**DIVE Analysis and Action Plan**

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**D – Discover (Surface-Level Findings)**

* **Weekly Seasonality**: Sales peak on Sundays and are lowest around Thursdays. This trend persists regardless of promotional activities, reflecting strong, consistent weekly patterns evident in historical sales data.
* **Forecasted Sales Range**: Projected sales range between **$620K and $1.11M** per forecast cycle, with the total store count fixed at 54. Variation is mostly driven by external consumer demand.
* **Limitation Note**: The current models are not designed for black swan events, such as COVID-19 or sudden flash sales, and rapid external changes.

**I – Investigate (Dig Deeper)**

* **Promotion Impact**: Promotional events have minimal influence on weekend sales; peaks occur due to natural demand rather than store-driven initiatives.
* **Operational Dependency**: High accuracy in sales forecasts is crucial for optimizing labor and inventory planning, ensuring resources are aligned with expected customer flows.

**V – Visualize (Metrics & Targets)**

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| --- | --- | --- |
| Objective | Metric | Target |
| Forecast Accuracy | % Deviation from Actual Sales | ≤ 10% |
| Inventory Availability | Stockout Rate | ≤ 5% |
| Promotion Effectiveness | Uplift on Trough Days | +10–15% |
| Operational Readiness | Staffing Match on Peak Days | ≥ 95% |
| Labor Efficiency | Sales per Employee Hour | Continuous Monitoring |
| Cost Control | Labor Cost % of Sales | Continuous Monitoring |

**E – Execute (Actions & Monitoring)**

**Near-Term Actions for Store Managers**

* **Staffing Efficiency**:  
  Adjust staffing schedules to increase coverage during Sunday peaks and scale back hours during low-traffic weekdays, tracking “Sales per Employee Hour” and “Staffing Match on Peak Days.”
* **Inventory Optimization**:  
  Prioritize stock availability for weekend peaks while minimizing stockouts; monitor “Stockout Rate” for continuous improvement.
* **Promotion Strategy**:  
  Focus promotions on low-turnover items and trough days (e.g., Thursdays) to achieve targeted uplift.
* **Cost Management**:  
  Track “Labor Cost Percentage of Sales” to optimize cost-to-revenue ratios especially on slower days.
* **Forecast Accuracy and Adaptation**:  
  Measure forecast deviation, aim for ≤ 10%, and initiate **monthly retraining** of forecasting models to adapt to new trends or detect data drift.

**Long-Term Strategies**

* Implement store-level machine learning forecasting and automate replenishment to reduce manual intervention and errors.
* Develop scenario plans and enable manual override options for unexpected demand spikes or operational disruptions.

**Risk Mitigation**

* Maintain **manual override** for critical periods (holidays, external events).
* Conduct regular scenario planning to prepare for unforeseen situations.

**Success tracking**:

* Review all listed metrics on a weekly and monthly basis.
* Adapt the approach as needed based on metric performance and observed trends.
* Engage with store teams for feedback regarding operational workload and strategy execution.