Coffee Shop Sales Analysis

Objective:

The main objective of this project is to extract actionable insights that will enhance the performance of the Coffee Shop

Analysis:

How do sales vary by day of the week and hour of the day?

• The analysis of sales data reveals that sales tend to be higher during the morning hours, specifically between 8 AM and 10 AM, when more products are sold compared to other times of the day. Additionally, weekdays show a trend where Mondays generate the highest sales for the coffee shop. This insight can help optimize staffing, inventory, and promotions to align with peak sales periods.

What is the total sales revenue for each month?

- The sales revenue for each month is calculated by summing up the total bill amounts for all transactions made during that specific month. The total sales revenue for January is \$81,677.74.
- In February, the sales revenue is \$76,145.19, which is slightly lower than January's sales, suggesting either fewer customers or lower sales per transaction during this month.
- March saw an increase in sales, reaching \$98,834.68. This could reflect a rise in customer traffic, higher sales volume, or promotions that boosted sales
- The sales revenue in April grew significantly to \$118,941.08. This may indicate seasonal factors, such as an increase in demand, special events, or effective marketing strategies.
- May experienced a further increase, with a total of \$156,727.76 in sales. This suggests a strong sales performance, possibly due to events like holidays, favorable weather, or successful promotions.

How do sales vary across different store locations?

- The analysis of sales across different store locations reveals the following:
- **Hell's Kitchen** generated the highest revenue, with \$236,511.17 from 50,735 transactions.
- **Astoria** followed closely, with \$232,243.91 in revenue from 50,599 transactions.
- Lower Manhattan had the lowest revenue, totaling \$230,057.25 from 47,782 transactions.
- Overall, the combined total revenue from all three locations is \$698,812.33, generated from 149,116 transactions. Hell's Kitchen outperformed the other locations in terms of revenue, while Lower Manhattan contributed the least. These insights can help in optimizing operations, marketing, and resource allocation across the different locations.

What is the average price/order per person?

- The average price per order and per person is as follows:
- The **average bill per person** is **\$4.69**, indicating that, on average, each customer spends \$4.69 during their visit.
- The average number of orders per person is 1.44, meaning that, on average, each customer places just over one order during their visit.
- These figures provide a clear picture of customer spending behavior, helping to inform pricing strategies and customer engagement initiatives for the coffee shop.

How do sales vary by product category and type?

- The analysis of sales by product category and type shows the following:
- Sales by Product Category:
- Coffee is the top-performing category with a total sales of \$269,952.45.
- Bakery follows with \$82,315.64 in sales.
- **Drinking Chocolate** contributes \$72,416.00 in revenue.
- Coffee Beans generates \$40,085.25.
- **Branded** products account for \$13,607.00 in sales.
- Flavours contribute \$8,408.80.

- Sales by Product Type:
- **Barista Espresso** is the leading product type, generating \$91,406.20 in sales.
- **Brewed Chai Tea** brings in \$77,081.95 in revenue.
- Hot Chocolate has a sales total of \$72,416.00.
- Gourmet Brewed Coffee contributes \$70,034.60.
- **Brewed Black Tea** generates \$47,932.00 in sales.
- **Loose Tea** brings in \$11,213.60.
- Packaged Chocolate accounts for \$4,407.64.
- Tea (a general category) totals \$196,405.95 in sales.
- Grand Total:
- The overall sales revenue for all product categories and types is \$698,812.33.
- Summary:
- **Coffee** (both as a category and product type) generates the highest revenue, followed by **Bakery** and **Drinking Chocolate**.
- The most popular product types are **Barista Espresso** and **Brewed Chai Tea**, with **Hot Chocolate** also showing strong performance.
- Categories such as **Branded** and **Flavours** have comparatively lower sales.
- These insights offer a clear view of which product categories and types are performing best, helping the business focus on the most profitable offerings while optimizing inventory and marketing strategies.