



**A1: Individual Assessment - Sales & Marketing Strategy Dashboard**

**Written by: Madeleine Benna**

**Hult International Business School**

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**Submitted to: Dr. Patrick Lynch**

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# Sales Performance & Optimization Insights

## Executive Summary

This report analyzes key sales trends, seasonality, geographic performance, and the impact of discounts on revenue and profitability, based on an interactive Tableau workbook. The insights generated are aimed at optimizing marketing strategies, pricing structures, and resource allocation to maximize business outcomes. By examining sales performance, geographic trends, seasonal patterns, and discounting effectiveness, we can drive smarter decision-making that fosters sustainable growth and improved profitability across various facets of the business.

## 1. Sales Performance Overview

The Sales Performance Dashboard I created, highlights the varying levels of sales and profitability across different product categories. The key observations I made include:

- **High Sales with Low Profitability:** Certain categories, such as Tables, exhibit high sales but low or even negative profitability. This suggests that while these products are popular, they might have underlying cost or pricing issues.
- **Low Sales, High Profitability:** On the other hand, there are categories I found with low sales but high profitability. These categories require strategic marketing efforts, as discounting alone won't be effective in improving sales.

- **Impact of Returns:** Some categories suffer from high return rates, which lowers profitability. This points to potential issues in product quality, customer satisfaction, or misalignment between product offering and customer needs.

#### Recommendations:

- Prioritize marketing efforts on high-margin categories that demonstrate profitability.
- Investigate the pricing structure and cost model for underperforming high-sales categories like Tables.
- Conduct a review of supplier agreements and quality control processes for products with high return rates.

## 2. Sales Trends & Seasonality

The **Sales Trends & Seasonality Dashboard** offers a clear picture of sales patterns over the year:

- **Seasonal Peaks:** Strong sales spikes are observed in Q4, indicating that holiday-driven demand is a significant contributor to overall sales. However, the growth is not equally distributed across all quarters.
- **Slow Months:** The first quarter of the year (Q1) shows a sharp drop in sales, which could reflect the natural dip following the holiday season.
- **Year-over-Year Growth:** Q4 consistently delivers growth, while other quarters show mixed results in terms of sales performance.

#### Recommendations:

- Increase advertising spend during the slow months (e.g., January, February) to maintain consistent sales throughout the year.
- Leverage seasonal trends to optimize inventory planning and prevent stockouts during high-demand periods.
- Introduce promotions or loyalty programs during off-peak months to maintain customer engagement.

### 3. Geographic Insights

The **Geographic Insights Dashboard** provides a geographic heatmap to analyze revenue and profitability across different states:

- **High Revenue but Low Profitability:** States like California and Texas generate significant revenue, but their profitability is lower than expected, indicating a need for better pricing or cost control measures.
- **Underperforming Regions:** Certain regions show low sales and profitability, suggesting untapped market potential and the need for more focused marketing efforts.

#### Recommendations:

- Tailor pricing strategies to regional characteristics to maximize profitability in high-sales, low-margin states.
- Launch targeted marketing campaigns in underperforming states to drive sales growth.
- Explore adjustments to distribution and operational costs in high-sales regions with low profitability.

## 4. Impact of Discount on Sales

A scatter plot analysis of discounting strategies has provided the following insights:

- **Low Correlation:** While discounts do increase sales, they do not have a strong relationship with profitability, with an  $R^2$  value of only 0.112. This suggests that discounting alone is not a reliable strategy for driving long-term revenue growth.
- **Statistical Insignificance:** The P-value of 0.188 indicates that the discount-sales relationship is not statistically significant, which implies that relying heavily on discounting may not yield sustainable results.

#### Recommendations:

- Reduce reliance on discounting as a primary revenue driver. Instead, focus on targeted promotions for high-margin products.

- Conduct A/B testing to better understand how discounts impact customer behavior and sales.
- Explore alternative revenue strategies, such as loyalty programs, bundling, and exclusive offers.

## 5. Combining Discounts with Seasonality

A new metric was created to analyze the combined effect of discounts and seasonality on sales:

- **Improved Correlation:** By incorporating seasonality, the correlation between discounts and sales improved slightly. This indicates that discounts offered during peak months (e.g., Q4) have a higher return on investment compared to off-peak periods.

### Recommendations:

- Implement seasonal discounting strategies, offering higher discounts during peak sales months and more selective discounts during off-peak months.
- Use seasonal data to better understand customer behavior and optimize pricing adjustments.
- Experiment with tiered discounting strategies based on purchase volume or customer loyalty.

# Final Business Recommendations

## Short-Term Actions (0-6 months):

- Optimize pricing for low-margin, high-sales categories.
- Launch targeted advertising campaigns in regions with lower sales performance.
- Reduce over-reliance on discounting and focus on more sustainable promotional strategies.

## Mid-to-Long-Term Actions (6-12 months & beyond):

- Develop a data-driven seasonal pricing strategy to align pricing with demand cycles.
- Implement region-specific pricing models to improve profitability in diverse markets.
- Strengthen customer retention programs to maintain customer engagement without excessive discounting.

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## Conclusion

The Tableau-driven analysis offers a comprehensive understanding of sales trends, seasonality, geographic performance, and the impact of discounting on revenue. By aligning pricing strategies with regional dynamics, optimizing marketing efforts during seasonal peaks, and reducing reliance on ineffective discounting strategies, the business can improve profitability while maintaining strong growth. These actionable insights will drive smarter decision-making, fostering long-term business success and enhancing the company's competitive position in the market.



