Boutique Analysis Project

Table of content

AYITI ANALYTICS

Introduction

This project is written as part of a business analysis assignment, in which the group was asked to draw out insights on a company called "Boutique Product" from the data on the transactions of said company during 3 months.

Problem

The problem of this company lies in the fact that boutique products are not able to sell out the stock of tomato pastes over a period of one month while it replenishes the stock every two weeks.

Methodology

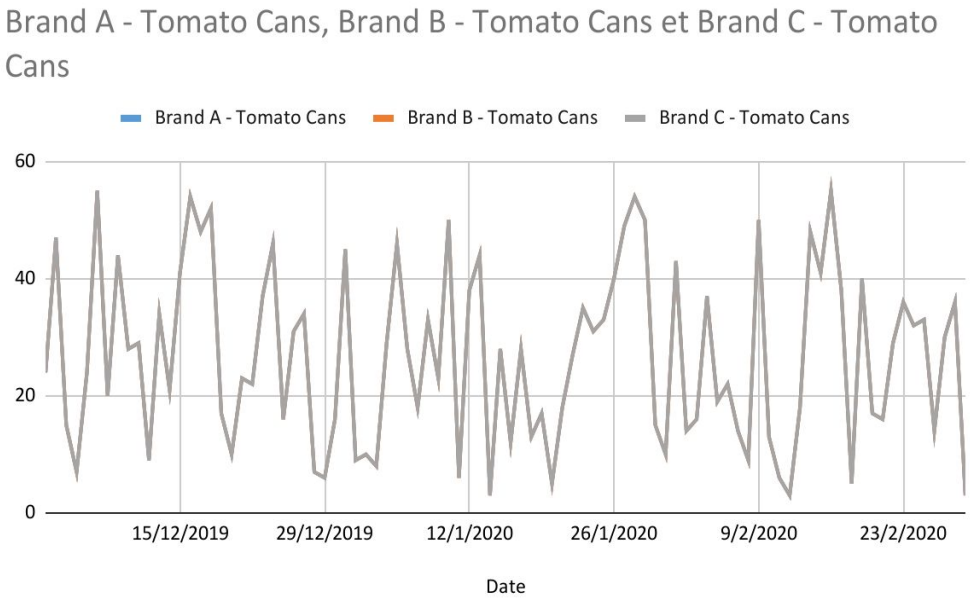
To realized this project, we used:

- ❏ Boutique Products Dataset
- ❏ Data processing and Analysis using Microsoft Excel spreadsheet tool.

We looked at the amount of products purchased over a two-week period to find the relationship between excess product purchases and the monthly loss. We looked at the total cost in comparison to the total selling price. We also looked at the sales' evolution.

AYITI ANALYTICS

Daily sales



Every 2 weeks, the owner buys a shipment of the three brands, consisting of 840 boxes of brand A, 960 boxes of brand B, 720 boxes of brand A and 720 boxes of brand B plus the existing stock, which he sells at different prices each.

He sells in a day an average of 27 cans in each brand.

Expected Profit

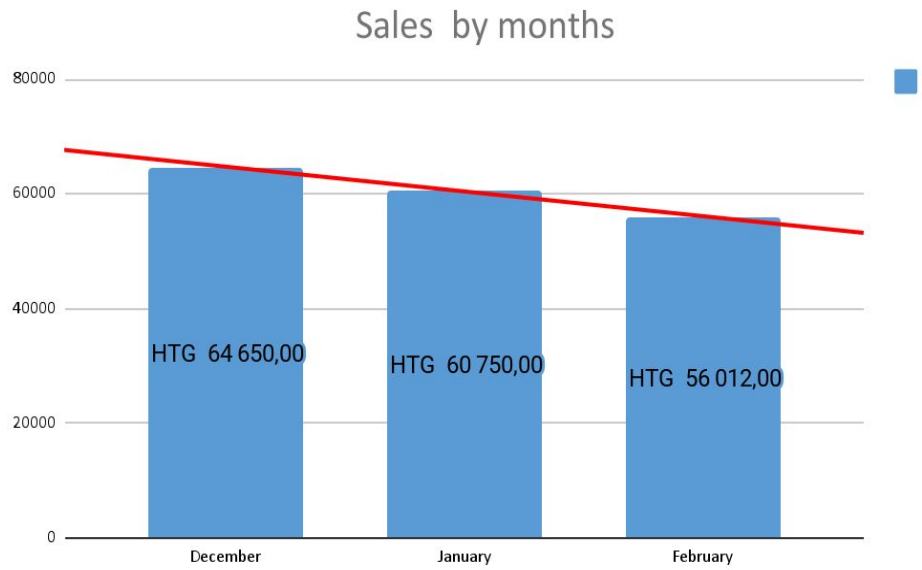
This table shows the expected profit the owner makes on each can sold according to the purchase price and the selling price.

	Unit Price	Cost	Profit/Loss per can	% of Profit Margin
Brand A	**25**	**23,75**	**1,25**	**5,00%**
Brand B	**24**	**23,33333333**	**0,6666666667**	**2,78%**
Brand C	**26**	**25**	**1**	**3,85%**
Profit margin			**0,9722222222**	**3,87%**

AYITI ANALYTICS

Results (Page 1)

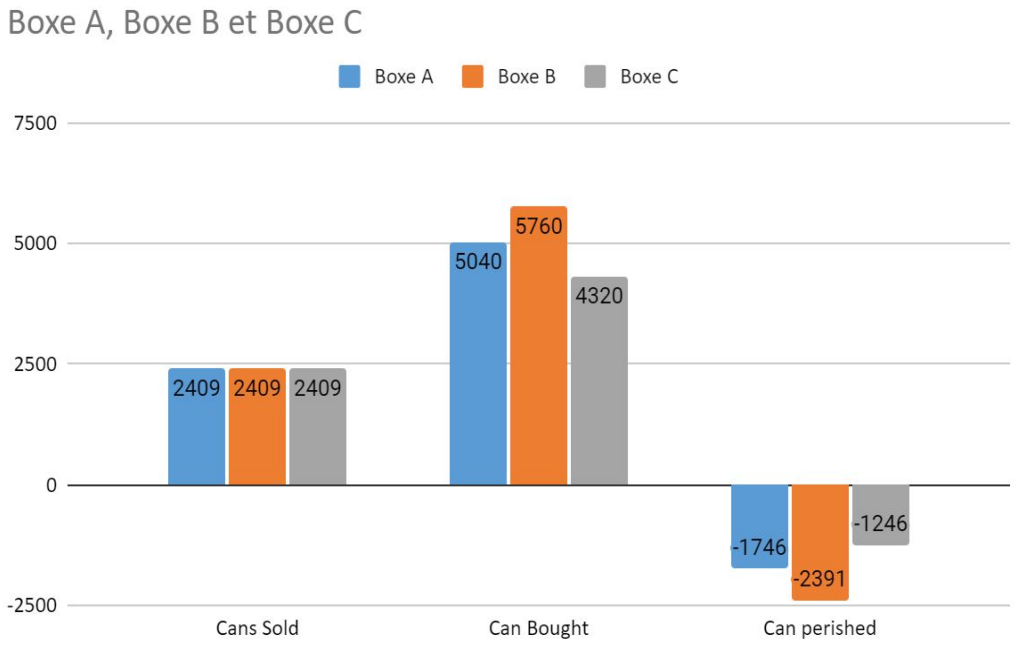
1- Sales by months



This graph is showing the evolution of the sales through December to February.The sales went from HTG 64 500 in December to HTG 56 012 in february.

Results (Page 2)

2- Brand A,B,C stock analysis



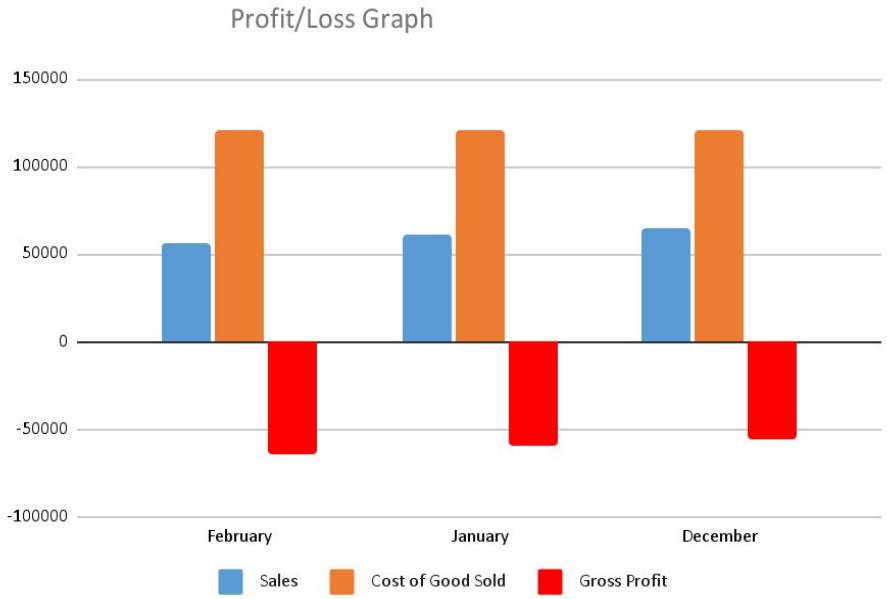
- This graph illustrates the quantity of cans lost at each stock in category A, B,C. A total of 1746 cans were thrown into the brand A
- More than 2000 cans were thrown into the brand category B.
- More than 1500 cans in total have been thrown away in the brand C.

YITI ANALYTICS

Profit/Loss

In this graph, The profit and loss is shown to highlighted :

1. the sales of the cans vs the cost of good sold
2. The loss on the tomato paste selling activity.



Discussion & Proposed Solution

Based on the results we have found, we can come up with several proposals solutions for Michel's problems.

- **Solution 1**
  Setting up a system to optimize the stock management.

- **Solution 2**
  Acquiring or Training competent human resources.

- **Solution 3**
  Adopt a new marketing or commercial strategy to improve the margin profit.

YITI ANALYTICS

Proposed Solution 1

Setting up a system to optimize the stock management.

Strength

- This solution will allow Boutique Product to control the supply
- Avoid waste of tomato paste cans

Weakness

- The cost to implement the system
- The cost of investing in human capital to manage the system

Challenges

- The challenge would be to implement an effective and efficient system with the least amount of cost and in the shortest time possible.

Proposed Solution 2

Acquisition or training of competent human resources.

Strength

- Possession of a competent growth lever

Weakness

- Increase of the expenses of Boutique product

Challenges

- Find people you can trust and who are truly competent with great values.

AYITI ANALYTICS

Proposed Solution 3

Adopt a new marketing or commercial strategy to improve the margin profit.

Strength

- Better knowledge of the different brands by the customers
- Possibility to attract new customers and increase of profits

Weakness

- Increase in expenses
- Possibility of losing some customers by increasing the price of tomato paste

Challenges

- Attracting as many new customers as possible
- Keeping all old customers

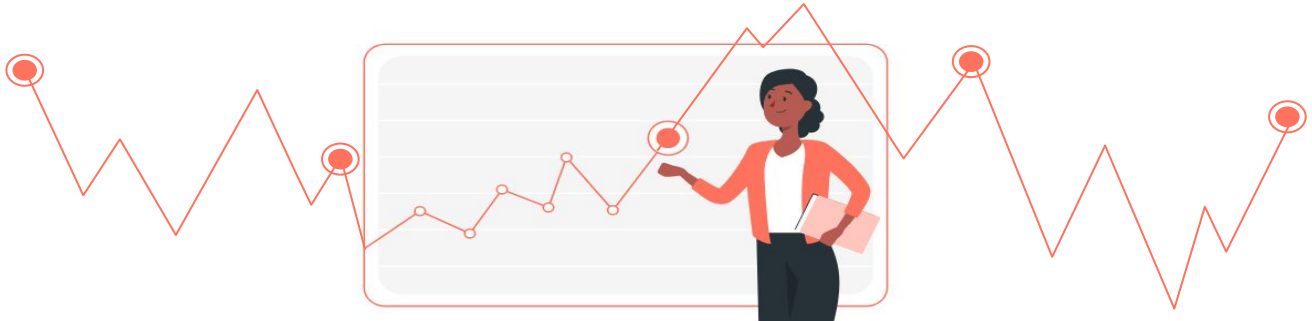
YITI ANALYTICS

Recommendations

- According to the data, we can see that he buys more brand B and he sells the same amount as the other brands, so there is more brand B that wastes. So we would advise Michel to decrease the amount of brand B he buys or to replace it with a more demanding brand.

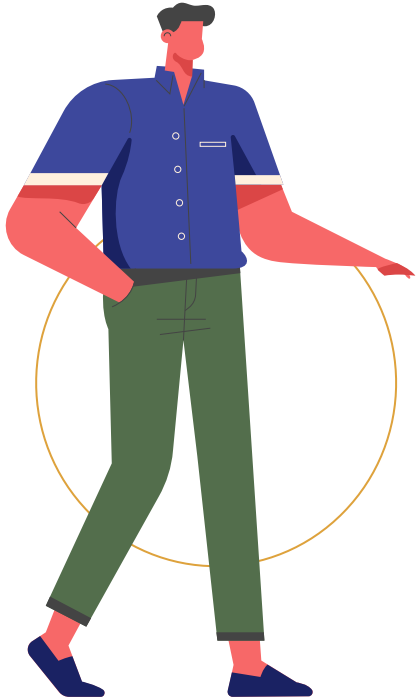
- Since Michel still has a lot of stock, there is no reason to order every two weeks. He could order over a period of one month. The only exception is if his customer base increases significantly.

- Michel has customers, the problem is that sales are decreasing. The solution is not to stop selling tomato paste but rather to find a way to retain these customers and then attract other potential customers.



AYITI ANALYTICS

THANKS



Contact Us

I you have any question about this presentation, Feel free to send us a message in the #business-analysis channel on slack.

Ressources

- *See the full dataset*
- *Download this presentation*
- *See the full project*

YITI ANALYTICS

Team Members

- Gothie Ridgina PASTEUR
- Pierry VALCIN
- Kesnel Samuel JEAN PHILIPPE

YITI ANALYTICS