IMPROVING ONLINE SALES: A DATA-DRIVEN APPROACH

Unlocking Growth Potential through Customer Demographics Analysis

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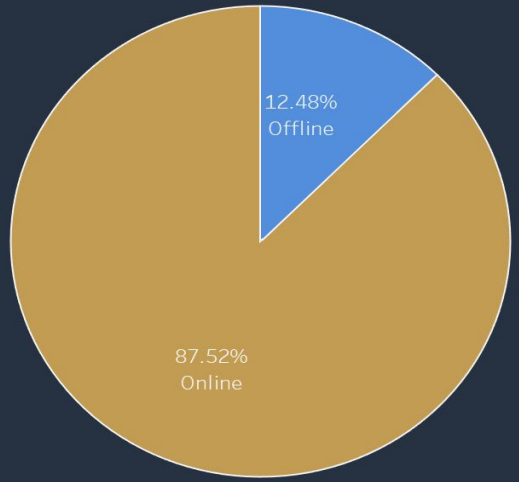
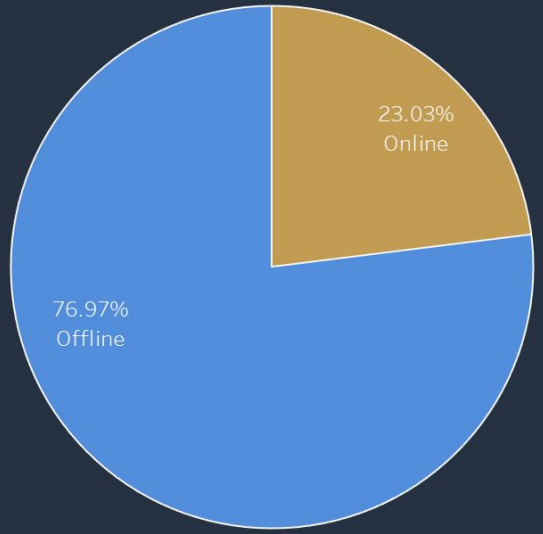
Outline

1. Introduction
2. Problem
3. Importance of Problem
4. Analysis Overview
5. Dashboard
6. Key Findings
7. Conclusion and Recommendations

Two modes of sales : Online and Offline



Count of Orders
Fiscal years: 2002, 2003, 2004
Countries: AU, CA, DE, GB, FR, UK, US



Total Revenue
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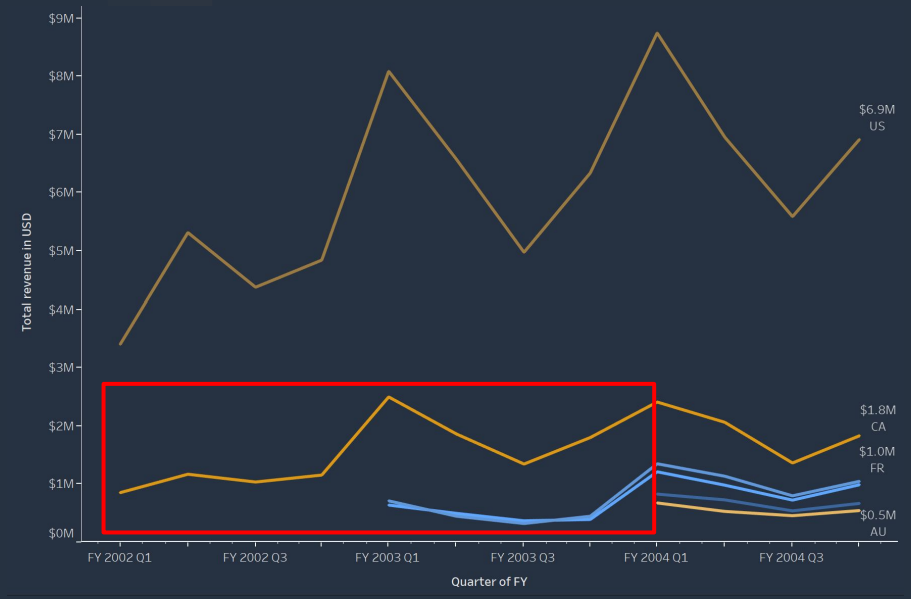
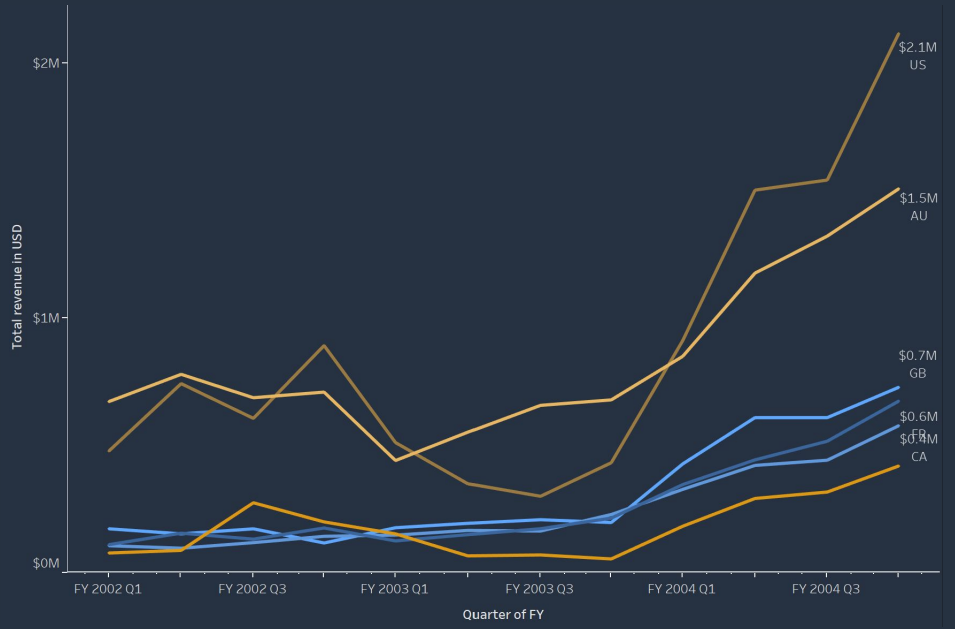
Countries: AU, CA, DE, GB, FR, UK, US

Introduction

Offline Sales



Online Sales



-In some markets only very recently offline sales began

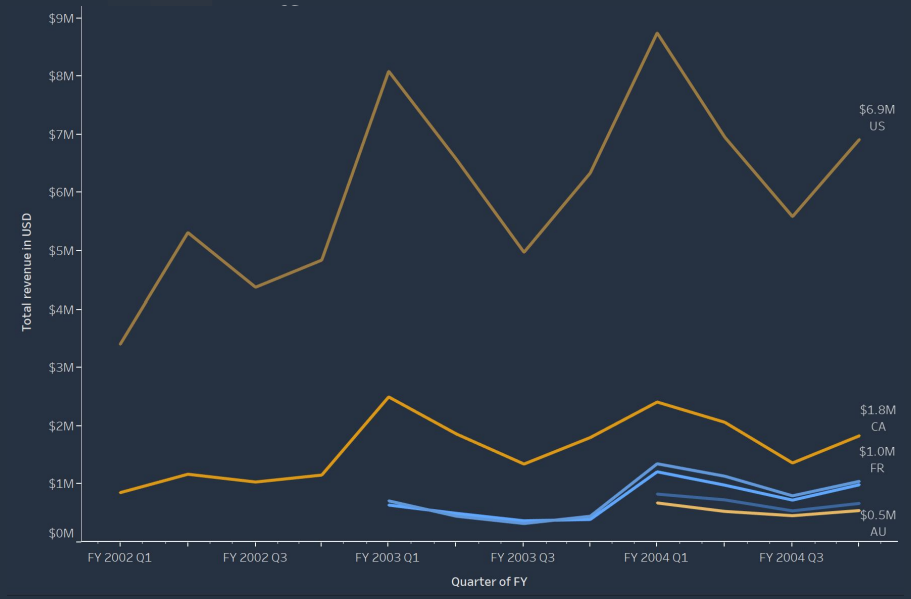
- While in others like in North America it has been prominent sales channel

-Initial method of business expansion

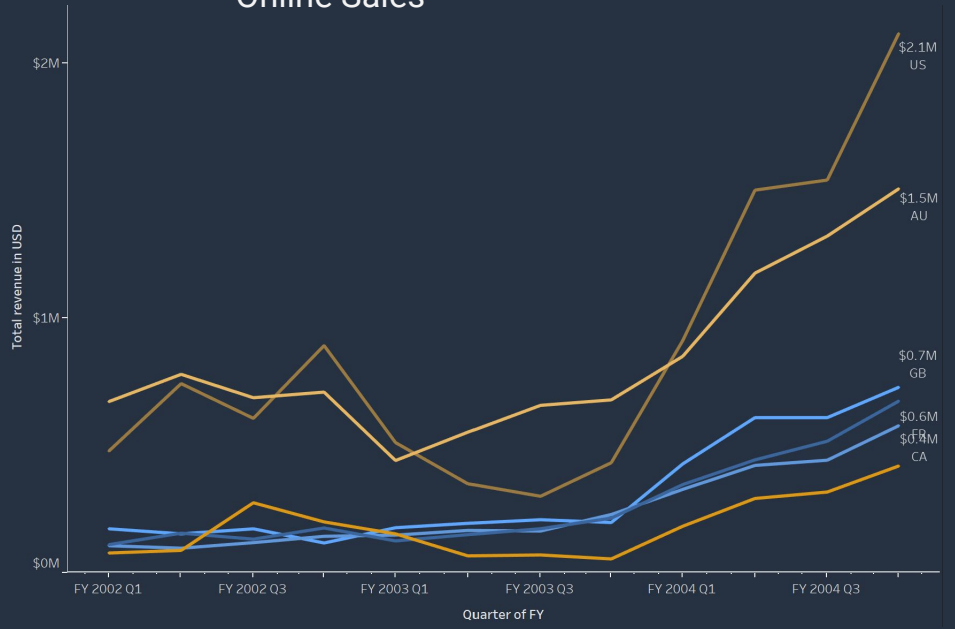
- Cost efficient strategy that allows for brand building in new market

Problem

Offline Sales



Online Sales



- In FY 2004, revenue generated by online sales constitute less than 25% of Total revenue in North American markets
  - Online: $7.26M Offline: $ 35.83M

- Exception: Australia with 70% Total revenue from online sales

Online sales are currently underperforming in comparison to our offline sales channels.

Why focus on Online sales?

- E-commerce in booming → Future proofing the Business
- Cost-efficient , 24/7 Accessibility, Market test, Build brand
- Changing Consumer Behavior

How to improve Online sales?

- Use customer demographics based insights in Sales & Marketing decisions

Analysis

- Data Source: Internal Adventure Works (FY 2002- FY 2004)
- Type of Sale: Online & Offline
- Measured KPIs:
  - Total Online Revenue(USD)
  - Count of Orders
  - Count of Customers
  - Sales type by Country
- Focus on Online Customer Demographics :
  - Age Groups (20-30, 30-40 etc)- Average age of Customer, Highest revenue generating group
  - Gender- Count (%) of Customers by Gender
  - Frequency of purchase by Country

ADVENTURE WORKS EXECUTIVE OVERVIEW

Insights into KPIs and Sales based Online Customer Demographics Analysis

Year of Order Date
FY 2004

Choose region
All

Order status
All

Order status
Online Offline

Filters

Total Revenue (USD)

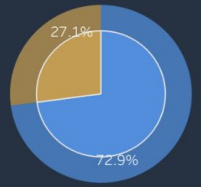
$ 67.15M

Count of Orders

23,067

Sales Type by Country

Hover to see the revenue countries within each sales type



17,412 493

Online customer demographics

KPIs

Online Customer Demographics Insights

For recent online sales overview based on customer demographics

49.4% 50.6%

Average Age of Online Customer

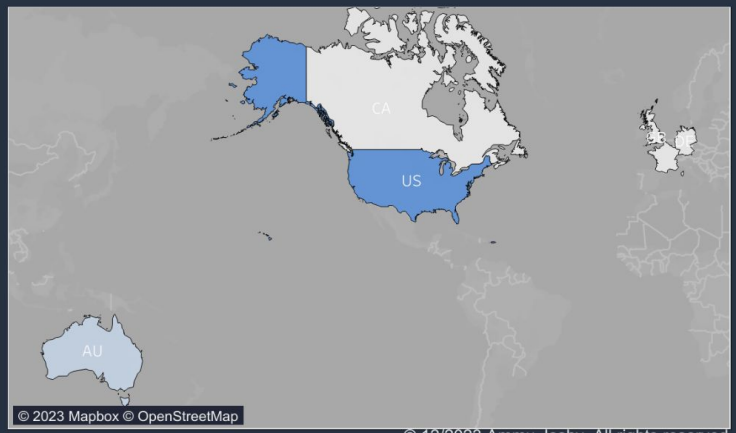
42

Revenue by Age Groups

Highlight specific age group(s) to filter dashboard

Geographic Revenue Distribution by Country

Hover over the countries to see customer frequency of purchase



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US in FY 2004

Online Customer Demographics Insights

For recent online sales overview based on customer demographics

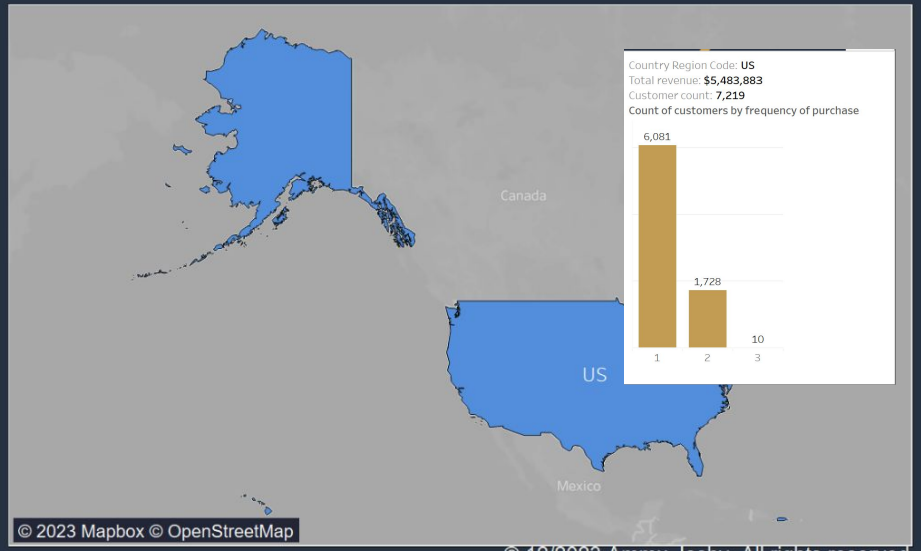
Average Age of Online Customer

44

Revenue by Age Groups

Geographic Revenue Distribution by Country

Hover over the countries to see customer frequency of purchase



Conclusion

Customer demographic Insights for US in FY 2004

- Gender Distribution:
  - Female - 49.7%
  - Male - 50.3%
- Age group that generates highest revenue:
  - 30-39 yr old
- Frequency of purchase:
  - In US, majority of the customers purchased only once online.

➢ Starting points for detailed analysis into customer behavior, purchasing habits and preferences

➢ Allows for targeted marketing

➢ Improving sales, both online and offline

Recommendations - To tackle the problem

- Develop and implement strategies based on online customer demographics .

- Encourage data-driven Targeted Marketing Campaigns

Thank You