

Native Ground Sales Analytics

June 2023

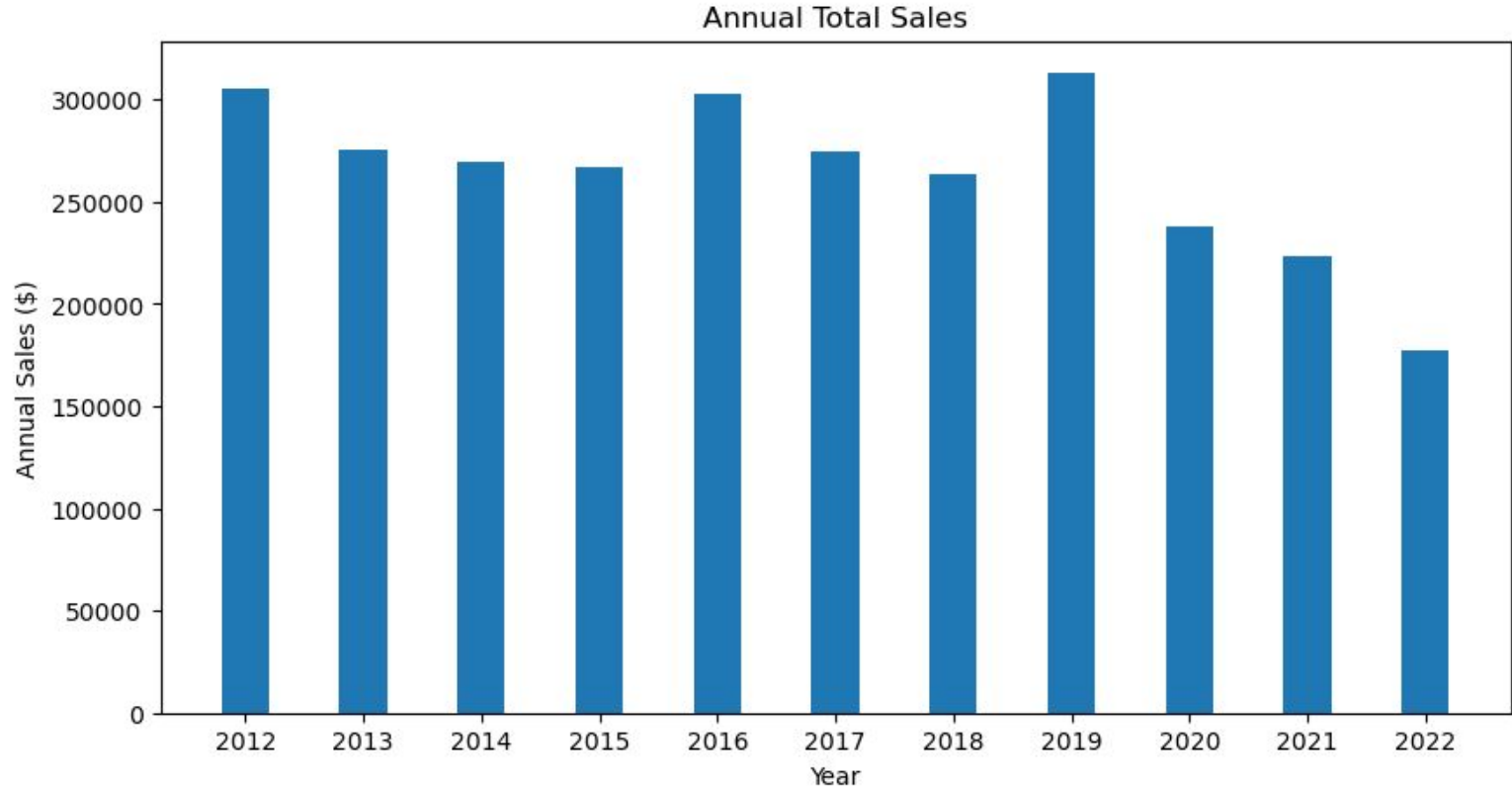


Business Problem

Native Ground Music, Inc. is a publishing company looking to sell their business, and we have been asked the following questions from a potential buyer:

- Total annual sales over the past 10 years
- Breakdown of the % of sales by title, customer type, and title category
- Sales trends over the last 5 years and sales forecast
- Amazon sales analytics

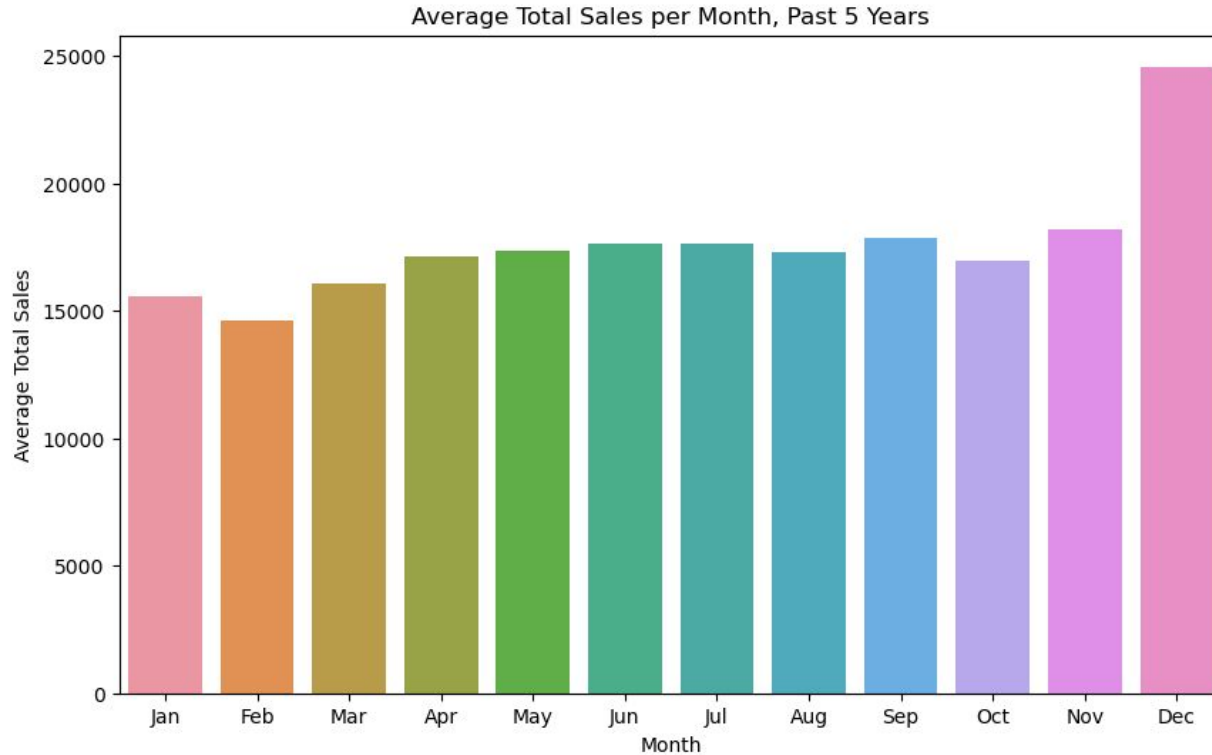
Annual Total Sales, 2012-2022



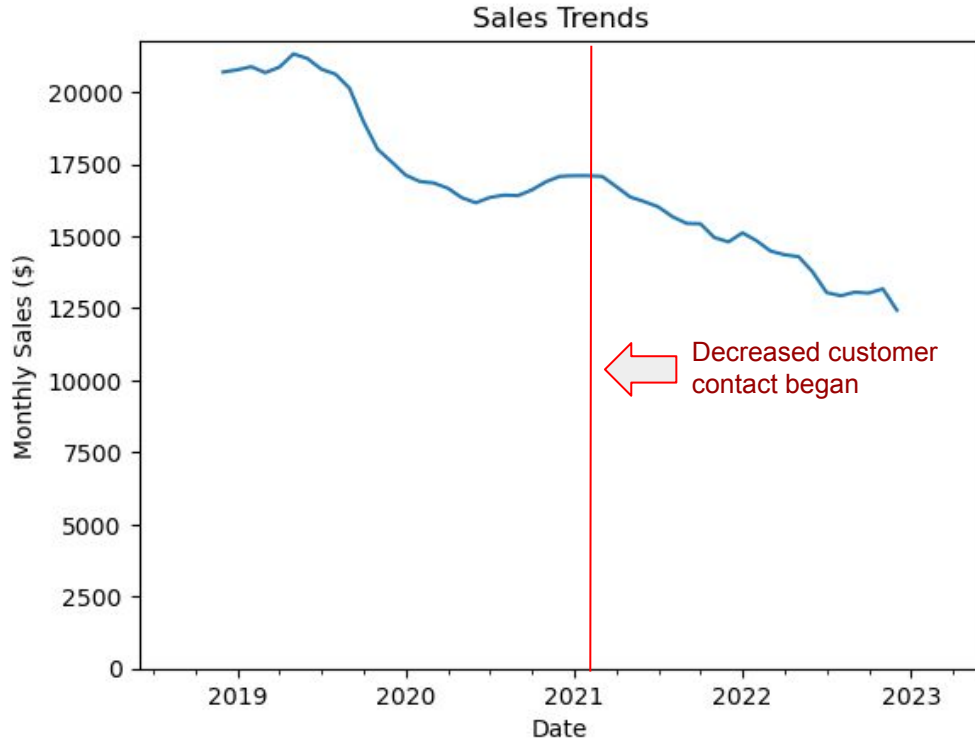
Notes on the 10 Year Sales

- Sales were stable until the pandemic
- As the economy recovered, I was not able to resume my duties and didn't hire reliable sales candidates.
- Sales trends should be recoverable with resumed customer contact.

Average Monthly Sales

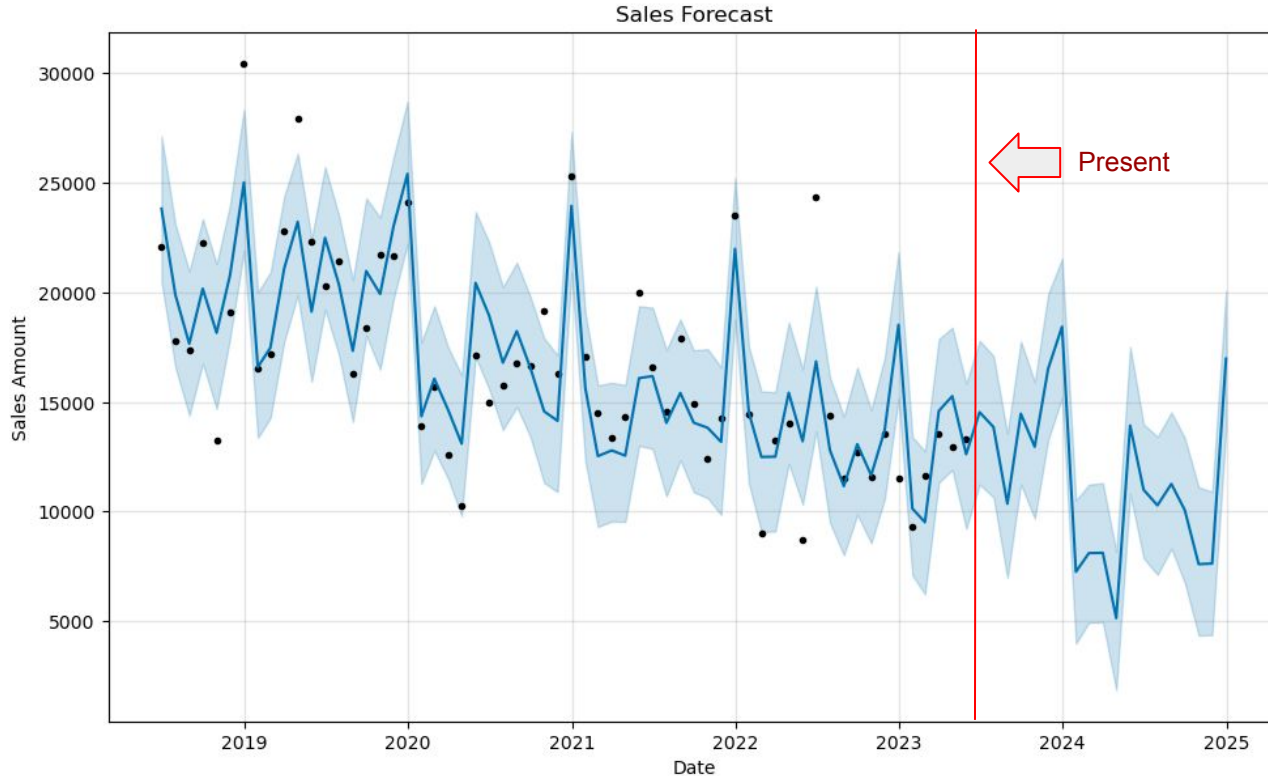


Sales Trends Over 5 Years



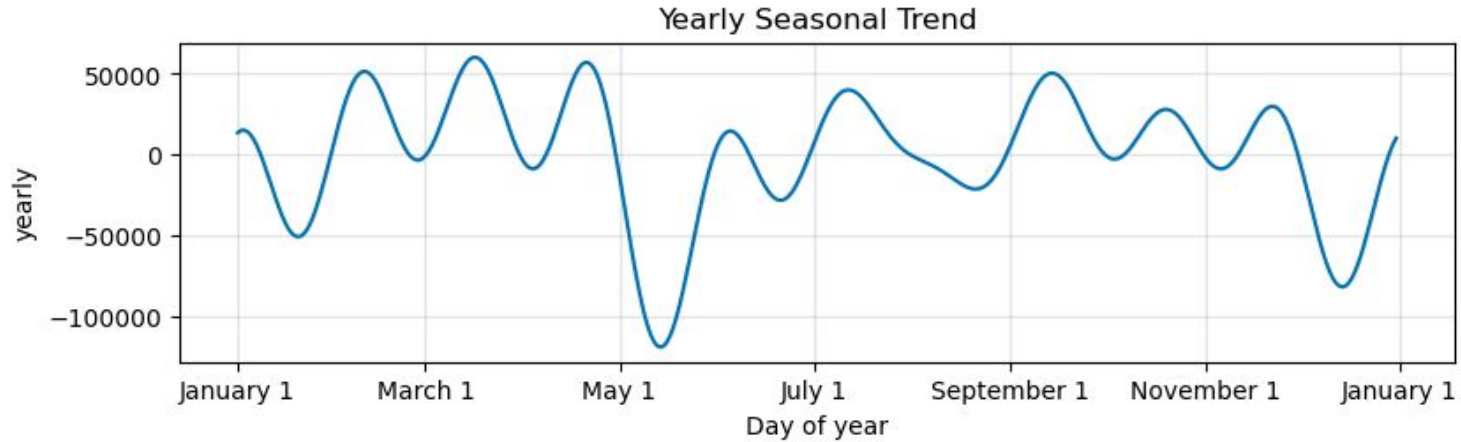
- Note that the prior 5 years were very steady
- There was an uptick in sales in 2021
- The following decline corresponds to when customers were contacted much less often

Sales Forecast



- This is the sales forecast if we continue to not reach out to customers
- Sales should recover if customers are contacted more often, as we always did prior to 2021

Seasonal Trends



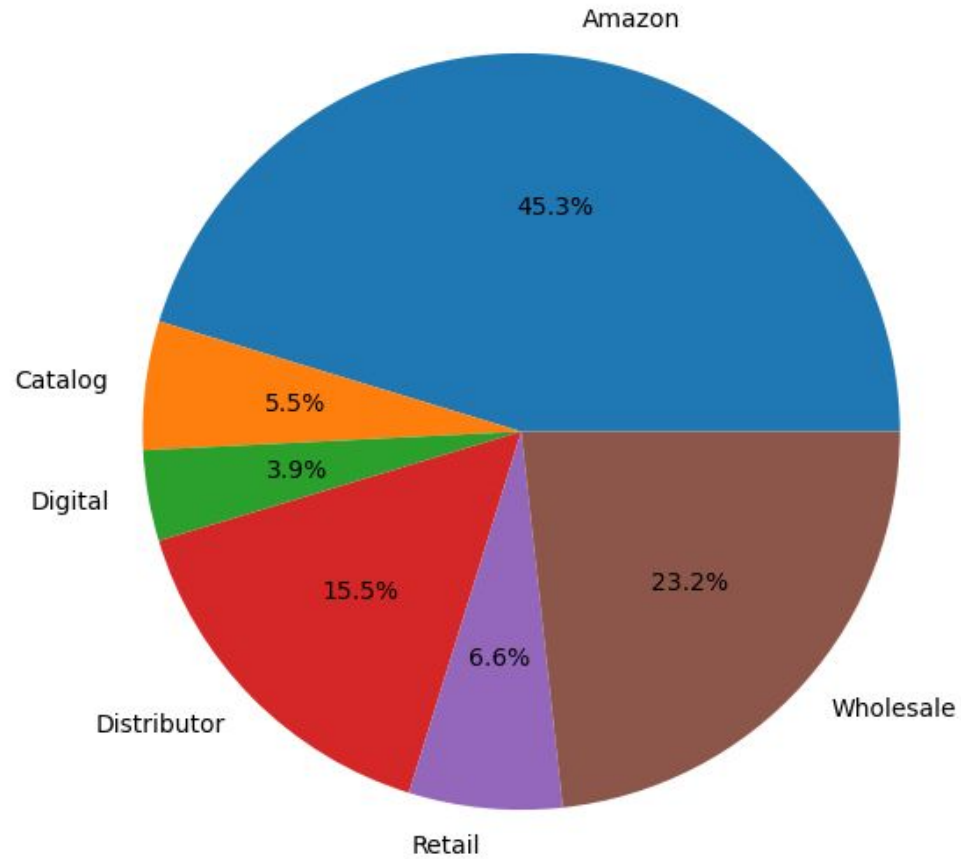
- This plot removes overall sales levels, so that we can identify seasonal trends
- These determine when we have special promotions, send newsletters and call wholesale customers more often

Customer Breakdown, Last 5 Years

- Unique wholesale(stores, distributors, catalogs) customers: 367
- Unique retail customers: 1794
- Wholesale customers accounted for 94% of sales
- Retail customers accounted for 6% of sales



Sales Percentage by Customer Type

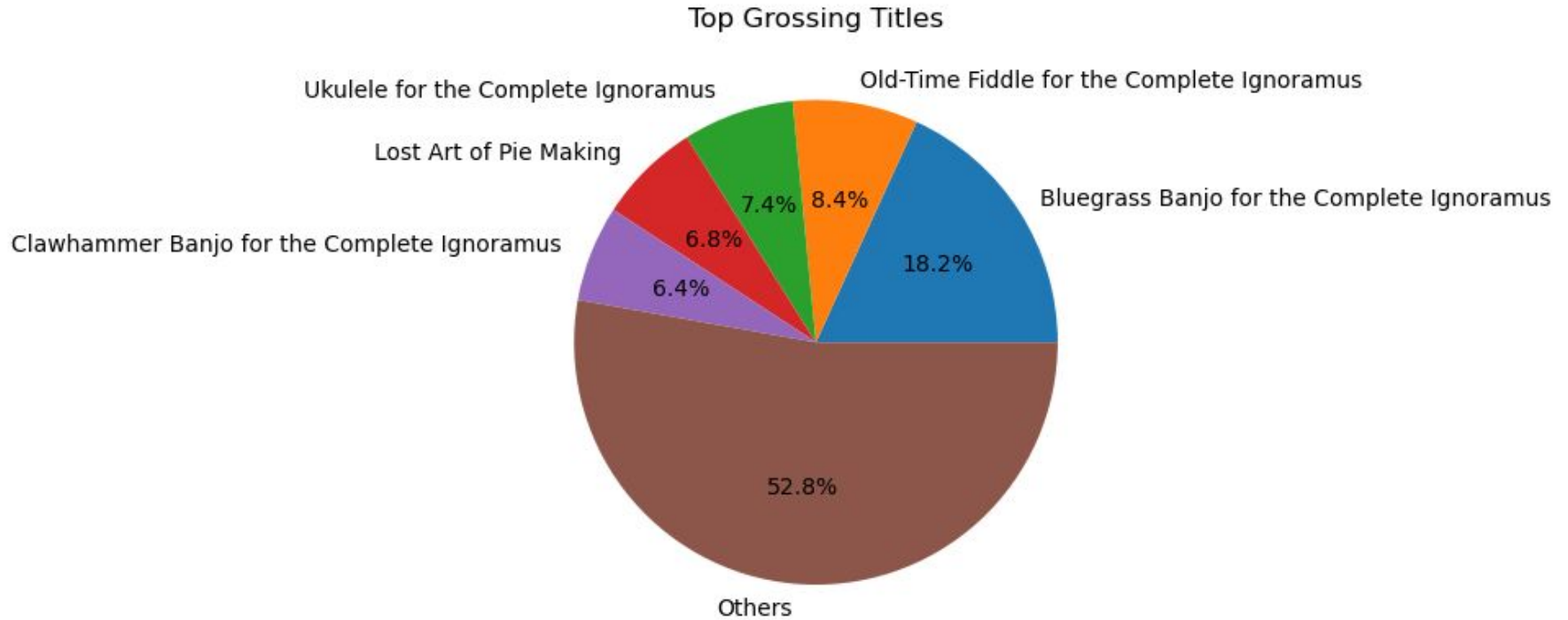


Product Breakdown, Last 5 Years

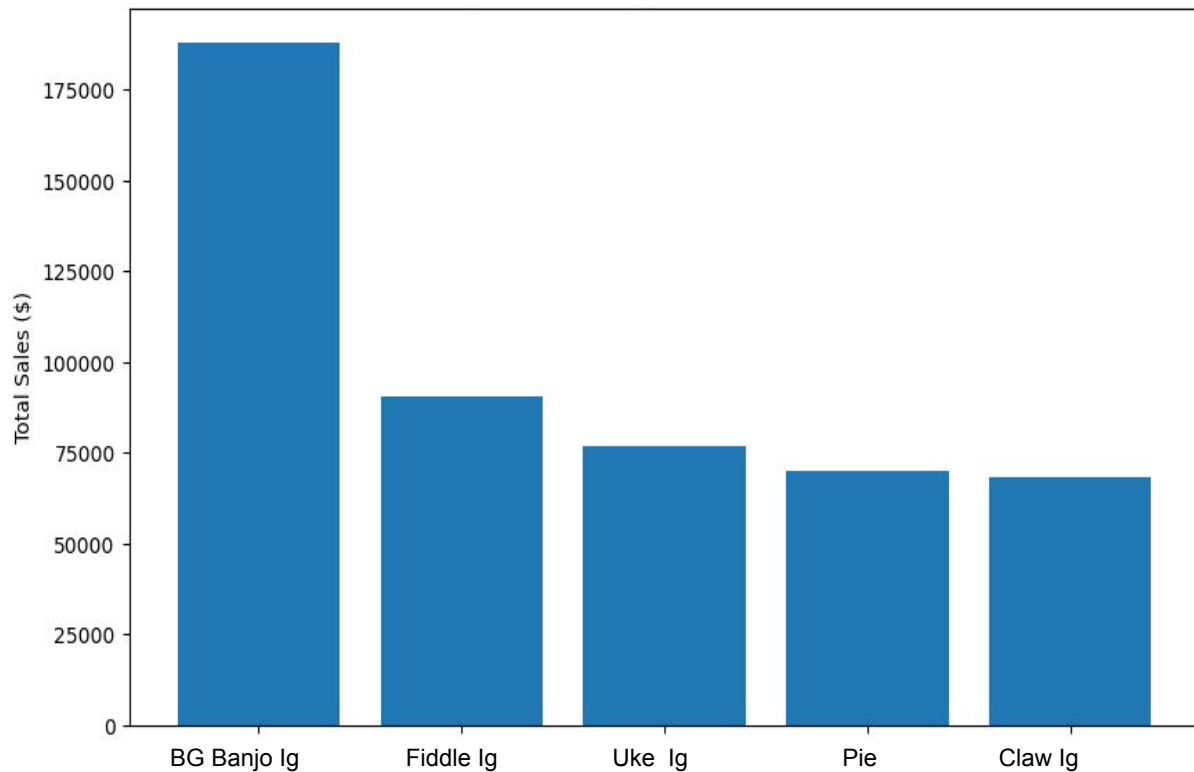
- Total Number of Titles, All Time: 80
- Total Number Currently in Print: 42
 - 13 cookbooks
 - 10 song/folklore books
 - 14 music instruction books
 - 5 CDs



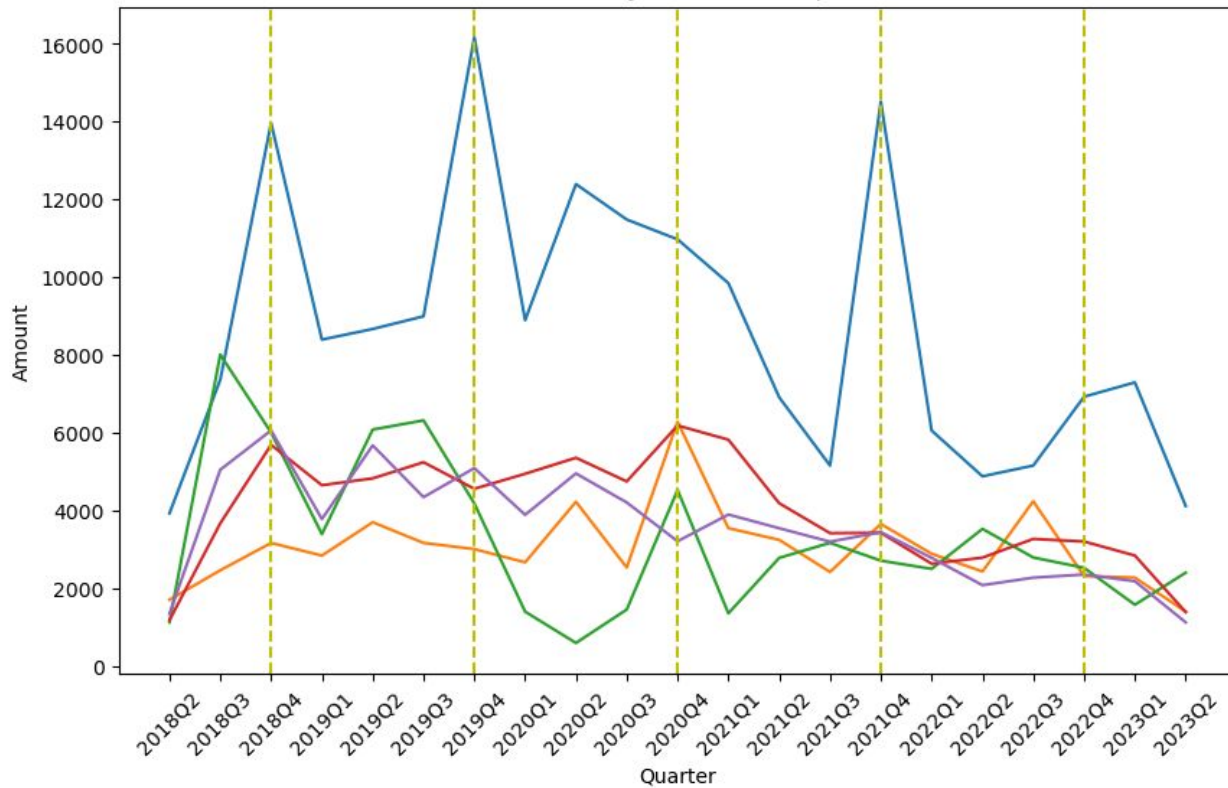
Best-Selling Titles, Past 5 Years



5 Year Sales of Best-Selling Titles



Sales over Time by Quarter for Top 5 Sellers

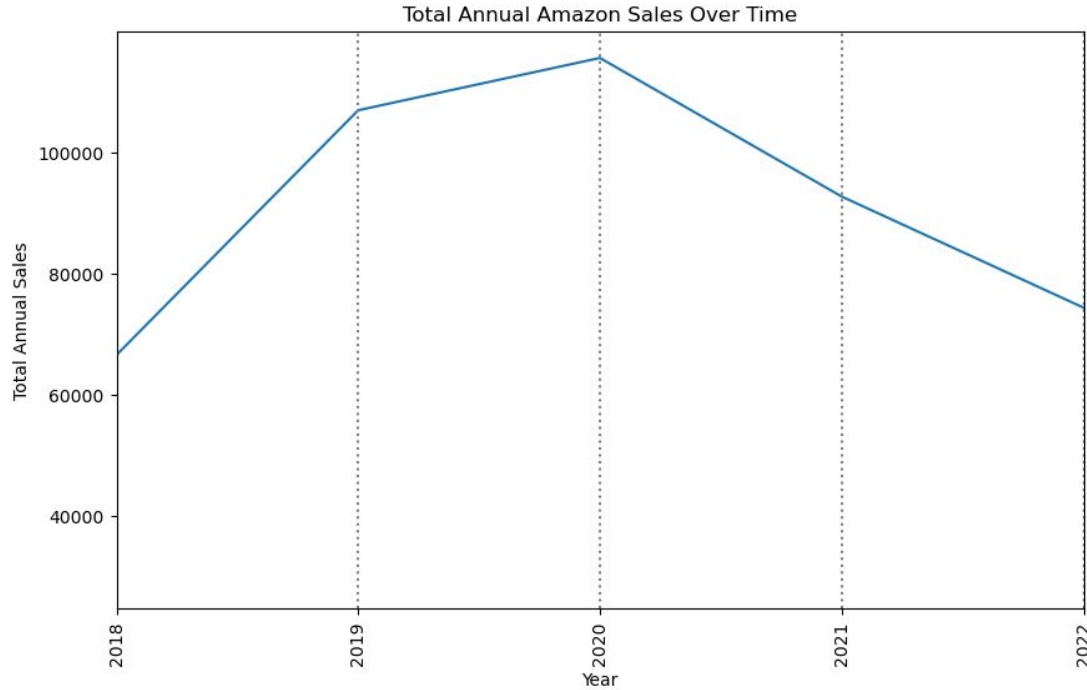


- Bluegrass Banjo for the Complete Ignoramus
- Clawhammer Banjo for the Complete Ignoramus
- Lost Art of Pie Making
- Old-Time Fiddle for the Complete Ignoramus
- Ukulele for the Complete Ignoramus

Annual Sales by Product Type (% of total sales)

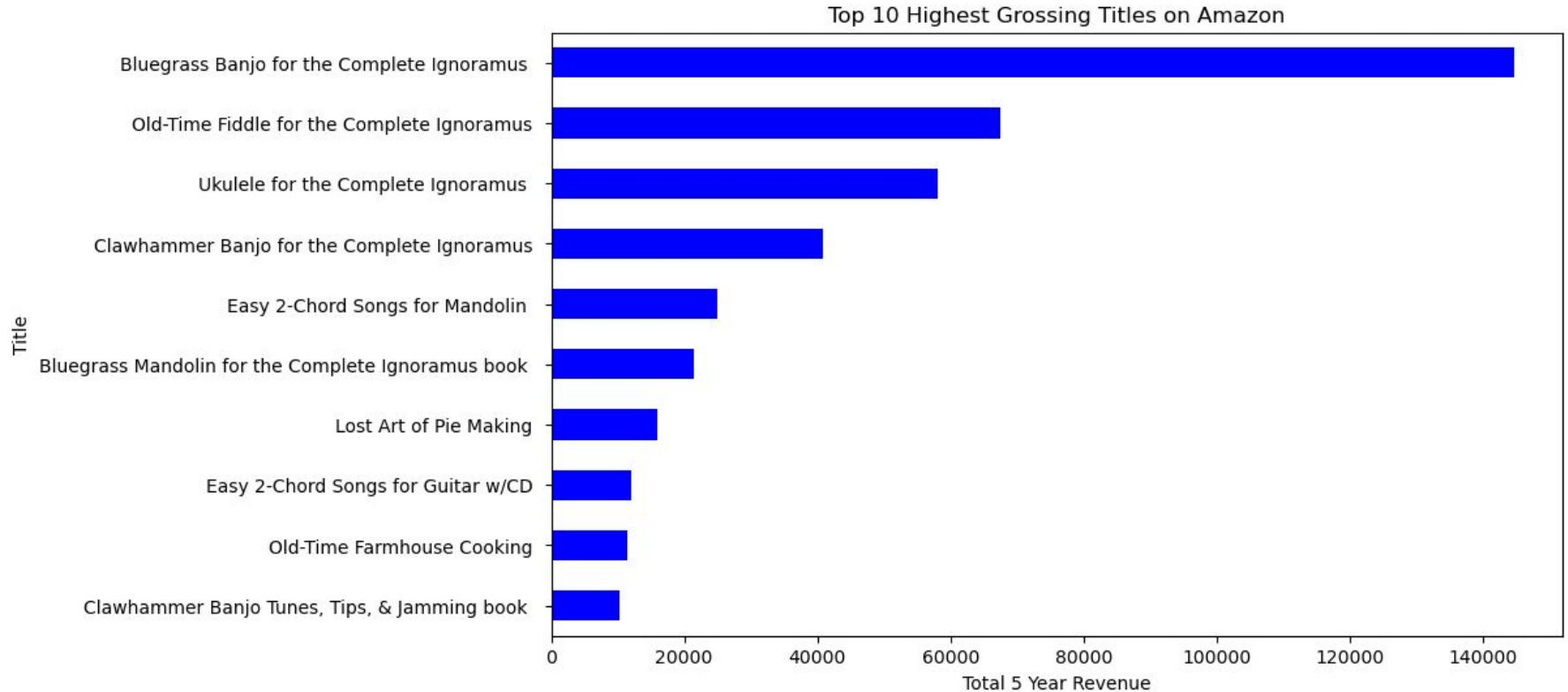
Category	cd	cookbook	folklore	instruction	other	songbook
Year						
2018	6.0	27.0	4.0	51.0	5.0	7.0
2019	4.0	31.0	3.0	49.0	5.0	7.0
2020	3.0	19.0	2.0	65.0	7.0	4.0
2021	1.0	29.0	2.0	56.0	4.0	7.0
2022	2.0	33.0	3.0	48.0	6.0	8.0
2023	1.0	36.0	3.0	51.0	2.0	8.0

Amazon Sales By Year

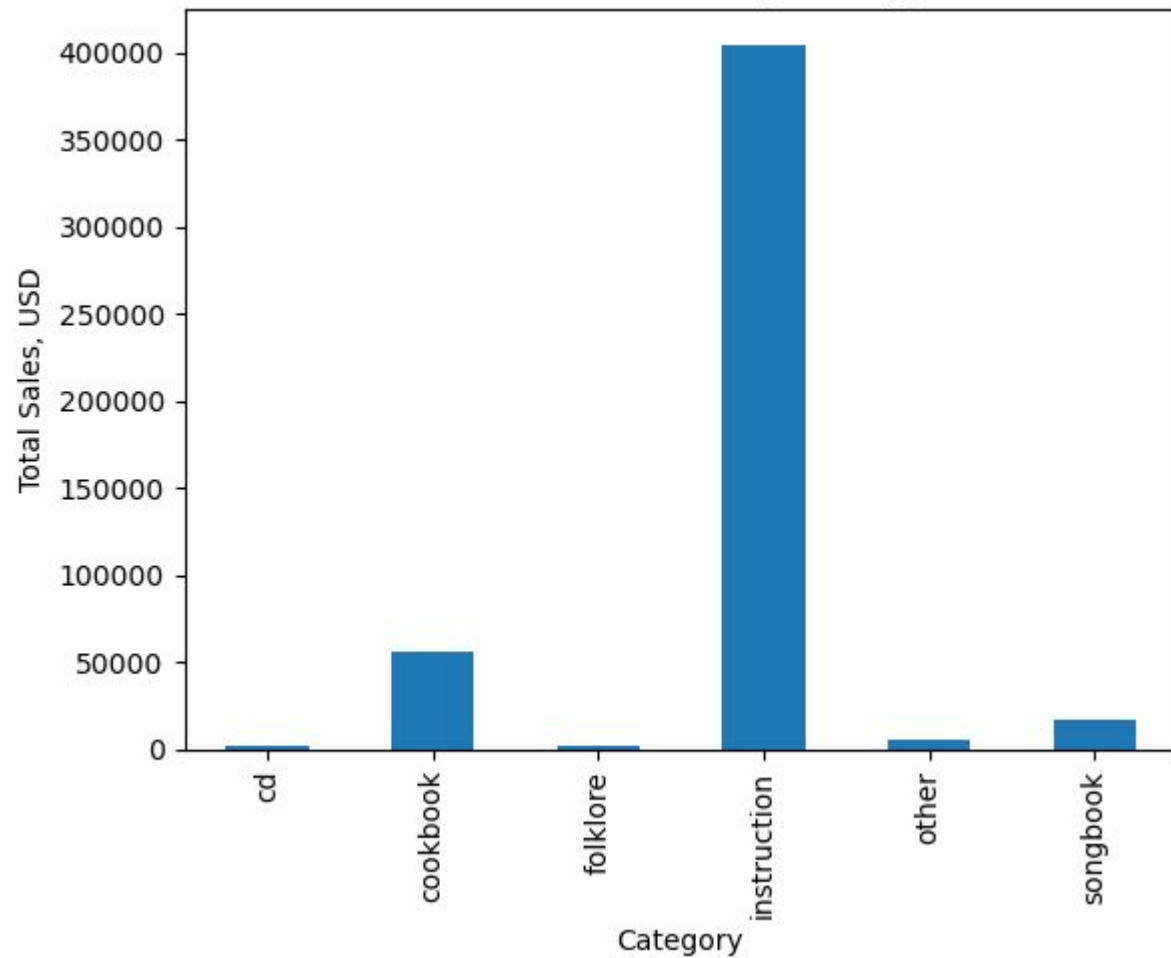


- Sales increased during Covid lockdown
- We've now returned to 'normal' Amazon sales

Best Selling Titles on Amazon



Amazon Total Sales by Title Type



In Summary

- Sales have been steady for decades, and the recent decline due to significant decline in customer outreach should be easily recoverable
- Predictable seasonal trends make it easy to plan customer outreach and marketing.
- The 'Ignoramus' music books and selected cookbooks are our highest grossing titles.
- Amazon is a reliable part of our revenue, and requires little time investment aside from shipping their orders.