Bike Store Sales Analysis

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TABLE OF CONTENTS

1. Executive Summary 2
2. Business Problem 2
3. Objective 2
4. Data Description 3
5. Methodology 4
   a. Data Cleaning 4
   b. Data Modeling 5
   c. Visualization Design 5
   d. Analysis and Insight Development 5
   e. Deployment and Optimization 5
6. Dashboard Overview 5
7. Insights & Analysis 6
   7.1. Sales and Revenue Trends 6
   7.2. Regional Sales Performance 6
   7.3. Product Performance Analysis 7
   7.4. Customer Segmentation 8
8. Business 9
9. Challenges and Lessons Learned 10
10. Conclusion 10

1. Executive Summary

The Bike Store Sales Analysis project provides the executive team with a consolidated view of sales, customer, and product performance through a dynamic Power BI dashboard.

Covering data from 2020 to 2022, the dashboard enables leadership to monitor key metrics—revenue, profit, order volumes, and return rates—across regions, products, and customer segments.
It identifies growth opportunities, highlights underperforming areas, and supports proactive decision-making on pricing, inventory, and customer targeting.

Key insights include:

- Concentration of revenue within a small segment of high-value customers
- High return rates within specific product categories impacting profitability
- Emerging regional markets contributing to accelerated revenue growth

By delivering real-time visibility into operational drivers, the solution equips leadership to prioritize initiatives that enhance sales performance, optimize product strategies, and strengthen customer retention.

2. Business Problem

The management team lacked a unified, real-time view of the company's sales performance across key dimensions—region, product line, and customer segment.

Specific challenges included:

- Limited visibility into regional sales trends, impacting market expansion strategies
- Insufficient insights into product-level profitability and return rates
- Difficulty identifying and prioritizing high-value customers
- Lack of dynamic tools to track KPIs and monitor operational performance proactively

As a result, business decisions related to inventory management, pricing strategies, and customer engagement were made with incomplete information, limiting the company's ability to optimize growth and operational efficiency.

The objective was to create an executive dashboard that addressed these gaps, enabling data-driven decision-making to drive revenue growth, reduce operational risk, and improve customer retention.

3. Objective

The primary objective was to design and deliver a dynamic Power BI dashboard that enables executive leadership to:

- Track and monitor key performance indicators (KPIs) across sales, profit, orders, and returns
- Analyze sales trends by region, product category, and customer segment
- Identify high-performing and underperforming products to inform pricing and inventory strategies
- Segment customers by revenue contribution to guide targeted retention and marketing initiatives
- Detect operational risks, such as high return rates, and surface early warning indicators
- Empower faster, data-driven decision-making through real-time, interactive reporting

The solution was required to be intuitive, scalable, and capable of providing both high-level overviews and detailed drilldowns, ensuring usability across strategic and operational stakeholders.

4. Data Description

The analysis was conducted using multiple datasets provided in CSV format, covering the company's operations from 2020 to 2022.

Data sources included:

- **Sales Transactions**: Order details including product ID, revenue, cost, quantity, and transaction dates.
- **Customer Information**: Customer IDs, income levels, occupations, and associated territories.
- **Product Catalog**: Product names, categories, subcategories, and pricing information.
- **Returns Data**: Records of returned products, including return reasons and associated revenue impacts.
- **Geographic Data**: Mapping of customers and sales transactions to regional and country-level geographies.

Each dataset was integrated into a unified star schema model, enabling efficient querying and scalable dashboard performance.

Key data attributes:

- Over **25,000** individual sales transactions
- Approximately **17,400** unique customer profiles
- Sales coverage across **6 countries** (including United States, Canada, Australia, Germany, France, and United Kingdom)
- Product catalog spanning **multiple categories** (Bikes, Accessories, Clothing)

Data preparation steps included:

- Standardizing product and region naming conventions
- Handling missing values in customer and transaction records
- Ensuring accurate date formatting for time series analysis

The datasets provided a comprehensive foundation to support regional, product-level, and customer segmentation analyses, and were suitable for developing both high-level executive summaries and detailed operational insights.

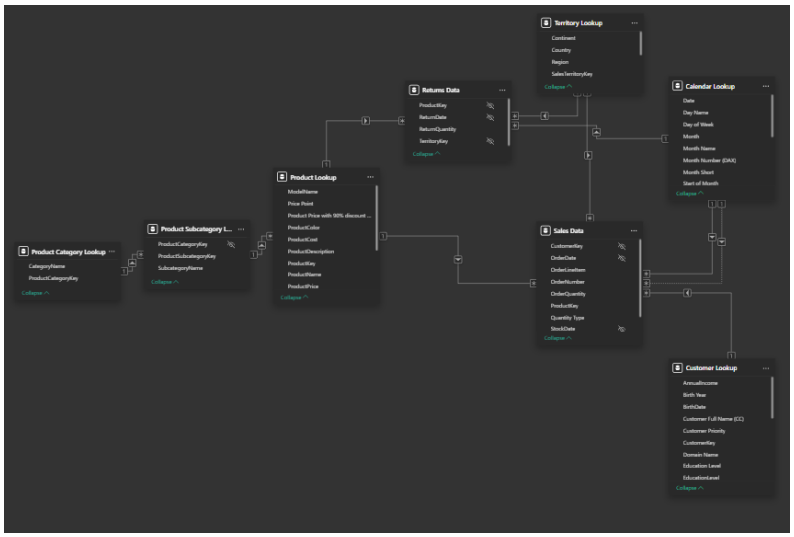

Figure 1. Data Star Schema model

OrderDate	StockDate	OrderNumber	ProductKey	CustomerKey	TerritoryKey	OrderLineItem	OrderQuantity	Quantity Type
7/5/2020	6/3/2020	SO46718	360	12570	9	1	1	Single Item
7/7/2020	4/22/2020	SO46736	360	12341	9	1	1	Single Item
7/12/2020	5/5/2020	SO46776	360	12356	9	1	1	Single Item
7/16/2020	6/22/2020	SO46808	360	12347	9	1	1	Single Item
7/18/2020	5/11/2020	SO46826	360	12575	9	1	1	Single Item
8/1/2020	4/21/2020	SO47075	360	12685	9	1	1	Single Item
8/4/2020	5/1/2020	SO47098	360	12667	9	1	1	Single Item
8/10/2020	4/21/2020	SO47149	360	12669	9	1	1	Single Item
8/17/2020	6/4/2020	SO47212	360	12580	9	1	1	Single Item
8/26/2020	6/29/2020	SO47302	360	12670	9	1	1	Single Item
8/29/2020	8/12/2020	SO47328	360	12681	9	1	1	Single Item
8/31/2020	8/13/2020	SO47346	360	12585	9	1	1	Single Item
10/2/2020	6/12/2020	SO47744	360	12989	9	1	1	Single Item
10/2/2020	7/28/2020	SO47745	360	12998	9	1	1	Single Item
10/3/2020	8/22/2020	SO47753	360	13020	9	1	1	Single Item

Figure 2. Sales Data

CustomerKey	Prefix	FirstName	LastName	BirthDate	MaritalStatus	Gender	EmailAddress	AnnualIncome	TotalChildren	EducationLevel	Occupation	HomeOwner	Full Name	Domain Nam
11009	Mr.	Shannon	Carlson	Wednesday, April 1, 1964	S	M	shannon38@adventure-works.com	70000	0	Bachelors	Professional	N	Mr. Shannon Carlson	Adventure W
11106	Mr.	Jessie	Liu	Friday, September 11, 1964	S	M	jessie9@adventure-works.com	70000	0	Bachelors	Professional	N	Mr. Jessie Liu	Adventure W
11109	Mr.	Ruben	Kapoor	Tuesday, November 5, 1963	S	M	ruben1@adventure-works.com	70000	0	Bachelors	Professional	N	Mr. Ruben Kapoor	Adventure W
11451	Mr.	Ruben	Muñoz	Saturday, November 9, 1974	S	M	ruben30@adventure-works.com	70000	0	Bachelors	Professional	N	Mr. Ruben Muñoz	Adventure W
11916	Mr.	Joe	Rana	Tuesday, September 7, 1965	S	M	joe14@adventure-works.com	70000	0	Bachelors	Professional	N	Mr. Joe Rana	Adventure W
12004	Mr.	Jarrod	Suri	Friday, December 20, 1963	S	M	jarrod0@adventure-works.com	70000	0	Bachelors	Professional	N	Mr. Jarrod Suri	Adventure W
12337	Mr.	Dustin	Goldstein	Thursday, October 9, 1975	S	M	dustin20@adventure-works.com	70000	0	Bachelors	Professional	N	Mr. Dustin Goldstein	Adventure W
12339	Mr.	Clayton	Jai	Thursday, July 8, 1976	S	M	clayton29@adventure-works.com	70000	0	Bachelors	Professional	N	Mr. Clayton Jai	Adventure W
12669	Mr.	Irving	Schmidt	Thursday, March 4, 1976	S	M	irving0@adventure-works.com	70000	0	Bachelors	Professional	N	Mr. Irving Schmidt	Adventure W
12671	Mr.	Alan	Huang	Monday, February 11, 1974	S	M	alan10@adventure-works.com	70000	0	Bachelors	Professional	N	Mr. Alan Huang	Adventure W

Figure 3. Customer Lookup Data

ReturnDate	TerritoryKey	ProductKey	ReturnQuantity
1/18/2020	9	312	1
2/19/2020	9	311	1
3/13/2020	9	350	1
3/15/2020	9	340	1
3/28/2020	9	314	1
3/29/2020	9	311	1
4/7/2020	9	311	1
4/7/2020	9	351	1
4/9/2020	9	311	1

Figure 4. Product Returns Data

5. Methodology

The development of the dashboard followed a structured, five-phase methodology:

a. Data Cleaning

- Removed duplicate records and standardized inconsistent product and region names.
- Addressed missing values in customer profiles and transaction data.
- Formatted date fields to support accurate time series analysis.

b. Data Modeling

- Integrated datasets using a star schema structure.
- Established one-to-many relationships between fact tables (Sales, Returns) and dimension tables (Products, Customers, Geography).
- Created calculated fields and measures to support advanced KPIs (e.g., Profit Margin %, Return Rate %).

c. Visualization Design

- Developed a user-centered dashboard layout prioritizing executive KPIs.
- Implemented slicers, drillthroughs, and tooltips for enhanced interactivity.
- Designed responsive layouts for optimal experience across desktop and mobile devices.

d. Analysis and Insight Development

- Conducted exploratory data analysis (EDA) to surface hidden trends and performance drivers.
- Built specialized visuals (Decomposition Tree, Key Influencers) to uncover root causes and predictive drivers.

e. Deployment and Optimization

- Optimized data model performance by minimizing high-cardinality fields and reducing unnecessary data columns.
- Conducted user testing to validate dashboard usability and insight clarity.
- Prepared documentation and guidelines to facilitate adoption by non-technical stakeholders.

Figure 5. EDA Process

6. Dashboard Overview

The dashboard is organized into seven interactive pages, each designed to address specific executive information needs.

Table 1.Dashboard Pages Overview

Page	Purpose
Executive Dashboard	High-level summary of total revenue, profit, order volumes, return rates, and product performance trends. Provides an immediate overview of business health.
Map	Geographic distribution of sales performance across countries and regions. Enables identification of high-performing and underperforming markets.
Product Detail	In-depth analysis of individual product performance, including orders, revenue, profit, and returns. Includes a price adjustment simulator to forecast profitability impacts.
Customer Detail	Customer segmentation analysis based on demographics, occupation, and revenue contribution. Identifies high-value customer groups for targeted marketing.
Category Tooltip	Dynamic mini-report providing real-time category-level insights triggered on hover actions, enhancing user experience without navigating away from main pages.

Decomposition Tree	Root cause analysis of total order volume by drilling down through product categories, subcategories, and individual products.
Key Influencers	Driver analysis to uncover factors most influencing average retail price, supporting pricing and cost management strategies.

7. Insights & Analysis

The dashboard surfaced several key business insights across customers, products, and regions, providing actionable intelligence to support strategic initiatives.

7.1. Sales and Revenue Trends

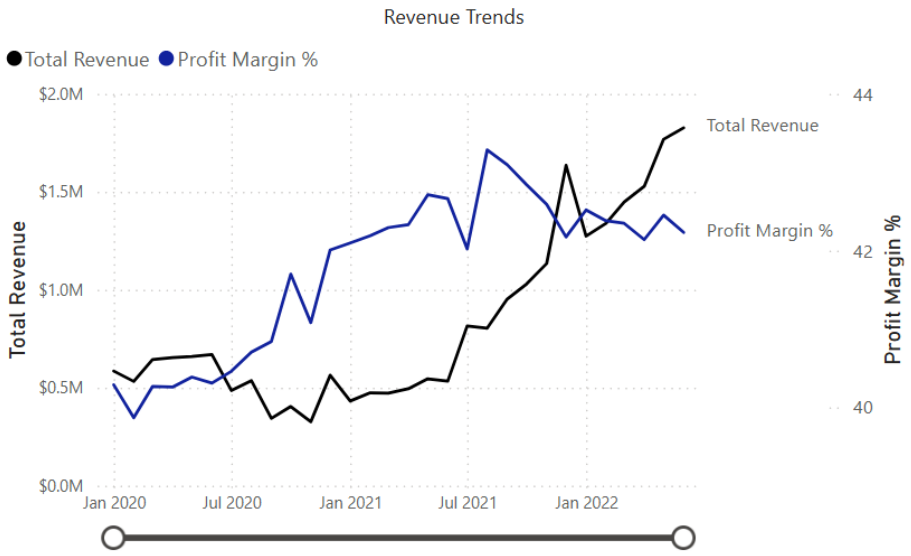

Figure 6. Revenue & Profit Margin Chart

- **Total Revenue** reached $24.9M between 2020 and 2022, with a significant upward trend beginning mid-2021, indicating strong post-pandemic market recovery.
- **Profit margins** remained stable at approximately 42% across the period, suggesting effective cost management relative to revenue growth.
- **Seasonality observed**: Peak order volumes consistently occurred between March and June, highlighting opportunities for seasonal marketing campaigns.

Business Implication: Invest in targeted marketing and inventory ramp-up during seasonal peaks to maximize revenue capture.

7.2. Regional Sales Performance

- United States contributed approximately 32% of total revenue, maintaining its position as the company's largest single market.
- Australia closely followed, contributing 30% of total revenue, indicating strong sales traction in the Pacific region.

- Germany, United Kingdom, France, and Canada each contributed between 7% and 12% individually, highlighting their roles as secondary but growing markets.
- Combined, the United States and Australia accounted for over 60% of total revenue, underscoring the importance of sustaining growth initiatives in these two markets.

Business Implication: Focus expansion and retention strategies in the U.S. and Australia, while continuing to nurture emerging markets in Europe and Canada to diversify revenue sources and reduce geographic concentration risk.

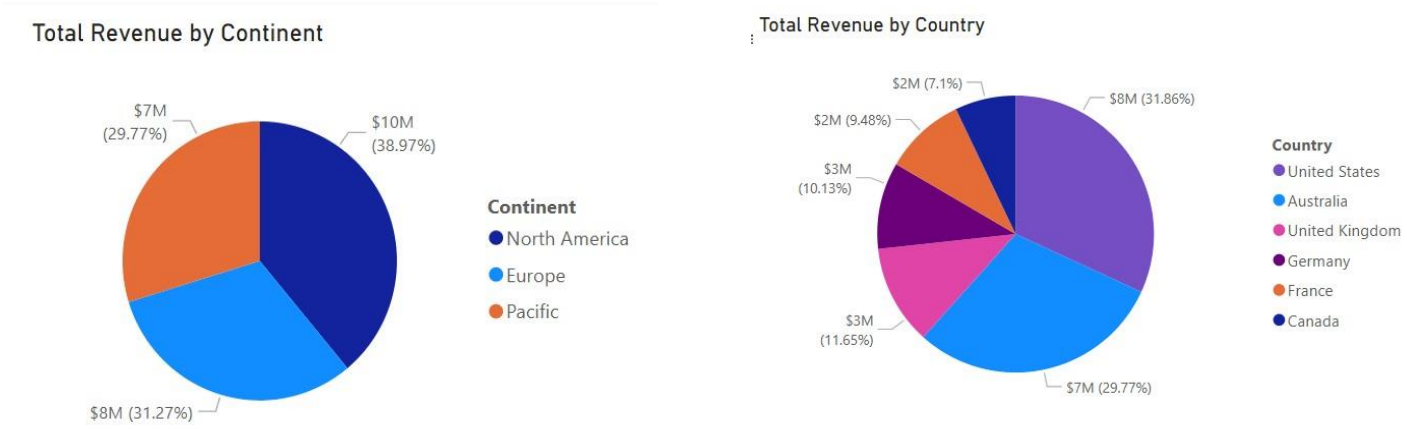

Figure 7. Regional Revenue

7.3. Product Performance Analysis

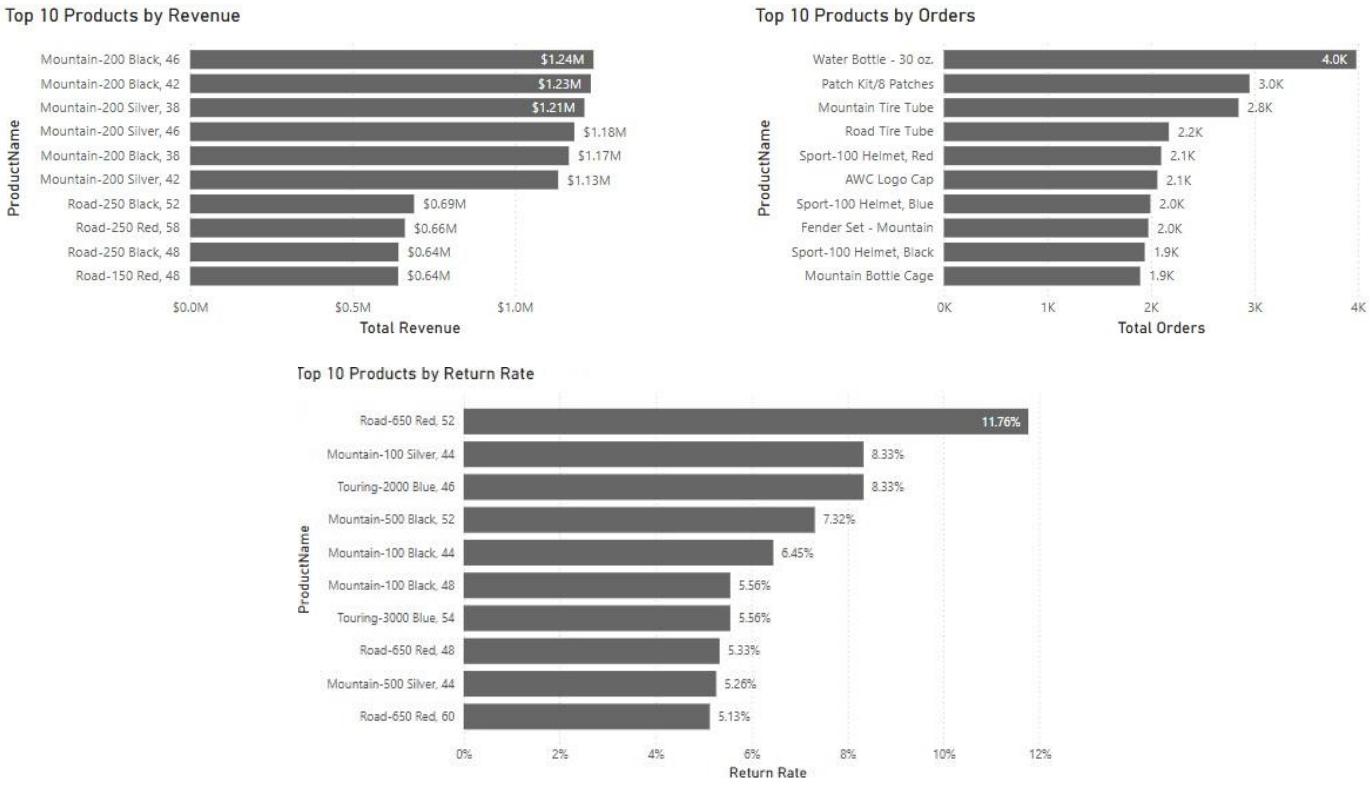

Figure 8. Top 10 Products by Revenue, Orders, & Return Rate

- Accessories such as water bottles, tubes, and patch kits drove the highest order volumes, led by the Water Bottle – 30 oz. with approximately 4,000 units sold.
- Premium bikes, especially the Mountain-200 series, dominated revenue generation, with individual models contributing between $1.17M and $1.24M each in total sales.
- High-priced bikes and touring models exhibited significantly higher return rates, with the Road-650 Red, 52 product reaching a return rate of 11.76%, and several Mountain and Touring models recording return rates above 8%.
- Helmet products such as the Sport-100 series (Red, Blue, Black) also recorded elevated return rates ranging between 2.7% and 3.3%, compared to other product categories.
- Accessories, by contrast, maintained low return rates (mostly between 1% and 2%), making them stable volume drivers with minimal operational risk.

Business Implications:

- **Volume Strategy**: Expand the range of accessories and low-ticket products to drive transaction volume and maintain a stable cash flow.
- **Premium Strategy:** Focus on improving product quality assurance, customer education (e.g., sizing guides), and post-purchase support for premium bikes to minimize costly returns.
- **Risk Management:** Prioritize investigation into high-return products, especially high-revenue contributors, to protect profitability margins.

7.4. Customer Segmentation

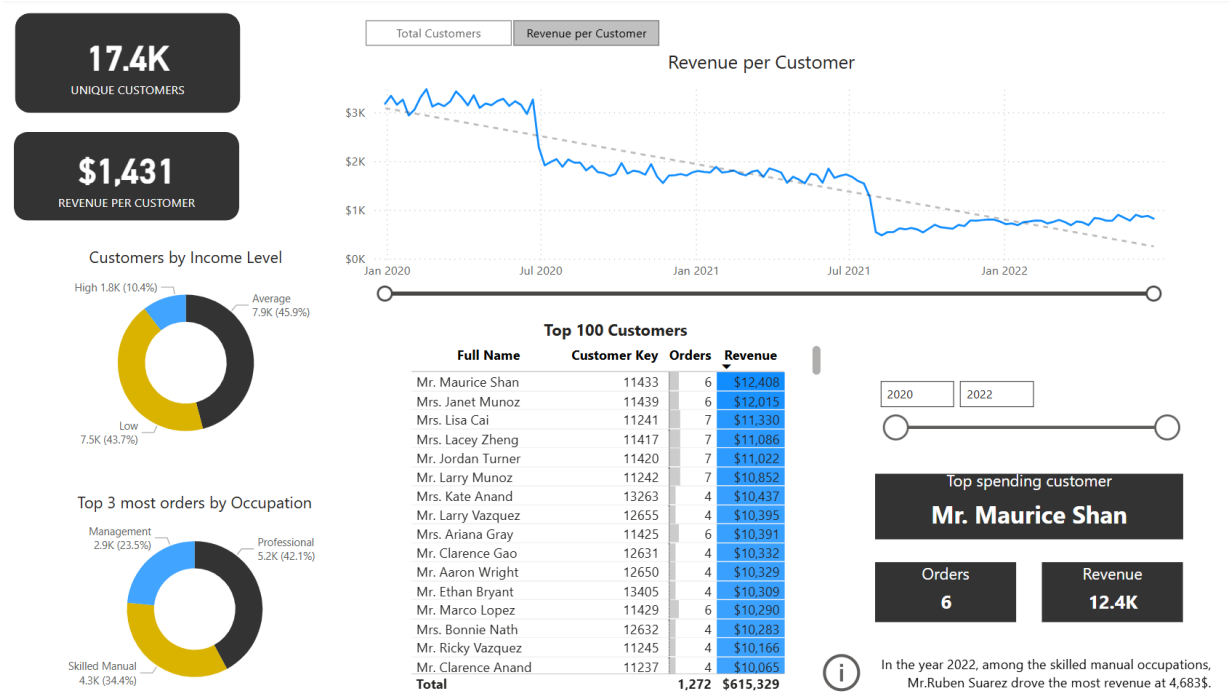

Figure 9. Customer Dashboard

Customer analysis highlighted clear patterns across income, occupation, and revenue concentration:

- **Income**: Approximately 45.9% of customers are average-income, 43.7% low-income, and 10.4% high-income, indicating strong middle-market presence with growth potential among higher-income segments.

- **Occupation**: Professionals and Skilled Manual workers account for over 76% of orders, aligning with product-market fit for performance-driven customers.
- **Revenue per Customer**: Average revenue per customer was $1,431, with a slight declining trend year-over-year, underscoring the need for upselling and retention strategies.
- **Revenue Concentration**: The top 100 customers generated over $615,000 in revenue, confirming a Pareto-like distribution where a small segment drives significant business value.

Business Implications:

- **Customer Loyalty and Retention**: Given the disproportionate impact of top customers on overall revenue, targeted loyalty programs, personalized offers, and VIP-tier engagement strategies should be prioritized to retain and expand high-value relationships.
- **Revenue Growth Through Upselling**: Address the decline in revenue per customer by introducing upselling tactics such as product bundles, extended warranties, premium accessory offers, and targeted promotions tailored to professional and skilled manual customers.
- **Expansion into High-Income Segments**: Current penetration in the high-income segment remains low. Focused marketing initiatives, premium product positioning, and enhanced customer experiences can help capture greater share within this valuable demographic.
- **Risk Mitigation**: Proactively monitor customer churn risks, especially among mid-to-high value segments, to maintain revenue stability and reduce dependency on a narrow base of top spenders.

8. Business Value

The development and deployment of the Bike Store Sales Dashboard delivered significant business value by transforming fragmented sales and customer data into actionable insights.

The solution enhanced executive visibility over core KPIs, identified high-growth regional markets, optimized product portfolio strategies, surfaced high-value customer segments, and reduced operational risks related to product returns. Furthermore, it fostered a data-driven culture by enabling non-technical stakeholders to independently explore sales, customer, and operational trends.

Table 2. Summary of value delivered

Business Area	Value Delivered
Executive Visibility	Real-time KPI tracking (revenue, profit, orders, returns)
Market Opportunities	Identification of high-growth regions
Product Strategy	Insights on top-performing and high-return products
Customer Segmentation	High-value customer groups identified
Risk Mitigation	Early detection of products with elevated return rates
Analytics Culture Enablement	Deployment of self-service, interactive dashboards

9. Challenges and Lessons Learned

The development of the Bike Store Sales Dashboard provided several opportunities for professional growth, particularly in addressing real-world data challenges and stakeholder-driven reporting requirements.

Key Challenges Encountered

- **Data Quality and Consistency**: Initial datasets contained inconsistencies such as missing customer attributes, duplicated transaction records, and formatting errors that required extensive cleaning and validation.
- **Data Modeling Complexity**: Integrating multiple datasets (Sales, Customers, Geography, Products) into a coherent star schema structure demanded careful relationship management to ensure data accuracy across visualizations.
- **Insight Prioritization**: Balancing depth of analysis with dashboard usability posed challenges, requiring strategic selection of the most business-relevant KPIs and drill-through paths.
- **Return Rate Interpretation**: Identifying and interpreting high-return product patterns necessitated deeper analysis beyond surface-level metrics to isolate operational or customer experience issues.
- **Performance Optimization**: Managing report performance in Power BI, particularly with large datasets and interactive visuals like decomposition trees and key influencer charts, required iterative optimization efforts.

Lessons Learned

- **Data Cleaning is Foundational**: Comprehensive data cleaning and preprocessing is non-negotiable for building trustworthy analytics solutions.
- **Business-First Thinking Enhances Impact**: Structuring dashboards and visual narratives around stakeholder priorities (executive KPIs, market trends, customer segmentation) drives far greater adoption and strategic value.
- **Simplicity Outperforms Complexity**: Focused, intuitive dashboards that highlight key insights outperform overly complex reports filled with redundant or secondary information.
- **Iterative Refinement is Critical**: Effective dashboard development requires multiple iterations, incorporating testing, stakeholder feedback, and ongoing performance tuning.
- **Strategic Visualization Choices Matter**: Visuals like decomposition trees, key influencers, and interactive tooltips add powerful depth — but must be deployed selectively to maintain clarity and usability.

10. Conclusion

The Bike Store Sales Dashboard project successfully transformed raw sales and customer data into a strategic analytics platform that enables data-driven decision-making across product, customer, and regional dimensions. Through the development of targeted KPIs, insightful visualizations, and advanced analytical tools, the solution provided executives with a comprehensive, real-time view of business performance while surfacing new growth opportunities and operational improvement areas.

The project demonstrated the value of a business-first approach to data analytics — focusing on actionable insights, user-centric design, and strategic impact — and established a scalable foundation for future enhancements, including predictive analytics, customer lifetime value modeling, and regional expansion analysis. By delivering tangible business value while continuously refining technical and analytical skills, this project marks a significant milestone in the development of professional-grade data visualization and storytelling capabilities.