HYPOTHETICAL SALES REPORT

JANUARY-MARCH 2019

PREPARED BY

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REPORT OVERVIEW

This report aims to review the financial performance of Hypothetical Supermarket from **January to March 2019.** Data was analyzed to obtain revenue and profits, as well as sales performance of products and team members.

The analysis of this report was achieved using **Microsoft Excel.** Various computations were made to arrive at key business metrics to drive decision making.

Key metrics presented in this report include product by revenue, sales date trend, branch, payment, gender and gross margin percentage by revenue.

Invoice ID	Brand	City	Customer type	Gender	Product line	Unit price	Quantity	Tax 5%	Total	Date	Time	Payment	cogs	gross margin percentage	gross income	Revenue	Rating
750-67-8428	A	Yangon	1	FM	Health and beauty	$ 74.69	7	26.1415	548.972	5/1/2019	13:08	Ewallet	522.83	4.761904762	26.1415	$ 26.14	9.1
226-31-3081	C	NaHorizontal (Category) Axis			Electronic accessories	$ 15.28	5	3.82	80.22	8/3/2019	10:29	Cash	76.4	4.761904762	3.82	$ 3.82	9.6
631-41-3108	A	Yangon	0	M	Home and lifestyle	$ 46.33	7	16.2155	340.526	3/3/2019	13:23	Credit card	324.31	4.761904762	16.2155	$ 16.22	7.4
123-19-1176	A	Yangon	1	M	Health and beauty	$ 58.22	8	23.288	489.048	27/1/2019	20:33	Ewallet	465.76	4.761904762	23.288	$ 23.29	8.4
373-73-7910	A	Yangon	0	M	Sports and travel	$ 86.31	7	30.2085	634.379	8/2/2019	10:37	Ewallet	604.17	4.761904762	30.2085	$ 30.21	5.3
699-14-3026	C	Naypyitaw	0	M	Electronic accessories	$ 85.39	7	29.8865	627.617	25/3/2019	18:30	Ewallet	597.73	4.761904762	29.8865	$ 29.89	4.1
355-53-5943	A	Yangon	1	FM	Electronic accessories	$ 68.84	6	20.652	433.692	25/2/2019	14:36	Ewallet	413.04	4.761904762	20.652	$ 20.65	5.8
315-22-5665	C	Naypyitaw	0	FM	Home and lifestyle	$ 73.56	10	36.78	772.38	24/2/2019	11:38	Ewallet	735.6	4.761904762	36.78	$ 36.78	8
665-32-9167	A	Yangon	1	FM	Health and beauty	$ 36.26	2	3.626	76.146	10/1/2019	17:15	Credit card	72.52	4.761904762	3.626	$ 3.63	7.2
692-92-5582	B	Mandalay	1	FM	Food and beverages	$ 54.84	3	8.226	172.746	20/2/2019	13:27	Credit card	164.52	4.761904762	8.226	$ 8.23	5.9
351-62-0822	B	Mandalay	1	FM	Fashion accessories	$ 14.48	4	2.896	60.816	6/2/2019	18:07	Ewallet	57.92	4.761904762	2.896	$ 2.90	4.5
529-56-3974	B	Mandalay	1	M	Electronic accessories	$ 25.51	4	5.102	107.142	9/3/2019	17:03	Cash	102.04	4.761904762	5.102	$ 5.10	6.8
365-64-0515	A	Yangon	0	FM	Electronic accessories	$ 46.95	5	11.7375	246.488	12/2/2019	10:25	Ewallet	234.75	4.761904762	11.7375	$ 11.74	7.1
252-56-2699	A	Yangon	0	M	Food and beverages	$ 43.19	10	21.595	453.495	7/2/2019	16:48	Ewallet	431.9	4.761904762	21.595	$ 21.60	8.2
829-34-3910	A	Yangon	0	FM	Health and beauty	$ 71.38	10	35.69	749.49	29/3/2019	19:21	Cash	713.8	4.761904762	35.69	$ 35.69	5.7
299-46-1805	B	Mandalay	1	FM	Sports and travel	$ 93.72	6	28.116	590.436	15/1/2019	16:19	Cash	562.32	4.761904762	28.116	$ 28.12	4.5

PROBLEM STATEMENT

The hypothetical company operates Branches A, B, and C, of a supermarket and seeks to enhance its overall performance and customer satisfaction. However, the company faces several challenges, such as:

- Identifying top-performing products,

- Understanding customer purchasing behaviors

- Optimizing operational efficiency

- Assessing the effectiveness of different payment methods, promotional strategies, and inventory management practices.

Through comprehensive data analysis, the company aims to uncover valuable insights that can address these challenges.

PROJECT OBJECTIVES

The aim of analyzing the data set is to uncover insights to help the hypothetical supermarket make informed decisions and drive growth.

Some analyses we will be looking at are:

- Sales Trends and Patterns

- Customer Segmentation and Behavior

- Profitability Analysis

- Customer Satisfaction

- Payment Method Preferences

This analysis will help maximize profit and increase the overall performance of the company.
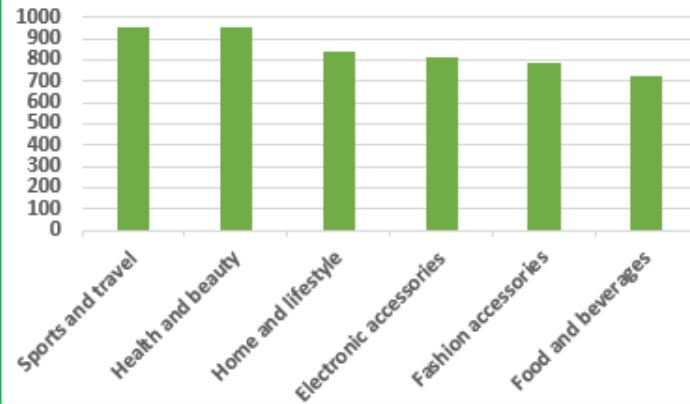
SALES TRENDS AND PATTERNS
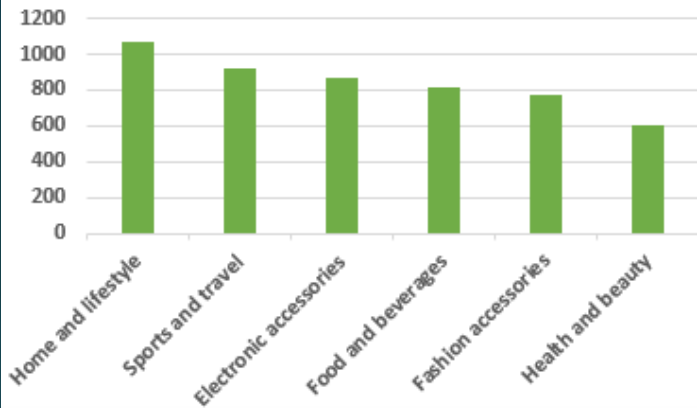
Branch A

Highest revenue- Home and Lifestyle

Lowest Revenue- Health and Safety

Branch B

Highest revenue- Sports and Travel

Lowest Revenue- Food and Beverages
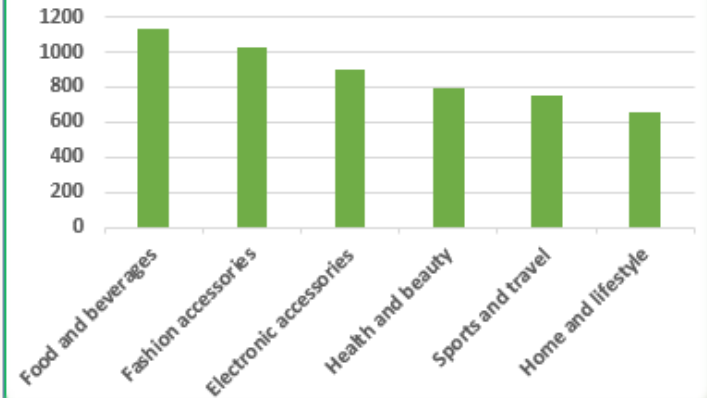
Branch C

Highest revenue- Food and Beverages

Lowest Revenue- Home and Lifestyle

SALES TRENDS AND PATTERNS

Geographical Location:

- Branches located in urban areas often generate higher sales due to higher traffic and population, while Rural branches may see lower overall sales.

- **Regional Preferences:** Some regions may prefer supplying a particular product due to cultural, climatic, or economic factors. For example, coastal areas might have higher sales of beachwear and related accessories.

Branch Layout:

- **Large Stores:** Larger branches generate more revenue. They can cater to a wider variety of customer needs and provide a better shopping experience.

- **Boutique Stores:** Small-sized boutique stores might generate high revenue, particularly if they specialize in high-demand products.

Top Products:

- **High-Value Items:** Electronics, jewelry, Gym wear, and high-end fashion often generate significant revenue due to their higher price points.

- **Everyday Essentials:** Groceries, personal care products, and household items are consistently necessary purchases, thereby contributing to stable revenue streams.

Understanding the sales trends and patterns across branches A, B, and C, and product categories allows the Hypothetical company to optimize their inventory, marketing, and overall strategy. By focusing on up-to-date trends, high-performing products like Home and Lifestyle, Sports and Travel, Food and Beverages, and strategically managing their branches, they can maximize their revenue and stay competitive in the market.

CUSTOMER SEGMENTATION AND BEHAVIOUR

FEMALE WITH MEMBERSHIP 0

•Female Customers with no membership status across different branches made high revenue in Electronics Accessories and Fashion Accessories.

FEMALE WITH MEMBERSHIP 1

•Female Customers with membership status across different branches made high revenue in Food and Beverages, Home and Lifestyle.

CUSTOMER SEGMENTATION AND BEHAVIOUR

MALE WITH MEMBERSHIP 0

•Male Customers with no membership status across different branches made high revenue in Sports and Travel and Electronics Accessories.

MALE WITH MEMBERSHIP 1

•Male Customers with membership status across different branches made high revenue in Health and Safety and Electronics Accessories.

CUSTOMER SEGMENTATION AND BEHAVIOUR

Customer demographics play a crucial role in influencing purchasing behavior, and understanding these influences can help tailor marketing strategies and improve customer satisfaction. Analyzing membership status and gender are some of the ways to impact customers purchasing behavior.

MEMBERSHIP STATUS

Loyalty Programs

Customers with membership status of loyalty programs enjoy discounts, exclusive offers, and early access to new products, which encourage higher spending.

Engagement

Members are generally more engaged with the brand, participating in surveys, feedback sessions, and community events, providing valuable insights for the company.

Brand Advocacy

Customers are often brand advocates who refer friends and family, write positive reviews, and share their experiences on social media. Their word-of-mouth recommendations can boost the brand's reputation and attract new customers.

CUSTOMER SEGMENTATION AND BEHAVIOUR

GENDER

Product Preferences

Men and women have different preferences when it comes to products and services. For instance, women spend more on beauty and fashion, while men might focus more on electronics and gadgets.

Shopping Habits

Women are generally seen to shop more and spend more time compared to men. They also look out for more sales and discounts.

Communication

Women often respond better to emotional and detailed storytelling, while men may prefer straightforward information.

By focusing on the characteristics of the most valuable customer segments like high engagement, frequent purchases, high transaction, brand advocacy, and long-term loyalty, Hypothetical supermarket can enhance customer satisfaction, increase sales, and build lasting relationships with their customers.

PROFITABILITY ANALYSIS
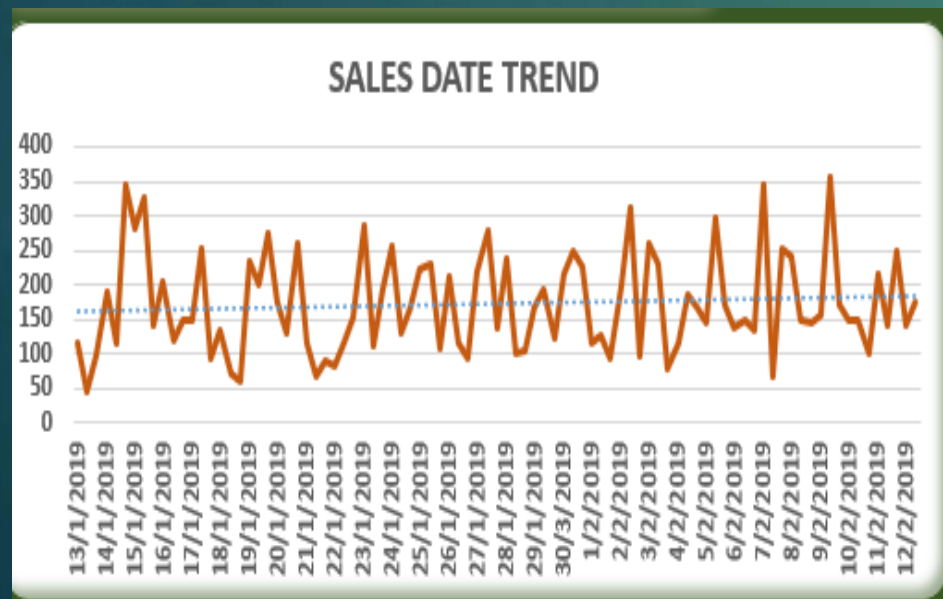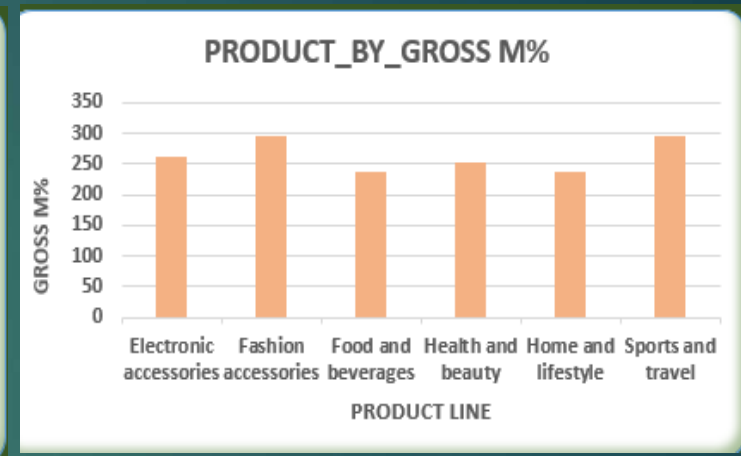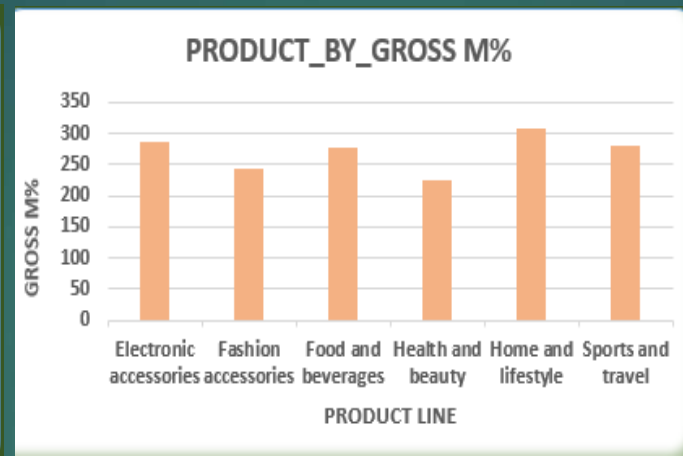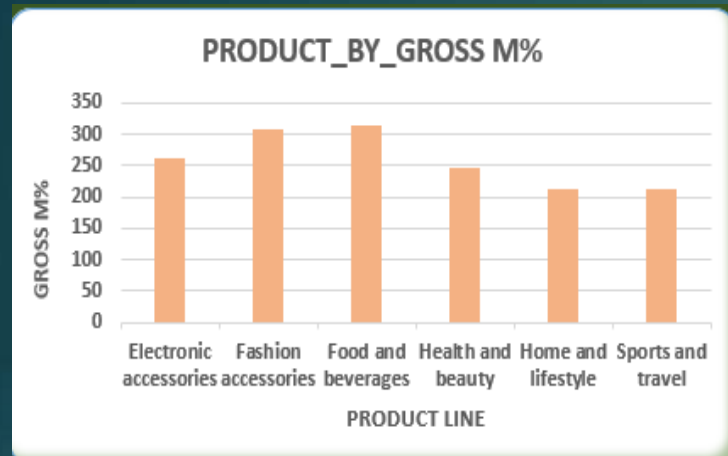
After analyzing the sales date trend given the revenue gotten across different time periods, we realized the company is generating no significant revenue.

From the Gross Margin Percentage analysis, Branch A has more revenue from Food and Beverages, Branch B has from Home and Lifestyle, and Branch C has from Sports and Travel.

PROFITABILITY ANALYSIS

Some findings that can increase revenue for the Hypothetical Supermarket are:

- Setting benchmarks and performance targets for each branch while reviewing its operating expenses regularly.

- Negotiate better prices or payment terms with suppliers to reduce the cost of goods sold.

- Purchase materials in bulk to take advantage of volume discounts.

- Focus on high-margin products and consider discontinuing low-margin ones.

- Have SMART detailed action plans for each strategy.

- Regularly review progress against objectives and adjust strategies as needed.

- Foster a culture of continuous improvement to sustain profitability gains

By following these steps, the company can effectively analyze its profitability, identify areas for improvement, and implement strategies to optimize costs and enhance gross margins.

CUSTOMER SATISFACTION (RATING 4)

F, 0

F, 1

Female customers with no membership status gave Sports and Travel the least rating while those with membership status gave Food and Beverages the least rating.

M, 0

M, 1

Male customers with no membership status gave Fashion and Accessories the least rating while those with membership status gave Health and Beauty, and Food and Beverages the least rating.

CUSTOMER SATISFACTION (RATING 10)

F, 0

F, 1

Female customers with no membership status gave Electronic Accessories the highest rating while those with membership status gave Sports and Travel the highest rating.

M, 0

M, 1

Male customers with no membership status gave Sports and Travel the highest rating while those with membership status gave no rating of 10 to any product line.

CUSTOMER SATISFACTION

Some factors that has affected the customer satisfaction of the products of hypothetical company could be:

- Bad Customer Service like resolution of complaints and issues.
- No product variety i.e no availability of popular or new products.
- Bad Online Shopping Experience
- No good Brand reputation.

These strategies listed below could help the company significantly enhance customer satisfaction and overall shopping experience:

- Enhance customer service by training employees on customer service best practices like resolving issues promptly and effectively.
- Source high-quality products and conduct regular quality checks to improve product quality.
- Maintain transparency and showcase positive customer testimonials and reviews to build brand reputation
- Have a user-friendly website or app with fast and reliable delivery service, and easy return and exchange policies.
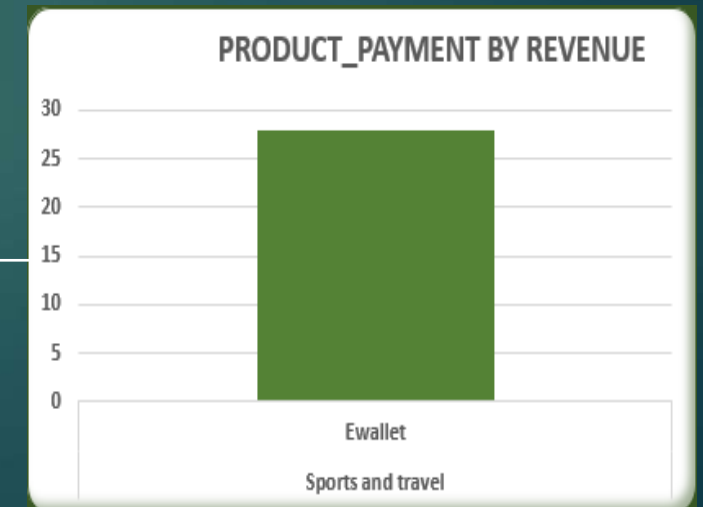
PAYMENT METHOD PREFERENCES

PRODUCT_PAYMENT BY REVENUE
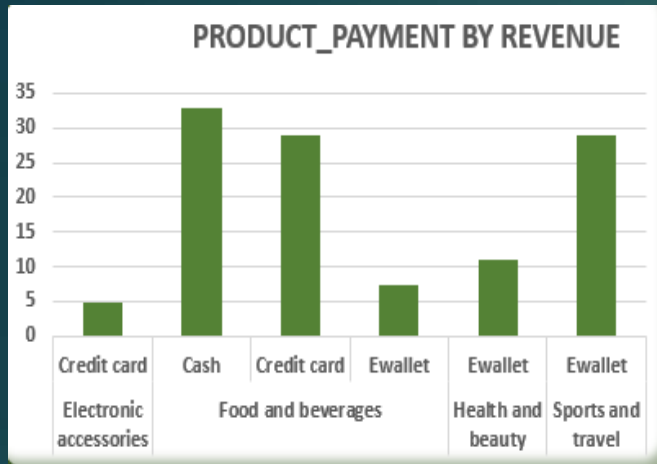
As seen from the analysis, the ratings for payment preferences are very inconsistent. Although, poor ratings are seen more on Cash Payment. Also both female and male customers that gave a rating of 4 was more of Credit cards, and E-wallet on both Sports and Travel and Health and Beauty.

PRODUCT_PAYMENT BY REVENUE
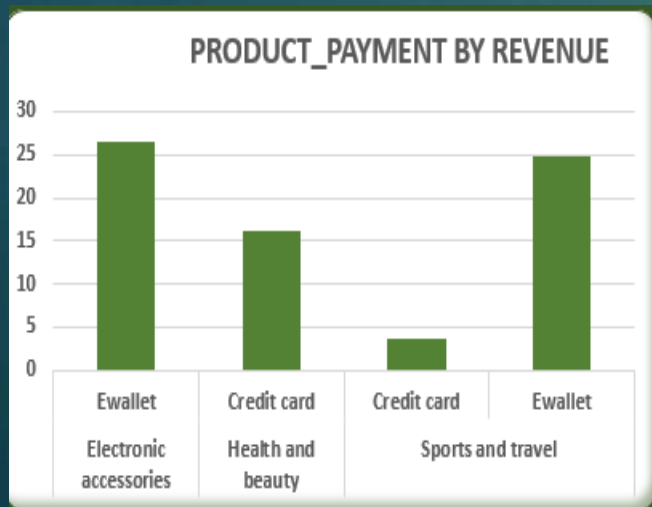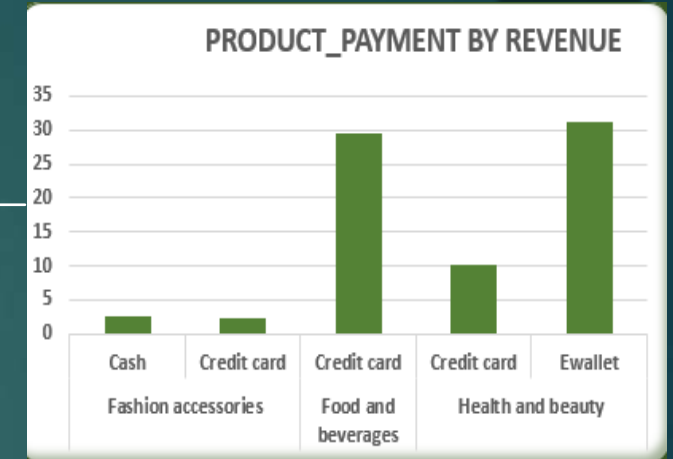
Both female and male customers that gave a 6 to 10 rating 10 preferred paying with Credit Cards and E-wallet on more Product lines.

PRODUCT_PAYMENT BY REVENUE

PRODUCT_PAYMENT BY REVENUE

PAYMENT METHOD PREFERENCES

➢ The payment method preferences of customers has shown that Digital Payment Methods should be used frequently as they are faster than traditional methods like cash or checks, reducing checkout times, physical cash handling, counting, and bank deposits. They provide valuable data that can be analyzed for insights into customer behavior, purchasing patterns, and payment preferences. Using the Digital Payment method consistently will improve the operational efficiency of the company in terms of payment.

➤ Also we recommend conducting surveys while continuously monitoring payment trends and adapting to new technologies and customer preferences as they evolve.

Adopting multiple payment options can increase sales, improve customer satisfaction, and streamline operations. Modern payment systems also provide valuable data insights, improve cash flow, and reduce handling costs, contributing to operational efficiency.

CONCLUSION

By implementing all these strategies, the Hypothetical Supermarket can not only increase profitability but also elevate its overall customer experience, fostering long-term loyalty and sustainable growth.