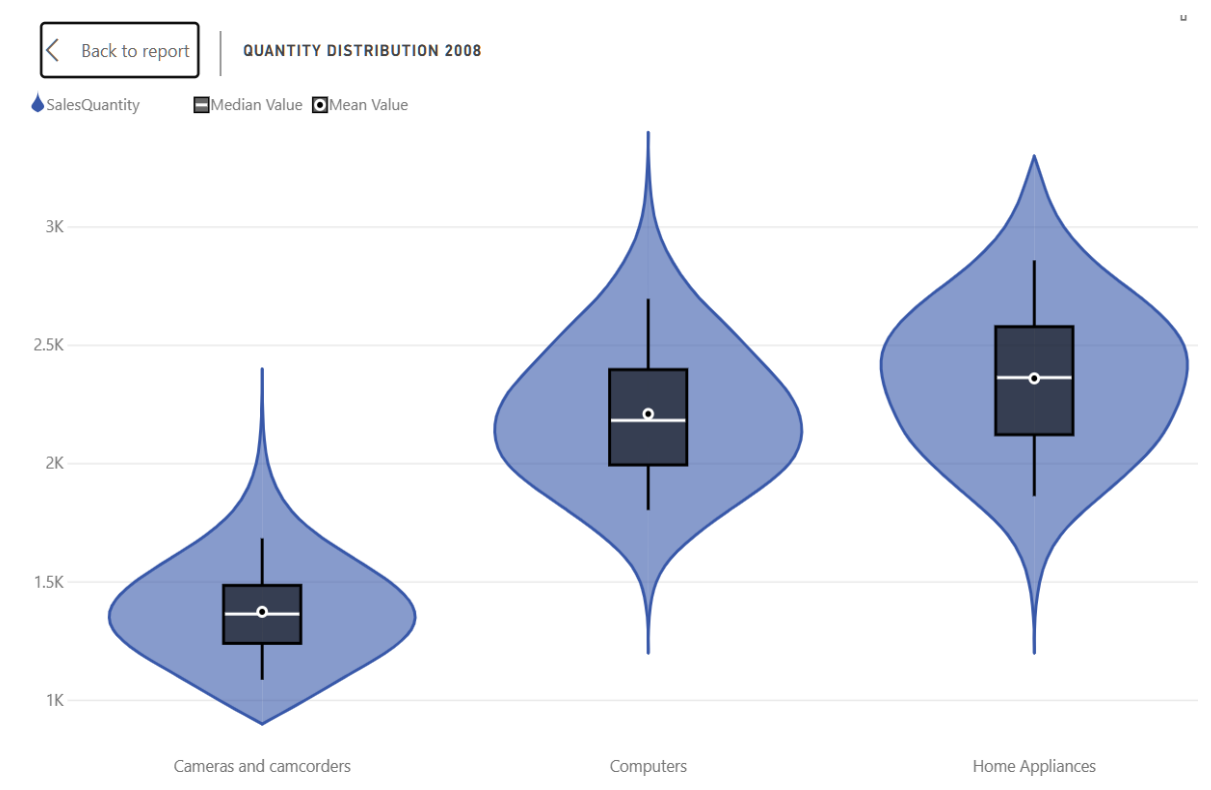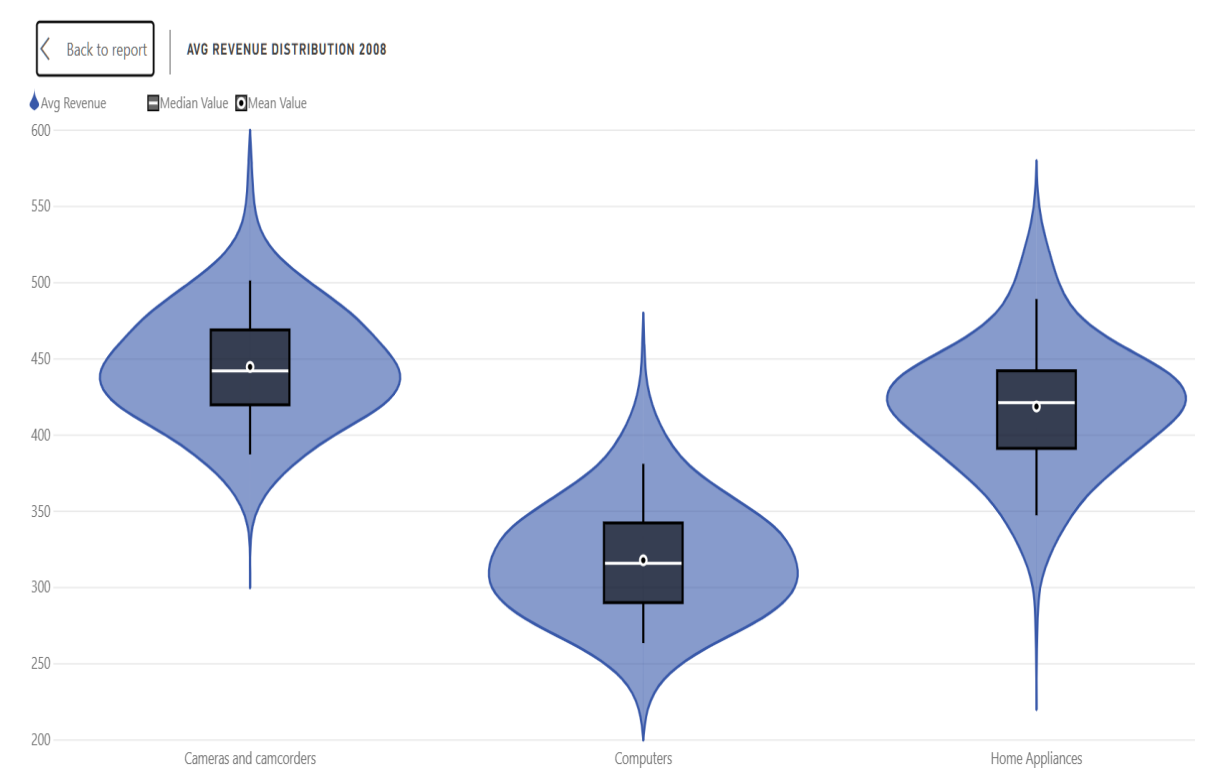0.09bn → 0.10bn → 0.12bn (Economy)

2007   2008   2009

2007-2009 witnessed was a period of market decline in economies around the world ➔ Focus medium & small stores
Customers tend to buy cheap products in large quantity (0.09bn to 0.12bn) ➔ Increase quantity of Economy products

Appendices

Appendix 1. Average Revenue & Quantity decreased for Cameras & Corders and Home Appliances

Thank you