**SALES ANALYSIS DASHBOARD REPORT**

1. **Executive Summary:**

This report provides a breakdown of sales and profit performance by retailer type (channel), region, and product category. The analysis supports operational and strategic decisions by highlighting high-performing segments and areas for improvement.

1. **Orders and Sales Over Years:**

- The analysis of yearly trends from 2018 to 2021 reveals a relatively stable performance in both sales and profit, despite minor fluctuations in order volume.

- 2018 was the strongest year in terms of both order volume and revenue, with 2,156 orders generating £1.86 million in sales and over £1 million in profit, setting a benchmark for peak performance.

- 2019 saw a slight dip in both orders and revenue, yet profitability remained resilient, indicating efficiency improvements or effective cost controls.

- In 2020, a further decline in orders (to 2,005) and sales was observed, likely influenced by external disruptions such as the global pandemic. However, profit margins remained strong, suggesting careful management of pricing and cost.

- 2021 marked a partial recovery in order volume (2,089 orders), with revenue rebounding to £1.77 million and profits improving to £959,642, highlighting the business’s ability to maintain stable financial performance amid volatility.

Overall, these trends indicate a mature and resilient business model with consistent profitability. The data can serve as a foundation for future planning, especially in developing revenue forecasts, optimizing inventory, and setting performance targets.

1. **Product Category Insights:**

- The Hoodies & Sweatshirts category stands out as the top-performing product line, consistently leading in both sales volume and profit margins. This indicates strong customer demand, pricing power, and operational efficiency within this category.

- Sales and Profit Leadership: This category consistently contributes the largest share of total revenue and gross profit across all regions. Its performance stability suggests it forms the financial backbone of the product portfolio.

- SKU-Level Consistency: Specific SKUs within this category demonstrate reliable performance across diverse regions, highlighting their universal appeal. These products are likely well-positioned in terms of price point, design, and market fit.

- Strategic Opportunities:

* Product Line Extension: Given the success of hoodies, expanding into complementary products such as joggers, zip-ups, or seasonal layers may capture additional wallet share.
* Premium Segments: High margins in the core category open up potential for launching a premium hoodie range with sustainable materials or limited editions.
* Cross-Selling Bundles: Bundling best-selling hoodies with accessories (e.g., beanies or bags) could drive higher average order value.
* Targeted Promotions: Performance stability across SKUs suggests an opportunity to use these products in acquisition campaigns or loyalty programs to drive repeat purchases.

- Operational Considerations: Strong performance justifies prioritizing this category in inventory planning, supply chain optimization, and forecasting efforts. Any disruptions in sourcing or fulfilment for this product line could have significant financial impact.

In summary, the Hoodies & Sweatshirts category not only drives core revenue but also serves as a Launchpad for broader product strategy and profitability enhancement.

1. **Retail Channel Insights:**

- The analysis of sales by retailer channel reveals that Franchise retailers are the most consistent and financially impactful partners in the distribution network.

- Franchise Channel Dominance: Franchise retailers contribute a significant share of total revenue and profit, outperforming other channels across most regions. Their structured operations, standardized processes, and broader customer reach likely contribute to this high performance. Their consistency makes them strategic partners for scaling and targeted promotions.

- Regional Breadth and Resilience: Franchises show stable performance across multiple regions, minimizing geographic risk. This suggests strong internal management and brand alignment with customer expectations across diverse markets.

- Moderate Contributions from Other Channels:

* Small Chain Stores and Supermarkets demonstrate mixed performance—some regions show healthy order volumes, while others underperform.
* These variations may result from inconsistent local demand, differing store capabilities, or market saturation in certain locations.

- Logistical Advantage of Nearby Retailers: A clear correlation exists between sales volume and proximity to warehouse locations. Retailers closer to warehouses often benefit from:

* Faster delivery times, which improves inventory turnover and customer satisfaction.
* Lower transportation costs, which may positively influence retailer pricing and margins.
* Operational flexibility, allowing them to respond more efficiently to demand spikes or promotional activity.

- Strategic Implications:

* Prioritize Franchises for Growth Initiatives: Given their stability and profitability, franchise channels should be first-in-line for new product launches, loyalty programs, and collaborative marketing.
* Support High-Potential Independents: Small chain stores showing promise in certain regions may benefit from additional support—e.g., targeted training, inventory planning, or exclusive offers.
* Optimize Distribution Strategy: Consider investing in regional warehouse hubs or enhancing logistics support for high-potential remote regions to improve service levels and performance in distant areas.

1. **Cost of Goods Sold:**

- Consistent COGS Structure: The cost per product SKU remains relatively stable, indicating controlled procurement or standardized sourcing practices.

- Revenue vs. COGS Spread: High-revenue products such as those in the Hoodies & Sweatshirts category maintain favourable margins, as COGS remains well below sales price—even in high-volume orders.

- Margin Pressure from Discounts: In some orders, although revenue appears strong, elevated discounts compress gross profit, while COGS remains constant. This signals margin dilution due to aggressive promotions.

- Size-Based COGS Variation: Larger sizes (e.g., L, XL) tend to have slightly higher COGS due to more material usage, yet are often priced similarly to smaller sizes. This subtly lowers per-unit margin for larger products.

- Franchise Channel Profitability: Orders through franchise retailers often combine high order volume with stable COGS, making them the most cost-efficient channel relative to profit generated.

- Recommendations:

* Monitor Margin Erosion: Create Power BI visuals comparing COGS, discounts, and profit margin per SKU or product category. Flag products where discounting brings margin too close to cost.
* Size-Based Pricing Strategy: Re-evaluate pricing of larger sizes where COGS is higher but the selling price is not adjusted proportionally. This can boost margins without reducing competitiveness.
* SKU Profitability Matrix: Use the dashboard to segment products into quadrants: high profit–low COGS, high profit–high COGS, low profit–low COGS, and low profit–high COGS. Prioritize marketing for SKUs in the top-left quadrant (high margin, low cost).
* Channel Optimization: Focus on franchise channels with high volume and efficient cost structures. Consider scaling back on low-profit channels with similar or higher COGS.
* Cost Monitoring KPI: Add a “COGS % of Sales” KPI to the dashboard to track whether cost control is improving or slipping across periods, helping with procurement performance reviews.

1. **Regional Performance:**

**(a) High-Performing Regions:**

- Buckinghamshire consistently leads in both total sales and profit, making it a vital region for business stability and growth. Its strong performance may be attributed to:

* Dense retailer presence (especially franchise partners),
* Proximity to distribution centres, enabling faster delivery and lower logistics costs,
* Favourable market demographics aligned with product offerings.

- Derbyshire follows closely, also showing excellent performance metrics. Its profitability and sales figures suggest strong customer engagement and a cost-efficient operating environment.

- Strategic Opportunity: These top-performing regions should be prioritized for:

* Inventory Optimization: Ensure high-demand SKUs are well-stocked locally to meet demand with minimal delay or lost sales.
* Marketing Intensification: Launch region-specific campaigns or loyalty programs to further entrench market share.
* Pilot Programs: Use these regions to test new product launches, bundling strategies, or premium offerings due to their reliable sales response.

**(b) Underperforming Regions:**

- Several regions fall short in both order volume and profitability. This may stem from a range of factors:

* Weak retailer networks or reliance on low-performing channels (e.g., small chains with limited reach),
* Longer distances from central warehouses, which raise distribution costs and lead times,
* Potential product-market misalignment (e.g., low demand for key SKUs).

**(c) Recommended actions:**

- Market Feasibility Assessments: Conduct demand analysis and consumer behaviour research in these regions to assess whether performance gaps are due to logistical inefficiencies or market disconnect.

- Retailer Engagement: Consider training, support, or partnership changes in low-performing areas to improve local execution.

- Regional Logistics Planning: Evaluate the feasibility of additional distribution points or adjusted delivery schedules to reduce fulfilment issues and cost inefficiencies.

1. **Order Quantity by Product Size**

- Size S (Small) leads all categories with 58,109 units ordered, significantly outperforming all other sizes. This strong demand suggests Small is the default or most accessible fit for the core customer base.

- Size M (Medium) and Size L (Large) follow with 44,023 and 42,140 units ordered respectively, indicating healthy demand across standard adult sizes.

- Size XL (Extra Large) also demonstrates notable volume (41,223 units), implying a sizeable customer segment requiring larger fits.

- Size XS (Extra Small) had the lowest order volume at 29,100 units, which may reflect either limited availability or lower consumer demand.

- Strategic Implications:

* Inventory Planning: Prioritize manufacturing and stock allocation for sizes S to L, which represent the majority of customer demand. Oversupply of less popular sizes (like XS) should be minimized to avoid deadstock.
* Regional Fit Preferences: Cross-reference size preferences with region or channel data to identify if demand for larger or smaller sizes varies by geography or retailer type.
* Product Development: Consider introducing more variations or styles in Small and Medium sizes, including exclusive colourways or bundled options to boost average order value.
* Marketing & Personalization: Size-based insights can drive personalized recommendations and targeted campaigns, especially if size preferences are consistent by customer demographics or location.
* Returns Management: Investigate whether certain sizes (e.g., XS or XL) have higher return rates, which may point to sizing inconsistencies or customer misalignment.

1. **Product Performance by Gender:**

**(a) Men’s products dominate:**

* Account for 126,000+ units sold, or nearly 60% of total volume.
* Generate over £4 million in sales and £2.17 million in profit across nearly 5,000 orders.
* This strong performance is likely driven by a broader product assortment, higher demand consistency, or stronger retailer alignment.

**(b) Women’s products underperform in volume:**

* Approximately 88,000 units sold, making up about 40% of total volume.
* Still generate over £3 million in revenue and £1.64 million in profit, indicating decent margins despite lower volume.
* The relatively lower order count (3,472 orders) suggests fewer repeat or bulk purchases in this segment.

**(c) Strategic Recommendations:**

1. Expand the Women’s Product Line:

- Conduct a gap analysis to evaluate if the lower sales volume is due to limited product offerings, lower availability, or weaker visual merchandising.

- Consider expanding popular styles for women (especially if men's equivalents are top-performers) and improving visibility in-store and online.

2. Gender-Specific Campaigns

- Launch targeted marketing campaigns to attract more female customers. Use influencers, seasonal collections, or lifestyle positioning to increase engagement.

- Include product bundles (e.g., his-and-hers sets) to encourage cross-category shopping.

3. Maintain Focus on Men’s Segment

- Given the solid performance, continue investing in product variety, quick restocking of fast-sellers, and potential premium lines.

- Use the men’s segment as a benchmark for SKU-level profitability analysis when launching new items.

4. Optimize Inventory by Gender Trends

Align inventory with historical sales by gender—stock more of high-turnover men’s SKUs while carefully testing expansion in women’s styles based on customer feedback and pilot results.

5. Explore Retailer-Specific Gender Demand

Analyse whether the gender split in product demand varies by retailer type or region. This will help in tailoring product assortments by location for maximum impact.