Business Health & Growth Analysis Report (2020–2024)

Executive Summary:

Between 2020 and 2024, the company balanced growth, operational efficiency, and customer expectations across multiple regions, suppliers, and product categories. This report uses the data warehouse and dashboard to review both financial and operational performance, highlight key drivers of success, and identify areas where risks or inefficiencies may impact scaling efforts.

KPI Framework:

To make sure our analysis is both structured and actionable, we've grouped the key performance indicators (KPIs) into three areas that align with our business priorities:

- **Financial KPIs** – These measure how well the business is growing and sustaining profitability. We're looking at revenue growth percentages and overall profit margins to see if sales are not just increasing, but also generating healthy returns.
- **Operational KPIs** – These reflect how efficiently we run our supply chain day to day. They include inventory turnover (how quickly stock is moving), average supplier lead time, fulfillment rates, and warehouse utilization. Together, these show whether operations are supporting growth without driving up unnecessary costs.
- **Customer KPIs** – Finally, we track indicators tied directly to customer experience: the backorder rate and order accuracy percentage. This tells us whether customers are getting their orders on time and as expected, which directly affects satisfaction and loyalty.

Findings & Insights:

Revenue & Profitability

From 2020 to 2024, revenue has grown steadily year after year. Some product categories, particularly *Electronics* and *Consumer Goods*, have been standout performers driving much of this growth.

Margins overall remain healthy, but there are signs of pressure in areas where transportation costs are high compared to sales. This is especially visible in regions that struggle with longer supplier lead times.

When we break down sales by region, it is clear that growth has not been evenly spread. Certain regions are contributing more than their share, while others are falling behind. This raises questions about scalability and market balance.

Operational Efficiency

- **Inventory Management:** Inventory levels have been managed effectively for the most part. Most warehouses are operating at a utilization rate of around **43.97%**, which is within a healthy range. However, some product categories are building up more stock than expected, pointing to slower turnover and potential inefficiencies.

- **Transportation Costs:** Transport costs are heavily concentrated in just a handful of high-volume categories. While overall costs are rising, the encouraging part is that cost per unit shipped has remained stable, showing improvements in logistics efficiency.
- **Lead Time:** Supplier lead times have shown a slight improvement overall, but there is significant variation across categories. Some products are consistently delivered on time, while others face delays that directly affect fulfillment and customer satisfaction.

Customer Fulfillment & Reliability

- **Order Status:** Most orders over the five-year span were successfully fulfilled. However, there were still notable numbers of pending and canceled backorders (around 838 fulfilled, 248 pending, and 114 canceled). This shows a generally reliable system, but also highlights risks to customer experience.
- **Order Accuracy:** Accuracy has remained high, which supports trust and satisfaction. Still, there have been occasional dips that often align with spikes in backorders.
- **Backorders:** Backorders are not evenly distributed across the business. They are concentrated in certain regions and categories, which suggests supply and demand are misaligned in specific areas rather than across the board. Addressing supplier bottlenecks here could significantly reduce customer risk.

Overall Patterns

- Growth is strong and sustainable, but uneven across regions and products.
- Operations are efficient, though variability in lead times and concentrated transport costs present risks that need close attention.
- Customer fulfillment is reliable overall, but backorders and cancellations show there is still room to improve supply chain resilience.

Recommendations:

- **Where to Scale:** Focus expansion efforts on the product categories and regions that are consistently showing strong revenue growth and healthy margins. These areas have already proven their potential and can support sustainable growth if given additional resources.
- **Where to Invest:** Direct investments toward operations that deliver strong customer outcomes but are currently running near or at capacity. For example, warehouses with high utilization and reliable fulfillment could benefit from added capacity or technology upgrades to handle growing demand.
- **Where Corrective Action is Needed:** Pay close attention to categories and regions with persistent challenges, such as longer lead times, frequent fulfillment gaps, or higher-than-expected transportation costs. Addressing supplier performance issues and improving logistics in these areas will reduce risk and improve overall efficiency.

Conclusion:

The five-year review highlights clear opportunities for growth, along with a few operational risks that need attention. By linking financial performance with how efficiently we manage operations and how well we serve customers, leadership now has a clear picture of what is working and what needs improvement. With these insights, the company is better positioned to decide where to scale, where to invest, and where to take corrective action to ensure sustainable success.