

PRIMEMART SALES ANALYSIS INSIGHTS AND RECOMMENDATION

INSIGHTS:

SALES PERFORMANCE AND TRENDS:

1. OVER all these years, the sales and profit show a huge decline. Sales has been **declined by 47.44 %** from 2020 to 2023 and **profit has been declined by 50.62%**.
2. Sales consistently **peaked** during the **months of November and December**, but there is a notable **drop in sales during January, February, and July**, reflecting seasonal fluctuations that affect overall revenue.

REGION AND STATE SALES PERFORMANCE:

1. Over the years, the **Central region has been the primary contributor to the company's total sales**, while Canada has consistently made the smallest contribution.
2. In Canada region,
 - i. Storage, Phones, Copiers are the top selling sub- categories in terms of sales and profit.
 - ii. **Furnishing, Labels, Fasteners are the least 3 categories** that contribute to the overall profitability of the Canada region. Exploring strategies to boost sales or optimize costs in these categories could lead to increased overall profitability.
3. **England outperforms all other states** in both sales and profit, followed by California.

PRODUCT CATGEORY PERFORMANCE:

1. **Technology Category contributes to 37.55 %** of total sales, whereas furniture contributes 32.49% and office supplies contributes to 29.96%.

PROFIT PERFORMANCE:

1. Canon Image Class 2200Advanced Copier is the most profitable product of all these years followed by Cisco Smart Phone Full Size, Motorola Smart Phone, Full Size.
2. Technology category contributes almost 45% of total profit.
3. Consumer segment contributes to 51% to the total profit.

DISCOUNT:

1. There is a weak correlation between discounts and sales or profits, indicating **that discounts do not have a direct impact on sales and profit.**

DELIVERY TIME:

1. The average time taken to ship an order is **11 days**.

CUSTOMERS:

1. Frank Olsen, Anna Andreadi, and Micheal Paige stand out as our most loyal customers, each placing 47 unique orders.
2. Muhammed Yedwab is one of our valued customers, having placed a total of 108 orders over the years.

SHIPPING:

1. **Standard Class is the dominant shipping mode**, contributing approximately 60% of the total sales. This suggests that customers prioritize affordability over speed in most cases.
2. Shipping mode by Segment:
 - i. In the consumer segment, a **higher proportion of customers opt for Same Day delivery** compared to other segments, indicating a greater willingness to pay for faster service.

RETURNS:

1. The **returns percentage stands at 4.68%**, with a total of 1172 returns out of 25,032 unique orders.
2. The **Consumer segment has the highest number of returns at 1584**, followed by corporate segment with 971 returns.
3. Orders have been returned only from LATAM, US, APAC, and EU markets. Orders from **Africa, EMEA, and Canada markets were not returned**, indicating no issues there.
4. The majority of returned orders were from the **LATAM and US** markets.

RECOMMENDATION:

1. SALES OPTIMIZATION:

- **Targeted Marketing:** Launch targeted promotions during the low sales month (Jan, Feb, July) and in low performing region to stimulate growth.

2. PRODUCT OFFERINGS:

- **Innovate:** Introduce new products or enhance the existing ones to meet the market trends, focusing on smart and space saving solutions. For instance, space saving furniture.
- **Expand High Performing Category:** Further focus on developing technology category to attract customers as it significantly contributes to sales and profit.
- **Re-evaluate Low performing product:** Re-evaluate underperforming sub-categories in Canada to enhance profitability

3. CUSTOMER SATISFACTION:

- **Reduce Shipping Times:** Improve logistics and supply chain to decrease the delivery time, which will directly enhance customer satisfaction.
- **Tailor Loyalty Programs:** Develop special rewards and offers for highly valuable customers to retain a long-term relationship and encourage repeat purchases.
- **Feedback:** Collect feedback from the customers after every purchase to improve product quality by addressing issues highlighted in returns and for delivery issues or a product is not in good condition or missing items, provide faster replacement to enhance customer satisfaction.

4. IMPROVE OPERATIONAL EFFICIENCY:

- **Optimize costs:** Negotiate supplier contracts to secure bulk purchasing discounts and favorable terms, which will help optimize costs and improve overall cost efficiency.
- **Optimize Supply chain:** Continuously monitor supply chain to ensure optimal inventory level and reducing holding cost.
- **Address Returns:** Conduct in-depth analysis on high return markets such as LATAM, US and implement quality control measures to reduce return. This will help in reducing return cost.