Business Proposal for BeverageCo

A Data-Driven Strategy for Maximizing Sales and Expanding Customer Base

PROJECT OUTLINE

Who are our current customers?

Overview and top performers

How can we identify and predict potential customers?

Detection approach and sales prediction model

What's our strategy to approach new customers & expand market share?
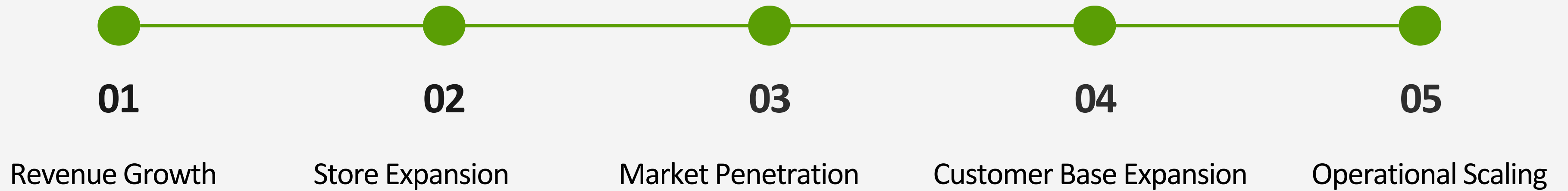
Strategic approach and projected revenue impact

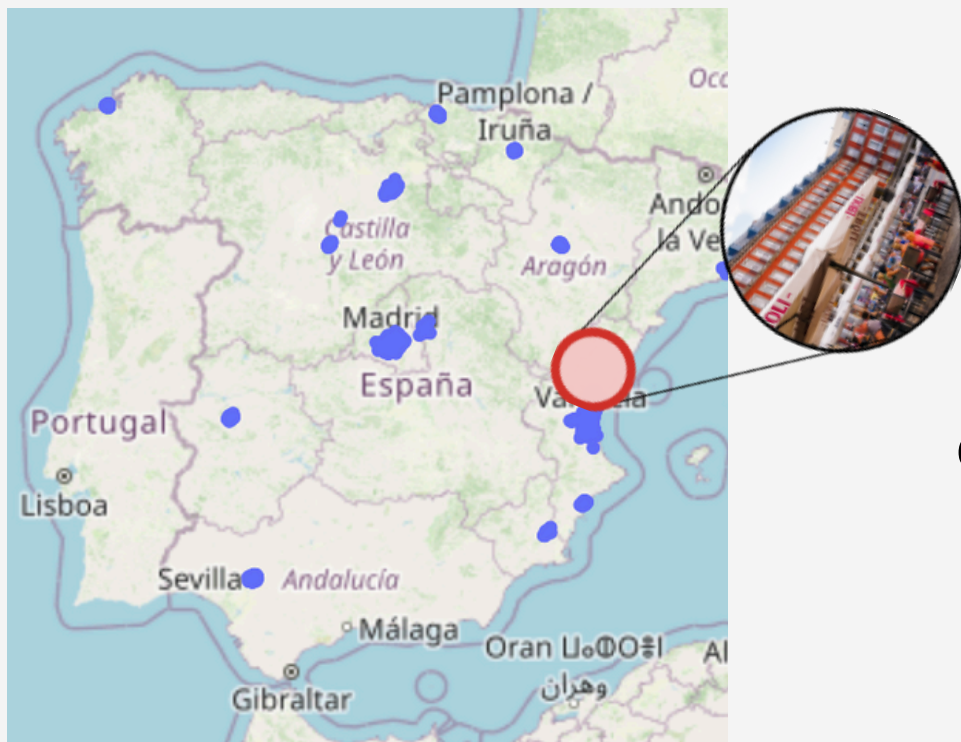**What's next?**

Future development and key recommendations

Q&A

BEVERAGECO EXPANSION GOALS

01

02

03

04

05

Revenue Growth

Store Expansion

Market Penetration

Customer Base Expansion

Operational Scaling

Current Customer Base Overview

CURRENT CUSTOMER BASE OVERVIEW

Current Locations

Overview of Our Data Set

33

Current Sales Reps

10.172

Total Stores

4 Datasets

1 **CUSTOMER INFO**

Contains general information of each customer, such as the **contact or location**

2 **CUSTOMERS ECONOMICS**

Contains our current customers' economic features, such as their **sales or number of reviews**

3 **SOCIO-DEMOGRAPHIC**

Provides additional sociodemographic features, such as the **population or unemployment rates**

4 **POTENTIAL CUSTOMERS**

Includes **information** about numerous **potential customers** within the country

CURRENT CUSTOMER BASE OVERVIEW

Stores Features	Median	Range
Sales Amount	30.85K	20.61K - 48.81K
Store Size	866 sq ft	3 sq ft - 4998 sq ft
Number of Employees	30	1 - 42
Number of Reviews	34	0 - 12K
Ratings	4	0 - 5

Store Categories

Hotels	Restaurants	Bar
13	**6**	**3**
Sub-Categories	*Sub-Categories*	*Sub-Categories*

Top Performer Characteristics

TOP PERFORMERS ANALYSIS

Store Type

Luxury hotels, pubs and bars

Geo-Location

Highly populated cities, and large young populations

Operational Insights

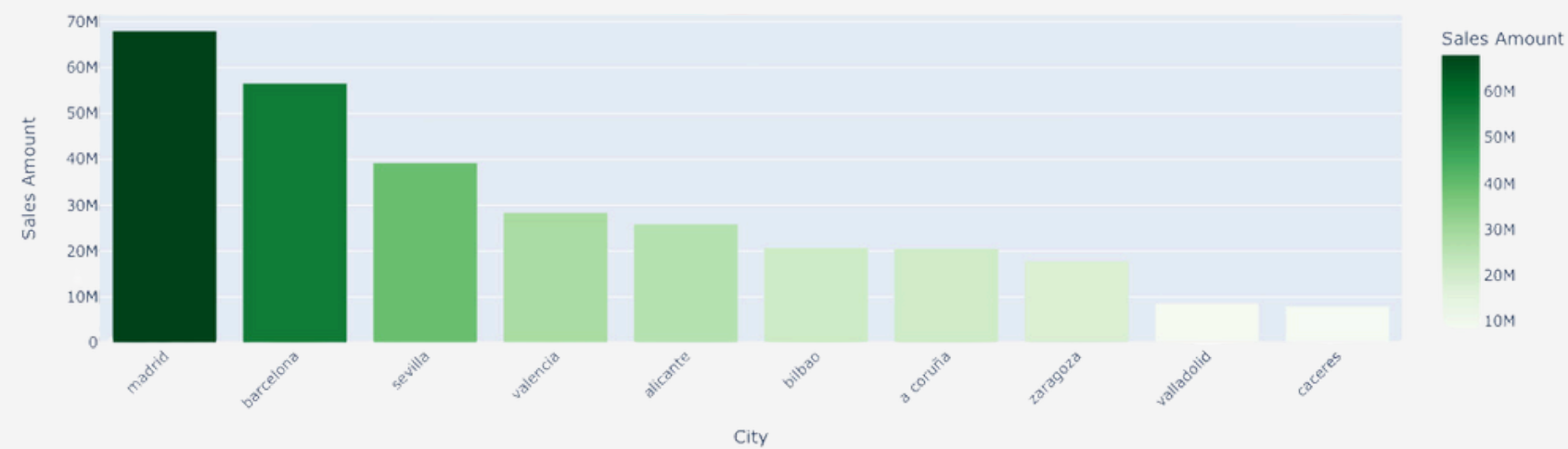Extended opening hours, and top sales representatives manage higher percentage of population

Customer Engagement

Large number of reviews, and high customer ratings
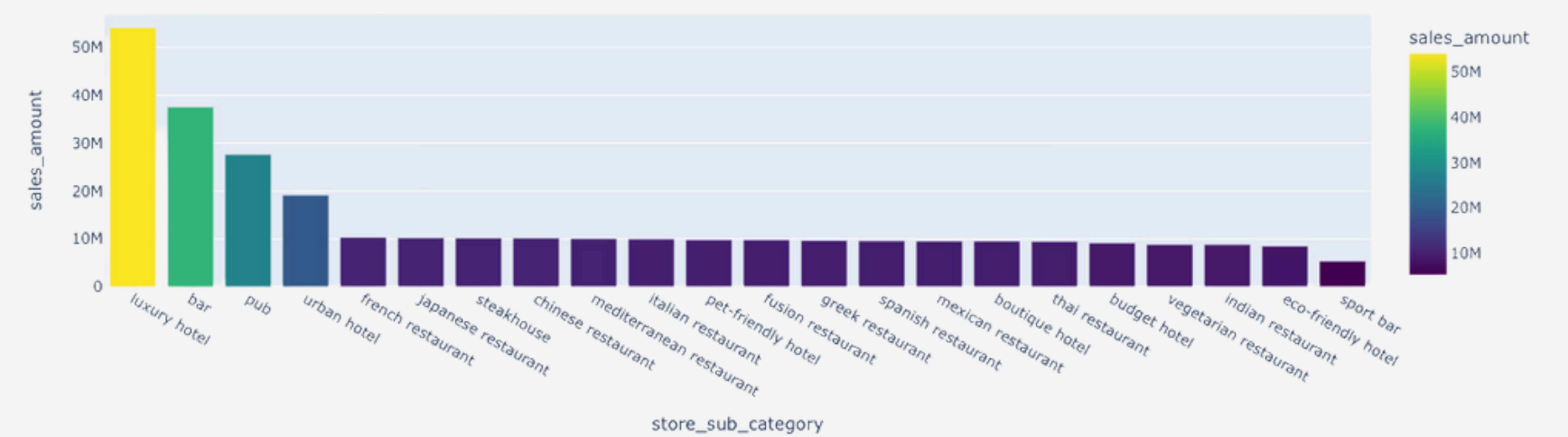
HIGH-PERFORMING MARKETS AND CATEGORIES

Top Cities by Sales Amount

Sales by Store Sub Category (Sum)

Best selling locations
→ Barcelona, Madrid, Seville

Best selling store types
→ Luxury Hotels, Bars and Pubs

STRATEGIC GOALS AND KEY PERFORMANCE INDICATORS

Goals

KPIs

1

Market Growth and Expansion

Increase presence in market and rapidly capture high-potential regions

1. Number of new stores opened
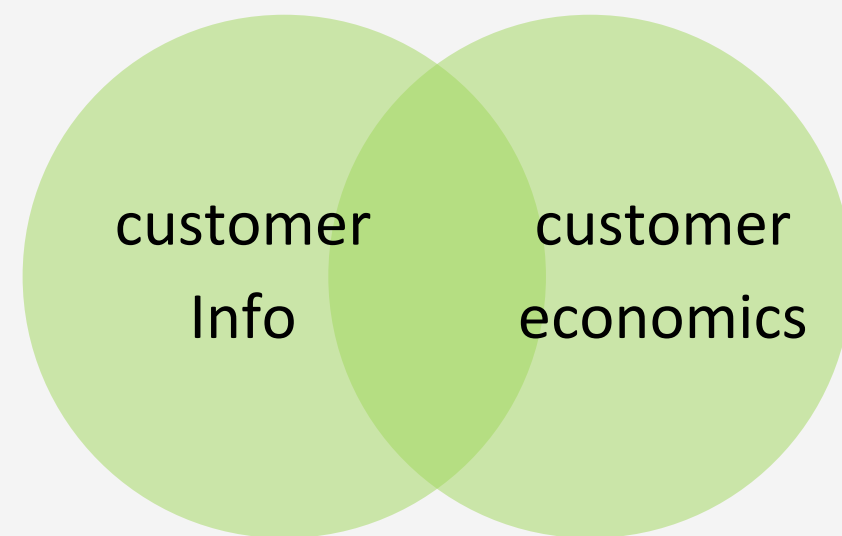2. Market share % in target regions

2

Sales Force and Revenue Growth

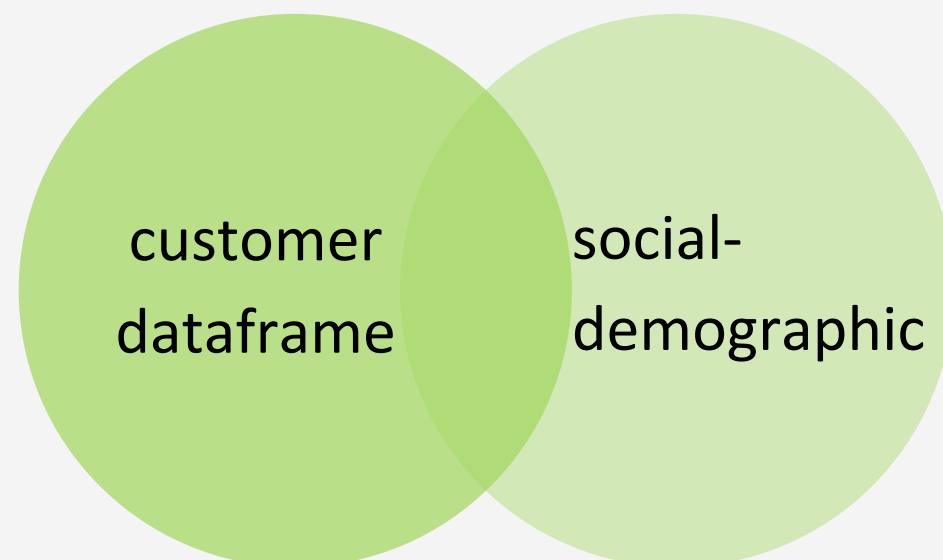Dominate market share by enhancing sales reach and revenue increase

1. Increase Number of sales reps hired
2. Increase revenue growth %

Approach to Detecting Potential Customers

FEATURE ENGINEERING

+ 11 New Columns Across 4 Areas

Store

- Store Categories
- Store Sub-categories

Operation

- Opening Duration
- Opening/ Closing Time

Demographic

- Young Population %
- Distance to City Center

Sales

- Sales per Employee
- Sales Rep Population
- Sales per Month
- Sales per Capita
- Customer Value

BUSINESS INSIGHTS: STORE PERFORMANCE & MARKET DYNAMICS

1

Luxury hotels & Bars

French/Italian restaurants & Pubs

Vegetarian restaurants & Budget/eco-friendly hotels

1. Develop targeted growth strategies across segments

2

bubble size = store amount
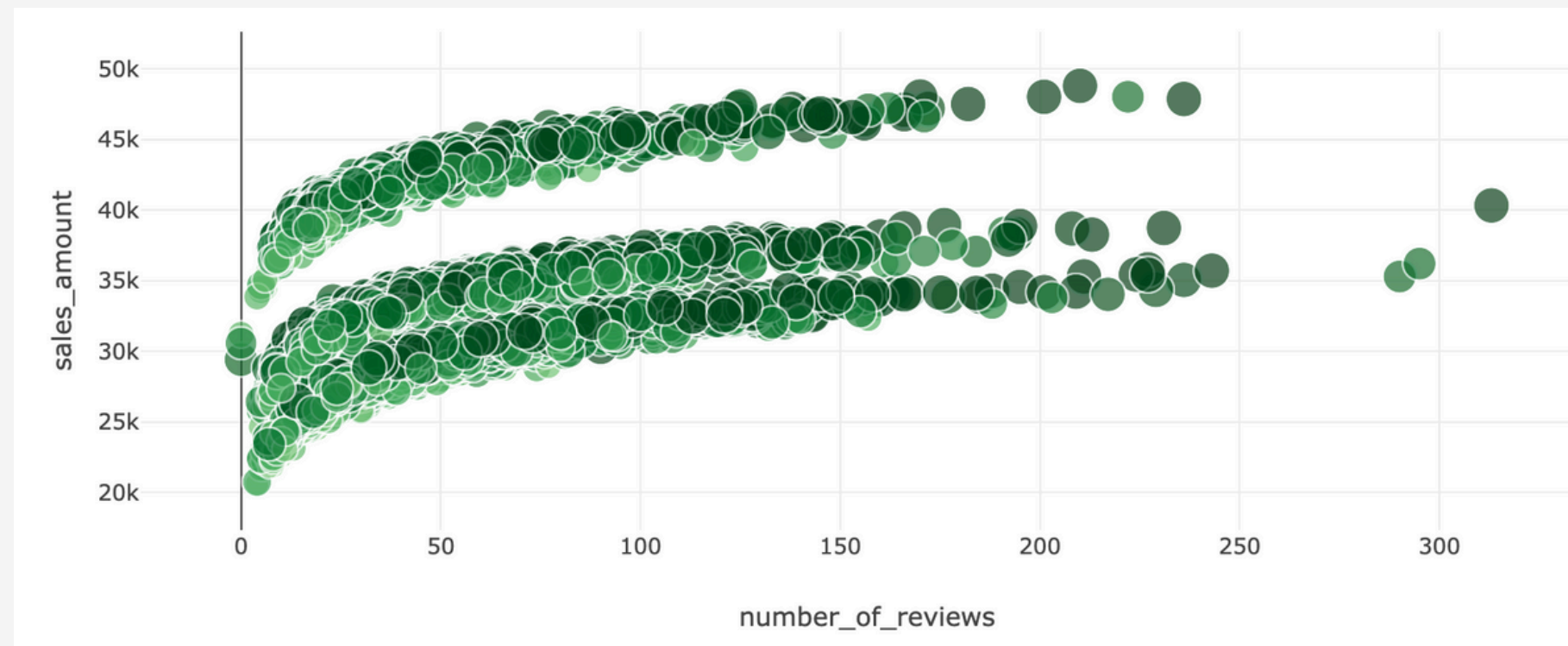bubble color = sales amount

1. High performing markets for optimizing operations to maximize returns
2. Explore moderate and low-performing markets for **long-term growth and market diversification**

BUSINESS INSIGHTS: CUSTOMER ENGAGEMENT & ACTION PLAN

1. Higher ratings → Increased sales
2. More reviews → Better performance

Enhance customer satisfaction & engagement initiatives

Sales Prediction Model: Linear Regression

UNDERSTANDING OUR SALES PREDICTION MODEL

Sales = Base Amount + (Factor 1 × Value 1) + (Factor 2 × Value 2) + ... + (Factor n × Value n)

Based Amount	= 16,900 €

Store Category

- **Restaurant** - 7,697 €
- **Hotel** - 3,486 €
- **Pub** + 3,860 €
- **Sports bar** + 3,903 €

Customer Feedback

- **Each review** + 60.55 €
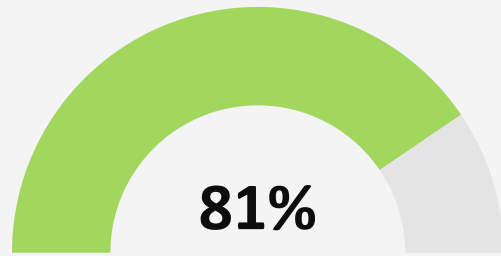- **Each rating** (1-5) + 1,018 €

Operating Hours

- Each **hour earlier** we open + 525 €
- Each **hour later** we close + 41 €
- Each **additional hour** we open + 502 €

Store Size

- Additional **square meter** of store size + 0.14 €

UNDERSTANDING OUR SALES PREDICTION MODEL

81%

Our sales prediction model captures about **81% of what drives our stores' performance**

Store Type Impact

Customer Feedback is Gold

Store Size Doesn't Matter (Much)

Operating Hours are Crucial

Data Preparation, Clustering, and Assigning Customers

Data Preparation, Clustering, and Assigning Customers

Data Preparation	Clustering	Assigning Customers

Data Preparation	Clustering	Assigning Customers
1. Merging	1. K-Means	1. Allocation
2. Cleaning	2. Elbow and Sillhouete Scores	2. Localization
3. Handling Missing Values	3. GMM	3. Hiring
4. Scaling	4. DBSCAN	

DATA PREPARATION, CLUSTERING, & ASSIGNING CUSTOMERS

③ **Assigning Customers**

② **Clustering**

① **Data Preparation**
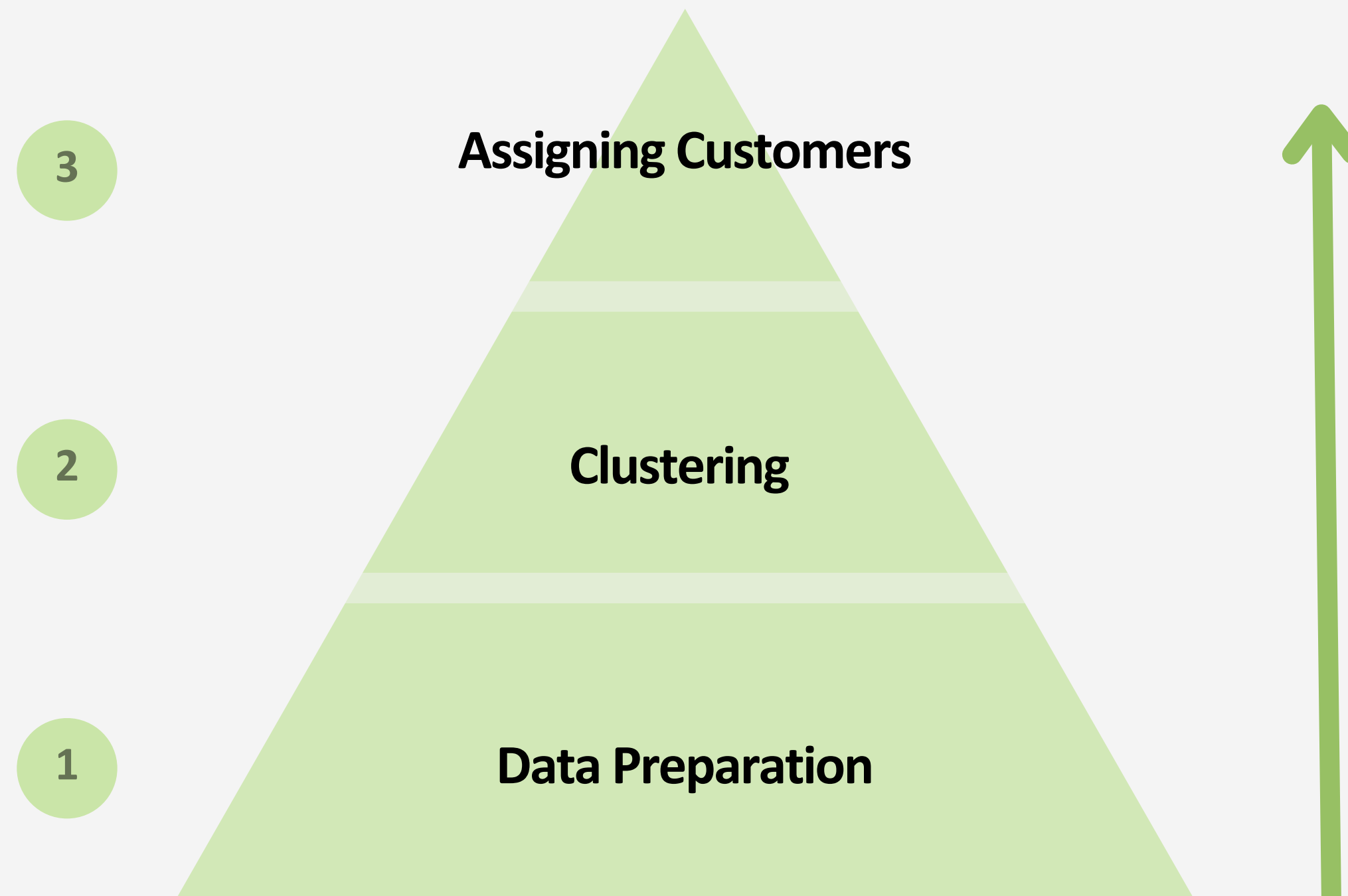
THRESHOLD ANALYSIS

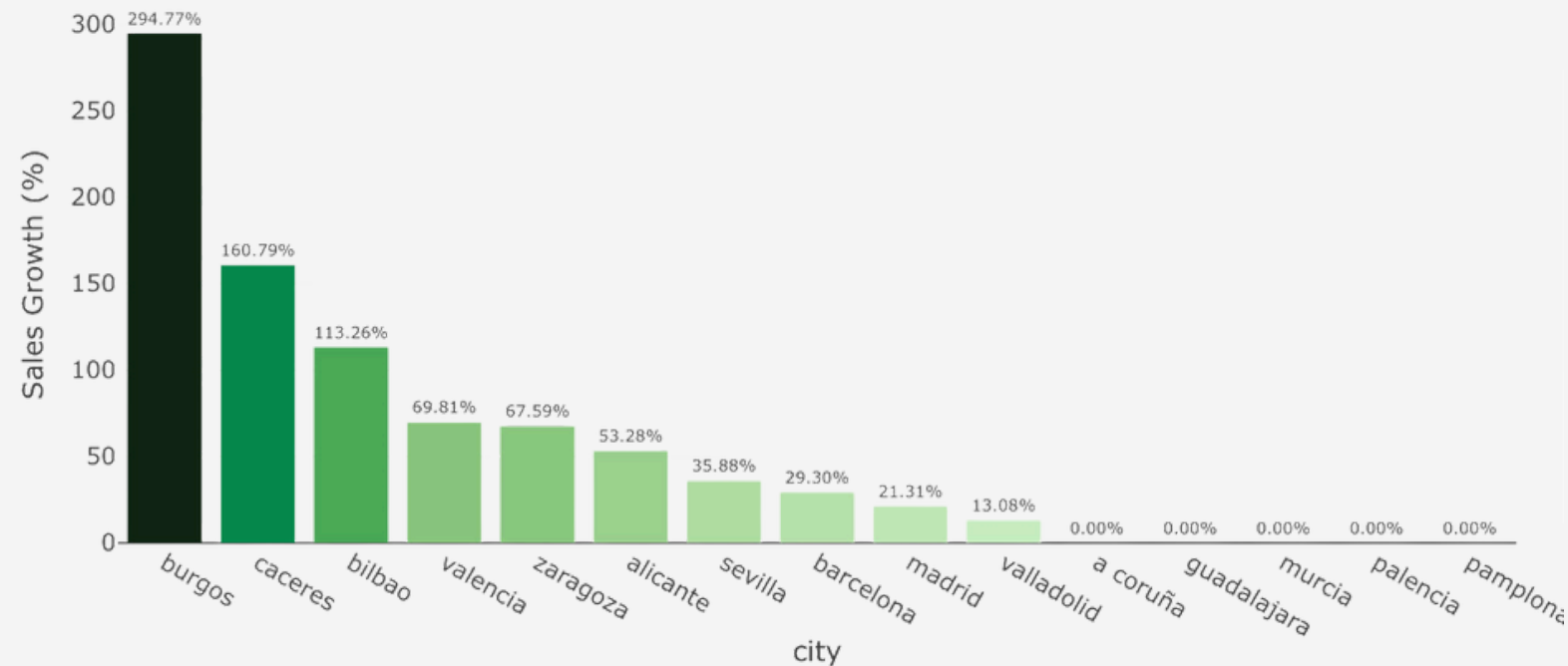|	70% Threshold	80% Threshold	90% Threshold
Recommended Sales Representative	12 new reps	11 new reps	9 new reps
Total potential New sales	$144,183,572.67	$132,810,701.97	$109,801,896.44
Total new stores covered:	3,600	3,300	2,700

Key Insights and Strategic Information

KEY INSIGHTS AND STRATEGIC INFORMATION

Market Analysis

Geographical Focus

Operational Insights
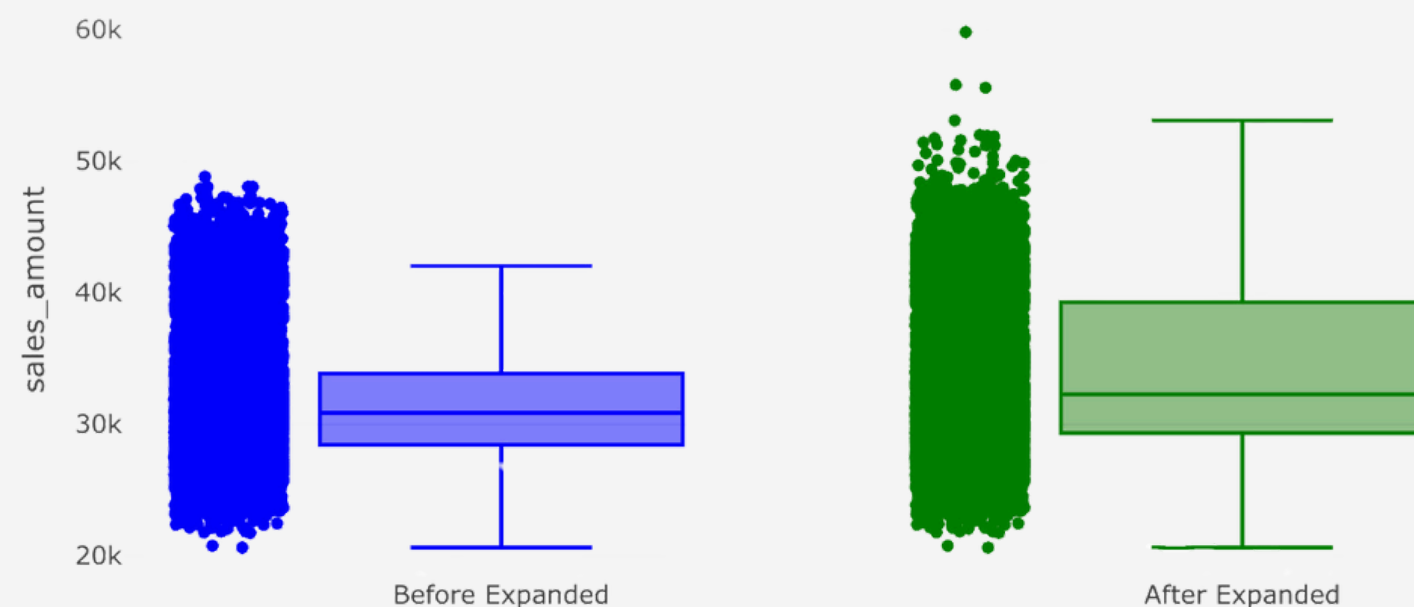
Customer Engagement

Model Implementation
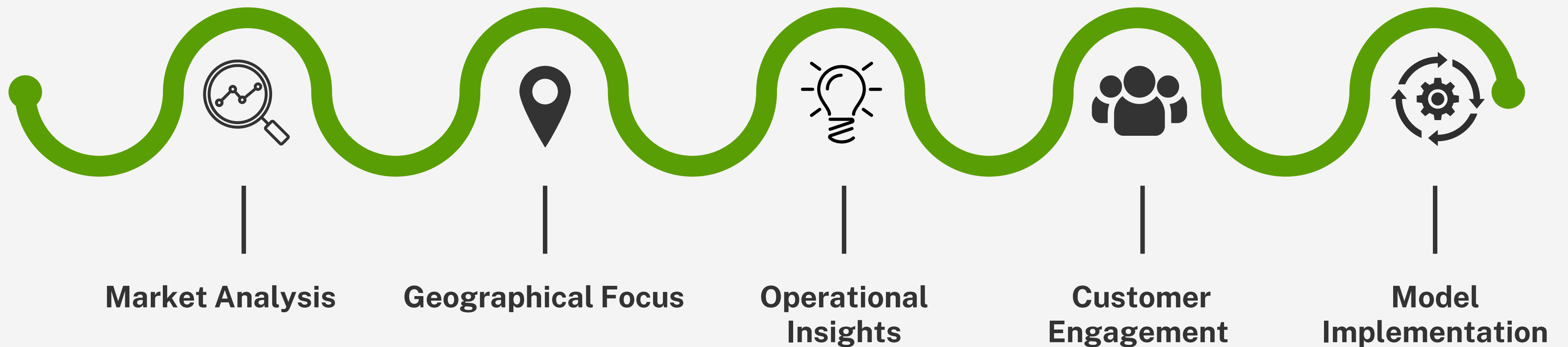
Business Proposal

CAUTIOUS EXPANSION WITH FOCUS ON EFFICIENCY

✓ Suitable for **Stable** markets

✓ **Lower risk** of market saturation

✓ Potentially **higher long-term** profitability

✓ **Controlled** expansion

Recommended New Hires	+ 11 People
New Store Cover	+ 3,818 Stores
Cumulative Growth Rate	43 %
Scale of Expansion	33 %

FUTURE DEVELOPMENT AND NEXT STEPS

1

Continuous Monitoring

Track market response and adjust strategy for effectiveness and relevance

2

Model Refinement

Refine predictive models using external data and advanced machine learning techniques.

3

Feedback &Testing

Enhance customer satisfaction by using feedback improve and Market Test .

4

Innovation in Expansion

Innovate Approaches and strategy to stay ahead of trends and meet customer demands.

CONCLUSION

Revenue Impact

43.22%

increase in revenue through a **balanced growth strategy,** enhancing financial performance across new markets.

Market Reach

3,818+

new locations planned to significantly broaden BeverageCo's geographic footprint and **tap into new customer segments**.

Sales Increase

132M+

growth in potential sales increase, reflecting our commitment to a **balanced and sustainable growth strategy.**

Customer Growth

33%

increase in customer base projected by **exploring new demographic** and geographric markets with tailored marketing.

Expansion Efficiency

11+

new sales represntatives to be hired to **support and sustain expanded operations.**

Thank You & Questions