



Profitability by Product - Profit Margin Report

Syeda Khadija Phool - 2024-11-05 - Analytics

A profit margin report is like a financial snapshot that shows how well your online store is doing. It looks at the money you're making (revenue) and the money you're spending (expenses) to figure out how much profit you're actually keeping.

Imagine your revenue is like the total money you earn from selling products in your online store. The profit margin is like a percentage that tells you how much of that money you get to keep after you subtract all the costs of running your business, like buying products to sell, paying for shipping, and other expenses.

So, if your profit margin is high, it means you're keeping a good chunk of your earnings as profit. If it's low, you might be spending too much on different things, and there's not as much left over as profit.

In short, a profit margin report is a valuable tool for understanding the financial health of your business. It helps you make informed decisions about pricing, cost management, and overall strategy to improve profitability.

In Cartzy, you can get the report on **profit by product**. Analyzing profit margins at the product level can help you identify which products in your store are the most profitable and which may need adjustments.

When you open the reports page at the **path: Analytics > Reports**, you will be able to get a snapshot of profit in USD for the last thirty days displayed in the Profit Margin report section. Please refer to the image shared above.

Profit by Product

This report reflects the total profit that you earned against each product during the specific time period. The time period is selected using the date filter as explained in the article:

[Reports - an overview.](#)

The report data is listed with the following attributes:

- 1. Title:** This is the name of the product.
- 2. Vendor:** It shows the name of the vendor of the product.

3. Product Type: It is the product type or category as configured on the product page.

4. Net Quantity: It is the total quantity of a product after deducting any returned or damaged items.

5. Net Sales: It shows the total revenue from sales minus any returns or discounts.

6. Cost: It reflects the amount spent on purchasing products for your store.

7. Gross Margin: The percentage difference between net sales and the cost of products sold, representing the profitability of each sale.

8. Gross Profit: The amount remaining from net sales after deducting the cost of goods sold.

□ When you open the Profit by Product report, you will get the following notification at the top of the report.

“Only showing product which had a cost recorded at the time of sale.”

Reason: Since the profit for each product can only be calculated if it has a cost associated with it. If the cost of the product is missing, the system will not be able to calculate the profit earned by the sale of that product.