

# Final Project

# Olist Store Project

Berry Group

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# Outline

1. Background
2. Dashboard Display
  - Technical Used
  - Dashboard Display
3. Business insights & sugesstions
4. Teamwork
5. Conclusion



# Background

# Background

- **Founded in 2015**
- **Connects small and medium-sized businesses to customers**
- **Largest department store in Brazilian marketplaces**
- **More than 30,000 shop owners**
- **Company size: +10,000 employees**

The logo for 'olist' is displayed in a bold, blue, sans-serif font. The letters are lowercase, with the 'o' being slightly larger than the others. The 'l' is a simple vertical bar, and the 'i' has a small dot above it. The 's' is a simple curve, and the 't' has a small crossbar. The overall style is clean and modern.

# Background

- 500 Startup Fund (2019)
- Raised a total funding of \$314M over 8 rounds
- Become latest unicorns and topped (2021)
- Fastest-growing company during the same period in Endeavor rankings (2021)
- Join Growjo's list of the world's fastest-growing startups (One of five Brazilian companies) (2022)

## 【互聯網創業】電商解決方案供應商Olist獲得10億黑奧，成為獨角獸

2022年1月8日

【互聯網創業】電商解決方案供應商Olist獲得10億黑奧，成為獨角獸  
2022/01/08



在距D輪融資僅8個月後，電商解決方案供應商Olist獲得了10億黑奧的E輪融資，由威靈頓管理公司領投，軟銀基金、Corton Capital、Valor Capital、高盛、Globo Ventures等參投。Olist是一個為零售商和數字品牌提供包含物流、支付等電子商務解決方案的生態系統，說明中小型賣家在大型電商網站上銷售。

# Background

- **Analyse datasets → marketing findings / recommendations**
- **Orders datasets :**
  - **100k orders**
  - **from 2016 to 2018**
  - **Order status, price, payment, freight performance, product attributes and customers reviews**

# Olist Dashboard

# Technical for Dashboard

## Techniques

- **Data Cleaning**
- **Table Joining**
- **Transforming DataType**
- **Counting correlation**
- **Data Regrouping/Calculation**





# Dashboard

## Key Performance Indicators :

- **Factors Affecting Orders and Orders Value**
- **Sellers Approach**
- **Delivery Performance**
- **Customer Approach**
- **Existing Customer Segmentation**

# Business suggestions

# Strategic planning – Seller

Revenue generating



+ High Value

Watches

# Strategic planning – Seller

Volume generating



Furniture decor



Housewares



Computer  
accessories

+ High  
Value

# Strategic planning – Seller

All rounder



Bed



Bath



Table



Health and  
beauty



Sports and  
leisure

# Correlation – Freight Volume and Delivery Time

## *Pain points* for existing delivery time

1. **Late Ratio 7.66%**
2. **Poor performers (Avg. 13 - 19 Days)**

Bulky Items e.g. Furnitures



## *How to solve the problem?*

**Different promotional strategies**

**Off-season Sales** for bulky items



Route optimization, scheduling and capacity planning

# Correlation – Sales and Delivery Time

## **Pain points** for existing delivery time

### 3. Higher the sales Slower the transit



## How to solve the problem?

## Pre-Sale period

Enjoy the promotion

and

have it received **EARLIER**

## Avoid logistic bottleneck

## Example : Taobao

## Set up a sale period for weeks during 618

# Correlation – Delivery Time and Satisfaction

***Pain points** for existing delivery time*

**4. Slow Avg. Delivery**

correlate to

**Low** satisfaction

***How to solve the problem?***

**Learn from competitors**

**i.e. Market leaders in Brazil**

Amazon Brazil

Americanas

etc.



# Correlation – Delivery Time and Satisfaction

## *Speeding up the delivery*

- **Amazon's logistics network**
  - 10** fulfillment centers
  - 22** delivery stations throughout the country.
- **Prime subscribers** free one-day delivery in
  - 50** cities

## *What Can We Do?*

- **Partnership** with **international** and **local logistic firms**
  - Outsource **warehousing** and **shipping**



# Correlation – Freight cost and Sales

***Pain point*** for existing freight cost

1. Underlying factor:

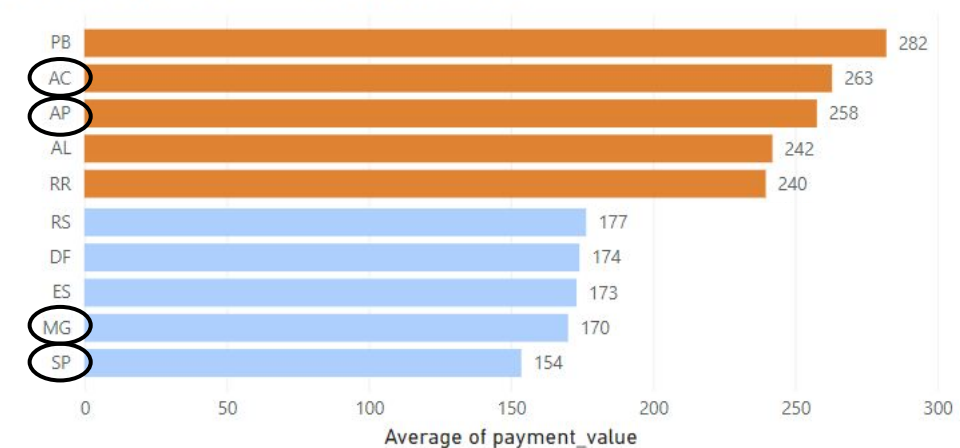
***Concentration of Sellers at certain states***

São Paulo (70%)

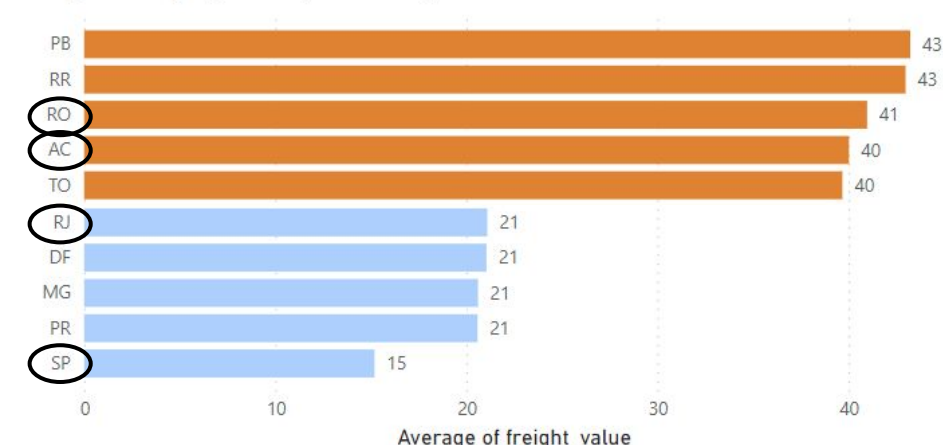
***What can be achieved by lowering the freight cost?***

# Purchasing pattern - Boosting Sales by lower shipping ?

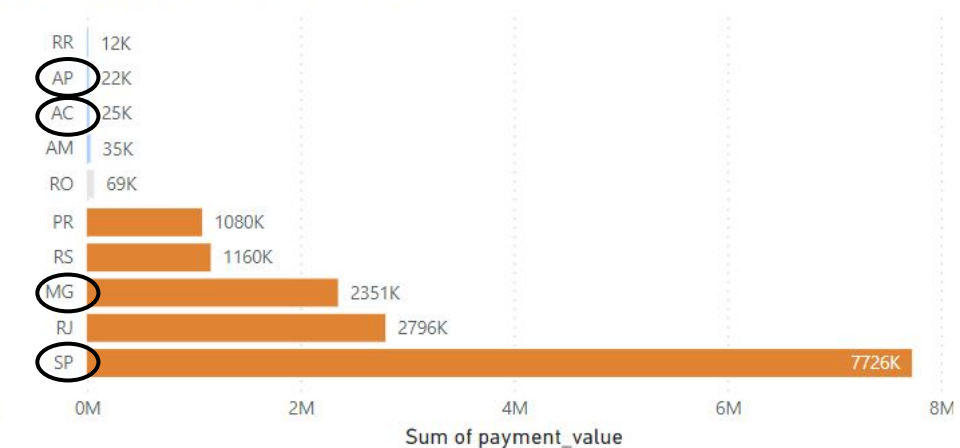
Average of payment\_value by customer\_state



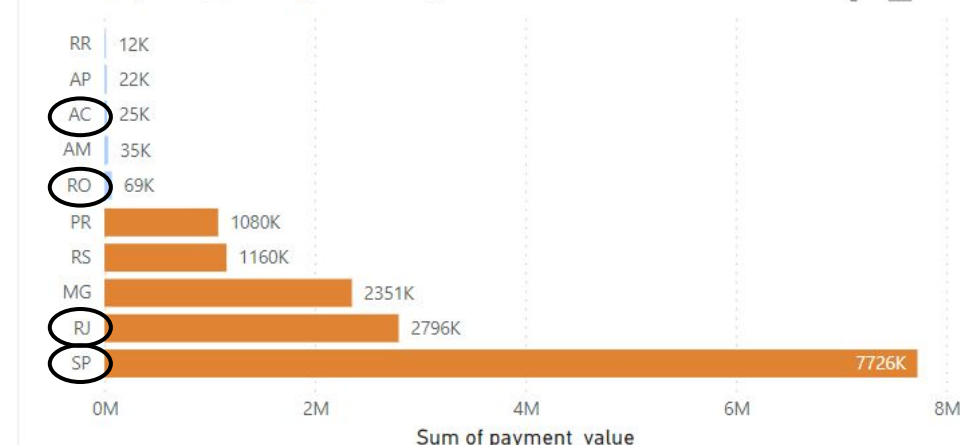
Average of freight\_value by customer\_state



Sum of payment\_value by customer\_state



Sum of payment\_value by customer\_state



# Correlation – Freight cost and Sales

***Pain point** for existing freight cost*

1. **Expensive** for certain states

Underlying factor:

**Concentration** of Sellers at certain states

São Paulo (70%)

*How to solve the problem?*

**Widen the seller base across Brazil**

# Payment methods

## *Payment Method by Olist customers*

Credit card (73%)

Boleto (19%)

Voucher (5%)

The image shows a digital representation of a Brazilian Boleto payment slip. At the top, it displays the time 16:48 and the title 'PAYMENT METHODS'. The slip is issued by Santander, with the code '033-7' and a partial value '03'. The payment location is 'Pagável em qualquer banco até o vencimento'. The beneficiary is 'Adyen a serviço de JuliodaSilva' with CNPJ 14.796.606. The document date is 12/03/2019, and the document number is 102. The payment species is 'REAL'. The bank is 'OSASCO BENEDITO ARLINDO SILVA'. The slip includes a barcode at the bottom.

Local de pagamento		
Pagável em qualquer banco até o vencimento		
Beneficiário		
Adyen a serviço de JuliodaSilva CNPJ:14.796.606		
Data do Documento	Nº do Documento	Espécie Doc.
12/03/2019	102	DM
Uso do Banco	Carteira	Espécie
	102	REAL
Instruções (texto de responsabilidade do Beneficiário)		
Não aceitar pagamento via cheque e/ou após a da		
Seu pedido será enviado somente após a confirm		
não tenha divergência de valores entre o valor cot		
A falta de pagamento deste boleto não implica em		
automaticamente cancelado.		
Não deposite nem faça transferência.		
Pagador		
OSASCO BENEDITO ARLINDO SILVA		
BENEDITO ARLINDO SILVA, 13		
OSASCO-SP - CEP: 06216040		

## *National Paying Pattern*

Credit cards (43%)

Digital wallet (17%)

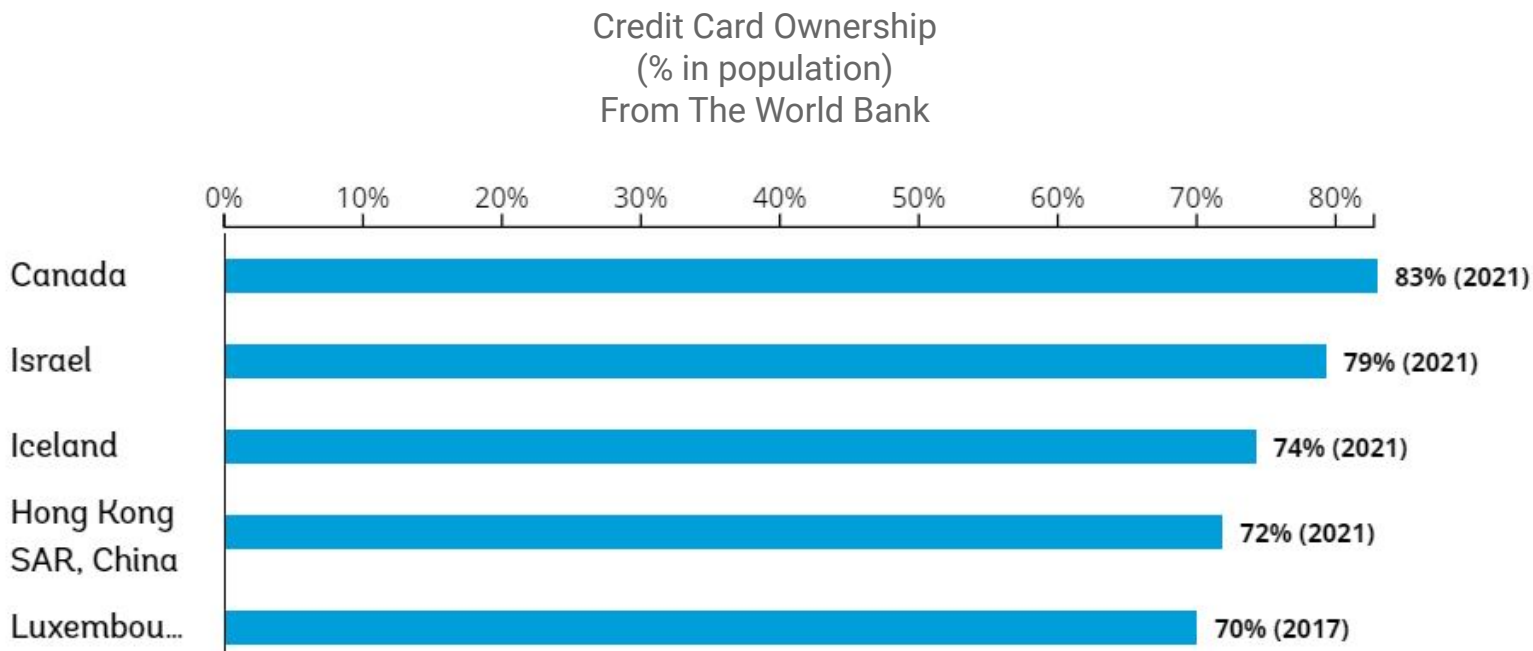
Debit cards (13%)

Postpaid (12%)

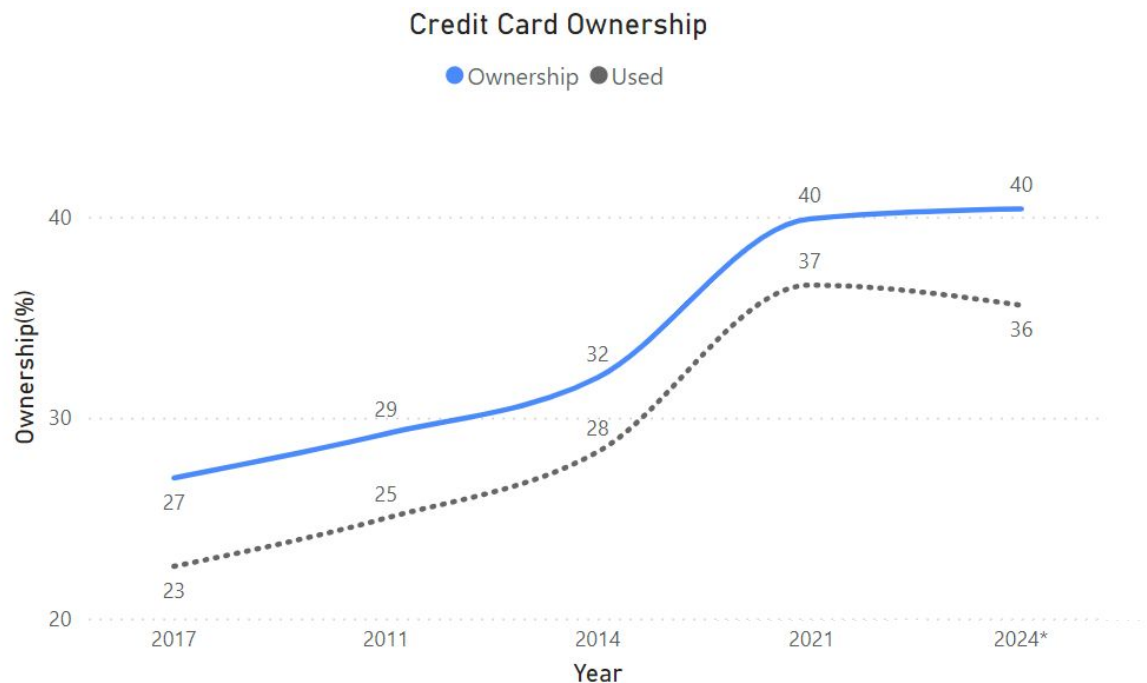
Bank transfer (8%)

Other methods (4%)

# Payment methods



# Credit Card Ownership



37th place in the world ranking of credit card holders

27.03% Population owns a credit card

**Boleto** is still viable

Promotions can attract costumers w/o credit cards.

- No credit limit
- Settle by Cash
- Quick

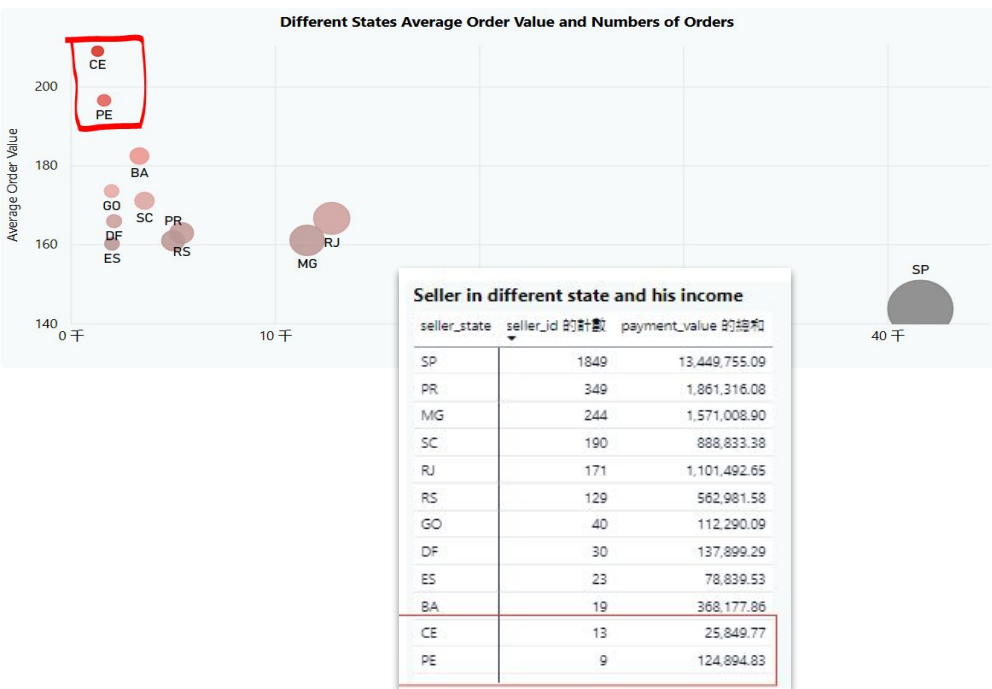
For **credit card** customers,

Thriving 'Buy Now Pay Later' Business

- Develop partnership
- Interest-free installments promote purchasing

# Balancing the Supply and Demand

## Dashboard



## Expand Seller Network

### Suggestion:

Target areas with purchasing power but a low number of orders (e.g. Ceará and Pernambuco)  
Increase the number of stores that offer popular category products

### Purpose:

1. Reduce delivery time
2. Increase the number of orders in potential areas
3. Consequently develop these promising states



## Example



**Based on the payment method and the most popular category of purchase**

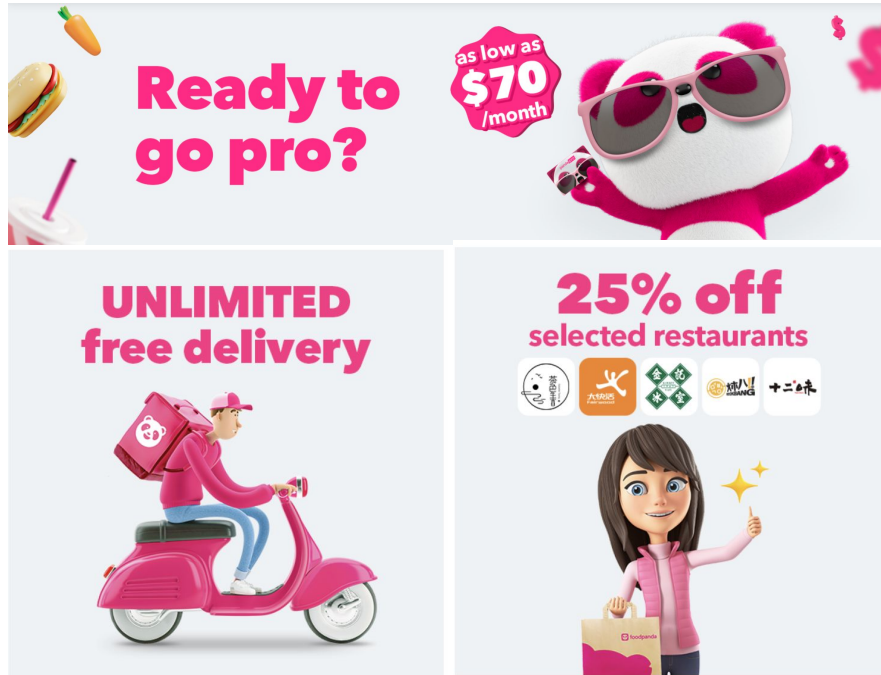
### Offer a favorable price through a subscription-based option

### Purpose:

- 1. Increase repurchase rate and cultivate customers' habit of making purchases**
- 2. Enhance customer's dependence on olist**

# Customer Retention and Loyalty

## Example



### Olist Prestige Programme

#### Suggestion:

Introduce a membership program to recruit members through monthly or annual subscription plans.

#### Benefit of Prestige member:

1. Offer a discounted price for unlimited or specific number of free shipping services
2. provide a 10% discount on all products

#### Purpose:

1. Enhance customer loyalty to olist e-commerce
2. Increase repurchase rate.

#### Remarks:

1. Price can be adjusted based on different states
2. 10% discount will not be applied on subscription products

# Promotion (Advertise & Discount coupon)

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### Suggestion:

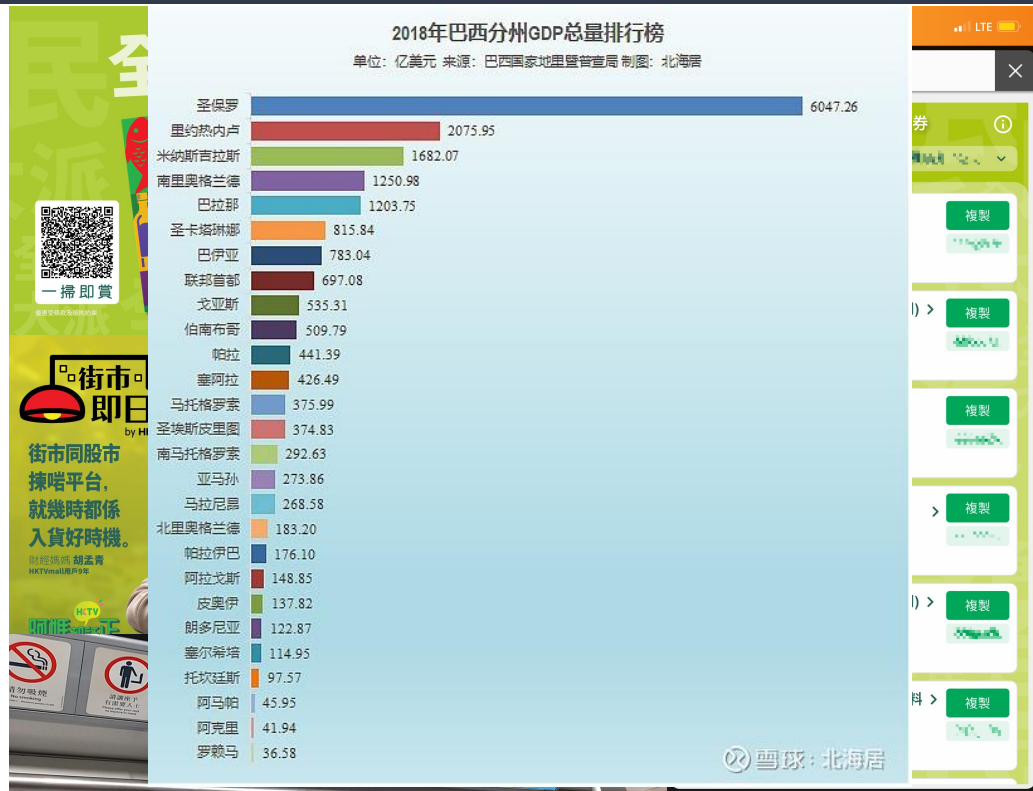
Deliver ads and provide coupons to the customers of targeted areas.

### Benefit of coupons:

1. Shipping coupons
2. Products coupons

### Purpose:

1. Increase customer & order sales
2. Reducing shipping (increase desire to buy)
3. Increase other category order sales



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# Teamwork

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Items	Date	Man day(s)
Receive task & Study datasets ( <u>#Full team</u> )	1 Mar	15
Clean data ( <u>#Full team</u> )	4 Mar	20
Set up research path ( <u>#Full team</u> ) (top key metric & explore the in-depth correlation)	8 Mar	5
Draft simple layout dashboard & overview page ( <u>#Full team</u> )	12 Mar	5
Final and Create dashboard & overview page ( <u># Sunny, Carman, Melody, Winson</u> )	15 Mar	25
Analysis dashboard & provide suggestion (#Alfred, Carman)	20 Mar	4
Create report (#Alfred)	25 Mar	3

# Conclusion

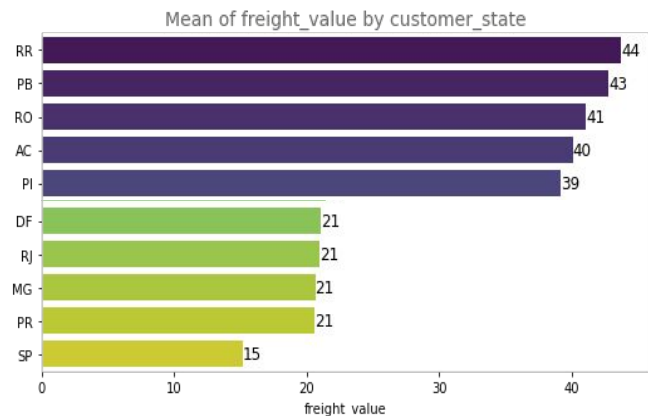
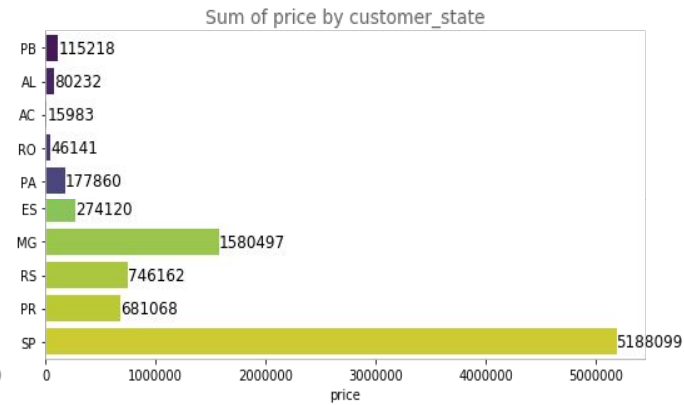
# Conclusion

- **Build brand image**
- **Improve delivery & sales performance**
- **Use RFM model to turn low value customer into high value customer**
- **Future trends**
  - **Olist is still developing**
  - **Changes in consumption habits after the Covid-19**
  - **Should be aware of :**
    - **Emerging technologies**
    - **Changing consumer behaviors**
    - **Market shifts**



**End**





# Appendix