# Case Study Report: Coffee Shop Chain Sales & Customer Insights

## Problem Statement

A coffee shop chain operates across Downtown, Uptown, and Suburb locations. Management wants to understand sales performance, customer preferences, and profitability to make data-driven business decisions. Using transaction data, this study analyzes products, categories, sizes, add-ons, peak hours/days, payment methods, and customer behavior to optimize operations and maximize revenue.

## Key Business Questions

1. What are the total sales, profit, and number of transactions?

2. Which product contributes the most to sales? Which product underperforms?

3. How do sales vary between Hot Coffee vs Cold Coffee?

4. Which store location generates the highest revenue?

5. What is the most popular cup size (Small, Medium, Large)?

6. Which add-ons are most frequently chosen by customers?

7. What are the peak sales hours during the day?

8. Which day of the week has the highest average sales?

9. Which payment method is most preferred?

10. Who are the top 10 customers based on total purchase amount?

## Methodology

- Data cleaning and preparation in Excel.  
- Pivot tables used for aggregating and analyzing sales, profit, and customer data.  
- Visualizations to highlight patterns.  
- Observations, Insights, and Recommendations (OIR) framework applied for each business question.

## Key Findings

* Overall Performance: Strong revenue with steady profit margins (~29–30%).
* Best Product: Flat White leads in sales; Latte and Frappuccino are lower performers.
* Category Preference: Hot Coffee dominates with more than double the sales of Cold Coffee.
* Store Locations: Uptown generates the highest revenue; Downtown underperforms.
* Cup Sizes: Large cups are the most popular choice.
* Add-ons: Extra Shot is the top add-on; non-dairy milk (almond, oat, soy) also popular.
* Peak Hours: Highest sales at 8 AM (morning rush); late-night spikes at 11 PM.
* Weekdays vs Weekends: Sunday records the highest sales, likely due to holidays.
* Payment Methods: Credit Cards are slightly more preferred than cash and mobile payments.
* Top Customers: The top 10 customers contribute significantly, with the highest spender at ₹13,062.

## Recommendations

1. Product Strategy: Maintain consistency in high-performing products (Flat White, Cappuccino). Boost underperforming products with promotions or new recipes.

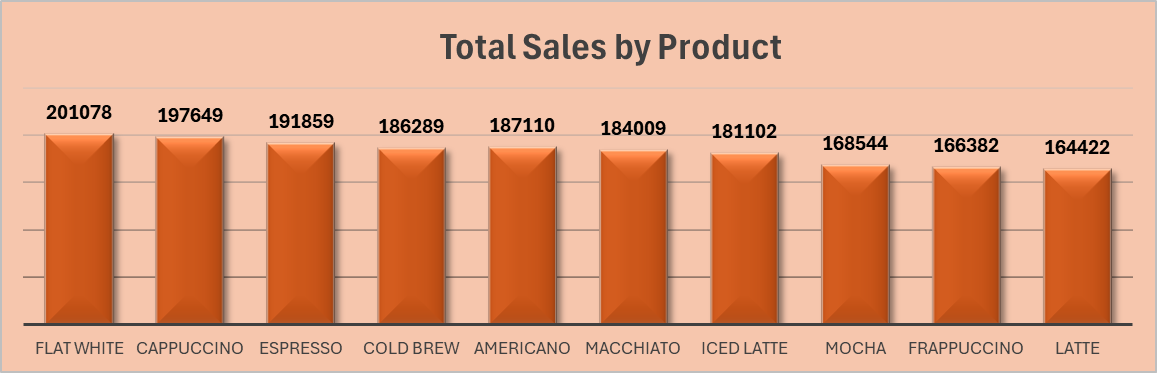
2. Cold Coffee Promotion: Introduce seasonal discounts, toppings, and combos to increase cold coffee demand.

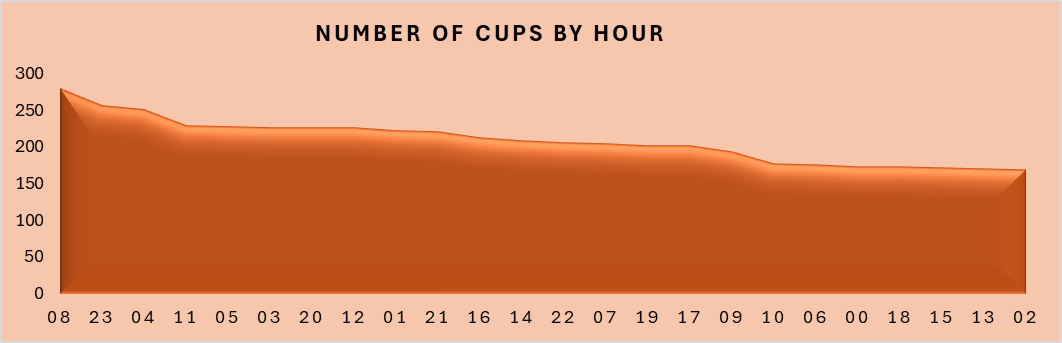
3. Store-Level Actions: Run targeted marketing campaigns in Downtown to drive sales. Preserve Uptown’s success with strong quality control.

4. Customer Experience: Expand large cup offerings while experimenting with flavors in small cups to boost variety sales. Promote add-ons like soy/oat milk through bundling or sampling.

5. Sales Optimization: Strengthen morning operations (stock, staff availability). Advertise 24/7 service to boost late-night sales.

6. Loyalty & Payments: Launch a loyalty program for top customers (rewards, VIP offers). Encourage mobile payment adoption with cashback or reward points.

**Visualization:  
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A pie chart with numbers and a pie chart

AI-generated content may be incorrect.

