

Investment Pitch Deck Project

-- For E-Commerce Company

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Company Overview



The company is a newly launched e-commerce startup specializing in the sale of stuffed animal toys.

The company is preparing to secure its next round of funding by showcasing a compelling growth story that highlights its scalable operations, customer engagement strategies, and potential for long-term success.

Company Aim

- Optimize marketing efforts to focus on traffic sources with the highest conversion rates.
- Utilize website analytics to enhance user experience and boost conversions.
- Grow market reach through strategic marketing and efficient operations.
- Build a dominant market presence by emphasizing customer satisfaction and long-term growth.
- Improve product success, refine processes, and establish the company as a scalable e-commerce leader.

Company Market

March 2012

Our e-commerce journey began with a commitment to offering premium, collectible stuffed toys.

To date, we have introduced four signature products:

- The Original Mr. Fuzzy
- The Forever Love Bear
- The Birthday Sugar Panda
- The Hudson River Mini Bear

These beloved toys have earned us a dedicated customer base.



We sell exclusively through our website, prioritizing quality and exceptional customer experience.

High Level Metrics



Total Orders
32,313



Net Revenue
\$1.85M



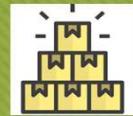
Net COGS
\$6.9L



Net Profit
\$1.15M



Total Products
4



Total Quantity
40,025



Total Refund
\$85.33K



Avg. Product
Price \$48.43



Total
Customers
31,696



Repeat
Customers
591



Avg. No. of
Daily
Transactions
29.49



Avg. Profit
Per Customer
\$36.38

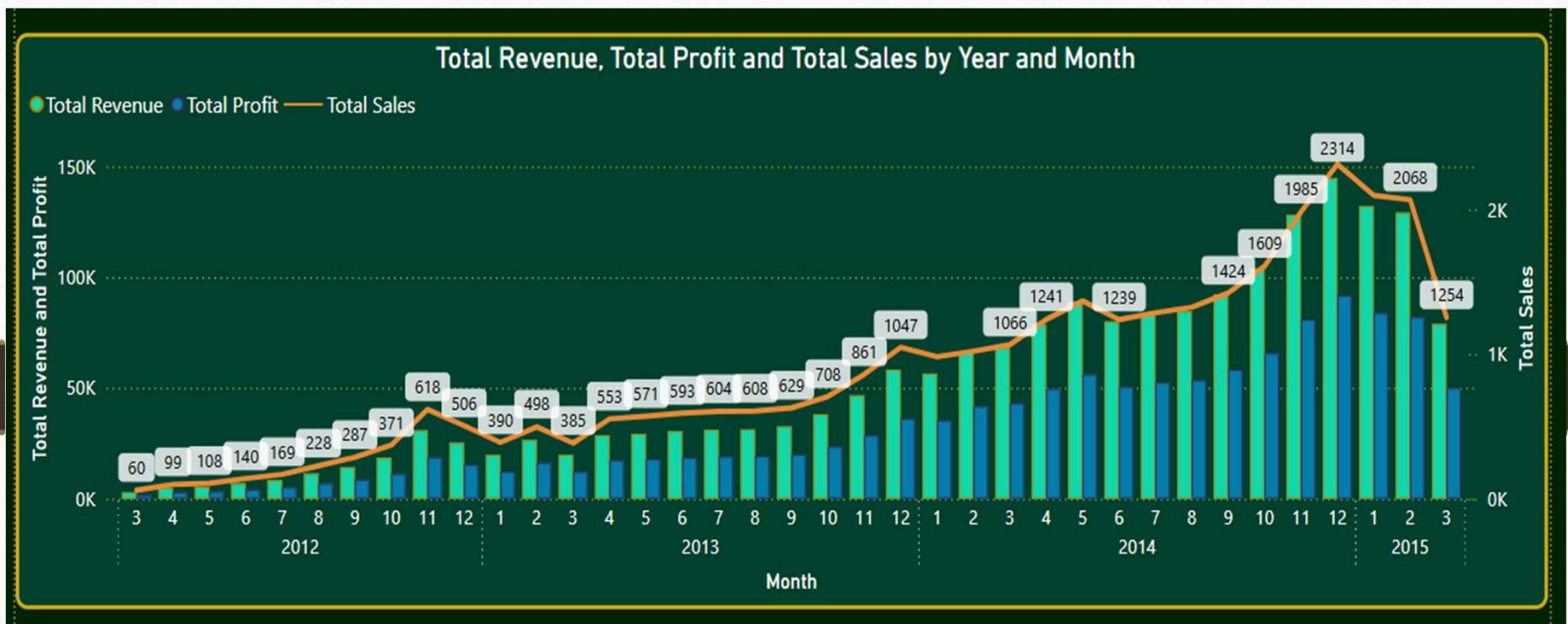


Profit
Percentage
62.23%



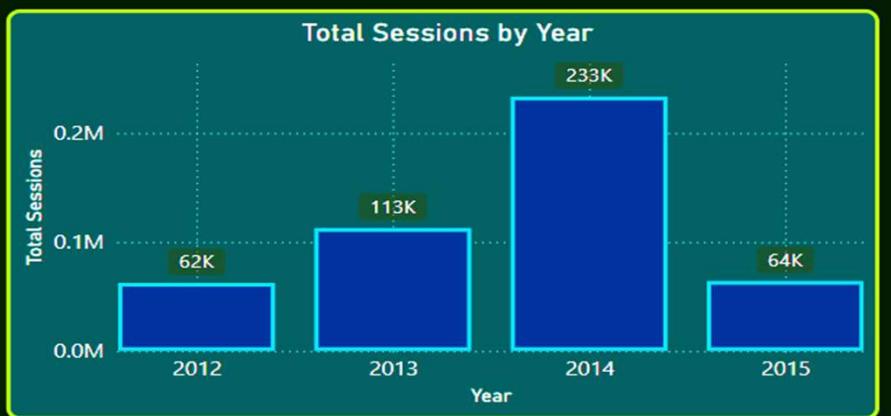
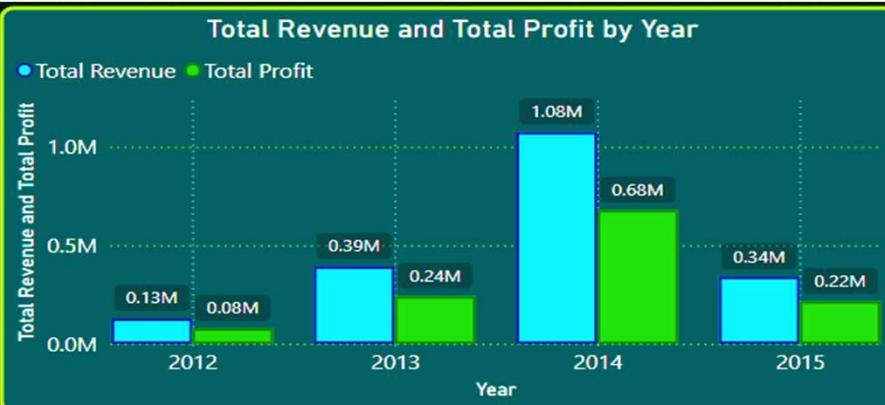
Total Sessions
4.72L

Total Revenue, Total Profit and Total Sales



It shows the upward trend and consistent growth over time highlights our increasing success in attracting and converting users, strengthening our position for sustained revenue expansion and deeper market reach..

Yearly Trend



For Revenue, CAGR% (from 1st Jan, 2012 to 31st Dec, 2014) was 188.3%

Volume Growth



Since our launch, we've experienced steady growth in both website traffic and orders, reflecting rising customer interest and demand for our products.

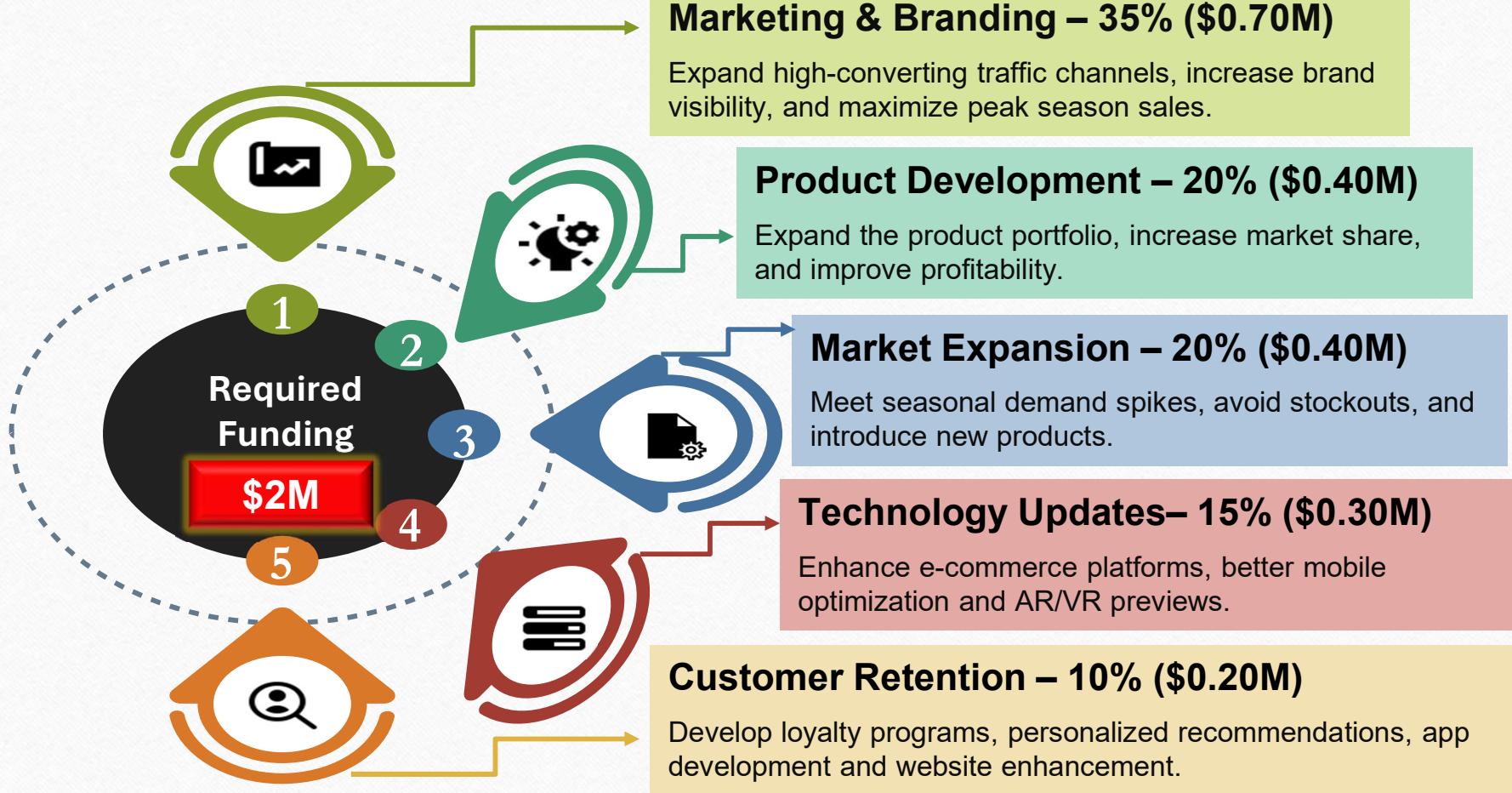
- Starting with just 1,879 sessions and 60 orders in Q1 2012, our platform quickly gained momentum.
- By the end of 2014, sessions surged to over 76,373 in Q4, with orders approaching 6,000.
- This positive trajectory carried into 2015, with Q1 alone recording over 64,198 sessions and 5,420 orders.
- Our consistent growth highlights the strong market appeal and customer loyalty we continue to foster as we expand our reach and product line.

Conversion Rate by Each Quarter & Year



- "Our session-to-order conversion rate rose from 3% in Q1 2012 to 8.4% in Q1 2015, showcasing successful site enhancements and a better user experience."
- Monthly product sales and revenue increased consistently year over year, reflecting ongoing market demand and strong customer engagement.
- Profit margins grew alongside revenue, highlighting effective cost control and the launch of higher-margin products.

Investment Needs & Allocation (1/2)



Investment Needs & Allocation (2/2)

Marketing & Branding – \$0.70M (35%)



- Paid Advertising (Google, Facebook, Instagram) • Seasonal Promotions and Discounts • Influencer Partnerships and Content Marketing • Brand Development (Logo, Packaging, 'PR) • Scale-up campaigns on high performing channels.

Product Development: \$0.40M (20%)



- Research and Development for New High-Margin Toys • Prototyping and Testing New Designs • Market Launch of New Products.

Market Expansion: \$0.40M (20%)



- Increasing stock for high-demand products like "The Original Mr. Fuzzy" • Diversifying product range with high-margin items • Penetrate untapped markets with localized strategies • Collaborate with other businesses for cross-promotions

Technology Upgrades: \$0.30M (15%)



- Supply Chain Automation and Logistics Improvements • Enhance e-commerce platforms and AR/VR previews • Warehouse Expansion or Outsourcing Fulfillment • Training Staff on New Technologies .

Customer Retention: \$0.20M (10%)



- Redesign and Optimization of website, app development. • Advanced Analytics Integration (A/B testing, heatmaps • Develop loyalty programs, personalized recommendations and gamification features.

What We Are Expecting

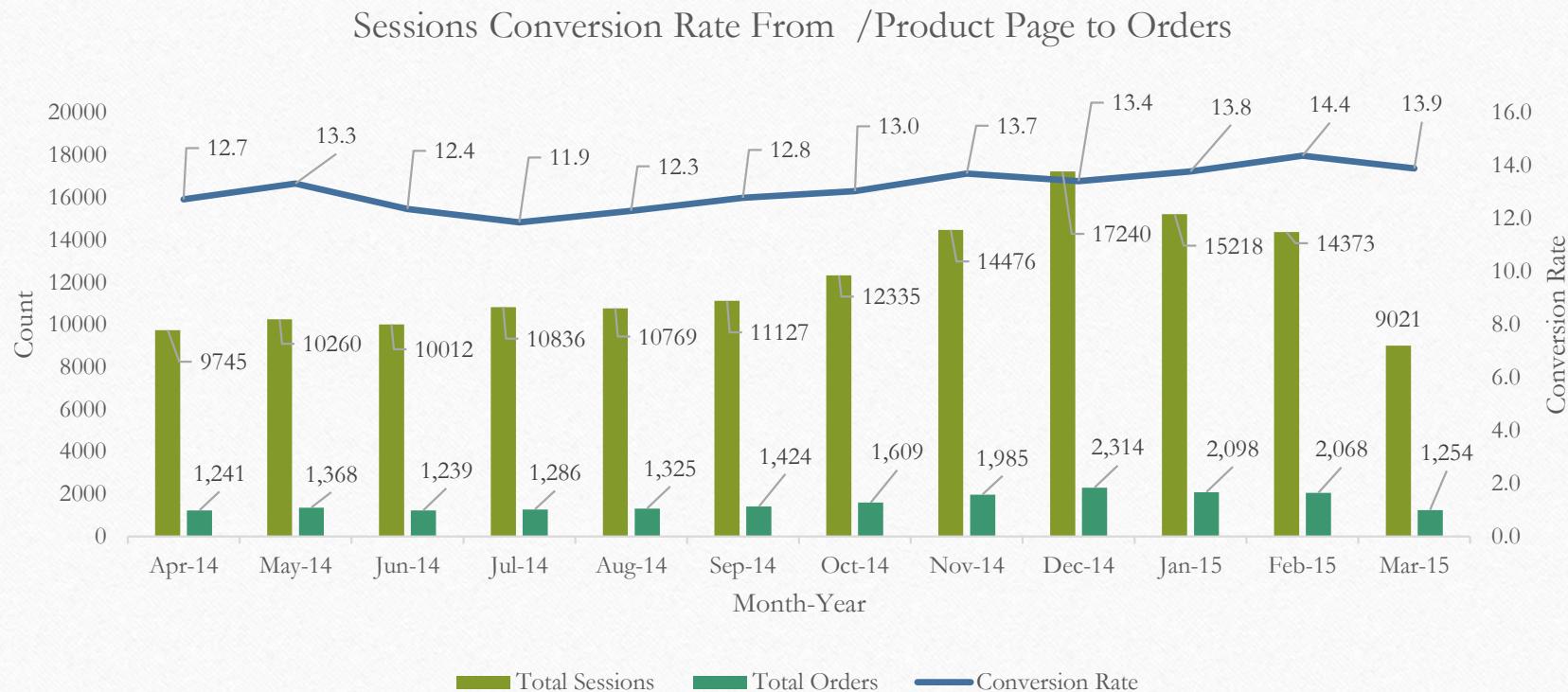


- 1. Expansion and Market Growth:** The company has seen a growth 188% CAGR in the last 2 years. Considering a conservative growth rate of 50% CAGR in the next 3 years, the expected market size will be \$5.45M by 2018.
- 2. Valuation:** With this trajectory, the company's valuation could reach \$15-20M, assuming a 3x-4x revenue multiple.
- 3. Website & App Optimization :** Conversion Rate: 15-20% (7%-8%) increase in conversions through mobile optimization and AR/VR integration.
- 4. Testing & Experimentation :** Increase in revenue per session i.e. around \$4-5 through billing and A/B testing improvements.
- 5. Sustainability & Growth :** Overall Revenue Growth: 75% Increase in sessions from product innovation, marketing, and optimization.

Why to Invest

- The company has grown by 188% in the last two years. If it keeps growing at a steady rate of 50%, the market size could reach \$5.45 million by 2018.
- If this trend continues, the company could be worth between \$15 million and \$20 million by 2018.
- Making operations more efficient will help lower customer acquisition costs and increase profits.
- The company also plans to launch 8–10 new products, including tech-based and eco-friendly stuffed toys.
- Offering a wider variety of products will help attract more customers, including collectors and buyers who prefer sustainable products.
- Investing more in successful advertising channels like Google while stopping low-performing campaigns will improve profits.
- Expanding to social media platforms like Instagram, and YouTube will increase engagement, especially among younger customers and parents.
- Loyalty programs and personalized experiences will help keep customers coming back, leading to more repeat purchases.
- A strong brand reputation will make the company more appealing for partnerships, licensing deals, or potential buyouts by bigger toy companies.
- The company expects a high return on investment (ROI).

Monthly sessions conversion from /product page to orders (last 12 months)



Monthly sessions conversion from /product page to orders (last 12 months)

Interpretation

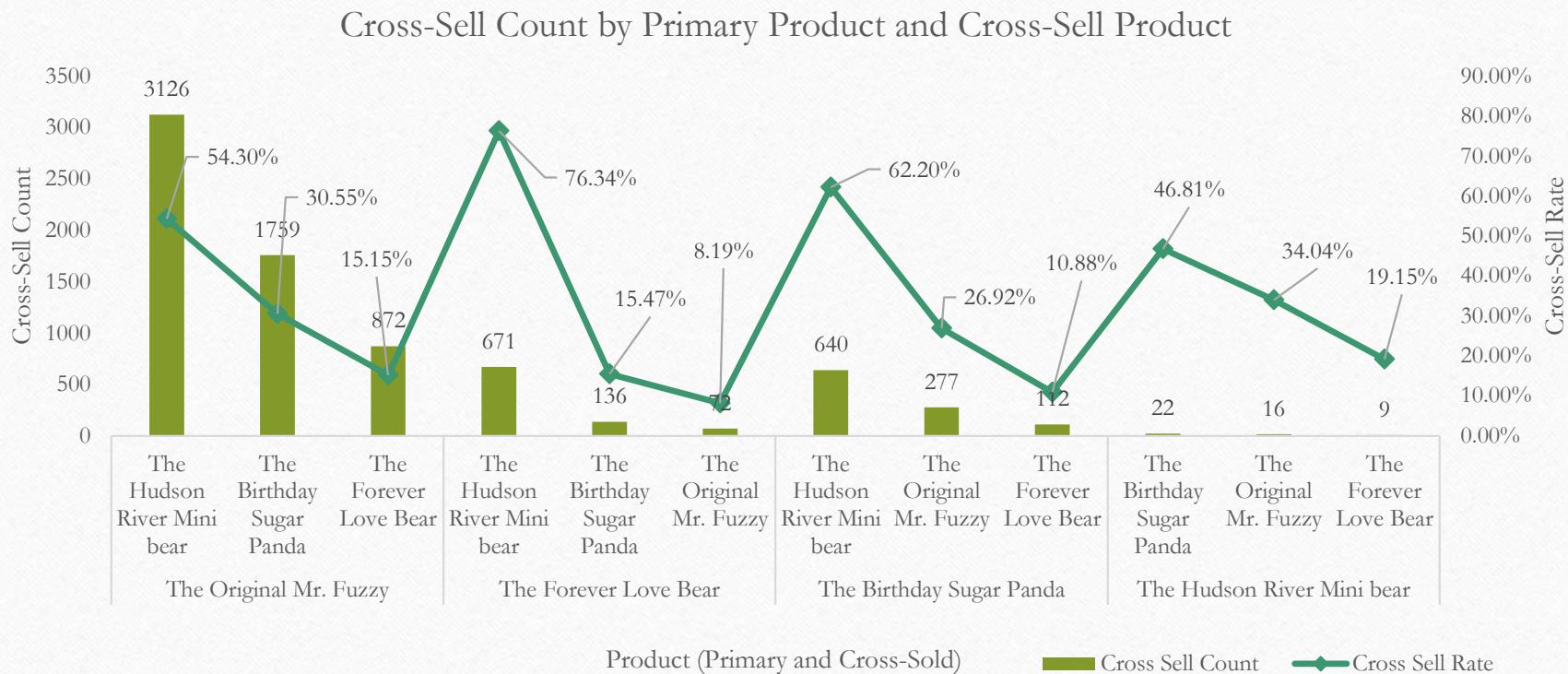
- ❑ **Consistent User Growth:** The steady increase in website sessions demonstrates strong user engagement and brand visibility, making it a promising investment opportunity.
- ❑ **Revenue Stability:** A stable conversion rate between 12% and 14% indicates predictable revenue generation, reducing risk for investors.
- ❑ **Scalability Potential:** As website traffic continues to grow, there is an opportunity to scale marketing and product offerings to further boost revenue.
- ❑ **Seasonal Revenue Maximization:** Noticeable seasonal spikes suggest opportunities to capitalize on peak periods through targeted marketing campaigns and promotional strategies.
- ❑ **Market Validation:** The trends indicate a strong and engaged customer base, proving the product-market fit and the potential for long-term profitability.

Cross-Selling

Product 1	Product 2	Cross-Sell Orders	Revenue
The Original Mr. Fuzzy	The Hudson River Mini bear	3,142	2,51,297.16
The Original Mr. Fuzzy	The Birthday Sugar Panda	2,036	1,95,415.28
The Original Mr. Fuzzy	The Forever Love Bear	944	1,03,821.12
The Forever Love Bear	The Hudson River Mini bear	680	61,186.40
The Birthday Sugar Panda	The Hudson River Mini bear	662	50,298.76
The Forever Love Bear	The Birthday Sugar Panda	248	26,283.04

- ❑ The Original Mr. Fuzzy and The Hudson River Mini Bear are the top-selling cross-sell products, with 3,142 orders and a revenue of around two and a half lakhs.
- ❑ The Forever Love Bear and The Birthday Sugar Panda are the least popular cross-sell products among the six available options.

Cross-Selling



*The cross-sell rate is the percentage of orders that include a secondary product along with a primary product

Cross-Selling

The Original Mr. Fuzzy



The Hudson River Mini Bear

They have a strong cross-sell rate of 54.30%, with 3126 sales, highlighting effective product synergy.

The Birthday Sugar Panda



The Hudson River Mini Bear

This pair has a 62.20% cross-sell rate with 640 sales, making it the second-highest in cross-sell performance.

The Forever Love Bear



The Hudson River Mini Bear

This pair has a 76.34% cross-sell rate with 671 sales, making it the highest in cross-sell performance.

* primary cross-sell drivers

Top Complementary Product: The Hudson River Mini Bear is highly effective for cross-selling with various products.

54.30%

62.20%

76.34%

(Highly suitable for upselling and bundling).

The Original Mr. Fuzzy

The Birthday Sugar Panda

The Forever Love Bear

Improvement Opportunities : The Forever Love Bear and The Original Mr. Fuzzy currently have a 8.19% cross-sell rate, offering potential for better placement, promotions, and targeted marketing.

Cross-Selling

Interpretation

- ❑ **Proven Sales Growth:** Our cross-selling strategy drives high sales volume, with top product pairs selling thousands of units together.
- ❑ **Increased Revenue Per Order:** Customers buy more when products are bundled, boosting average order value and total revenue.
- ❑ **High Customer Demand:** Our data shows strong customer interest in bundled products, proving that cross-selling works in our market.
- ❑ **Scalable Business Model:** The success of Hudson River Mini Bear shows we can apply the same strategy to more products and scale revenue.
- ❑ **Smart Marketing Opportunities:** Targeted promotions and AI-driven recommendations will further increase sales, driving repeat purchases and loyalty.
- ❑ **Competitive Advantage:** Our successful cross-selling model sets us apart, ensuring long-term growth and a strong market position.
- ❑ **Investor-Backed Growth Potential:** With more funds, we can expand product bundling, optimize marketing, and boost overall sales, delivering high returns on investment.

Efficiency Improvements: Quarterly Performance in Conversion Rate



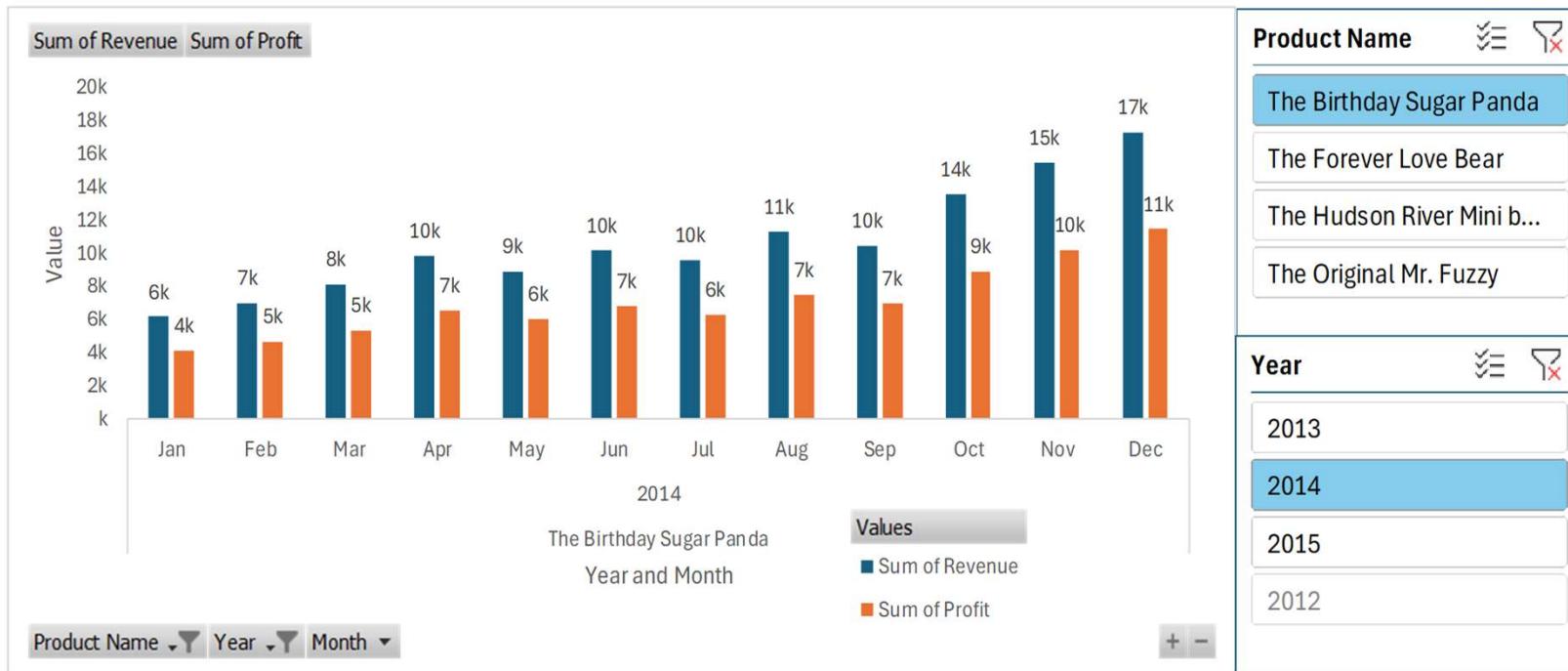
- **Stronger Conversion Rate –** We've significantly improved at turning website visitors into paying customers.
- **Higher Efficiency –** Our session-to-order conversion rate increased from 3.14 in Q1 2012 to 8.09 in Q1 2015.
- **Effective Marketing & Product Strategy –** This growth proves that our marketing efforts and product offerings are working better than ever.

Efficiency Improvements: Quarterly Performance in Revenue Per Session



- **Steady Growth in Revenue Per Session –** Our revenue per session has surged from \$1.57 in Q1 2012 to \$5.05 in Q1 2015, proving our ability to generate more income from each visitor.
- **Enhanced Efficiency & Performance –** We've significantly improved key business metrics, including conversion rates, revenue per order, and revenue per session.
- **Strategic Optimization Driving Profits –** Our continuous improvements in marketing, customer engagement, and product offerings are delivering strong financial performance and long-term customer value.

Monthly Revenue and Margin by Product

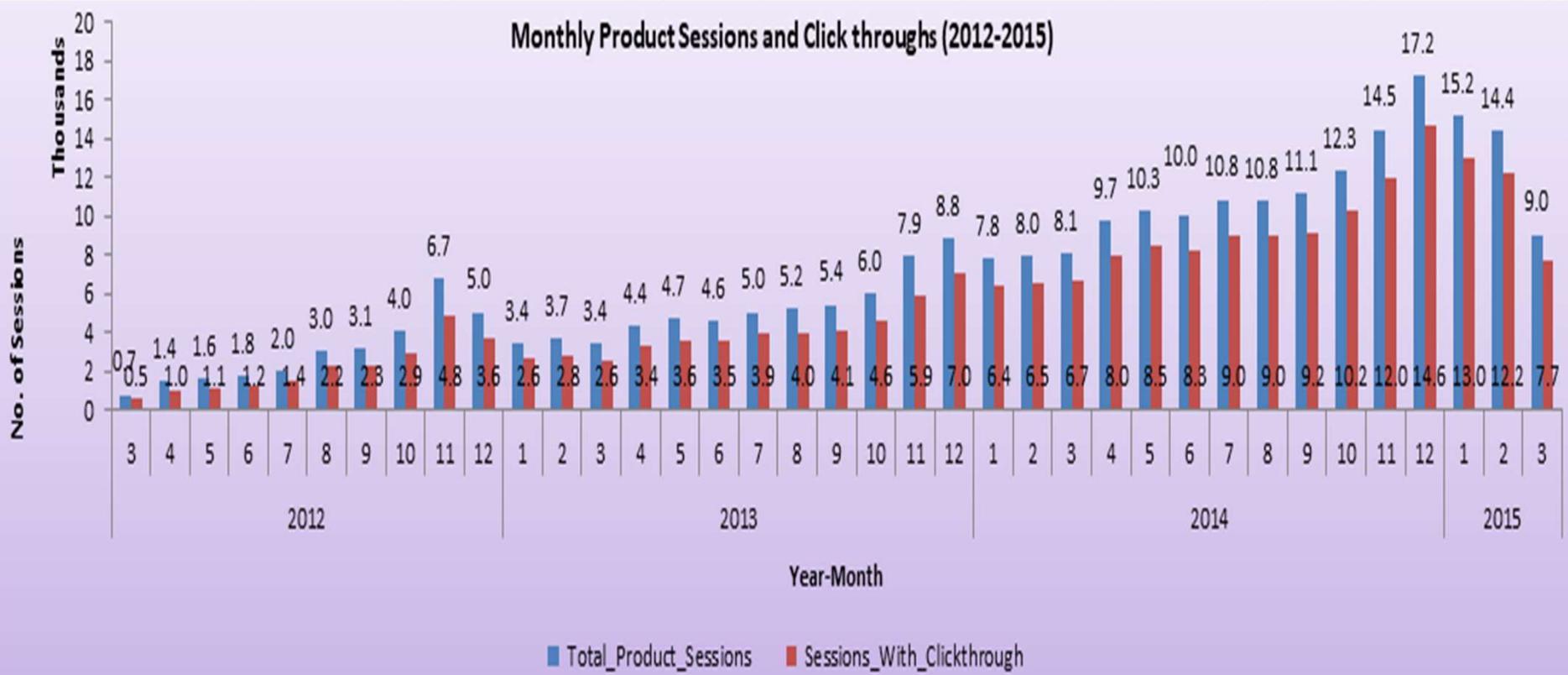


Monthly Revenue and Margin by Product

Interpretation

- ❑ **Strong Seasonal Revenue Peaks** – Consistently high sales in November & December driven by holiday demand (Thanksgiving & Christmas), ensuring strong year-end profits. Valentine's Day boosts sales in February, providing another revenue surge.
- ❑ **Best-Selling Products with Market Demand** – The Original Mr. Fuzzy dominates sales, exceeding \$97K in Dec 2014 and \$85K in Jan 2015. The Forever Love Bear aligns with Valentine's Day trends, ensuring reliable seasonal demand. New product launches (Hudson River Mini Bear) indicate product expansion potential.
- ❑ **Consistent Year-over-Year Growth** – Sales have steadily increased, with The Original Mr. Fuzzy growing from \$23K in 2012 to \$97K in 2014 (+126% growth). This proves scalability and strong market acceptance.
- ❑ **Sustained Market Demand & Stability** – Even post-holiday, demand remains high, ensuring steady cash flow beyond peak seasons.

Tracking Growth: Monthly Product Sessions & Clickthrough



Tracking Growth: Monthly Product Sessions & Clickthrough

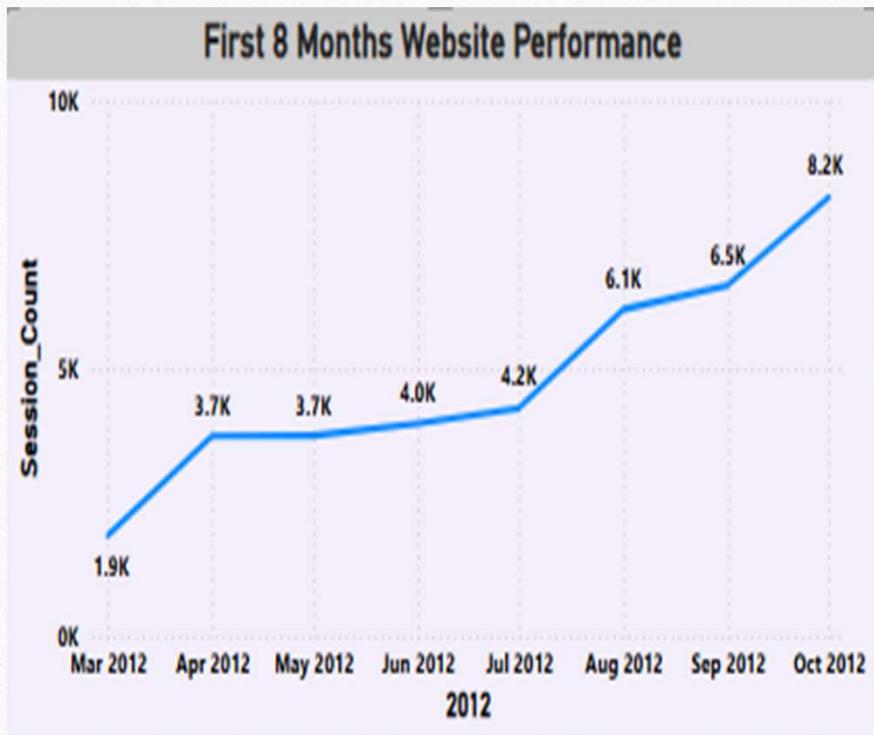
Steady Increase in Product Sessions : From March 2012 to March 2015, total product sessions increased by 20x, from 743 sessions in March 2012 to 15,218 sessions in January 2015. This growth reflects the increasing reach of the product offering.

Clickthrough Sessions Growth : Sessions with Clickthrough measure the sessions that landed on the product pages and subsequently visited another page, reflecting a deeper level of engagement. From 530 sessions with clickthrough in March 2012, the numbers increased to 12,993 sessions by January 2015, highlighting the success of the user engagement strategy.

Session With Clickthrough : Measures the sessions that landed on products and subsequently visited another page.

Website Performance

Website Performance of First 8 Month



Month	Total Sessions	Total Orders	Conversion Rate (%)
2012-03	1,879(1.9k)	60	3.19%
2012-04	3,734(3.7k)	99	2.65%
2012-05	3,736(3.7k)	108	2.89%
2012-06	3,963(4.0k)	140	3.53%
2012-07	4,249(4.2k)	169	3.98%
2012-08	6,097(6.1k)	228	3.74%
2012-09	6,546(6.5k)	287	4.38%
2012-10	8183(8.2k)	353	4.53%

Interpretation

Over the first eight months, our website has experienced significant growth, with both session counts and conversion rates steadily rising

Starting at **1,879 sessions in March 2012**, traffic surged past **8,183 sessions by October**, marking a more than fourfold increase.

Similarly, the conversion rate improved from **3.19% in March to 4.53% in October**, highlighting stronger user engagement.

This consistent upward trend in both traffic and conversions demonstrates our growing ability to attract visitors and successfully convert them, paving the way for sustained revenue growth and market expansion.

Website Performance

Estimate the revenue impact of the GSearch lander test by analyzing the increase in conversion rate (CVR) from the test period (June 19 – July 28). Use nonbrand session data and revenue generated after the test to determine the incremental value.

Lander 1 page went live on 19th June 2012. We compare both traffic through both homepage and lander page to compare the impact of lander page on our conversions.

Pageview URL	Sessions	Orders	Conversion Rate (%)
/home	2,261	72	3.18%
/lander-1	2,316	94	4.06%
Difference	+55	+22	+0.88%

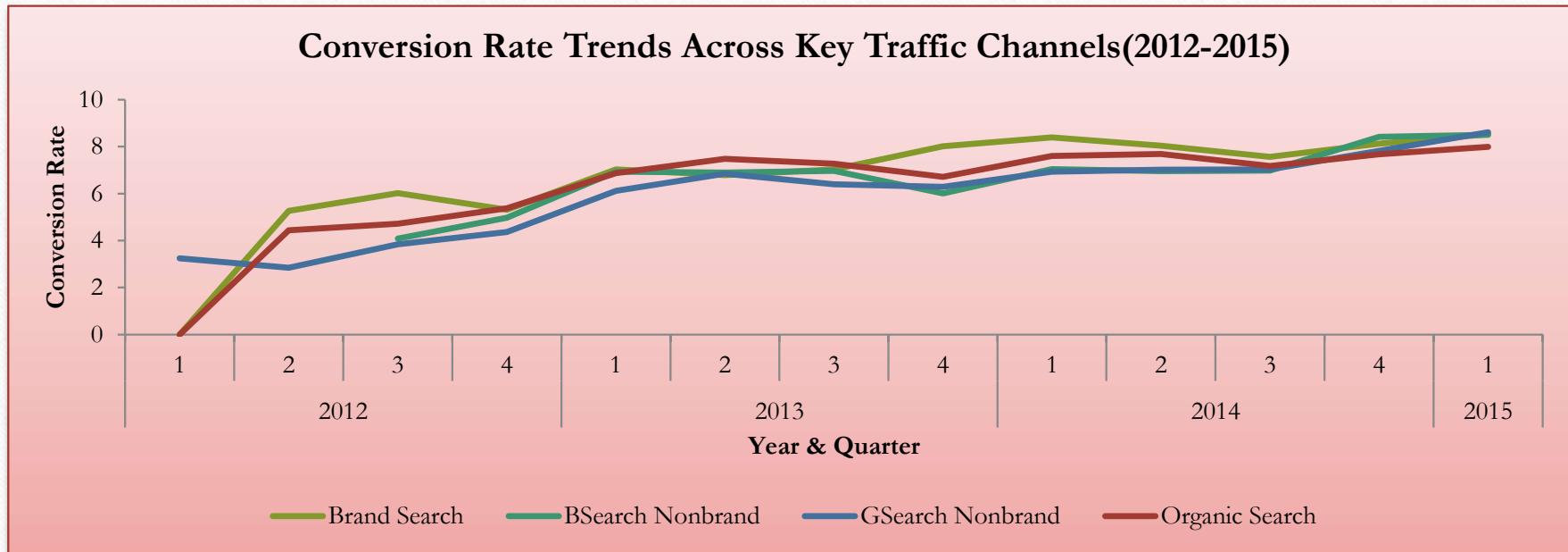
- Based on CVR of 0.088%, we estimate the excess amount of revenue we collected after the given test date is due to lander page

Incremental Value	Formula	Output
Incremental Orders	No. of sessions after test period * CVR	~2,353
Incremental Revenue	No. of sessions after test period * CVR * Avg. revenue per order	~1,41,214

Interpretation

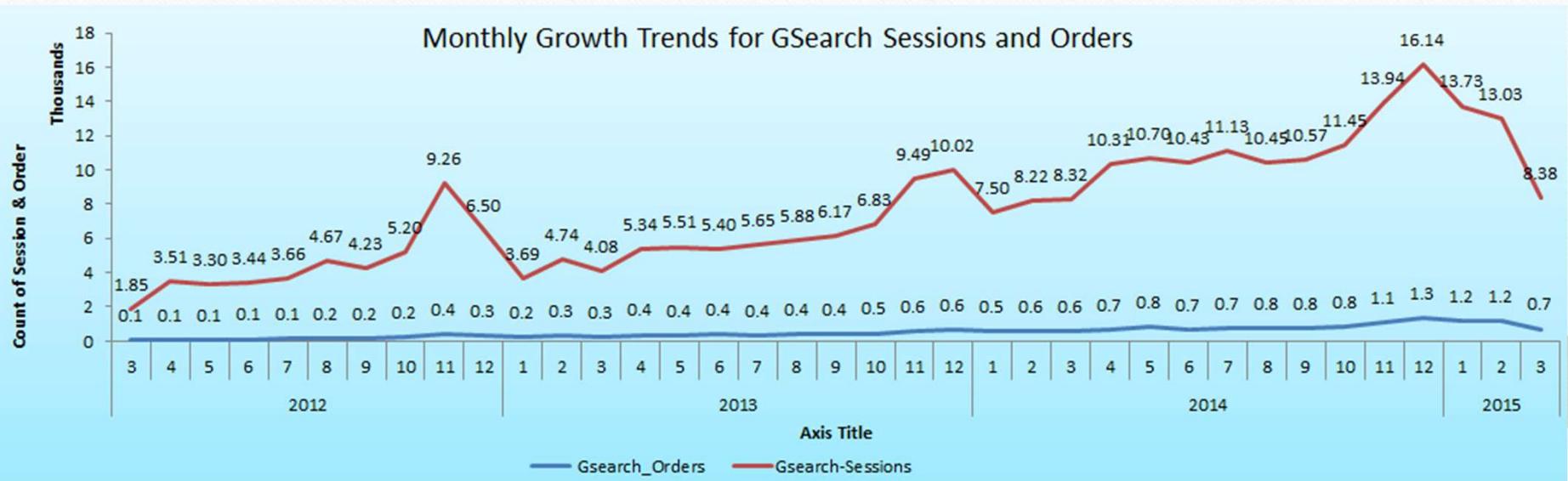
- Following the launch of Lander 1 page on June 19, 2012, its performance was analyzed compared to the homepage.
- The conversion rate (CVR) for the Lander 1 page was 4.06%, compared to 3.18% for the homepage, yielding a net increase of 0.88% in conversion rate.
- This incremental improvement, attributed to the more targeted and optimized landing page experience, allowed projection of additional orders and revenue beyond the test period (June 19-July 28).
- Using the increased CVR, an estimated incremental 2.3K orders and an added revenue of approximately 141K after the test period.
- **This result highlights the financial value of using specific landing pages for targeted traffic, validating the approach of optimizing the customer journey to drive higher conversion rates.**

Session-to-Order Conversion Rate Analysis: G Search, B Search, Brand, Organic



- Brand Search and Organic Search showed steady growth over the years, with Organic Search reaching its peak in 2015.
- G Search Nonbrand saw significant improvement, especially in the later years, achieving the highest conversion rates.

Monthly Growth Trends for GSearch Sessions and Orders



- Sessions increased by **8.7x** (from **1.85K** in March 2012 to **16.14K** in December 2014), slightly lower than the original estimate.
- Orders grew by **7x** (from **0.1K** in March 2012 to **0.7K** in March 2015), indicating a steady but **not exponential** conversion rate.
- The conversion rate has remained consistent, suggesting that GSearch continues to be an effective acquisition and conversion channel.

Monthly Growth Trends for GSearch Sessions and Orders

Strong Growth

- Sessions grew steadily from 1.85K in March 2012 to a peak of 16.14K in December 2014, before slightly declining.
- Orders followed a similar trajectory, peaking at 1.3K in December 2014 before dropping to 0.7K in March 2015.
- A steady increase throughout 2013 and 2014 indicates a consistent marketing effort and strong customer acquisition strategy.

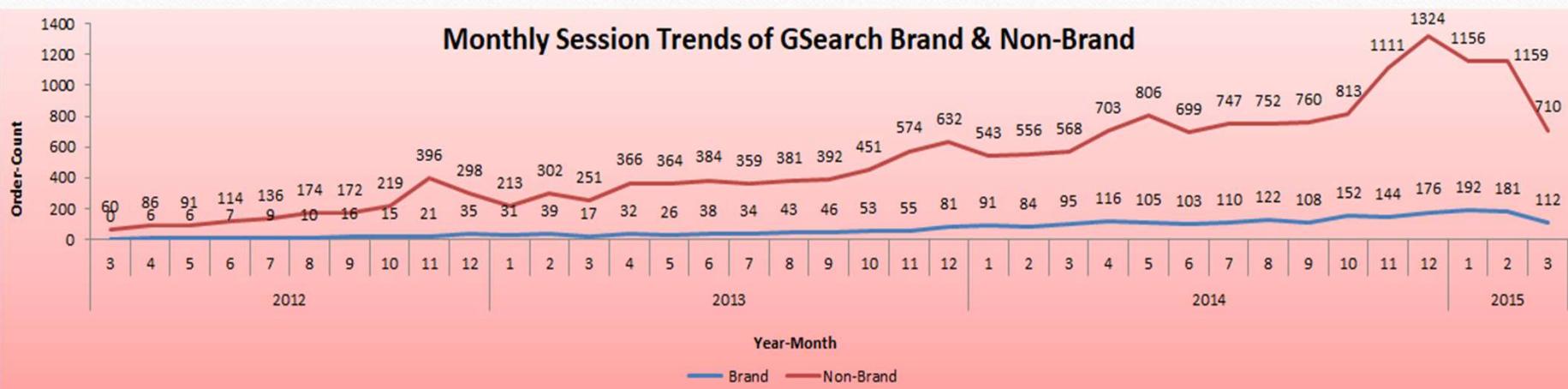
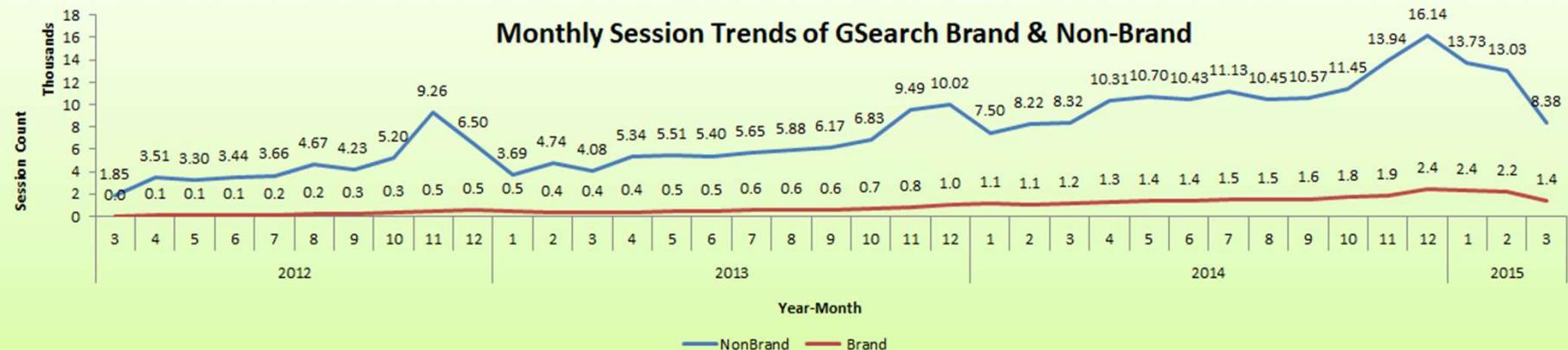
Seasonal Trends

- Spikes observed in Q4 (October-December) each year, peaking in December 2014 (16.14K sessions, 1.3K orders).
- A decline in January and February across all years, aligning with a post-holiday slowdown.
- March 2015 shows a sharp decline (8.38K sessions, 0.7K orders), reinforcing the need for post-holiday re-engagement strategies.

Annual Growth

- 2012 → Gradual growth, reaching 4.74K sessions and 0.3K orders by December.
- 2013 → Accelerated growth, with sessions exceeding 10K and orders growing steadily. 2014 → Peak performance, reaching 16.14K sessions and 1.3K orders in December.
- 2015 → Decline in Q1 (January-March) suggests a possible market saturation or seasonal impact.

Monthly Trend Analysis: Brand vs Non-Brand Campaign



Monthly Trend Analysis: Brand vs Non-Brand Campaign

- Overall GSearch Growth and Brand Campaign Share: Both brand and non-brand campaigns showed strong growth from mid-2012 to 2014.
 - Brand Sessions and Orders: Brand sessions increased from 8 in March 2012 to 2,438 in December 2014. Orders grew from 0 in early 2012 to 192 by January 2015. The proportion of brand sessions steadily rose since mid-2013, indicating increased brand awareness and more direct searches.
- Monthly Growth Trends for Brand Campaigns
 - Sessions Growth: Brand sessions consistently increased month-over-month, averaging 400-500 by early 2013, reaching over 1,000 in late 2014, and peaking at 2,438 in December.
 - Orders Growth: Brand orders grew from single digits in 2012 to over 150 by late 2014, showing strong engagement and loyalty, with more brand searchers making purchases.

Monthly Trend Analysis: Brand vs Non-Brand Campaign

- Comparison of Brand and Non-Brand Campaigns
 - Non-brand Dominance: Non-brand campaigns accounted for the majority of sessions and orders. In December 2014, non-brand sessions were 16,139, compared to 2,438 for brand.
 - Order Conversion Rates: Brand sessions drive conversions at a higher rate than non-brand sessions, suggesting users engaging with brand campaigns are more likely to purchase.
- Seasonal Peaks
 - Q4 Peaks: Both brand and non-brand sessions peaked in Q4, particularly in November and December, benefiting from holiday traffic. Brand campaigns saw the highest sessions and orders during this period in both 2013 and 2014.

Estimating Incremental Revenue from Gsearch Lander Test

Observation:

- Incremental revenue increases steadily over the testing period.
- Higher CTR (Click Through Rate) correlates with increased revenue.
- Consistent improvement in conversion rate post-lander test implementation.

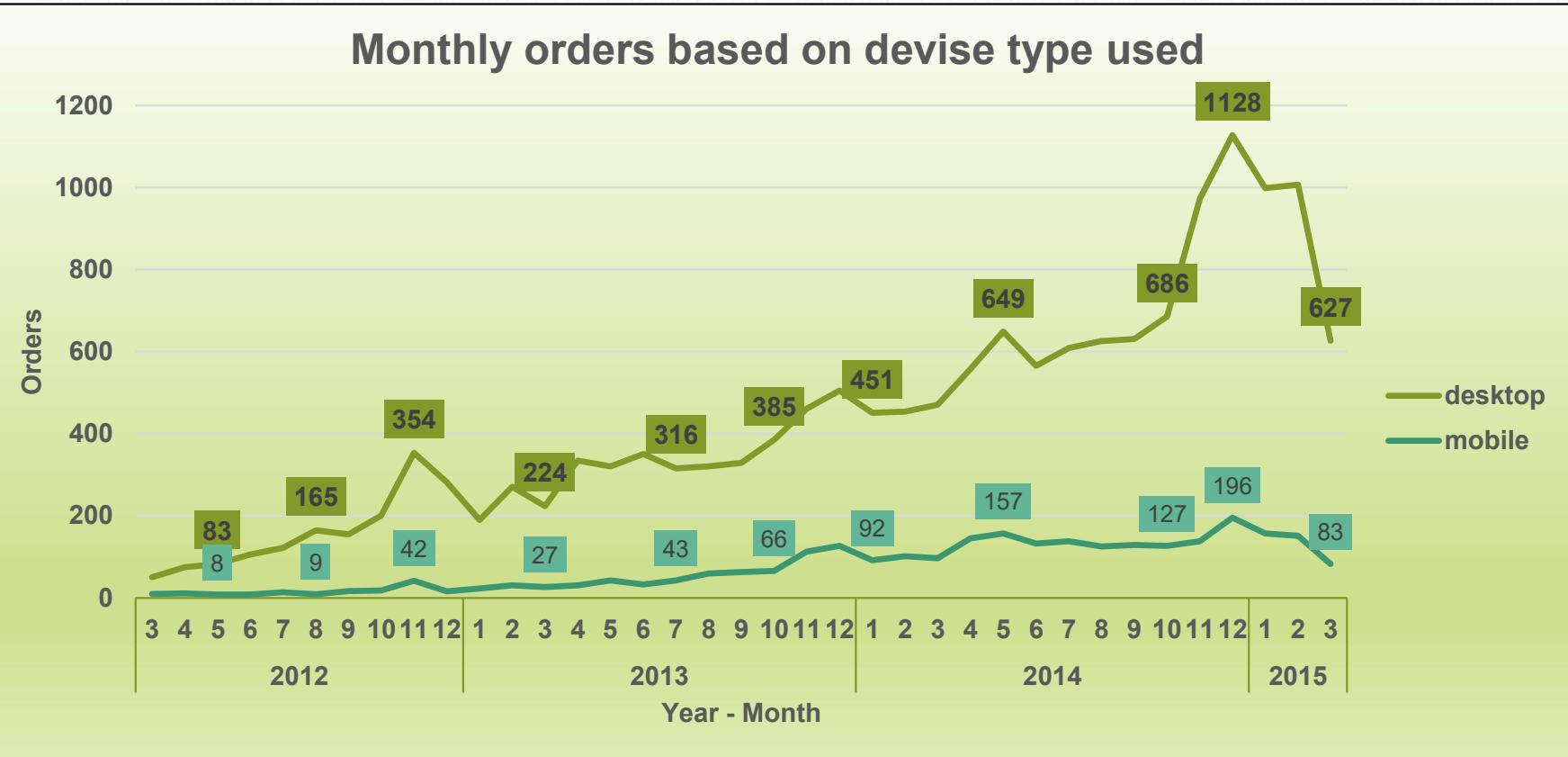
Interpretation:

- Positive revenue impact indicates that the lander test successfully optimized user flow.
- High CTR reflects effective ad targeting and user engagement.
- Conversion rate growth confirms better landing page performance.

Recommendation:

- Expand lander test framework to other traffic sources.
- Optimize ad creatives to further increase CTR.
- Conduct A/B tests to refine and improve conversion strategies.

Nonbrand Gsearch : Monthly Session & Order by Device Type



Nonbrand Gsearch : Monthly Session & Order by Device Type

Observation:

- Desktop shows a steady increase in sessions and orders from Q1 to Q4, indicating consistent engagement.
- Mobile traffic is higher than desktop but with a lower conversion rate, suggesting possible UX issues on mobile.

Interpretation:

- The higher mobile traffic with lower conversion implies that mobile user experience improvements could drive higher conversion rates.
- Desktop's steady growth suggests that targeted campaigns on desktop can further boost performance.

Recommendation:

- Improve mobile site performance to increase conversion rates.
- Invest more in desktop-targeted campaigns due to consistent growth.

Brand Gsearch : Monthly Session & Order by Device Type

Monthly sessions based on devise type used



Brand Gsearch : Monthly Session & Order by Device Type

Overall Growth:

Both desktop and mobile sessions show an upward trend over the three-year period, indicating increasing website traffic. Mobile Surpasses Desktop: Initially, desktop sessions were higher, but around mid-2013, mobile sessions began to catch up. By late 2013/early 2014, mobile traffic surpassed desktop and continued to grow at a faster rate.

Seasonal Variations:

There appear to be seasonal dips in traffic, particularly around the end of each year, which could be attributed to holiday periods.

Peak in 2015:

The highest number of sessions, especially for mobile, is observed in early 2015, suggesting successful growth strategies or seasonal peaks.

This data suggests a strong shift towards mobile usage. An investment pitch could highlight this trend to emphasize the importance of mobile optimization and strategies for continued growth in the mobile sector.

Monthly Trend Analysis of Traffic Source

Traffic Source Analysis



Monthly Trend Analysis of Traffic Source

❑ Observation:

- Organic search shows consistent growth throughout the year.
- Paid search spikes during Q4, aligning with holiday season campaigns.
- Direct traffic remains stable but shows minor fluctuations in Q2.

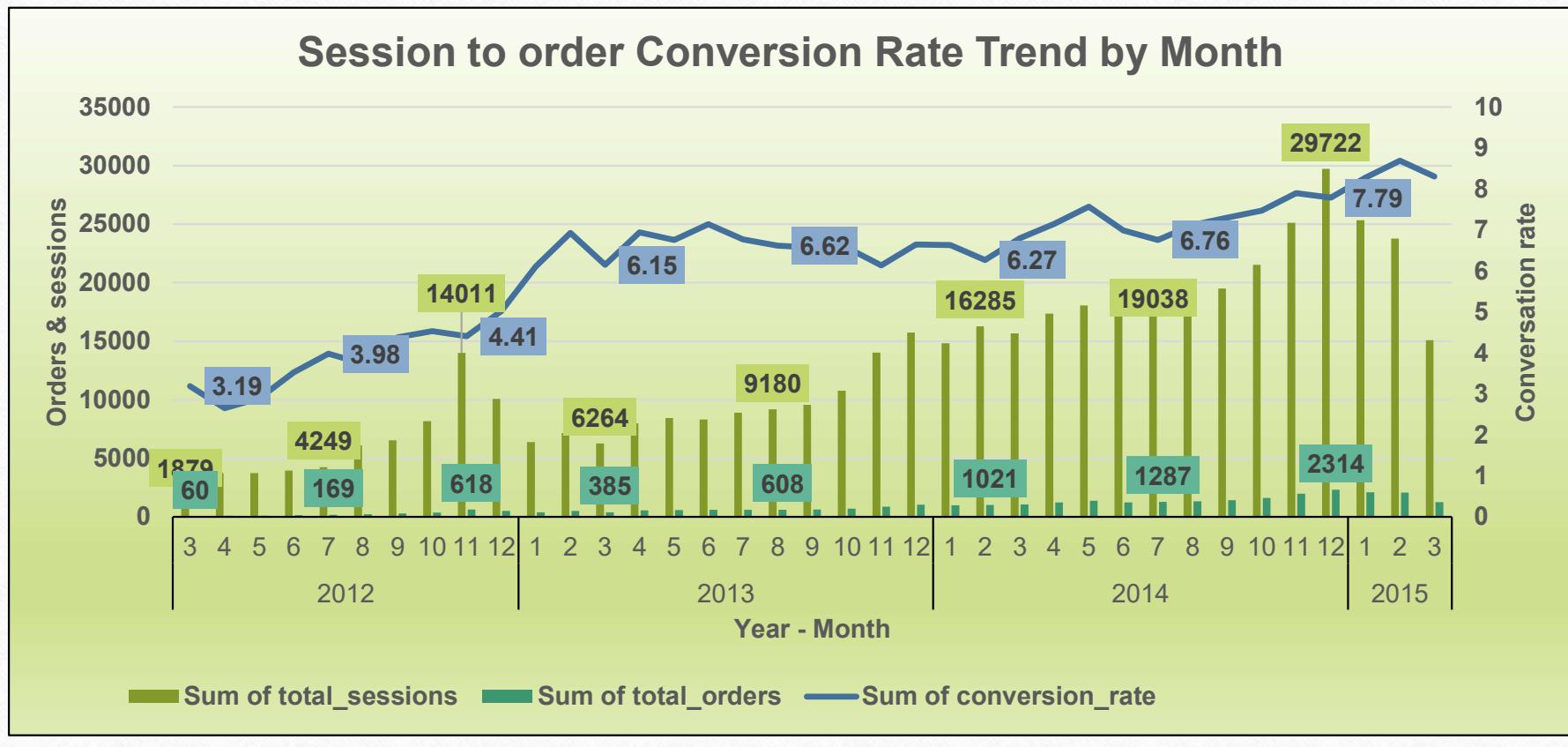
❑ Interpretation:

- Organic search growth indicates strong SEO performance and brand recognition.
- Paid search spikes in Q4 highlight the impact of seasonal ad spending.
- Direct traffic stability suggests consistent customer base engagement.

❑ Recommendation:

- Continue investing in SEO strategies to maintain organic search momentum.
- Increase paid ad budgets in Q4 to capitalize on seasonal demand.
- Introduce loyalty programs or incentives to increase direct traffic.

Website Performance Improvements: Session to Order Conversion Rate Trends by Months



Website Performance Improvements: Session to Order Conversion Rate Trends by Months

Observation:

- Conversion rate peaks in Q4, aligning with high traffic and promotional activity.
- Consistent conversion rates in Q2 and Q3 reflect stable performance.
- Dip in Q1 suggests lower customer engagement post-holiday season.

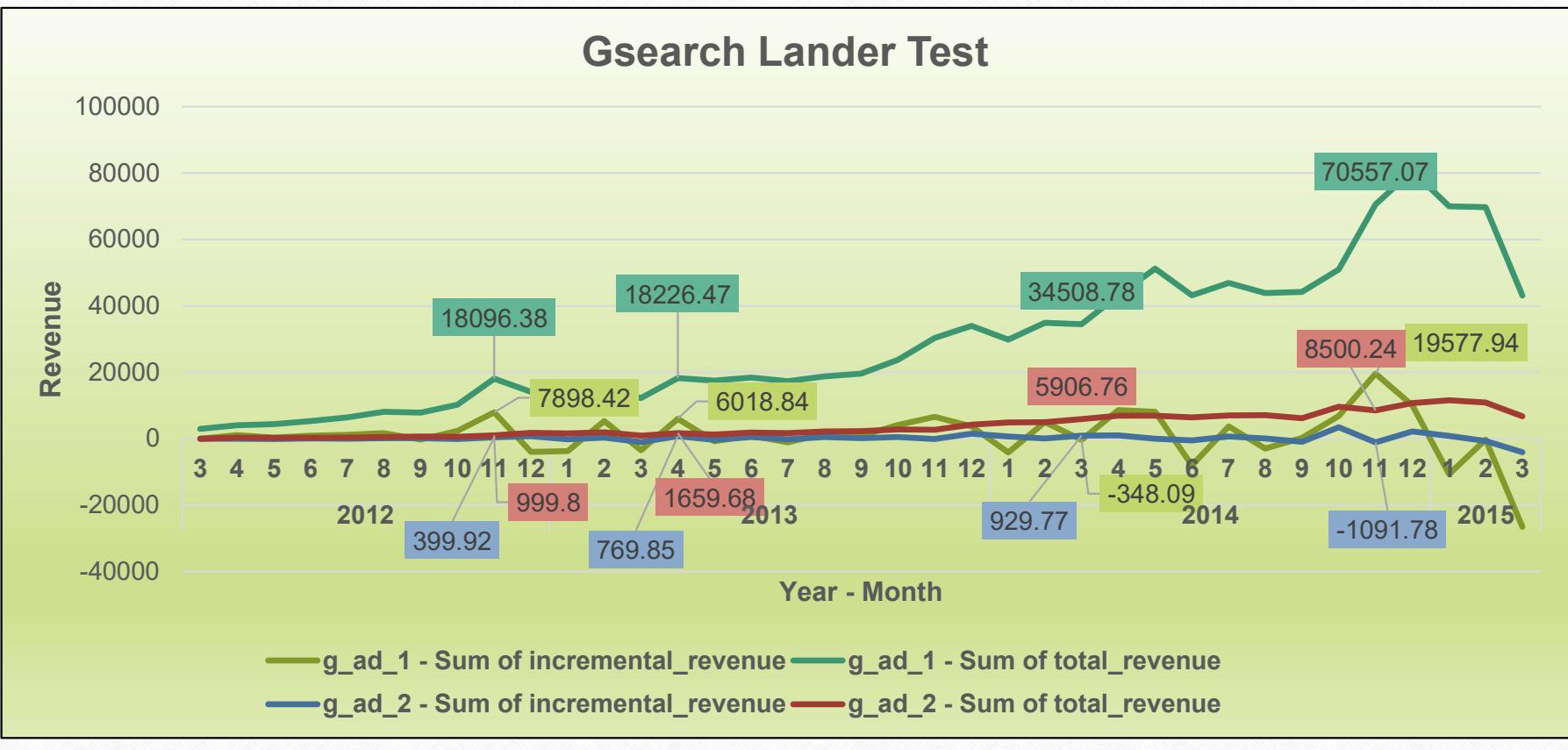
Interpretation:

- Q4 peak reflects effective holiday campaigns and consumer demand.
- Stable Q2 and Q3 performance indicates reliable conversion processes.
- Q1 dip may require targeted retention strategies to maintain momentum.

Recommendation:

- Introduce post-holiday retention campaigns in Q1.
- Maintain consistent user experience and checkout flow to sustain Q2 and Q3 performance.
- Maximize Q4 ad spend to capture peak seasonal demand.

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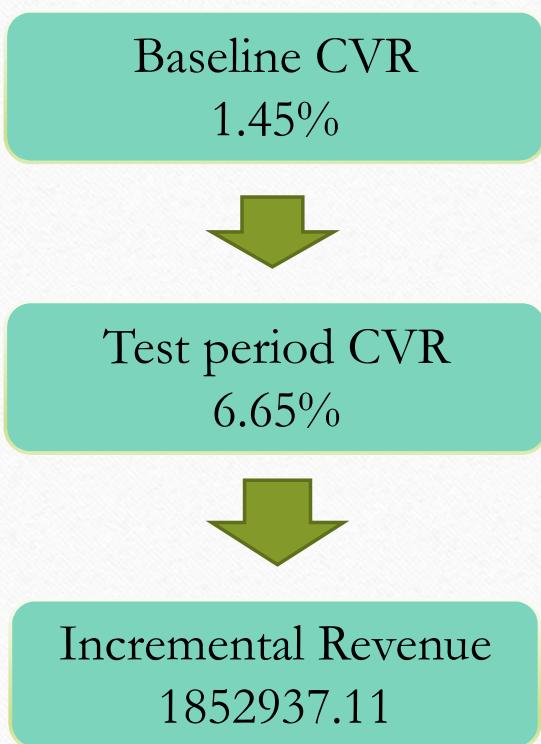
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- Expand lander test framework to other traffic sources.
- Optimize ad creatives to further increase CTR.
- Conduct A/B tests to refine and improve conversion strategies.

Estimating Incremental Revenue from Gsearch Lander Test



- In our GSearch Lander Test, we focused on optimizing the conversion rates (CVR) from non-brand Google search traffic.
 - By comparing performance across three distinct periods—baseline, test, and post-test—we were able to measure the direct impact of the test on revenue generation.
-
- The results highlight a significant uplift in CVR, from **1.45%** in the baseline to **6.65%** during the test.
 - This improvement translated into an **incremental revenue of \$1,852,937.11**, demonstrating the effectiveness of our optimized marketing strategy.

Areas Where Support Needed - 2

Marketing Strategy and Optimization

Performance Improvement



While the GSearch lander test showed an increase in CVR from **1.45%** to **6.65%**, there's room for further improvement by refining the user journey and improving landing page relevance. Additional A/B testing and user feedback can help enhance conversion rates.



Conversion Rate Optimization



By continuously analyzing **conversion performance metrics** (e.g., click-through rate, bounce rate, session duration), areas for improvement can be identified. Strategies such as improving ad relevance and optimizing call-to-action buttons could enhance performance.



Cross-Sell Opportunities



The success of the GSearch lander test indicates strong potential for **cross-selling**. Introducing personalized recommendations and bundling strategies based on user behavior can maximize order value and customer retention.

Areas Where Support Needed - 2

Customer Acquisition and Retention

Customer Acquisition



Invest in **customer acquisition** strategies to attract new customers. The increase in CVR from **1.45% to 6.65%** during the test highlights opportunities to improve customer acquisition channels.

❖ Strategies to improve:

- Focus on targeted ads and improving campaign segmentation.
- Optimize landing pages for better user experience.

Customer Retention



Focus on unpaid channels (**Direct type-in, Organic**) through **SEO** and **website marketing** because of their steady growth (although low).

This can increase customer retention by:

- Improving user engagement through personalized content.
- Offering loyalty rewards and follow-up communication.

Decrease Bounce Rates



Certain pages like **product pages** and **landing pages** are showing high bounce rates.

To reduce bounce rates:

- Improve page load times.
- Streamline the navigation and checkout process.
- Increase content relevance to match customer intent.