

DARLYTICS SUPERSTORE ANALYSIS

5009

793

286.40K

2.30M

458.61

Total Orders

Number of Customers

Total Profit

Total Sales

Avg Sales

Profit by Region

Profit by Segment

Ten Highest Sales Product

Region

Sub_Category

Year

Central

East

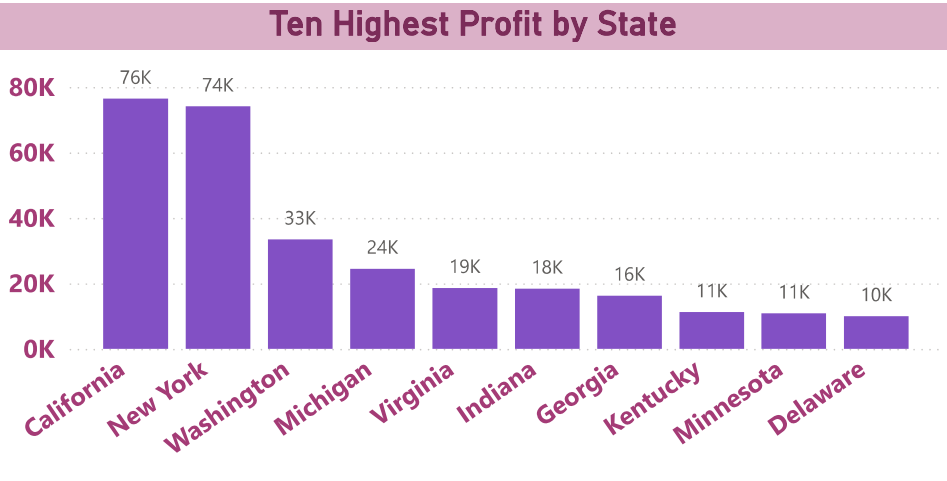
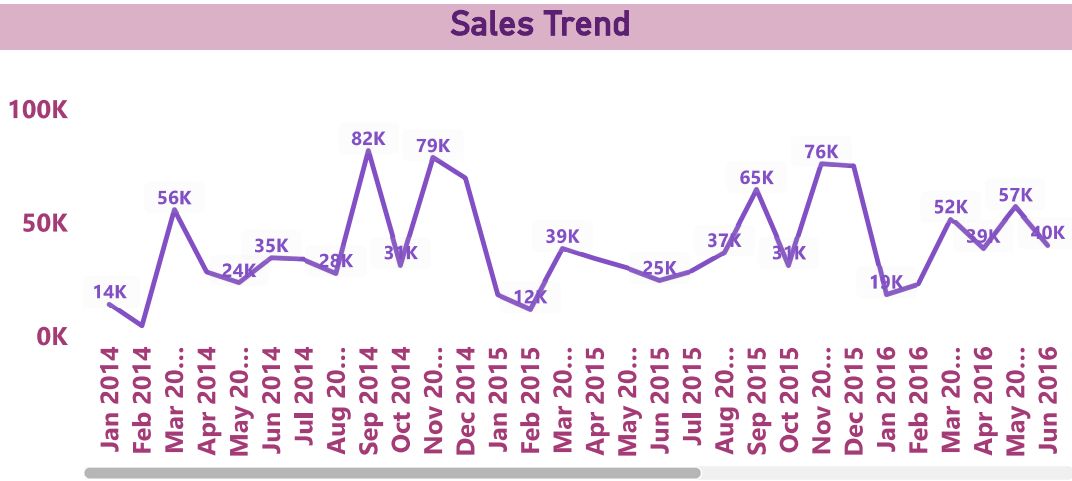
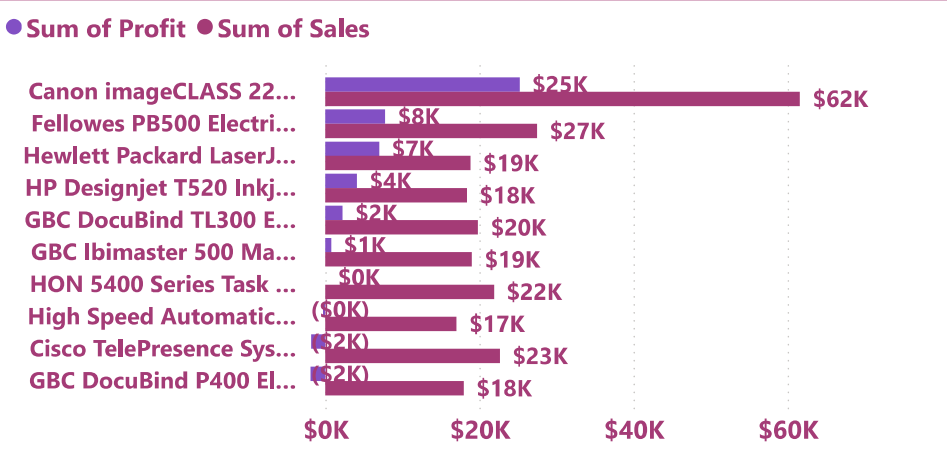
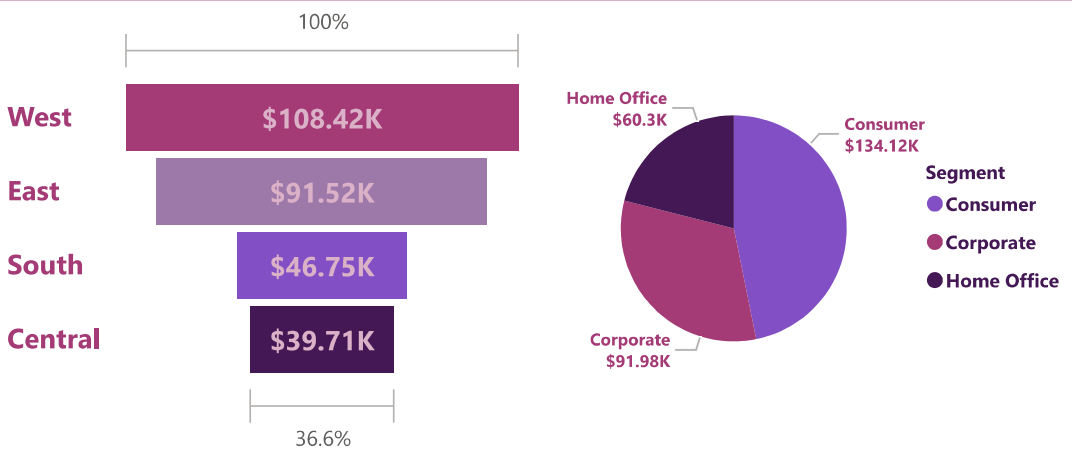
South

Accessories

Appliances

2014

2015



DARLYTICS SUPERSTORE ANALYSIS

Region

All

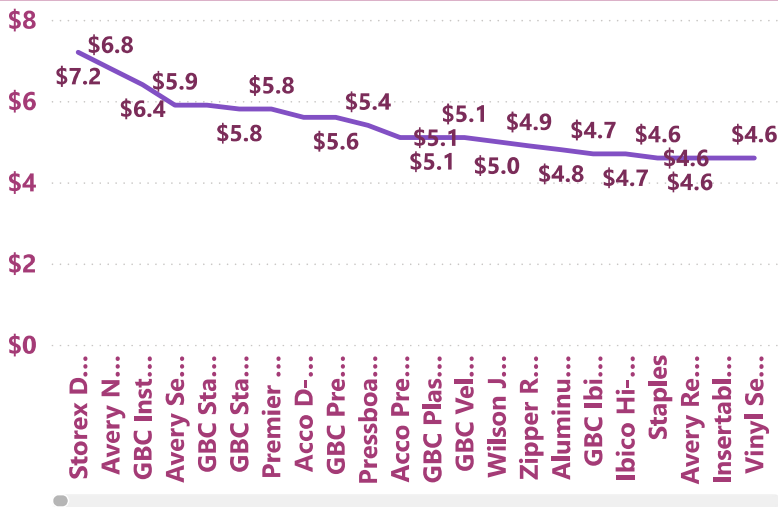
Year

All

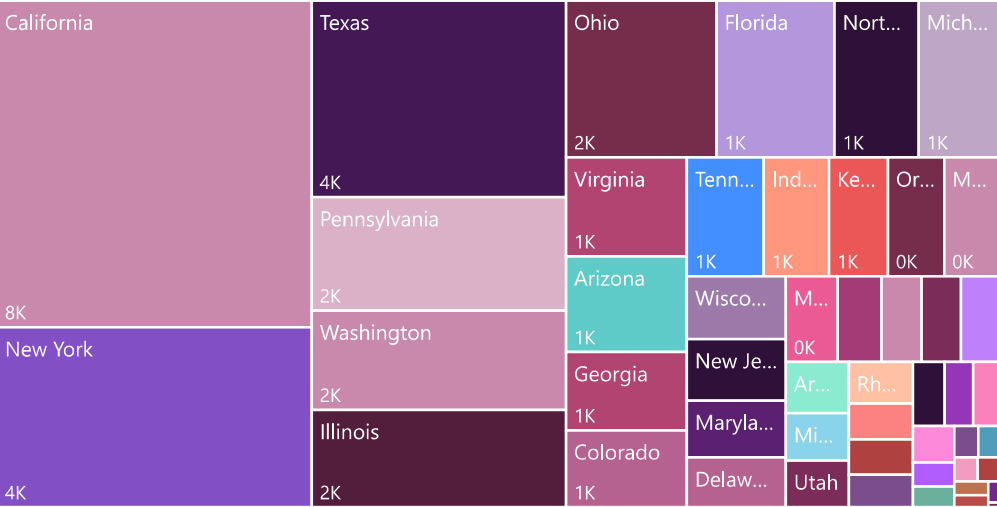
State

- ☐ Alabama
- ☐ Arizona
- ☐ Arkansas
- ☒ California
- ☐ Colorado
- ☐ Connecticut
- ☐ Delaware
- ☐ District of...
- ☐ Florida
- ☐ Georgia
- ☐ Idaho
- ☐ Illinois
- ☐ ..

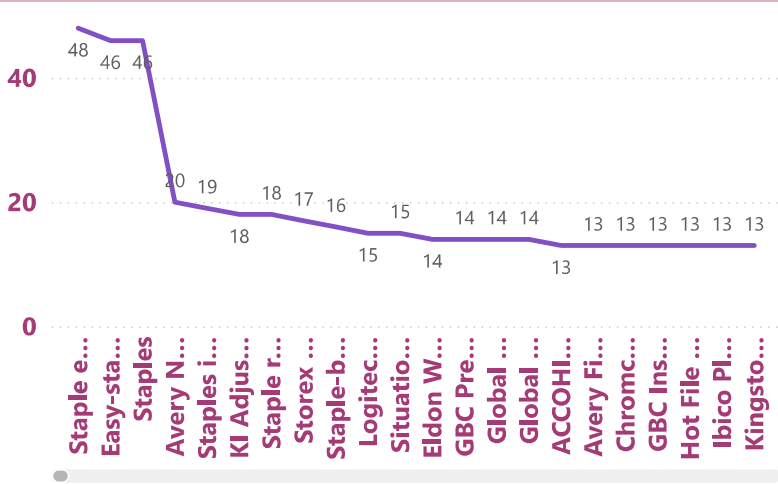
Discount by Product



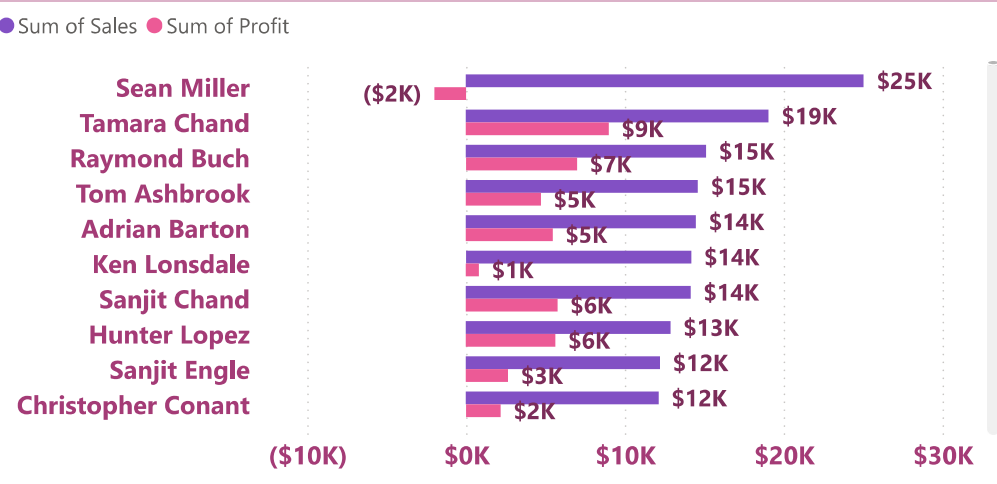
Quantity by State



Orders by Product



Sales & Profit by Customer



1. Overall Business Performance

- **Total Sales:** \$2.30M
- **Total Profit:** \$286.40K
- **Total Orders:** 5,009
- **Total Customers:** 793
- **Average Sales per Order:** \$458.61

2. Sales & Profit Trends

- **Sales fluctuated over the years, with some peak periods.**
- **2014:** Sales started relatively low (~\$104K)
- **2015:** Significant growth, reaching around **\$147K**
- **2016:** Peak year with **highest sales (~\$250K)**
- **2017:** Slight decline but still strong at **~\$181K**

2016 had the highest sales, possibly due to strong promotions, increased customer base, or product demand.

2017 dropped, this could be due to economic factors, pricing changes, or market saturation.

January – March: Sales tend to be lower.

Mid-year (June – August): Some peaks, possibly due to mid-year campaigns.

End of Year (October – December): Strongest sales months, likely due to holiday shopping and promotions.

3.States Performance

- 1 California** – Highest profit
 - It has the **highest number of orders**.
 - Customers buy **higher-priced products**.
 - There is **less discount dependency**, meaning better profit margins.
- 2 New York** – Second highest profit, While profitable, **some deep discounts** may be reducing margins.
- 3 Washington** – Third highest profit. It has good sales, but **lower volume compared to California. But compare to Texas, It has the third highest profit as well as good sales while Texas has the third highest sales but has the highest profit loss.**

Least Profitable States

Based on the **profit by state** chart in your Power BI report, the following states have **low or negative profitability**:

South Region (16.32% of total profit)

- Mississippi
- Louisiana
- South Carolina
- Oklahoma

Central Region (13.86% of total profit)

- Nebraska

- Montana
- Iowa
- North Dakota

lower Sales Volume – Fewer customers or businesses purchasing from these areas.

High Shipping & Distribution Costs – Costs may outweigh profit margins.

Heavy Discounts – If discounts are too high, profit margins shrink.

Product Demand Differences – Customers may prefer lower-cost items, reducing profit per sale.

4. Profitability by Product

Some products contributed significantly to total profit, while others had lower or even negative profitability.

Top 5 Most Profitable Products:

- Canon imageCLASS 2200
- Fellowes PB500 Electric Punch
- Hewlett Packard LaserJet
- Canon PC1060 Personal Copier
- HP Designjet T520 Inkjet Printer

These products generated the **highest profits**, indicating they are in high demand and have good pricing margins.

Least Profitable Products:

Some products had **low or negative profitability**, meaning they either sold at high discounts, had low demand, or were costly to stock.

Products with the Lowest Profitability

- Ibico EPK-21 Electric Binding Machine
- Zebra ZM400 Thermal Label Printer
- Plantronics Savi W720 Headset
- 3D Systems Cube Printer
- Ativa V4110MDD Micro-Cut Shredder

5. Profitability by Region

West Region: Most profitable, contributing **37.86%** of total profit.

East Region: Second highest, contributing **31.96%** of profit.

South & Central Regions: Had lower profits, with **16.32%** and **13.86%**, respectively.

Region	2014	2015	2016 (Peak Year)	2017 (Decline)
West	Moderate	Growth	Highest Profit & Sales	Slight decline
East	Slow	Strong Growth	Steady	Decline
South	Low Sales	Some Growth	Profit Decline	Struggled
Central	Weak	Minimal Growth	Lowest Profit	Underperformed

West & East Regions:

- Contribute **more than 69% of total profit**.

West Region – Consistently the Best Performer

- **Strong profit and sales every year.**
- **2016 was the peak year**, but **2017 saw a slight decline**, likely due to market saturation.

- Customers buy premium products, leading to higher profit margins.

East Region – Stable but Lower Growth Than West

- Strong sales and profit growth in 2015 and 2016.
- 2017 saw a decline, possibly due to excessive discounting.
- Balanced mix of high- and low-margin products keeps profitability steady.

South & Central Regions:

- Lower sales and profit compared to West & East.

South Region – Sales Are Decent, but Profitability is Weak

- Sales volume is good, but profit margins are low due to price-sensitive buyers.
- Heavy discounting might be reducing overall profits.
- Products sold here are lower-cost, affecting total revenue

Central Region – Weakest Performance Overall

- Both sales and profit are low, showing low customer demand.
- 2016 had a small boost, but overall, it remains the least profitable region.
- Customers mostly buy discounted or bulk products, reducing profit per sale.

◆ West sells high-margin tech and furniture, boosting profit.

West attracts premium buyers who spend more per order, increasing profit margins

◆ East has a mix of high- and low-margin products, keeping profitability balanced.

East has a balanced mix of premium and discount-focused customers.

◆ South and Central focus on lower-cost items, reducing profitability.

South & Central rely on discount-seeking customers, leading to lower profitability (Sean Miller from Florida in the South Region).

West : Canon Printers, HP Designjet, Office Chairs has the highest sales while Low-margin office supplies has the lowest profit

East : Office Storage, Laptops, Chairs has the highest sales while Paper, Binders has the lowest profit

South : Phones, Monitors, Desk Accessories has the highest sales while Low-cost labels, small items has the lowest profit

Central : Storage, Tables, Low-cost tech has the highest sales while Discounted items, binders has the lowest profit.

- **West & East:** Since these are the most profitable regions, you can **expand marketing efforts here or introduce premium products.**
- **South & Central:** These regions have **lower profitability**, meaning you may need to **adjust pricing, promotions, or distribution strategies.**

6. Customer Insights

There are **793 unique customers** in the dataset.

Regional Top Customers & Customer Behavior:

West : Sean Miller, Tamara Chand are High-spenders, prefer premium products

East : Ken Lonsdale, Sanjit Chand Balanced mix of high & low-cost products

South : Hunter Lopez, Raymond Buch buys Price-sensitive, prefer discounted items

Central : Christopher Conant, Adrian Barton are Bulk buyers, but lower margin

Sean Miller is the highest-spending customer, with **\$25,000 in total purchases**.

However, his profit contribution is **negative (-\$2,000 loss)**, meaning **his purchases caused a financial loss** to the business.

Sean likely **bought heavily discounted products**, which resulted in **negative profitability**.

His **discount-driven purchases reduce overall profit margins**.

◆ Likely **high-value electronics, office furniture, or bulk items** that were discounted heavily.

◆ These products may have had **high shipping or procurement costs**, further reducing profitability.

2. Segment Performance

Your business is divided into three segments:

Consumer Segment:

- Contributed **46.83% of total profit** (~\$134K).
- This is the **most profitable segment**, indicating strong demand from individual buyers.

Corporate Segment:

- Contributed **32.12% of total profit** (~\$91K).
- Medium profitability but could be optimized further with bulk purchase incentives.
- Profitability varied by product and region.

Home Office Segment:

- Contributed **21.05% of total profit** (~\$60K).
- This is the **least profitable** but still significant. Potential to boost through better marketing.
- **Home Office** → Improve targeting with relevant products.

RECOMMENDATIONS

1. Review & Optimize Discount Strategies

◆ Avoid Deep Discounts on Low-Profit Products

- ✓ Limit discounts on **low-margin items** to prevent losses.
- ✓ Only apply **discounts to high-margin products** to sustain profitability.

◆ Implement Conditional Discounts

- ✓ Offer **spend-based discounts** to increase order value (e.g., "Get 10% off when you spend \$500+").
- ✓ Use **bundle deals** (e.g., "Buy a printer at full price, get 20% off ink cartridges").

◆ Shift to Loyalty-Based Incentives

- ✓ Offer **reward points instead of discounts**, encouraging repeat purchases.
- ✓ Provide **exclusive early access to deals** for frequent customers.

2. Customer-Based Pricing & Segmentation

◆ For Price-Sensitive Customers (Like Sean Miller)

- ✓ Reduce discounts but offer **exclusive early access to deals**.
- ✓ Guide them towards **higher-margin products** with personalized promotions.
- ◆ **For High-Spending, Low-Discount Customers**
- ✓ Offer **VIP perks** such as free shipping or exclusive products.
- ✓ Reduce unnecessary **discounts on high-selling items**.

3. Regional Profitability Improvement Strategies

◆ **High-Profit States (West & East) – Maintain & Expand**

Strategy:

- ✓ **West Region** : Continue current strategy and introduce **premium products**.
- ✓ **Maintain Growth & Expand High-Value Sales**
- ✓ Continue **selling high-margin products** like Canon printers, HP Designjet, and office furniture.
- ✓ **Expand corporate & bulk order sales** to maintain steady profit.
- ✓ **Introduce premium product lines** (e.g., high-end office equipment) to attract premium buyers.
- ✓ **Increase stock levels** of top-performing products to avoid stockouts.
- ✓ Offer **exclusive VIP deals** instead of discounts to retain high-value customers.

◆ **East Region** – Improve margins by **reducing discounts** and offering **higher-margin bundles**.

- Reduce unnecessary discounting** on high-selling products.
- ✓ Introduce **bundle deals** instead of individual item discounts.
- ✓ Target **corporate clients** with B2B bulk pricing strategies.
- ✓ Optimize **shipping & distribution** to reduce costs and improve profit margins.
- ✓ Introduce **loyalty-based incentives** instead of direct discounts.

◆ **Low-Profit States (South & Central) – Adjust & Optimize**

- ✓ Reduce **deep discounts** to **increase profitability**.
- ✓ Focus on **higher-margin product bundles** instead of discounting individual items.
- ✓ Introduce **regional warehouses** to **reduce logistics costs**.
- ✓ Implement **localized marketing campaigns** to boost demand.

4. Seasonal & Demand-Based Pricing Strategies

◆ **Peak Season (Oct-Dec)**

- ✓ Stock up on **high-margin products** before Black Friday & holiday sales.
- ✓ Offer **limited-time premium deals** to maximize profit.

◆ **Off-Peak Season (Jan-Mar)**

- ✓ Introduce **New Year promotions** to maintain sales momentum.
- ✓ Use **bundled offers** to increase average order value.

🔥 **Mid-Year Fluctuations (Jul-Sep)**

- ✓ Adjust **pricing dynamically** based on demand trends.
- ✓ Target **corporate clients** for bulk orders before Q4.