

In the below example sales are up 29.6%. A good growth number.

Quickly looking at this, all departments are in growth, with the top 3 growth departments being Pens, Note pads and Erasers.

Looking at these top 3 growth departments in more detail - **what's the driver? Is it that we have sold more units (volume) or the fact we have increased prices?** See next page.

Department	Sales £ TY	Sales £ LY	(Sales £ TY - Sales £ LY) / (Sales £ LY)
Pens	£1,126,228	£196,766	472.4%
Rulers	£10,172,999	£8,634,176	17.8%
Erasers	£31,400,014	£23,955,754	31.1%
Pencils	£5,189,060	£4,059,732	27.8%
Note pads	£52,225	£25,193	107.3%
Specialist Pens	£4,715,098	£3,888,572	21.3%
Ruled book	£275,916	£270,821	1.9%
A3 paper	£22,709,537	£17,408,997	30.4%
A5 paper	£8,958,384	£6,853,067	30.7%
TOTAL	£84,599,461	£65,293,077	29.6%

What's driving sales growth? Price or Volume

Sales are up 29.6%. Volume is up 25.3% (the key driver – we have sold more individual units). Price is also up 4.2%.

The simple calculations below let you break down the drivers of sales. This technique lets you see insights like...

- **Which departments are growing the most?** Pens 472.4%, Notes Pads 107.3% and Erasers 31.1%
- **The growth in Pens is volume driven, with price in decline** – have prices been lowered hence stimulating demand? or is it more to do with product ranges changing?
- **The growth in Note Pads is coming because of price** – have prices been increased? If so is that ok? Or has the product range changed to be focused on higher priced premium products?

As you can see the numbers themselves are not enough. Good analysis, needs to be matched with good interpretation skills - this only comes from knowing your business and stakeholders well.

What is driving sales? (Units or Prices)

A	B	C	D	E
Department	Sales £ TY	Sales £ LY	Sales Units TY	Sales Units LY
Pens	£1,126,228	£196,766	671,276	71,184
Rulers	£10,172,999	£8,634,176	2,256,720	2,028,097
Erasers	£31,400,014	£23,955,754	2,904,351	2,367,196
Pencils	£5,189,060	£4,059,732	428,279	355,004
Note pads	£52,225	£25,193	296	256
Specialist Pens	£4,715,098	£3,888,572	344,926	291,389
Ruled book	£275,916	£270,821	152,408	182,052
A3 paper	£22,709,537	£17,408,997	1,146,848	947,822
A5 paper	£8,958,384	£6,853,067	1,390,606	1,173,709
TOTAL	£84,599,461	£65,293,077	9,295,710	7,416,709

F	G	H
(Sales £ TY - Sales £ LY) / (Sales £ LY)	(Sales Units TY - Sales Units LY) / (Sales Units LY)	F - G
Sales £ vs. LY	Sales Units vs. LY	Sales Price vs. LY *
472.4%	843.0%	-370.6%
17.8%	11.3%	6.5%
31.1%	22.7%	8.4%
27.8%	20.6%	7.2%
107.3%	15.6%	91.7%
21.3%	18.4%	2.9%
1.9%	-16.3%	18.2%
30.4%	21.0%	9.4%
30.7%	18.5%	12.2%
29.6%	25.3%	4.2%

* will include an element of sales mix