

# Coffee Shop Retail Business Analysis

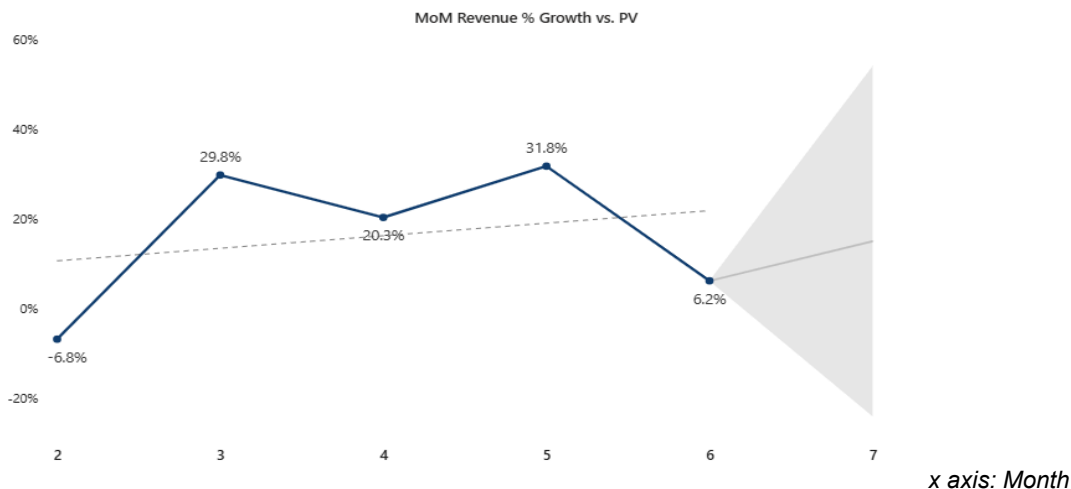
## Overview

The Roastery Coffee retail business operates across three store locations: Lower Manhattan, Hell's Kitchen, and Astoria. The business offers 80 products, classified into 9 product categories and 29 product types. All stores operate daily from 6:00 AM to 8:00 PM, totaling 14 hours of service per day. The dataset provided by Coffee Company contains six months of transactional data from January to June 2023, offering an opportunity to analyze sales performance, product trends, and store efficiency to identify key areas for growth and optimization.

## Business problems

1. Analyze monthly revenue trends to understand peak hours, days, and seasonal variations.
2. Evaluate store performance to determine location-specific strengths and weaknesses.
3. Are there any opportunities for operational efficiency and targeted promotions to increase sales revenue?
4. Which products contribute the most to monthly revenue in each month ? Which are low-performing?
5. What will sales look like in the next quarter ?
6. How can roastery Coffee plan its procurement , staffing and promotions?

## Key Findings , Insights and Strategy Recommendations



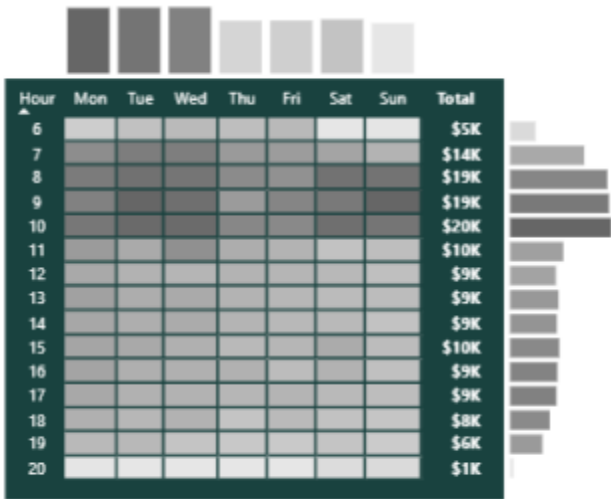
1. Over January–June 2023, **monthly revenue** across all 3 stores grew at an average rate of **+16.3% MoM**, with the lowest decline of **-6.8%** in Feb and a peak growth of **+31.8%** in May.

*This highlights a clear seasonal trend: significant growth begins in late spring, peaks in early summer, and then stabilizes throughout the summer period. Such patterns suggest strategic opportunities for seasonal promotions in summer months and inventory alignment accordingly.*

2. **Daily revenue trends** show the revenue generated on the first seven days of each month is below average daily revenue of that month , with the **28th and 29th** recording the lowest revenue each month due to reduced order volumes.Targeted discounts on the month’s top-selling products during these low-performing days, bundling high-demand items with slower-moving products in **BOGO (Buy One Get One Free)** offers, and implementing a **loyalty point scheme** only in the first week of each month which would be redeemable in the second and third weeks can drive sustained engagement and increase mid-month sales momentum.

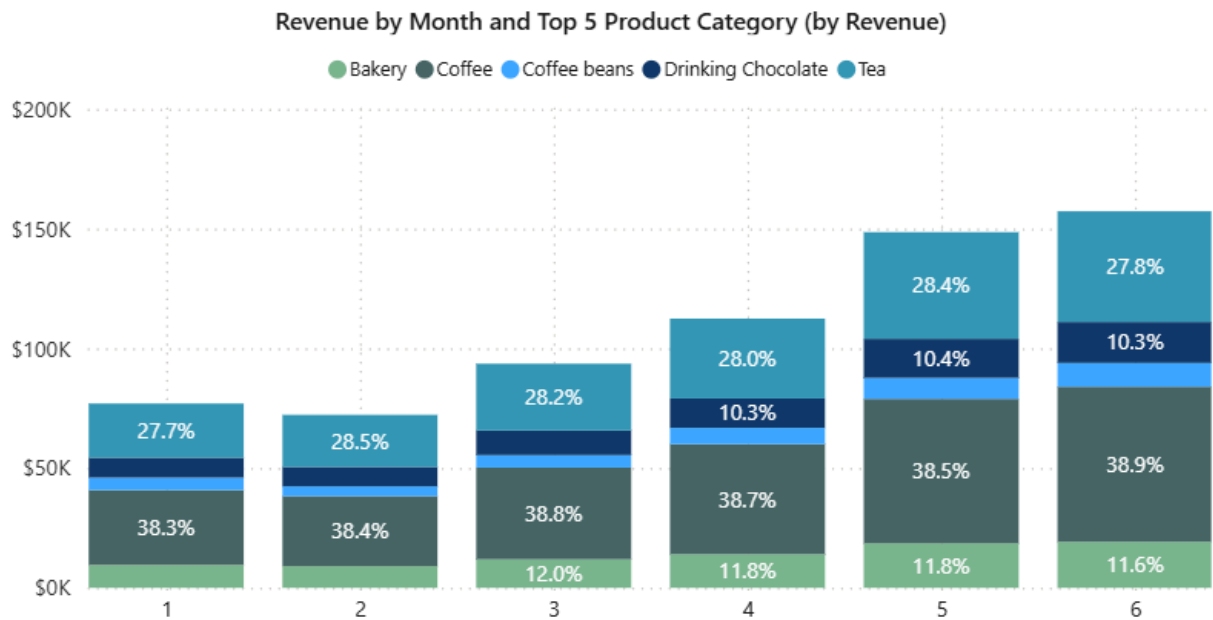


3.Hourly revenue and order analysis shows that morning periods between 7AM and 11 AM contribute 48-49 % of the total sales.This time window represents the highest demand period, requiring optimal stock availability and adequate staffing to maximize service efficiency. Introducing high-value meals and breakfast options during these hours can capture larger order sizes and further boost revenue.

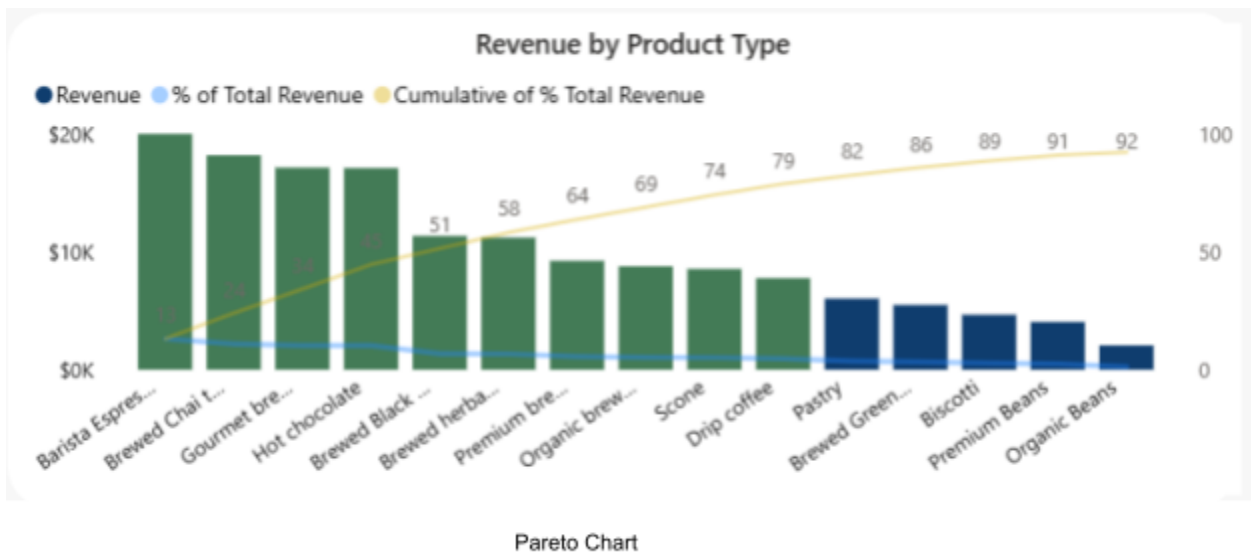


Revenue by Hour			
Hour	Revenue	Total Revenue	% of total Revenue
6	\$21,900	\$698,812.3	3.1%
7	\$63,526	\$698,812.3	9.1%
8	\$82,700	\$698,812.3	11.8%
9	\$85,170	\$698,812.3	12.2%
10	\$88,673	\$698,812.3	12.7%
11	\$46,319	\$698,812.3	6.6%
12	\$40,193	\$698,812.3	5.8%
13	\$40,367	\$698,812.3	5.8%
14	\$41,305	\$698,812.3	5.9%
15	\$41,733	\$698,812.3	6.0%
16	\$41,123	\$698,812.3	5.9%
17	\$40,134	\$698,812.3	5.7%
18	\$34,286	\$698,812.3	4.9%
19	\$28,447	\$698,812.3	4.1%
20	\$2,936	\$698,812.3	0.4%
Total	\$698,812	\$698,812.3	100.0%

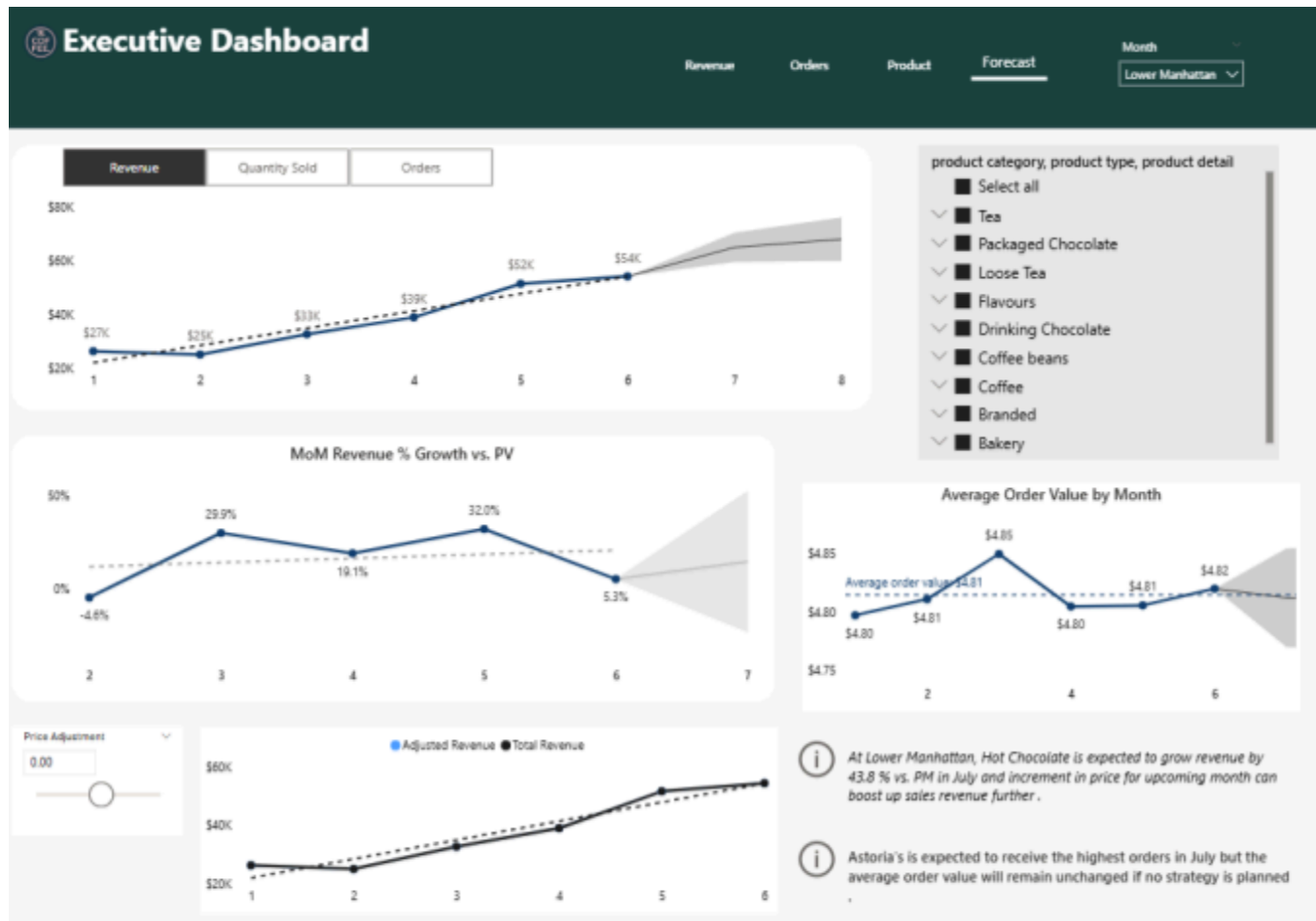
4. The top five product categories by revenue are coffee (~38%), tea (~28%), bakery (~11.5%), drinking chocolate (~10%), and coffee beans (~6%) which have consistently dominated revenue across all six months, contributing ~93% of total revenue. Prioritizing inventory, promotions, and **product innovation** within these categories offers the highest potential for sustained growth and profitability.



5. **Pareto** analysis reveals that **only 34%** of total product types contribute to **80%** of overall revenue, underscoring the critical importance of these **high-performing items**. Strategic actions should prioritize targeted product development, optimized pricing adjustments, and promotional emphasis on this select group to maximize revenue potential and accelerate business growth



6. In July, Lower Manhattan is projected to lead with revenue of \$65,256 from 20,402 units sold across **12,929 orders**, followed by Astoria with **\$62,823** revenue from 19,325 units sold across **14,461 orders**, and Hell's Kitchen with **\$62,568** revenue from 19,413 units sold across **13,698 orders**. Despite Astoria receiving the highest order volume, its lowest revenue suggests smaller order sizes or lower-value items being purchased. Introducing combo meal options and upsizing offers in July can help boost average order value for Astoria.

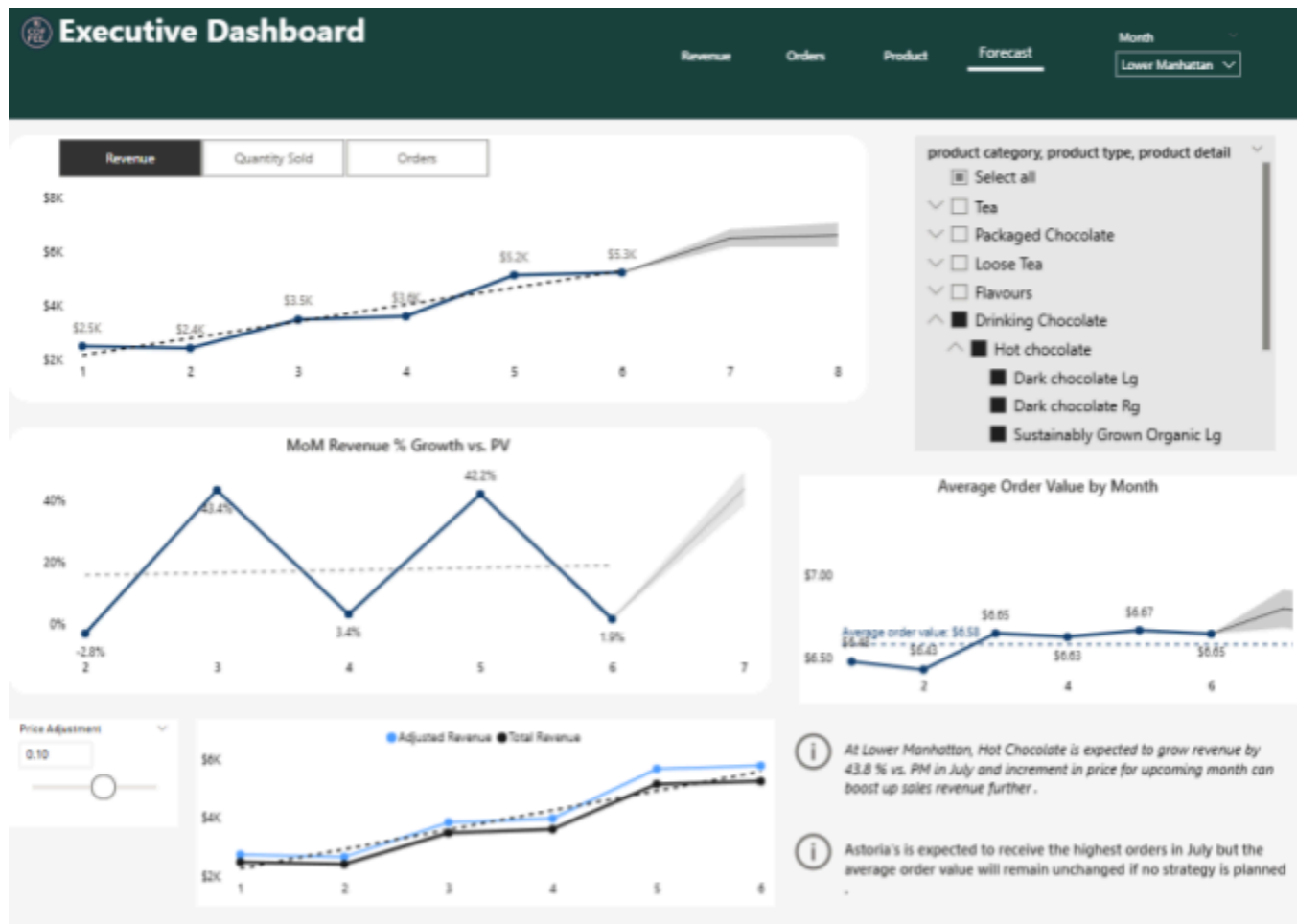


Different Parameters Forecast by Stores

7. Monthly Average Order Value (AOV) analysis by stores indicates that Astoria's growth has plateaued at 4.5% during the summer months, contrasting with continued upward trends at Hell's Kitchen (4.7%) and Lower Manhattan (4.8%). *Targeted menu options for Astoria like combo meals and add-ons with attractive value for money options can potentially increase AOV in coming month.*



8. At **Lower Manhattan**, **Hot Chocolate** is expected to grow its revenue in July by **43.8 % vs. June** and increment in its price for the upcoming month can boost up sales revenue further . Further , the hot chocolate category comes in the **top 5 product types** by revenue and the demand continues to rise in upcoming months.



Price Adjustment variation and resulting revenue growth

The Power BI interactive dashboard built for this project

- Tracks important KPIs
- Describe historical performance
- Forecast the various metrics and measures for each store, filtered by specific products.

*All three stores can manage operations , staffing, product prices , menu options and discount offers for upcoming months efficiently to meet the customer requirements*