**Promoting SMB eCommerce for Beetles Group**

Bellevue Holdings (BH) is an American investment holding company with affiliations to finance and IT. The controlling shareholder for BH is one of its associate companies, the Beetles Group.

Beetles group (BG) was formed in 1980 by a tech-savvy graduate student, Mark McCartney, from an Ivy League engineering college in California. He started out in his dorm room with 2 classmates by building a prototype of electron-tube computer in 1978 and did not look back since then.

He went onto building more laptops and personal computers and revolutionized the entire tech industry with his ergonomic designs. In 2000, BG became the biggest PC manufacturers in the world.

BG has a strong online presence as compared to its competitors but constitutes to 4.5% of their entire PC business which is about $2bn worldwide *(overall turnover $50Bn)*. Their presence spans across 35 countries catering to individual consumers, small & medium businesses and large enterprises. The split of these 3 segments for eCommerce business is given below.

|  |  |
| --- | --- |
| **Market Segment** | **Share %** |
| Consumer | 60% |
| SMB | 35% |
| Large Enterprise | 5% |

Mark, with his leadership team, realized that there is an even bigger addressable market available for SMBs with new start-ups blooming on a regular basis and started a SMB specific online store which is a sub-domain of their existing website. This SMB portal is currently launched in 3 countries (US, Australia & UK) with a plan to expand in 20 more in the next 3 years *(sales & customer data attached for SMBs)*.

The characteristics of Consumer and SMB segments differ significantly considering their purchasing patterns. Currently, the total addressable market for SMB in US, Australia and UK is $4bn, $500M and $750M respectively as of current fiscal.

**Facts & Stats about the online portal:**

* Focal B2B store that only caters to SMB audience i.e. business with **employee size**
  + *Very Small Business:* 1-9 employee size
  + *Small Business:* 10-99 employee size
  + *Medium Business:* 100-999 employee size
* **Current markets:** United States, Australia & United Kingdom
* **Closed store** which requires a customer to register before they can purchase; login is needed every time a customer wishes to buy
* Entertains **multiple registrations** from the same company for ease of purchases and procurement approvals
* All firmographic information like **company name, industry and employee size** is entered in the **registration form** itself. Members enter Base tier i.e. the default tier to avail basic benefits available to all new members
* Price tiers available based on annual spend i.e.,
  + **Base tier:** offers 5% discount on all business laptops to members; annual spend needed to qualify to next tier/ more benefits $9,999
  + **Silver tier:** offers 7% discount on all business laptops + 15% off on cloud computing solutions; annual spend needed to qualify to next tier/ more benefits $10,000 – 50,000
  + **Gold Tier:** offers 10% discount on all business laptops + 30% off on cloud computing + community access to avail more vouchers and redeem loyalty points adding onto the benefits; annual spend *above* $50,000
* Marketing team has a healthy mix of Organic & Paid channels
  + **Organic**: SEO
  + **Paid**: Paid social (Facebook/LinkedIn advertising), Affiliate (Groupon, Rakuten, eBay), SEM
* **Sales, customer & traffic metrics available currently**:
  + **Sales**
    - Revenue: Revenue from orders which are placed online
    - Gross Margin: Revenue shipped – cost of the product
    - Average Order Value: Total revenue booked/ Total number of orders
    - Recency & Frequency of purchases: Recency = Today – last purchase date; Frequency = average of (days between all consecutive purchases)
    - System quantity: quantity of laptops sold
    - Orders: Total number of orders
  + **Customer**
    - Number of registrations: Count of people who registered in the given time frame
    - Active Buyers: Count of people who have made a purchase in the given time frame
    - Number of companies in each tier: Count of companies in Base, Silver & Gold tiers
    - One-time Customer: Registered and purchased once from the store
    - Repeat Customer: Registered and purchased more than once from the store
  + **Traffic**
    - Visits: A visit starts when the user first arrives on your site
    - Unique visitors: Counts the number of distinct individuals visiting a page or multiple pages on your website, in a given time interval, regardless of how often they requested those pages
    - Revenue per visit: Sum of revenue/ Total Visits
    - Order Conversion rate: Number of orders / Total Visits
* The head of eCommerce business wants to promote acquisition in the store by a push and pull approach i.e. reach out to the existing 35% customer base that is buying as SMB and running campaigns on the main consumer website to attract people who buy for official purposes

You are the Analytics Lead for this project and have been asked by the business teams to support any reporting and insight generation requirement that will arise on this. Business has asked you the following questions which would help them streamline the strategic priorities for next fiscal year in terms of customer acquisition and country-expansion.

The marketing & the sales teams have sent in a request to create a dashboard which divides the existing customer base into Acquisition, Development and Retention buckets. Show relevant metrics and dimensions based on these buckets and try to answer the following questions by building a dashboard: *(answer* ***any 5 out the 6*** *below)*

1. How effective are the existing marketing efforts? Effectiveness can be based on the quality of traffic on the site compared to number of orders placed as a result?
2. As 20% of the high value customers contribute to 80% of the revenue, represent this in the form of a pareto chart and state which are these top 20% customers and how should the business up-sell/cross-sell to them
3. The sales teams only want to focus on the customers who have dropped off from their buying cycles in the last quarter. Can we show a distribution of these customers based on their purchasing patterns?
4. SMB Business lead wants to know how many customers have only bought once vs how many customers are true to the BG brand once associated. Help her with a view, so she can easily decipher this.
5. Team has a constant dilemma to see which customers are the most profitable ones out of the entire lot. They see this 1 by 1 on an Excel on a weekly basis. Can you help the team create an aggregation of this to mark the most profitable members irrespective of their total spend?
6. By using parameters like employee size, tiers and share of wallet, build a model to segregate customers under Retention, Development & Acquisition buckets. Use the following information to calculate Share of Wallet and represent this in 3x3 matrix (R, A, D by Base, Silver, Gold tiers)
   1. **Share of Wallet**= # of total system units bought by a customer / Seat size, where:
      1. **Seat Size**= Mid-point of employee size range per customer X Man-to-Machine Ratio for their industry
      2. **Man-to-Machine ratio** = Ratio to rationalize machine requirements based on seat size across industries. Different ratios for different industries *(use % from examples below)*

