# IP WISDOM 2012

Case: Marques Soarez

Group 6

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# **Team overview**

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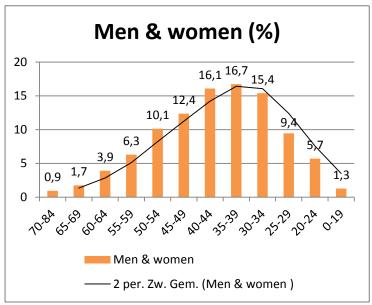


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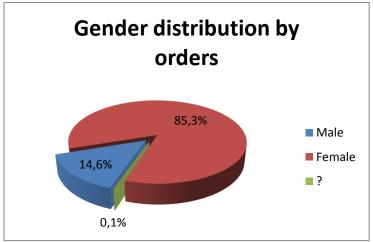
# **Customer description**

# **Customer graphs**



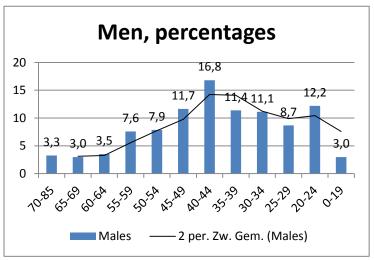
Marques Soares has got a wide range of customers, when we analyse their customers we can see that Marques Soares is the most popular for the customers around the age of 35 until 39. (Graph 1)





If we look more specific, we can also look at the gender of the customers. When we do that we can see that the main customers of Marques Soares are females (85,3%). Only 14.6% are male customers.(*Graph 2*)

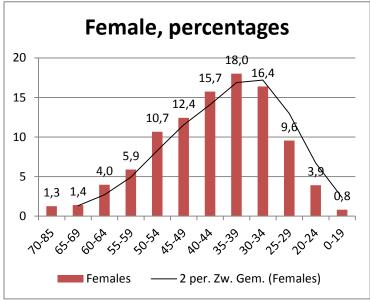
Graph 2: Customers by gender (in %)



**Graph 3: Male Customers in Detail** 

When we look to the part of the male customers, we can see that Marques Soares main public are the males between 40 and 44 years old.

After this one, Marques Soares is also attracting some youngsters between 20 and 24 years old. (*Graph 3*)



**Graph 4: Female customers in Detail** 

Marques Soares is the most popular for females between 35 and 39 years old.

They are also pretty popular for females between 30 and 34 years old. (*Graph 4*)

#### **Customer summary**

Marques Soares is a company who has a big variety of customers, this really is an advantage. They have customers from 0 to 85 years old.

Most of the customers of Marques Soares customers are women, only 15% (on average) of the customers are men. The most popular age to go to Marques Soares is between 35 and 39 years old for the women. For men, it is a little bit different, the most popular age is between 40 and 44 years old.

## Case data

For this case we had got a lot of data, one source was really usefull, the other wasn't. Although we tried to workout the case as good as possible.

### **Interviews with the representatives**

At the second day of our project we had some interviews with the representatives of Marque Soares, it was really useful to get to know the company and his goals.

#### Presentations from the Moodle

We had serveral lectures in the morning, who were really useful for our project, We learned how to filter data and how to use it on an efficient way.

#### WEB server log

In this file, we could easily find out the IP of the client, the webbrowser they are using, the time of purchase and the item that was purchased.

It was useful information, but it wasn't very easy to access or understand.

# Dataset (excel-file)

In the MS Excel file, we found the data that we could use about the Marques Soares customers, this information was not really useful because the data wasn't complete at all. First we needed to filter the data, to get some useful information about the customers.

At the end we were able to find some patterns in the data, for example, products that are often sold together. Also, we have found how many women and men are customers for Marques Soares.

# **Google analytics account**

The Google analytics account of Marques Soares was probably the most useful data we got to use. Thanks to Google Analytics we were able to trace some patterns and some useful data.(Figure 1)

# For example:

Source/Medium	Visits ↓	Pages/Visit	Avg. Visit Duration	% New Visits	Bounce Rate
1. google / organic	144,694	12.96	00:06:32	51.38%	10.56%
2. (direct) / (none)	51,359	8.71	00:05:05	51.30%	26.82%
3. mail.sapo.pt / referral	3,142	9.04	00:04:56	36.63%	24.25%
4. facebook.com / referral	2,820	6.54	00:04:00	49.01%	37.13%
5. bing / organic	2,527	13.60	00:07:31	48.48%	10.96%

Figure 1 : Google Analytics website entries

# **Business point of view**

# **Business Model Canvas**

The business model canvas is used to visualize the elements of a company and to give some proper descriptions. (Figure 2)

Business Strategy  Business Model Canvas							
Key Partners	Key Activities	Value Propositions	Customer relationship	Customer Segment			
Distributors of clothes (Gant, Hugo Boss, La Coste, Dielmar)  Website Moderator	Selling goods/ products	Offer a loyalty card, it offers you monthly installments, they lend you some start credits  A lof of products, Everyone can find clothes he like in the catalog or store	When you enter the store, the staff already know you, because of this, they can give you an	Women Children Men  Women, children and men, who want to wear descent clothes of a descent brand.			
	Key Resources Buildings Human		additional service Channels Internet -Newsletters -Social Media -online catalog Store Catalog				
Cost structure		Revenue Structure					
Buildings Humans (Because of the additional service, you need more personel)		Selling products at the store Selling product from the catalog Selling products with the webshop					

Figure 2 : Business Model Canvas of Marques Soares

# **Business questions**

Business question are questions the business want to be able to answer.(Figure 3)

Possible business questions are:

	Tossible business questions are.							
	Question	Possible answer						
Marketing	Target audience expections?	Currently the largest consumer audience is women. But they want to broaden their commercial profile to a wider audience, especially children / young men.						
Marketing	How to reach that target audience?	Different stores, located in different districts. A wide array of advertisements on different media channels. There's also an option of participating more actively in different youth programs.						
Marketing	How to put use online advertisements more efficiently?	Currently there are only internal promotions, but Marques Soares is planning to advertise it themselves on another platform as well. A good suggestion would be sites offering different newsfeeds / media content.						
Business & IT	What else would Marques Soares like to achieve in the future in terms of online user behaviour?	User profiles on the online purchases. Marques Soares is interested in recommending the same type of products to the same user groups based on online user behaviour.						
Business & IT	How to offer a more accurate client-loyalty program and mix it with the online service as well?	Marques Soares could segment their clients not just on a family level, but on a personal level as well - using the loyalty card. By using the person-specific info, the client may receive certain discounts on products, which are designated for that segment group. E.g. a woman in her 20's can get a -X% off certain perfumes/jewels.						
Business & IT	How to attract more customers to the online service?	Include special discounts/more beneficial bonus system by using the internet service, compared to the other streams. E.g. by ordering the same product online the client may receive X% more bonus points or a Y% delivery discount on the product.						

Figure 3: Business Questions of Marques Soares

# **SWOT - analysis**

A swot-analysis is a strategic kind of plan to evaluate a company. With a SWOT-analysis, you evaluate the strengths, the weaknesses, the opportunities and the threads. (figure 4)

#### Strengths

Very different ages of customers

Variety of brands (products)

Clear looking catalog

#### Weaknesses

Plenty of product (maybe too much)

No advantages by using the webstore

Website is only available in 1 language (Portuguese)

Webstore is barely used

#### Opportunities

Reach more possible customers

Increasing the revenue stream of the webstore

Expanding by using the social media frequently

#### Threads

The low usage of the webstore

The crisis

Figure 4 : SWOT-analysis of Marques Soares

#### **BSC - Balance Score Card**

The Balance Score Card is a technique to write future goals down on a clear and easy way.

CSF	KPI	Instrument	Actual	Target	Action
		the customers loyaltycard,			
Customerloyalty	% of returning clients	webanalytics		Return a few times a month	Offer the customer a special threatment when (s)he enters the store to get the clothes.
	% of customers that				
Webstore users	use the webshop	Google Analytics	6000	12000 unique customers	usefull newsletters, online catalog, social media
internet sellings	Raise the sell of	Web analytics and the			
over the webstore	clothes over the internet	accountancy journals	10%	50%	Promote the website, make an easy accessible webshop.
expand the total	Raise the amount				
amount of customers	of customers	The customers loyaltycard	30000		Radio spots, newsletters, promoting products/goods, social media.

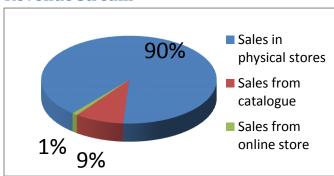
Figure 5: BSC – Balance Score Card of Marques Soares

Some possible CSF of Marques Soares could be customer loyalty, Increasement of webstore users, the internet sellings, expand the total amount of online customers...

To reach this CSF's, the company needs to attempt some actions who are described in *Figure 5*. For example, if you want to increase the amount of webstore purchases, you can promote the website on several ways. You can give the customer a benefit when they order by the webstore, for example you can give them a discount of 5%.

# Processing and analysis of data

#### Revenue stream



**Graph 5: Revenue stream of Marques Soares** 

In *Graph 5,* you can see the revenue stream of Marques Soares. As you can see only 1% of the total revenue stream is from the online store.

This isn't very good, If you want to increase the sales from the online store, you need to attempt some actions. (Possible solutions are given in the final chapter.)

#### Website visits





**Graph 6** shows us that the website has got more than 113 000 unique visitors. From these visitors, more then 110 000 visitors already returned.

#### **Top sources**

**Graph 6: Visitors** 



At Google Analytics, we found this map of Portugal, at this map you can see the places where people visit the website often.

After analysing, we have found that the most popular regions were:

- Region of Porto
- Region of Lisbon
- Region of Aveiro
- (More detailed information in *Appendix 1*)

After our analysis of the most popular regions, we wanted to know how these persons get access to the website, in *Figure 6*, you can see our results.

As you see, persons get access to the website the most by using Google, after this they get access by entering the direct link to the website.

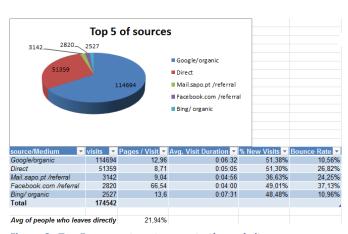


Figure 6: Top 5 sources to get access to the website

There are positive and negative points about this Figure.

The positive point is that people, who doesn't know the direct link to the Marques Soares website can easily find it on Google, the negative point is that only 29.42% of the website visitors know the link to the website.

#### **Bounce Rates**

If you look to the TOP 5 sources of the website, you can also see that the average bounce rate is around 21,94%. This means that a little bit more than 1 visitor at 5 leaves directly the website. This is quite a lot actually.

One of the reasons can be that internet users are actually looking for another website and that they directly leave the website because they see that is isn't the right one. Another reason can be because they cannot see the website properly.

This is because the website doesn't support mobile access.



picture 1: The website, using an internetbrower on a computer.



picture 2 : The website, using a mobile device.

As you can see in picture 1 and picture 2, the website doesn't show up properly on a mobile device. (Possible solutions are given in the final chapter.)

# Purchases over the internet

#### **Goal Conversion Rate**



**Graph 7 : Goal Conversion Rate** 

The Goal Conversion Rate of Marques Soares is 3,52%. This isn't very good. It means that only 3,52% of the visitors of the website actually place an order.

Why is the goal conversion rate this low? This can be caused by many things, maybe Marques Soares is expecting too much, or maybe because Marques Soares don't offer any benefits to the online customer... (Possible solutions are given in the final chapter.)

# **Purchases for every Region**

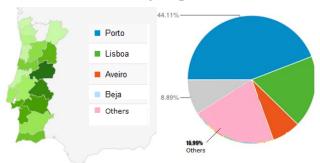


Figure 7: Purchases for every Region

In *Figure 7* you can see the purchases for every region in Portugal. As you can see, the region of Porto has got the most purchases of Portugal. A possible explanation is because Marques Soares is a company that started in Porto.

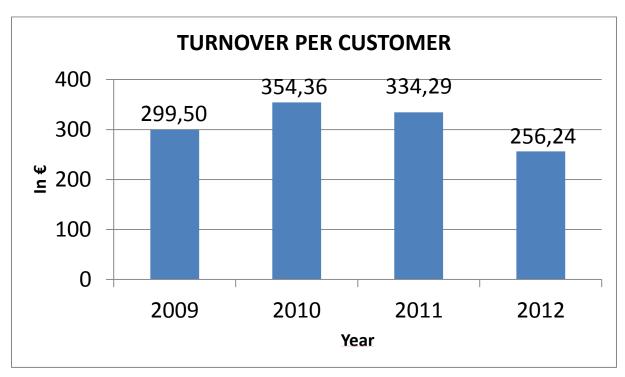
Also Lisbon has got a quiet good ratio of purchases.

# Purchases by gender

We also have figured out some statistics about the purchases by gender. (see *Customer graphs*)

#### Turnover per customer

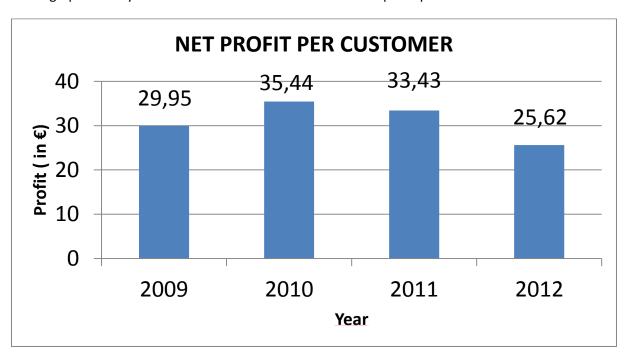
In the table below you can see the average turnover per customer every year. The graph tells us how much the customer paid averagely per year.



**Graph 8 : Turnover per customer** 

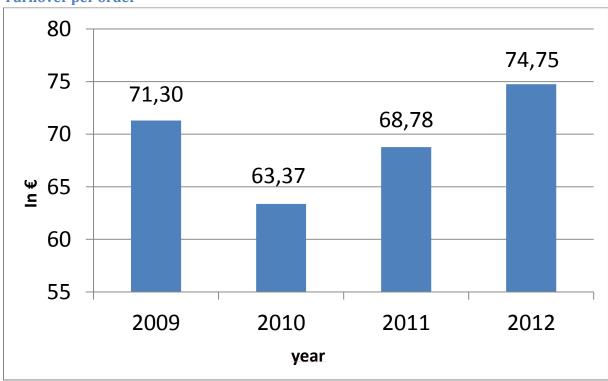
# Net profit per customer

In the graph below you can see our information about the net profit per customer.



**Graph 9: Net profit per customer** 

# Turnover per order



**Graph 10 : Turnover per order** 

# Usage of Social Media and other communication channels

#### **Facebook**



picture 3: Facebook of Marques Soares

As you can see on *picture 3*, Marques Soares has joined Facebook on the 14 September 2011. This means that they have their Facebook-page for more than 6 months. Within 6 months they have gained 3 100 'likes'. If we calculate it into month, then we can say that they get 516,67 likes/month.

When we look at the 'talking about this' we see that 129 persons were talking about Marques Soares. It means 21,5 'talking about this' /month.

When we compare this whit a similar company of Portugal:



picture 4 : Facebook of El Corte Inglés Portugal

This company, El Corte Inglés Portugal, has a Facebook-page for almost 2 years. Within these 2 years, they have gained 69 487 'likes'. This means that they've got 2 895,29 'likes' / month on average. 206,83 persons/month are talking about this company.

Actually, it pretty hard to compare those two companies with each other, because El Corte Inglés is a multinational.

At this moment aren't the numbers very positive, but normally a Facebook-page 'Likes' increases exponential. This is because more people will get in touch with Marques Soares on Facebook when they see that one of their friends has 'Liked' the Marques Soares-page.

#### **Youtube Channel**

Marques Soares also has got a YouTube Channel.



picture 5: YouTube Channel of Marques Soares

Using YouTube is a really nice thing, through YouTube you can reach a lot of people. As you can see, the videos of Marques Soares are viewed for more than 10 000 times.

YouTube can give a company an added value, you can use it for free and the visitors of your YouTube Channel can be turned into customers of Marques Soares. The customers you can reach with YouTube are just some extra customers for you company.

It was a good decision of Marques Soares to use YouTube for their promotion materials (videos)(picture 5)

#### The website

The website has a fine layout and everything is pretty clearly, but there are also some negative points about it.

One of the positive point of the website is also that the catalog is available on a digital way.

There are some security issues, when anyone register him/her on the website to use the webstore or to get the newsletter, you can just fill in some randomly data. There's nothing that validates the data, you can even put in some sql-statement in the search box.

# **Conclusions and suggestions**

#### **Conclusions**

Marques Soares is a company that has a huge variety of customers, from youngster until persons on age. Most of the purchases come from women, between 35 and 39 years old.

The company has many opportunities to grow, with the right attempts.

At the moment, 90% of the sales comes from the stores. The other 10% is divided into 9% of sales from catalog and 1% of sales from the webstore. The sales of the webstore must definitely increase.

The website has pretty much visitors, but only a 'few' buyers.

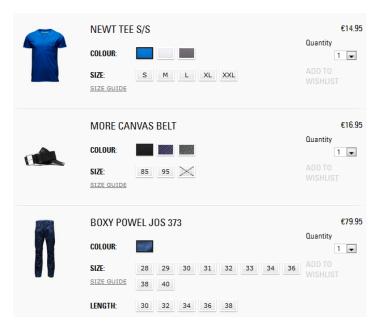
# **Suggestions**

At the end of our case study, we can give Marques Soares a few suggestions:

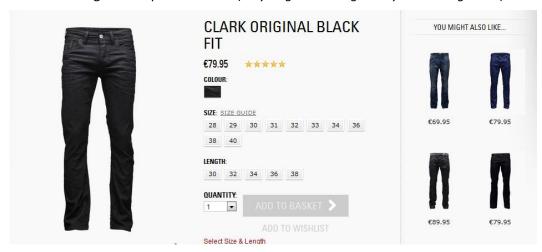
- » Try to collect all the information you need about a customer to have a well-constructed database of your customers. When you have a well-constructed database, it will be easier to use data-mining.
- » Use Google AdWords to Advertise directed, to the people who you want to get on your website to buy something.
- » Add something extra to the website, something like a Shopping Basket Recommendation.(see Figure 8)It's a list of goods who are often purchased together.

Shopping Basket Recommendations						
Selected Item	▼ Recommendation ▼	Sales of Selected Items ▼	Linked Sales 🔻	% of linked sales		
Polo Sleave Short	Polo	22	17	77,27%		
Jacket Pele	Boots	16	12	75,00%		
Polo Mesh	Coat Mesh	16	12	75,00%		
Raincoat	Shoes	19	14	73,68%		
Jacket Lady	Boots	20	14	70,00%		
Trousers Plain Bloom Flat	Trousers Jeans	16	11	68,75%		
Polo Mesh	Trousers	16	11	68,75%		
Trousers Corsair	Dress	15	10	66,67%		

Figure 8 : Technical view of a Shopping Basket Recommendation of often purchased goods together.



» Add something like the picture below (they might deciding to buy something extra):



- » To get more online sales, stimulate the customer with something (like a small reduction when they buy more than X euro and downgrade the shipment prices.
- » Make sure that the customer also can delete something from his order.
- » Add a validation form when someone fills in registration from. To be sure that it is valid data. (for example: a validation for the email address)Also let them confirm their registration by email.
- » Make the website accessible for mobile users.
- » Specify your audience for your online sales, fixate the website on the target audience.
- » Reward your loyal and good customers with something.
- » Reward a client when he brings on a new customer. With some kind of discount or small gift.

# **Appendix**

# Appendix 1

Region	Visits	Pages/Visit	Avg. Visit Duration	% New Visits	Bounce Rate
Porto	90,224	8,11	0:05:39	55.15%	14.82%
Lisboa	36,869	15,10	0:06:36	46.49%	19.89%
Aveiro	14,738	3,11	0:05:28	52.87%	17.89%
Évora	9,635	13,10	0:06:56	42.43%	10.05%
Setúbal	8,57	22,12	0:06:38	44.32%	12.95%
Braga	8,36	11,60	0:05:39	57.02%	16.63%
Santarém	5,44	12,66	0:06:41	48.88%	17.52%
Colmbra	4,178	11,84	0:06:26	48.49%	16.44%
Faro	4,163	12,52	0:06:44	48.40%	12.39%
Regiao Autonoma dos Açores	3,846	13,48	0:08:05	38.59%	10.87%
Beja	3,826	25,11	0:06:00	44.38%	11.55%
Regiao AutOnoma da Madeira	2,698	14,78	0:08:32	38.03%	10.27%
Castelo Branco	2,271	10,69	0:05:45	38.35%	16.34%
Viseu	2,034	12,11	0:06:20	49.80%	17.21%
Guarda	2,033	12,63	0:06:27	34.92%	12.69%
Viana do Castelo	1,717	13,02	0:06:09	46.30%	12.93%
Leiria	1,424	13,69	0:07:08	46.28%	12.22%
Portalegre	1,121	12,56	0:07:39	44.78%	11.42%
Bragança	991	13,60	0:06:48	40.97%	14.53%
(not set)	29	11,48	0:09:04	62.07%	24.14%
	204,167	11,32	0:06:07	50.56%	15.55%