<u>Apple Sales & Warranty Analysis – Key</u> <u>Insights Report</u>

1. Sales Performance & Revenue Trends

• Total Revenue: Apple's total sales revenue is driven by Smartphones (\$434.96M), Laptops (\$306.07M), and Tablets (\$102.97M), confirming that iPhones remain the highest-selling product category.

• Top Revenue-Contributing Products:

- iPhone models consistently rank among the best-performing products across stores.
- o Stores ST-1, ST-2, and ST-3 generate the highest revenues from iPhone sales.
- Revenue Lost Due to Warranty Void Claims: A total of \$4.26M was lost due to warranty void claims, emphasizing the need for better warranty compliance and customer education.

2. Store & Regional Performance

- Top 3 Performing Stores (Revenue-Based): Certain stores contribute significantly more to revenue, while 6.85% of stores have had no sales in the last year, indicating a churn risk.
- Churn Rate of 6.85%: This percentage represents stores that have not recorded sales in the past year. Apple may need to investigate store-specific issues such as declining foot traffic, inventory management, or demand shifts.

3. Product Performance & Customer Behavior

- Average Time Between Sales & Warranty Claims:
 - iPhones and iPads show a claim window of around 125–260 days, meaning most warranty claims happen within 4–9 months of purchase.
 - The latest iPhone models (iPhone 15 series) have the shortest average claim time (~101 days), potentially indicating early manufacturing issues or customer misuse.

• Best-Selling Products in Each Store:

- The iPhone series dominates store sales, with some MacBooks and AirPods models performing well in selected regions.
- Product demand varies across stores, suggesting regional variations in purchasing behavior.

4. Customer Service & Warranty Trends

Warranty Claim Trends:

- The iPhone X, XR, and XS series have among the longest claim wait times (~250+ days), suggesting durability issues or customers delaying claims.
- o **MacBooks and iPads** have more delayed warranty claims compared to accessories like AirPods or Apple Watch.
- Revenue Loss from Warranty Void Claims: The \$4.26M lost revenue from warranty void cases highlights a potential problem in warranty validation or fraud.

5. Strategic Recommendations

- **Improve Store Performance:** Identify low-performing stores (churn risk) and optimize inventory or marketing strategies.
- **Enhance Warranty Policies:** Reduce revenue losses from voided warranty claims by improving transparency, customer education, and fraud detection.
- Boost Product Promotions: Focus on regions and stores where iPads and MacBooks underperform, while maintaining iPhone dominance.
- **Customer Retention Strategies:** Consider extending warranty periods or offering better after-sales service to enhance customer satisfaction.

Conclusion

- The analysis of Apple's sales and warranty data highlights key strengths and areas of concern. Smartphones continue to dominate revenue, followed by laptops and tablets, making them the primary drivers of Apple's sales success. However, warranty claims and voided cases present a significant financial risk, with \$4.26 million lost due to warranty void claims.
- Additionally, the 6.85% store churn rate signals potential operational or demandrelated issues in certain locations, requiring immediate attention. The warranty claim trends indicate that newer iPhone models, especially the iPhone 15 series, have a shorter time to claim, which may point to early defects or customer concerns.
- To sustain growth and improve profitability, Apple must focus on optimizing store
 performance, reducing warranty void losses, and refining customer service policies.
 Strengthening warranty communication, implementing fraud detection measures,
 and strategically promoting underperforming products can drive long-term
 improvements.
- By addressing these challenges while leveraging the strong performance of topselling products, Apple can enhance customer trust, reduce financial risks, and maximize revenue potential.