CAFÉ HARMONY PRESENTATION

Team Lyra

Problem

PRODUCT PERFORMANCE BY GENDER.

CUSTOMER SPENDING PROFILES.

STOCK MANAGEMENT INEFFICIENCIES.

EMPLOYEE PERFORMANCE GAPS.

REVENUE PRODUCED FROM LOCATIONS

Using the Pareto Principle

Also known as the **80/20** rule analysis, to identify and focus

on the following items:

- The most significant contributing product for the majority of sales

- Menu items that are performing best across different locations.

- Customers who have a profile that tends to spend the most(age, gender, or preferred product).

- How can the café improve its stock management to avoid running out of popular items while also reducing overstock?

- Location or employee performance issues that require attention

The Pareto Principle

- With this approach, we aim to identify the top 20% of stock, employees, and customers that contribute to 80% of Café Harmony's revenue. By focusing on this critical segment, we can extract key insights from the data and use them to generate intelligent business recommendations.

- While we still consider the overall trends in the data, we pay particular attention to the consistent outliers that can disproportionately influence revenue performance. Although the 20/80 ratio is not a fixed rule, our goal is to highlight the minority of data points that drive value and minimize the impact of the majority that may contribute to losses.

Data Cleaning Techniques

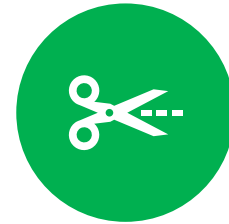|		
Use of conditional formatting to detect duplicates and removing duplicate IDS	Removing blanks in the data to ensure there are no inconsistencies in the data	Changing data into the correct formats from General to Number or Date
Sorting data in alphabetical order in terms of the table's unique IDS.	Categorising data for better representation such as age(Youth, Adult, etc) or location into urban and rural	Use of advanced formular such as IFS, XLOOKUP and VLOOKUP to categorise data

Data Analytics Tools Used
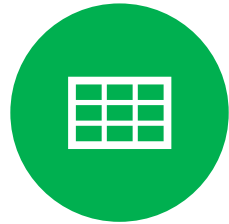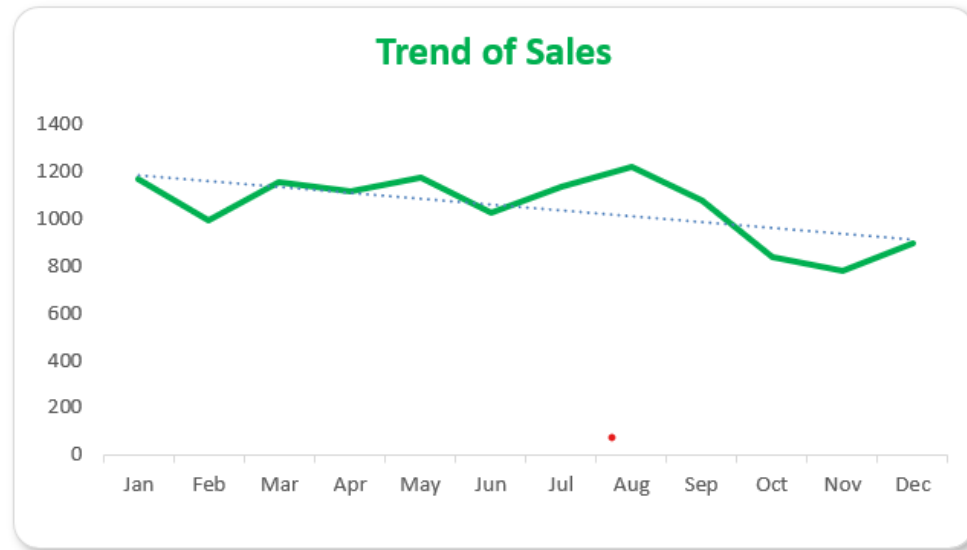

EXCEL   PIVOT TABLES   PIVOT CHARTS   SLICERS   TIMELINE

Trend of sale over the years

Trend of Sales

The chart portrays that sales remained relatively stable throughout the year, generally ranging between **700** and **1,000.**

Modest peaks occurred in **April** and **July**, indicating stronger performance, while slight declines were observed in **February**, **October**, and **December.**

Overall, while sales were consistent, the trend suggests a gradual **decline** toward year-end. This highlights the need to explore new strategies to sustain growth and prevent further decreases.

Overall business rating

The average rating of **3.05** is above average, suggesting that overall, the products have a positive impact on customer satisfaction.

Although the average rating was great the general customer comments showed that the products **could be better**

Customer Ratings

1	2	3	4	5
190	188	206	217	199

Which menu items are performing the best across different locations?

1. Which top-selling menu product generate the most revenue?

Muffins generates the highest revenue overall but thrives in Urban areas as airport and Uptown.

Iced tea has the best overall appeal to Suburbs and downtown.

The margin of a product's consumption is generally **low** in the respective locations.

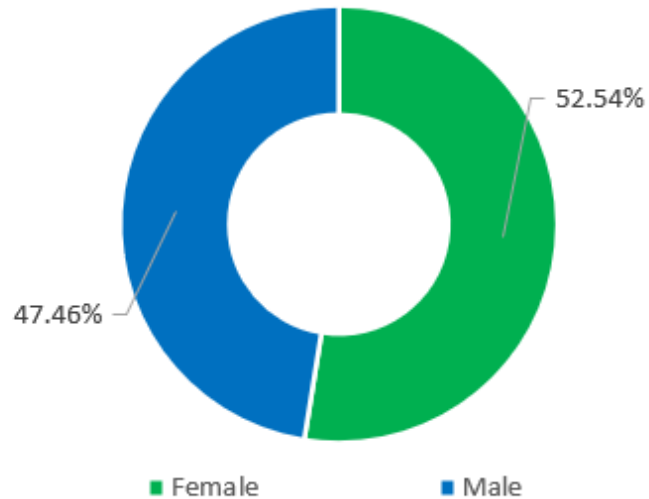In general **Sandwiches** have the **lowest** overall revenue
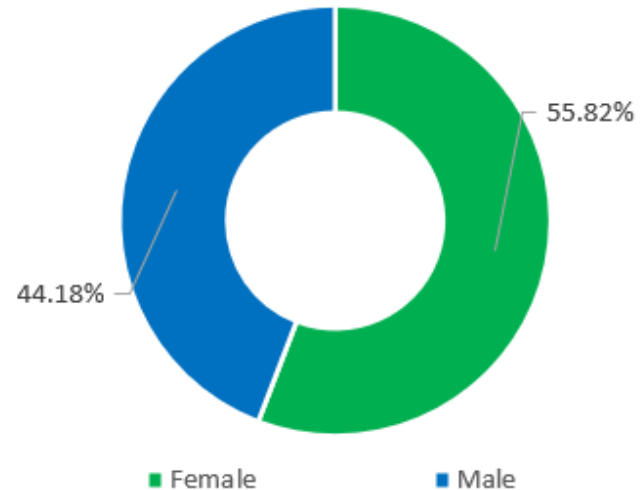

Revenue by product

2. What is the customer profile that tends to spend the most (age, gender, or preferred product)?

- Female customers are the overall highest revenue on all sectors.
- By all age groups and Locations, Female customers have had the highest overall count on revenue
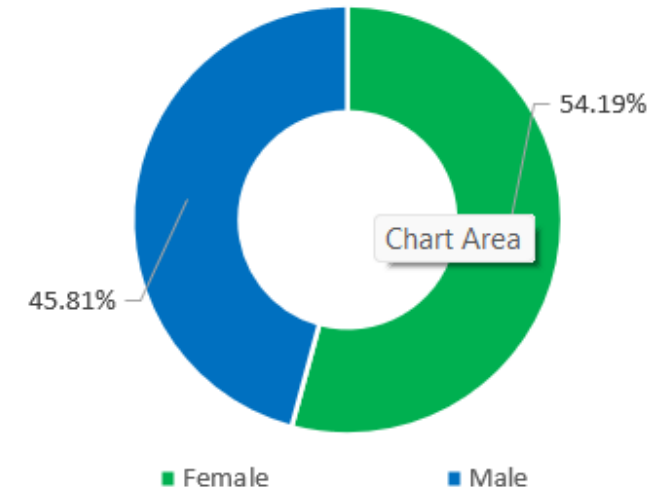

Sales by Gender Distribution

52.54%
47.46%

■ Female ■ Male

Sales by Gender Distribution

55.82%
44.18%

■ Female ■ Male

Sales by Gender Distribution

54.19%
45.81%

Chart Area

■ Female ■ Male

3. How can the café improve its stock management to avoid running out of popular items while also reducing overstock?

- **Overstocked Items**: Positive metrics, such as coffee beans.

- **Understocked Items**: Negative metrics, like milk.

- **Ideal Stock**: Maintained at a 0 margin, exemplified by juice concentrate.

- There is a significant stock imbalance in the café, with majority of the inventory not meeting the required standards leading to waste customer unfulfillment.
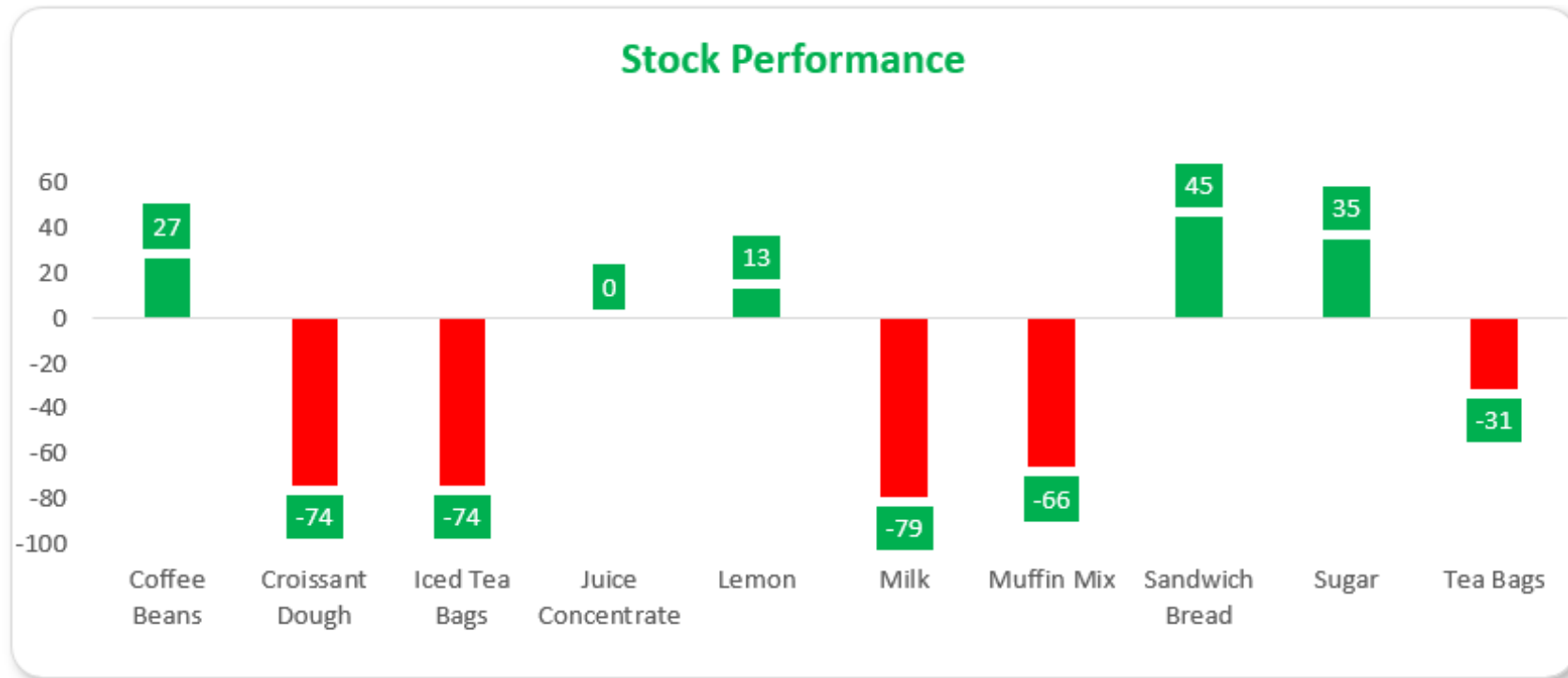

Stock Performance

4. Are there any employee performance issues that require attention?

- Table A (left) indicates that the average performance targets for the **top 5** employees are less than **half** of their achievement, suggesting that expectations should be raised.

- Table B (right) highlights the employees who are underperforming, not meeting the **bare minimum**.

- This implies that the targets set are either unreasonably **low** for some employees or unrealistically **high** for others.
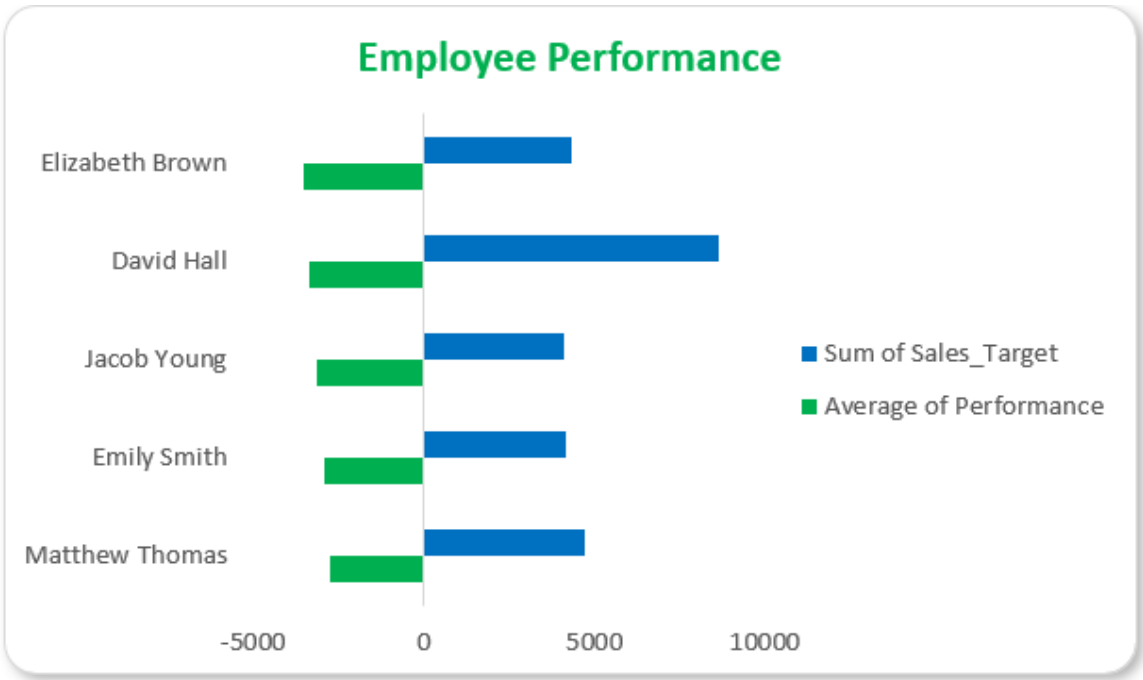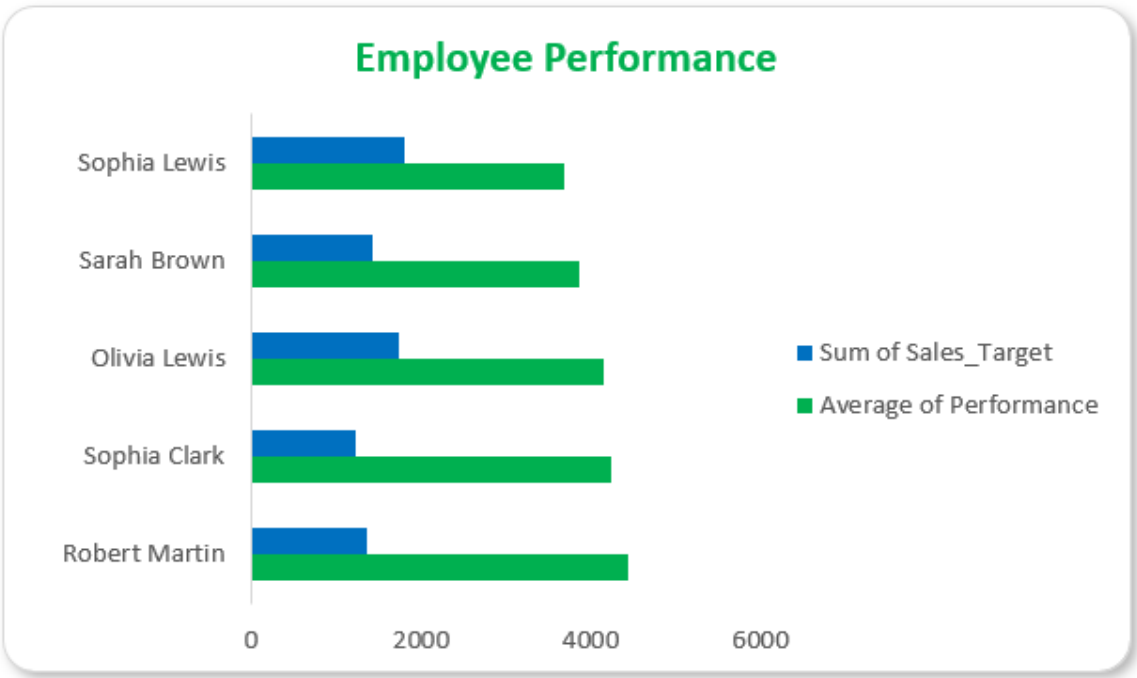
Business Recommendations
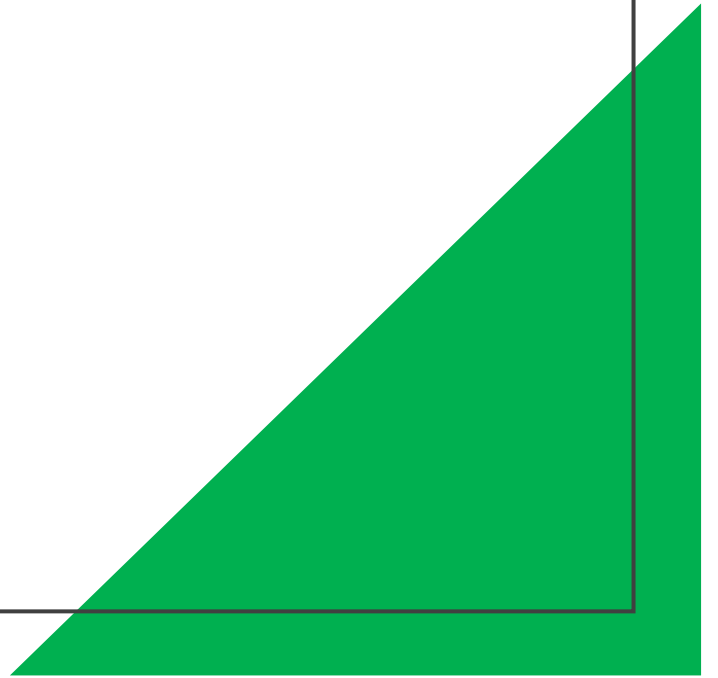
1. Optimize Menu & Inventory

Focus on demand

Instead of focusing on the amount of inventory in numbers, the café should consider stock in terms of demographic **demand and supply.**

Double Down on Top Sellers:

Expand **muffin** flavors/options in **Urban** locations (airports, Uptown).

Promote **Iced Tea** combos in Suburbs/Downtown via signage or discounts.

Reduce Sandwich Waste:

Test smaller batches or revamp recipes to boost appeal of **Sandwich** and **Croissant**.

2. Targeted Marketing

- **Leverage Female Customer Loyalty**:
    - Launch **loyalty programs** or promotions (e.g., "Buy 5 muffins, get 1 free") to boost sales among our existing strong customer base.
    - Partner with **women-centric events** and communities to promote café products that cater to their preferences.
    - Encourage **family** menus to leverage our existing female customers in reaching out to potential male customers.

3. Improve Stock Efficiency

Adjust Orders:

Reduce coffee bean, sandwich bread and sugar purchases and reallocate budget to milk, croissant dough, Iced tea bags, and muffins mix.

Use Juice Concentrate's "0 margin" model as a benchmark for other items inventory.

Tech Solution:

Developed and implemented dynamic inventory tracking with real-time low-stock alerts to ensure product availability.

Integrated a Point of Sale (POS) management system for accurate tracking of both sales and inventory.

Configured weekly automated stock alerts to enable timely replenishment and reduce stockouts.

4. Employee Performance

RAISE TARGETS: Set higher but achievable goals for top performers

TRAINING/SUPPORT: Address underperformers with coaching or role adjustments

5. Location-Specific Strategies

Suburban/Downtown: Highlight Iced Tea as a "local favorite" in rural marketing.

Urban Focus: Capitalize on muffin/Capuchino demand with grab-and-go options.

THANK YOU.

Café Harmony

Team Lyra