

# Executive Summary

## Objective:

The primary goal of this analysis is to optimize Mint Classics' operations using a data-driven approach. By identifying underperforming warehouses, slow-moving inventory, and financial inefficiencies, this project aims to improve supply chain management, increase profitability, and enhance customer satisfaction.

This study will help determine whether a warehouse closure is necessary and which inventory or financial strategies should be adjusted to maximize efficiency.

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## Key Findings & Insights:

### 1. Warehouse Optimization

- The South Warehouse has the lowest inventory levels (14%) and fewest orders, making it a strong candidate for closure.
- The East Warehouse holds the highest inventory (39%), which suggests higher storage costs and the potential for overstocking.
- Identifying and redistributing essential inventory before closing any warehouse is crucial to avoid supply disruptions.

### 2. Product Inventory Management

- Several products, including the 1985 Toyota Supra, have never been ordered and are overstocked. These products occupy valuable storage space without generating revenue.
- Overstocked products with low sales performance should be either discounted, repackaged, or discontinued to optimize storage costs.

### **3. Customer & Sales Insights**

- The top customers account for a significant portion of revenue, and they frequently purchase specific product categories.
- By identifying loyal customers and their buying patterns, the company can implement targeted marketing campaigns, personalized discounts, and loyalty programs to increase sales and retention.

### **4. Financial Performance & Cash Flow**

- Overdue Payments Analysis reveals a trend of late payments affecting cash flow.
  - Implementing stricter credit policies or offering early payment incentives can help reduce outstanding balances.
  - Payment trends analysis shows that certain customers consistently delay payments, which might indicate a need for stricter account management or revised payment terms.
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## **Recommendations for Actionable Improvements**

### **1. Warehouse Strategy:**

- Close the South Warehouse while ensuring smooth inventory redistribution.
- Monitor East Warehouse storage levels to avoid overstocking and optimize storage costs.

### **2. Inventory Management:**

- Identify and liquidate slow-moving products like the 1985 Toyota Supra to free up warehouse space.
- Refine procurement processes to avoid excessive stock accumulation.

### **3. Sales & Customer Retention:**

- Enhance customer engagement by offering discounts and personalized offers to top customers.
- Identify customer demand trends and adjust product offerings accordingly.

#### **4. Financial Stability & Risk Reduction:**

- Improve cash flow by implementing stricter credit policies and early payment incentives.
  - Focus on overdue payments collection to reduce financial risk and increase liquidity.
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## **Conclusion**

This comprehensive analysis highlights opportunities for cost reduction, improved inventory management, and financial efficiency at Mint Classics. By implementing these strategic changes, the company can ensure long-term profitability, stronger customer relationships, and an optimized supply chain.