



UNIVERSITY OF LONDON

BUSINESS ANALYTICS REPORT

With Tableau Visualization

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Deadline:
1 March 2024

ST2187 Business Analytics, Applied Modelling and
Prediction

Word Counts:
1387/1500

Executive Summary

This report presents a comprehensive analysis of the LATAM market segment using Tableau's data visualization tools, aimed at extracting commercially valuable insights for senior management. Through our examination of the dataset, we have identified key opportunities to optimize profitability while maintaining sales growth. Our findings highlight the challenges faced in the LATAM market, particularly regarding low profitability attributed to factors such as pricing strategies and discounting practices. Furniture, notably tables, emerges as a particularly unprofitable category, with specific subcategories showing substantial losses. However, opportunities for growth exist within the consumer, corporate, and home office segments. To address these findings, we recommend conducting a thorough analysis of discounting practices, restructuring unprofitable categories, tailoring marketing strategies to consumer preferences, allocating resources to high-growth segments, and implementing a discount cap on tables. By implementing these recommendations, senior management can enhance profitability and achieve sustainable growth within the LATAM market segment.

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I. Introduction

a. Background

This report delves into a relevant dataset through the lens of Tableau's visualization tools to extract commercially valuable insights for senior management.

b. Purpose of Report

This report serves a purpose of presenting visual narratives through a collection of five dashboards created in Tableau. It aims to provide actionable recommendations to senior management based on the discovered trends and patterns.

c. Approach

The approach adopted in this report follows the exploratory data analysis (EDA) methodology. Visualizations are created using Tableau to identify patterns and relationships within the data.

d. Assumption and Limitation

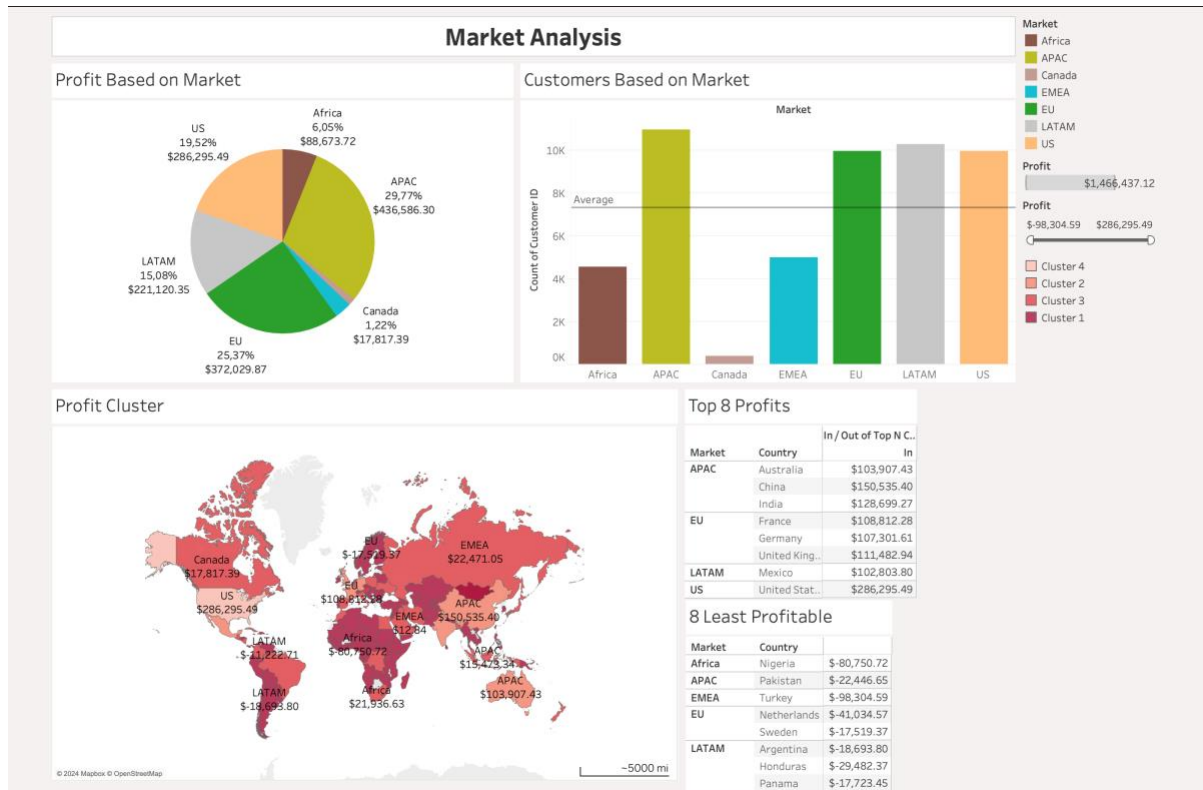
This report acknowledges the following assumptions and limitations:

- **Data accuracy:** The analysis assumes the provided data is accurate and complete.
- **Currency:** Every sales and profit computation is rounded to two decimal points in Singapore Dollars.
- **Percentage:** The computation for all percentages will be rounded to two decimal points.
- **Information:** The report is catered only to the information that is provided
- **Wordcount:** The report is made with wordcount restrictions in mind.

By acknowledging these assumptions and limitations, this report aims to provide a transparent and informative exploration of the data, offering valuable insights for senior management's consideration.

II. Story Insight

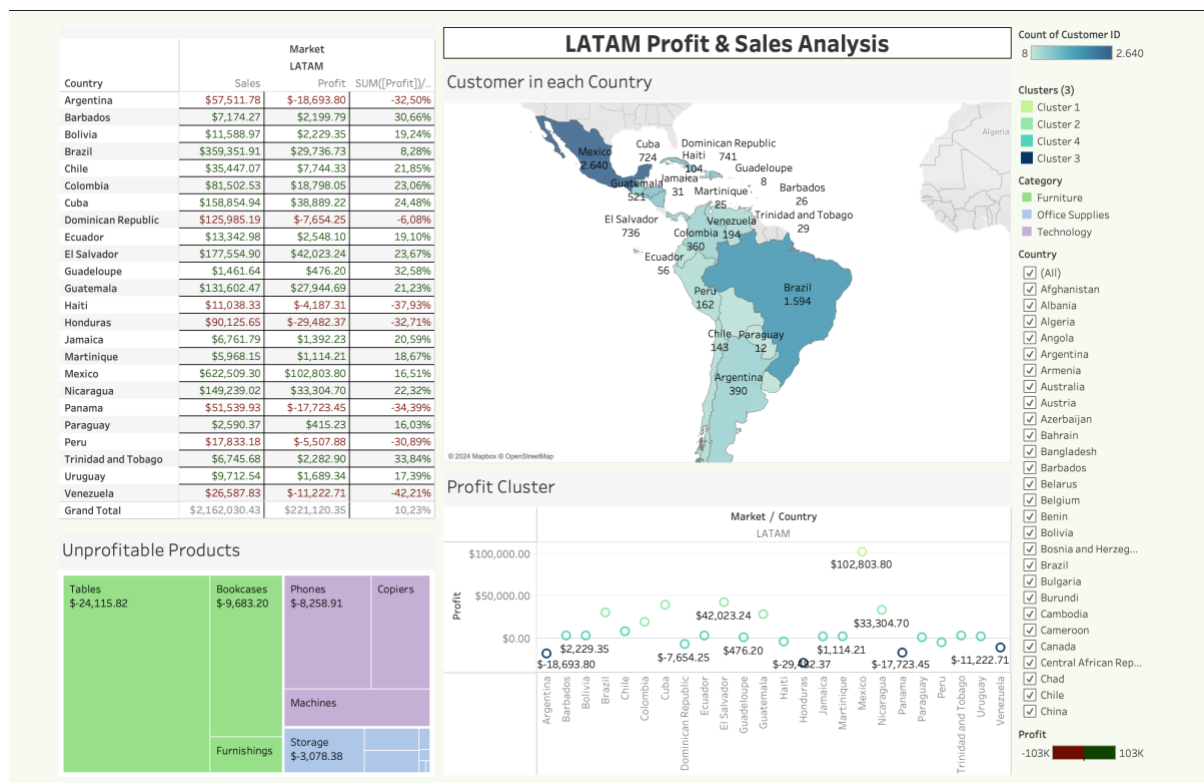
a. Dashboard 1 | Market Profit Analysis



The company's profit stream is mostly from APAC, US, EU, and LATAM, with APAC being the highest contributor, at about 29.77%, which is \$436,586.30. Being in the market with the most customers, it makes sense for APAC to be the most profitable. Canada has the least customers, with only 384. They have a total profit of \$17,817.39, only 1.22% of the market. Next to Canada, Africa has the second smallest market, with almost 5000 customers. Even though Africa has about 13 times more customers than Canada, their profit is only \$88,673.72, which is only five times more. This is because most African countries are in the lowest cluster group for profit, meaning most make losses. Nigeria, a country in Africa, lost \$80,750.72, the second-largest loss created by a country. Like Africa, EMEA faces the same issue with only 5000 customers, which is less than average. EMEA's profit reached only \$43,914.01, only 2.99% of the market. That's even less than Africa's and has the exact cause. Most countries are in cluster group 1, which is the least profitable one, besides six countries in cluster group 3. Turkey makes the most significant loss from the whole market, with a number as substantial as \$98,304.59. EU, LATAM, and the US each

have around 10,000 customers, with LATAM having the most customers. And yet, LATAM has the lowest profit among those three. With the EU being the second most profitable market, it has a value of \$372,029.87, 25.37% of the market profit. The US has a total profit of \$286,295.49, 19.52% of the market profit. And lastly, LATAM, with the remaining 15.08%, has a profit of \$221,120.35. The profit cluster in LATAM shows that most of the country could be more profitable. Three LATAM countries reached the world's top 8 Least Profitable Countries. Mexico is the only reason LATAM's profit is close to that of the EU and the US. The problem keeps repeating in EMEA, Africa, and LATAM.

b. Dashboard 2 | LATAM Sales and Profit Analysis



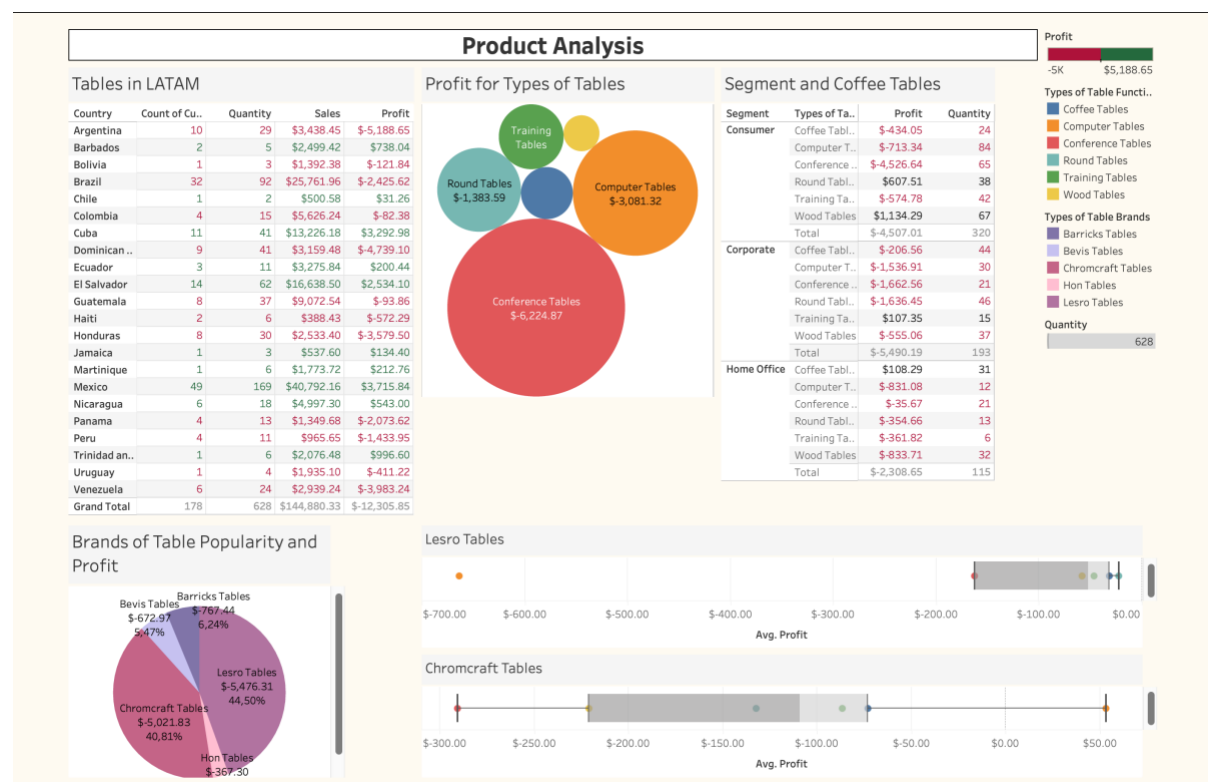
Analyzing LATAM sales and profit would give us a better picture of the problem. We will use LATAM as an example because of its more significant customer base. Hence, it would be easier to identify why some markets aren't performing well.

The table graph shows that out of \$2,162,030.43 in sales, LATAM only receives \$221,120.35 in profit. That is only 10.23% of the sale, with seven countries making losses of

\$94,471.77. Argentina, Dominican Republic, Haiti, Honduras, Panama, Peru, and Venezuela may have fewer customers than Mexico or Brazil. However, they have more customers than Guadeloupe, Paraguay, Martinique, Barbados, Trinidad and Tobago, Jamaica, and Ecuador. Yet, these countries aren't making losses despite having less than 100 customers each. So, the number of customers could justify a country's success. From the profit cluster, we can see that two out of four groups in this market have profits below \$8,000.00. Only seven countries are doing well in terms of profit, and the rest are making nearly nothing, with Mexico's profit reaching \$102,803.80. Four countries are losing five-digit numbers.

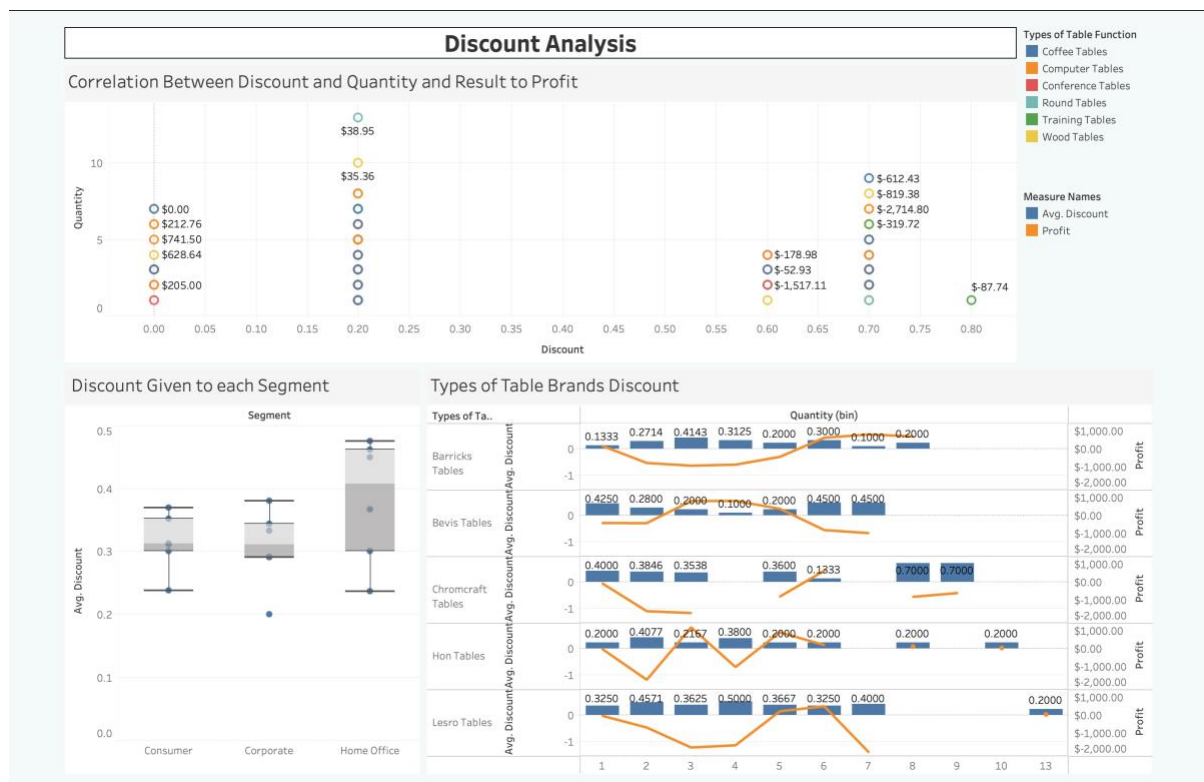
The most unprofitable category in LATAM is furniture. Tables are the subcategory with the most significant loss, as big as \$24,115.82. The other subcategory makes less than \$10,000.00 loss. Some of the other subcategories that aren't profitable are bookcases, phones, copiers, machines, furnishing, and storage. The office supplies category makes the smallest loss.

c. Dashboard 3 | Product Uniqueness Analysis



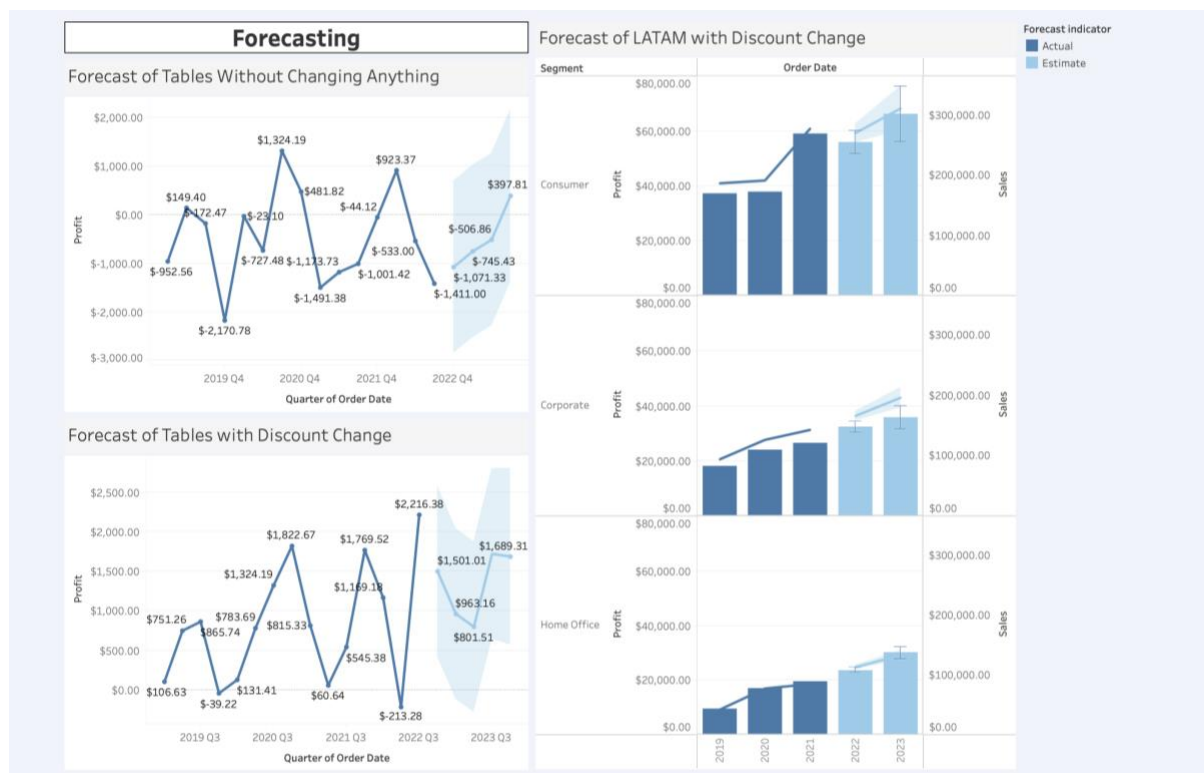
There are only ten counties in the market that profit from selling tables. The sales for tables are high at \$144,880.33, and yet the profit for 628 Tables sold in LATAM is -\$12,305.85. There are six types of functions for the tables. Conference tables make the most loss with \$6,224.87, computer tables with a loss of \$3,081.32, and round tables loss of \$1,383.59. Round and wood tables are profitable when sold to the consumer segment, just like training tables for corporations and coffee tables for home offices. This might be due to the segment's needs. Consumers buy the most tables, so the marketing strategy should cater more to them. Apart from the function, the table brands that could be better for profit are Lesro and Chromcraft. Lesro tables boxplot shows us that it's a left-skewed data, which means the median is greater than the mean. The median is -\$51.93 and the type of table that is close to that number are training and wood table. Computer table is an outlier, with an average profit of -\$663.77. The distribution of the average profit for each types of table function in Lesro is -\$162.72 to -\$22.70.

d. Dashboard 4 | Discount Analysis on Tables



The dot graph clearly shows no correlation between quantity and discount. However, it shows how lower discounts don't deter customers from buying tables; higher discounts don't spike sales. From the "Types of Table Brands Discount," The discount given to the tables doesn't depend on the number of tables the customer bought. But it is evident that for most brands, with a discount bigger than 20%, the profit will fall below 0. Barricks table, however, follows a different trend; 20% discounts result in a negative profit. The box and whiskers plot show that the median for consumer and corporate are near the same around 30%, while the median of the home office lies outside of the consumer and corporate box. The home office also has a more dispersed data set compared to consumer and corporate. Corporations have the smallest data distribution (29%-38%), followed by the consumers with a distribution from 23% to 36%, and home offices have a wider distribution (23%-47%). The home office is the only left-skewed data, while the other two are right-skewed. The only outlier found in this data is in the corporate segment (20%).

e. Dashboard 5 | Forecasting



Two of the line charts help visualize what a change in the discount rate could do to the market. Tables would remain unprofitable without any changes, with three quarters giving

negative profit values. Limiting the discount to 20% makes the table a profitable subcategory. The bar graph forecast shows the profit and sales for every segment. Both corporate and home offices will continue to grow in the upcoming year. The profit from a corporate segment in 2023 reached \$35,713.21, and the home office segment attained a profit of \$30,045.71. However, in the consumer segment, there's a slide fall in profit from 2021 to 2022 (around \$4,000.00). The profit increased again in the year 2023, reaching \$66,300.80. Both sales and profit keep growing even with a lower discount.

III. Conclusion

The findings underscore the importance of strategic pricing and discounting policies in driving profitability, with recommendations proposed for optimizing profitability while maintaining sales growth. Overall, this report serves as a valuable resource for senior management in formulating targeted strategies to enhance profitability and drive sustainable growth within the LATAM market segment.

IV. Recommendation

Here are concise ways to express your recommendations:

- **Investigate Discounting Strategies by Category:**
Conduct an in-depth analysis of discounting practices within each product category to identify potential opportunities for optimization.
- **Re-evaluate Unprofitable Categories and Subcategories:**
Consider removing or restructuring unprofitable categories like furniture, focusing on subcategories with potential for improvement.
- **Tailor Marketing Strategies to Consumer Segment:**
Develop marketing campaigns specifically targeting the consumer segment, leveraging their table purchase preference.
- **Invest in Growing Segments:**
Allocate resources to further develop the corporate and home office segments, which are projected to experience continued growth.

- Implement Discount Limitations:
Limit discounts on tables to 20% or less to avoid negative profit margins.