

North American Bike Company Sales Report

Executive Summary

This report provides an analysis of customer segments, product performance, and financial metrics for our bicycle company. Our analysis reveals opportunities for growth in the customer segment and highlights areas for cost optimization.

Customer Segment Analysis

- ❖ Recreational Riders: 60% of customers, AOV \$1,200, growth rate 7%.
 - ❖ Commuters: 25% of customers, AOV \$450, growth rate 12%.
 - ❖ Professional Cyclists: 15% of customers, AOV \$4,200, growth rate 15%.
 - ❖ General cloth and accessory shoppers(male/female)
- | France: 53.3% of customers
 - | United States: 30.6% of customers
 - | Canada: 7.2% of customers
 - | Australia: 5.0% of customers
 - | Germany: 3.9% of customers

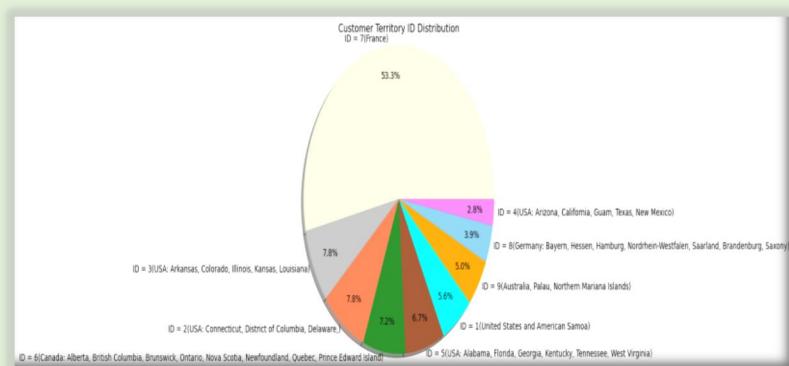
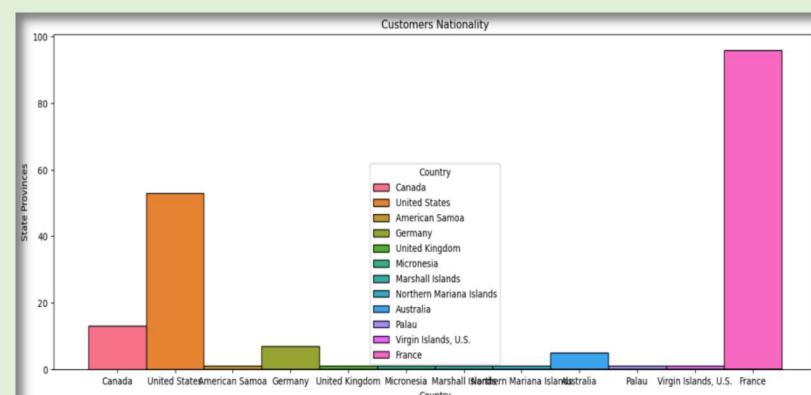


Figure 1.1-1.2

Majority of the customers are male recreational riders, commuters and professional cyclists from Europe(France, Germany, United Kingdom), North America(United States, Canada, Virgin Islands, etc), and Australia(figure 1.1-1.2).

Products	% of Revenue	Gross Margin(%)
Bikes	35%	28%
Components	21%	22%
Accessories	19%	29%
Clothing	25%	20%

Product Performance

The product category classified as shown below;

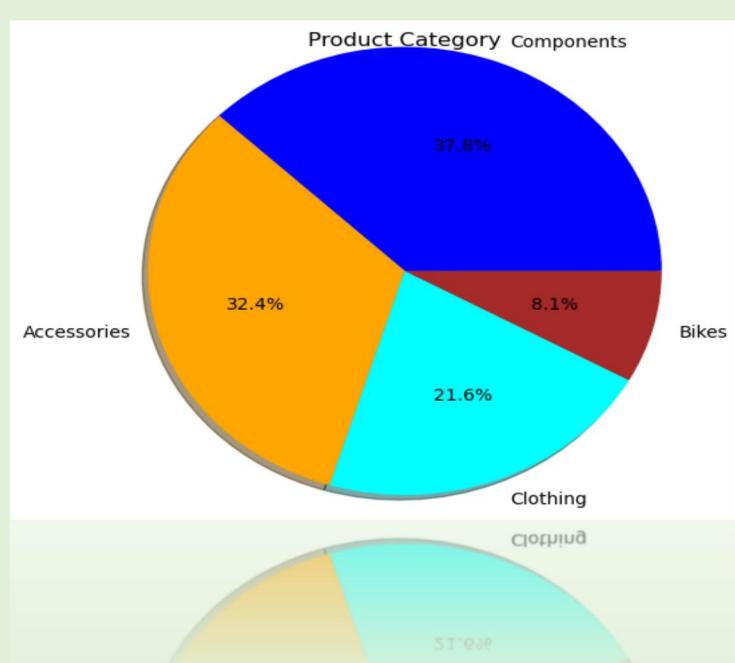
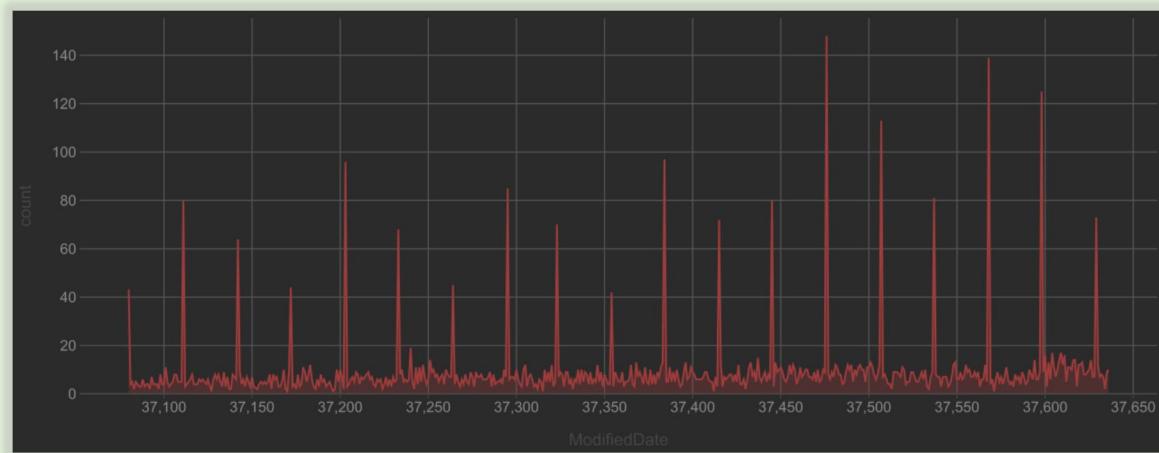


Figure 1.3

- **Bikes:** Our best-selling product, driven by demand from recreational and professional riders.
- **Bike Components:** Growing demand, very popular among professional cyclists and moderately among recreational riders.
- **Accessories:** High margin products, driven by demands from female shoppers.
- **Clothing:** High selling but low margin due to intense competition. Covers all customer segment.

Ship Method: The two shipping methods are ID-1 and ID-5.
ID-1 - 72.2%(3,753 times) throughout the period
ID-2 - 27.8%(1,446 times) throughout the period



High Sales Days.

**As depicted in figure 1.4
(Date modified with Python)**

Within each month, precisely on the 8th, there is an overwhelming inflow of sales, this is caused by the 8/8 marketing campaign that has now translated to every month in the year.

Figure 1.4

Financial Metrics

- ❖ Revenue Growth: 14% YoY, driven by growth in the Bikes segment.
- ❖ Gross Margin: 25%, impacted by high competition in bikes and clothing market.

Metric	Value(\$)	% of Revenue
Freight revenue	1,268,688	2.3%
Tax revenue	4,059,801	7.2%
Sub-total	50,747,523	90.5%
Total revenue	56,076,014	

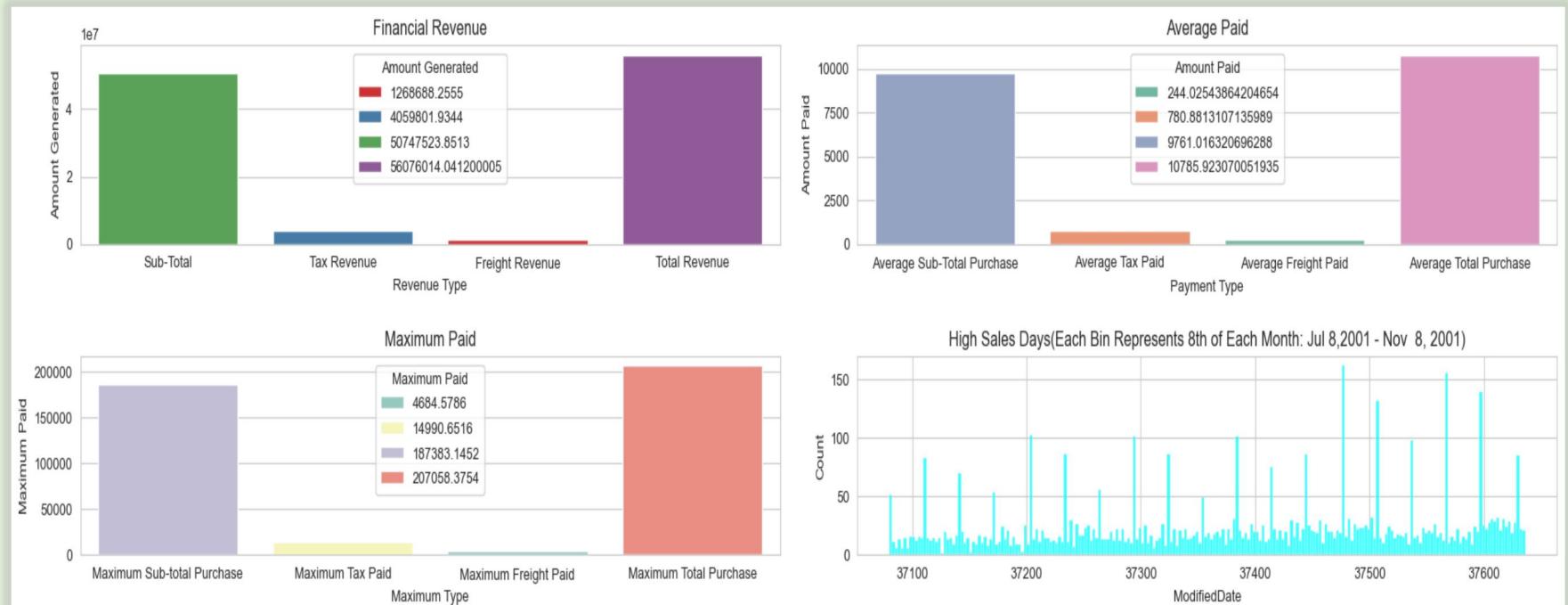


Figure 1.5

Key Recommendations

1. Invest in premium products: Increase marketing spend on Bike components and high end Clothing especially to youths(Gen Zs), women.
2. Optimize costs: Reduce operating expenses by at-least 10% through process improvements.
3. Expand distribution channel: Explore higher online presence and partnerships with other bike shops.
4. Consider transforming the 8/8 marketing campaign to bi-weekly for even more engagements.