**DATA-DRIVEN BUSINESS RECOMMENDATIONS**

**1. Control Discounts to Prevent Losses**

* High discounts (especially >20%) often correlate with **negative profit margins**, particularly in **Technology** and **Furniture** categories.
* **Recommendation**: Set a cap on discounting — e.g., limit discounts to a maximum of **15%**, especially for low-margin items.

**2. Review Sub-Category Performance**

* Sub-categories like **Tables** and **Bookcases** consistently show **losses**, despite good sales numbers.
* **Recommendation**: Either renegotiate supplier costs or consider **removing/discounting less aggressively** in these sub-categories.

**3. Reallocate Focus to High-Profit Categories**

* **Office Supplies** and **Accessories** have **high-profit margins** even with moderate sales.
* **Recommendation**: Invest in promotions or bundles that feature these high-margin products.

**4. Optimize Shipping Strategy**

* **Same Day** and **First class** shipping modes tend to have **higher delivery speed** but **lower profit margins**.
* **Recommendation**: Offer faster shipping selectively or as a **paid upgrade** to reduce cost impact.

**5. Target High-Performing Regions**

* The **West** and **East** regions are the most profitable overall.
* **Recommendation**: Allocate more inventory, marketing, and staffing resources in these areas to scale up performance.

**6. Address Poor State-Level Profitability**

* States like **Texas**, **Illinois**, and **North Carolina** show high sales but **negative or low profits** — likely due to excessive discounts or high shipping costs.
* **Recommendation**: Perform a **state-level cost-benefit audit** and adjust pricing/shipping/discounting policies accordingly.

**7. Customer Segmentation Opportunities**

* **Corporate** and **Consumer** segments perform well, but **Home Office** shows lower profitability.
* **Recommendation**: Tailor marketing and discounting strategies for the Home Office segment or reconsider targeting.

**8. Reduce Over-Reliance on Discounts**

* Many products are being sold at **significant discounts** even when they don’t need them to sell.
* **Recommendation**: Introduce a **dynamic pricing system** based on product performance and seasonality.

**9. Focus on Fast-Moving, High-Margin Products**

* Products like **Binders**, **Phones**, and **Chairs** perform well both in sales and profit.
* **Recommendation**: Use these as **anchor products** in promotions or cross-selling strategies.

**10. Improve Inventory Based on Regional Demand**

* Some **products are underperforming in certain regions**, despite doing well elsewhere.
* **Recommendation**: Localize inventory and promotions using region-specific performance dashboards.