

Intro	Exploratory Analysis and Linear Regression	Current State	Regional Analysis	Conclusion
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Adidas US Sales Analysis



Objective:

Adidas AG is a German multinational corporation that designs and manufactures shoes, clothing and accessories. It is the largest sportswear manufacturer in Europe and the second largest in the world, after Nike.

To compete with Nike, a US brand, Adidas management would like to analyze their current sales data in the US and see how they could improve their performance.

The objective is to use the available sales data to provide strategic insights on how to maximize the operating profit of Adidas revenue.

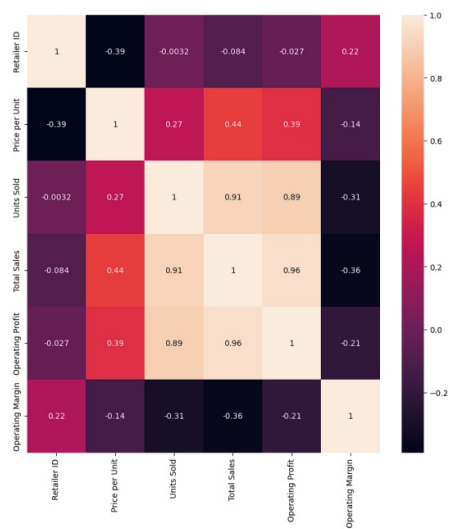
Data Source:

<https://www.kaggle.com/datasets/heemalichaudhari/adidas-sales-dataset?select=Adidas+US+Sales+Datasets.xlsx>

Questions to explore:

- Which products generate most revenue and profit?
- Which retailers generate most revenue in each region/state?
- What sales method is most preferred?

Exploratory Analysis and Linear Regression



Seeing that the scatterplot indicates a strong positive relationship between the two variables, we can assume that with increases Total Sales, the Operating Profit will increase as well.



For the sake of the initial exploratory analysis, we searched for possible linear relationships between variables.

As can be seen in the correlation matrix above, there is a strong correlation between Total Sales and Operating Profit.

We have therefore plotted both variables on the chart on the right and we can see a positive trend line between them.

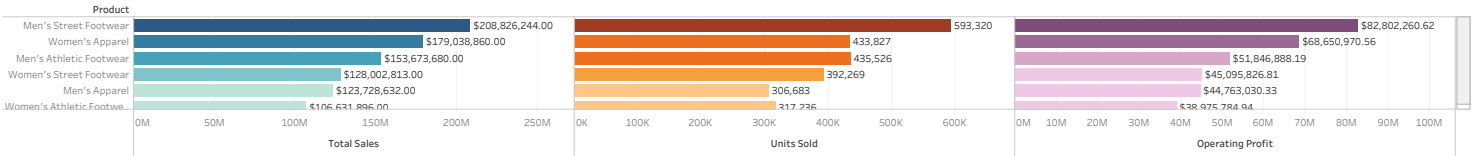
Adidas Analysis

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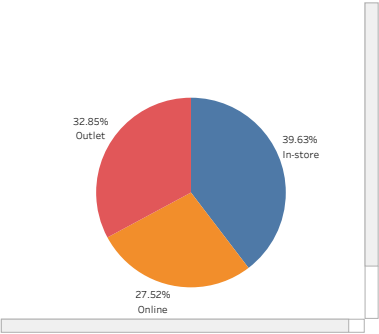
The best-selling and most profitable Adidas product category is Men’s Street Footwear.

Performance per Product

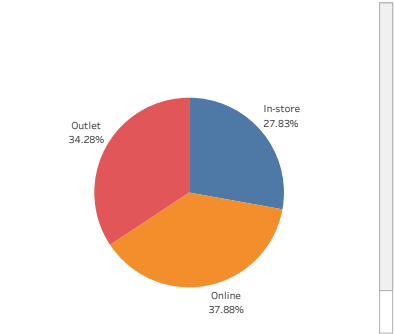


Sales Performance based on the Sales Method

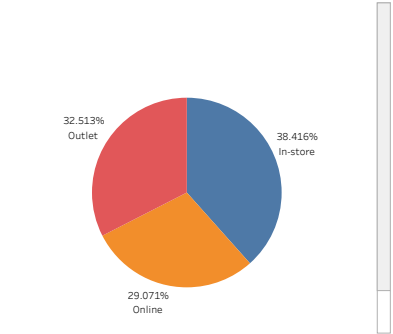
Total Sales per Sales Method



Units Sold Per Sales Method



Operating Profit per Sales Method

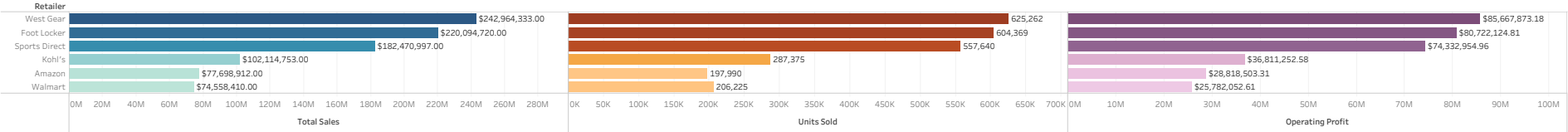


While online sales accounted for most units sold, in-store sales had the highest number of total sales and generated most profit.

Out of all the retailers that sell Adidas products, West Gear had the highest number of units sold, total sales and operating profit.

To see what attributes to their performance, we have to look at the next slide...

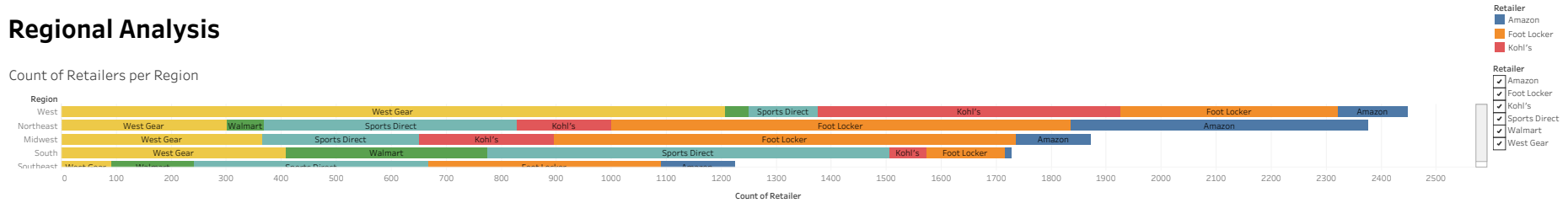
Performance per Retailer



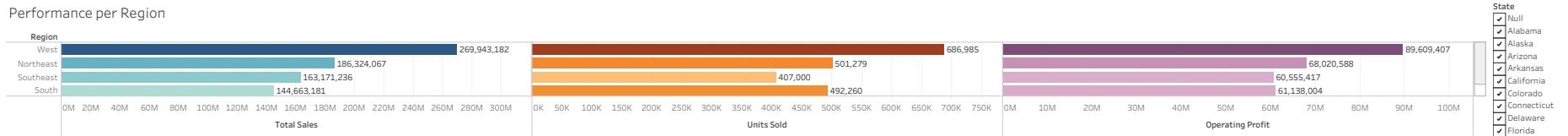
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Regional Analysis

Count of Retailers per Region

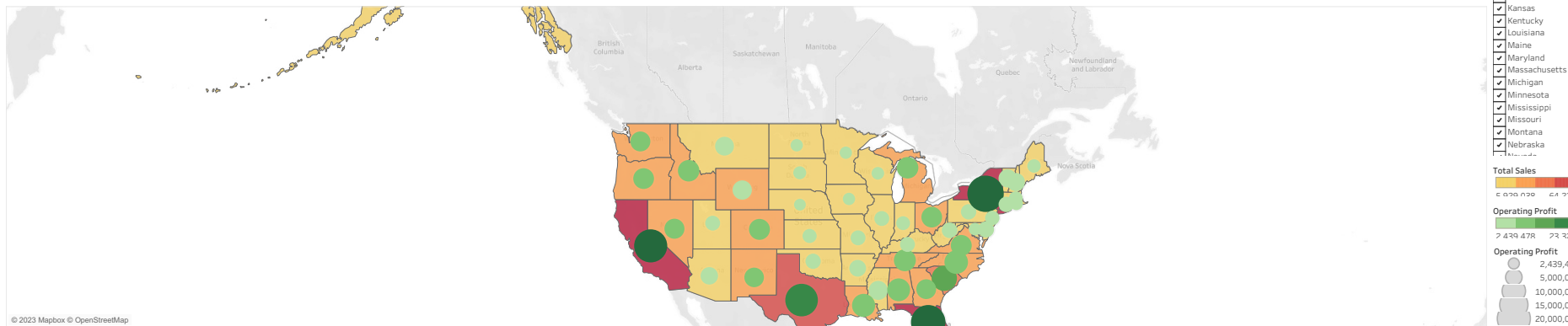


Performance per Region



Out of all regions, West generates the most in total sales, units sold and operating profit. One of the best performing state is California with over \$60 mil in sales.

Also, as shown above, West Gear has the most retail stores in the West and is also present in the rest of the country.



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Conclusion



Answering the initial business questions:

Which product categories generate most revenue and profit?

- The product category that generated the most revenue and profit is Men's Street Footwear. Closely followed by Women's Apparel and Men's Athletic Footwear.

Which retailers generate most revenue?

- The highest performing retailer is West Gear, closely followed by Foot Locker. Third is Sports Direct.

What sales method is most preferred?

- For customers, purchasing Adidas products online was the most preferred sale method. However, based on the generated revenue and profit, in-store and outlet sales were higher.

What factors affect the Operating Profit?

- Based on the analysis, number of Units Sold and Total Sales are the factors that affect the Operating Profit the most.

How can we maximize the Operating Profit?

- The Operating Profit is positively correlated to Total Sales and Units Sold. Therefore, pushing for these two KPIs will result in higher Operating Profit.