

Acquisition Opportunities and Challenges of Electronidex

Market Basket Analysis of Electronidex

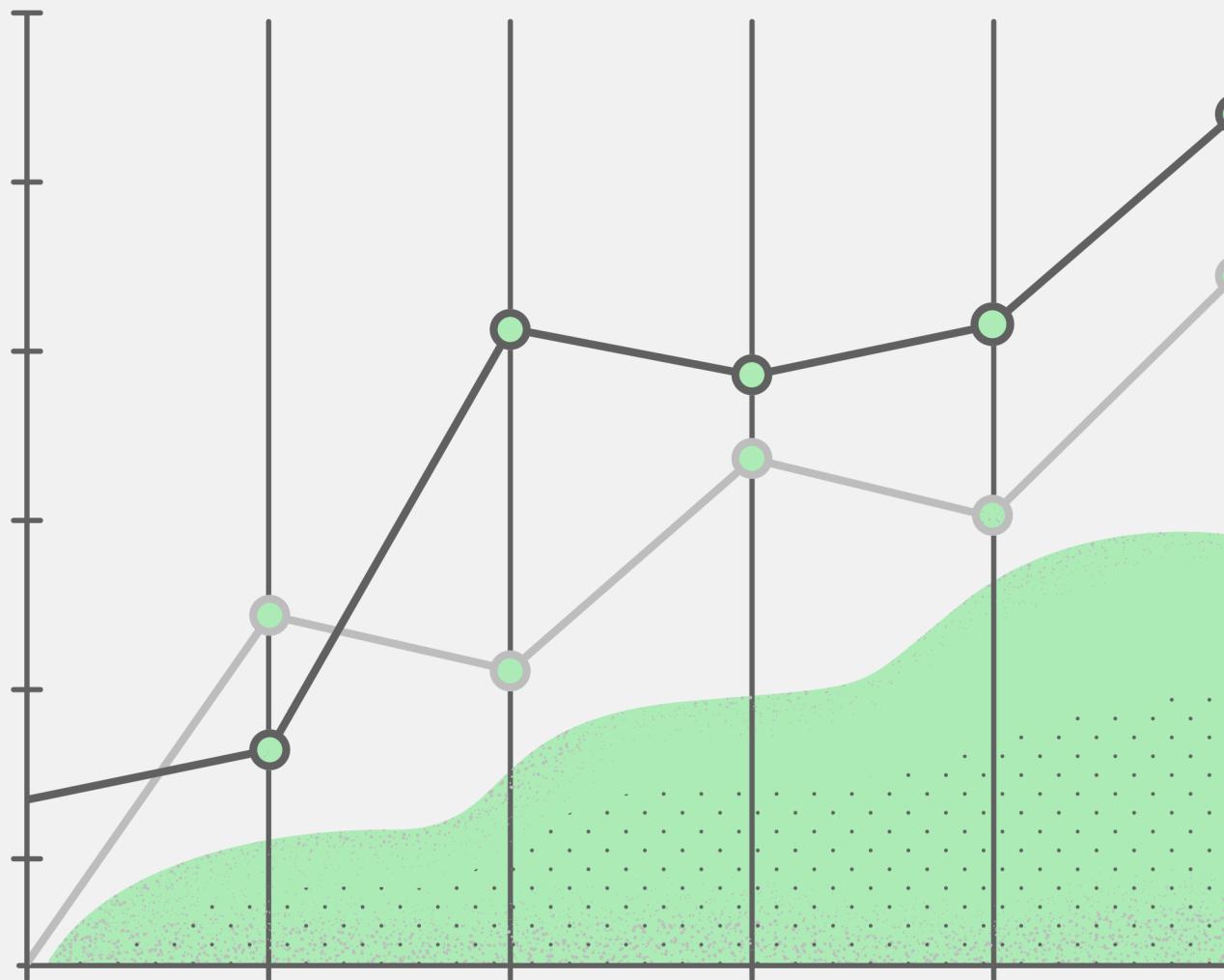
Report for **Blackwell**

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Matters on the Docket

A brief look at what we will discuss on this presentation



- 01** Market Basket Analysis

- 02** Interesting Patterns within Electronidex

- 03** Should Blackwell acquire Electronidex?

- 04** Recommendations

- 05** Challenges & Limitations

Market Basket Analysis



SUPPORT

Occurrences, Percentage.

CONFIDENCE

Certainty, Likelihood.

LIFT

>1 Positive Association

$=1$ Independence

<1 Negative Association

Interesting Patterns within Electronidex

Interesting Patterns



COMPUTER CORDS, COMPUTER MICE, ACTIVE HEADPHONES, DESKTOP , LAPTOP

MONITOR



GAMING ACCESSORIES AND COMPUTERS

CYBERPOWER



LAPTOP

DESKTOP

MONITOR

Office Set Up rules

Highest Lift

1/4 transactions buy at least 4 of the rules' categories

Gamer's paradise

Strong Support

1/3 of all transactions include at least 1 gaming product, with 1/20 including at least 2 gaming items.

Computer Geeks

Strong Confidence

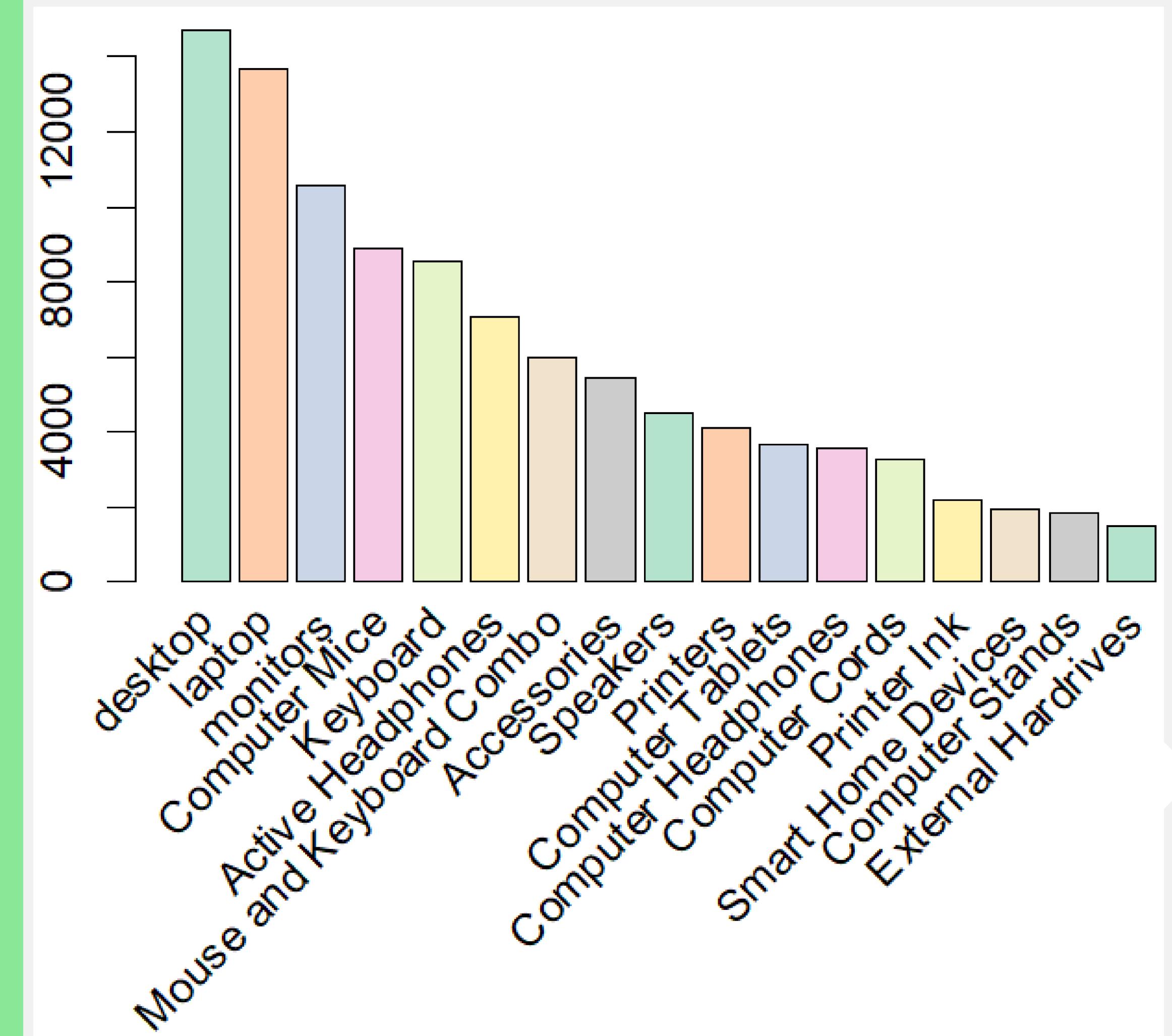
45 % of transactions include at least two out of the three most expensive categories.

ELECTRONIDEX'S

BEST SELLER

CATEGORIES

- Desktop occurs in **1 / 3**
- Laptop occurs in **3 / 10**
- Monitors occur in **1 / 4**

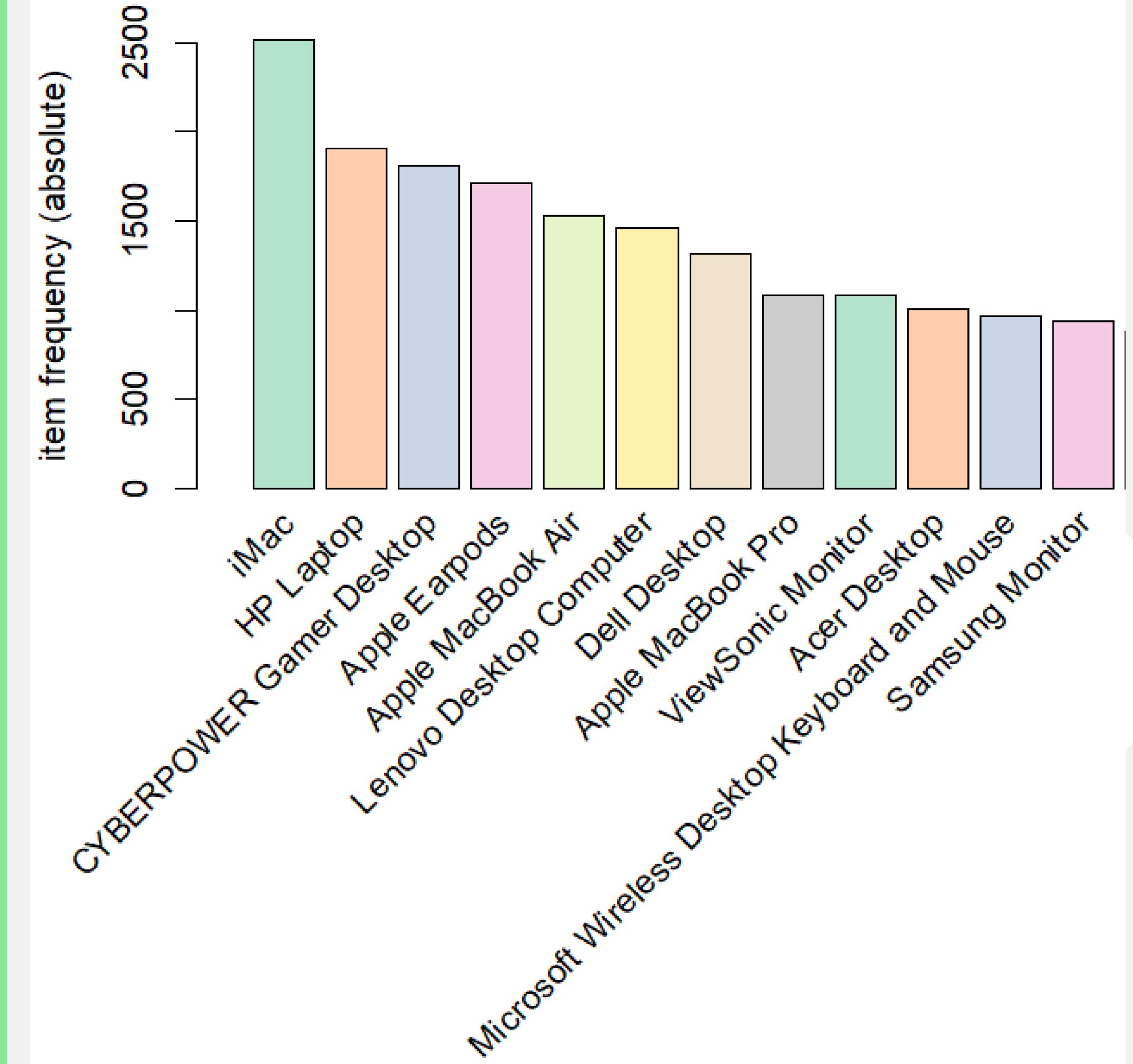


CATEGORIES FREQUENCIES

desktop	laptop
0.32900501	0.30560522
monitors	Computer Mice
0.23607635	0.19919989
Keyboard	Active Headphones
0.19081888	0.15821116
Mouse and Keyboard Combo	Accessories
0.13353746	0.12149115
Speakers	Printers
0.10028160	0.09174414

ELECTRONIDEX'S BEST SELLER PRODUCTS

- iMac occurs in 1 / 4
- HP Laptop in 2/10
- Cyberpower Gamer Desktop in 2/10



PRODUCTS FREQUENCIES

iMac	HP Laptop	CYBERPOWER	Gamer Desktop	Apple Earpods
0.2561261	0.1941027		0.1839349	0.1743772
Apple MacBook Air	Lenovo Desktop Computer		Dell Desktop	Apple MacBook Pro
0.1555669	0.1480427		0.1340112	0.1105236
ViewSonic Monitor	Acer Desktop			
0.1103203	0.1018810			

Should Blackwell acquire Electronidex?

Short answer, Yes

BLACKWELL	ELECTRONIDEX
PC / LAPTOP / NETBOOK	LAPTOP
ACCESSORIES	ACCESSORIES, COMPUTER STANDS, MOUSE AND KEYBOARDS
DISPLAY	MONITORS
PRINTER	PRINTER
PRINTER SUPPLIES	PRINTER INK
TABLET	COMPUTER TABLETS

BLACKWELL	ELECTRONIDEX
	DESKTOP
	SOFTWARE
	EXTENDED WARRANTY
X	SPEAKERS
X	EXTERNAL HARD DRIVES
X	SMART HOME DEVICES
X	COMPUTER HEADPHONES
X	ACTIVE HEADPHONES

Along with iMac, HP and CyberPower Gamer and Dell Desktop are present in more than 50% of the transactions



iMac, HP, Cyberpower Gamer and Dell Desktop are present in the most popular rules which correspond to the best selling categories. Thus, acquiring Electronidex has a potential increase in sales since by adding stellar products not present in our portfolio.

Along with Desktop, Laptop and Monitor are the best-selling categories



By acquiring Electronidex and thus adding the Desktop category to our portfolio, Blackwell will increase its sales by buying Desktop products which in turn will increase the sales of other best selling categories.

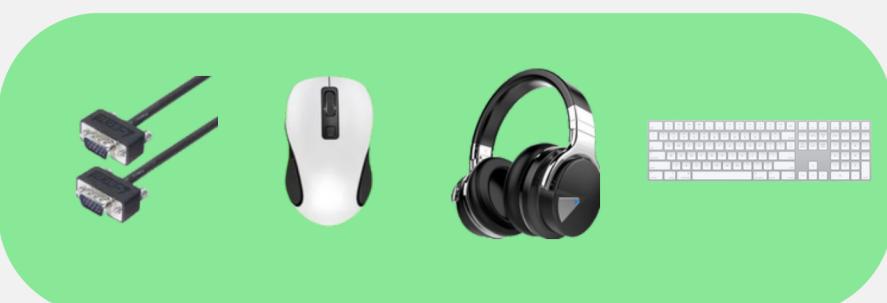
High-Budget customers

Affluent



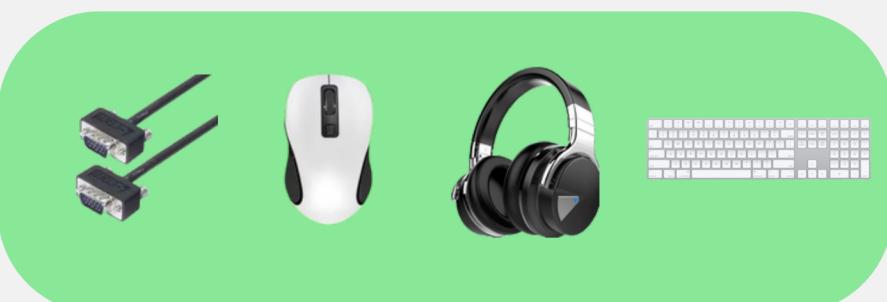
1 or more

Mid-tier



2 or more

Casual

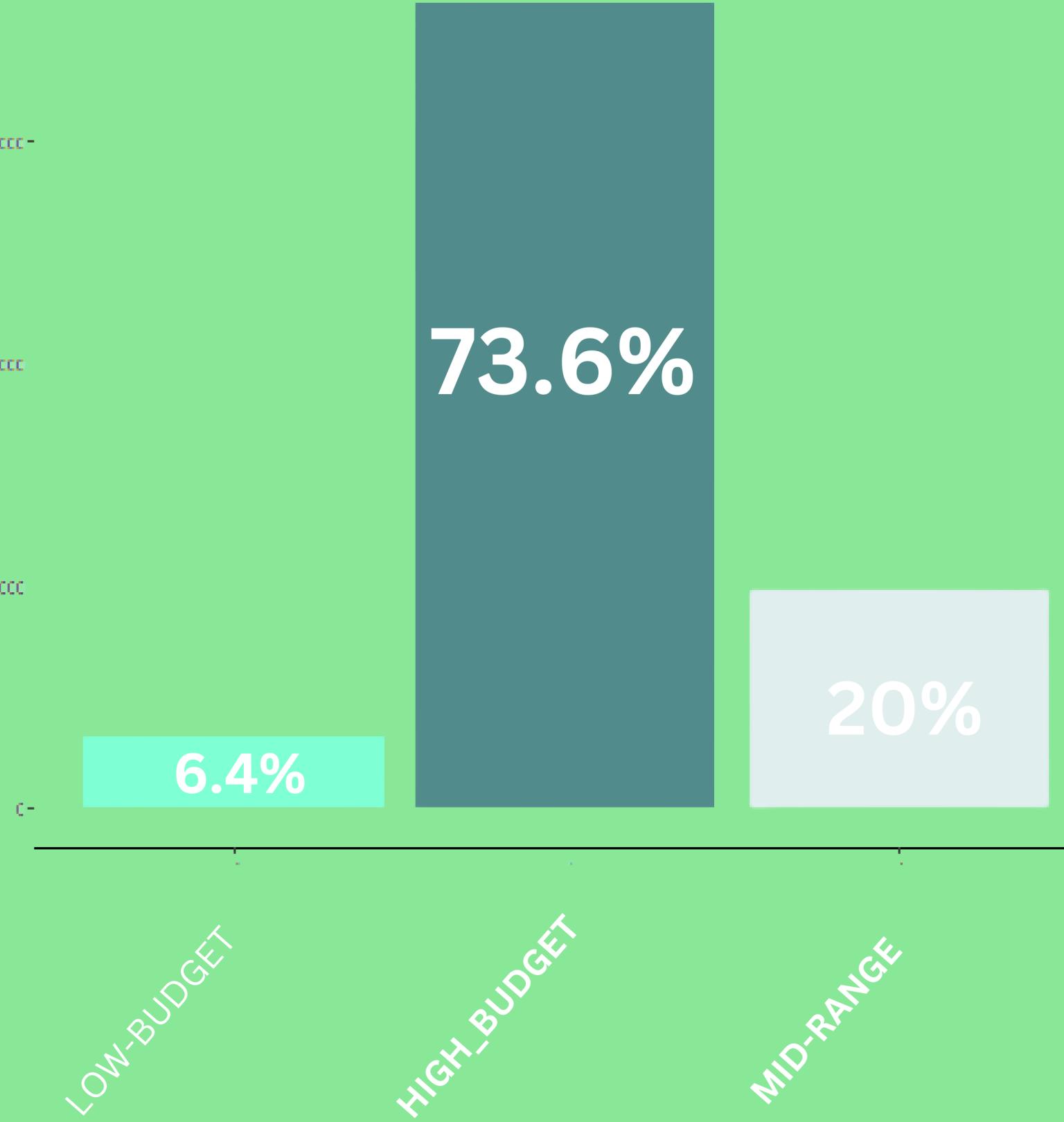


Less than 2

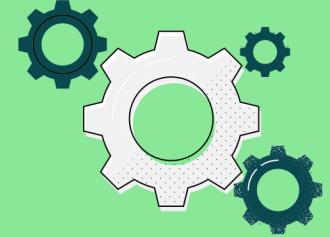
Frequency

2000

0



Recommendations



As of January 19, 2023

Remove Least Consumed Products

The 10 least consumed products are purchased less than 0.3% of the times

By removing these products we can free space in our Blackwell's stores, reduce costs, improve our inventory management and increase customer satisfaction

Cross-selling and bundling

By incentivizing customers to buy products which are frequently purchased together.

By adding discounts to products that have a strong association rule with another product. Our marketing strategy will be to promote accessories and minor products by having a discount on these when either (Desktop, Monitor and Laptop) are bought..

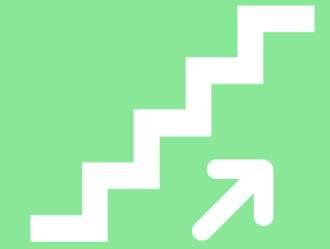
Targeted Marketing

Towards B2B, B2C. Within these towards Gamers, High-Budget buyers and office buyers.

Office set up products, gamer products and high-budget customer products will be on separate aisles, with the products within these categories bundled together and with specialized staff to serve our customer's needs.

Further Steps

From January on



Pin down seasonality shifts

Winter, Summer, Christmas, Spring Break

Our next big challenge is to identify patterns of products that sell in particular times of the year.

The main aim is to optimize inventory management. Additionally, adjust prices for products affected by seasonality and change store layout throughout the seasons.

Identify location trends

Throughout our local stores and online channels

In addition, identifying location trends can be useful for understanding how consumer behavior varies by location, and for tailoring business decisions to meet the needs of different regions.