

Executive Summary

In November 2023, Spain's net sales reached €3.78 million, a year-over-year decline of 11.6% compared with €4.28 million in November 2022. After averaging €3.93 million over August–October, sales eased into November, reflecting a seasonal autumn slowdown following a strong summer. A simple linear-trend forecast suggests a modest downward drift into early 2024, with projected sales of €3.82 million in December, €3.81 million in January, and €3.80 million in February. The month's performance also highlights concentration risks: Valencia accounts for 56.5% of total sales, while one item family, one SKU, and one customer each contribute roughly one-third of November revenue.

Overview

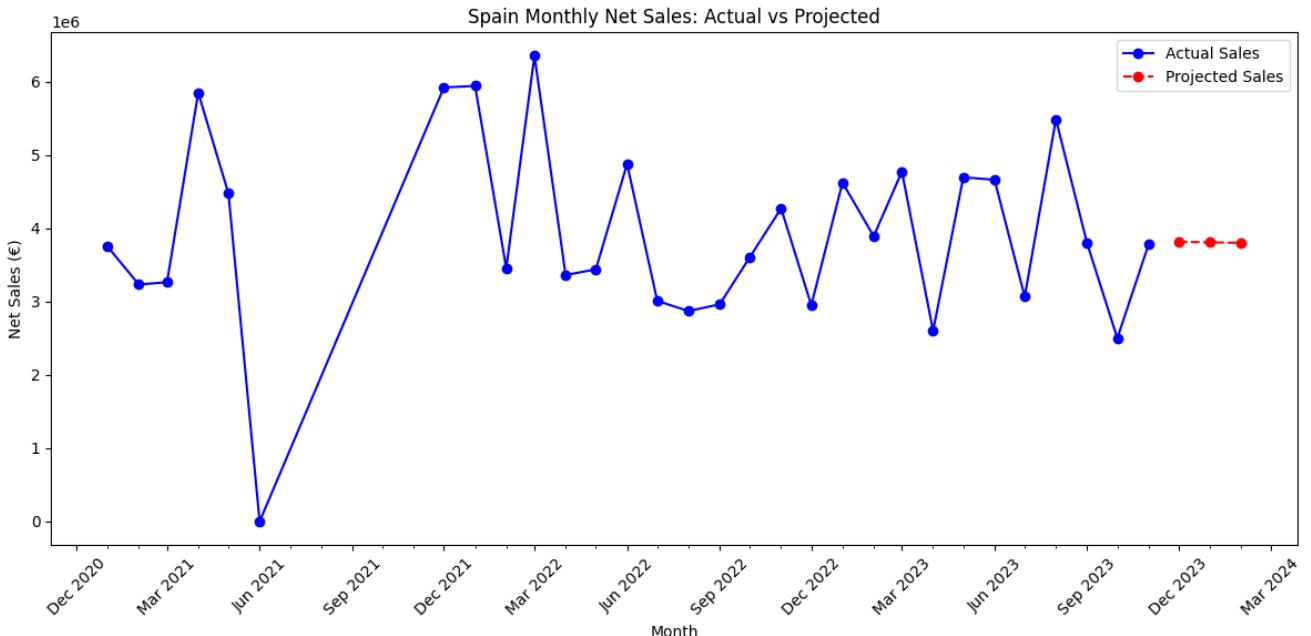
- **November 2023 net sales:** €3.78 M
- **Trailing three-month average (Aug–Oct 2023):** €3.93 M
- **Year-over-year change (Nov 2023 vs. Nov 2022):** -11.6%
- **Notable month-over-month swings in 2023:**
 - July: -34.2%
 - August: +78.9%
- **Seasonal patterns:**
 - Summer (Jun–Sep) posted positive YoY gains, supported by promotional campaigns and tourism rebound.
 - Autumn (Oct–Nov) saw declines, indicating softer end-of-year demand and increased competition.

Trends and Context

Spain's monthly net sales from January 2021 through November 2023 display clear seasonality—peaking in summer and dipping in winter—overlaid on a slight downward trend as the business enters 2024.

Key drivers of the pattern:

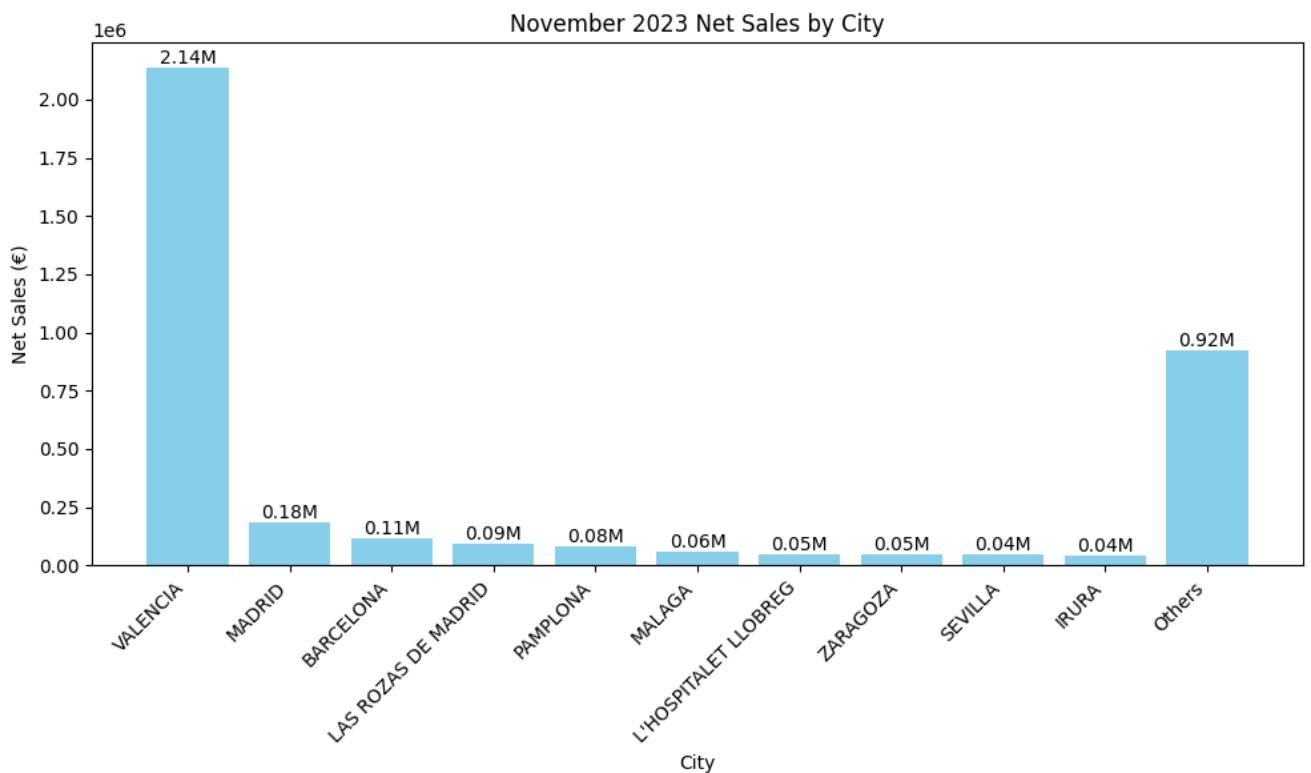
- Mid-year boosts from targeted summer promotions and tourism.
- Post-peak normalization as discount intensity eases and industrial demand softens.
- Operational factors, including shipment delays and local stock constraints, contributed to sharp month-to-month volatility.



In depth analysis

Geographic Concentration

Sales in November 2023 were heavily skewed toward Valencia, underscoring regional dependence:



- **Valencia:** €2.14 M (56.5%)
- **Others (top 11 cities):**

- Madrid: €0.18 M (4.7%)
 - Barcelona: €0.11 M (2.9%)
 - Las Rozas de Madrid: €0.09 M (2.3%)
 - Pamplona: €0.08 M (2.0%)
 - Málaga, L'Hospitalet Llobregat, Zaragoza, Sevilla, Irura: each 1.0–1.6%
- **Remaining cities combined:** €0.92 M (24.3%)

Product and Customer Breakdown

- **Leading item family (9100.0):** €1.23 M (32.7%)
- **Top SKU (COMMI-ES1-BTB):** €1.18 M (31.1%)
- **Top customer (SoldToID 17579):** €1.24 M (32.8%)

High concentration in a single family, SKU, and client highlights vulnerability to shifts in stock availability or buyer demand.

Key Client Declines

Largest absolute YoY drops (Nov 2022 → Nov 2023):

- Client 2629: –€1.99 M (–36.2%)
- Client 5785: –€0.55 M (–73.5%)
- Client 14493: –€0.44 M (–52.3%)

Several major accounts also experienced multi-month downturns in mid-2023, suggesting contract renegotiations or sourcing shifts.

Forward Outlook and Recommendations

Short-Term Outlook

Based on the current linear-trend projection, early 2024 sales are expected to trend slightly lower:

- December 2023: €3.817 M
- January 2024: €3.811 M
- February 2024: €3.804 M

Absent changes to promotional intensity or customer engagement, this mild downward trajectory may persist.

Strategic Actions

1. Geographic Diversification

- Activate targeted campaigns in under-penetrated markets (Madrid, Barcelona, Málaga).
- Establish partnerships with regional distributors and leverage localized digital marketing.

2. Product Portfolio Optimization

- Introduce adjacent SKUs within family 9100.0 and complement COMMI-ES1-BTB to spread dependency.
- Bundle value-add services or refresh product features to reinforce differentiation.

3. Customer-Specific Interventions

- For steep-decline accounts (2629, 5785): launch retention programs (flexible terms, volume incentives).
- For the top client (17579): co-marketing initiatives and guaranteed supply assurances.

4. Discount and Promotion Refinement

- Align discount increases with high-impact periods (pre-summer) rather than autumn troughs.
- Cap discount adjustments to ≤ 10 percentage points for clients with negative price responsiveness to protect margins.