

# STORY OF UNICORN BUSINESS

# MEET THE TEAM

Masterschool's DA AMOO Group is delighted to present analytical outcomes and insights of the Unicorn's past three years' performance.

Prepared by:

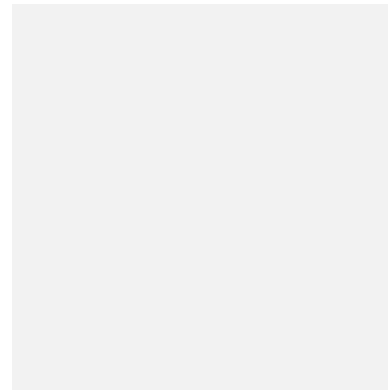
Alham Hotaki, Manuk Mikayelyan



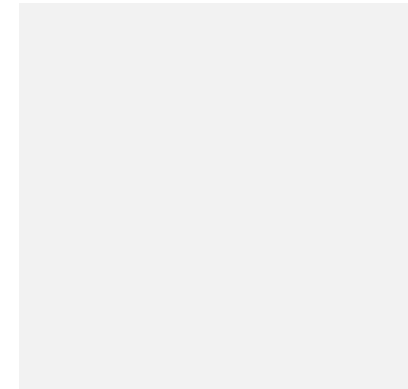
ALHAM HOTAKI



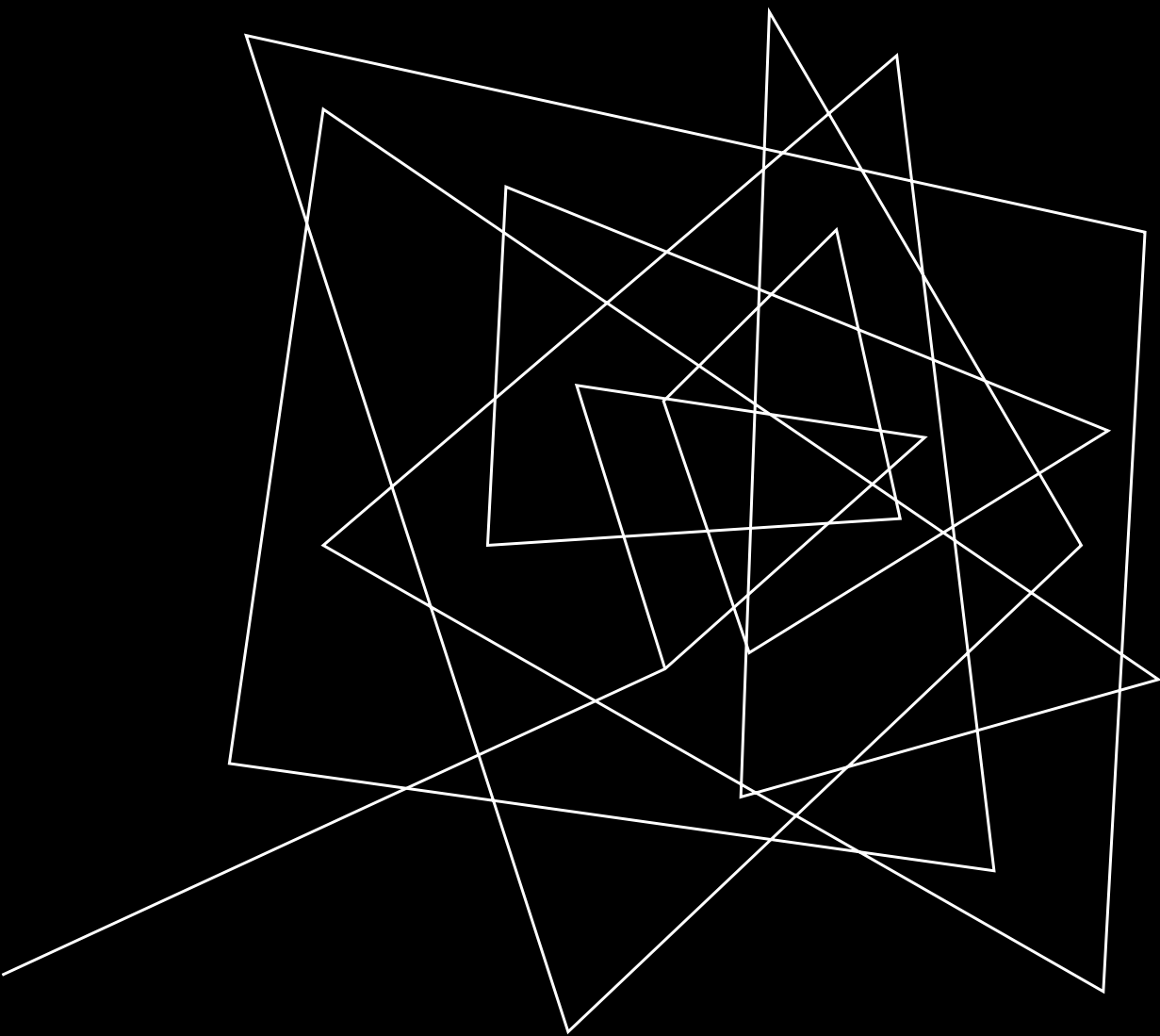
MANUK MIKAYELYAN



OLAIDE ATOYEBI

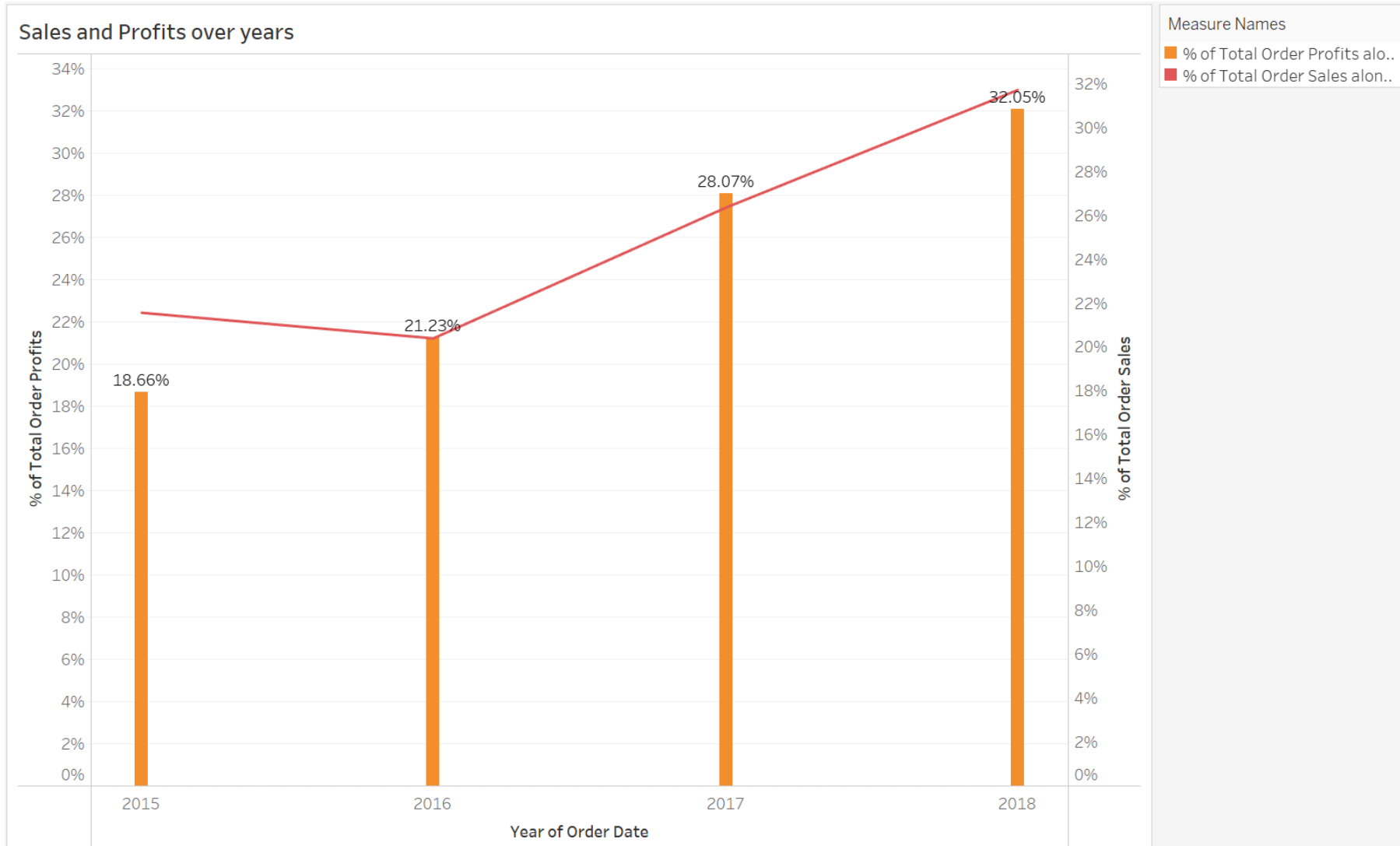


OLUGBENGA AJIGA



# BUSINESS OVERVIEW

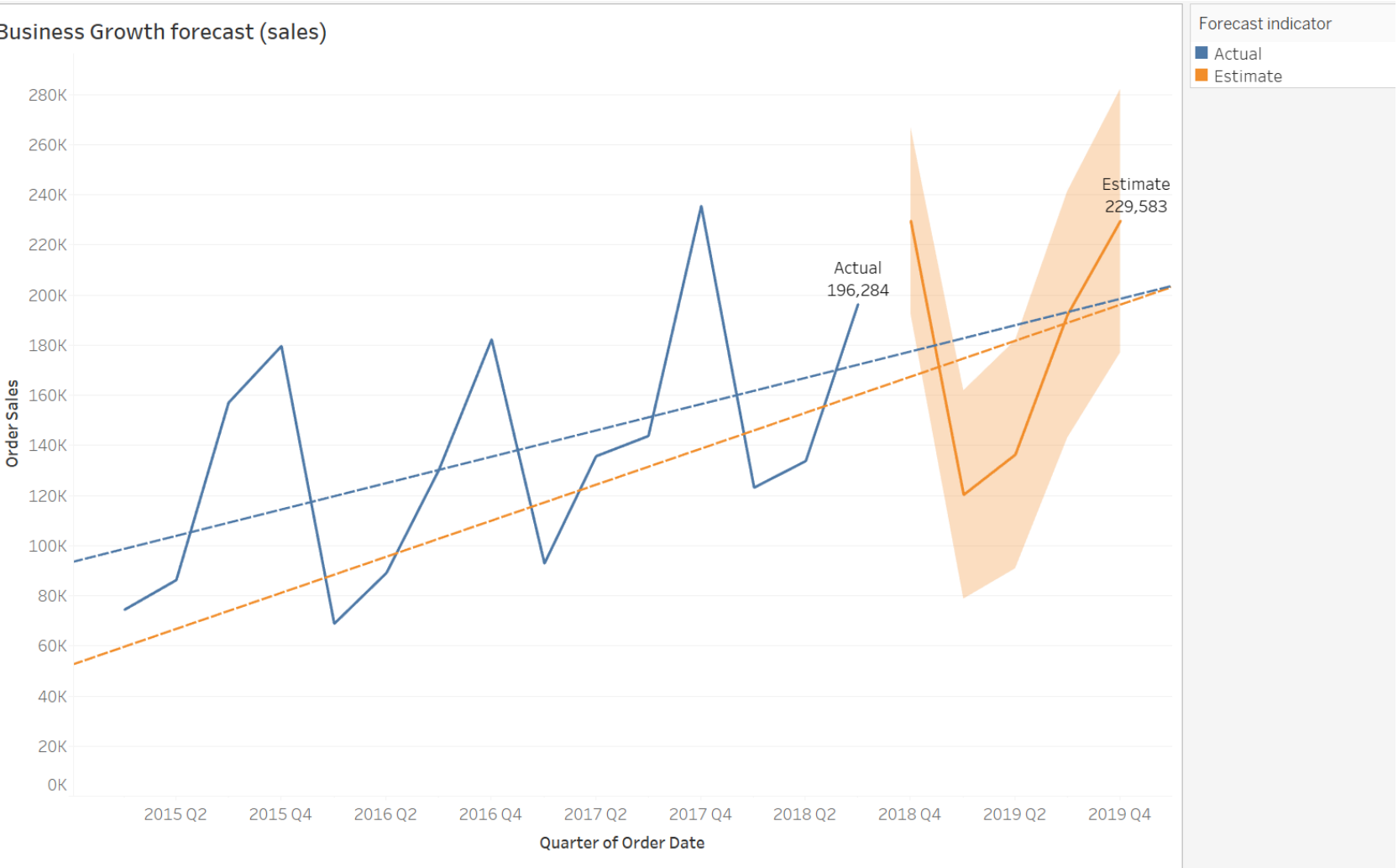
# OVERVIEW OF BUSINESS GROWTH



The chart shows a steady business growth of sales and profits over years. It indicates a growing business despite having outliers in sales in 2015 (start year).

Profits@ 19% in 2015 had a growth to 32% in 2018.

# BUSINESS GROWTH FORECAST



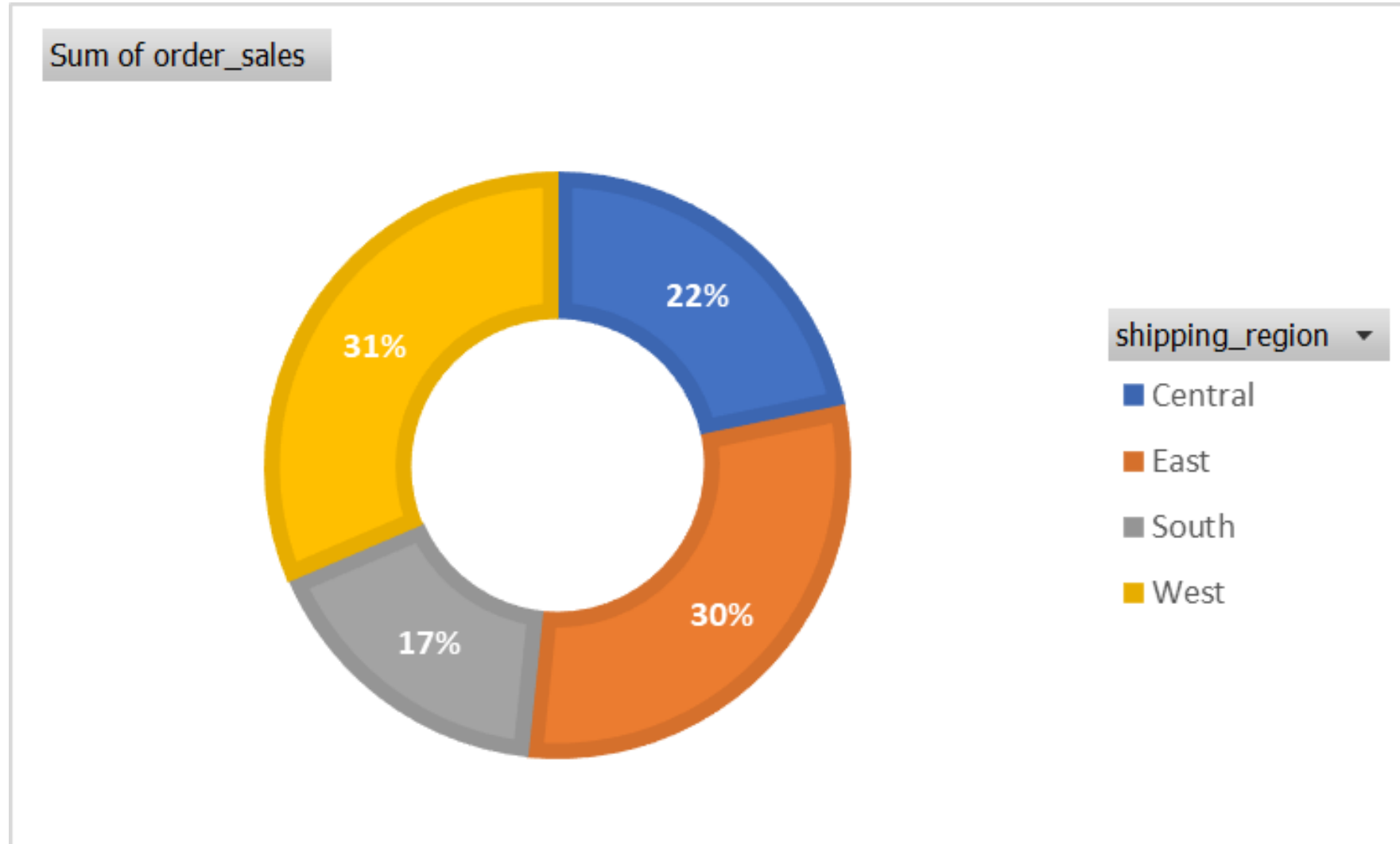
It is seen that there is a steady growth forecasted for the next year (2019).

A series of white, overlapping geometric lines and polygons on a black background, located on the left side of the slide. The lines form various shapes, including triangles and quadrilaterals, some of which are nested or intersecting.

## INSIGHT #1

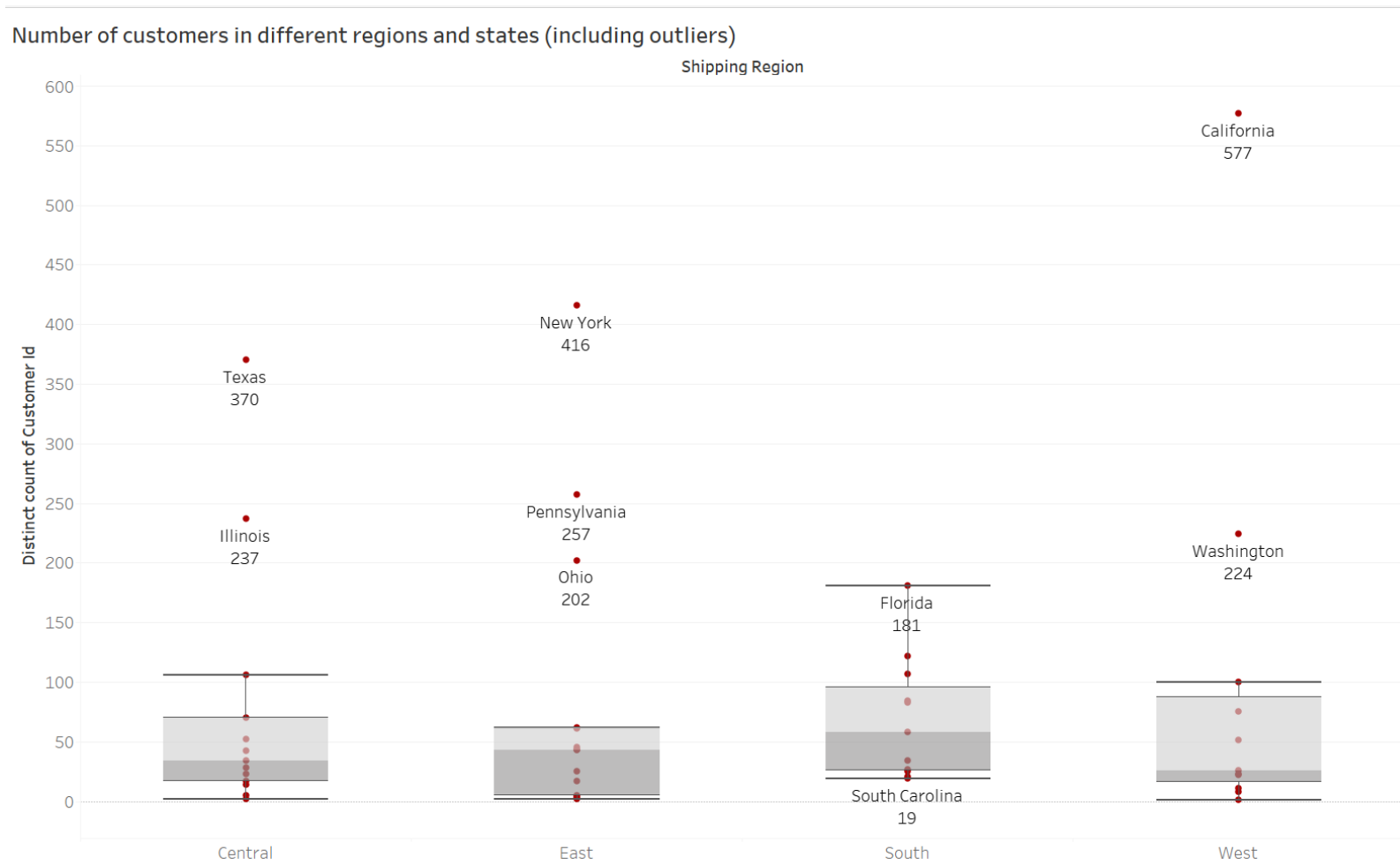
We think that Unicorn business had a satisfactory growth over years since start of its operation in 2015. Considering the available data, it is forecasted that the same pattern of growth shall be continued for the next year as well.

# 1. GEOGRAPHICAL ATTENTION



East and West regions are having the highest number of sales (approx. 61% of all total sales) while south region is the lowest counting only for approx. 17% of the sales.

# 1. GEOGRAPHICAL ATTENTION



As seen in the chart, in three regions, there are outliers based on the number of customers.

- California,
- Washington,
- New York,
- Pennsylvania,
- Ohio,
- Texas and
- Illinois

are the top states with the highest number of customers.



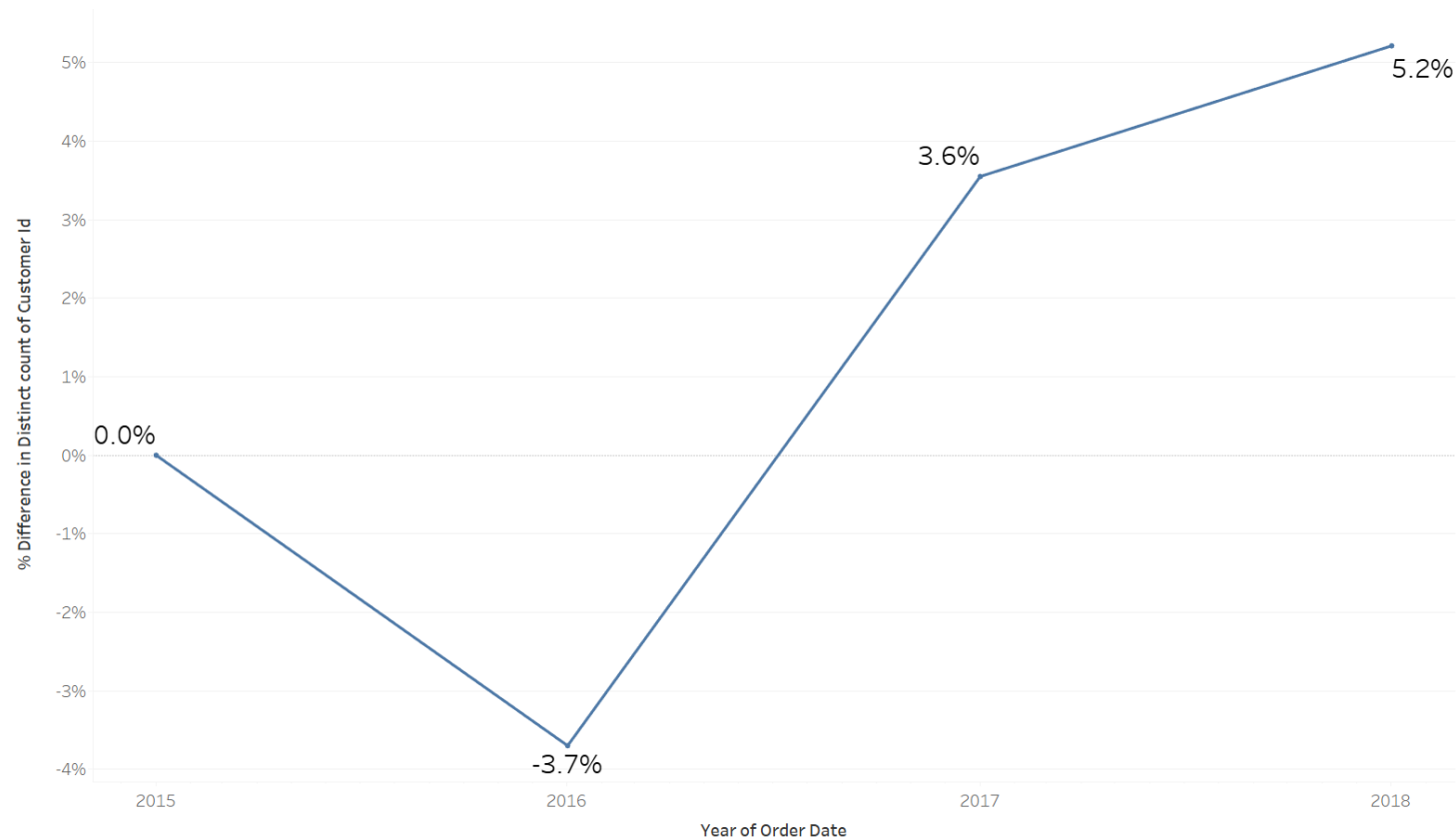
A series of white, overlapping geometric lines and polygons on a black background, located on the left side of the slide.

## INSIGHT #2

We think that Unicorn's business in central and southern regions to be enhanced. We suggest a marketing funnel review where some modifications based on the geographic segmentation to be considered. It is also may be due to other competitors, but still, marketing funnel review and modification is highly suggested.

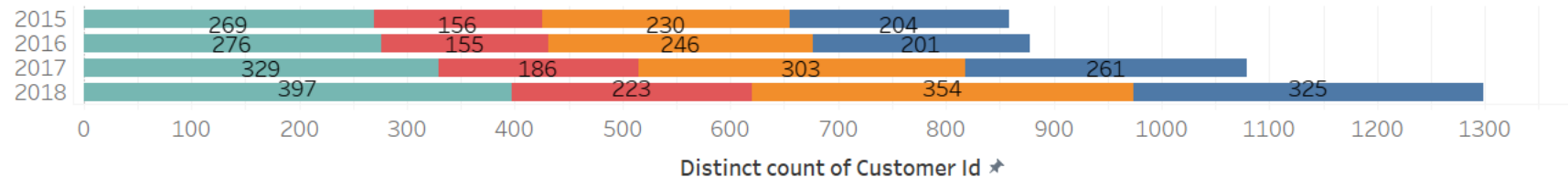
## 2. CUSTOMERS

Compound Growth rate of customers over years



There is a steady increment in number of customers during the past years excluding 2016. Overall, since start of business in 2015 (having approx. 595 customers), it has been increased to 693 customers in 2018.

Number of customers over years

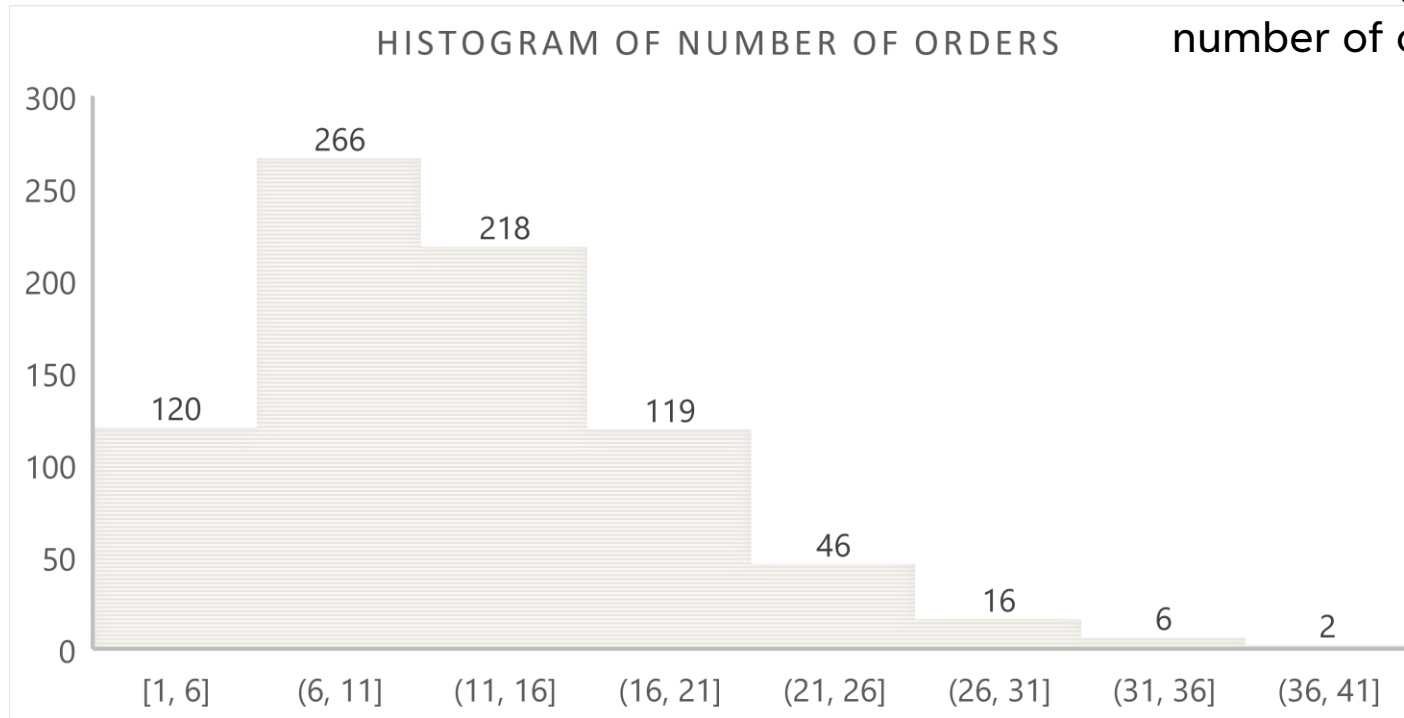
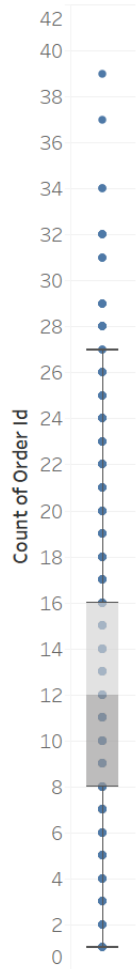


Shipping Region

- Central
- East
- South
- West

## 2. CUSTOMERS

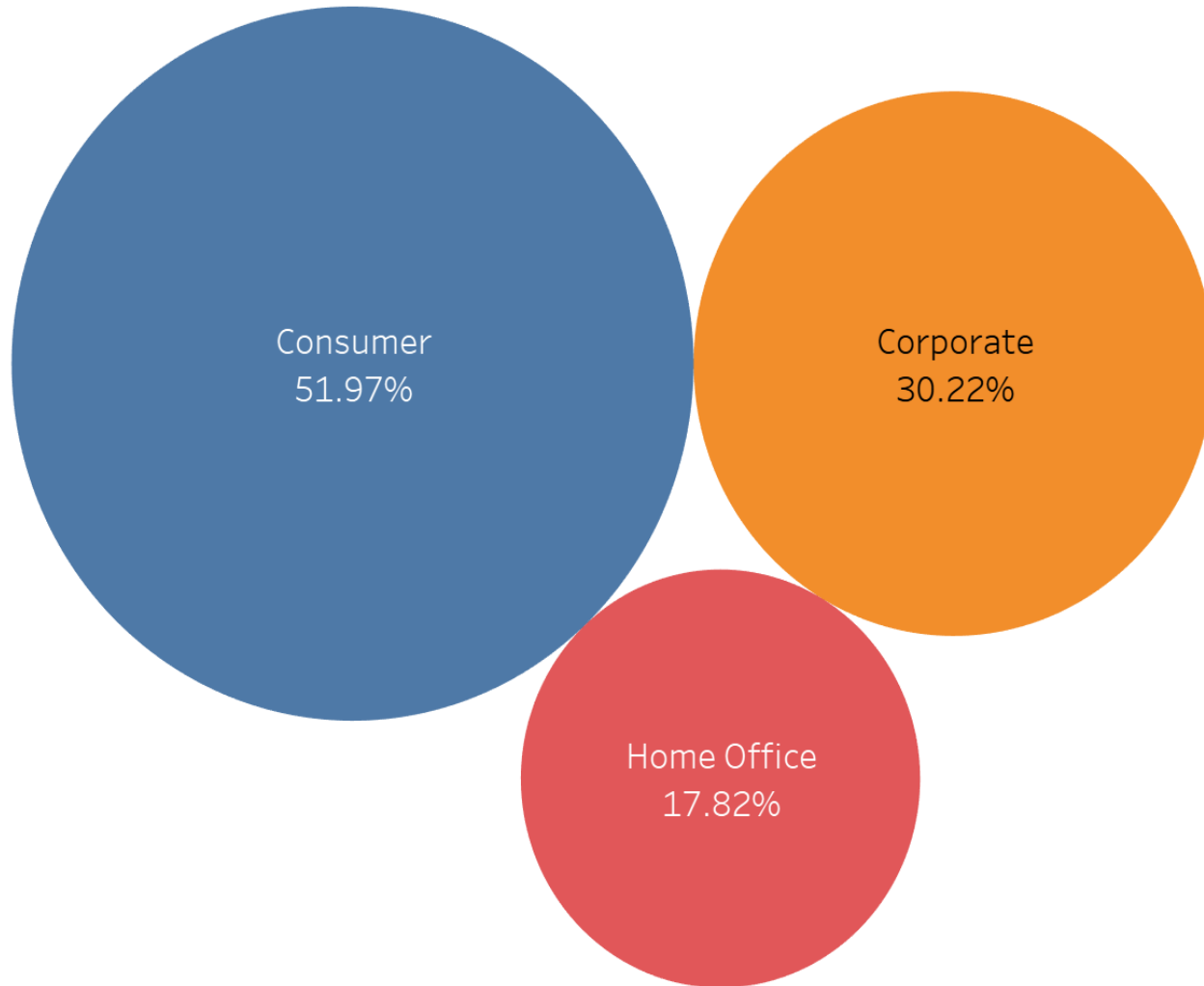
Histogram of number of orders per customer



Despite having outliers, a median of 12 orders per customers are recorded during past years. The highest number of orders per one customer was 39 (outlier) and the lowest number of order was 1 per customer.

## 2. CUSTOMERS

Customers segmentation



Customer Segment

■ Consumer  
■ Corporate  
■ Home Office

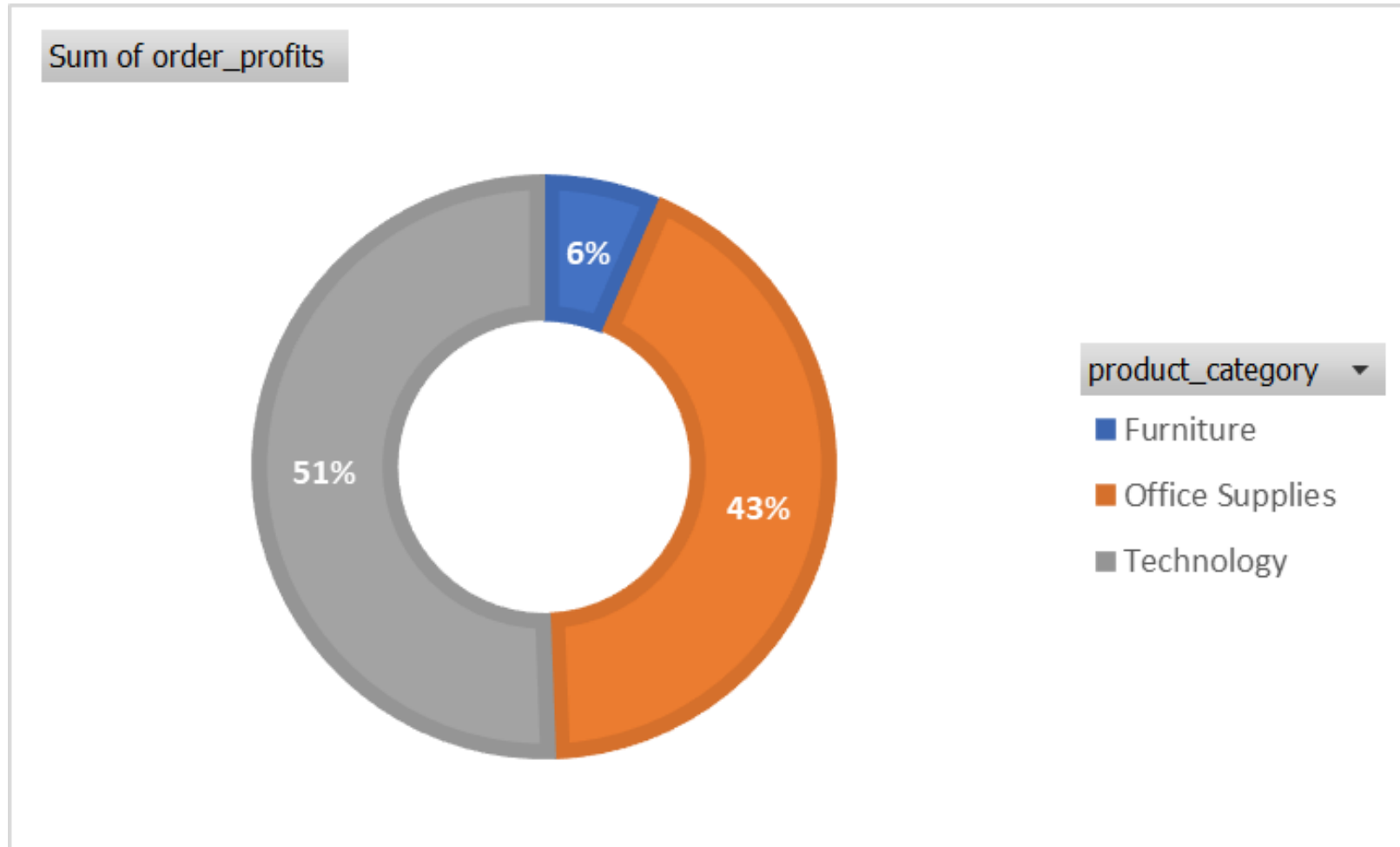
Consumers segment of customers are counted almost half of all customers, while corporate customers are approx. 30% and Home Office customers are approx. 18% of all customers.

A series of white, overlapping geometric lines and polygons on a black background, located on the left side of the slide.

## INSIGHT #3

We appreciate the customers' retention policy at Unicorn with a satisfactory outcome, while attraction and acquisition of new customers are way behind the satisfaction metrics. We again recommend to have a deep look at marketing strategy at company level and marketing funnel including Awareness, Consideration and Conversion stages.

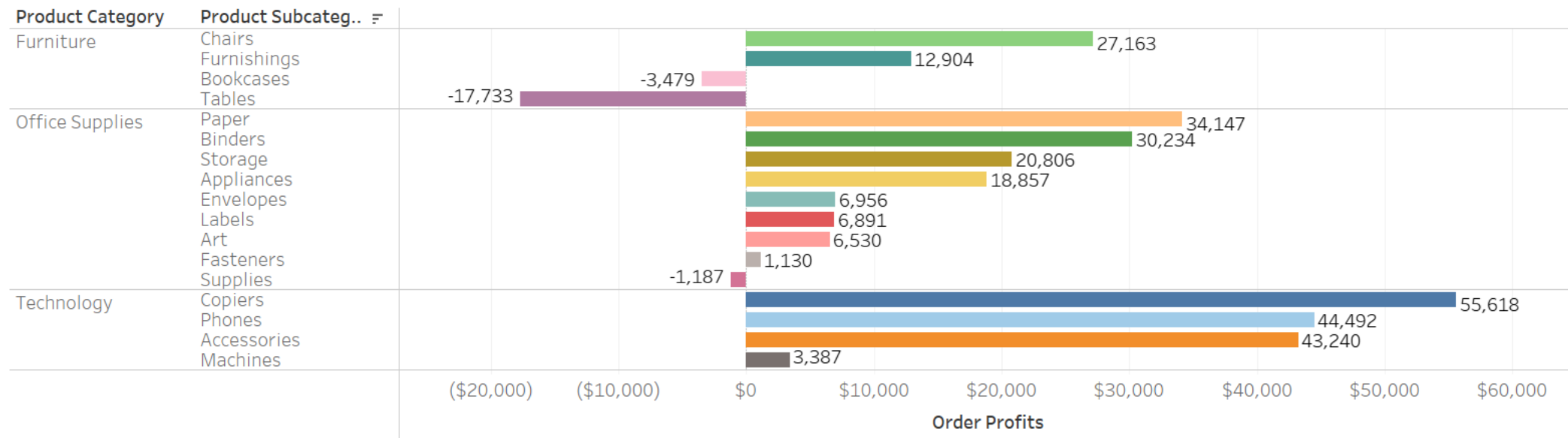
### 3.PRODUCTS



Among three listed products' categories, technology sales are counted for approx. half of all total profits while sales of furniture are counted only for approx. 6% of all total profits.

### 3.PRODUCTS

Sum of total order profits per sub-category over years



Under furniture category (with the lowest profit), two sub-categories over years are in loss – Bookcases and tables. Under Office supplies category, supplies sub-category was in loss over years.

A series of white, overlapping geometric lines and polygons on a black background, located on the left side of the slide.

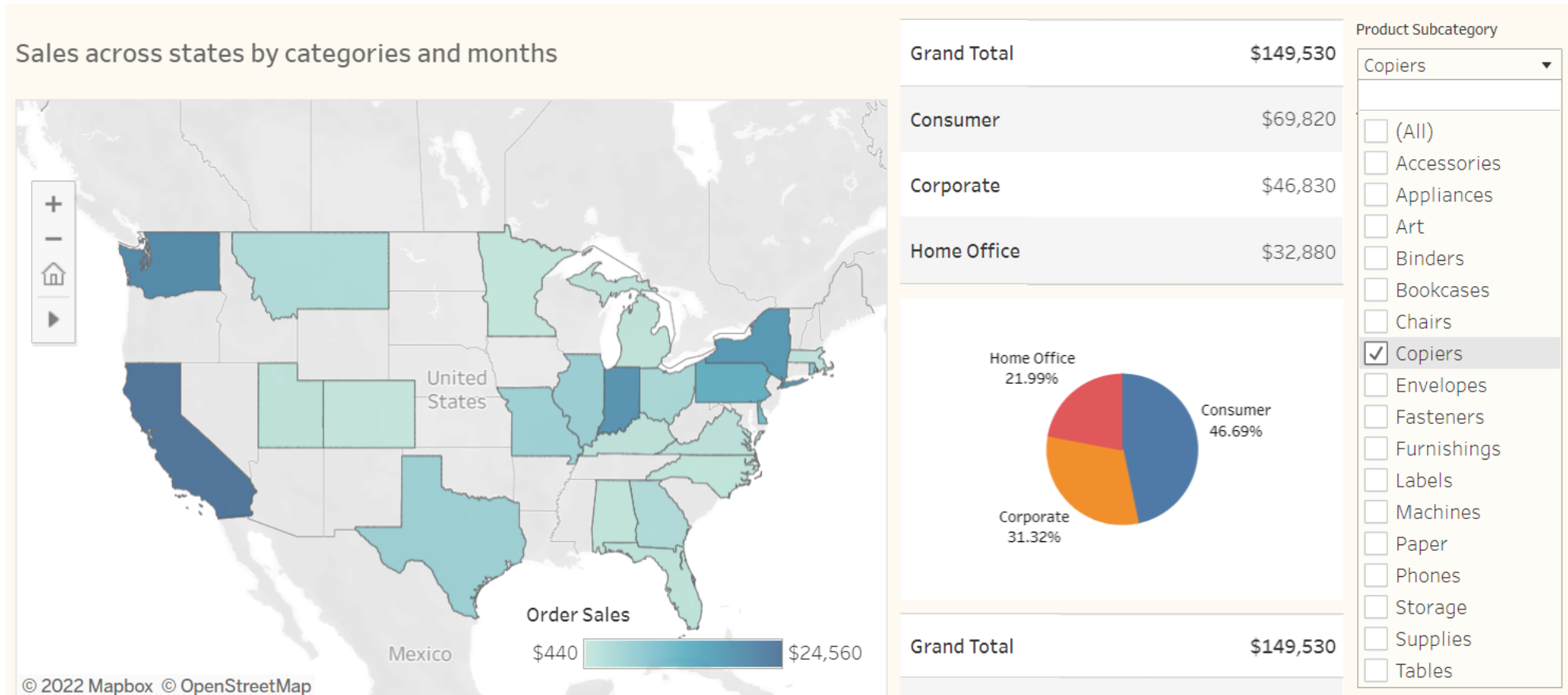
## INSIGHT #4

We recommend to gradually remove three product sub-categories from sales pipeline:

1. Bookcases (under furniture category)
2. Tables (under furniture category)
3. Supplies (under office supplies category)



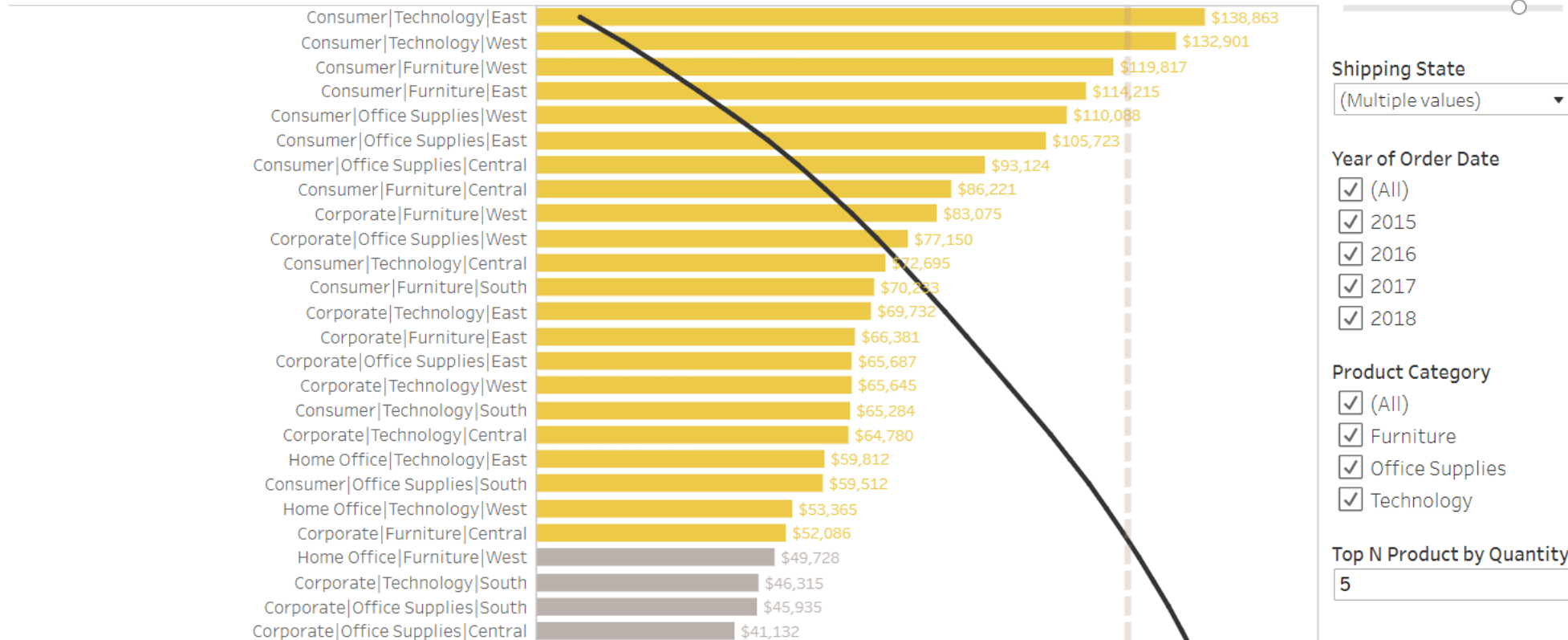
### 3.PRODUCTS



It is also seen that one of the profitable sub-categories (copiers) are not sold across all states.

### 3.PRODUCTS

Pareto Analysis of Sales



It is also analysed which product by which type of customers and in which regions are having the highest number of sales.

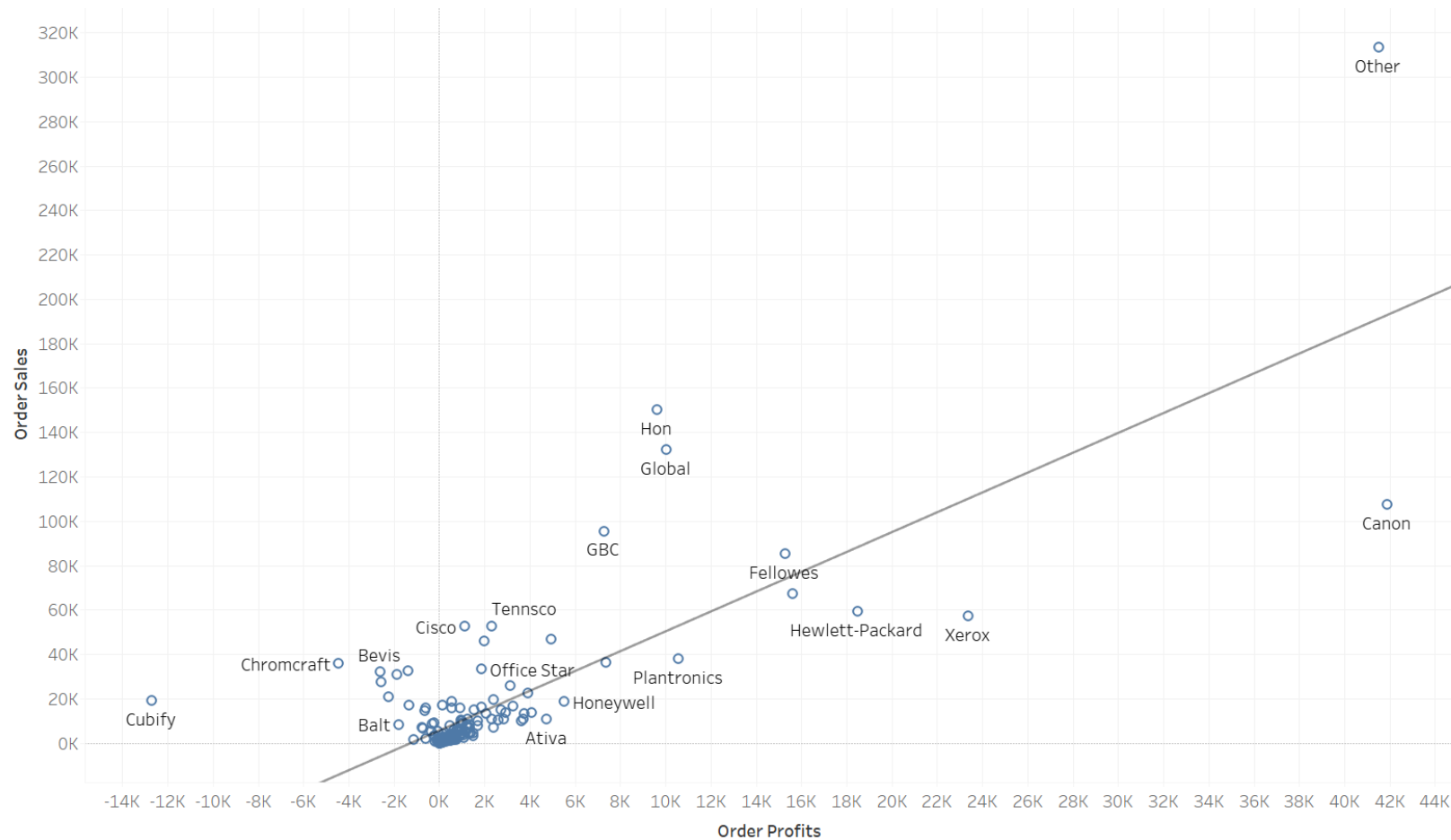
A series of white, overlapping geometric lines and polygons on a black background, located on the left side of the slide. The lines form various shapes, including triangles and quadrilaterals, some of which are nested or intersecting.

## INSIGHT #5

We recommend that Unicorn shall conduct tailored based marketing activities for specific products across specific states. (as per the analysed data).

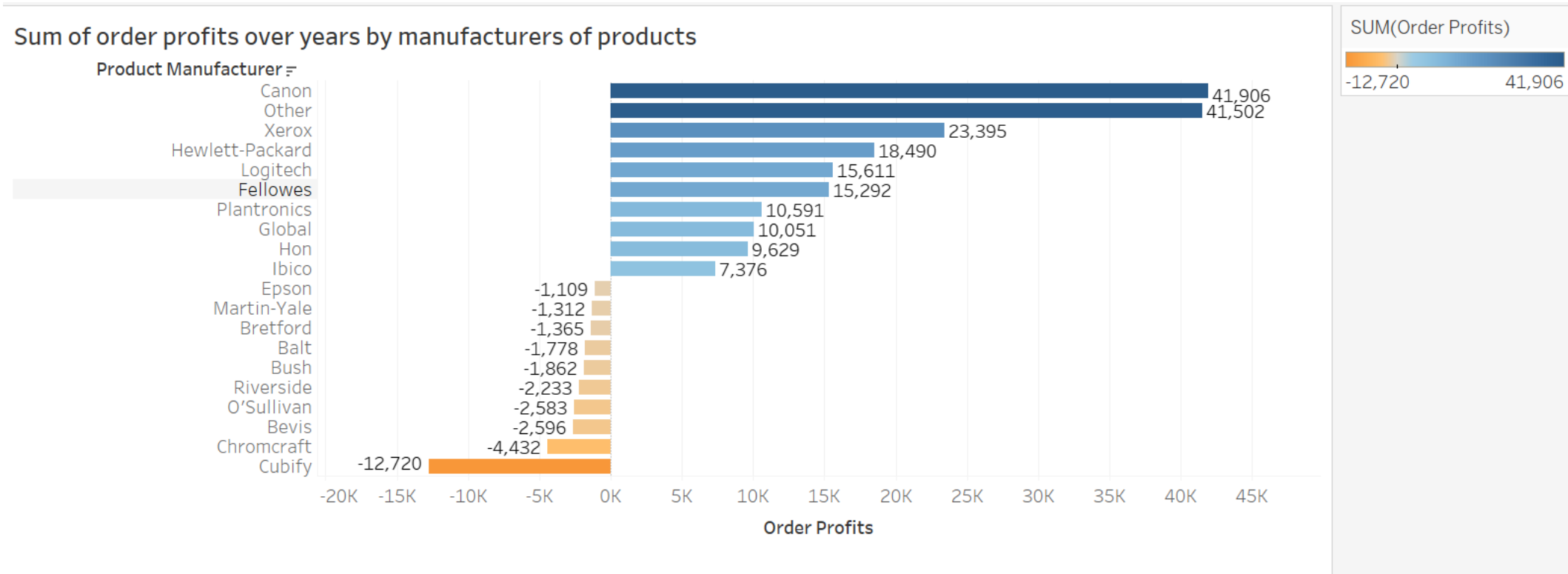
### 3.PRODUCTS

Correlation between sales and profits based on the brand of products



It is seen that there is a relatively strong correlation between sales and profits based on the brand of products.

### 3.PRODUCTS



Among all manufacturers of the products, the above chart shows the top 10 and bottom 10 manufacturers of the products with the highest and lowest sum of profits over year. Canon counted as the highest profitable and cubify counted as the lowest profitable brand of products sold by Unicorn.



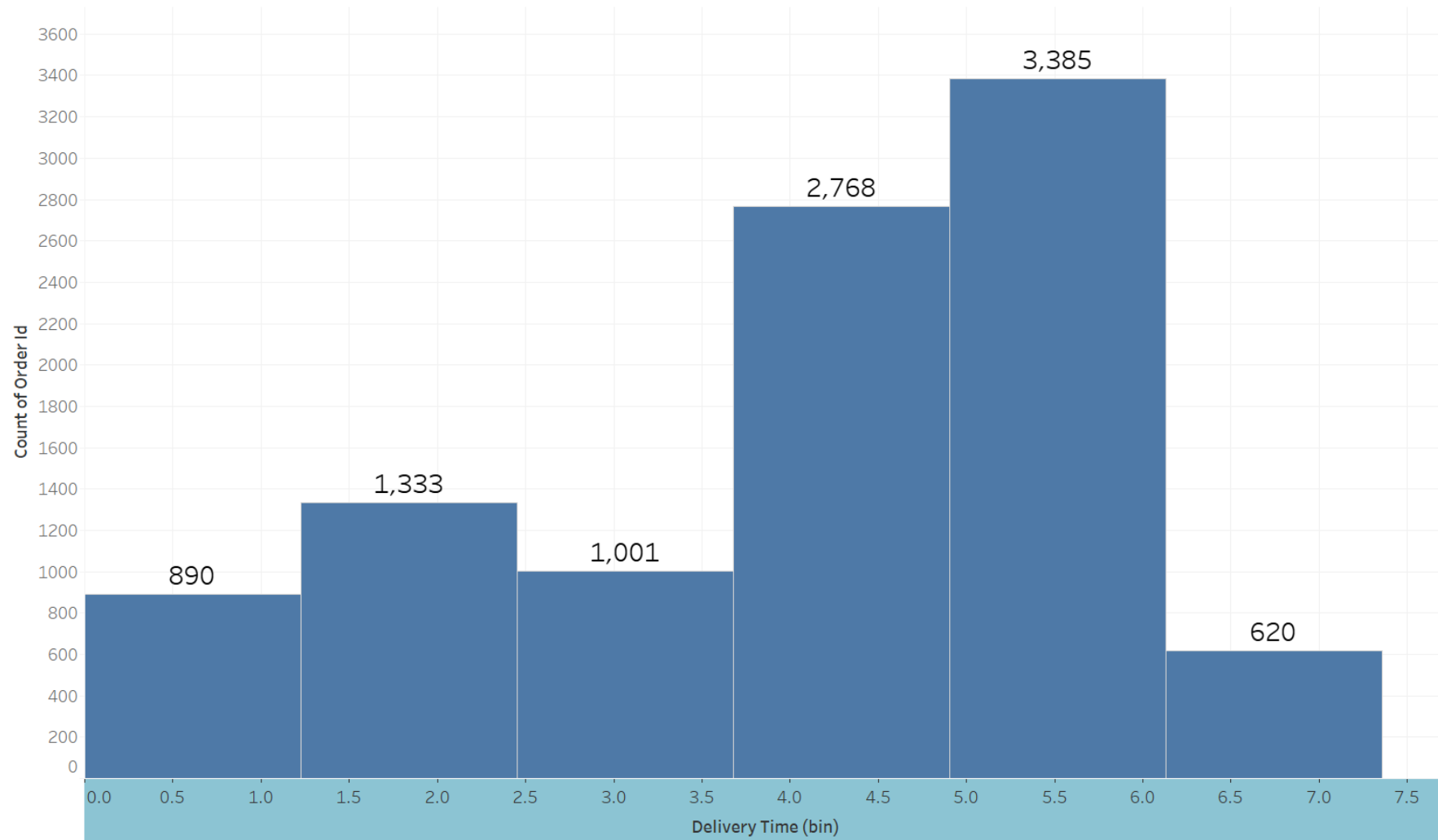
## INSIGHT #6

We recommend to exclude the bottom 5 brands of products from the sales pipeline.

1. Cubify
2. Chromcraft
3. Bevis
4. O'Sullivan
5. Riverside

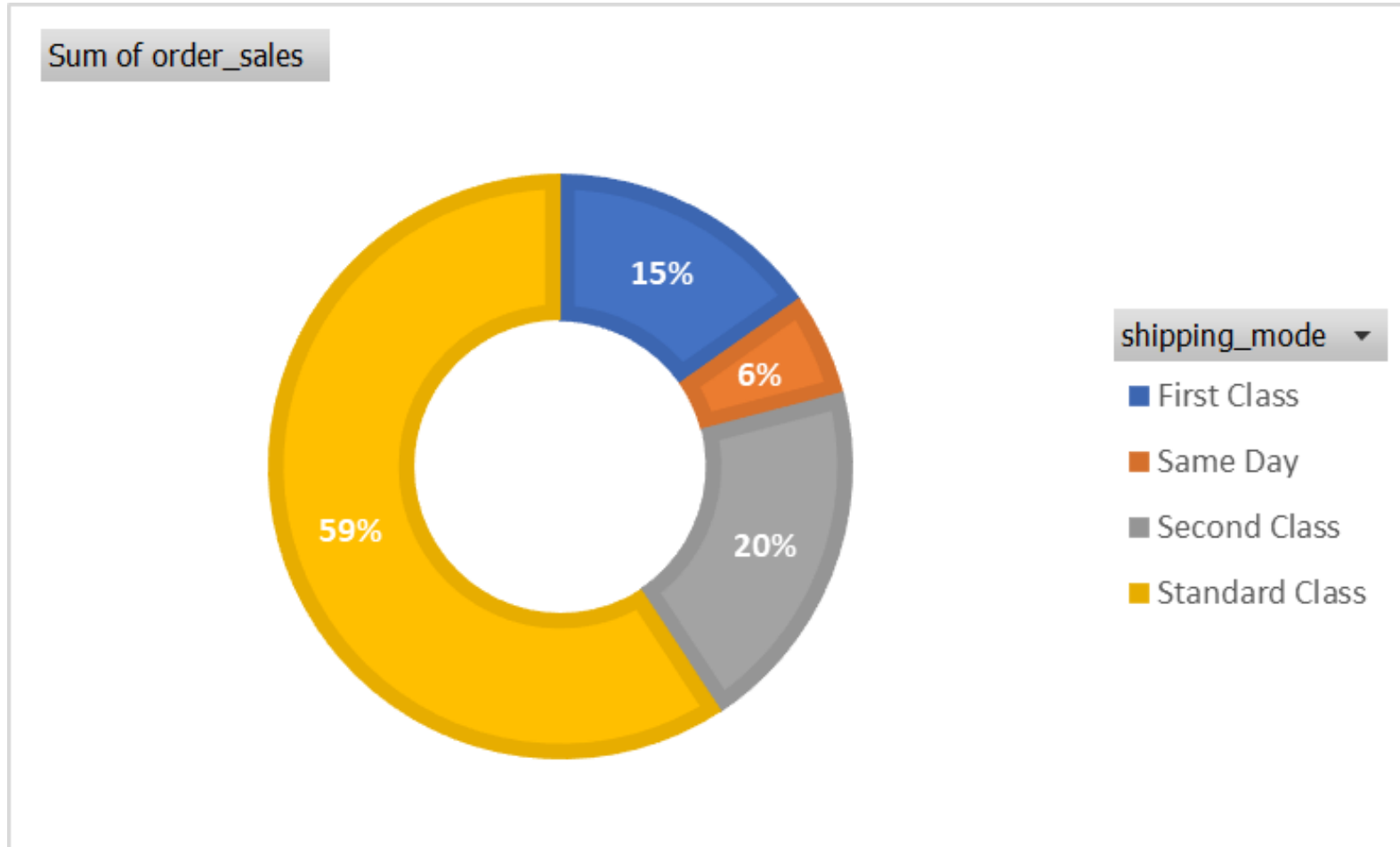
## 4. DELIVERY MODE

Average Delivery time and number of orders



The highest number of orders has been delivered at an approx. 4 to 5 days per order.

## 4. DELIVERY MODE



The standard class shipping mode is counted for approx. 60% of all order sales over years. While same day shipping mode counted only for approx. 6% of all sales.

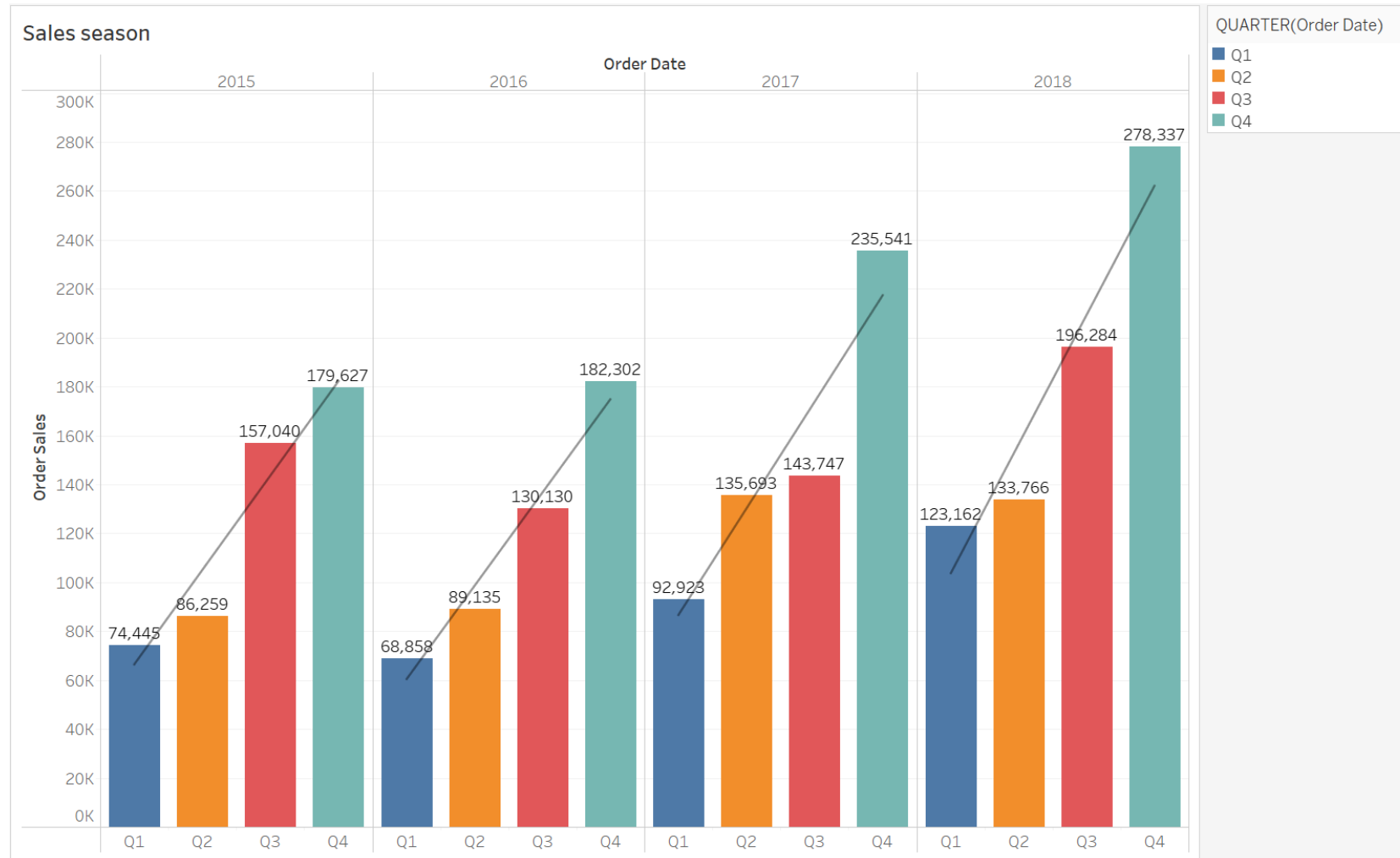


A series of white, overlapping geometric lines and polygons on a black background, located on the left side of the slide.

## INSIGHT #7

We think that despite the cost payment by the customers when they chose any delivery method, types of delivery impacts the operation cost of the company. It is seen that same-day delivery method had very less count over years, while from operation and logistic point of view, it may impact the daily cost of operation. Removing the same-day delivery option from the shipping mode will have a positive impact on operation cost of the company. For this we need more data such as detailed P&L statement of the company showing the components of the operation cost. Prior to removing this option, we suggest to conduct an AB testing. (subject for a separate assignment).

## 5. SALES SEASON



It is seen that 4<sup>th</sup> quarters are having the highest number of sales in comparison to other three quarters in every year.

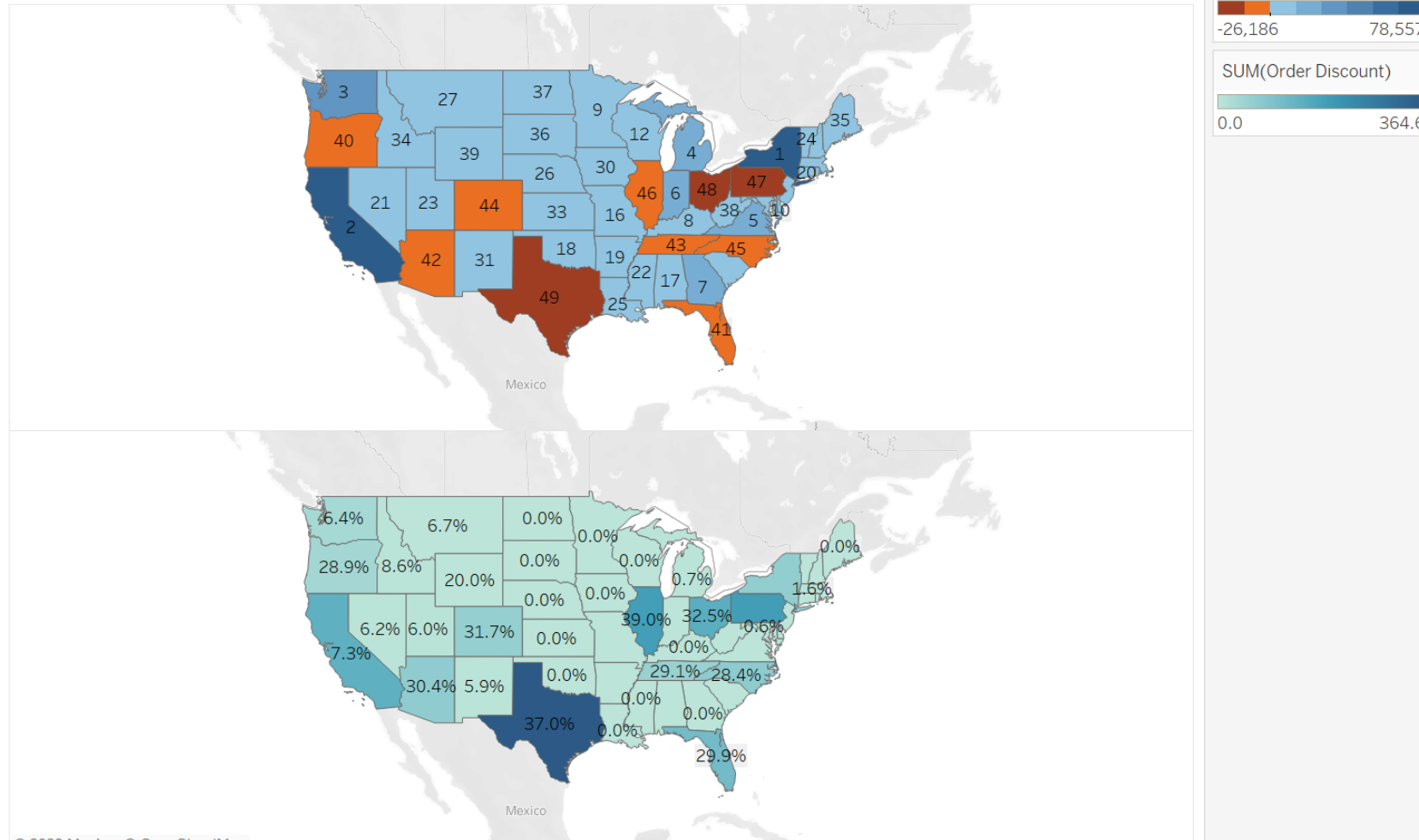
A series of white, overlapping geometric lines and polygons on a black background, located on the left side of the slide.

## INSIGHT #8

We suggest that any AB testing (if company is going to conduct as per our recommendation) shall be done during the 3<sup>rd</sup> and 4<sup>th</sup> quarters.

## 6. DISCOUNT POLICY

Ranking of states based on sum of profits and percentage of discounts

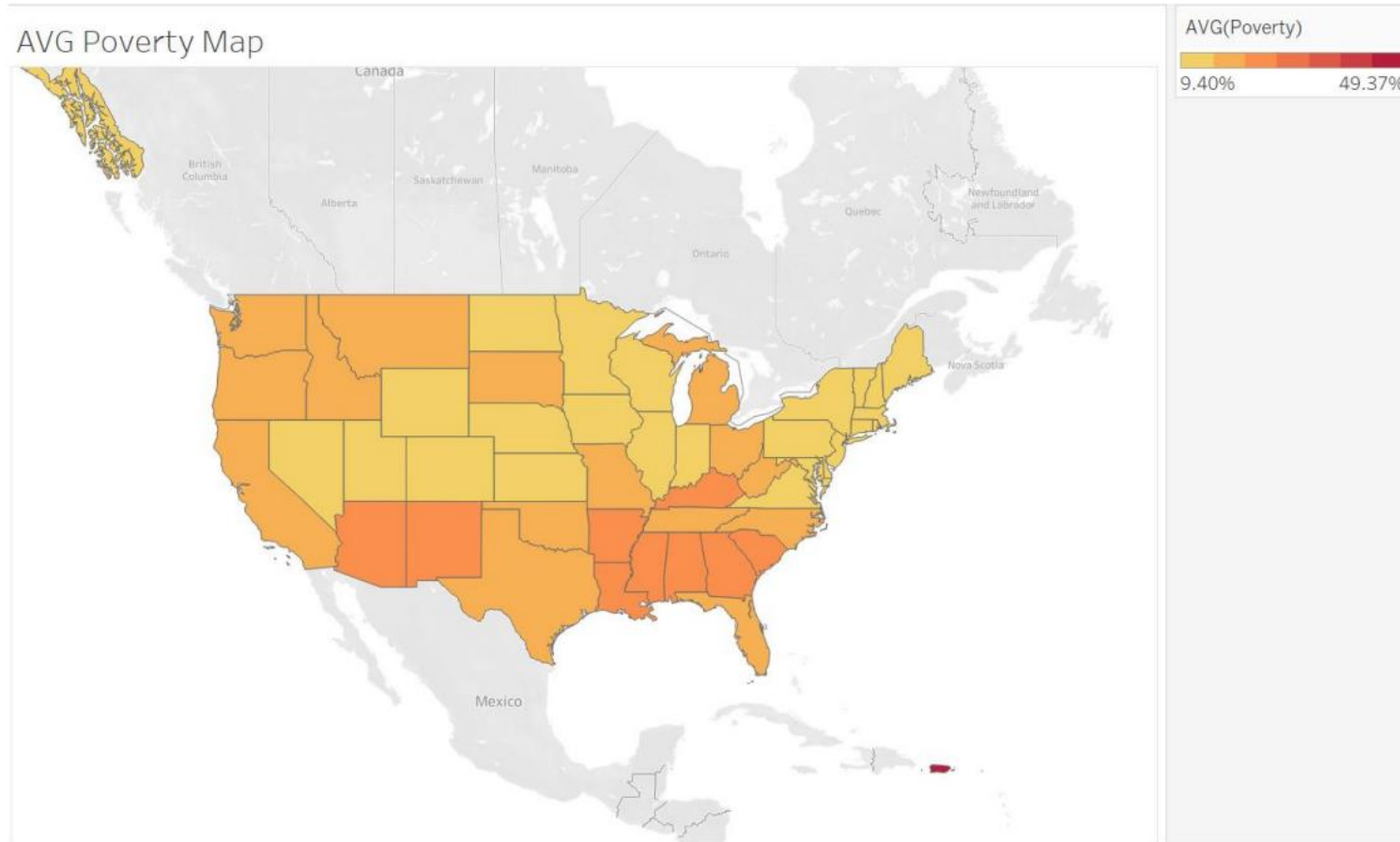


The top map shows the ranking of all states by sum of profits over years.

The bottom map shows the average percentage of discounts received by orders from these states.

It is shown that where the percentage of discounts are increased, the profits margin was shrinked. It is also observed that majority of states in central region didn't receive discounts.

## 6. DISCOUNT POLICY



The map shows the average poverty across all states in USA. Linking the discount percentage and percentage of poverty in that state will enhance the sales and profit margin. Considering this map, reduction of discounts in some major states like Texas will affect the profit margin.

A series of white, overlapping geometric lines and polygons on a black background, located on the left side of the slide. The lines intersect to form various shapes, including triangles and quadrilaterals, creating a complex, abstract pattern.

## INSIGHT #9

We recommend that Unicorn shall revise the discount policy and introduce a new multiplier (coefficient) based on the average poverty in the relevant state. This would be not the only component of the discount policy, but a very productive way for the Unicorn in order to consider the corporate social responsibility and use it as a crucial marketing tool among other competitors.

A series of white, thin, overlapping geometric lines on a black background, forming an abstract, angular shape on the left side of the slide.

# THANK YOU

Masterschool AMOO Group

11.11.2022