

ANALYSIS OF SUPERSTORE PERFORMANCE IN UNITED STATES (US)

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Executive Summary

The story and the report will only be showing the Superstore Performance in United States (US) as I would like to focus on the analyses in US country. I would also like to find out what improvements can be made by US even though the superstore performance in US country was the best compared to other countries in the world. However, it is still not the best performance in market as the APAC and EU are leading ahead.

Sum of Profit by Market

| Market | |
|--------|---------|
| Africa | 88,872 |
| APAC | 436,000 |
| Canada | 17,817 |
| EMEA | 43,898 |
| EU | 372,830 |
| LATAM | 221,643 |
| US | 286,397 |

Certainly, it can be due to the geographical area sizes of the market. However, let us see what can improve in the US country in terms of the superstore performance.

In dashboard 1 of the story, it will be showing the overview of profitability in US and identifying the most losses state in US. In dashboard 2 of the story, it will be showing the analysis of the most losses state in US by some “dimensions” in terms of several “measures”.

In dashboard 3 of the story, it will be showing customer segment analysis to analyse what are the things that senior management can make improvement.

In dashboard 4 of the story, it will be showing product category analysis and identifying the most losses sub-category in US. In dashboard 5 of the story, we could see that what improvement can be made to minimise the most losses sub-category in US by “dimension” in terms of several “measures”.

1 Introduction

1.1 Superstore Performance Globally

Based on the dataset I received, it is the superstore database of the transactions globally between year 2011 and year 2014. However, I would like to focus on the analyses in the United States market.

Profit by Country

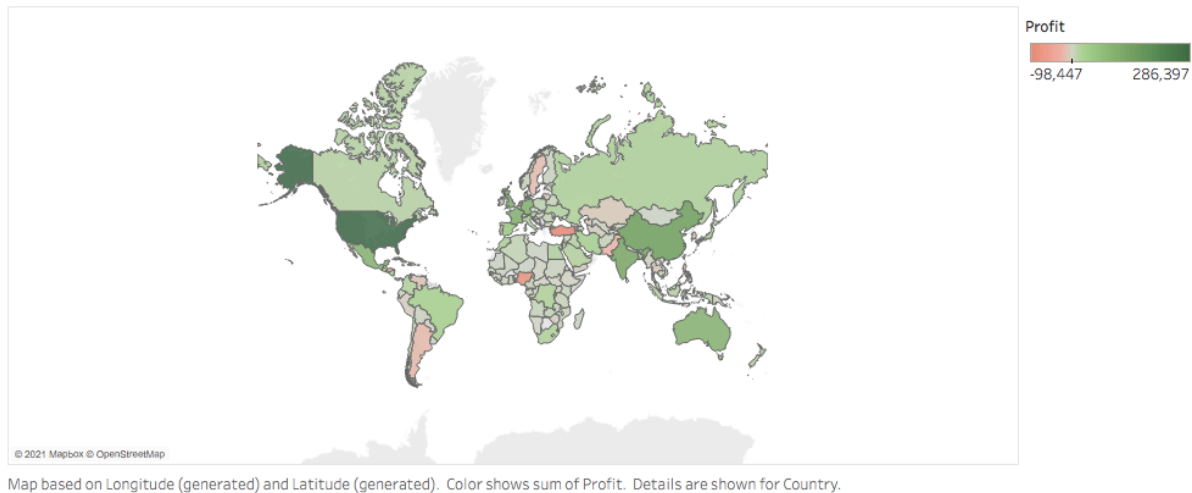


Figure 1, generated from Tableau

From figure 1, based on this dataset, if looking at the total profit of different countries globally between 2011 and 2014, United States was the most profitable country of superstore, compared to other countries in the world.

2 Overview of Profitability in United States (US)

2.1 Overall Superstore Performance in US

From dashboard 1 in the story, I identified the total sales and total profit in US between year 2011 and year 2014 were \$2,297,201 and \$286,397 respectively. The total average of discount offered in US for all category products was 0.1562 which is 15.62%. The total average discount offered in US was considerably low, I could think that this is one of the reasons why the superstore's sum of profits in United States was the highest compared to other countries in the world. I would like to find out more details to let the superstore performance in US more profitable.

2.2 Profit in United States (US) by State

Based on the map and "treemap" from dashboard 1, California was the most profitable state in US with the total profit of \$76,381 between 2011 and 2014, followed by New York, Washington, Michigan, Virginia, Indiana and other states. The most unprofitable state with the losses of \$25,729 was Texas. Therefore, the range of the total profit in US was between -\$25,729 and \$76,381. In this case, I would like to find out why Texas was the most losses state in US with the analysis in the second dashboard.

3 Analysis of the Most Losses State in United States

3.1 Analysis of the Most Losses State (Texas) by Sub-Category

The second dashboard will be shown about the analysis by sub-category of the most losses state which is Texas in US. From dashboard 2 with the analysis of Texas by category, overall had losses in furniture and office supplies but had some profits in technology.

3.2 Recommendation

3.2.1 Furniture

From the data in dashboard 2, I could see that all sub-categories in furniture are making losses but the sale of chairs is the second highest in Texas. With reference to other sub-categories which are not making losses, the average discounts offered in sub-categories of furniture are obviously higher than them which only 20% average discount. Therefore, I would suggest that lower the overall discount offered for all sub-categories in furniture especially the furnishings with 60% of average discount.

3.2.2 Office Supplies

Based on the data in dashboard 2, the obvious problem is the losses in binders and appliances. One of the reasons for making losses in binders and appliances can be due to surprisingly high average discount of binders and appliances which is 80% compared to other sub-categories of office supplies selling with only 20% average discount. Hence, I would recommend that lower the overall discount offered in Texas for binders and appliances to a standard average discount in order to minimise the losses.

3.2.3 Technology

I could see that the sale of phones was the highest in Texas. Thus, I would recommend senior management that can ensure the continuity of promoting and advertising technology in Texas for phones, copiers and accessories. For machines, it was the third highest sale of sub-category in Texas but it was making losses. One of the reasons for making losses in machines can be due to higher average discount of machines which is 40% discount compared to other technologies selling with only 20% average discount. Thus, I would suggest that lower the overall discount offered again for machines in Texas.

3.2.4 Small Conclusion

The main reason for making losses in Texas could be due to high average discount offered by the specific sub-category. Therefore, senior management may need to do some adjustments to lower the

average discount offered by the sub-categories who are making losses. By all these actions, I believed that overall profits in Texas will be increased.

4 Customer Segment Analysis

4.1 Overall Superstore Performance in United States (US) by Customer Segment

From dashboard 3 in the story, I identified the largest sum of profit in US came from consumer which the sum of profit is \$134,119, followed by corporate and home office. The largest sum of sales in US also came from consumer which the sum of sale is \$1,161,401, followed by corporate and home office. I would like to find out more details about the customer segment to let the superstore performance in US more profitable.

4.2 Purchase Seasons for Category in United States (US) by Customer Segment

From the area charts in dashboard 3, seasonal time series of purchasing for category in US by customer segment can be identified. The sum of sales was based on the order date quarter.

4.3 Recommendation

Based on the seasonal trend of area charts in dashboard 3, I could clearly see that the purchase season in US for furniture, office supplies and technology by consumer and corporate was the fourth quarter of the year, which means in October, November and December. Due to the bigger proportion of sales and profit in US mainly came from consumers and corporates, I would suggest that can continue to do promotion and manufacture more category products in the fourth quarter of every year to target consumer and corporate in order to maximise profit. This is because it would help to boost more profits in United States. The other suggestions would be lesser the manufacture of products for all category products in the first quarter of every year to minimise the losses of sluggish sales.

Moreover, the purchase trend for furniture and office supplies by home office was considerably cyclic patterns which means they will purchase once two years roughly. Therefore, senior management can ensure that the manufacture of products for furniture and office supplies in the fourth quarter of year are even more produced to also target the home offices with that specific year. However, the trend of technology that the home offices bought technologies was also the fourth quarter of the year. Hence, senior management should ensure the increase in manufacture of technologies year by year due to the trend with the demand is increasing every year.

5 Product Category Analysis

5.1 Overall Superstore Performance in United States (US) by Product Category

From dashboard 4 in the story, I identified the largest sum of profit in US came from technology which the sum of profit is \$145,455, followed by office supplies and furniture. The largest sum of sales in US also came from technology which the sum of sale is \$836,154, followed by furniture and office supplies.

5.2 Sub-Category Analysis in United States

From dashboard 4 with the sub-category analysis in US, overall was making profit in furniture, office supplies and technology. However, it can be better by looking into the details.

5.3 Recommendation

5.3.1 Furniture

From the data in dashboard 4, I could see bookcases and tables are making losses. However, the obvious problem is the loss in tables. With reference to other sub-categories in furniture, the average discount offered in table is obviously higher than them and median of discount in table is the highest among all the other sub-category. Therefore, I would suggest that lower the overall discount offered for tables.

5.3.2 Office Supplies and Technology

The only recommendation is that senior management have to ensure the overall discount for office supplies and technology in US will not increase much suddenly.

6 Analysis of the Most Losses in Sub-Category by State

6.1 Sub-Category (Tables) Analysis by State

Table is the most losses among the sub-categories of furniture in US. From dashboard 5, we could identify the states that were making losses in table sub-category.

6.2 Recommendation

With reference to other states which are making profits, the average discounts offered in states which are making losses are seriously higher than them. The fact was that states which are making profit in tables with zero average discount. Hence, the reason of states which are making losses in tables must be due to the average discounts offered. Therefore, I would suggest that senior management could do some adjustment if possible to lower the overall discount offered for tables in states which are making losses especially the New York, Illinois and North Carolina. This is because total losses of tables for each state of them are more than \$3,500. I believed that by this suggestion, the overall table profits will be increased.

7 Conclusion

By implementing all the recommendations that I suggested, I believed that overall profits in United States will be increased and made superstore performance in US market even better than now.