

Sales Performance Analysis

Domain: Retail

Function: Optimize sales and profitability

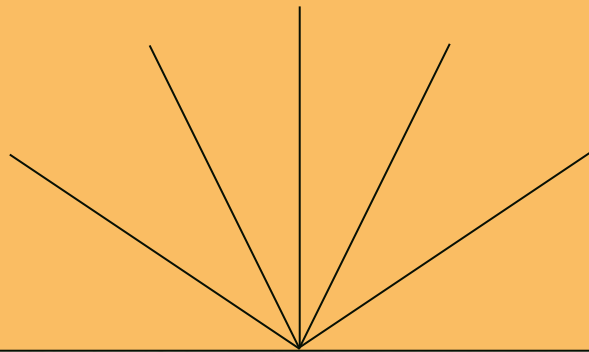
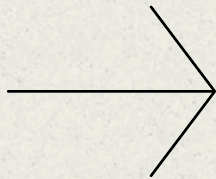
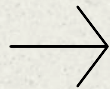


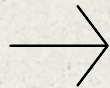
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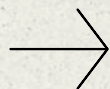
O2 Objective

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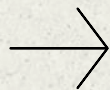
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PROBLEM STATEMENT

In a competitive market, understanding the factors driving sales performance, profitability, and customer satisfaction is crucial for sustainable growth. Our organization faces challenges in identifying top performing products, optimizing inventory, managing returns, and ensuring efficient order fulfillment. Additionally, we need to understand the financial impact of discounts and returns to enhance our profit margins.

OBJECTIVE

The primary objective of this analysis is to provide actionable insights into our sales performance, identify areas for improvement, and develop strategies to boost revenue and profitability. By examining key performance indicators (KPIs) and detailed sales metrics, we aim to:

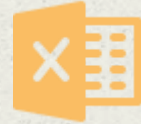
1. Identify best-selling products and high-revenue generators.
 2. Assess total revenue and profit margins to gauge financial health.
 3. Understand the impact of shipping methods, category, customer segments and discounts on sales.
 4. Analyze the efficiency of order fulfillment and the financial loss due to returns.
 5. Develop targeted strategies to reduce losses and enhance customer satisfaction.
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Tools Used

Analytical & Visual:

- Microsoft excel



Presentation:

- Microsoft power point





DATASET OVERVIEW

Data source: Internet

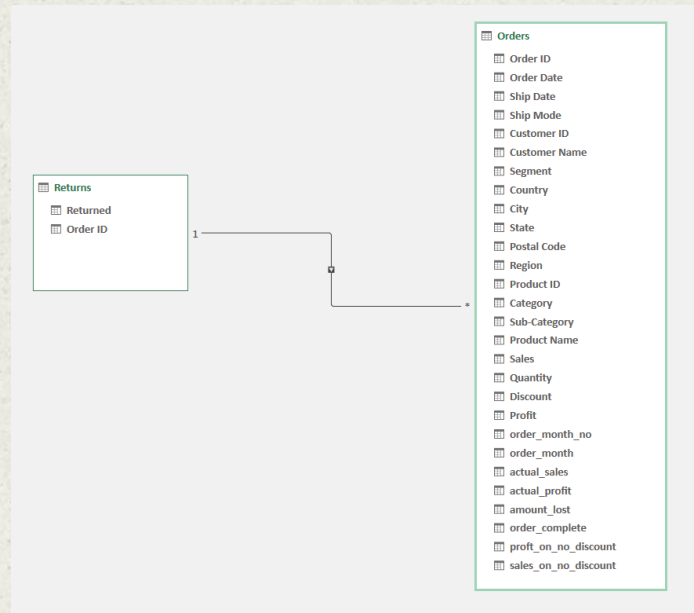
Time period: 2014–2017

Data size: Orders Table(5009,22), Returns Table(296,2)

Key columns:

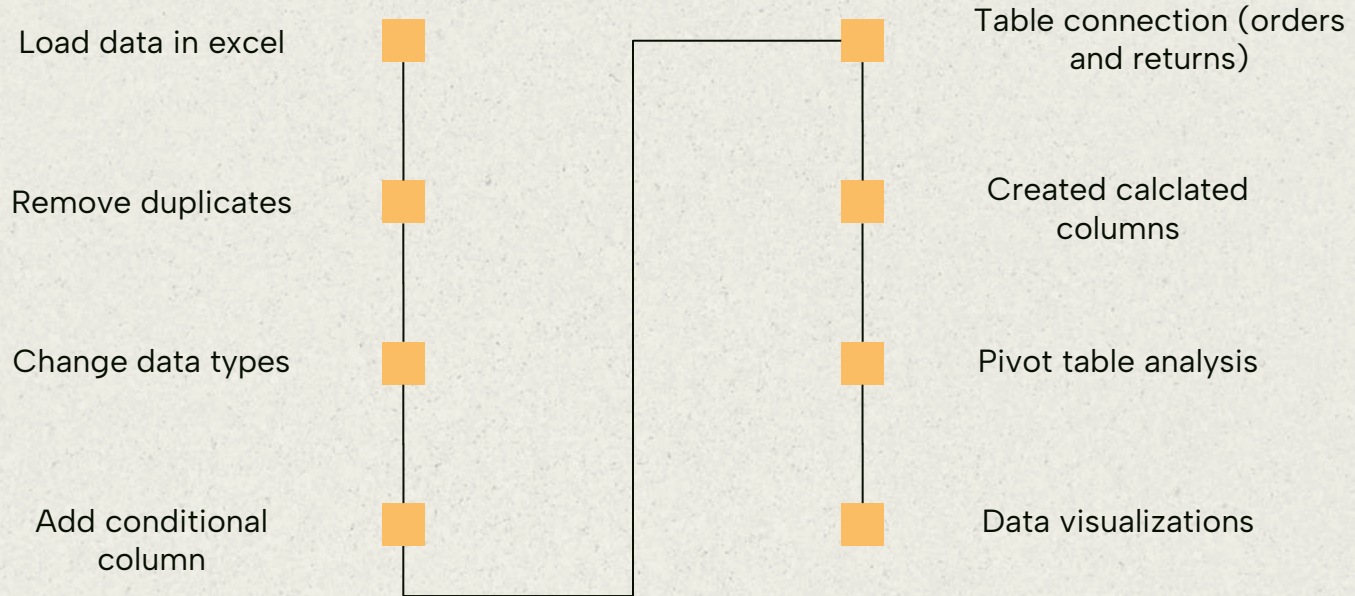
Actual Columns: Order Id, Ship Mode, Segment, City, Region, Category, sub-Category, sales, Quantity, Discount, Profit

Dax/Calculated columns: Profit Margin, Average Order Value, Order Completion Rate, actual_sales, actual_profit, amount_lost, order_complete, profit_on_no_discount, sales_on_no_discount



Data model

ANALYSIS WORKFLOW



PRIMARY INSIGHTS

Total Sales

\$4.5 M

Profit margin

2.88%

Best selling product

OFF-BI-10000545

Order Complete
rate

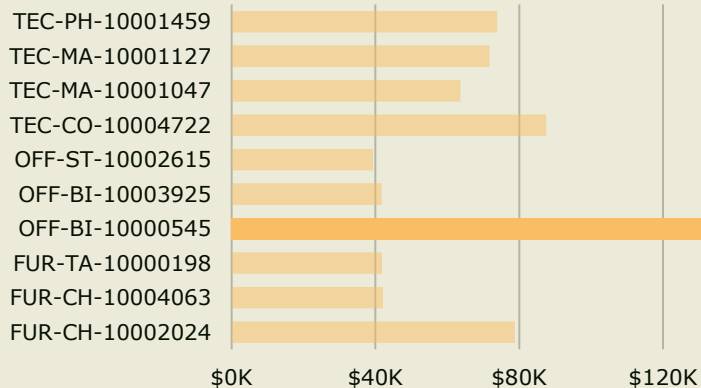
94.09%

Amount lost due to return

\$247K

SECONDARY INSIGHTS

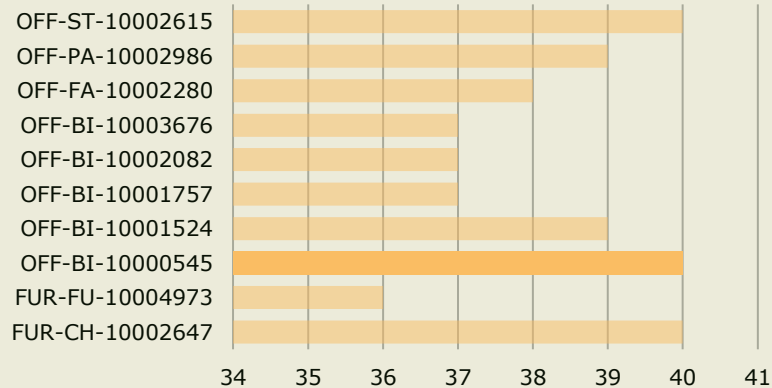
Top 10 product by sales



Insight: **OFF-BI-10000545**

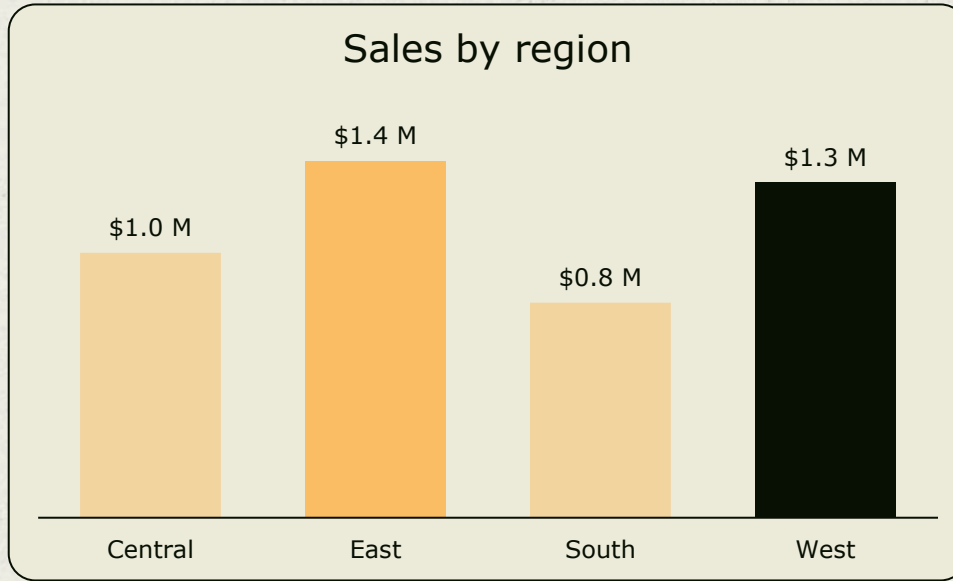
top-performing product, leading in both sales and quantity sold, indicating its high demand and significant contribution to overall revenue.

Top 10 product by quantity



Recommendation: This product should be prioritized in inventory management and marketing strategies to maximize its potential.

SECONDARY INSIGHTS



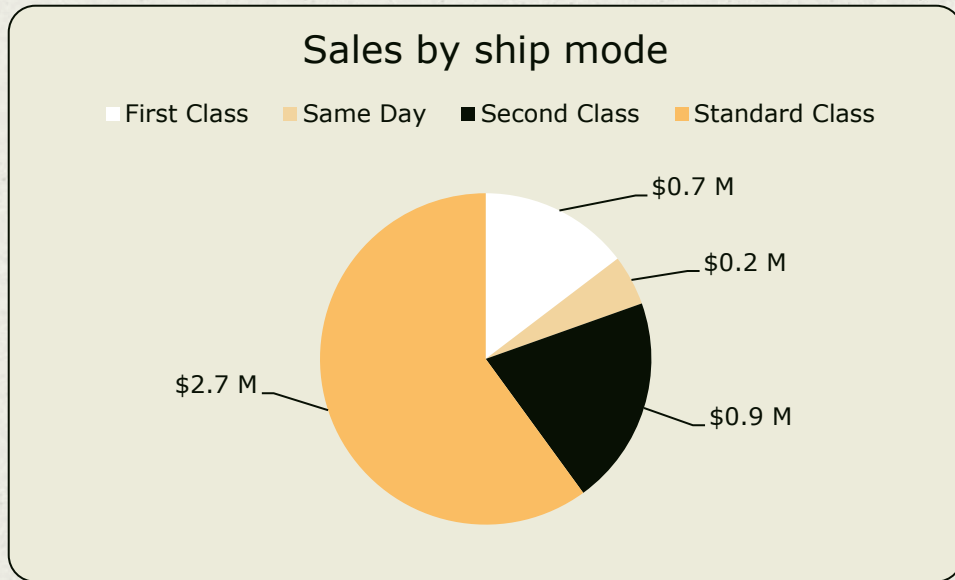
East, and West

are generating more sales compared to other regions.

Recommendation:

Focus marketing and sales efforts on the East and West regions to capitalize on their higher sales potential, while developing targeted strategies to boost sales in the South and Central regions.

SECONDARY INSIGHTS



Standard class

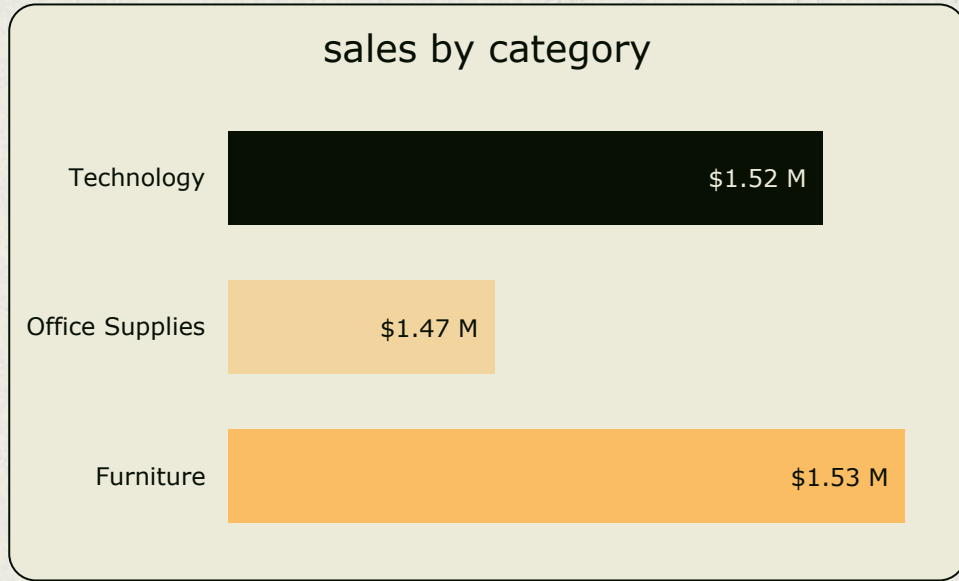
is generating more than 60% revenue with \$2.7M in sales.

Recommendation:

Prioritize and optimize the Standard Class shipping mode to maintain and enhance its efficiency.

Additionally, explore ways to improve the attractiveness of other shipping modes to balance the distribution of shipping choices.

SECONDARY INSIGHTS



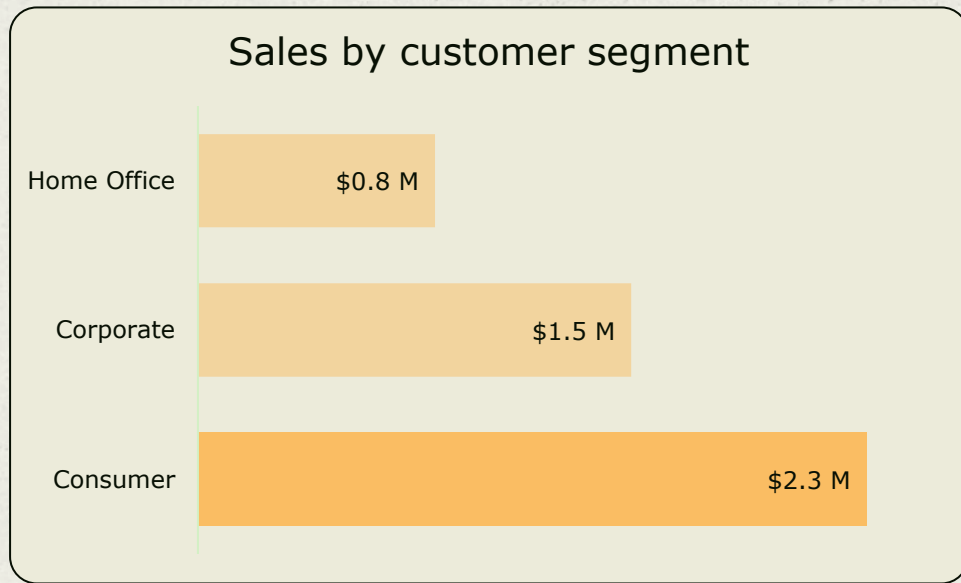
Furniture and Technology

are generating more sales compared to office supplies, though office supplies not far behind .

Recommendation:

Continue to invest in promoting Furniture and Technology categories, while also enhancing marketing efforts for Office Supplies to potentially boost its sales and close the gap further.

SECONDARY INSIGHTS



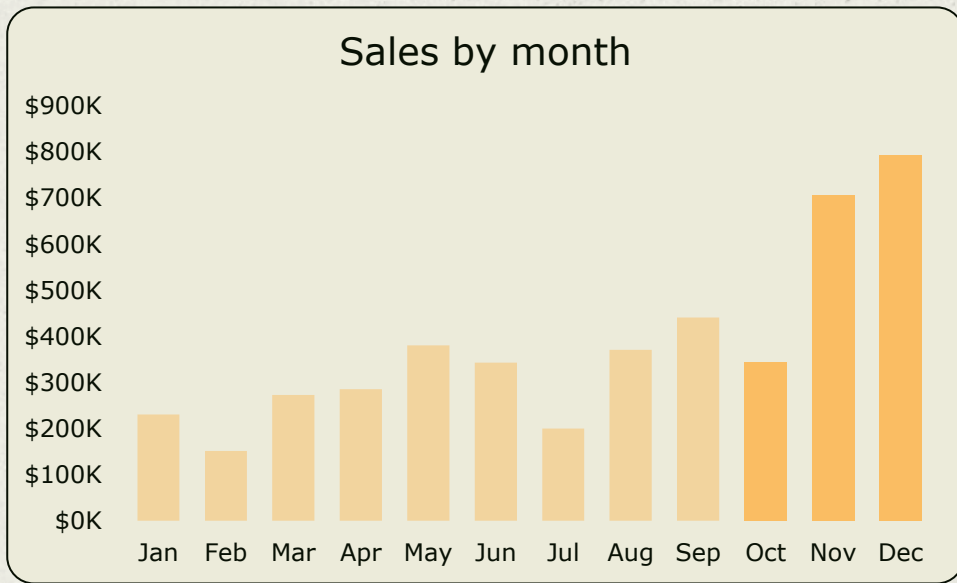
Consumer

Segment is generating half of the total sales with \$2.3M.

Recommendation:

Focus on maintaining and expanding the Consumer segment through targeted marketing strategies and personalized customer experiences. Additionally, explore opportunities to grow the Home Office and Corporate segments to diversify the customer base and increase overall sales.

SECONDARY INSIGHTS



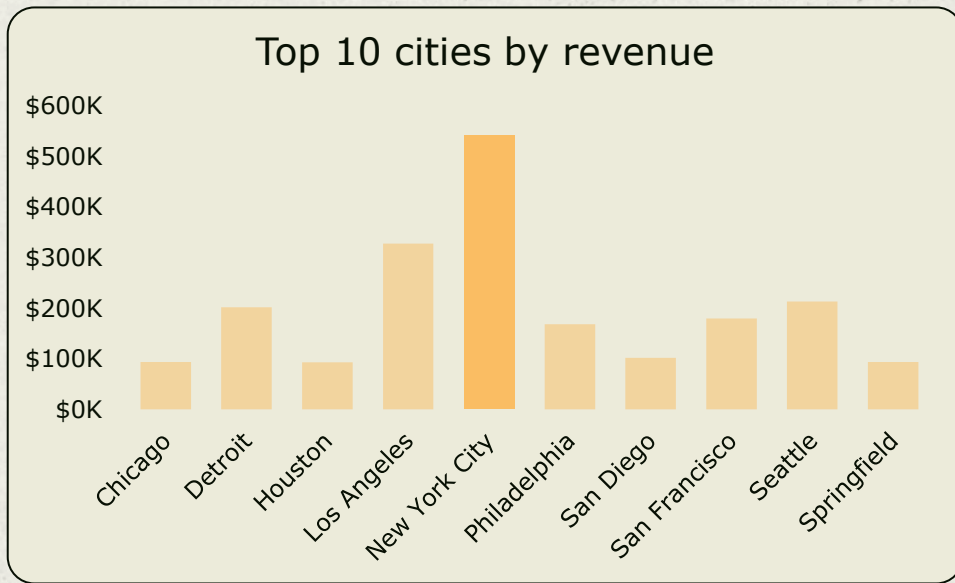
The last quarter (October, November, December)

is generating significantly higher sales compared to other quarters, with notable peaks in November (\$707K) and December (\$793K).

Recommendation:

Capitalize on the strong sales in the last quarter by planning targeted marketing campaigns and promotions during this period. Additionally, ensure adequate inventory and staffing to meet increased demand, and consider analyzing the factors driving these high sales to replicate similar strategies throughout the year.

SECONDARY INSIGHTS



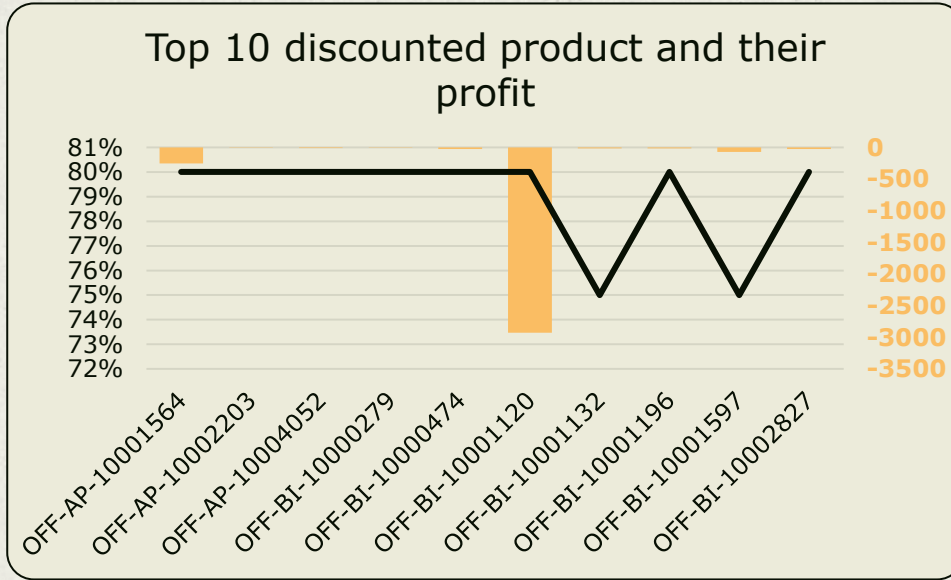
New York City

is generating the highest revenue with \$542K, significantly more than other cities.

Recommendation:

Focus on maintaining and expanding market presence in New York City through tailored marketing strategies and enhanced customer engagement. Additionally, investigate successful tactics in New York City that can be applied to other high-potential cities to boost their revenue.

SECONDARY INSIGHTS



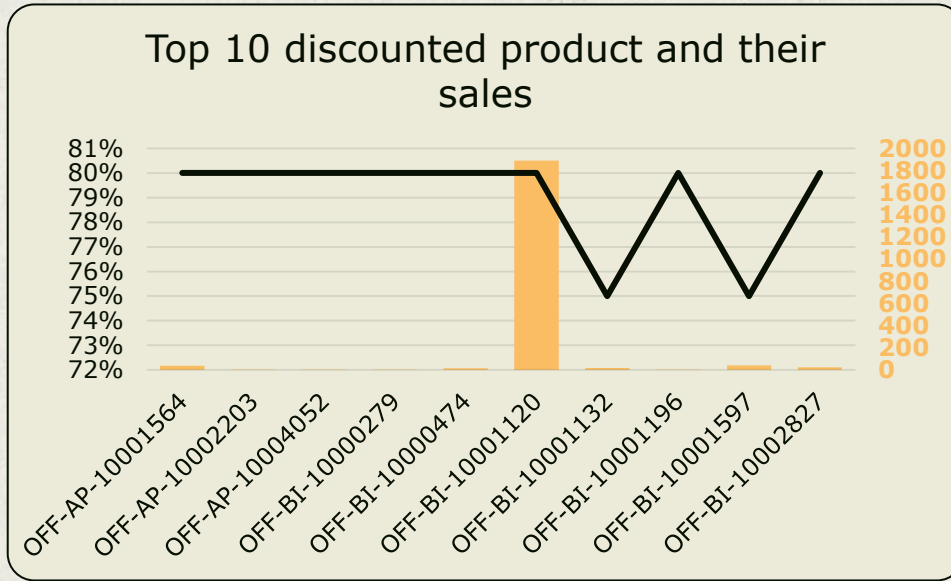
Due to high discounts,

we are incurring losses on these top 10 discounted products, resulting in negative profits.

Recommendation:

Reevaluate the discount strategy for these products to reduce losses. Consider lowering the discount percentage or implementing targeted promotions that balance attracting customers and maintaining profitability. Additionally, analyze the cost structure of these products to identify opportunities for cost reduction.

SECONDARY INSIGHTS



Despite offering high discounts,

we are barely making any significant sales on all products except for OFF-BI-10001120.

Recommendation:

Reassess the effectiveness of the current discount strategy, as it is not driving substantial sales for most products. Focus on optimizing discounts for high-performing products like OFF-BI-10001120, and consider alternative promotional tactics for other products to boost their sales without heavily relying on high discounts.

SECONDARY INSIGHTS



Even without any discounts,

these top 10 products are generating significantly higher profits compared to highly discounted products.

Recommendation:

Maintain the current pricing strategy for these high-profit products and consider leveraging their success by promoting them further. Evaluate the potential of gradually reducing discounts on other products while monitoring the impact on sales and profit, aiming to increase overall profitability.

SECONDARY INSIGHTS



Even without any discounts,

these top 10 products are generating significantly higher sales compared to highly discounted products.

Recommendation:

Continue to prioritize these high-performing products in inventory and marketing strategies. Analyze the factors contributing to their strong sales performance and apply similar strategies to other products. Additionally, consider reducing or strategically targeting discounts to balance profitability and sales growth across the product range.

Key Findings

This analysis provides a comprehensive overview of the company's sales performance, focusing on various aspects such as total sales, profit margins, regional performance, product categories, customer segments, and seasonal trends. The data reveals a total sales figure of \$4.5M with a profit margin of 2.88%. The best-selling product is OFF-BI-10000545, and the order completion rate stands at an impressive 94%. However, the company faces a significant loss of \$247K due to returns.

Key findings include:

- 1.Regional performance: East and West regions outperform others.
 - 2.Shipping: Standard class generates over 60% of revenue.
 - 3.Product categories: Furniture and Technology lead in sales.
 - 4.Customer segments: Consumer segment accounts for half of total sales.
 - 5.Seasonal trends: Last quarter (Oct-Dec) shows significantly higher sales.
 - 6.City-wise performance: New York City leads in revenue generation.
 - 7.Discounting strategy: Current approach results in losses for top discounted products.
 - 8.Non-discounted products: Show higher profits and sales compared to discounted items.
-

Recommendations

The analysis reveals both strengths and areas for improvement in the sales strategy. While overall sales and order completion rates are strong, the low profit margin and significant losses due to returns and discount are concerning. The company has clear leaders in terms of regions, product categories, and customer segments, which can be leveraged for future growth.

To improve performance, the company should:

1. Optimize inventory and marketing for top-performing products, especially OFF-BI-10000545.
 2. Focus on expanding in high-performing regions (East and West) while developing strategies for underperforming areas.
 3. Reevaluate the discounting strategy to minimize losses and maximize profitability.
 4. Capitalize on the strong performance during the last quarter by implementing targeted marketing campaigns and ensuring adequate inventory.
 5. Investigate and address the causes of high return rates to minimize associated losses.
 6. Maintain the success of non-discounted products while gradually adjusting strategies for other items.
 7. Enhance the performance of other shipping modes to balance out the heavy reliance on Standard class.
-

SALES DASHBOARD

\$4.5 M
Total Sales

\$959.18
Avg order value

2.88%
Profit Margin

OFF-BI-10000545
Best selling product

\$247K
Cost of Returned Items

94.09%
Order Completion Rate

State

Alabama	Arizona
Arkansas	California
Colorado	Connecticut

Category

Furniture
Office Supplier
Technology

Segment

Consumer
Corporate
Home Office

month

Jan
Feb
Mar
Apr
May
Jun
Jul
Aug

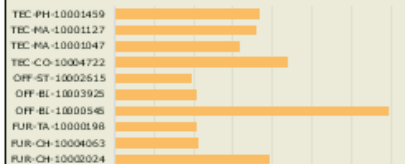
Ship...

First Class
Same Day
Second...

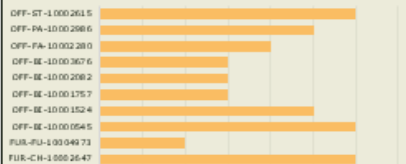
Region

Central
East

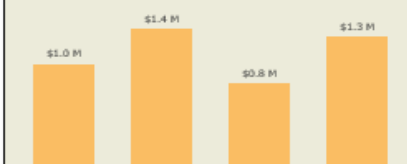
Top 10 product by sales



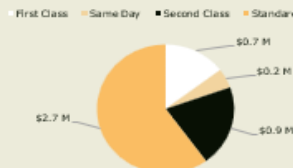
Top 10 product by quantity



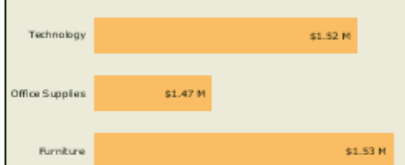
Sales by region



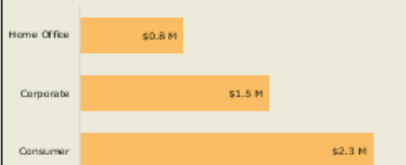
Sales by ship mode



sales by category



Sales by customer segment



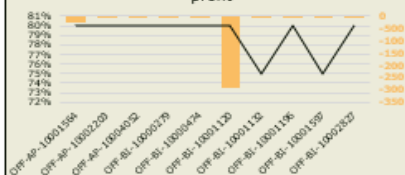
Sales by month



Top 10 cities by revenue



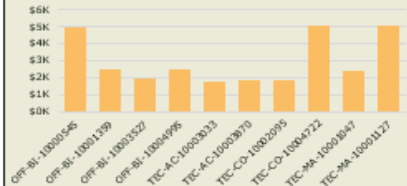
Top 10 discounted product and their profit



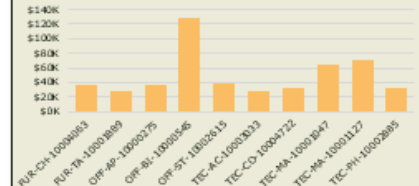
Top 10 discounted product and their sales



Top 10 product by profit without discount



Top 10 product by sales without discount



Thank you!!!

—Amanat Mahmud

