



# **UNIVERSITY OF LONDON**

**Business analytics, applied modelling and prediction**

**ST2187**

**Comprehensive Insights for Sales Performance and Trends**

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## **Executive Summary**

This report analyses the overall sales performance of the company from January 2018 to 2021. The purpose of this report is to provide a comprehensive view of sales trend, product performance and customer behaviours. The report is structured in five sections: Sales Overview, Geographic Sales Analysis, Product Analysis, Customer Sales Insights, Sales Forecasting. This could help the company to identify their strengths and weakness, assess the success of previous initiatives and drive growth.

The analysis shows an increasing in sales and profits over the years. In terms of geographic sales, the most profitable regions are APAC and EU market while Canada market is the least significant region. The company sold products in three categories: technology, office supplies and furniture. Technology contributes the most to the total sales and profits. Moreover, the company's customer base consists of three segments: consumers, corporate and home office, with consumers contributing the most to total sales at 51.4%. The report also revealed a seasonal trend in customer purchasing pattern, customer is more likely to purchase at the end of the year. The sales forecast for the following year is higher than the previous year based on the sales patterns observed in the past.

The report finds that there are losses in some countries and subcategory due to the pricing strategy. The conclusion is that the company is having a strong sales and profit performance and has a potential for growth.

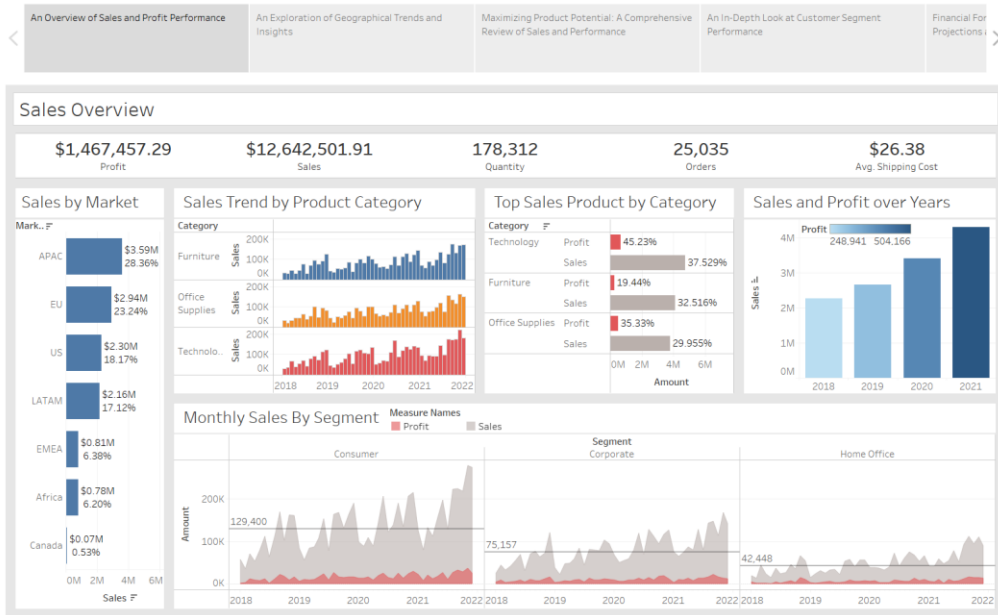
The report recommends the company focus resources on the most profitable regions and categories, and address the identified losses to avoid increasing losses.

## **Introduction**

In this competitive business environment, having a clear insight of company's sales performance is crucial to maintain a healthy bottom line. The purpose of this report is to provide an overview of the sales performance from 2018 to 2021 of the company. It will also highlight the areas where the company has excelled and provide recommendations for further growth. The data used in the report includes sales figures, customer profiles, geographic regions, and product performance.

In this report, Tableau is being used to visualize the trends and patterns of the data. Tableau is a data visualization and business intelligence tool that connects, analyses and visualizes data. This report will help the company to have a better understanding of its sales situation and make knowledgeable choices to increase sales efficiency. It covers five stories of sales dashboard: Sales Overview, Geographic Sales Analysis, Product Analysis, Customer Sales Insights, Sales Forecasting Dashboard.

## A Story of Overall Business Performance and Trend Analysis



### Sales Overview

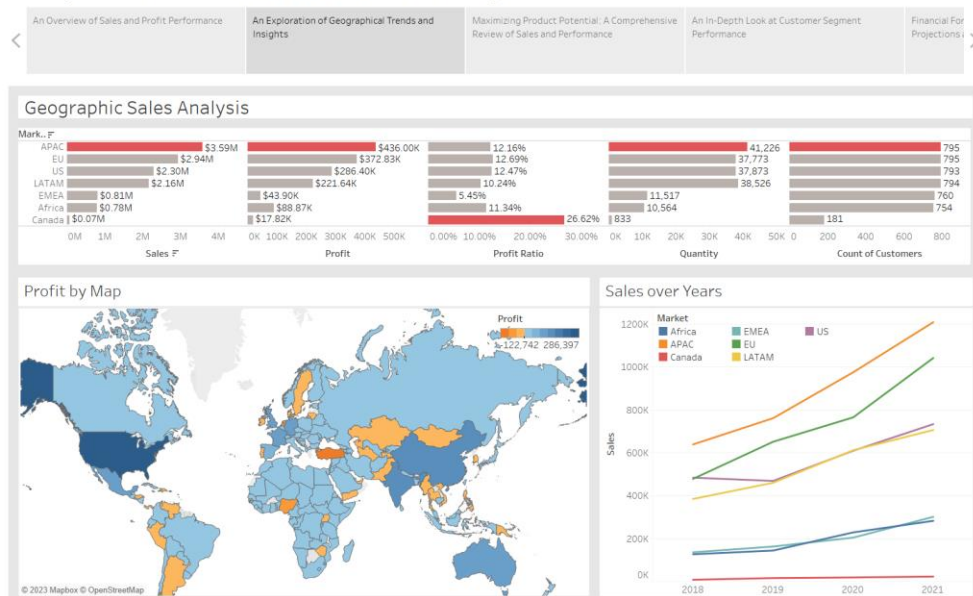
According to the dashboard, the total profit and sales were \$1,467,457.29 and \$12,642,501.91 respectively. Both sales and profit were having good performance, grow steadily and positively year over year. Based on the bar chart of the market, the APAC market had the highest sales, \$3.59M which made up 28.36% of total sales.

The sales trend for each category was increasing steadily year over year especially technology. From the bar chart of the top sales product by category, the technology sector boasts the highest sales and profit margins, which were 37.53% and 45.23% of total sales and profit.

Besides, the monthly sales graph by segment shows that consumer segment drives the major sales and profit with a positive year-over-year growth, the average of the total sales for the consumer segment was \$129,400, which means that the consumer segment is having high demand for the company's products. The sales and profit of both corporate segment and home office segment were also having a positive growth yearly.

From the overall profit and sales performance, we can conclude that the company was generating positive profit and able to meet the need of customers effectively.

## A Story of Overall Business Performance and Trend Analysis



### Geographic Sales Analysis

There were 6 markets: APAC, EU, US, LATAM, EMEA, Africa, Canada. The APAC market was the standout market from 2018 till 2021, which contributed 28.36% of total sales and 41,226 products sold, accounting for \$3.59M sales and \$436K profit. The strong sales and profit performance of APAC market could be attributed to the low manufacturing costs and competitive pricing had resulted in large customer base. However, its profit ratio is 12.16% which ranked fourth among all markets.

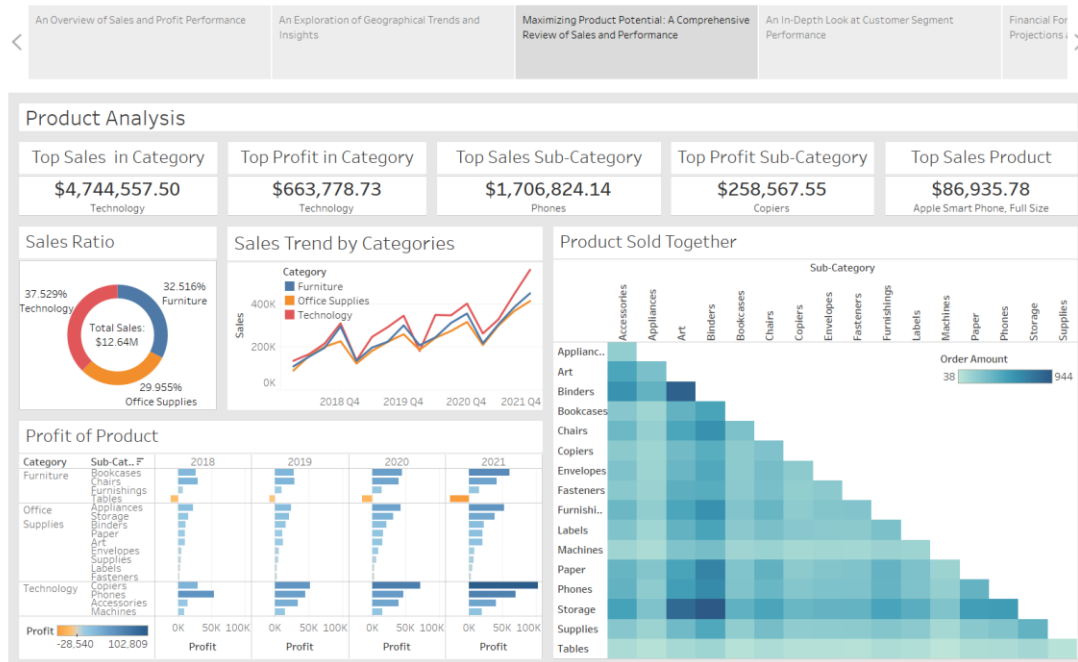
In comparison, Canada had the highest profit ratio but was the least significant market, contributing only \$0.07M to sales and \$17.82K to profit. The possible reason could be charging higher prices for the products resulted in higher profit margin despite lower sales volume.

The map revealed there are several countries with negative profits, with Turkey having the largest negative profit of -\$98,447 despite its sales of \$108,508, possibly due to unfavourable economic condition such as weak currency or low consumer confidence. In contrast, United States had the largest profit, \$286,397 and \$2,297,201 of sales, possibly due to the high spending power of US residents compared to other countries.

Sales trend by market showed that all market except Canada experienced noticeable year-to-year growth in sales. Specifically, APAC market held its position as the top-performing market with significant sales growth over the years, potentially due to strong economic growth and rising consumer spending power.

Overall, the company should prioritize resources to the high-performing APAC and EU markets. Furthermore, the company should consider making changes for Canada market and other countries that experiencing loss, in terms of pricing strategies or product offerings to increase its competitiveness.

## A Story of Overall Business Performance and Trend Analysis



### Product Analysis

The company sold three categories: technology, office supplies and furniture. Technology had the highest sales performance, contributing 37.53% of total sales and the highest profit performance due to the trend of technology development.

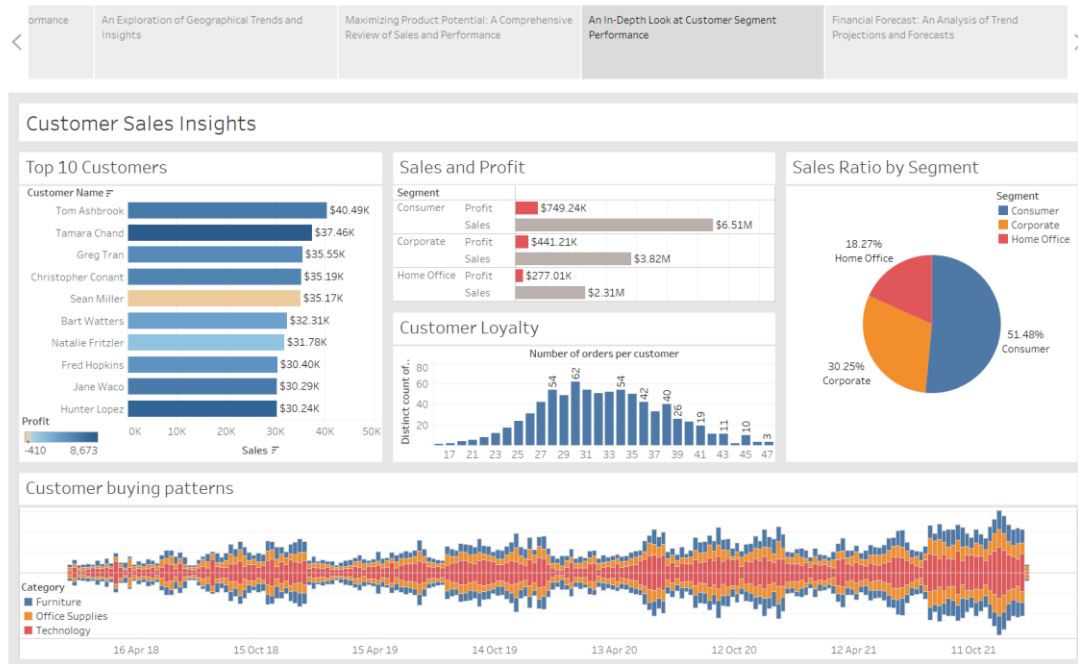
Sales trend by categories showed that technology had a larger increase in sales from 2018 to 2021 compared to other categories and was ahead of the other categories. Furniture and office supplies also increased steadily year over year.

Phones were the most profitable subcategory in 2018. However, copiers surpassed phones in profit in the following years. The tables subcategory had a loss and the loss increased year over year. All subcategories except tables, experienced increasing profits year over year, especially copiers. Therefore, the company should pay attention on both copiers and tables.

Based on the table of product sold together, the most popular combination was binders and storage. Arts and binders were more compatible with other products, as shown above. Therefore, we recommend that the company consider selling product combinations based on compatibility.

In conclusion, the company should focus on technology category, which brought in the most sales and profit from 2018 to 2021. On the other hand, the company should also address the loss-making tables subcategory to improve overall performance. By doing so, the company may see an increase in its sales and profit.

## A Story of Overall Business Performance and Trend Analysis



### Customer Sales Insights

The customers were divided into three segments: home office, corporate and consumer. The consumer segment had the highest sales and profit, contributed 51.48% of total sales. which amounted to \$6.51M, and \$749.2K of profit. In comparison, the home office segment had the lowest sales and profit performance.

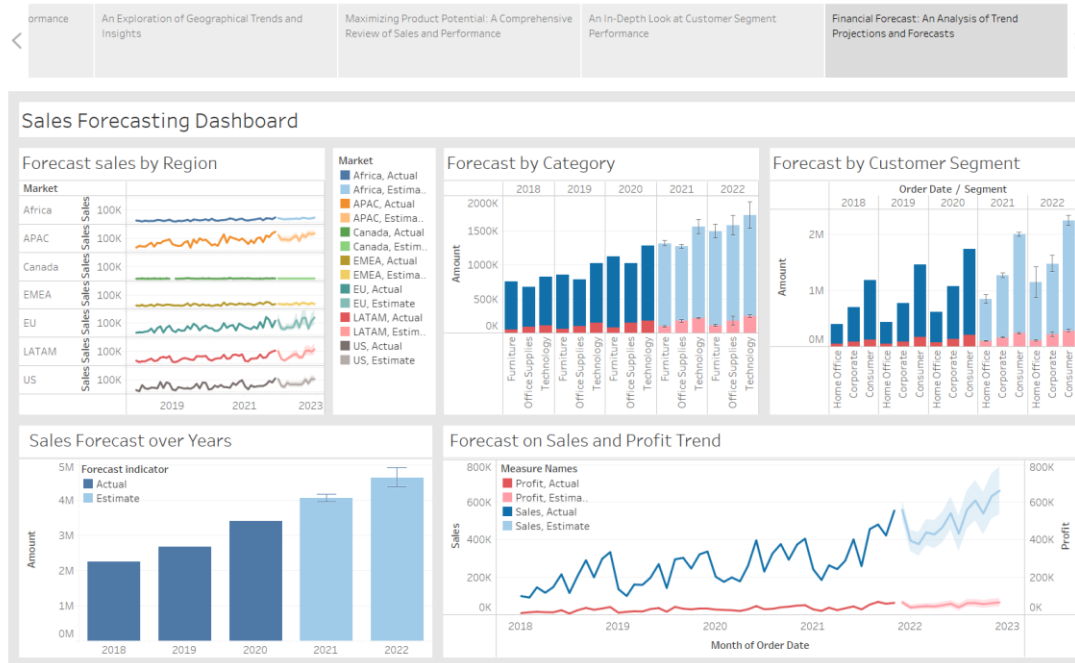
From the top 10 customers bar chart, Tom Ashbrook had the top sales but not the highest profit margin, while Tamara Chard, in second place had the highest profit margin. Sean Miller, who ranked fifth among the top 10 customers, had a loss of -\$410. The company should pay attention to this customer and identify the source of the loss.

The customer loyalty graph showed one customer with the least purchase (15 orders) and three customers made the most purchase (47 orders each). Most customers made between 27 to 35 orders indicating their loyalty and satisfaction with the company's products. Additionally, they are likely to continue doing business with the company in the future.

There was a seasonal trend in the customer buying patterns, with a drop in purchases between the end of year and the start of the following year. The graph shows a gradual increase in purchasing from year over year. Hence, the company could focus more on year-end sales.



## A Story of Overall Business Performance and Trend Analysis



### Sales Forecasting Dashboard

The sales are expected to increase in the future one year based on a gradual increase since 2018. Therefore, the overall sales forecast for each section is expected to increase.

Sales trends by region predicts a slight increase in sales for each market. The bar chart for each product category show increasing sales and profit forecast while office supplies is forecasted to surpass furniture sales in 2022, even it had historically lower sales from 2018 to 2021. The forecast pattern of sales and profit for the customer segment is similar for the past years, with an increase in 2022.

Overall, the sales and profit forecast pattern for 2022 to 2023 is expected to be similar to previous years, with a steady increase in both areas if the company use the same strategies to sell its product. The forecast model indicates that the company is performing well and has potential growth in future sales and profit.

## **Conclusion**

In summary, the company has strong sales and profit growth year over year. APAC and EU markets show growth potential, the company should focus its resources on these regions to maximize sales and profits. Conversely, Canada was the least significant region. Besides, some countries, especially Turkey experienced the highest loss and require attention.

There are 3 product categories: technology, furniture, office supplies. Technology had the highest sales and profit due to positive trend in technology development. The most popular combination of subcategories is binders and storage. Additionally, tables subcategory was the only one making loss and increasing loss year by year.

There are 3 customer segments: consumers, corporate and home office. Consumers segment had the highest sales and profits. The customers were loyal and satisfied to the company's product. There was a seasonal trend in customer buying, with year-end sales being the peak.

The forecasted overall sales and profit for 2022 to 2023 is increasing and having a similar trend based on recent years. There is a potential growth in sales and profit.

## **Recommendation**

Based on the above analysis, we recommend that the company prioritize its resources towards the most profitable category, technology, and the most profitable regions, APAC and EU market. Additionally, to take advantage of popular product combinations, we suggest selling compatible product bundles.

To tackle with the loss in the tables subcategory, we suggest that the company modify its pricing strategy for this product line. Besides, investigating and addressing losses in certain countries is important. It is also important to maintain the quality of product to ensure customer loyalty.

Overall, the company has increased sales and profits using successful sales strategies from the past, which can be continued in the future.

(1488 words)