Oscar Lopez

Lab/Superstore Analysis/1

The Analyzed Dataset is: Superstore.xlsx

Proposed Question to ask: Why are sales/profits stagnating or dropping beginning 2016? What can be done to improve profits? Are discounts effective to boost sales and boost profits?

Questions to be Answered:

- 1. Where are the Store's biggest markets in terms of sales.
- 2. Are discounts effective at boosting our sales and profits?
- 3. What are the best/worst selling items?
- 4. What actions can be done to help move profits/sales in a positive trend.

The Store's Biggest Markets in terms of Sales are in California, Texas, and Massachusetts with sales going near or above 1 million. As observed in the data Sales Numbers by State.

Based on the data We can see discounts were very effective at boosting sales from 2014 – 2016 However the trend slowed down as discounts were slowed down in 2016 moving forward.

Based on the analysis of the discounts data, it would be straightforward to simply suggest boosting our ads/sales campaigns to boost sales/profits. However, upon inspecting the items sold to determine what are the best-selling items and worst-selling items, I discovered a significant amount of items are greatly mispriced selling below costs, To be exact, 1019 items throughout the store are underpriced and 862 of those items are causing the company to operate at a lost where profits are negative. The company's most profitable product is the

'Sanyo 2.5 Cubic Foot Mid-Size Office Refrigerator' with a net profit of \$16332. However, the real intriguing product is the company's less profitable item 'Item 10631' with a net loss of \$16447, However the unit price of this item is at 176 with only a shipping cost of 5 so pricing seems adequate at 35x the cost, this may be an item that either needs more sales numbers or a much higher price. Currently this product is being sold in North Carolina where sales numbers are around 200,000, my recommendation would be to market this product strongly in one of the Company's stronger markets in California, Texas, or Massachusetts, where sales numbers are around 1 million.

In Conclusion I believe mismarked Inventory is causing a negative trend in our Profits

And Sales Numbers. To answer how the Company may move profits/sales in a positive

direction, I strongly believe correcting the prices of mispriced items can help keep Profits in a

positive direction and stop the company from operating at a lost for certain items, In terms of

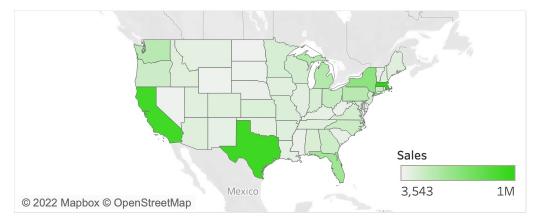
moving sales in a positive trend, Id recommend marketing certain items in stronger markets to

help sales compensate for losses, for example we still have to account for around 300-400

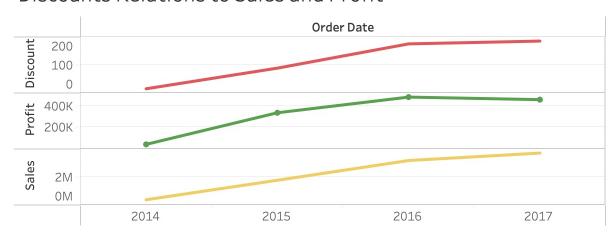
items sold below shipping costs yet still having a profit these may be items worth looking into

shifting into different markets.

## Sales Numbers by State



## Discounts Relations to Sales and Profit



## Sales Metrics Per Item

	Item																						
	3M Office Air Cleaner			3M Organizer Strips				3M Polarizing Light Filter Sleeves				3M Polarizing Task Lamp with Clamp Arm, Light Gray				6" Cubicle Wall Clock, Black				9-3/4 Diameter Round Wall Clock			
NOOK 7alue															l <u>-</u>	-							
	Profit	Sales	Shippin g Cost		Profit	Sales	Shippin g Cost		Profit	Sales	Shippin g Cost		Profit	Sales	Shippin g Cost	Unit Price	Profit	Sales	Shippin g Cost		Profit	Sales	Shippir g Cost
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