SALES CASE STUDY

By Steve Odhiambo

BACKGROUND

This report analyzes sales data from the "Sales Case Study" to uncover key business insights. The dataset includes Date, Sales, Cost of Sales, and Quantity Sold. Using SQL, metrics such as Unit Price, Gross Profit Percentage, and Average Sales are derived to evaluate performance. The analysis highlights trends in profitability, pricing, and sales volume over time. By breaking down results by day, month, and year, the report supports better decision-making and strategic planning. These insights help identify growth opportunities, monitor financial health, and optimize sales strategies based on historical data patterns and performance indicators.

PROJECT GOALS

- The goal of this project is to analyze sales data to generate actionable insights that support strategic business decisions.
- Key objectives include calculating performance metrics such as unit price, gross profit percentage, and average sales, and identifying trends across different time periods.
- The project aims to track sales and cost behavior, uncover pricing patterns, and assess profitability.
- By visualizing this information in a clear, data-driven dashboard, the project empowers stakeholders to monitor financial performance, detect anomalies, and make informed decisions.
- Ultimately, it supports optimization of sales strategies and enhances overall business efficiency through data-backed insights.

DISCUSSION

- The analysis reveals valuable insights into sales performance and profitability. Gross profit percentage highlights how efficiently revenue is converted into profit, while unit price trends offer a view into pricing strategies over time.
- By examining sales, cost of sales, and quantity sold across different time frames, seasonal trends and demand patterns become evident.
- The inclusion of average sales provides a benchmark for evaluating daily performance. The data indicates consistent sales behavior with fluctuations tied to specific dates or periods.
- These findings support informed decision-making, allowing for adjustments in pricing, inventory, and marketing to improve overall financial outcomes.

SALES BY DATE

Sales grew sharply from 2013 to 2014, peaking at $75.4 million, then declined steadily through 2015 and 2016. The highest performance was in 2014, while 2013 had minimal sales. The four-year total reached $186.9 million, indicating early growth followed by a gradual downturn requiring deeper analysis.

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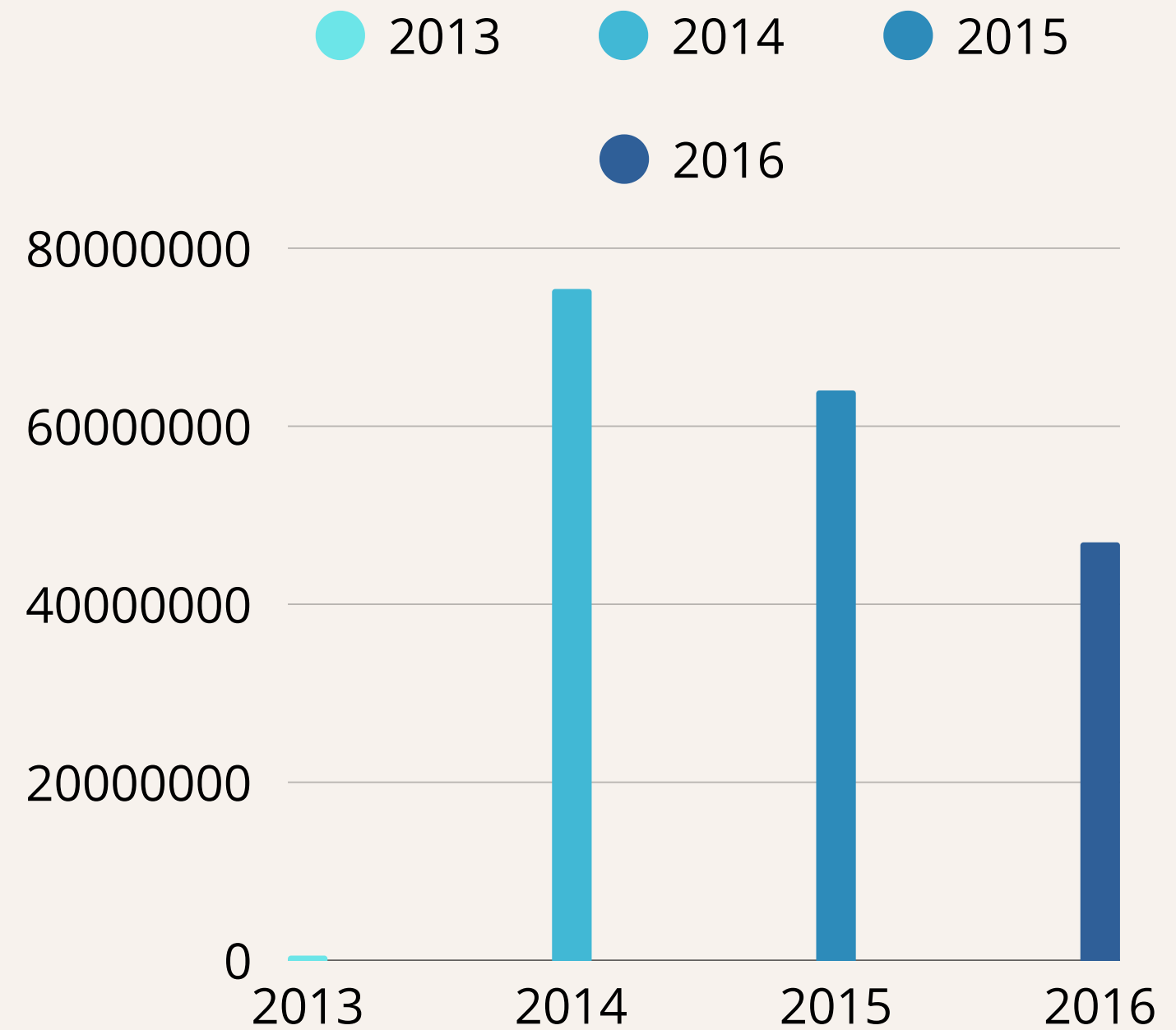
QUANTITY SOLD OVER TIME

Product sales volume rose significantly in 2014, reaching over 2.25 million units, following a modest start in 2013. Sales volume declined each year after, totaling approximately 5.28 million units by 2016. The trend mirrors revenue patterns, suggesting a strong initial expansion followed by decreasing sales activity and potential market saturation.

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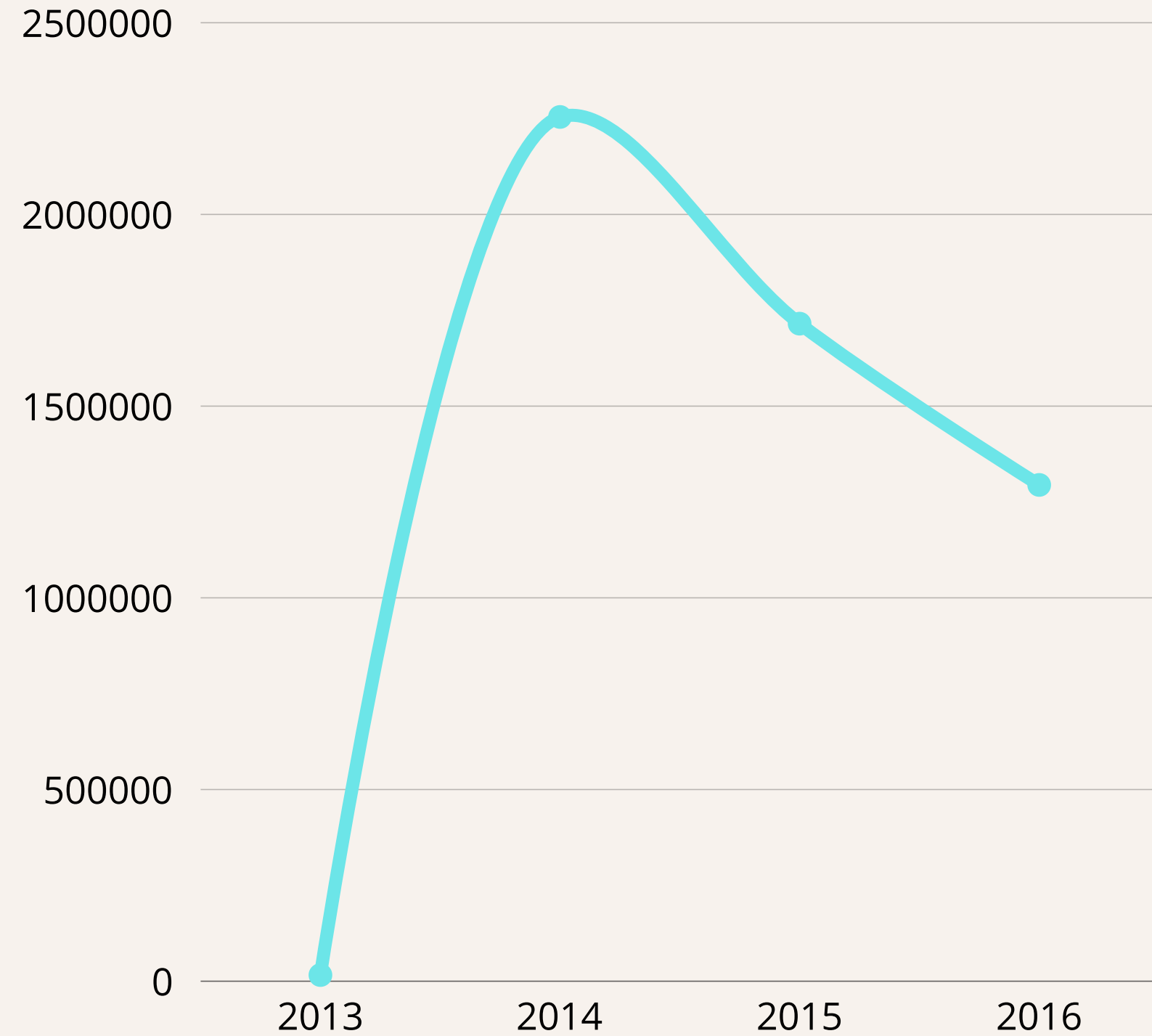
COST OF SALES VS SALES

Total sales amounted to approximately $186.9 million, while the cost of sales exceeded this at $194 million, resulting in an overall loss. This indicates that the business operated at a negative gross margin, underscoring inefficiencies in pricing, cost control, or product strategy over the analyzed period.
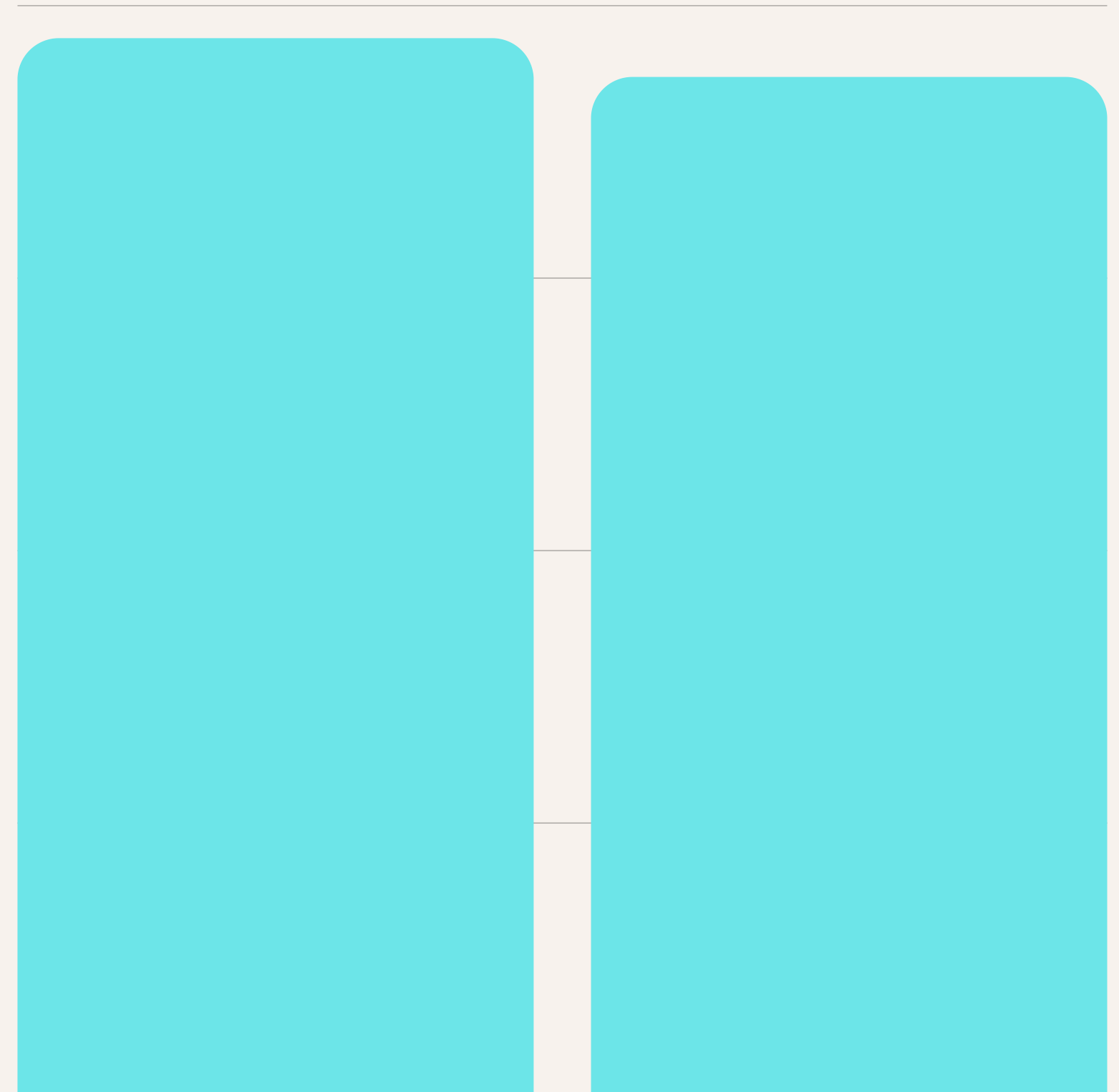
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GROSS PROFIT MARGIN OVER TIME

Gross profit percentage was negative from 2013 to 2015, indicating losses, with the lowest point in 2015 at -1435.84%. A recovery occurred in 2016, reaching a positive 848.25%. However, the overall four-year total remained negative at -921.56%, highlighting profitability challenges despite strong sales and quantity figures in earlier years.

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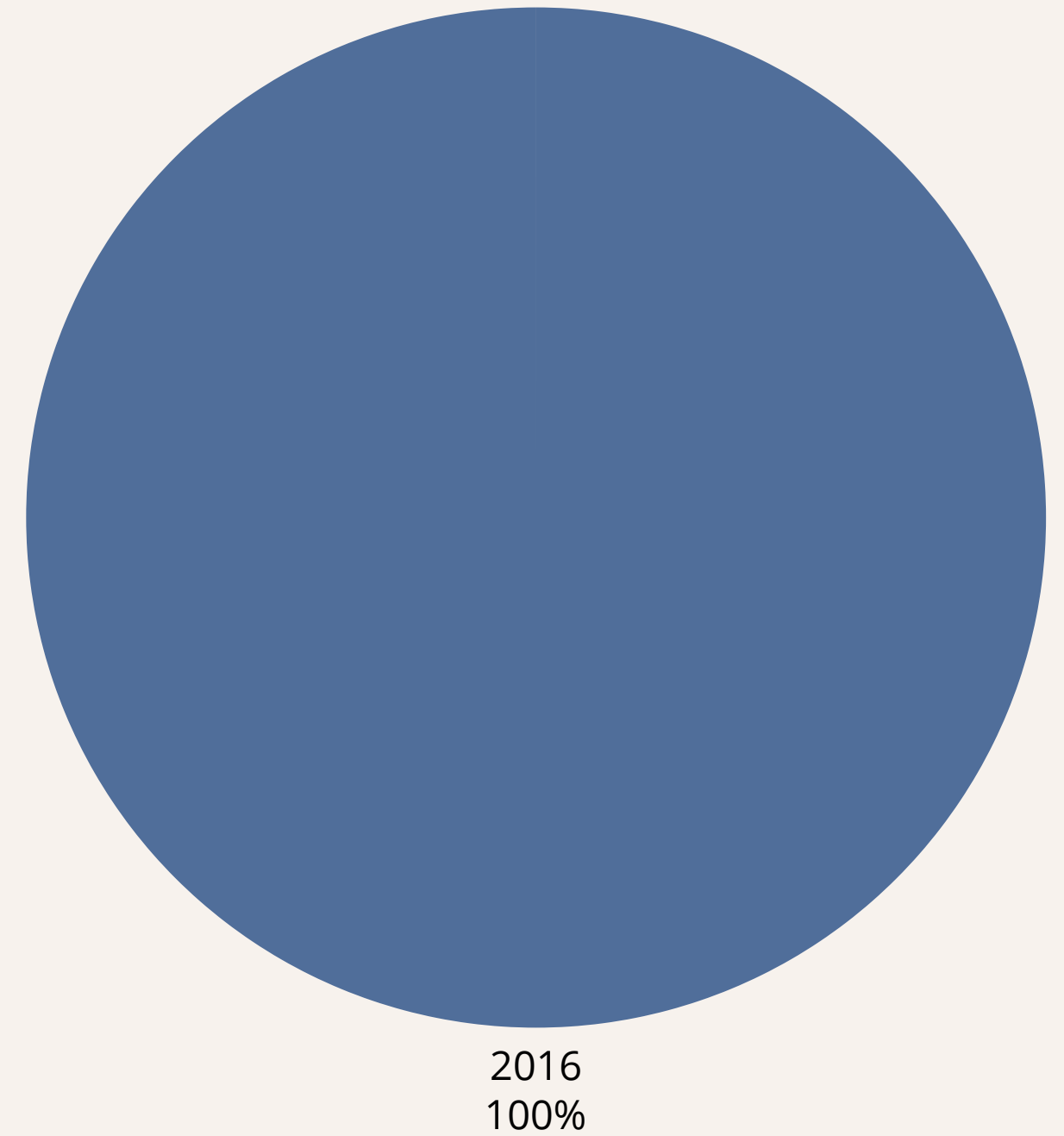
2016
100%

ANALYSIS

The sales data from 2013 to 2016 shows an initial growth in both sales and quantity sold, peaking in 2014. However, a downward trend followed, with sales and units sold declining through 2016. Despite strong revenue figures, gross profit percentages were negative in most years, reflecting high cost of sales that exceeded revenue. The overall loss, with total costs surpassing total sales, indicates operational inefficiencies or pricing issues. Although 2016 saw a positive gross profit margin, it was insufficient to offset earlier losses. This suggests a need to reassess pricing strategies, cost management, and product performance to regain profitability.

THANK YOU

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