

Wholesale Apparel Profitability Analysis (FY 2024–25)

1. Objective

The objective of this analysis is to understand **what drives profitability** in a wholesale apparel business over a full fiscal year (April–March) and to provide **data-driven recommendations** for improving business performance.

This study moves beyond revenue reporting to identify **profitable products, customers, cities, and regions**, enabling better strategic decision-making.

2. Business Problem

Despite consistent sales volumes, the business experienced **uncertainty around profit performance**. Key questions included:

- Which products actually generate profit?
- Which customers contribute most to profitability?
- Are profits concentrated in specific regions or cities?
- Is margin instability driven by demand or pricing/mix issues?

3. Data Overview

Data Scope:

- Fiscal Year: April 2024 – March 2025
- Records: ~650 wholesale transactions

Key Fields Used:

- Company Name
- Product Category (Formal, Cotton, Jeans, Linen, RFD)
- Month (Fiscal Year)
- State & City
- Quantity Sold
- Average Cost Price
- Average Sale Price
- Total Purchase (Revenue)
- Payment Cycle

The dataset includes transactions from Gujarat and select non-Gujarat states to enable regional comparison.

4. Methodology

4.1 Data Modeling

- Loaded transactional data into Power BI
- Created a separate Month Dimension table to ensure correct fiscal month ordering
- Established a one-to-many relationship between the Month Dimension and the fact table

4.2 Measures Created

- Total Revenue
- Total Cost
- Gross Profit
- Gross Margin %

All profitability metrics were created as **measures** to ensure dynamic behavior with filters and slicers.

5. Dashboard Structure

The dashboard was designed for **executive-level consumption**, focusing on clarity and decision relevance.

5.1 KPI Cards

- Total Revenue
- Total Cost
- Gross Profit
- Gross Margin %

5.2 Core Visuals

- Monthly Gross Profit Trend (Fiscal Year)
- Profit Contribution by Product
- Profit Contribution by State
- Top 10 Customers by Gross Profit

Interactive slicers were added for Month, Product, and State to enable drill-down analysis.

6. Key Insights

1. Gujarat contributes the majority of total profit.
2. Gross margins remain stable at approximately 26% across the fiscal year.
3. Formal pants are the highest profit-contributing product category.
4. Ahmedabad is the top profit-generating city.
5. A small group of customers drives a disproportionate share of total profit.
6. High revenue does not always correlate with high profitability.

7. Business Interpretation

The analysis indicates that **profitability is driven more by product mix, customer quality, and pricing discipline** rather than overall sales volume. Stable margins suggest consistent pricing, while profit concentration highlights dependency risks on specific regions and customers.

8. Recommendations

- Prioritize high-margin products such as Formal and Linen categories.
- Focus retention and negotiation efforts on top profit-contributing customers.
- Re-evaluate pricing and discounting strategies for high-volume, low-margin accounts.
- Reduce regional concentration risk by expanding into higher-margin non-Gujarat markets.

9. Tools Used

- Microsoft Excel (data preparation)
- Power BI (data modeling, analysis, and visualization)

10. Conclusion

This project demonstrates a structured Business Analyst approach—starting from an ambiguous business problem, translating it into analytical questions, and delivering **clear, actionable insights**. The outcome supports informed decision-making focused on sustainable profitability rather than volume-driven growth.

Dashboard Snapshot

