

# A data-driven analysis of Superstore performance

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# Dataset Overview

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The dataset contains **9,994 rows** and **21 columns**, covering a four-year sales timeline from **January 2014 to December 2017**.

## Order-date

The specific date an order was placed.

## Sales

Total revenue generated from the transaction.

## Profit

Net earnings or loss after costs.

## Discount

Percentage deduction applied to the price.

## Customer Segment

Classification of the buyer (e.g., Consumer).

## Sub-categories

Specific types of products sold (e.g., Chairs).

## Ship-date

The date the order was shipped to the customer.

# Our performance story: Strong sales are hiding a critical profit leak

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## The Situation

We have successfully grown revenue to £2.3M, driven by key markets like California and New York.



## The Complication

Uncontrolled discount strategies are causing significant financial losses, limiting profit margin to just 12%.



## The Resolution

A targeted 4-point action plan will stop losses and deliver stable growth, projected to exceed £16k/month by mid-2018.

# We have successfully built a £2.3M business through strong sales momentum

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**£2.30M**

TOTAL SALES

**793**

TOTAL CUSTOMERS

**9,993**

TOTAL ORDERS

**£459**

AVG ORDER VALUE

*Over the past four years (2014-2017), our business has demonstrated robust growth.*

# Our sales growth is heavily concentrated in two powerhouse states

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*California and New York alone account for the majority of our revenue.*

# 'Phones' and 'Chairs' are our sales champions

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*Our portfolio's sales performance is led by high-demand technology and furniture items.*

# However, impressive sales are not translating into healthy profit

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**£2.30M**

Total Sales

**£286k**

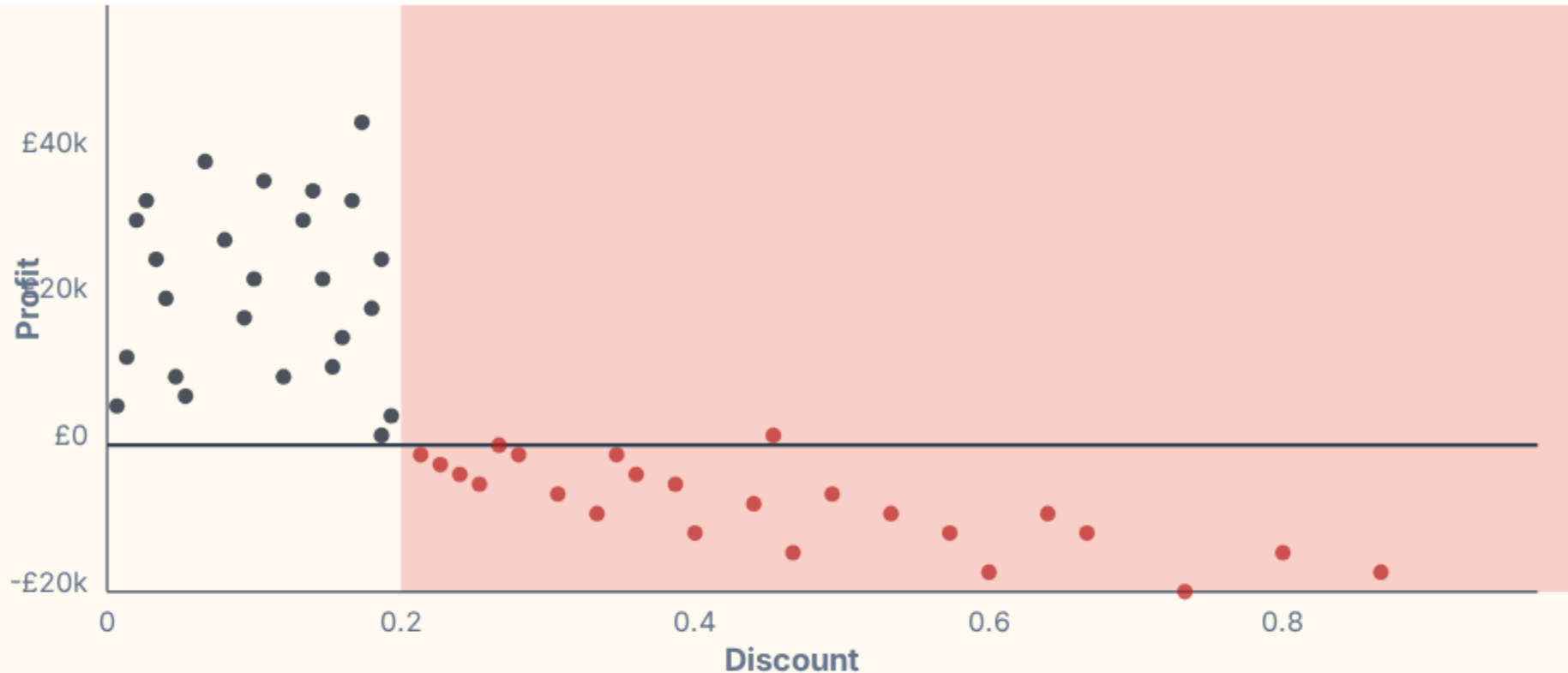
Total Profit

**12%**

Profit Margin

# Aggressive and uncontrolled discounting is the primary driver of our profit erosion

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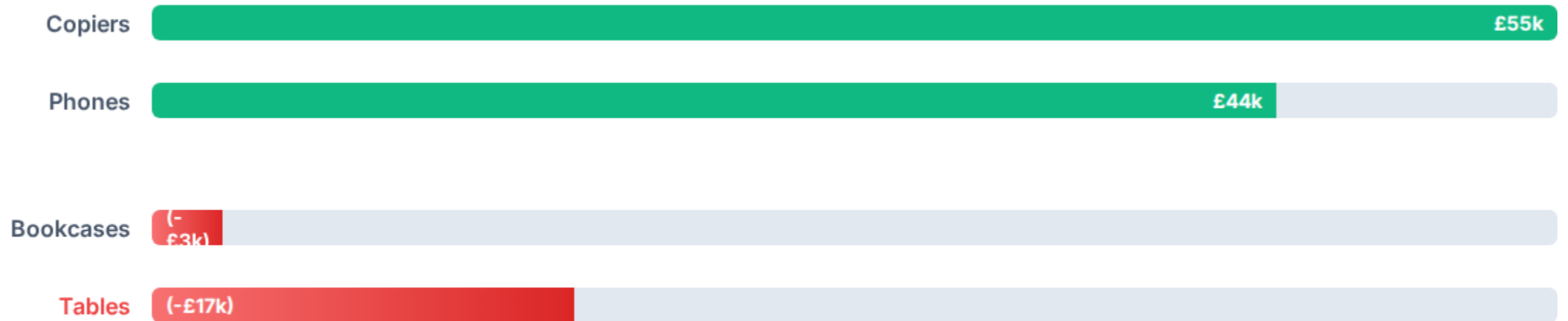


***"Any discount exceeding 20% consistently results in financial loss."***



# 'Tables' and 'Bookcases' are responsible for significant losses

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*Success in 'Copiers' and 'Phones' is being cancelled out by heavy losses in furniture lines.*

# Despite high volumes, we are actively losing money in three key states

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Texas

**£25,729**

Loss



Ohio

**£16,959**

Loss



Pennsylvania

**£15,558**

Loss

*We are effectively paying customers to take our products in these regions.*

# This issue has deep roots: The 'Binder Incident'

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## 80% Discount

- ✗ The problem is exemplified by one of the very first high-loss orders on 4 January 2014.
- ✓ A 'Binder' product was sold in Illinois with a massive 80% discount.
- ✗ This single transaction set the precedent for the profit-eroding strategy that has persisted for four years.



# To restore profitability, we propose a decisive 4-Point Action Plan

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**Discount Control**



**Targeted  
Marketing**



**Smart Bundling**



**Shipping  
Psychology**

# Action 1 & 2: Strict Controls & Refocus

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## ⌘ Discount Control

**The Rule:** Establish a strict policy: "No discount greater than 20% without Regional Manager approval."

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**Rationale:** Directly eliminates the primary source of financial losses.

## 🎯 Targeted Marketing

**The Action:** Immediately pause all paid advertising in unprofitable regions (Texas, Ohio, Pennsylvania).

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**Reallocation:** Allocate 70% of the advertising budget to our top 10 proven, profitable states.

# Action 3 & 4: Smart Bundling & Shipping

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## Smart Bundling

**Strategy:** Remove loss-making "Tables" from all sale promotions.

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**The Offer:** "Buy a Table at full price, get 20% off highly profitable Chairs."

## Shipping Psychology

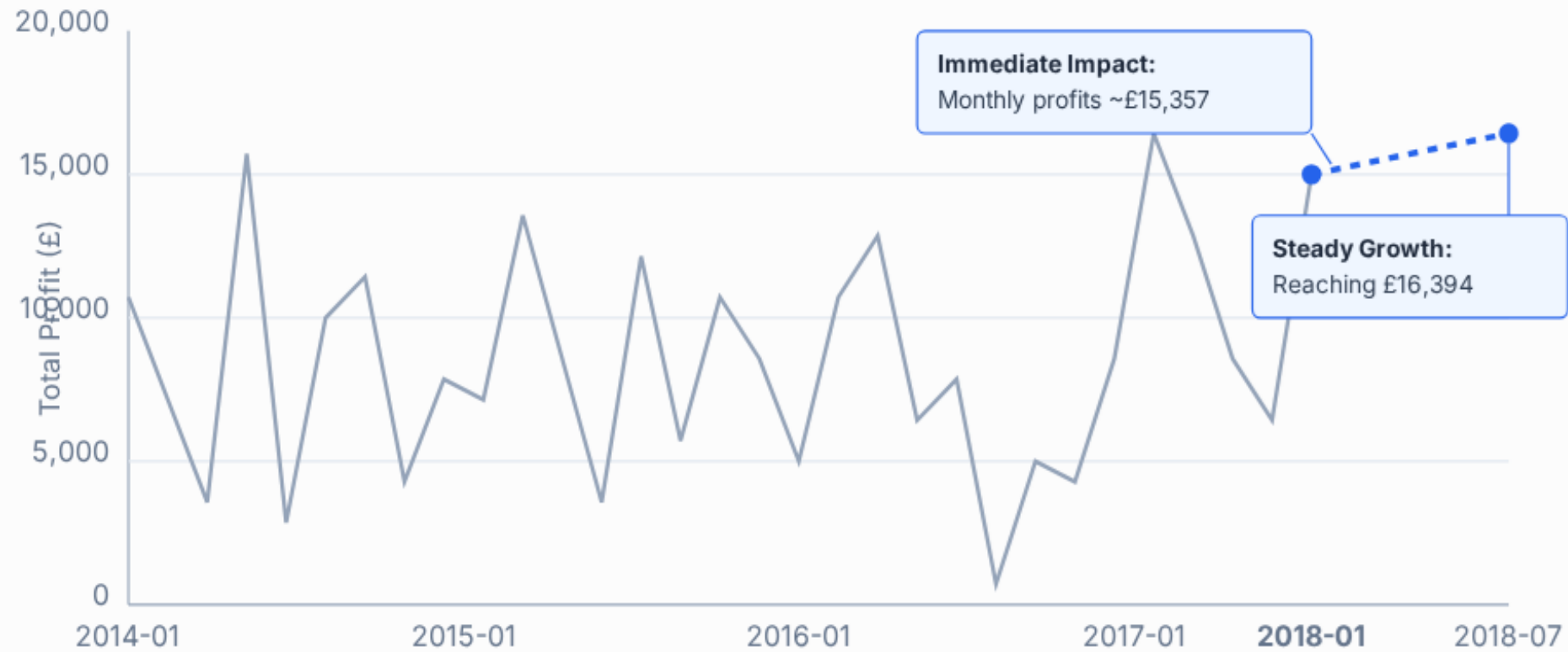
**Goal:** Use shipping to increase average basket size.

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**The Tactic:** Offer "Free Standard Shipping on orders over £75" to encourage larger carts.

# Our plan will transform volatile results into stable, consistent profit growth

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*Forecast: Immediate monthly profits ~£15k, growing to >£16k by June 2018.*

# From Growth at a Cost to Sustainable Profitability

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## Current State

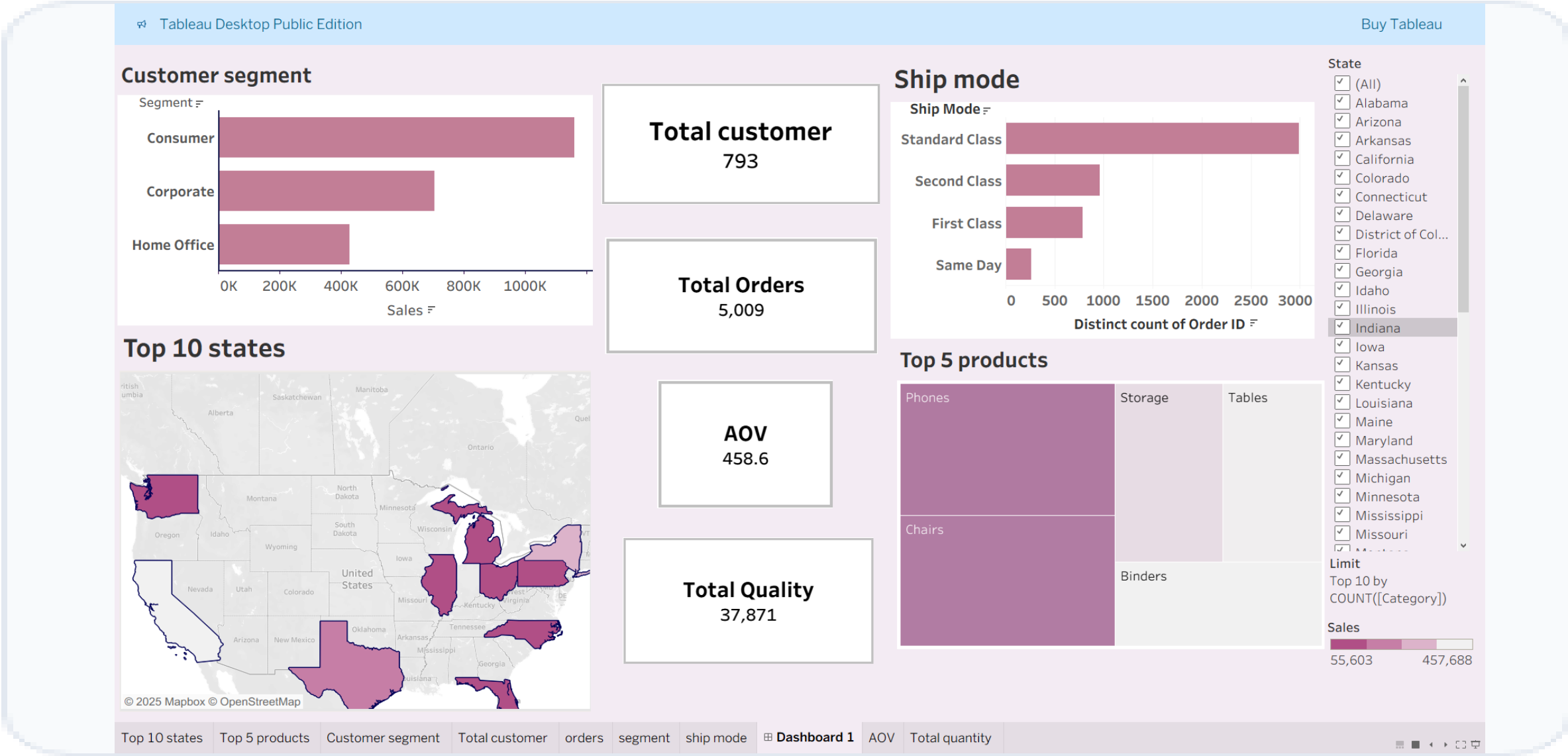
- ✗ Strong revenue of £2.3M is being undermined by deep discounts.
- ✗ Profit dragged down by 'Tables', 'Bookcases' and regions like TX, PA.

## Future Path

- ✓ Strict 20% discount caps & marketing reallocation will reverse losses.
- ✓ Projected monthly profits >£16k create a foundation for long-term success.



# Performance Dashboard



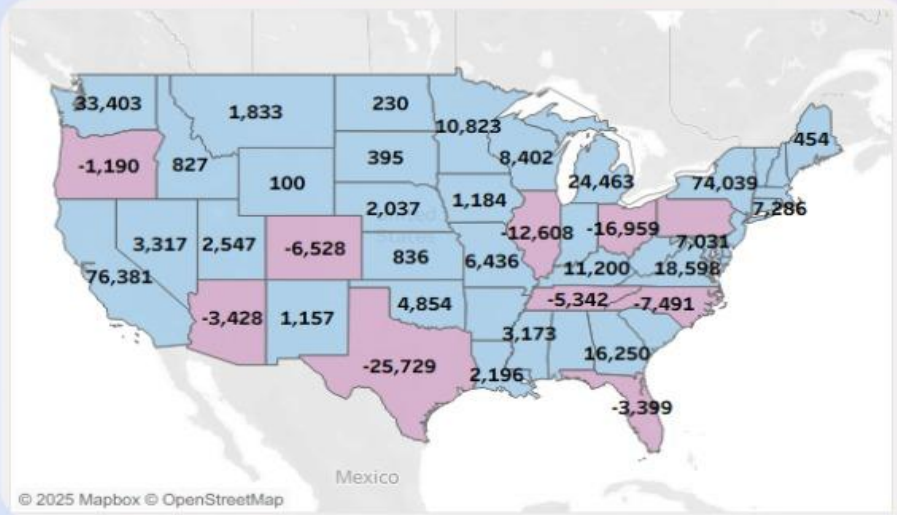
# Profitability Issues Dashboard

Overview Sales Profit

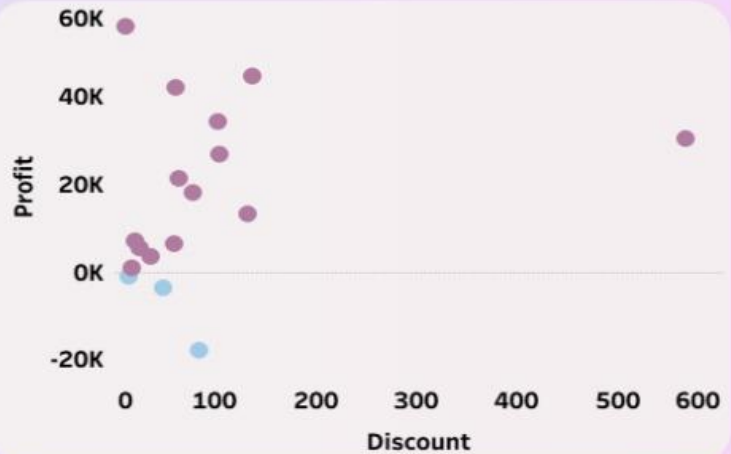
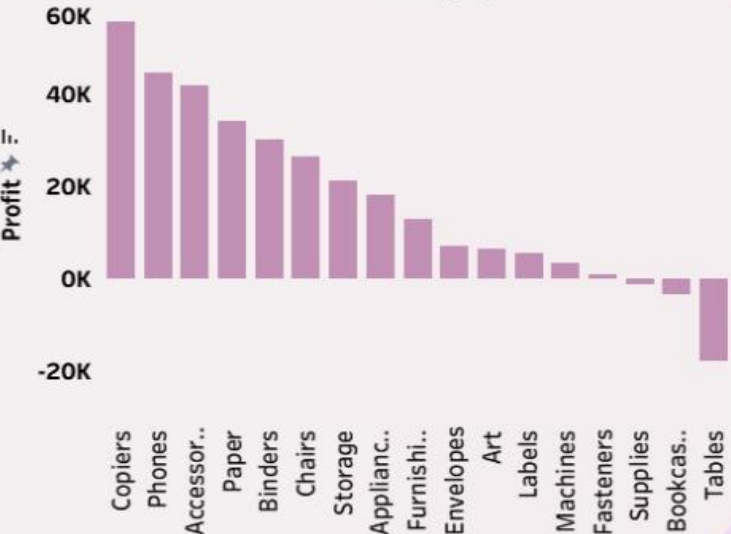
Total Sales  
\$2.30M

Total Profit  
\$286.41K

Profit Margin  
12%



Sub-Category



# Thank You

Questions?

Superstore Data Analysis Team