

# FAQs

## Sales and Revenue

### What is a 'Sale'?

The Sales Reports report on revenue generated on a specific date. Revenue is defined as the total value of an order, including all Products, Addons, Discounts and Delivery.

Revenue is separate to payments, which are reported on separately under Payment Reports.

### Which Orders and Order Lines will form part of revenue reporting?

Orders with the following statuses are excluded from revenue reporting:

- Draft
- Quote
- Abandoned

In addition, Order Lines with the following statuses are ignored (as they value will have been set to £0.00)

- Cancelled
- Returned

## Real Time Data

### Are the reports up to date?

All reports show a snapshot of data at the instant that they were generated. As such, they are always up to date.

## The value of a Sales Order has changed; how will this be reflected in the reporting?

With the exception of Sales by User, all revenue reporting is done based on the Sales Order date. That means that a Sales Order that has a date of the 1st of October will always report its revenue as the 1st of October, even if new lines are added on the 1st November.

## The Salesperson on a Sales Order has changed; how will this be reflected in the reporting?

This will immediately update and change all reports. This will adjust how reports are filtered, and will also have a direct impact on the Sales by User report.

## The Store on a Sales Order has changed; how will this be reflected in the reporting?

This will immediately update and change all reports. This will adjust how reports are filtered, and will also have a direct impact on the Sales by Channel report.

## What happens if a Product is deleted?

Some information is stored against the Sales Order, and IXO Commerce will report on that; other data is stored only against the product. This is done via a lookup of the product, and if that product has been deleted then it will not be possible to report on that data.

Stored against the Sales Order

- Sales Date
- Store
- User
- Source
- Payments

- Selling Price
- Cost Price
- Product Name
- Product SKU

Stored against the Product

- Brand Associations
- Category Associations
- Collection Associations
- Supplier Associations

## Example

A product is sold in May for £10 at a cost price of £5. That product was a Lego Boat, associated with the Lego Brand.

If that product is deleted, then the association with the Lego Brand will also be deleted. This means that while the selling price and cost price are still reportable (as data that is held against the sales order), that order line will no longer be associated with the Lego Brand.

This will mean that this order line will not be included if the user filters a report by Brand, and if they view the Sales by Brand report, it would add to the 'n/a' row.

# Average Cost Prices and Profit Margins

## What is an 'Average Cost Price' and how is it calculated?

An Average Cost Price represents the mean cost of all items sold within a specific period. It's calculated by dividing the total cost of all products sold by the total number of units sold. This metric helps businesses understand the average expense of acquiring or producing the goods they've sold, allowing for better profitability analysis.

Depending on the report, this might be done per SKU ([Sell Through](#) report), or it might provide an Average Cost Price by Brand ([Sales by Brand](#)), or Department ([Sales by Department](#)), etc.

## Example

Suppose you have a **Sales by Brand report** for the brand "**Brand A**" covering the period **from January 1 to January 31**.

Within this time frame, the following sales occurred:

Product	Quantity Sold	Cost Price per Unit
Product 1	10	£5.00
Product 2	20	£7.00
Product 3	15	£6.50

To calculate the **Average Cost Price** for **Brand A** during January:

1. **Sum up the Cost Prices:**

- Product 1: 10 units × £5.00 = £50.00
- Product 2: 20 units × £7.00 = £140.00
- Product 3: 15 units × £6.50 = £97.50

2. **Total Cost Price:** £50.00 + £140.00 + £97.50 = **£287.50**

3. **Total Quantity Sold:** 10 + 20 + 15 = **45 units**

4. **Calculate the Average Cost Price:**

- £287.50 ÷ 45 units = **£6.39** (rounded to 2 decimal places)

## What is an 'Average Profit Margin' and how is it calculated?

An Average Profit Margin measures the percentage of profit a business earns on its sales after accounting for costs. Depending on the report, this might be done per SKU ([Sell Through](#) report), or it might provide an Average Cost Price by Brand ([Sales by Brand](#)), or Department ([Sales by Department](#)), etc.

### Example

An Average Profit Margin on the Sales by Brand report will look for all sales of Products assigned to that Brand that took place within the specified period. It will then total the cost price of those items and compare it to the total sales revenue to produce an Average Profit Margin using the below formula (please note that all margins are calculated net of VAT):

$$\text{Average Profit Margin} = \left( \frac{\text{Total Profit}}{\text{Total Sales Revenue}} \right) \times 100$$

**Period:** February 1 - February 28

Product	Quantity Sold	Cost Price per Unit	Selling Price per Unit
Product 4	30	£4.00	£6.00
Product 5	25	£10.00	£15.00
Product 6	10	£20.00	£30.00

1. **Calculate the Total Sales Revenue:**

- Product 4:  $30 \times £6.00 = £180.00 = £150.00 \text{ ex VAT}$
- Product 5:  $25 \times £15.00 = £375.00 = £312.50 \text{ ex VAT}$
- Product 6:  $10 \times £30.00 = £300.00 = £250.00 \text{ ex VAT}$

**Total Sales Revenue** =  $£180.00 + £375.00 + £300.00 = £855.00 = \textbf{£712.50 ex VAT}$

2. **Calculate the Total Cost:**

- Product 4:  $30 \times £4.00 = £120.00$
- Product 5:  $25 \times £10.00 = £250.00$
- Product 6:  $10 \times £20.00 = £200.00$

**Total Cost** =  $£120.00 + £250.00 + £200.00 = \textbf{£570.00}$

3. **Calculate the Profit:**

- Profit =  $£712.50 - £570.00 = \textbf{£142.50}$

4. **Calculate the Average Profit Margin:**

$$\text{Average Profit Margin} = \left( \frac{£142.50}{£712.50} \right) \times 100 = 20\%$$

## Why do some reports say 'Unknown' (e.g. Average Cost Price and Profit Margin)?

This will be because IXO Commerce is missing data - nothing is recorded against Sales Orders for cost price. Without a cost price, it is not possible to calculate Average Cost Price or Profit Margin.

## General

### Are Reports sortable?

All reports are sortable - simply click on the headers.

# Can a report be exported?

All reports are exportable as a CSV.

## Why are some results 'N/A' or simply blank?

This will be due to missing information, e.g. products that are sold which have not been assigned to a Department, or to a Brand with a blank entry in the name.

---

Revision #12

Created 13 November 2024 12:44:59 by Mike

Updated 20 November 2024 14:23:06 by Mike