



PRESENTATION

Future Retailer's Sales Analysis



Executive Summary

Introduction

Present the current issue the company is encountering and the aim of the analysis.

Analysis

We will evaluate the effectiveness of the business, assess customer purchasing behaviors, and evaluate the performance of the advisory team.

- Context of Analysis
- Data model
- Analyzing the Customer, Product, and Sales Agent Scenario

Solution

Strategies to reduce returns by customer, product and seller and messages to stakeholders

[Link dashboard](#)



FUTURE RETAIL

Introduction

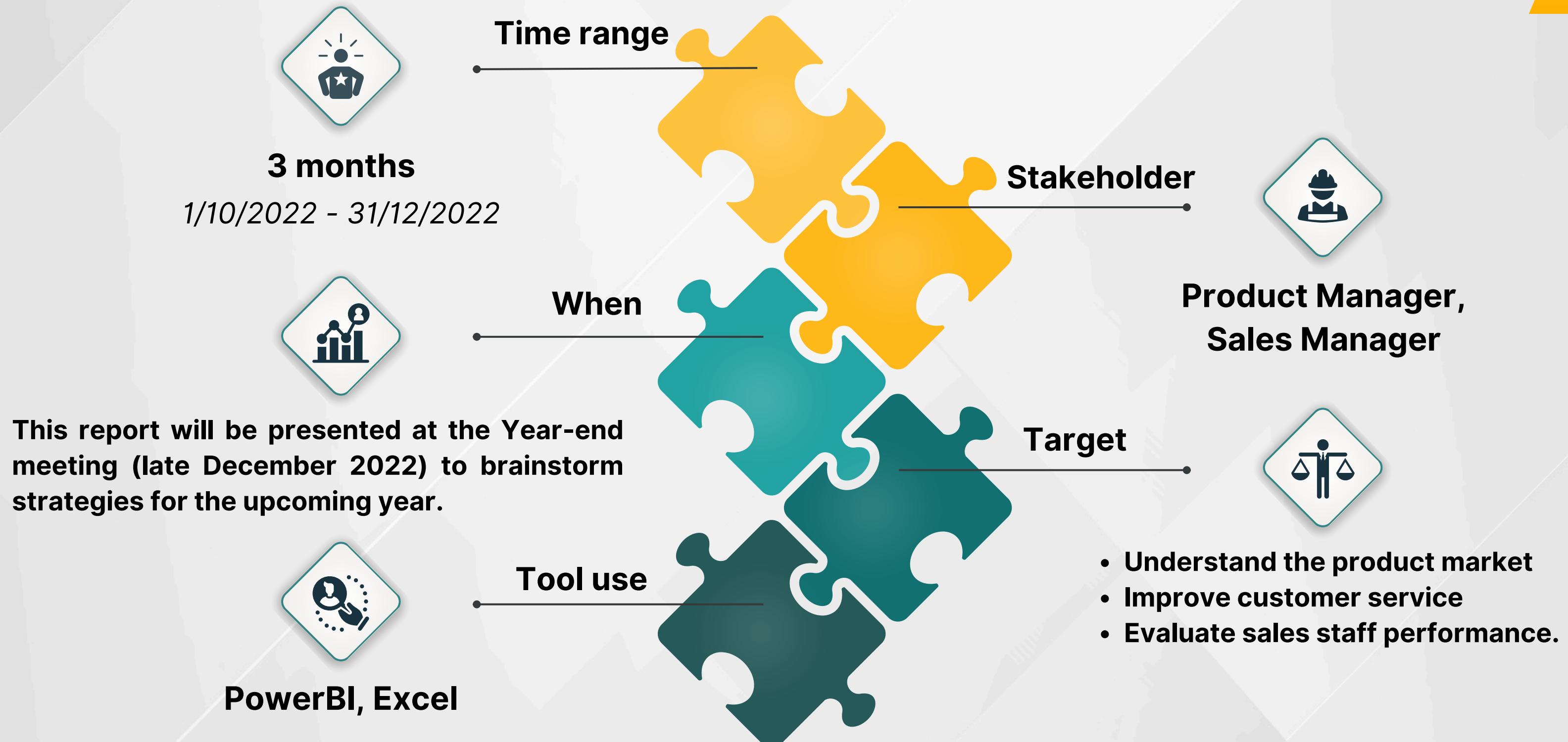
About Future Retailer's Problem

The online retail company with diverse product offerings to consumers in the U.S. has been successful. However, they are facing **challenges in market analysis, customer understanding, and revenue growth**. Improving data analysis processes, training employees, and developing a strong market strategy are needed for further growth and competitiveness.

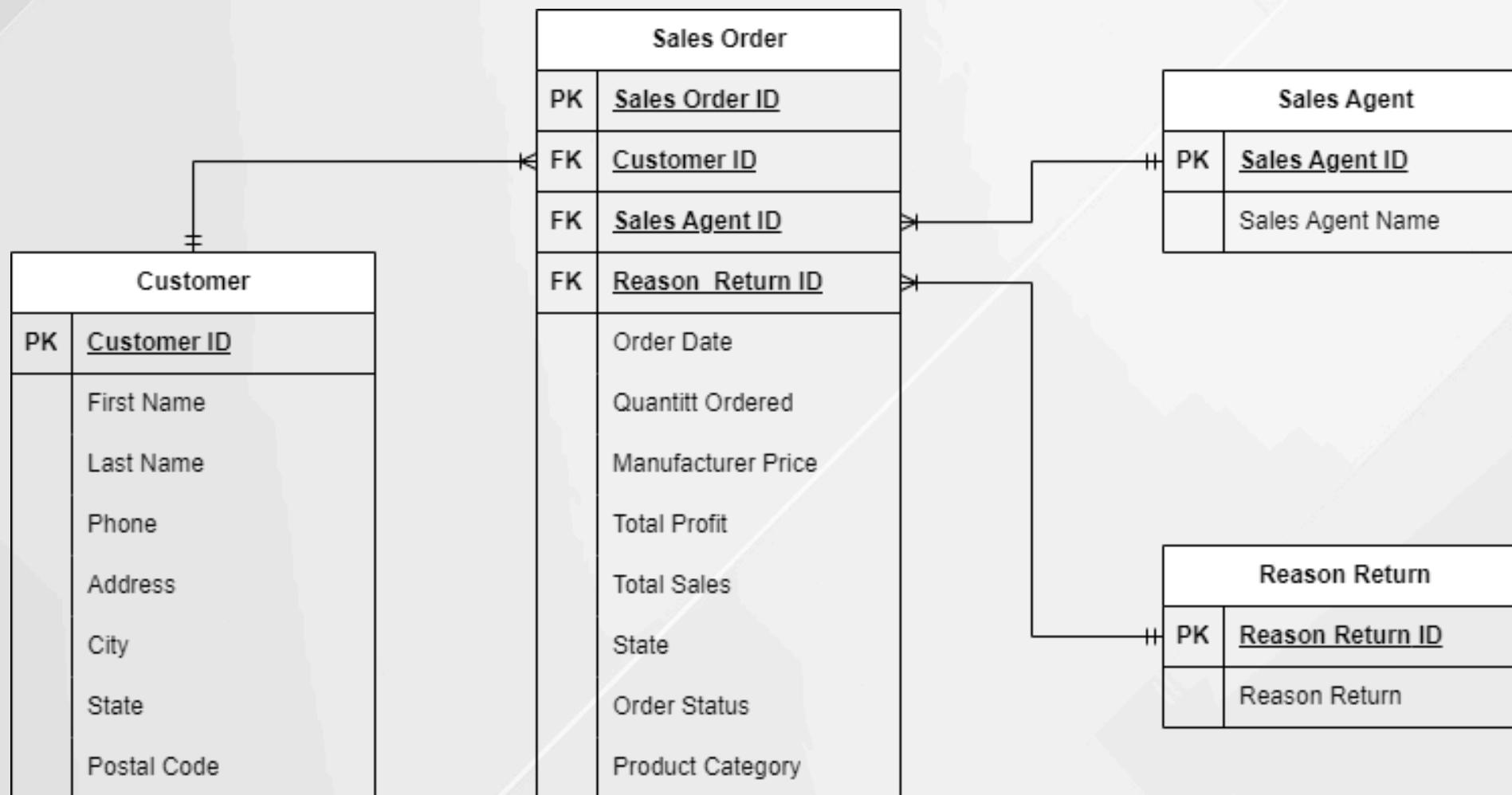
Objective of Analysis:

- Evaluate the business effectiveness
- Assess customer purchasing behaviors
- Evaluate the performance of the advisory team

Context of analysis



Data model

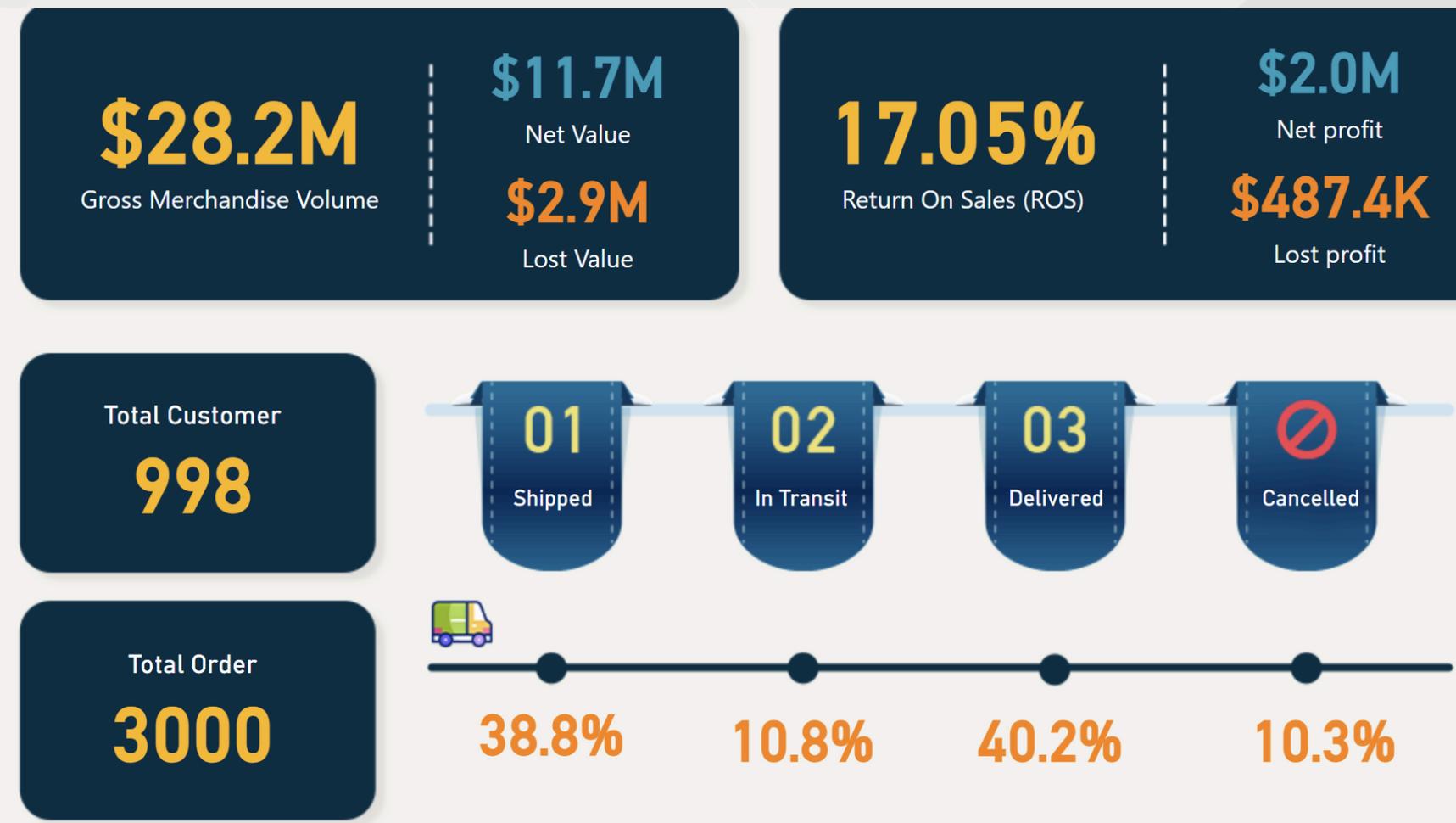


Star schema

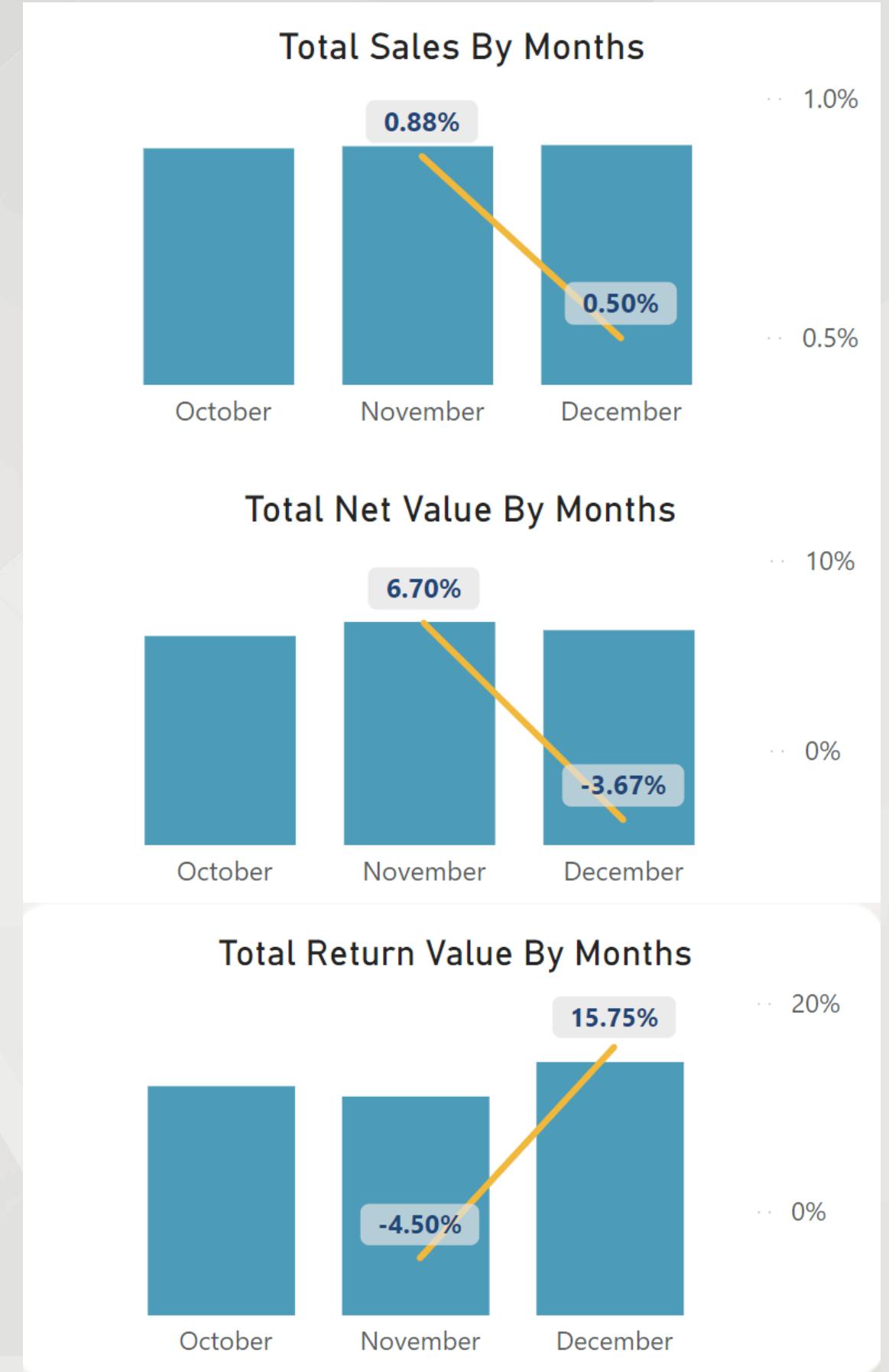
The diagram includes 4 tables: 1 fact table and 3 dimension tables:

- The fact table, Sales Order, contains transaction information for all orders from October 1, 2022, to December 31, 2022.
- The dimension table, Customer, contains information about customers who made purchases during the same period.
- The dimension table, Sales Agent, contains information about sales agents during the same period.
- The dimension table, Reason Return, contains information about the reasons customers returned items.

Overview



- As seen from the charts, Total Sales value and Net value of Future Retailer had a sharp decrease in December while total Return Value had risen by 10.25%.
- The rate of canceled Order and Lost Value in final quarter of 2022 are also very high (10.3%)
- This shows that the company is facing problems with customer satisfaction and possibly product quality.**



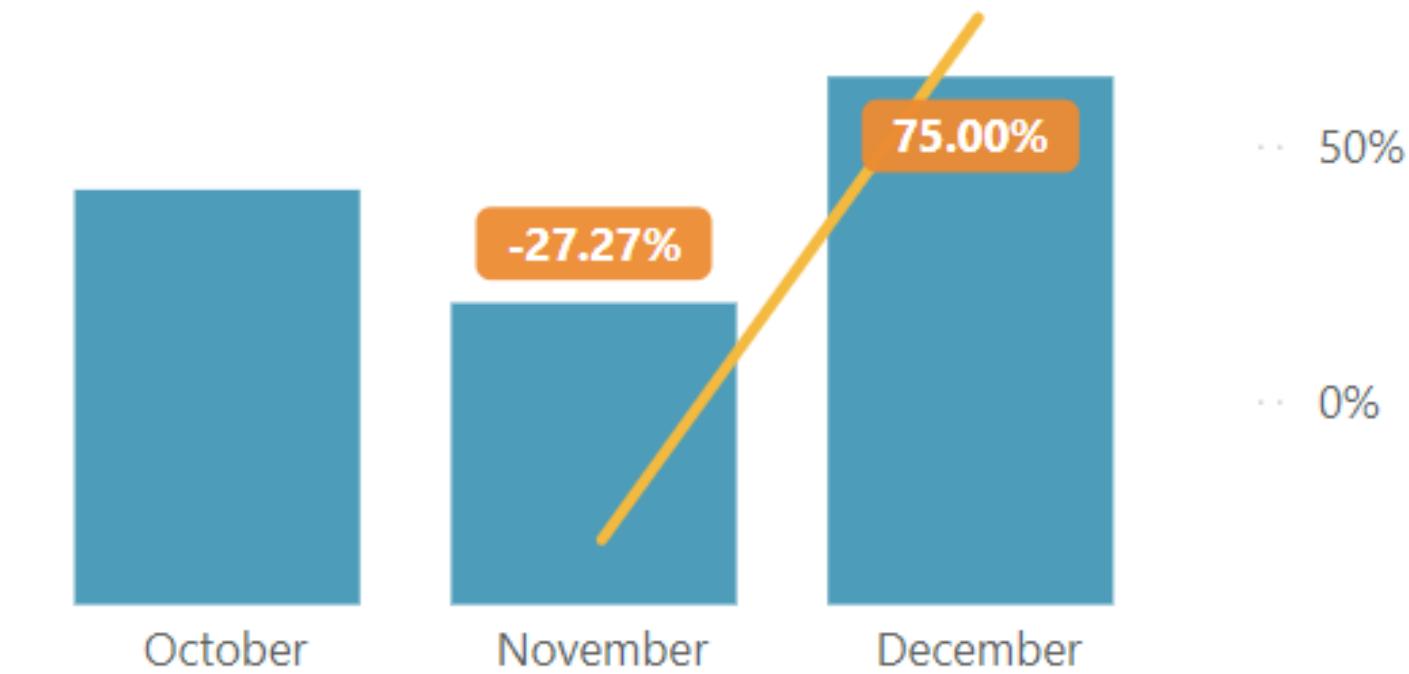
Customers

Generally, the number of customers in each state and each product category is pretty evenly distributed

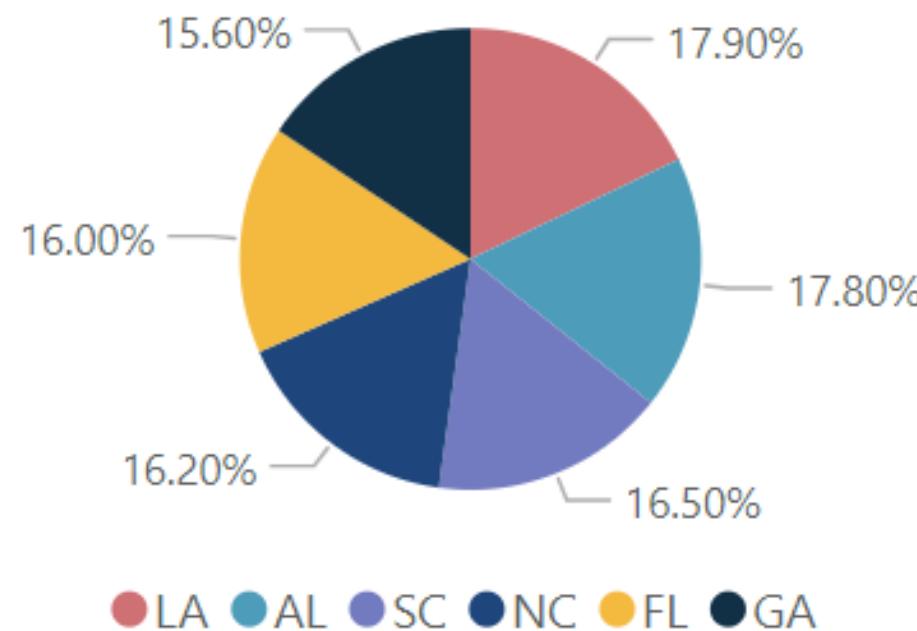
Percentage of Customers by Product Category



Unsatisfied Customer by Month



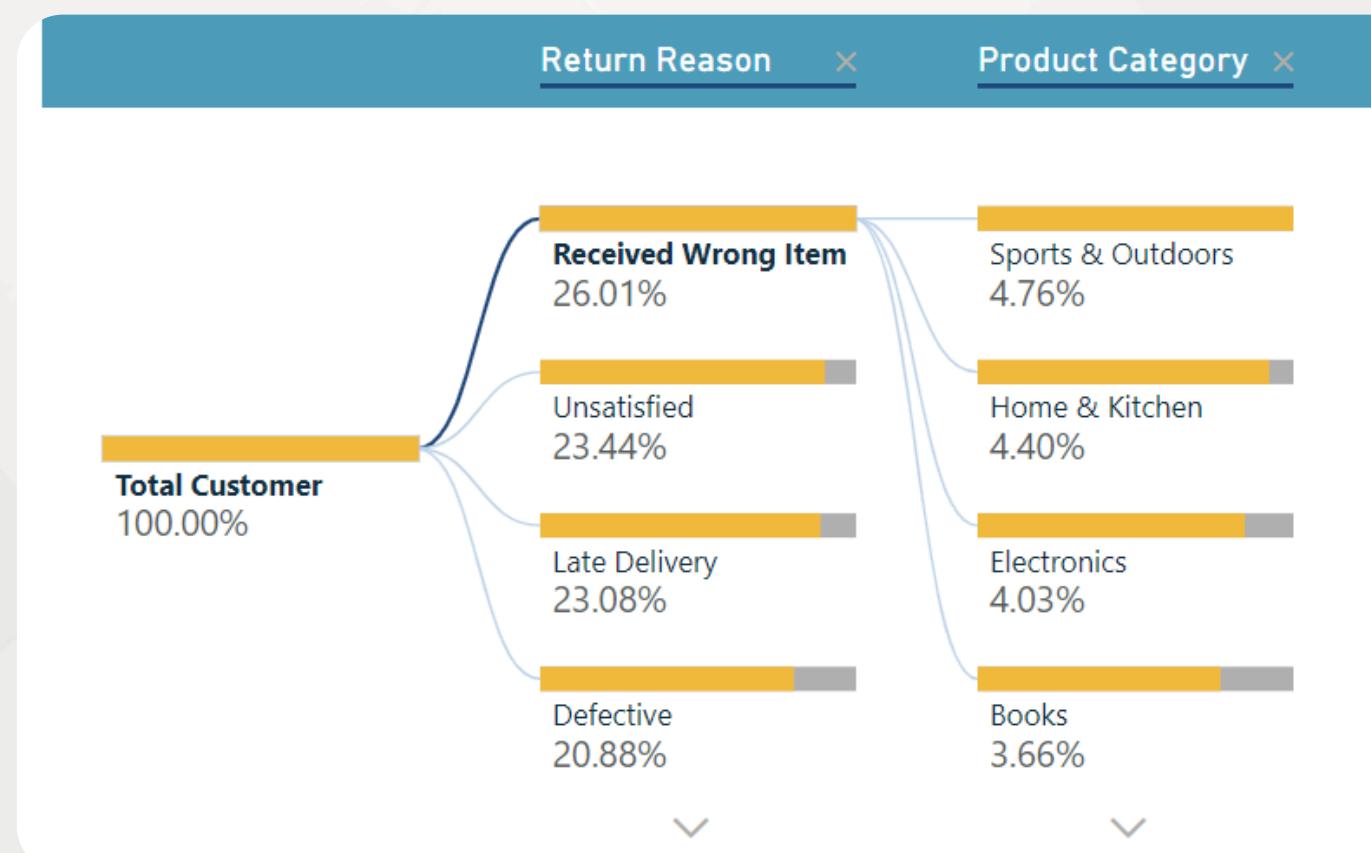
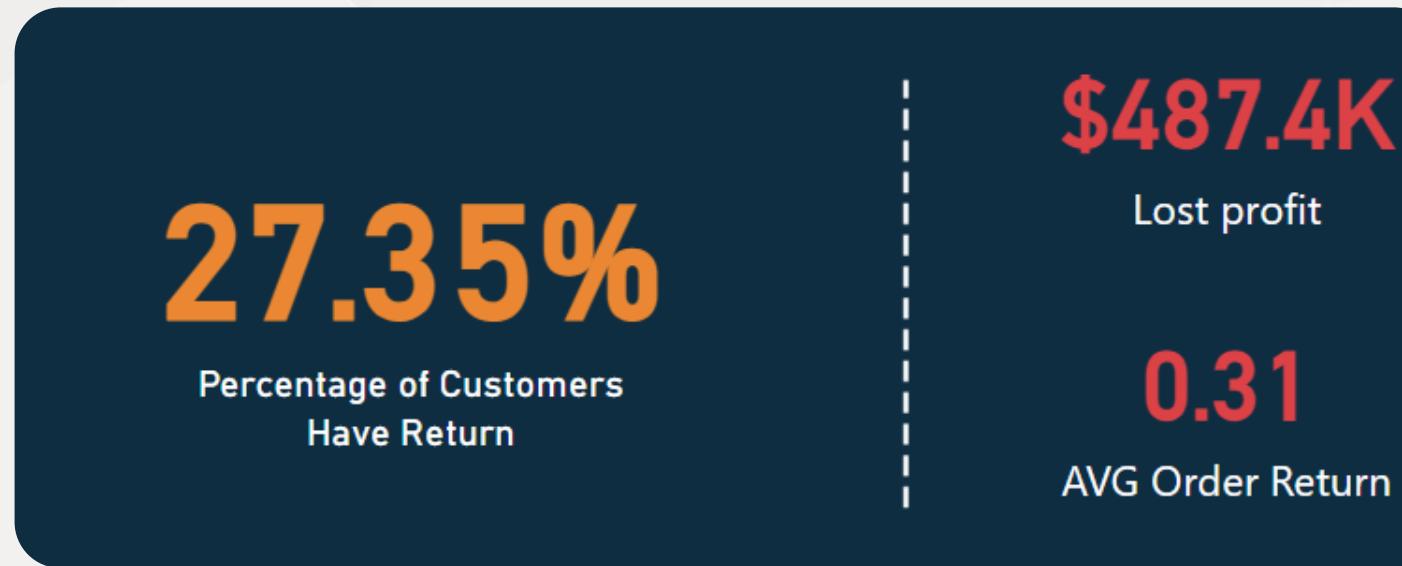
Percentage of Customer By State by State



- However, from November to December 2022, there was a sharp increase in the rate of unsatisfied customers (75% compare with previous month).
- **This poses a huge problem and requires detailed analysis of Return reasons of each Product category**

Customers

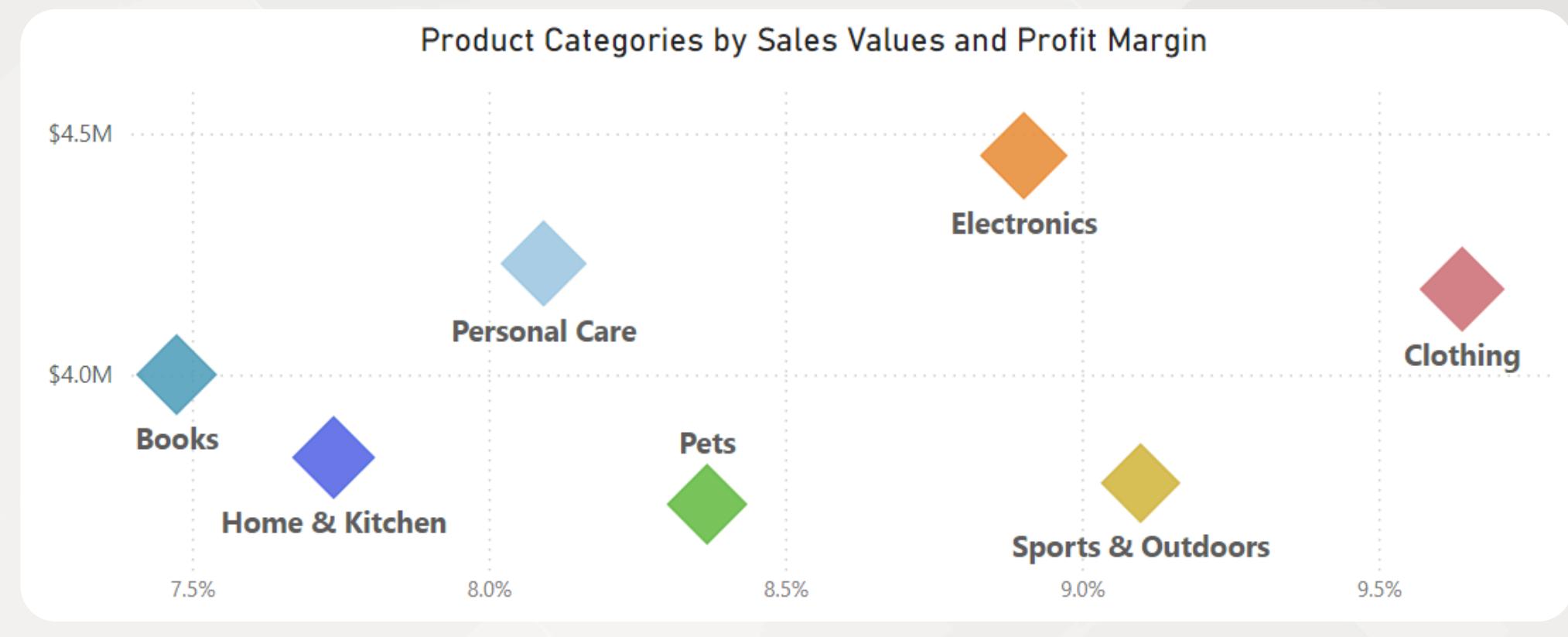
The main problem of Returned products comes from Logistics Department and Customer Service Department



- The percentage of customers returning products is alarmingly high (up to 27.35%)
- The Logistics department is responsible for up to 49.01% products returned (26.01% receiving wrong items and 23.08% late delivery)
- Return reason is also attributed to Customer Service department (23.44%) and the quality of products sent (20.88%)
- Returned product types are various, which indicates the problem in Procurement and Transportation

Products

Generally, Clothing, Personal care and Electronics products are growing steadily

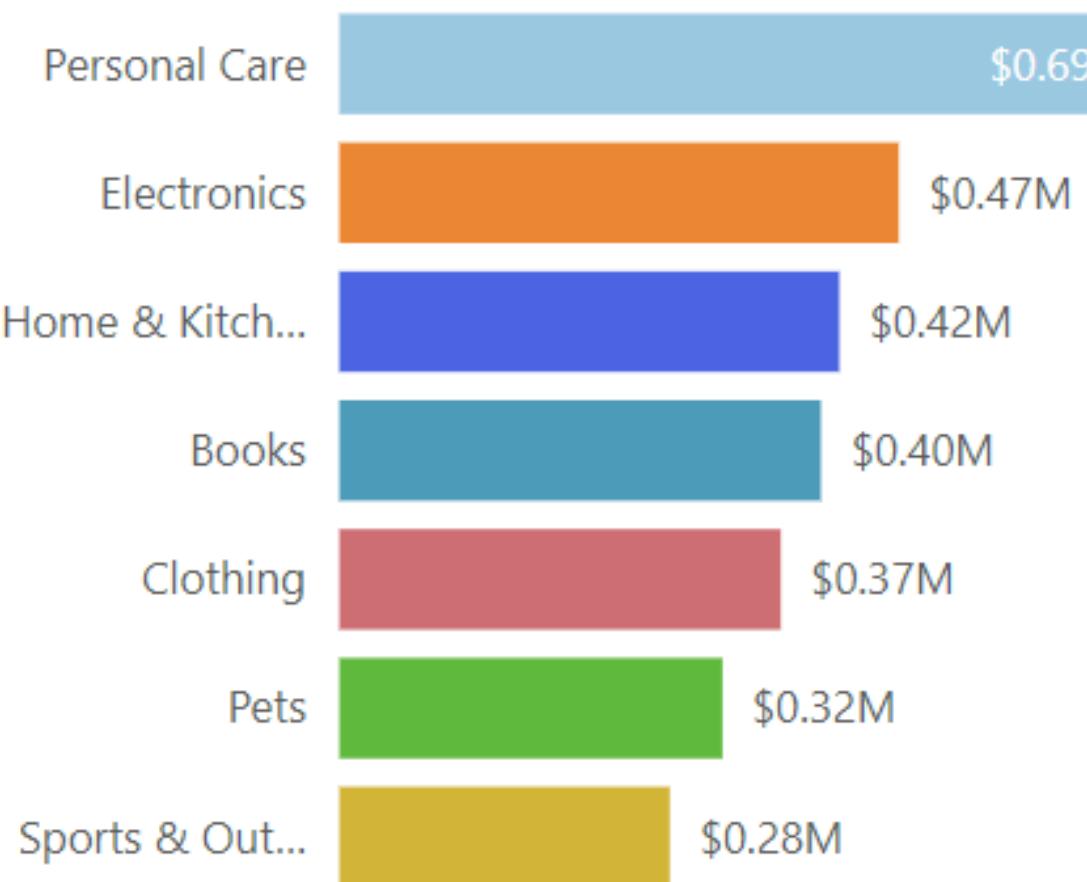


- Sports & Outdoors and Pets are decreasing probably due to unstatifsied customer with products and customer service
- Electronics, Clothing and Sports & Outdoor are product types provide the most profit and value, hence need more focus and product development

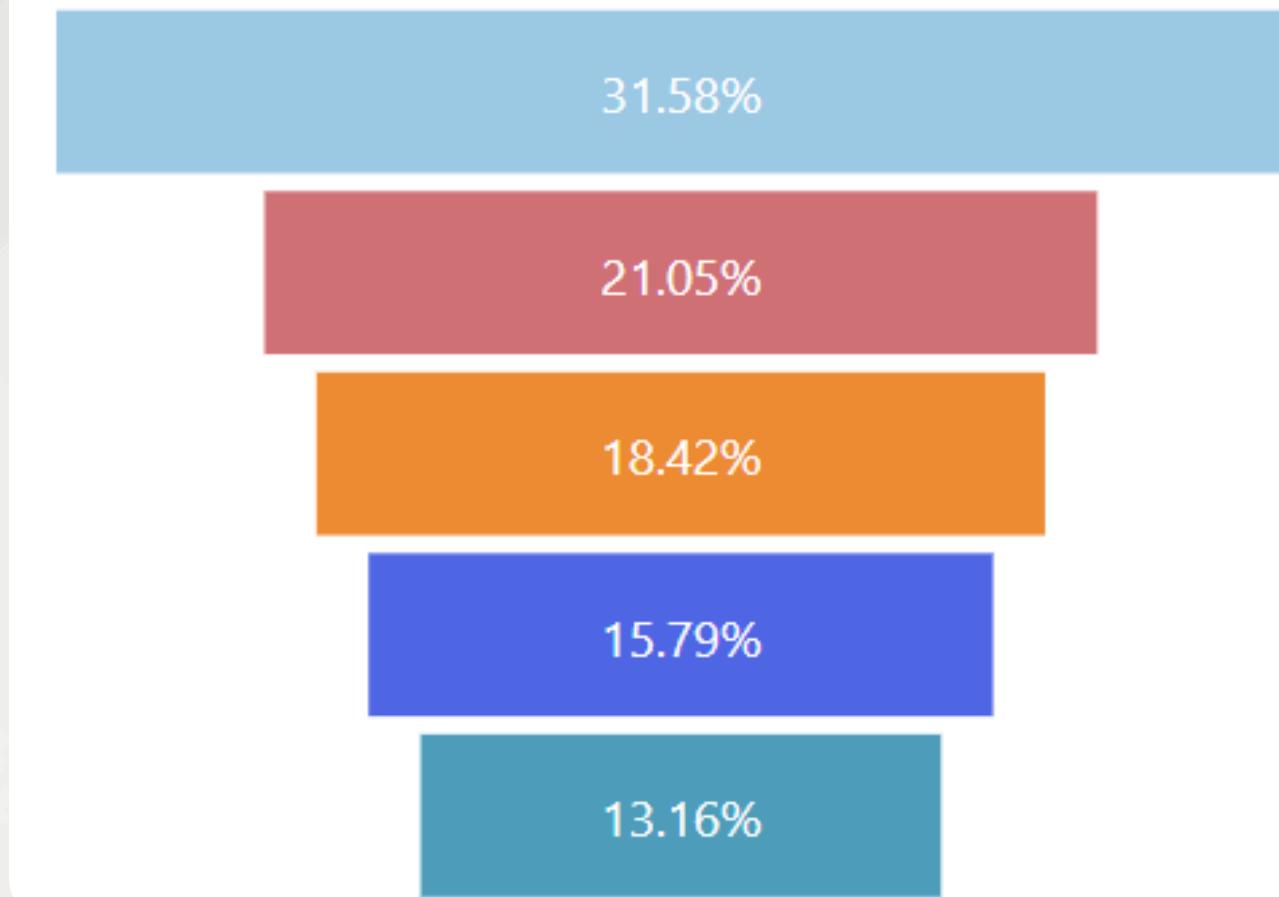
Products

Personal care, Clothing and Electronics are product types that need improvement the most

Total Sales Lost Each Product Category



Top 5 Worst Quality Product Category

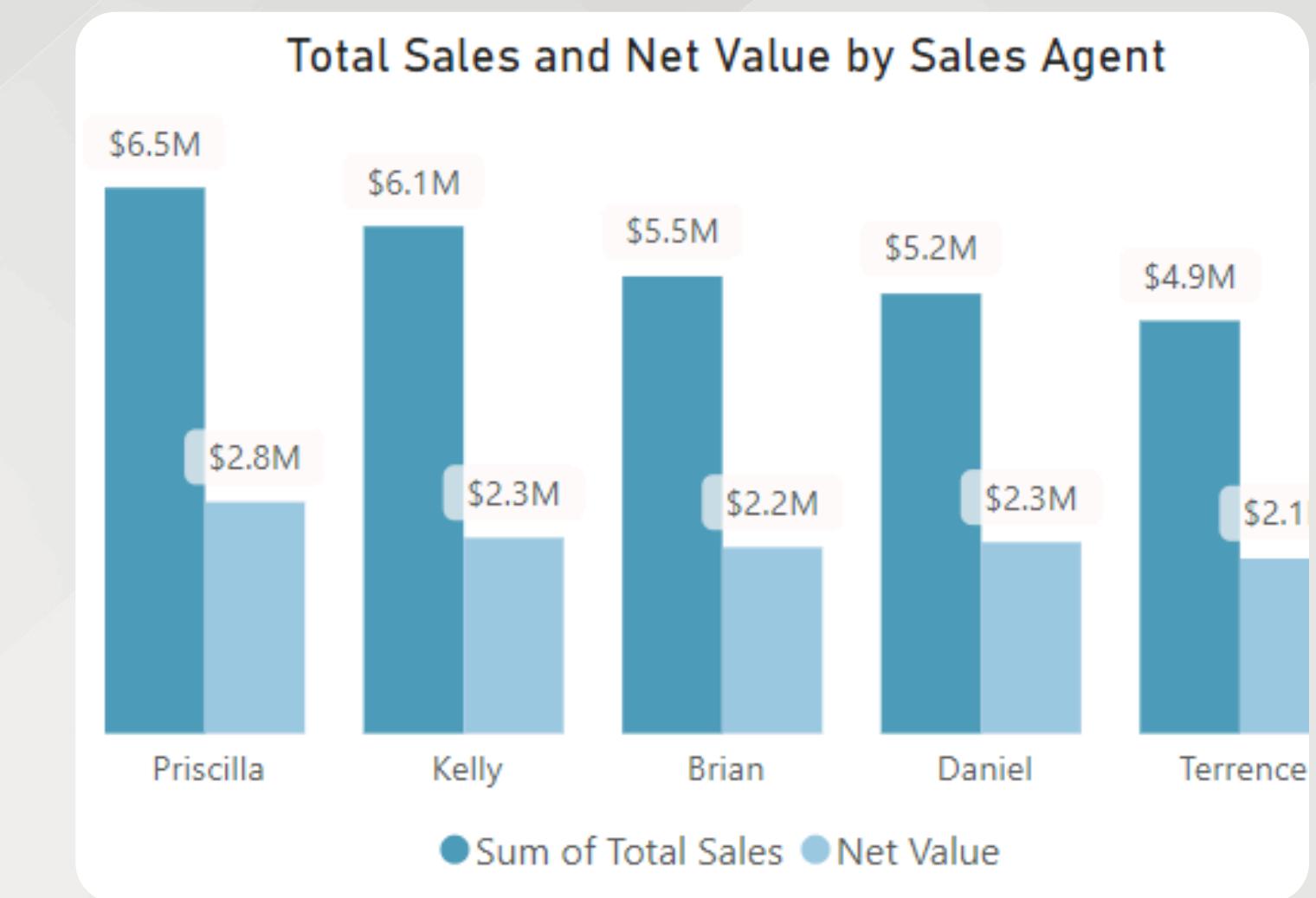
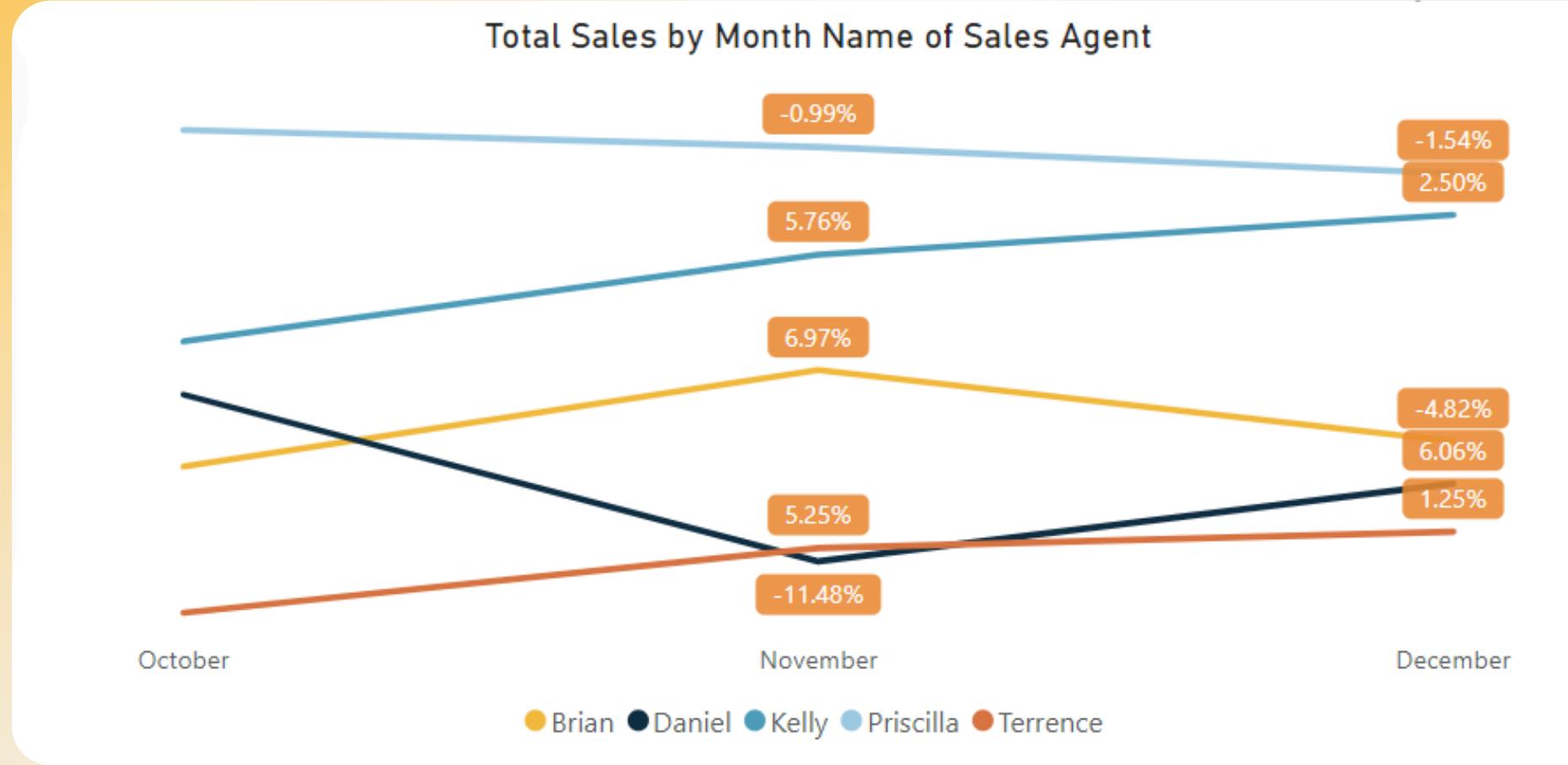


Sales lost represents Product returned in sales price, in this case, Future Retailer is facing huge problem with Customer Care with Personal Care and Electronics being the top Sales lost

Bad product quality is rated by returned reasons, this problem is most probably attributed to Procurement and Transportation process of the company

Sales agent

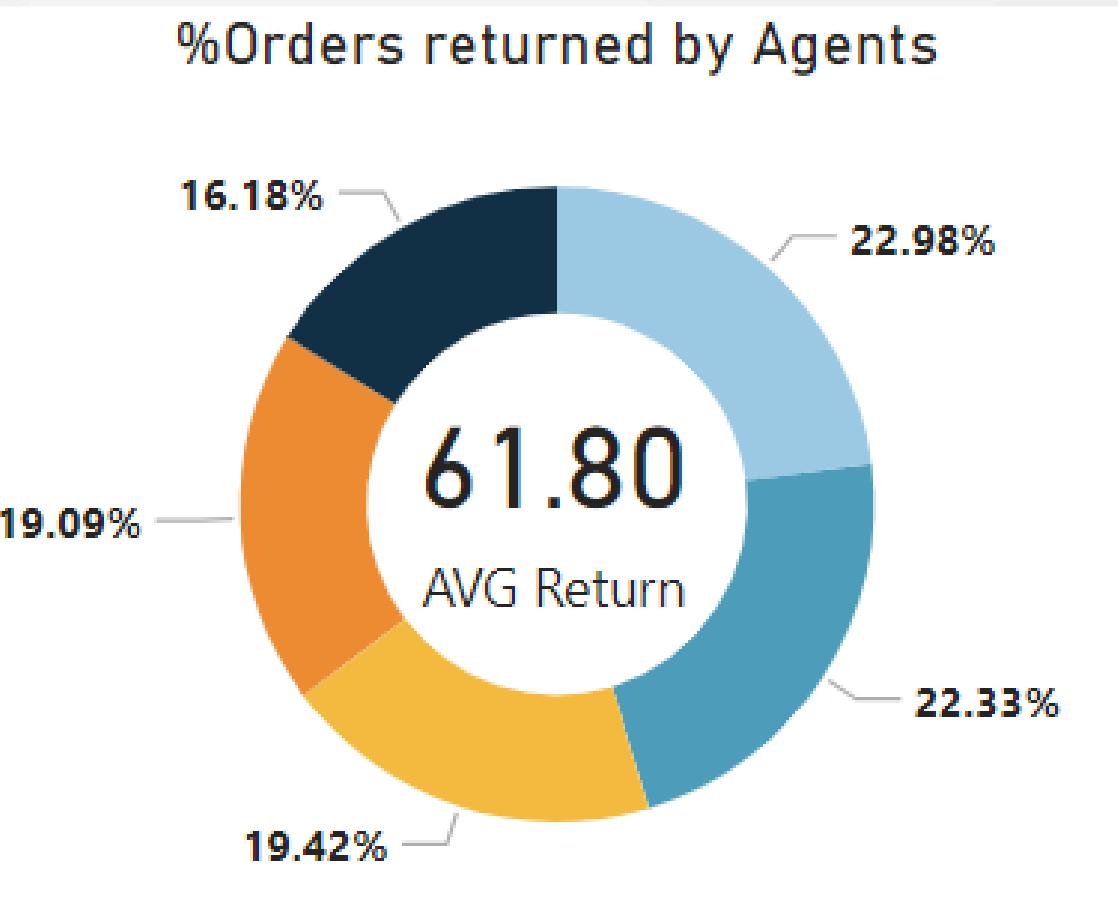
Pricilla and Kelly are two Sales agent that bring the most value to the company in the final quarter



- Generally, **Priscilla and Brian's** work performance had been down due to the overall trend of Future Retailer
- However, we also see the steady improvement of Kelly, Terrence, especially Daniel from November to December

Sales agent

- On average, the agents with most sales value comes with most returned orders.
- Except for Terrence whose orders returned is high with low net value



%Order Return By reason returned					
Sales Agent	Defective	Late Delivery	Quality Issue	Received Wrong Item	Unsatisfied
Brian	18.33%	23.33%	16.67%	35.00%	6.67%
Daniel	16.00%	28.00%	4.00%	20.00%	32.00%
Kelly	21.74%	14.49%	10.14%	26.09%	27.54%
Priscilla	16.90%	16.90%	22.54%	21.13%	22.54%
Terrence	22.03%	28.81%	15.25%	15.25%	18.64%

- With the focus on Sales agent, **Brian** was doing a good job in satisfying customers, but the rate of wrong item is noticeable.
- Sales agent with high work performance also came with high rate of unsatisfaction, this is due to the inability to manage too many customers.
- The rate of Receiving wrong item is also unusually high, this could possibly be attributed to both Logistics department and Sales agent.

Recommend

Strategy with Customers

With customer unsatisfaction mainly comes from Logistics department (receiving wrong item, late delivery). We should put more focus on the **connection between Sales agent and Logistics**, improving the **transportation process** to make sure the right products are delivered to customers on time.

Another thing to focus on is product quality, in this case, Future Retailer must focus on improving **products' quality and performance** (both in Procurement and Production).

Next year, Future Retailer also needs to work on Customer Service as seen from Customers' unsatisfaction in December 2022

Customers' feedback

Surveys and Reviews: Actively seek customer feedback through surveys and reviews to identify specific quality issues.

Set clear KPIs

Set clear KPIs for production, logistics department and sales agent helps the company work in the right direction and ensure performance of each individual.

Strategy with product

The quality of products in the **Personal Care and Clothing** categories is currently rated the worst, yet these categories have seen the best revenue growth. Therefore, strategies for the next year must focus on developing and improving the quality of products in these two categories to reduce returns and increase revenue.

Additionally, it is necessary to focus on developing key product categories like **Electronics**, as they are currently providing stable revenue and the best profitability for the business.

Recommend

Customer Feedback Loop

Surveys and Reviews: Actively seek customer feedback through surveys and reviews to identify specific quality issues.

Redesign and Innovation:

Invest in redesigning products based on customer feedback and market trends to address quality issues.

Marketing and Promotion

Develop targeted marketing campaigns to highlight the benefits and quality of electronic products like LA, AL, FL State

Strategy with Sales Agent

The main strategy to improve work performance of sales agent is providing proper training to understand customers, making sure each sales agent can manage different types of customers in the right way to retain sales and profit for the company.

Another strategy is to direct sales agent to the place they are most suitable with to reduce the number of errors made.

Recommend

KPIs

Setting clear KPIs to ensure every sales agent is on track and understanding which areas need the most improvement. Based on the average total sales per agent, we can calculate KPIs for the upcoming year.

Rewards and Promotions

Rewarding and potentially promoting successful sales agents such as Priscilla and Brian is an effective method to encourage them to further enhance their skills and productivity for the benefit of the company.

Message to Managers

The number one and most important factor affecting the company's sales and value is customer. So the best way to improve every aspect of Future Retailer is to always put **focus on customers** by listening to them, understanding what they need and make sure to provide the best service and quality possible.

The company should continue focusing on developing key sectors while also staying ahead of upcoming product trends. Additionally, it is essential to improve and upgrade product categories with high return rates due to quality issues to better serve customers. On the management side, it is important to set KPIs based on individual contributions and growth, reward agents to boost motivation, and regularly assess their performance.