# revenue optimization

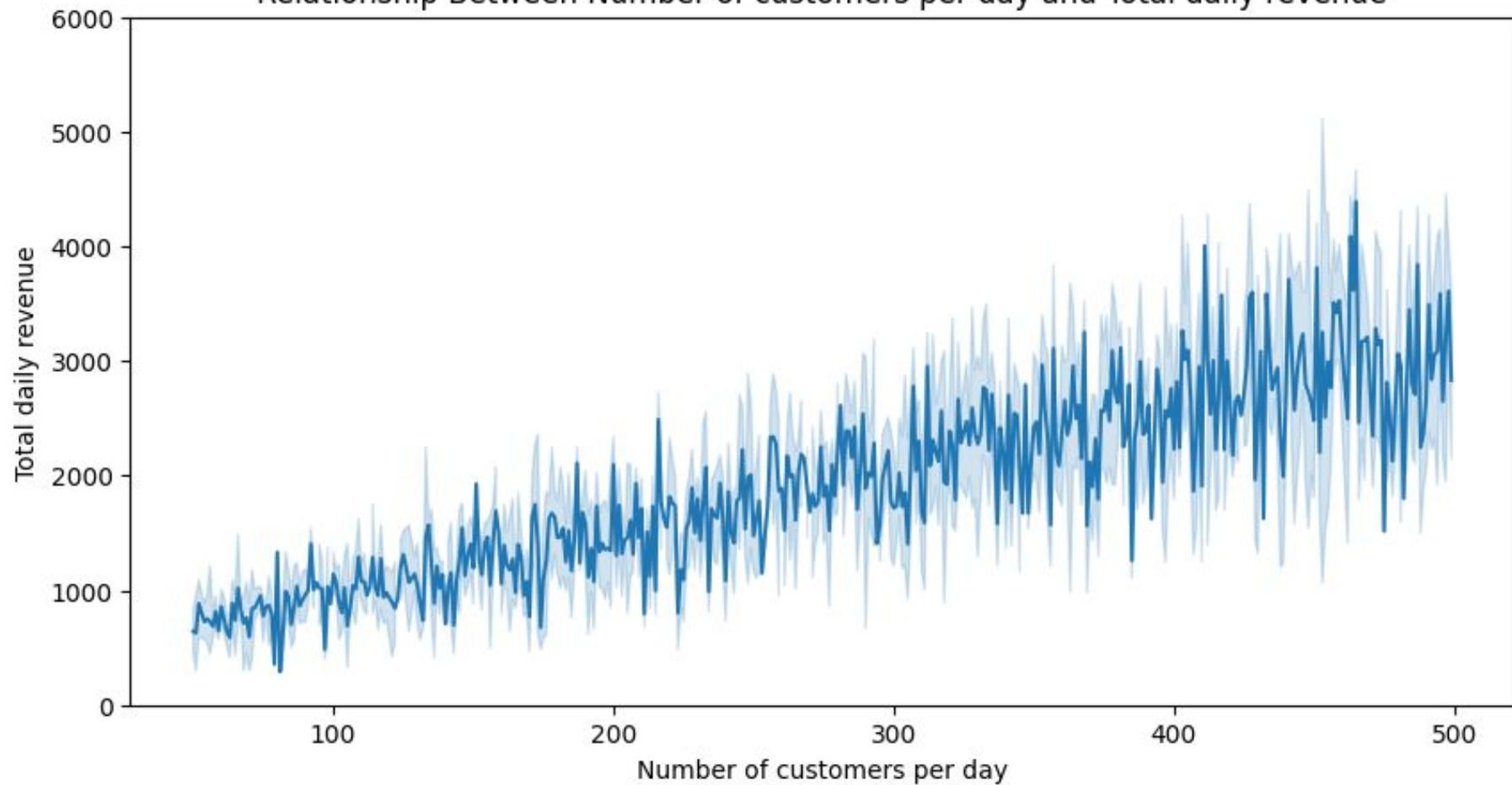## for coffee shop

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# objective of data analysis

To understand **historical revenue data** and give **insights and recommendations** for future revenue optimization based on it.

# visualizations and insights

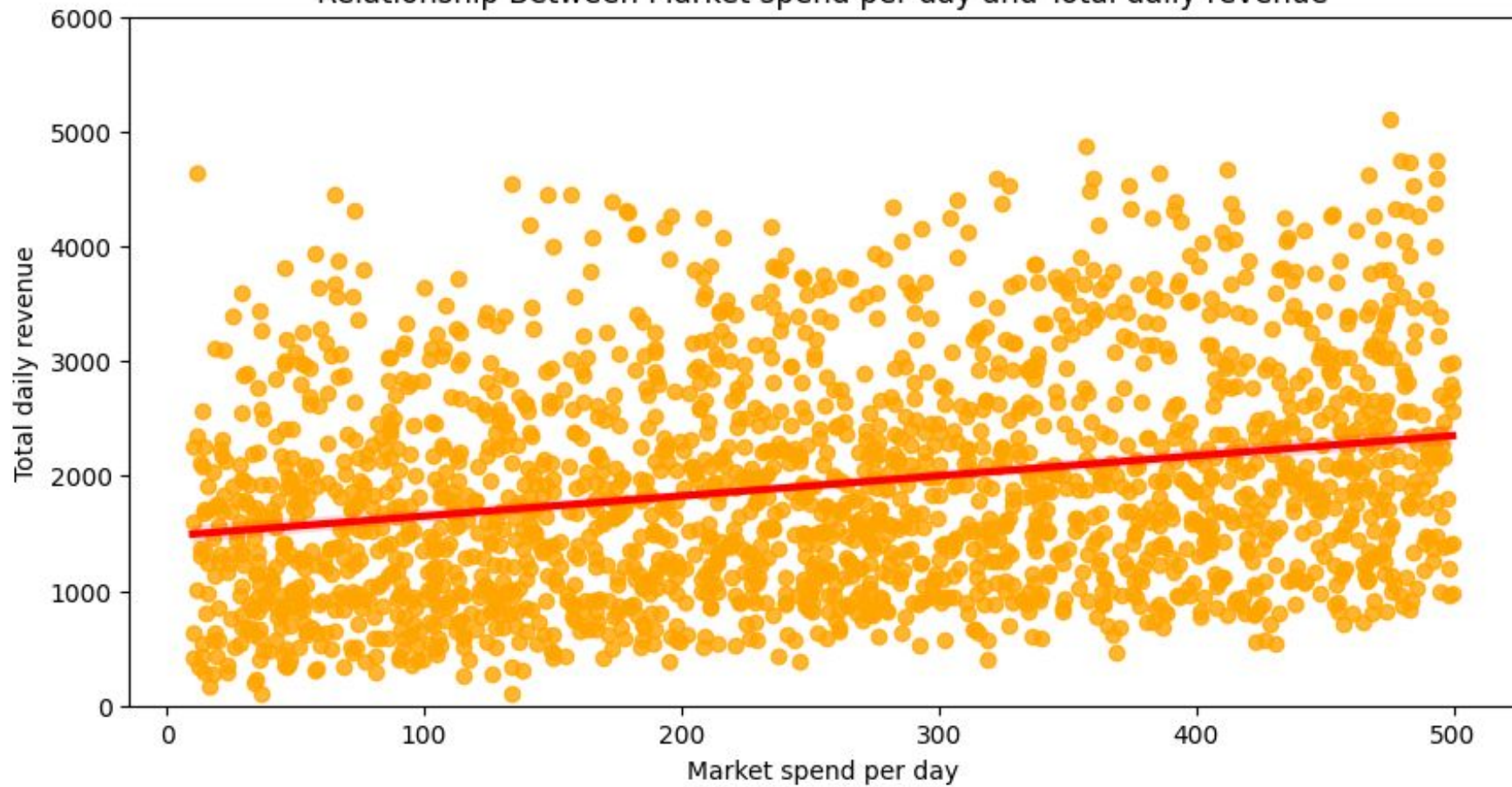for understanding the key findings

Relationship Between Number of customers per day and Total daily revenue

Relationship Between Average order value and Total daily revenue
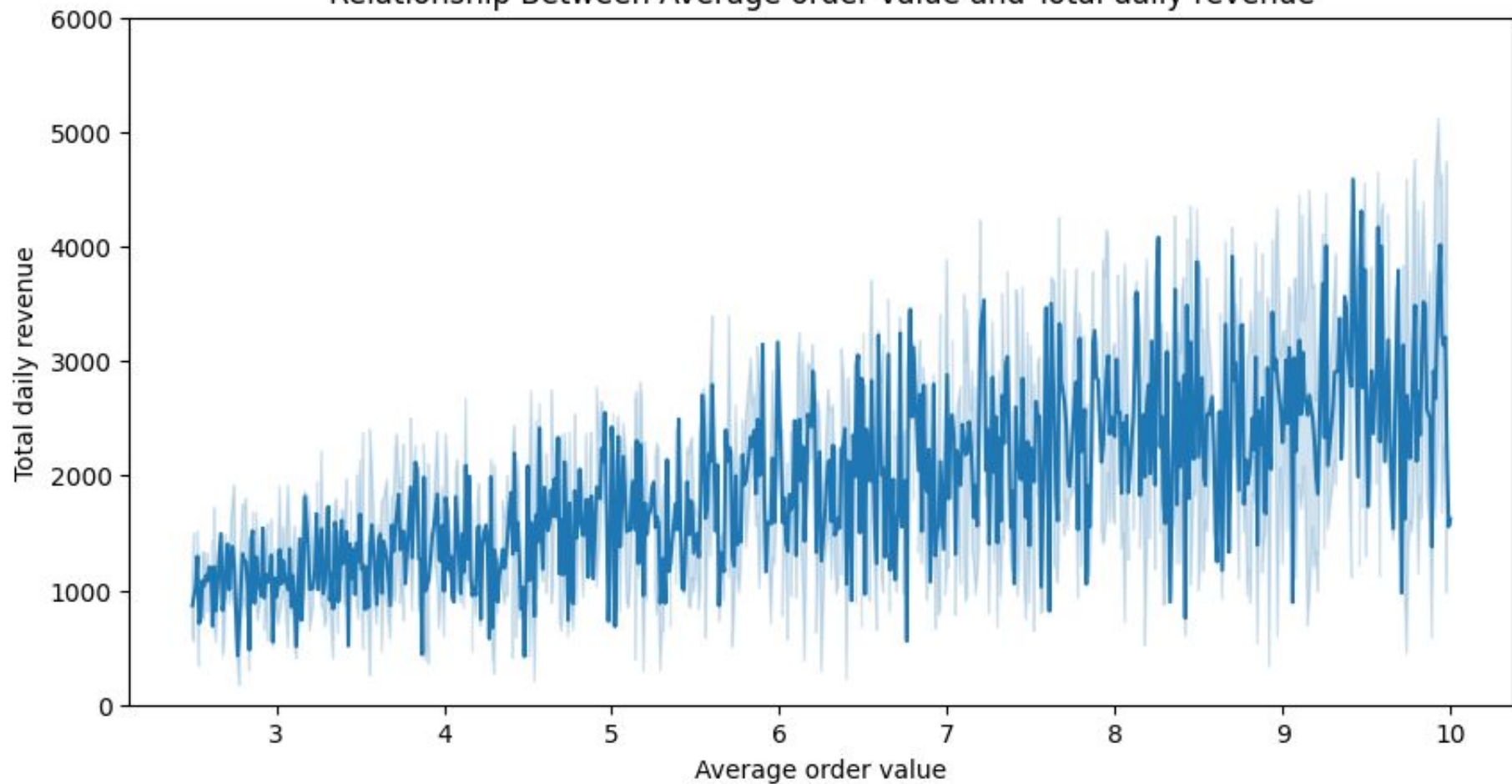
Relationship Between Market spend per day and Total daily revenue

the more the orders and the customers are there on the coffee shop and marketing spend is high, on a given day, the higher is the total revenue for that day. This means the marketing is being done in-person in the shop, so it is leading to instant increase in daily revenue.

Relationship Between Local foot traffic and Total daily revenue
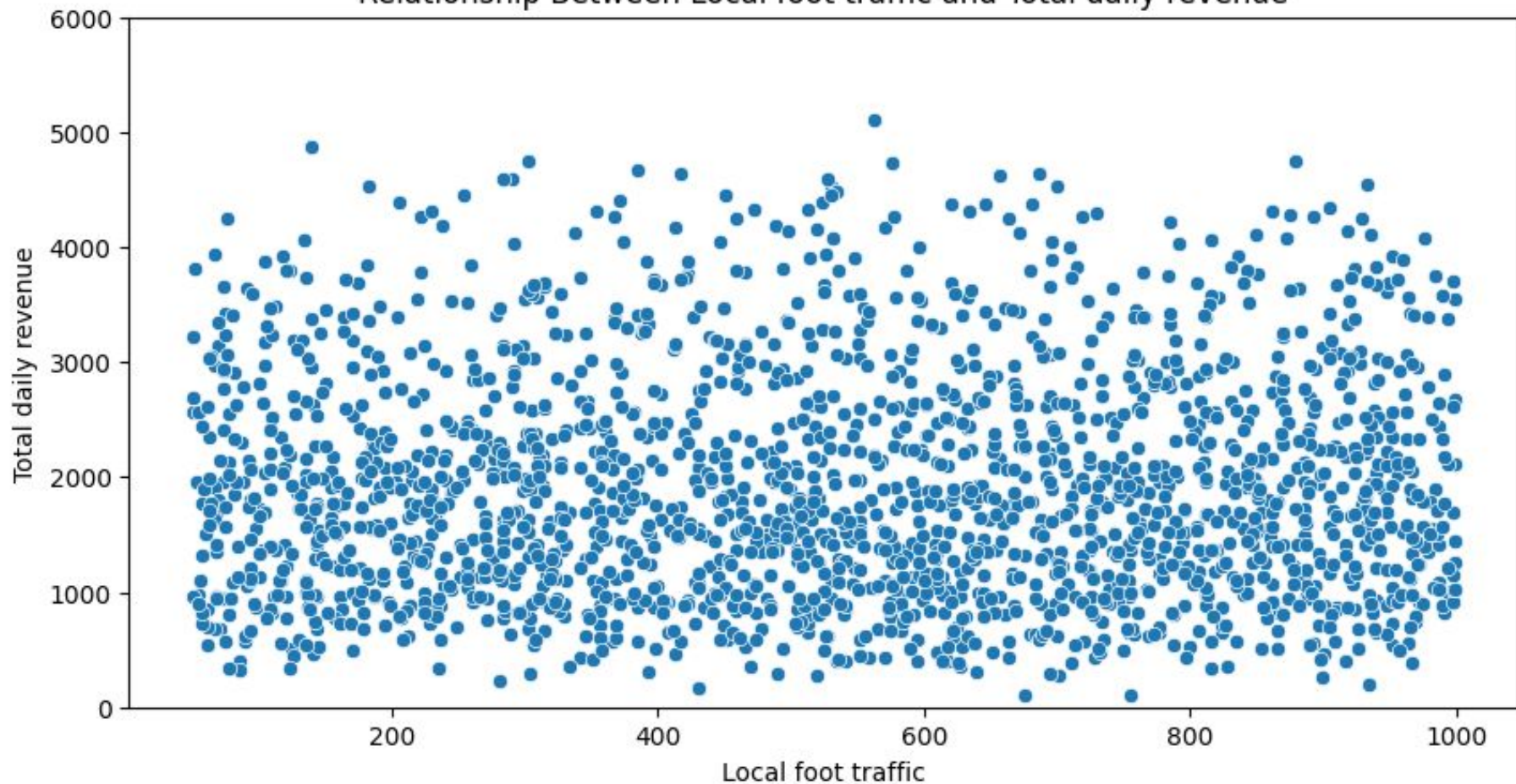
Relationship Between Local foot traffic and Number of customers per day
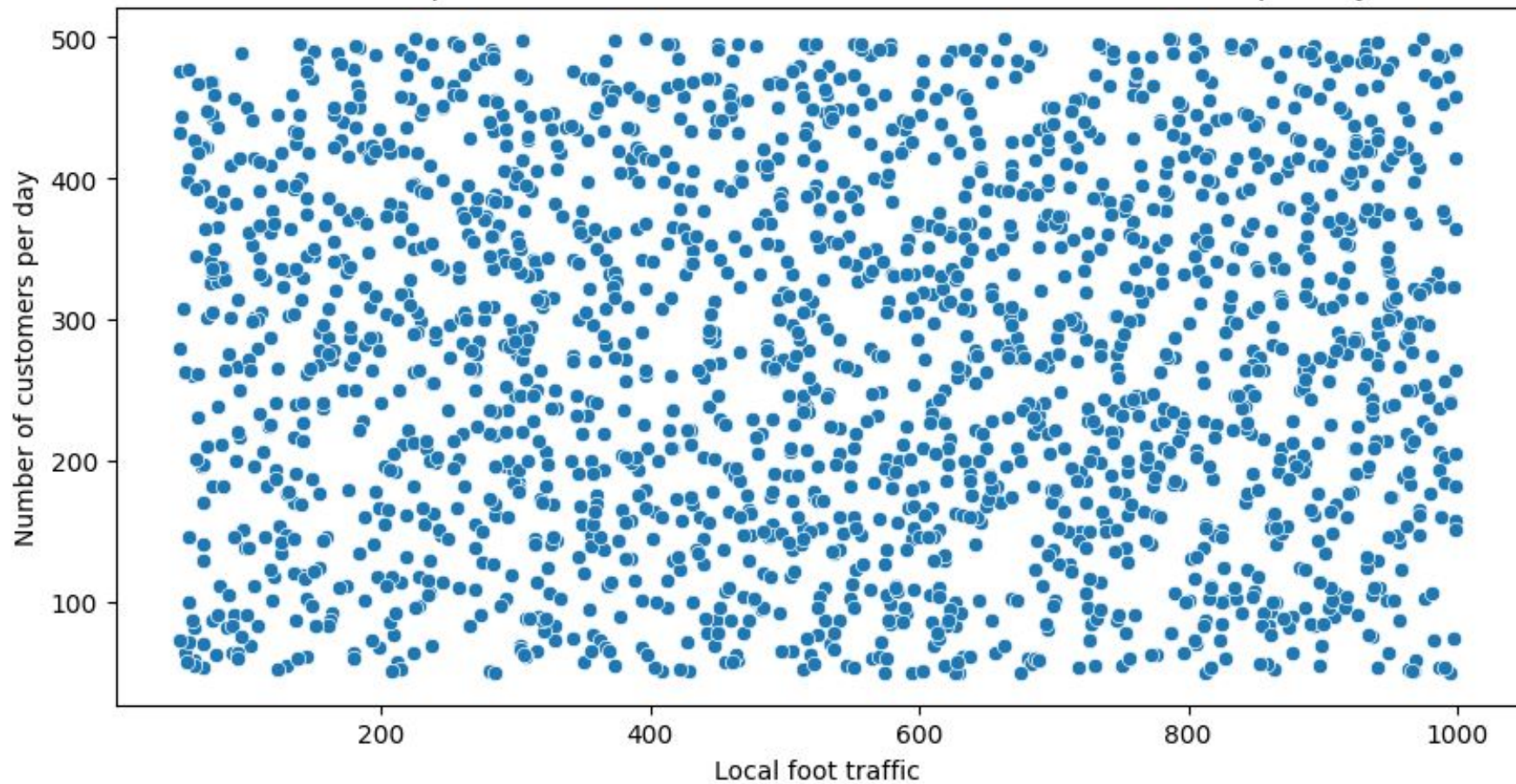
the local foot traffic has **no relation** with daily revenue and number of customers per day in any way. This is **not a good sign** as the local foot traffic should have some conversion rate. This also states that the **marketing is not being done outside the shop/store**, so it is not able to attract the local foot traffic.

Relationship Between Number of employees and Average daily revenue
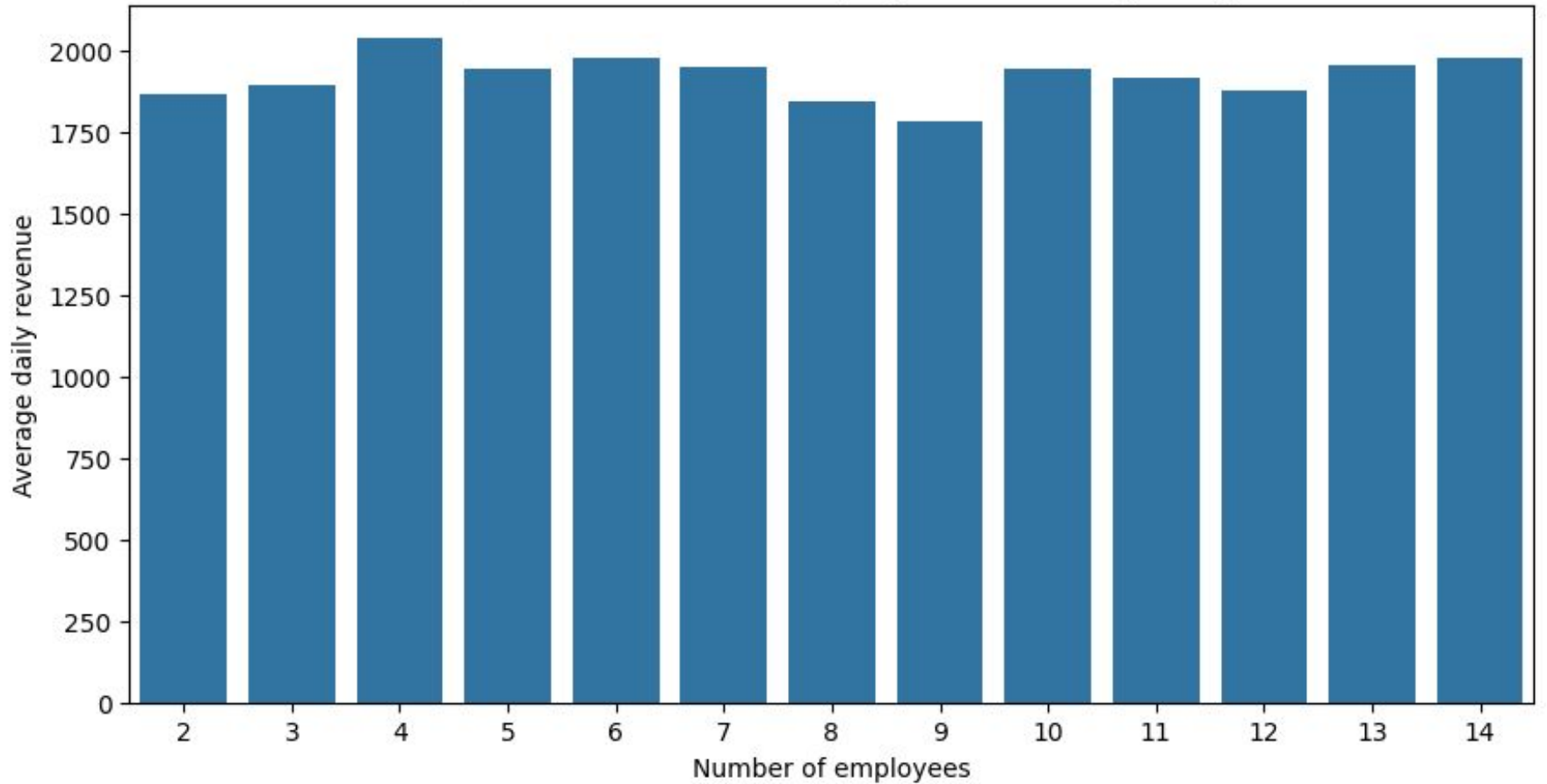
the amount of average revenue happening with 6 employees is also happening with 14 employees, so there is no employee efficiency in the shop.

Relationship Between Average number of employees and Operational hours per day
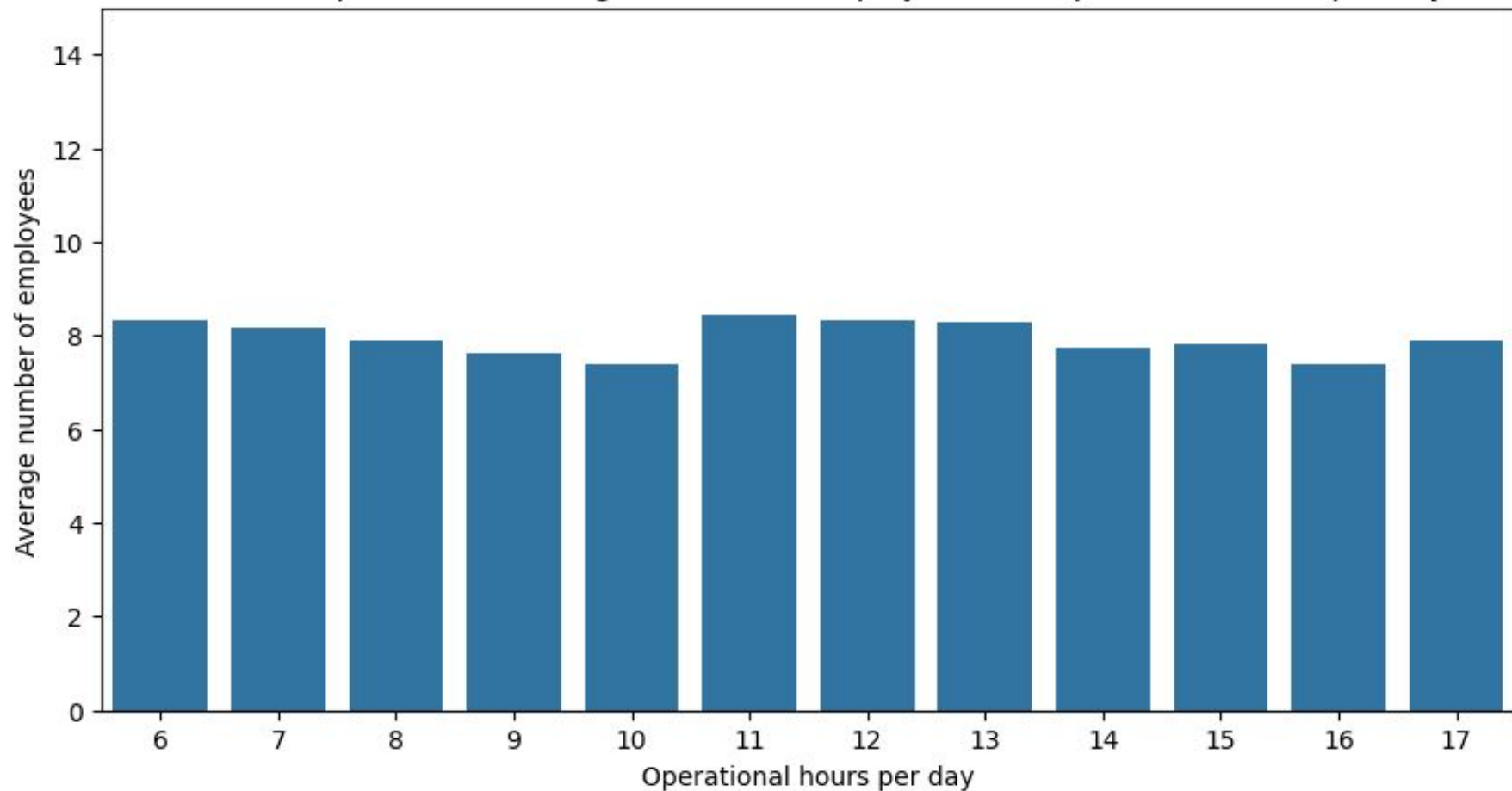
with an average of 8 to 9 employees and 11 to 13 hours operational day, the coffee shop is achieving the maximum efficiency. It shows low employee efficiency and lack of management in the shop.

# why optimization is needed

though the coffee shop has earned $3,834,651.88 in approximately 5 years, there is still a lot of potential to optimize the revenue, as even the long operational hours are not leading to any significant growth in the long term.

# recommendations

for optimizing future revenue

- while keeping the **marketing spend constant**, **marketing outside the shop/store** is needed to attract the local foot traffic.
- **employee training programs** need to be organized to maximize employee potential.
- **divide the operational hours** into day-time and night-time, with **employees assigned accordingly**.

- **appoint supervisors** to oversee the employees to increase management and efficiency.
- reduce the number of less efficient employees and replace them with a smaller and highly efficient workforce to improve overall productivity.

# conclusion

steps to be prioritised

**dividing the operational hours** into day-time and night-time shifts will have an immediate effect, leading to **increased profits**.

thank you!