

REPORT

MARKET PERFORMANCE AND ANALYSIS

2021

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Executive Summary

This report was conducted to analyse the market performance between 2011 and 2014. It was found that Canada has ranked the lowest in the market share for all of the four years. Further research being needed to solve this problem. In 2014, there was an increase in sales, profit and shipping about 26.25%, 23.89% and 26.32% from the previous year. The top five products that were sold in 2014 came from the office supplies category and the US was the country with the highest sales. Overall, US market sales increased although in the South region of the market there was a 12% decrease in sales in technology compared to 2011 sales.

The product distribution of all markets has been increased from 2011 to 2014 and the processing time from order date to shipment in December 2014 has shown a stable lag time. From the analyses, it was found that sales always drop in the same months of April, July, and October every year. In the same situation, profit always decreases in the months of April and July. To address the problems of profit and sales performance, the managers may provide a project to obtain new customers.

Report

Introduction

This report provides the information of market performance and analysis between 2011 and 2014. It will be divided into parts which are market share, key performance indicators of 2014, US market details, product frequency, lag time, profit analysis and forecast. It will provide information and recommendations from comparison that have been provided.

Market Share

This section provides information of key performance indicators and market share for the period 2011 to 2014. The sum of the discount was 7,330 and the overall profit was 1,467,457. The total quantity of product sold added up to 178,312 units. The overall sales were 12,642,502 and the total shipping costs amounted to 1,352,816. Market share is one measure of market competition in industry. It shows the market growth, consumer choice and market opportunity. Innovation, customer relationship management and rivalry need to be handled well in order to grow market share.

The line graph provides information about the market share from Q1 2011 to Q4 2014 of seven markets. The market share rates of Canada showed a steady but slow growth over the period, while the market share rates of other countries changed rapidly and unpredictably. The market share of APAC, EU, LATAM and Canada were increasing by 0.62%, 2.09%, 5.15% and 0.03% respectively in Q1 2011 to Q4 2014. On the other hand, the market share of US, Africa and EMEA decreased from Q1 2011 to Q4 2014 by 3.23%, 0.94% and 3.72% respectively. Since Canada is the lowest in market share, it is better to do more market research to find the problems or the customers preferences and consider some discount amount to attract customers.

Key Performance Indicators of 2014

This section shows the key performance index in 2014. The total sales were 4,299,866 which is an increase of 26.25% from the previous year. There are 503,144 sales as of December 2014 that are

shown on the line graph. Furthermore, the total profit in 2014 was 504,166 where it rose 23.89% from 2013 and in December 2014 the profit was 46,917. The shipping cost has grown 26.32% from the past year. It reached 54,854 in December 2014 with total shipping cost 460,506.

The map illustrates the sum of sales by country. It is shown there that the US has the highest sales which were 733,947 in 2014, while the lowest sales were 50 sales by Taiwan. The bar chart shows the most customers that brought profit in 2014. They are Raymond Buch, Jane Waco, Tom Ashbrook, Bill Eplett and Hunter Lopez. The other bar chart shows the most products that were sold in 2014. There are 227 pieces of staples, 92 items of clear Cardinal Index Tab, 90 units of single width Eldon File Cart, 84 units of single width Rogers File Cart and 83 items of clear Ibico Index Tab. Customer relationship is important and it will be better to give the customer some gifts that show the company's regards for them. It will also increase their satisfaction and trust in the company.

US Market Details

Since the US has the most sales by country in 2014. This section will show the details of the US market from 2011 to 2014. The US market order frequency, this provided information of how many customers placed and how number of orders that were grouped into the category of the product. It shows that furniture of the US market has 69 customers that only ordered once. The maximum was 118 customers that ordered twice, while the minimum was one customer placed nine orders. On office supplies in the US market, the maximum was 125 customers that placed 5 orders and the minimum was four customers that placed 12 orders. In the technology category of the US market, the maximum were two placed orders with total 116 customers and the minimum were six placed orders that total 14 customers ordered. Overall, customers have ordered office supplies more than other categories.

The US market sales 2014 against sales 2011. The US market is divided into West, South, East and Central Region. It also focuses on three different categories which are furniture, office supplies, and technology. Overall, the sales of the US market increased. The highest increase was technology from the West region. It has 114% which shows that the sales 2014 increased more than two times than the sales in 2011. On the other hand, in the same category there was a decrease

of 12% from the South region. Therefore, managers might also carry out advertising and market analysis which can include the products that the region really wants.

The next detail is profit percentage comparison in sub-category from the Central region (one of the US market) with other regions from all markets. Art is one part of sub-category that has the bigger percentage of central region which is 39% than others sub-category, while appliances have the smaller percentage of central region which is 14%. This shows the customers in the US bought more art products than others. Although art and appliances are in the same category of office supplies, they had huge differences in the profit.

Product Frequency and Lag Time

This section will illustrate the bar graph of product frequency from 2011 to 2014 and processing time to ship in December 2014. The product frequency provides information about the total quantity of products that has been sold in how many regions by each quarter of year. In Q1 2014, there is only one category of product that was sold to seven regions while there are four products that sold to seven regions in Q4 2014. Based on the chart, the number of product types will be less when it is sold in many regions in the same year. On the other hand, the number of regions will increase each year to sell a number of types of products. When it is in Q4 2011 there are eight same products being sold to five regions and in Q4 2014 there are four products being sold to seven regions.

Lag time plots illustrate the average time in a week that is needed from order date to ship date. It is divided into three segments and four categories of ship mode. Overall, the same day takes zero until one day to process the orders, the first class needs one until three days for processing, the second class takes two until five days of processing time, and the standard class needs four until seven days.

Profit Analysis and Forecast

This section will show the categories of profit that has been earned daily and the forecast of profit and sales. The daily profit illustrates how many days in a month has profit that have been

categorized into unprofitable, profitable and highly profitable. It needs to set the minimum of high profit to divide between high profit and profit. When we set the minimum into 1000, the data showed that in December 2014 there were 21 days highly profitable, 7 days profitable, 3 days unprofitable.

The sum of profit and sum of sales information between January 2011 and November 2014 on the next graph. The forecasting started from December 2014 to December 2015. The prediction of the quality of the profit forecast was nice. The forecast is likely to have less error than the expected value of the next period that is the same as the value of the current period. While the sales prediction is good, this means that the forecast has less than half the amount of error.

The plot also shows that in the months of April and July the profit performance was always drop, while sales performance was always drop in April, July, and October. The bigger decrease of profit and sales was in July. Therefore, it is important to pay attention to profit and revenue where the manager may plan a project for the acquisition of new customers and maintain current customers.

Conclusion

In conclusion, Canada has the lowest market share so managers need to give extra attention to increase the sales and do some market research about Canada's population. While for profit and sales performance, it showed that they always drop in the same months every year. It may be avoided by setting up some projects to increase those values.