Brazilian Market Expansion: Partnering with Magist?

Four Pillars of Analysis

1. Magist's growth
2. Overall strategic alignment
3. Delivery times
4. Customer Satisfaction

Magist's Data: A Comprehensive Overview

- Range: 25 months of sales
- Includes data for all product categories
- Findings are filtered to only “tech accessories”
- We have no insight on specific product names / types

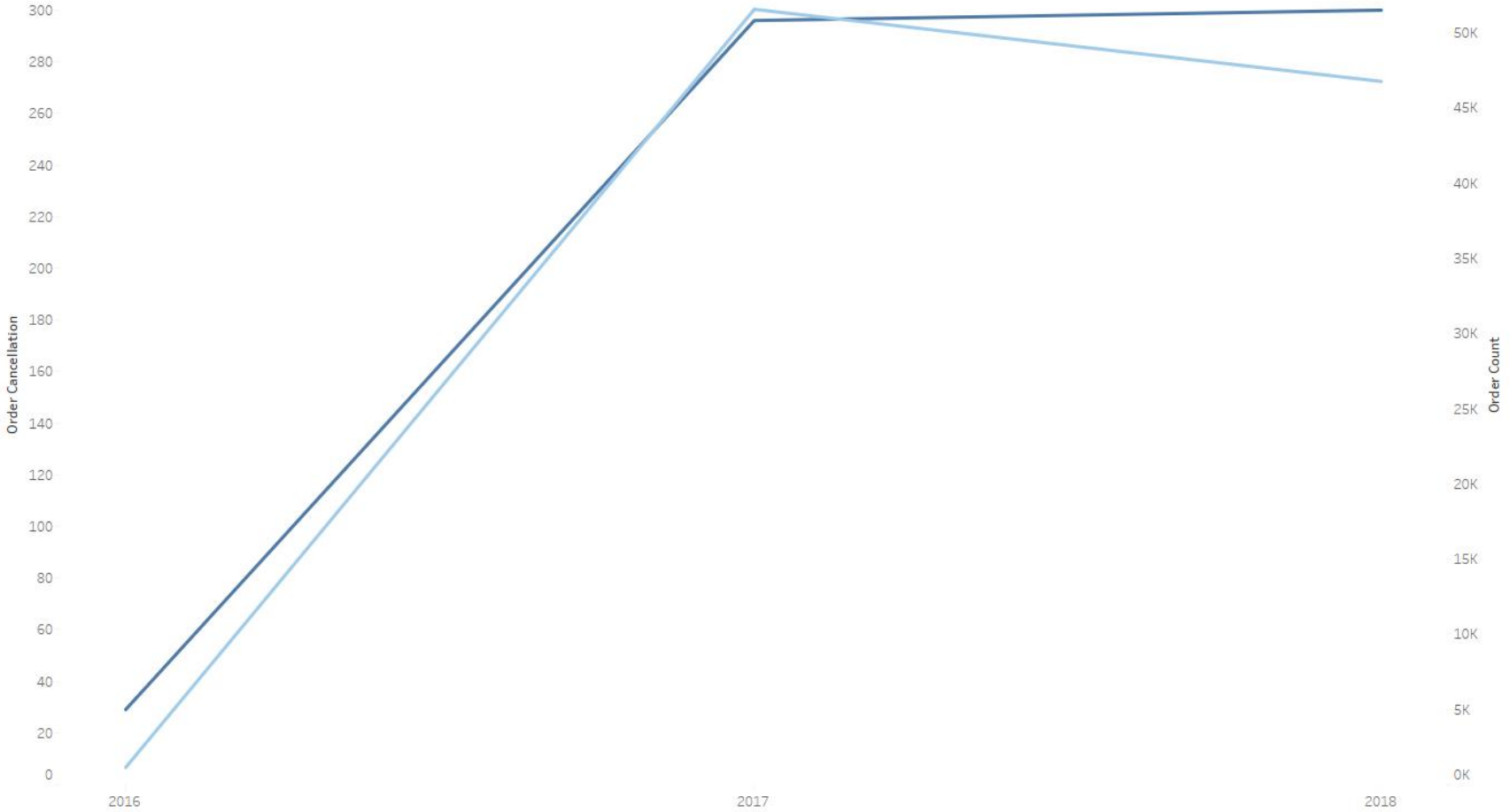
Brazilian Market: **Overview and Relevant Insights**

- Market overview
  - The compound **annual growth** rate of the market in the period 2014–19 is predicted to be **8.3%.** (3.7% in Spain)
  - 12% of users are iOs users - **market size: 25 million people**
- Relevant market insights
  - **Taxes** on electronic among the **highest 20 in the world**
  - [...] "purchased from the *same manufacturers.* Players therefore **compete on service and price**, and only very rarely on product."
  - "Brazil applies a **60 % flat import tax**"

MAGIST’S GROWTH

Growth 1

Decreasing orders, increasing cancellations



Growth 1

An Unexpected Shift in Magist's Performance - June 2018

All orders are now cancelled

	June 2018	July 2018	August 2018	September 2018
Cancellations	41	84	15	4
Number of orders	6,265	6,549	16	4

16.5% of all cancellations happened in the last 4 months

STRATEGIC ALIGNMENT

Alignment 2

5% of products offered are in the tech category

vs.

Only 1.7% of all **orders** included relevant tech items

9% of all sellers are tech sellers

vs.

Only 7% of income goes to tech sellers

Average monthly income of tech sellers is **34.4K**

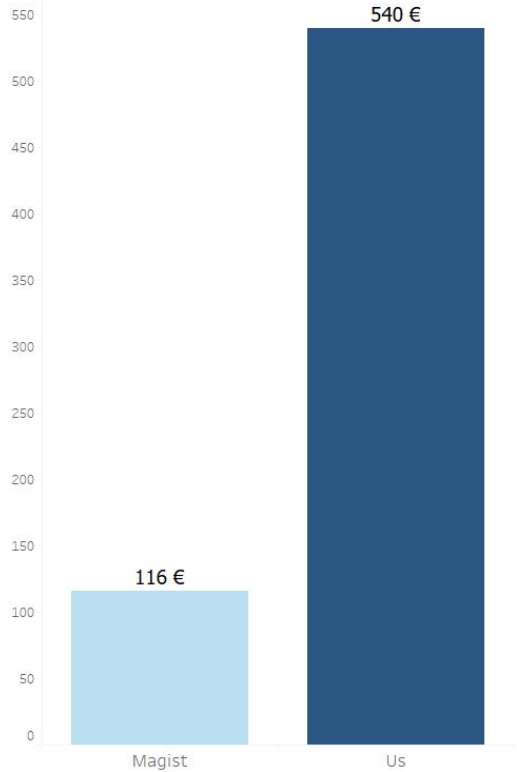
vs.

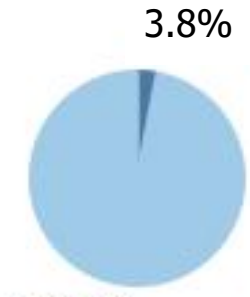
Our average monthly income is **1.17M**

Low Demand For Tech Accessories Among Magist's Clients

Alignment 2

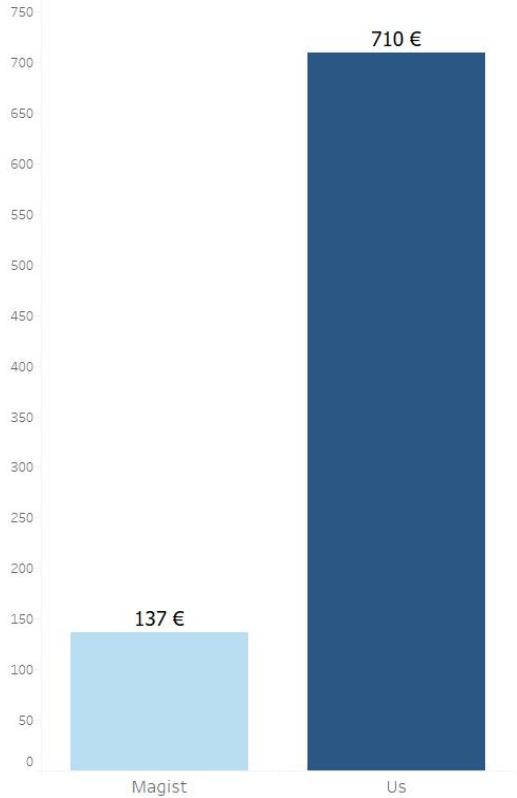
Average product value





Products valued at or above 300€ only represent **3.8%** of the overall tech **sales**

Average item value

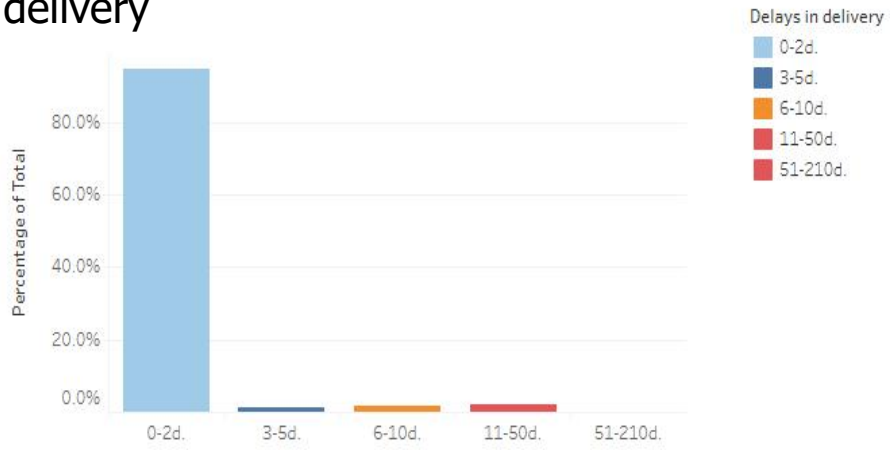


Understanding Magist's Clientele: **A Preference for Affordable Solutions**

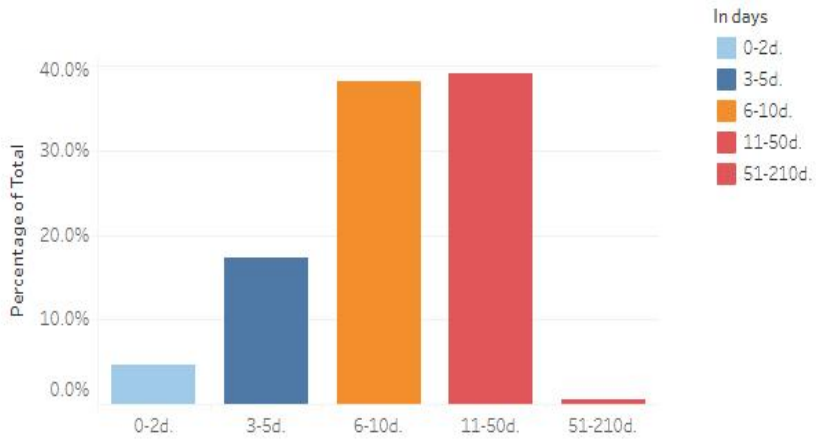
DELIVERIES

Delivery: Beyond Time - **Accuracy vs. Timeliness**

Estimated delivery – actual delivery



Actual delivery times



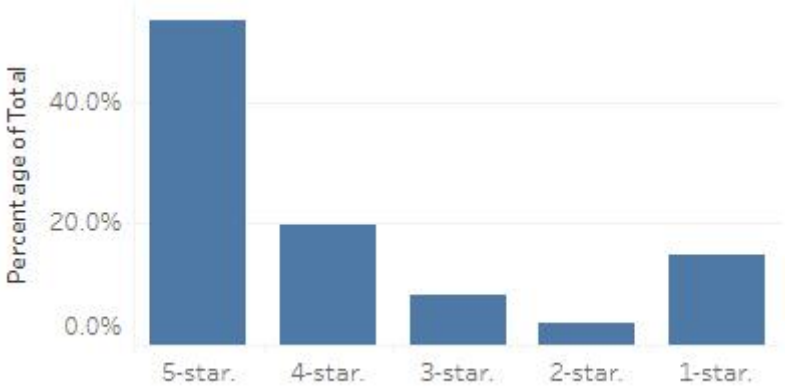
Estimated delivery is roughly the same as actual delivery given that 94.6% of deliveries are within two days of the estimated ones.

CUSTOMER SATISFACTION

Satisfaction 4

Customer Satisfaction: **Positive-Negative Ratio**

Customer reviews for all states



Positive and negative reviews* in percentages

Over half of the negative issues mentioned at least one of the **following problems**:

- **Post Office loses / steals items**
- **Did not receive everything ordered**
- **Late or never arrived**

* We defined "negative reviews" as anything below 4.

RECOMMENDATIONS