



B/YTÉ



Analysis and Key Findings

For B/YTÉ – A Fashion Retail Brand

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Company Overview

Add Company Name

Customers:

- **Age** – Large age range, most between 21 and 55
- **Region** – Greater Vancouver Area, as store is downtown
- **Distribution** – In person customers only
- Online preference

Company:

- **Founder** – Anastasia, A passionate fashion designer, Sauder graduate
- **Values** – Quality, innovation, I &D, accessibility, affordability
- **Size** – Small, one physical store, no online store
- **Growth** – Fast growing, thousands of customers

Competition:

- **Oucci** – High quality, luxury brand
- **M&H** – Affordable clothing for high school and university students
- **mAritizia** – High brand recognition, clothing for young women

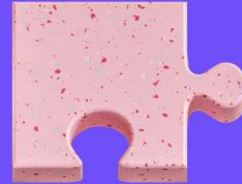


(Strengths)	(Weaknesses)	(Opportunities)	(Threats)
<ul style="list-style-type: none">• Unique and authentic high-quality designs• Community-driven brand• Fast-growing Popularity• In-person location	<ul style="list-style-type: none">• Insufficient marketing efforts• Limited online presence• Inventory management• Inexperienced with website creation	<ul style="list-style-type: none">• Occupying a different niche in the fashion industry than competitors• Changing consumer buying habits• Sustainability trend	<ul style="list-style-type: none">• Large competitors with established reputations• Fashion industry recession• Rise in popularity of second-hand clothing



B/YTÉ

Problem Statement



Lack of Differentiation

- Key selling points and target demographics are unclear
- Need to differentiate in order to improve marketing efforts



Ineffective Supply Chain Management

- Inability to meet demand during peak months
- Excess inventory other months



Lack of Fit with Current Digital Trends

- No online store severely limits B/YTÉ's market share in an increasingly online industry

Problem Statement

Data Cleaning & Analysis

All analysis was conducted in Python with additional functionality from Plotly and Pandas libraries.



```
# Key information about typical transactions

transactions = df.groupby("Transaction_ID")

# Number items bought in a typical transaction
eachTransactionQuantity = transactions.sum("Quantity")
print("The number of items bought in an average transaction is",
      eachTransactionQuantity["Quantity"].mean().round(4))

# $ spent in a typical transaction
eachTransactionDollarsSpent = transactions.sum("Sales_Amount")
print("The dollars spent in an average transaction is",
      eachTransactionDollarsSpent["Sales_Amount"].mean().round(2))
```

```
import pandas as pd
import numpy as np
from scipy import stats
```



```
sales_mean = outliers_removed_df["Sales_Amount"].mean()
sales_std = outliers_removed_df["Sales_Amount"].std()

outliers = outliers_removed_df[(df["Sales_Amount"] > sales_mean + 3 * sales_std)]

outliers_removed_df_2 = outliers_removed_df.drop(outliers.index)

outliers_removed_df_2.describe()

outliers_removed_df_2.to_csv("cleaned_data.csv", index = False)
```

Data Analysis

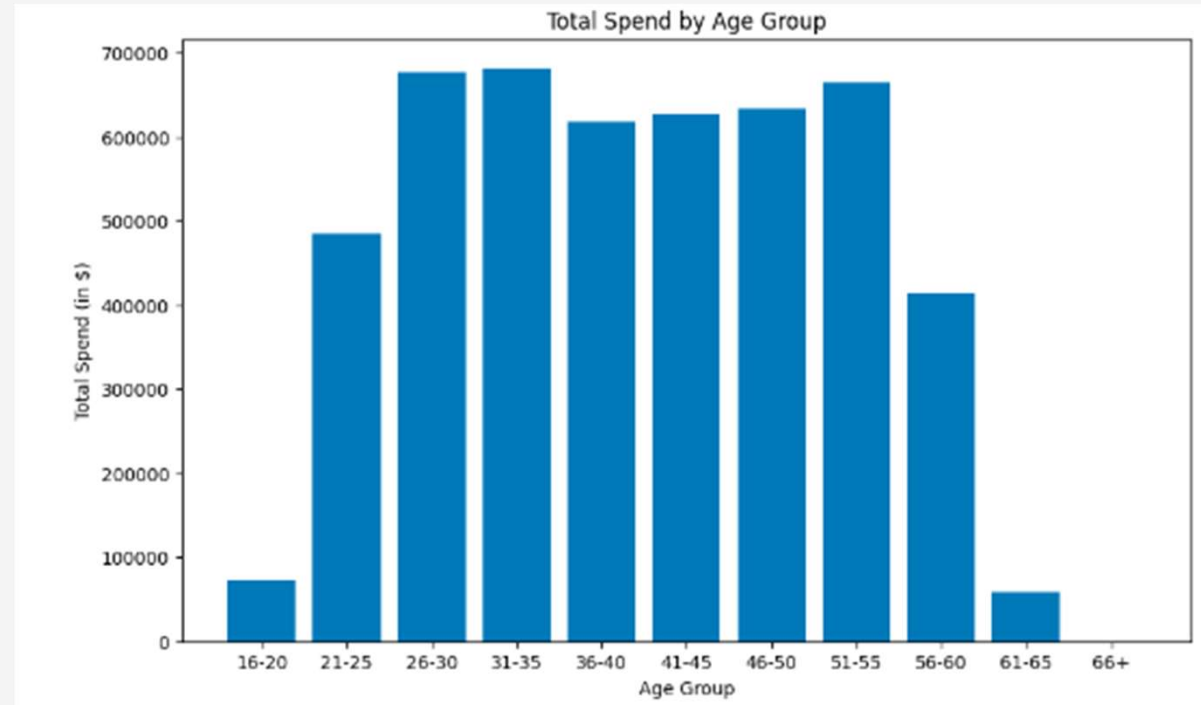
Differentiation

Problem 1: Differentiation

A) Target Age

B) POD – Affordability:

- Claims to balance quality and affordability
- 10 most popular items range from \$45 to \$152
- Most expensive items cost upwards of \$300



Total spend and # transactions greatest
among ages 26-35
→ Target 🎯

Solution: Target Age + Focus on Price



1) Target Ages 26 –35

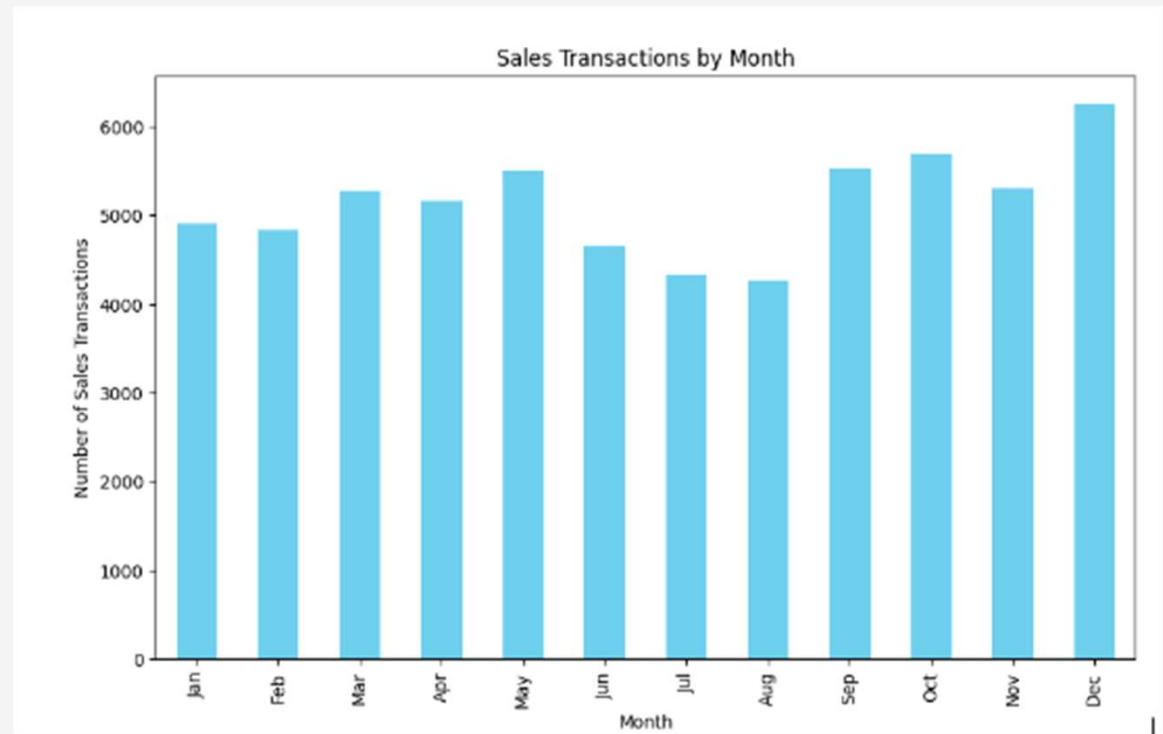
Competitors targeting young adults (16 – 22) or those opting for a higher price range
→ creates a niche

2) Lower Prices While Maintaining Profitability

	SKU_Category	Average Price
0	Blazer	73.259268
1	Bomber jacket	117.367562
2	Cargo pants	65.743360
3	Crop Top	109.421522
4	Dress shirt	90.181864
5	Dresses	152.447940
6	Hat	87.027087
7	Hoodie	66.763266
8	Jeans	72.827167
9	Shoes	103.795035
10	Shorts	57.263019
11	Skirt	66.982803
12	Sunglasses	109.476311
13	T-shirt	45.044786
14	Trench coat	100.399814

Problem 2: Supply Chain

- Inability to meet demand during peak months
- Excess inventory other months



No obvious seasonal or monthly patterns

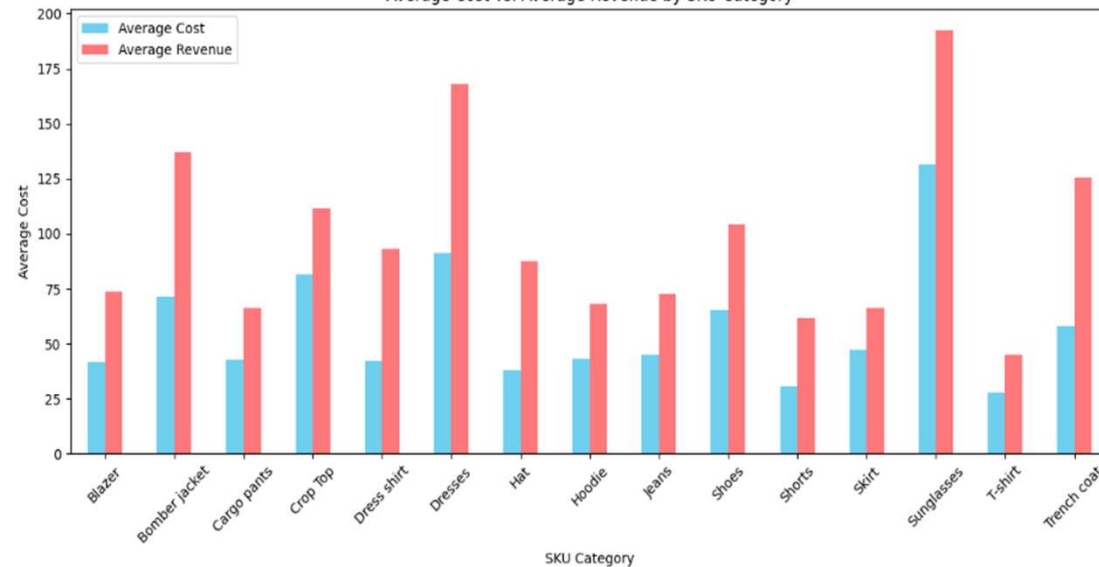
Solution: Swap to Local Suppliers

No Clear Patterns in Time of Purchase...

- Can't predict in advance how much inventory to order!
- Need to be able to add inventory on short notice
➔ Local Supplier

- Added benefit: Increase sustainability
- Added issue: Higher costs
➔ Large profit margin for most categories, don't need to increase prices

Average Cost vs. Average Revenue by SKU Category



Problem 3: Digital Trends

No online store severely limits B/YTÉ's market share in an increasingly online industry

- Significant increase in online shopping spending compared to pre-pandemic levels.
- Over eight in ten Canadians shopped online in 2020.

Customers less interested in physical stores due to accessibility and convenience issues. An average month has between 5000 & 6000 transactions.

The number of items bought in an average transaction is 2.144.

The average spend in a transaction is \$132.64

How would this change if B/YTÉ had an online store?...



Solution: BOPIS Model



Online stores generate more transactions, but typically lower spend.

HBR study found that BOPIS customers purchase more expensive items than online customers.

Buy Online, Pick Up In Store

- Mitigates delivery and storage costs typically expected of an ecommerce model
- Requires online store: additional profit from online purchases will more than cover cost to outsource website (approx. \$3000)

Accessibility

- Still requires customers to visit physical store...
 - Curbside pickup for an additional fee
 - Prevents immuno-compromised individuals from having to go in-store

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Summary of Recommendations



Target Age and Focus on Price

Addresses: Differentiation

Swap to Local Supplier

Addresses: Supply Chain Management

Buy Online, Pick Up In Store

Addresses: Digital Trends

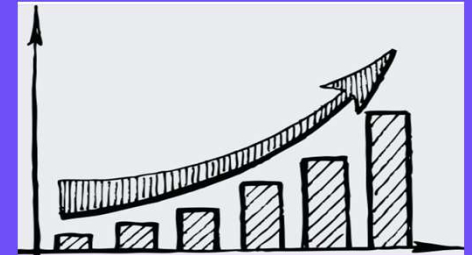
[Summary of Recs](#)

Risks and Mitigations



- **Risk:** Decrease in quality due to decreased prices
 - **Mitigation:** Stop carrying inventory for expensive products with low margins
- **Risk:** Damaging increase in costs from changing suppliers
 - **Mitigation:** Carefully selecting a local supplier who can balance quality and costs
- **Risk:** High costs of online store
 - **Mitigation:** BOPIS prevents owners from incurring additional shipping & storage costs

Timeline



9-10 2023

11-12 2023

1-2 2024

3-4 2024

- End contract with current supplier & select new supplier
 - Adjust product and offer a wide range of size options
- Adjust prices to account for affordability & new supplier
 - Start regularly posting on social media
- Begin receiving new supply and conduct quality assurance check
 - Website development
 - Launch targeted online advertising campaign
- Online Store Opens
 - Continue to enhance social media engagement
 - Evaluate the impact of all implemented strategies on sales and profits

Timeline

Weaknesses in differentiation, supply chain, and trend alignment are remedied by changing customer focus, suppliers, and store model

Lack of Differentiation:

- **No specific age group targeted**
 - Ages 26 – 35 have a total spend upwards of \$600,000 and highest # transactions
- **Affordability as a core value**
 - Popular item prices of \$45 - \$152

Supply Chain Weakness :

- **Inability to predict demand**
 - Number of transactions range from 4,000 to over 6,000 with no clear pattern
- **Inefficiency of Global Supplier**
 - Delivery and design of clothing takes 2 months

Shift in Digital Trends:

- **Willingness to shop in store**
 - 8/10 shopped online 2020
- **Cost of online store**
 - Web development, shipping, and storage costs

1 Target Age and Focus on Price

Targeting adults ages 26-35 creates a different core customer base from our competitors, allowing for more effective marketing. Lowering prices will further differentiate us from our customers – balance quality & affordability as per values.

- Ages 26 - 35
- New pricing model in line with values
- Effective marketing

2 Swap to Local Supplier

Swapping to a local supplier allows for inventory to be ordered on a short notice and connects to core value of sustainability.

- High profit margins by SKU category demonstrate feasibility of price increase
- Already in discussion with many local sustainable suppliers
- Mitigates environmental impact of shipping from Germany

3 Buy Online & Pick- up In Store

BOPIS model allows B/YTÉ to meet demand for online store and accessibility needs without incurring significant additional cost.

- Connects to core value of accessibility as it allows customers who can't shop in store to pick up items via curbside delivery
- Still incur web development cost, but does not include shipping and storage costs

Summary



Q & A



Q & A

References

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Thank you!