Wish.com

Business Report

SALES PERFORMANCE REVIEW

CONTENTS

1. INTRODUCTION

This report provides a comprehensive review of Wish.com summer clothes' sales performance in August 2020, focusing on revenue generation, product ratings, merchant ratings, and the effectiveness of promotional features such as badges and ad boosts. Through gathered insights, the report aims to provide actionable strategy and act as a benchmark version to compare with sales performance of summer clothes in the current year to see whether there is improvement in terms of revenue, sales volume, ratings, and marketing feature usage.

## 2. SALES PERFORMANCE OVERVIEW

The first dashboard focuses on the overview of summer clothes sales performance of Wish.com by origin country of products. In general, the total revenue (calculated based on unit price multiplied by numbers of units sold) is 55.39 million EUR in August 2020. The total number of units sold is 6.83 million. There are 958 merchants with 1341 distinct products originated from 6 countries: China (CN), United States (US), Singapore (SG), Great Britain (GB), Venezuela (VE), and Austria (AT).

Comparing between different product categories[1], we can observe that **the top-performing products are women's clothes (in terms of revenue and sales volume)**, indicating a significant demand for this category among Wish.com's customer base.

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[1] Product segmentation by gender was done by sorting based on the product's tags and tittle. There are 3 product segmentations: women's, men's and others ("others" includes all other products, such as kid toys, etc).

Revenue by Product categories

1.4M (2.5%)

Product category
- Women's
- Men's
- Others

53.4M (96.3%)
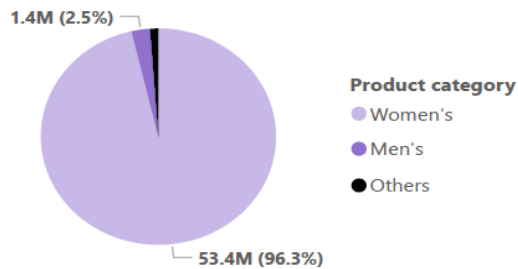
Number of units sold by Product categories

0.2M (2.4%)

Product category
- Women's
- Men's
- Others

6.6M (96.7%)
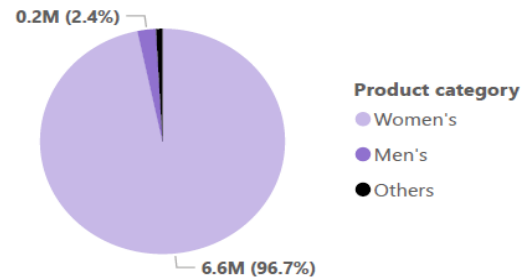
Hence, the company should place a strong focus on women's clothes category by **expanding women's product range**. **Conducting market research** is recommended to identify emerging trends, which can facilitate the company to introduce new styles/designs and cater to different preferences within this target customer group. Also, it is crucial to **enhance product presentation (such as utilizing high-quality images, detailed product descriptions regarding sizes, colors)** to provide comprehensive information for customers. The next recommendation is to implement cross-selling strategies to maximize sales performance. For example, considering summer clothes, women customer group also tend to look for accessories or complementary women's products. Hence, the company can suggest these items to customers based on their purchase history and **provide bundle deals/discounts for purchasing multiple items**, in order to encourage higher spending.

The next dashboard allows us to have a closer look on sales performance of each origin country.

Number of units sold by Origin countries

Number of units sold by Origin countries

CN	US	SG	GB	VE	AT
6651.2K	43.6K	20.1K	1.0K	0.4K	0.1K
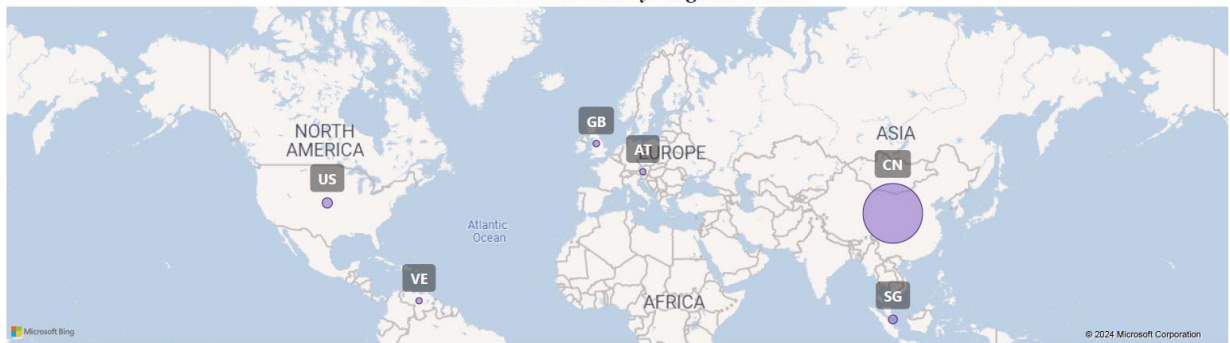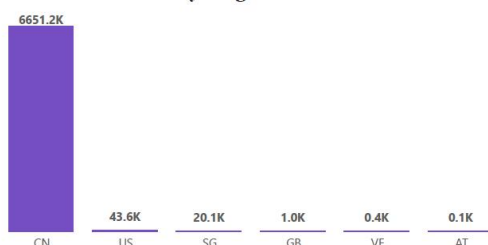
Revenue by Origin countries (in EUR)

CN	US	SG	GB	VE	AT
54115.3K	432.4K	57.0K	9.0K	3.4K	0.7K
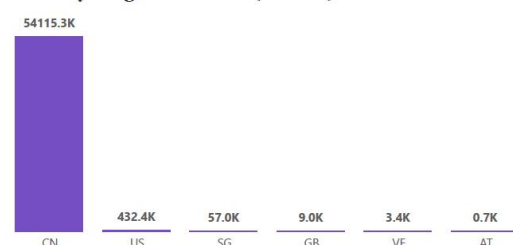
Products originated from China are dominating in both numbers of units sold and revenue generated. Followed are products coming from United States and Singapore. Meanwhile, three remaining countries have significantly lower sales volume and revenues. This pattern **indicates a significant presence and demand for China-originated products on Wish.com platform.**
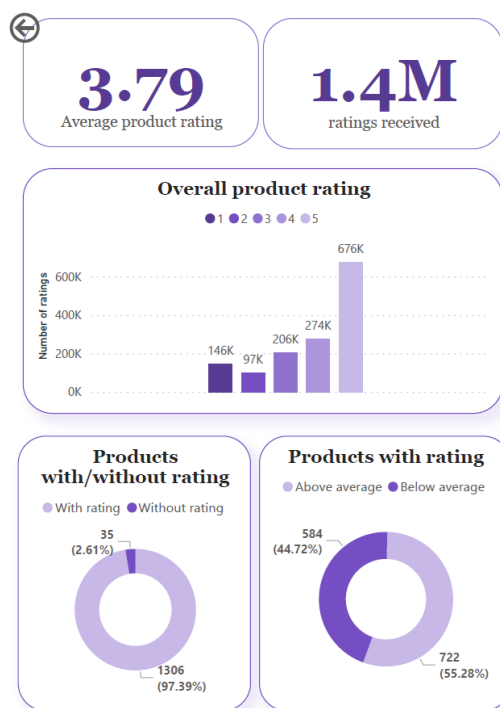
Despite high demand, **products from China have relatively high unit prices** compared to other countries. Hence, the company might consider strengthening partnerships with existing Chinese suppliers/merchants and negotiate favorable terms (i.e., regarding pricing, quality control, shipping arrangements) to ensure a steady supply of high-demand products with competitive prices.
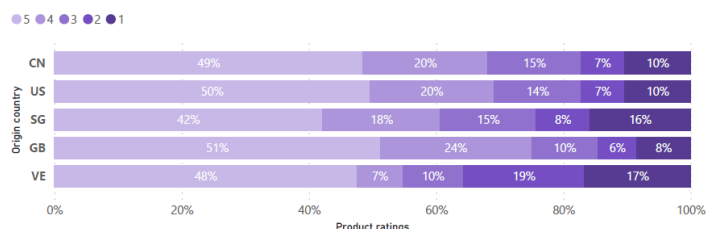
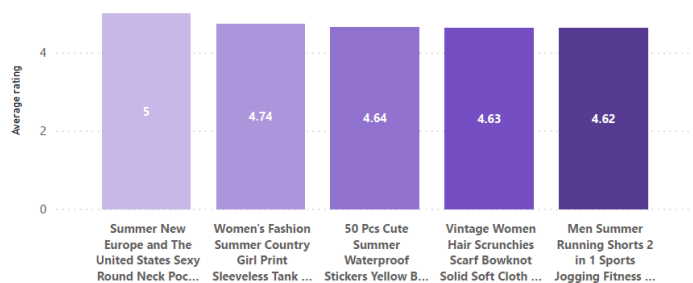## Average product unit price by Origin countries

Country	Average of price
US	9.4
GB	9.0
CN	8.3
VE	8.3
AT	7.0
SG	3.4

3. PRODUCT RATING

3.1. OVERVIEW

3.79
Average product rating

1.4M
ratings received

Overall product rating
● 1 ● 2 ● 3 ● 4 ● 5

Rating	Number of ratings
1	146K
2	97K
3	206K
4	274K
5	676K

Products with/without rating
● With rating ● Without rating

35 (2.61%)
1306 (97.39%)

Products with rating
● Above average ● Below average

584 (44.72%)
722 (55.28%)

Product ratings by Origin country
● 5 ● 4 ● 3 ● 2 ● 1

Origin country	5	4	3	2	1
CN	49%	20%	15%	7%	10%
US	50%	20%	14%	7%	10%
SG	42%	18%	15%	8%	16%
GB	51%	24%	10%	6%	8%
VE	48%	7%	10%	19%	17%

Products with highest average rating
(applied on products receiving more than 10 ratings)

| Product	Average rating
Summer New Europe and The United States Sexy Round Neck Poc...	5
Women's Fashion Summer Country Girl Print Sleeveless Tank ...	4.74
50 Pcs Cute Summer Waterproof Stickers Yellow B...	4.64
Vintage Women Hair Scrunchies Scarf Bowknot Solid Soft Cloth ...	4.63
Men Summer Running Shorts 2 in 1 Sports Jogging Fitness ...	4.62

In this dashboard, we will gather insights on how customers rate Wish.com summer clothes. **The average rating is 3.79, suggesting that there is a moderate satisfaction among customers**. While the rating is not exceptionally high, it also indicates that most customers find products satisfactory to some extent.

There are a notably number of 5-star ratings received from customers (around 676 thousand), signifying high satisfaction. However, there are also notable proportions of moderate to low ratings, including one-star ratings comprising approximately 10% of the total.

To address these issues, **analyzing customer feedback is crucial to identify underlying issues**. Dissatisfaction may stem from product quality, sizing, or merchant-related issues like shipping delays or misleading descriptions. Once underlying causes are identified, **implementing suitable strategies such as quality control, detailed product descriptions (correct sizing information, fabric composition), and high-resolution images is important**, especially in summer clothes, which are usually expected to be good fit.

While the majority (97,39%) of products have received ratings, **35 products have yet to receive any feedback**, possibly due to low sales volume. Overall, the absence of ratings is not necessarily an indicator of poor product quality. However, encouraging customers to leave ratings can improve product visibility and ultimately increase sales volume.
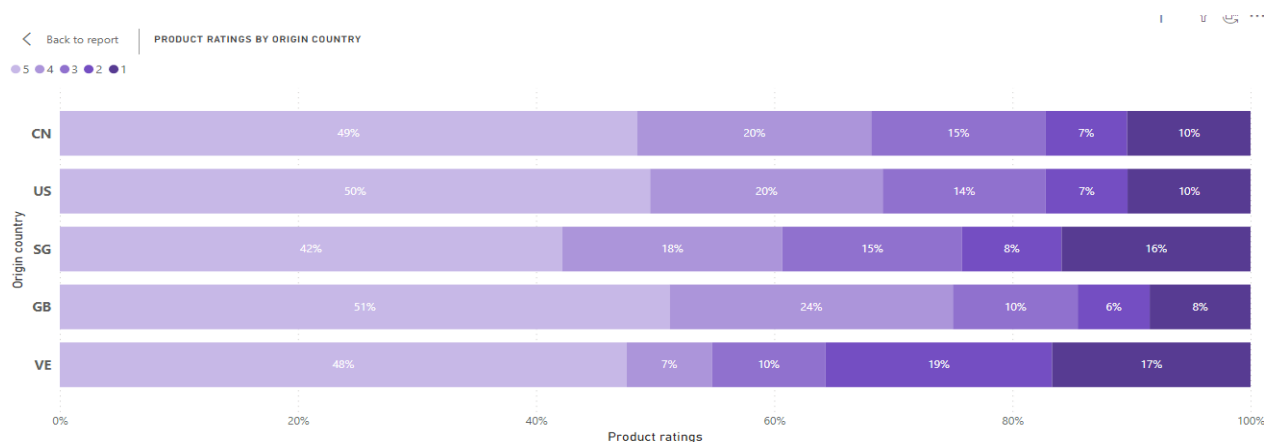
We observe that **Great Britain (GB) received the highest proportion of 5-star rating, while Singapore (SG) received the lowest**. **The distribution of ratings is relatively similar in all product origin countries**.

However, it is noteworthy that products from Venezuela (VE) and Singapore (SG) received around 16% of one-star rating, highest among other origin countries. Meanwhile, these two origin countries also have low sales volume (as shown in the previous figure). Hence, it is important to monitor these countries' products closely. If certain products consistently underperform despite efforts of improving quality/ prices, the company can consider rotating or discontinuing them from the product lineup and utilize resources to promote products that have higher sales potentials and customer's demands.

3.2.   TOP-RATED & BOTTOM-RATED PRODUCTS BY ORIGIN CONTRY

High-rated and Low-rated products by Origin country

Origin country

Select all

AT

CN

GB

SG

US

VE

Products receiving the highest number of 5-star rating

2018 Summer Fashion Women Ta... 11.5K	Women's stripes Lined up d... 10.7K	Summer ...
Women Stretchy Camisole Spaghe... 11.2K	2018 New Fashion Women's... 8.3K	7.5K

Products receiving the highest number of 1-star rating

Summer Women Sexy White Embr... 2.8K	Summer Fashion Trouser... 2.2K	Comfy Sl...
Women's Summer Sexy Sleeveless... 2.6K	2018 New Fashion Wom... 1.8K	1.7K

Products receiving the highest percentage of 5-star rating
(applied on products receiving more than 10 ratings)

100%

50%

0%

100.0%	85.1%	79.4%	78.8%	77.7%
Summer New Europe and The United States Sexy ...	Women's Fashion Summer Country Gir...	Men Summer Running Shorts 2 in 1 Sports Jogg...	Tie Dyed Double Waist Cashew Flower Squ...	50 Pcs Cute Summer Waterproof Stickers Yell...

Products receiving the highest percentage of 1-star rating
(applied on products receiving more than 10 ratings)

40%

20%

0%

45.0%	42.9%	41.7%	38.9%	38.7%
NEW Fashion Women's Fashion Su...	New Sexy Women Strap Backless Pa...	Women Summer Beach Halter Asymmetri...	2020 Women Fashion V-neck Soli...	Children Outdoor Soft Air Water Fille...
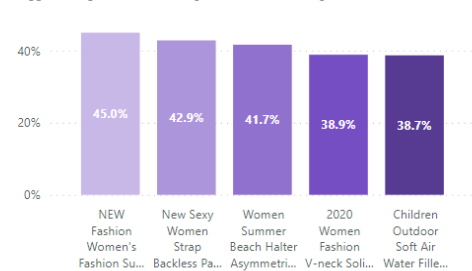
Our analysis **compares only products receiving more than 10 ratings** to ensure a subjective analysis, as they are deemed more representative of overall customer preferences. In PowerBI dashboard format, we can also select each country to investigate closer.

〈 Back to report   PRODUCTS RECEIVING THE HIGHEST NUMBER OF 5-STAR RATING

2018 Summer Fashion Women Tank Tops Sexy Women Sleeveless Crop Tops Casual Style Women C... 11.5K	Women's stripes Lined up double up tankini top swimwear(plus) 10.7K	Summer Women Sexy White E...
Women Stretchy Camisole Spaghetti Strap Long Tank Top Slip Mini Dress 4Color XXL is available N... 11.2K	2018 New Fashion Women's Tops Sexy Strappy Sleeveless Lace Crop Tops 8.3K	7.5K

title_orig	Sum of rating_five_count ▼
2018 Summer Fashion Women Tank Tops Sexy Women Sleeveless Crop Tops Casual Style Women Cotton Print Lace Stitching Irregular Blouse Topsi¼˜S-5XL)	11548
Women Stretchy Camisole Spaghetti Strap Long Tank Top Slip Mini Dress 4Color XXL is available Now	11184
Women's stripes Lined up double up tankini top swimwear(plus)	10663
2018 New Fashion Women's Tops Sexy Strappy Sleeveless Lace Crop Tops	8290
Summer Women Sexy White Embroidery Lace Crop Top Plus Clubwear Flare Sleeve Clothing	7530

Notably, **4 out of 5 top-rated products are products having plus-sized options[2]**, which indicates a significant demand and positive reception of this category among customers. Therefore, we can focus on this customer segment by **collaborating closely with merchants to ensure a diverse selection of styles, colors, designs of plus-sized products to meet demands and to sustain positive ratings**. Also, the company can encourage merchants to expand the size range of existing products and/or introduce new designs specifically designed for plus-sized customers. Meanwhile, the company can **increase plus-sized products' visibility on the website by featuring them in marketing campaigns, social media, email newsletter**. The company can consider **creating a dedicated section/badge specifically for plus-sized products** so that customers can easily browse, which enhances their shopping experience and in turn encourages repeat purchases. Moreover, **collaborating with influencers or body-positive advocates can promote top-rated products** and increase Wish.com's visibility within this customer segment.

Alternatively, certain products have garnered the highest frequency of 1-star ratings. To mitigate the influence of sales volume on these ratings, we can examine the proportion of 1-star ratings relative to the total number of ratings received.

We can notice that **bottom-rated products are usually women's dress, sportswear, swimsuits, which normally would require better fit and comfort.** If these items are poorly sized, they might cause discomfort to customers. Inconsistent sizing among different styles or merchant's brands can make it difficult for customers to find the right fit, especially while shopping online.

Also, customers tend to place a significant emphasis on the quality of these products due to their nature and specific use cases. For example, sportswear is designed specifically for physical activity, so poor-quality products (i.e., due to fabric, stitching), which cannot deliver the necessary performance and functionality, can easily lead to dissatisfaction among customers and result in

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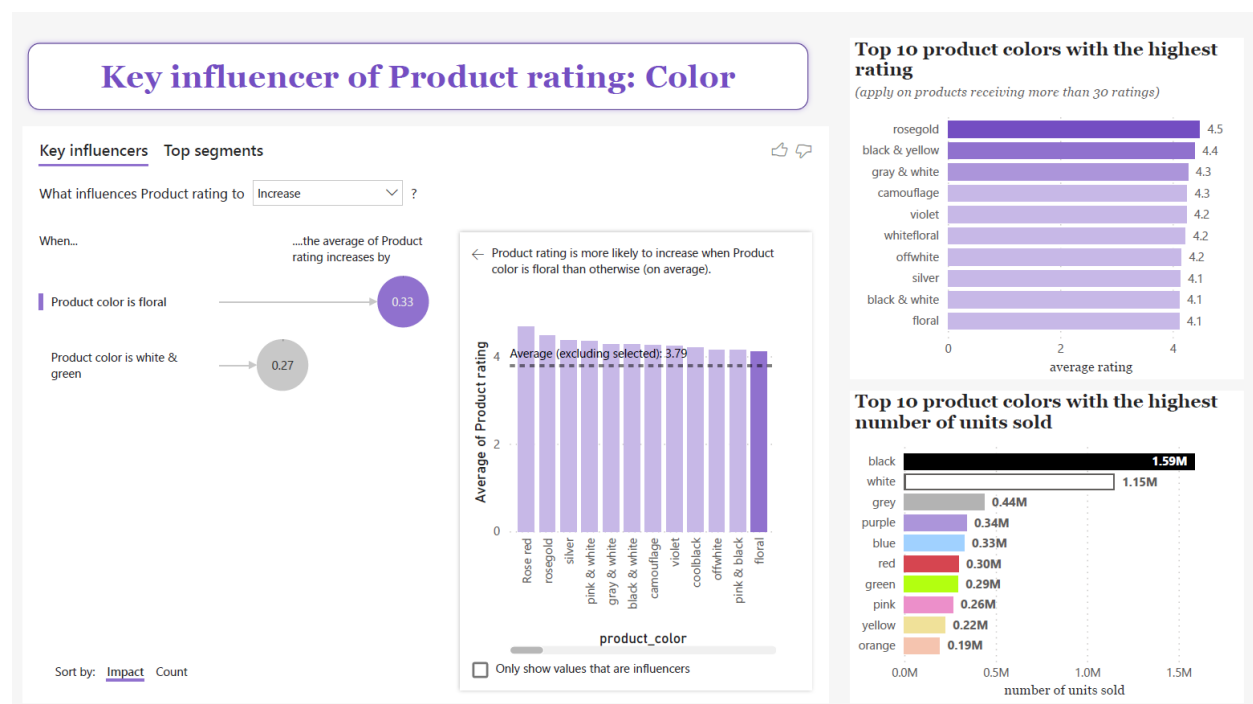[2] "Plus", "XXL", "5XL" as indicated in product title

lower ratings. Hence, to mitigate these issues, the company and merchants should **focus on improving product quality control, providing accurate sizing and informative product descriptions.**
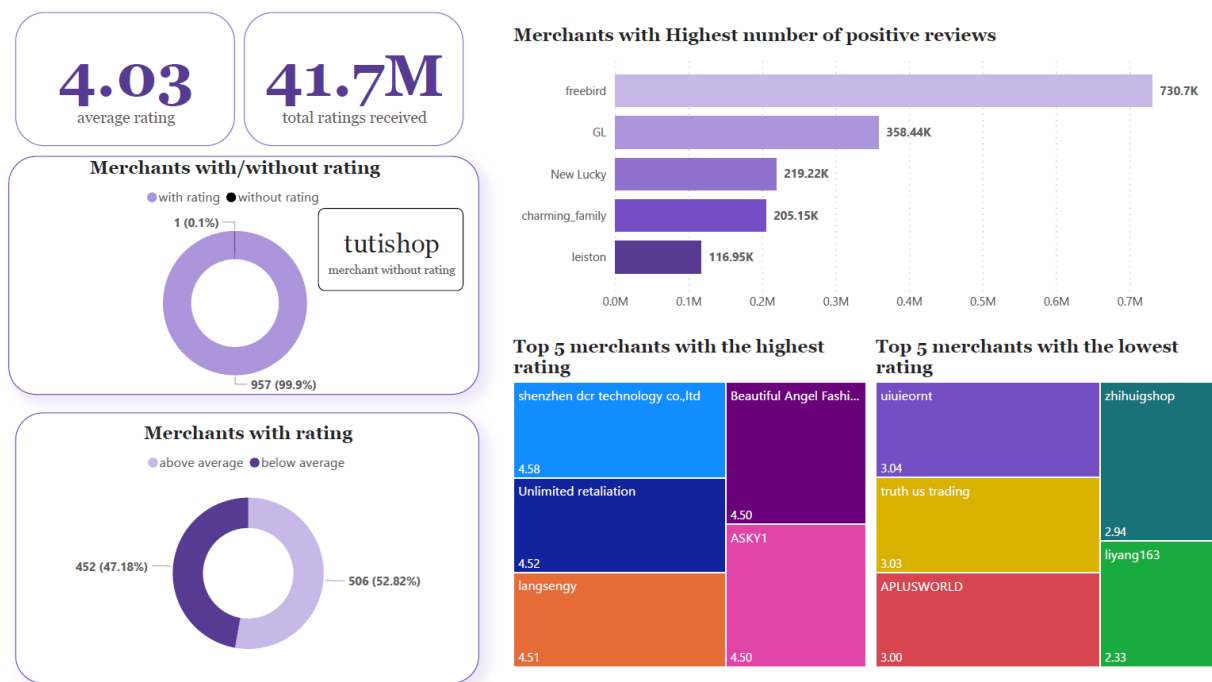
3.3.   KEY INFLUENCER OF PRODUCT RATING

Besides the above-mentioned reasons, we find out that **product color also has a remarkable impact on product rating itself**. Precisely, products with floral colors experience an average rating increase of 0.33. Moreover, **colors such as rose gold, black & yellow, camouflage, and floral receive high ratings**, likely due to their aesthetic appeal, particularly among the majority of Wish.com's female customer base.

Besides, **top-selling products are usually black, white, and grey.** These colors are considered to be classic, neutral, and versatile that can easily complement various styles, outfits, and customers' personal preferences, making them popular choices with the highest number of units sold.

4. MERCHANT RATING

4.1.   OVERVIEW

4.03
average rating

41.7M
total ratings received

Merchants with/without rating

● with rating ● without rating

tutishop
merchant without rating

1 (0.1%)

957 (99.9%)

Merchants with rating

● above average ● below average

452 (47.18%)

506 (52.82%)

Merchants with Highest number of positive reviews

Merchant	Positive reviews
freebird	730.7K
GL	358.44K
New Lucky	219.22K
charming_family	205.15K
leiston	116.95K

Top 5 merchants with the highest rating

shenzhen dcr technology co.,ltd 4.58	Beautiful Angel Fashi... 4.50
Unlimited retaliation 4.52	ASKY1
langsengy 4.51	4.50

Top 5 merchants with the lowest rating

uiuieornt 3.04	zhihuigshop 2.94
truth us trading 3.03	liyang163
APLUSWORLD 3.00	2.33

Unlike product ratings, the majority of merchants received ratings while there is only one merchant that has not received any ratings (called "tutishop"). **The average rating stands at 4.03, indicating overall high satisfaction among customers** and reflecting positively on merchant reputation and reliability.

Number of positive reviews are collected by "merchant_info_subtitle" column, where its percentage is provided. Listed above are merchants receiving the highest number of positive reviews and average rating.

It is recommended to **implement a reward or recognition program to incentivize high-performing merchants** who deliver high-quality products and excellent customer services. Recognizing best-performing merchants publicly (i.e., monthly) can encourage ongoing excellence and motivate others to improve.

However, there are also merchants with lower ratings. To understand underlying issues better, the company should reach out merchants directly to offer support, training in improving their performance. For example, the company can **assist merchants to conduct qualitative survey with customers** (i.e., sending questionnaire about product quality, merchants' customer services, shipping experience) to gather direct feedbacks. Also, **implementing performance metrics on a weekly/monthly basis is needed** to ensure merchants are taking appropriate steps to improve customer satisfaction. However, it is also crucial to **take decisive actions** (such as suspending / terminating accounts) **if merchants sell low-quality/counterfeit products by intention** as it violates code of conduct and poses a significant risk to Wish.com's reputation.

4.2.   KEY INFLUENCERS OF MERCHANT RATINGS

Key influencers of Merchant rating: Product rating & Units sold
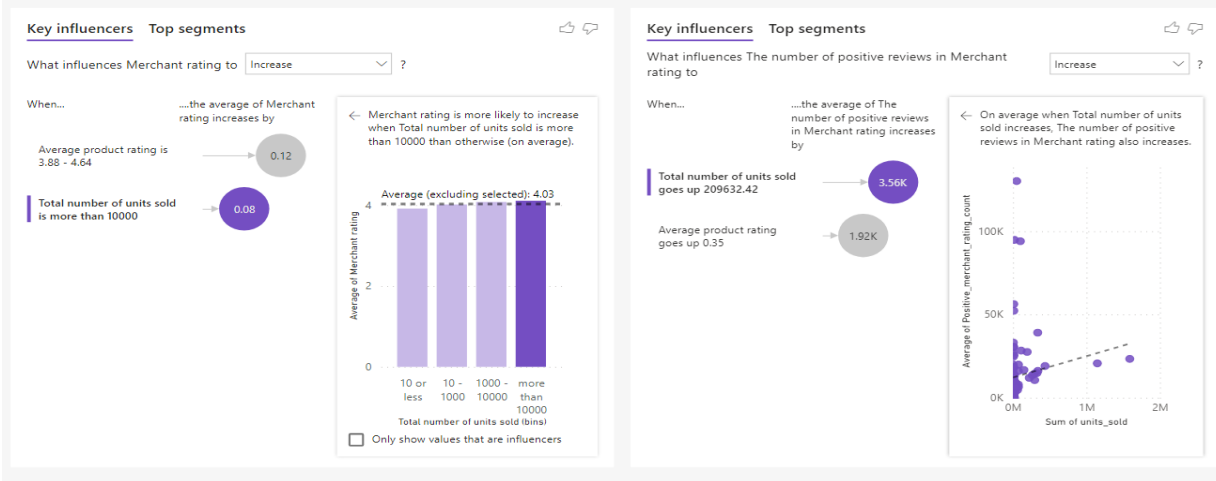
Understanding key factors influencing merchant ratings and positive reviews is essential for merchants seeking to improve their online reputation and customer satisfaction.

1. **Product rating:**

There is a positive correlation between product ratings and merchant ratings. Merchants selling products with average ratings between 3.88 and 4.64 typically receive higher ratings and positive reviews. An increase in product ratings within this range corresponds to an average rating boost of 0.12 for merchants, highlighting the impact of customer satisfaction on merchant ratings.

2. **Sales volume:**

A similar trend is observed in sales volume. **Merchants with higher sales volumes tend to receive higher ratings and more positive feedback**. This is due to the increased likelihood of customers leaving favorable comments or feedback on frequently sold products.

Below are some recommendations for merchants:

- **Focus on product quality:** Merchants should prioritize to maintain and improve their product quality within the optimal rating range of 3.88 to 4.64. It is recommended to invest in product development (such as fabric material, design, color) and conduct quality control measures to ensure consistent satisfaction among customers.
- **Engage proactively with customers:** Continuous and proactive communication with customers is needed. Merchants should encourage customers to provide reviews after their purchase. Most importantly, merchants should respond promptly to any feedbacks, whether positive or negative. Positive merchant replies help current and potential customers believe that the seller care about their opinions and take their suggestions into account to improve the product quality in the future. Hence, this practice not only assists merchants to quickly identify areas for improvement, but also demonstrates positive engagement to customers, which can foster their trust and might increase their willingness to leave reviews.

Also, as an e-commerce company, we can support merchants in several ways:

- **Provide tools and training:** This might include providing guidelines for product descriptions, images, customer service best practices to merchants. Also, additional materials on how to manage effectively feedback and address customer concerns can be considered.
- **Improve data analytics tools:** We should consider improving our platform's data insights and dashboards, to provide up-to-date information to merchants regarding product performance, customer feedbacks, purchasing patterns. By offering actionable insights, merchants can actively monitor their performance and make informed decisions to optimize their product offerings and improve customer satisfaction.

5. IMPACT OF RATINGS ON REVENUE AND SALES VOLUME

There is a strong correlation between product ratings and revenue generation as well as units sold. An increase of 1.9 thousand product ratings correlates with a notable revenue uptick of 60.43 thousand euros and an increase of 8.27 thousand units sold. Similarly, ratings ranging from above 3 to 4.48 correspond to a significant surge in both revenue and sales volume. This highlights the crucial role of product ratings in driving business success and customer satisfaction.
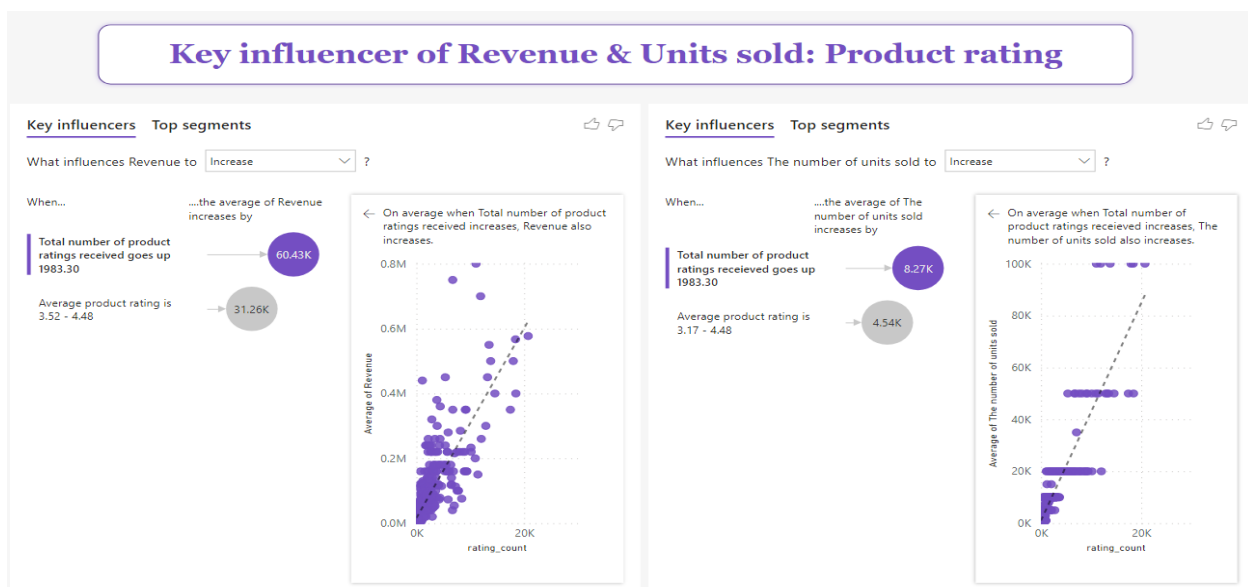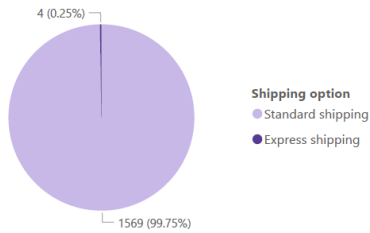

These findings indicate that **product ratings significantly influence consumer behavior and purchasing decisions.** A higher average rating leads to increased revenue generation and sales volume, suggesting customers prefer purchasing summer clothes with good ratings. However, due to the current limited dataset, we may not observe the connection between merchant ratings and their impact on revenue and sales volume.
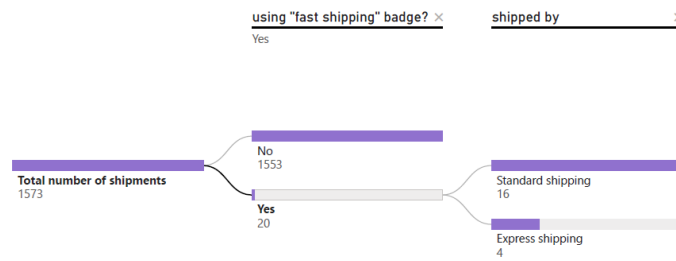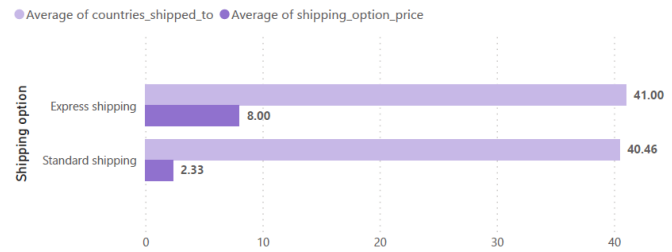
6. SHIPPING

**Average number of countries shipped to and Average price (in EUR) by Shipping options**
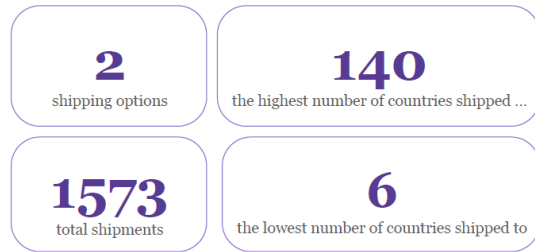
**Number of shipments by Shipping options**

In general, there are two shipping options: standard and express. According to Wish.com website, standard shipping typically takes around 7 days, while express shipping usually arrives within 5 working days. There are also other shipping options (such as "2 Day Delivery", "Ship to Store"), which are out of scope of this analysis.

Out of a total of 1573 shipments, only 4 were sent via express delivery. To gain further insights, let us compare these two shipping options more closely.

AVERAGE NUMBER OF COUNTRIES SHIPPED TO AND AVERAGE PRICE (IN EUR) BY SHIPPING …
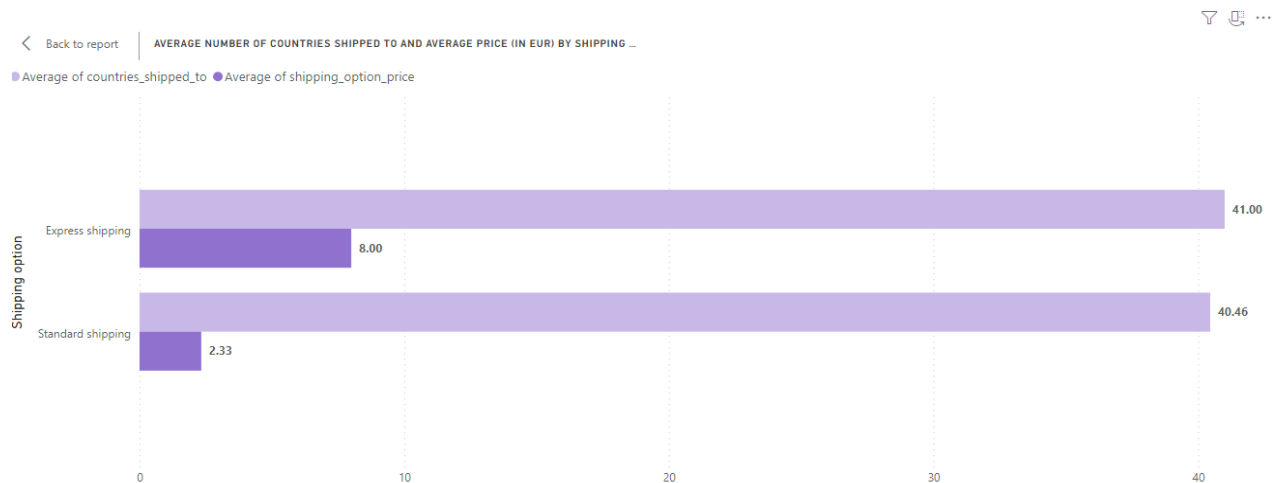
In terms of shipping coverage, **both standard and express shipping services cover a similar number of countries worldwide**. However, **express shipping is significantly more expensive, costing approximately four times as much as standard shipping**. Given Wish.com's information on shipping times, it is apparent that customers tend to prefer standard shipping. This preference stems from the comparable shipping times and destination coverage of both options, despite their price difference.
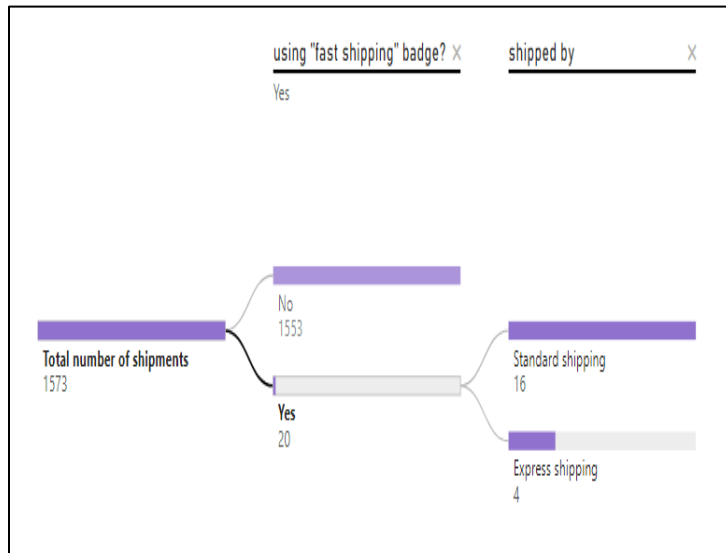
The usage of the "fast shipping" badge in influencing customers' choice of shipping method seems to be insignificant.

Despite the presence of the badge on 20 products, only 4 of them were shipped via express.

However, as mentioned in Wish.com's website, shipping times for products ordered using Wish Express will vary depending on destination regions.

Hence, in order to grasp better overview and what might impact customers' decisions on shipping options, **we recommend supplementing the current dataset with destination countries information**. This will allow for a more comprehensive analysis and enable the company to estimate delivery times and shipping costs accurately across different regions.

7. USAGE AND EFFECTIVENESS OF PROMOTIONAL FEATURES

7.1. BADGE
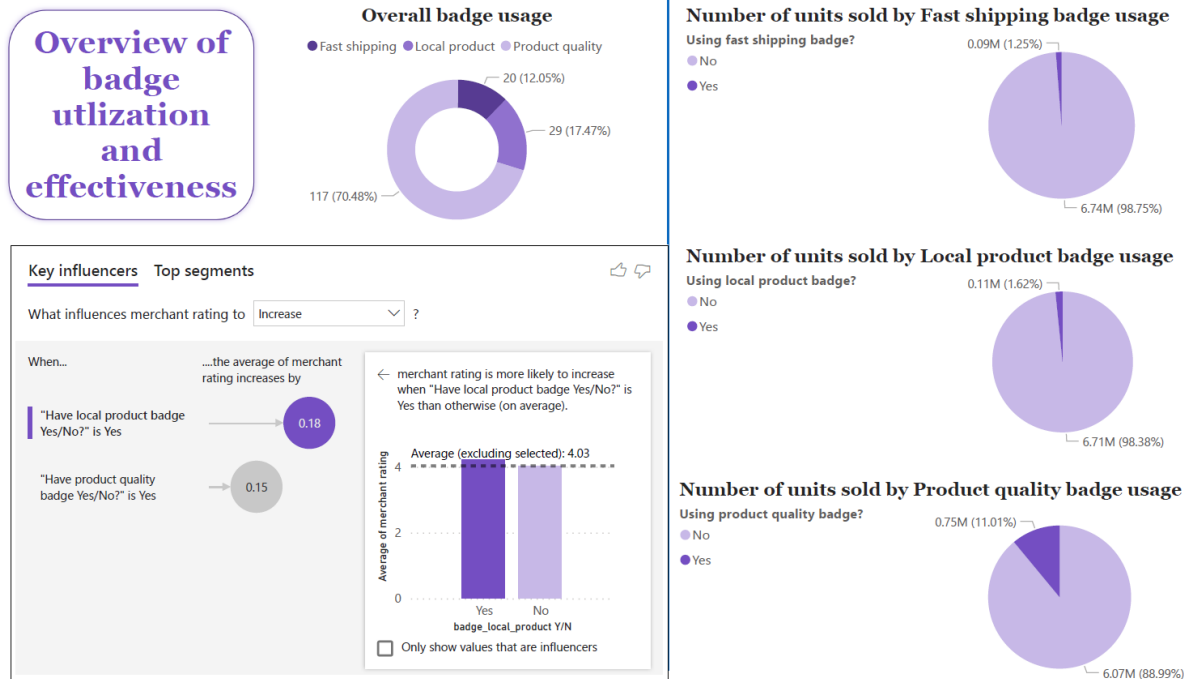
Overall, **"product quality" badges are predominantly utilized** by merchants, followed by "local product" badges. This trend suggests that **merchants tend to prioritize highlighting product quality to enhance visibility and attract customer attention.**

In practice, "local product" and "product quality" badges contribute to an increase in merchant rating. Merchant rating is more likely to increase when they utilize "local product" and "product quality" badges on their product listings. However, when looking at badge effectiveness in promoting sales volume, it becomes evident that **the number of products sold without badges outweighs those with badges.**

However, this observation could be simply because badge usage is somewhat still limited. Therefore, it does not necessarily imply that badge usage does not contribute to an increase in the number of units sold.

To address this, it is recommended that the company **actively promotes badge usage among merchants and maintains a continuous monitoring system for the sales performance of products with badges**. This can involve comparing sales volumes before and after the implementation of badges to assess their impact accurately.

Additionally, it is crucial to **evaluate the relevance of existing badges to customers' preferences and purchasing behavior**. Conducting online surveys with customers can provide valuable insights into which product characteristics—such as quality, origin, size, or sustainable materials—are of primary concern when making purchasing decisions.

For instance, as we discovered previously, plus-sized products have gained positive feedback and popularity among Wish.com's customer base. Therefore, introducing a "plus-size" badge could

effectively highlight attributes that align with customer preferences, subsequently improving sales volume.

7.2. AD BOOSTS

Ad Boost - Decision Factors & Sales Impact
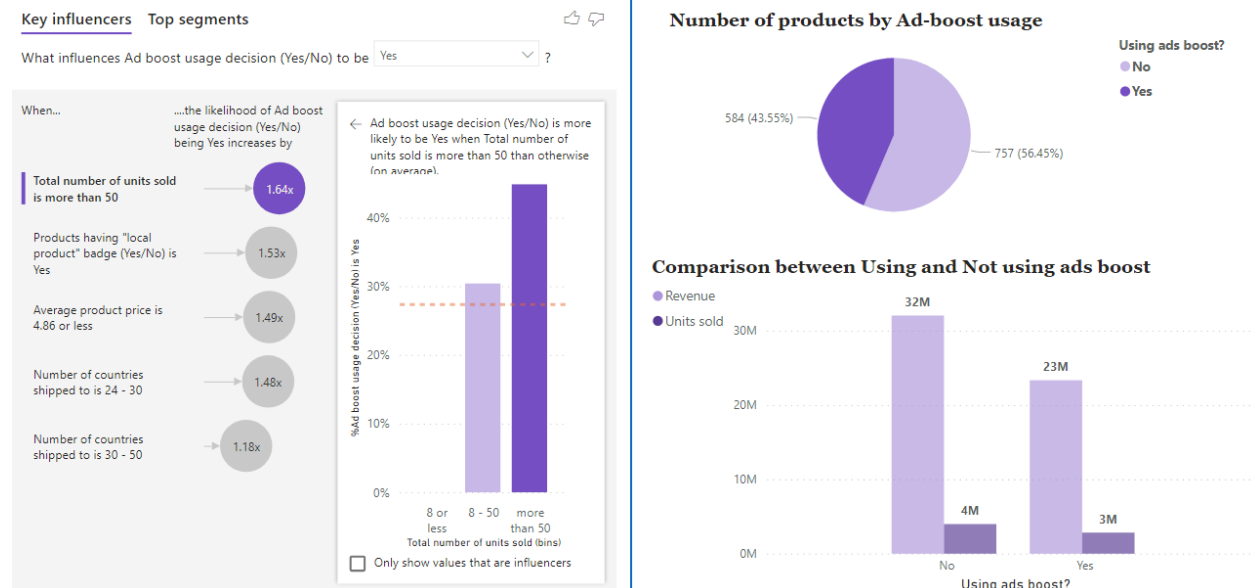
In general, **ad-boost usage appears to be more popular compared to badge usage**, with approximately 43.55% of products accompanied by ad boosts. The decision to utilize ad boosts for a product is influenced by various factors, including sales volume, price, badge usage, and shipping coverage. Interestingly, **shipping coverage also plays a marginal role in ad-boost decisions**, as products with wider shipping coverage are more likely to be promoted through ad boosts. This might be due to the reason that when using ads boost, merchants expect to receive orders from customers residing worldwide. Hence, if products can be easily shipped to many countries, merchants tend to boost ads for these products.

When comparing revenue and sales volume of products using/not using ad boosts, we can see similar pattern as in badge usage. Overall, **revenue generated from products using ad boosts is roughly 9 million euro lower, compared to products not using ad boosts**. Meanwhile, in terms of sales volume, we can see the **relatively higher number of products sold without ad boosts**, which indicates that **there might be a potential disparity in the effectiveness of ad boosts in driving sales volume**. Similar to badge usage, **further analysis is necessary** to compare over time (i.e., comparing sales volume before / after using ad boosts) within products itself. At this stage with the current dataset, comparison sales volume between using and not using ad boost might bias the result, considering ad boost usage has been not yet popular.

8. CONCLUSION & LIMITATION

In general, key findings from the sales performance review on Wish.com indicate a strong demand for women's clothing, with opportunities for category expansion and market diversification. Customer satisfaction, driven by product quality and merchant engagement, is crucial for fostering long-term loyalty and driving revenue growth.

Improving product presentation/description, proactive customer engagement, and implementing reward programs for top-performing merchants are recommended solutions for Wish.com to enhance customer satisfaction and trust. Furthermore, the company should leverage data analytics to understand customer preferences and behavior, optimize promotional strategies such as badges and ad boosts, and offer diverse shipping options, to drive sales performance and business growth on the platform.

The limitation lies in the restricted dataset, which solely encompasses summer clothes data from August 2020. This limited scope may introduce biases and overlook seasonal variations. Given the ongoing impact of COVID-19 in 2020, its influence on product/merchant ratings and fluctuations in revenue and sales volume remain uncertain. To address this, comprehensive data from previous years is required for comparative analysis and to gain a clearer understanding of long-term trends. Additionally, conducting more frequent data analysis will enable Wish.com to stay informed about annual patterns and adapt strategies accordingly.