

Sterling E-Commerce

Project Report

SEPTEMBER 2024



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Top Performing Categories

- Mobiles & Tablets dominate both in terms of order volume (133,221) and revenue (128.6 million). This category is driving significant sales and should remain a focal point.
- Appliances generate a substantial portion of revenue (29.8 million), despite fewer orders (81,688), indicating a high average transaction value.
- Fashion Categories (Men's and Women's Fashion) exhibit strong sales volumes but lower average transaction values, indicating potential for further growth through product expansion or marketing.

Payment Method Preferences

- Cash on Delivery (COD) is the most popular payment method, accounting for 101,750 transactions. However, reliance on COD presents operational risks.
- Digital payment methods such as Easypay and Payaxis are growing but remain underutilized. There is an opportunity to incentivize customers to adopt digital payments through discounts or rewards.

Regional Sales Performance

- South is the strongest region, contributing 89.6 million in revenue, followed by Midwest (62.9 million). These regions show high demand and should be prioritized for continued investment.
- Sales in the Northeast (39.9 million) and West (38.5 million) are significantly lower, presenting opportunities for market expansion or targeted marketing initiatives.

City-Level Trends

- Cities such as Noxapater and Dennis are top-performing markets, contributing 1.91 million and 1.63 million in sales, respectively. These markets could benefit from focused promotional efforts to sustain growth.
- Goodland also shows promise with sales of 1.58 million, signaling it as another key market for potential development.

Gender Distribution

- Sales are almost evenly split between male (49.9%) and female (50.1%) customers. A more detailed analysis by category could help tailor marketing strategies to further engage each demographic.

Yearly Growth

- Sales grew from 73.58 million in 2021 to 157.48 million in 2022, demonstrating a significant increase in revenue (114% growth). This growth is likely driven by strong regional demand, expanding product categories, and improved customer outreach.
- Total sales over both years amount to 231 million, reflecting the company's robust performance and upward trajectory.

Average Order Value (AOV)

- Categories like Appliances and Mobiles & Tablets have high AOV, making them profitable, while categories like Fashion and Beauty & Grooming rely more on order volume for revenue.

Expand Digital Payment Adoption

- Promote online payment methods to reduce reliance on COD and improve operational efficiency. Offering incentives such as discounts or loyalty points could encourage this transition.

Target Underperforming Regions

- Northeast and West regions exhibit lower sales volumes. Strategic marketing campaigns, product localization, or partnerships could drive sales in these regions.

Enhance Marketing to Key Cities

- Invest in marketing initiatives in high-performing cities like Noxapater, Dennis, and Goodland to sustain growth and customer retention.

Focus on Gender-Based Marketing

- Since sales are evenly split by gender, tailoring marketing strategies for both male and female customers in categories like fashion, beauty, and grooming could enhance customer engagement and conversion rates.

Focus on Gender-Based Marketing

The business has experienced strong growth, particularly in the South region and Mobiles & Tablets category. However, there are opportunities to boost digital payment adoption, drive sales in underperforming regions, and capitalize on gender-based purchasing patterns. With these strategies, the company can maintain its growth momentum and further solidify its market position.