**OVERALL MARKETING PERFORMANCE- QUARTER 2**

The marketing performance for this quarter (April ’19 -June ‘19) is as follows:

* From 1st week of April to 4th week of June, we have spent ~ 35% of out net\_sales towards marketing.
* In June, the net\_sales has dropped across all marketing channels, causing overall marketing spend % to be ~54%.
* Around 77% of our purchases are from First-time customers and we spend ~ $5,300 for new user acquisition.
* We spend approximately the same amount to retain our customers. (Refer avg. CAC in the table below). (Relatively lower CAC for RC is considered optimal)

|  |  |  |
| --- | --- | --- |
|  | **First-time Customers (FC)** | **Returning Customers (RC)** |
| Total customers | 41,369 | 12,471 |
| Avg.CAC | $ 5,391 | $ 5,246 |
| Avg.Spend | $ 2,542,634 | $ 739,049 |
| Avg.Sales | $ 7,512,541 | $ 2,228,932 |

The key differences in purchase patterns, with respect to rug size and rug design are discussed in the graphs below:

* With the given spend, the sizes that drove **best conversions are Size 2 and Size 4.**
* **Designs 22, 4, 40, 33, 39** have consistently outperformed all other designs throughout this quarter.

**PROPOSALS FOR NEXT QUARTER:**

* Reduce CAC for returning customers
* Include top performing designs and sizes in website (specifically in landing pages, to test and optimize website performance) and also add pictures of these rugs in creatives.
* Increase returning customer by at least 5% by the end of next quarter.
* Contribute around 3% of purchases through inbound marketing efforts within the end of Q3.

**ASSUMPTIONS:**

1. All values in the given data set are true (even though it looks pretty high, compared to the product price and there was mismatch in order\_date and customer\_first\_order\_date)
2. The spend amount includes paid channels, email, and outbound marketing efforts.
3. Given only 16 days data for June, the spend and sales data is assumed to be the same for the entire month of June.