

## Recommendation report

Hi Natalie,

After reviewing the sales data table that was provided by you, I found a couple of things that I thought were worth mentioning. To start, I wanted to see which areas in the sub-category section of sales were making the least and most amount of profit and sales. I was keeping in mind that one of your goals was to increase profit by 10% this year and to increase sales by 20%. After reviewing the sub-category section I saw that the supplies sub-category was making negative profit, so I decided to dive deeper and see what the potential problem may be. I also looked at the phone sub-category because it was making the most in sales and wanted to see if there was anything that could potentially increase it further.

Starting off with narrowing down some problems in supplies. After doing some digging into this sub-category I was able to deduce that the East and Central regions were the least profitable regions. There were also products that were providing little to no sales and were still affecting profit negatively. Additionally, I was able to find that year 2018 had the least amount of discounts applied on supplies, but it was the one that saw the most profit and sales as seen in figures 1, 2, and 3:

Figure 1:

[Figure 1:] Figure 2:

[Figure 2:] Figure 3:

[Figure 3:] Now with the data provided here is my recommendation for supplies. First, drop the bottom seven supplies products that are barely making any sales and negative profits. Then, decrease the amount of inventory that is being sent to the East region because the least amount of profit is being made there. Lastly, decrease the amount of discounts in the supplies sub-category so that there could possibly be a similar spike in sales and profits as there was in 2018. That concludes my report for the supplies sub-category.

Moving past supplies, I have also looked into the phones sub-category because it is the top sub-category in sales and I wanted to see if there was any way to potentially increase this already flourishing area. I was able to group together and make a list of items that were frequently bought together in this subcategory. My recommendation for this area would be to discount items that are frequently bought together to further improve the amount of sales in this section. Figure 4 displays the top items in the phones sub-category that are frequently bought together. My suggestion would be to discount these items if they are bought together to encourage customers to buy both

products. Additionally, on your website you could list on the homepage the items that are frequently bought together to encourage customers to purchase both products so that sales revenue in this sub-category can be maximized.

Figure 4:

[Figure 4:]

Overall, I believe these two areas will help you reach your goals that you have set out to achieve. I suggest that the recommendation made in this report should be implemented so that sales and profits are at their fullest potential.

References

"Frequently Bought Together Items with Python and Power Bi." YouTube, YouTube, 12 Jan. 2021, <https://www.youtube.com/watch?v=iDV0Zh6HDGc>.

Citations

There are no citations.