

## **Proposal for an eCommerce integration by analyzing the leading eCommerce categories**

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Ollie's concept is building housewares in the suburbs to maintain the low prices. In celebration of our 40<sup>th</sup> anniversary, next year, 2022, Ollie's looking to grow its army and agglomeration. Entering the digital market by introducing our e-commerce, "Ollie's Online", would be a beneficial way to attain our goals: boost our sales and satisfy our customers for a successful expansion. Our study would analyze our competitors' sales data in the various categories such as clothing, electronics and food. Doing so, would allow us to identify the trends and give us insights on which category to start with. This would result in an increase in sales and profits and thus the customer base.

### **1. Ecommerce would target more customers and increase sales**

With the spread of COVID-19 and all the constraints that came with it, ecommerce has become the new normal and its use increased by 44.0% in the US throughout the past year. Ollie's focus is on housewares sales mainly which categorized 15.0% of the total sales in last year's study. The eCommerce is predicted to grow by 8.73% YoY for the year 2021 and by 7.14% YoY for the year 2022. This highlights the fact that people are relying more on the online shopping platforms.

E-Commerce Sales from 2017 to 2024

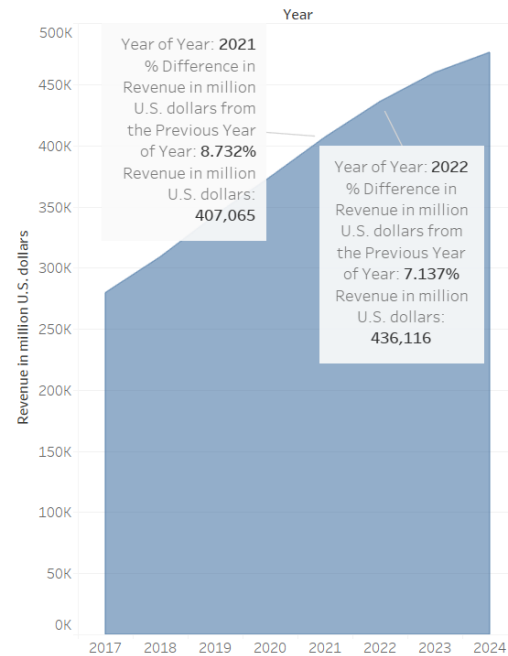


Figure 1 - E-Commerce Sales from 2017 to 2024, highlighting YoY predictions for year 2021 and 2022.

The importance of this project is emphasized by the fact that we are currently looking to expand. Opening an ecommerce platform would lead the way to diversify our clientele by giving them various shopping options, in store and online (24/7 shopping and no transportation needed). Also, it would help us gather more specific data related to Ollie's Army so that we are able to understand the demand's progress and adaptation to the world's fluctuations.

## 2. Understanding the leading categories of the major competitors in the online market

Our focus on improving our physical stores has narrowed our views. Getting more insights on the current trends and understanding the leading categories of our competitors would allow us to have a greater opinion on which merchandise to have and what are our consumer's preferences.

We would start by evaluating the most popular categories from companies including Walmart and Amazon. These datasets will allow us to look into which category to start with, for instance, clothing. As a starting point, we will look into the item price, ratings and reviews that might affect the purchase, since we have found available data with the

variables mentioned above. Analyzing these variables would allow us to have deeper knowledge between the relation of the various characteristics that would affect the item and the need of the item sold.

### 3. The analysis cost is insignificant and convenient

My data analyst colleague and I, the manager, will be working in parallel, starting with the data collection, cleaning, transformation and analysis of the relevant data and then verifying its validity. Since we are part of Ollie's Bargain Holdings and the research would be predicted by the mid of next month, the total cost of the study would be around \$ 12,000.00 that breakdowns as follows:

Hourly rate and estimated hours of the manager and the data analyst

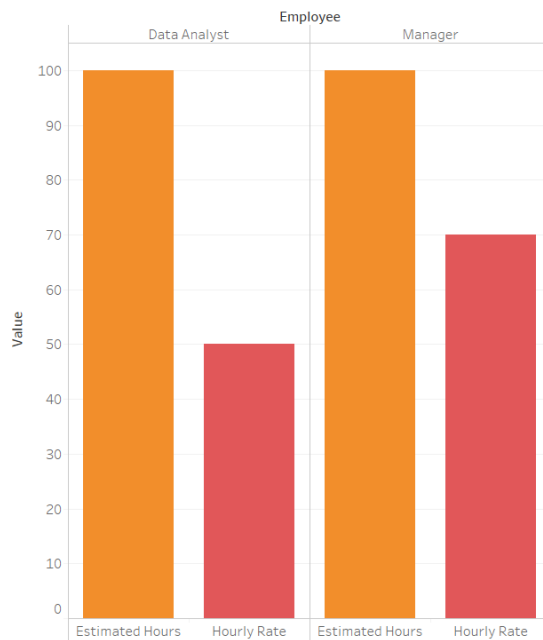


Figure 2 - Hourly Rate and Estimated Hours of the Research Team, showing the breakdown of the total cost  
 $\text{Estimated hours (Data Analyst)} * \text{Hourly Rate (Data Analyst)} + \text{Estimated hours (Manager)} * \text{Hourly Rate (Manager)}$

The benefits achieved from other businesses after the initiation of their eCommerce proves us that taking this step would help us achieve our goals.

### 4. To maintain the growth, look at long term outcomes

The study's observations would be immediately noticeable by the surge in our customer base and sales. In fact, it will allow us to understand which category to start with which will

lead to an automatic increase in the sales of such products and thus, the profit and the clientele. In the long-run, we will be able to gather more accurate data on our Ollie's Army preferences and therefore have a clearer sight on which products to display and what categories to integrate next into our e-commerce platform. This will gain Ollie market share and put it ahead of its competition. In addition, understanding our customers preferences would enable us to identify missing attributes such as customer satisfaction, product line and website usability. After all, customer's satisfaction is what leads the business.

## 5. Conclusion

Having an ecommerce platform would give us access to more specific data on our customer preferences, higher customer reach and 24/7 shopping. After measuring the data and translating the results and related opportunities, we will then be able to expand our agglomeration, respond to the consumer's preferences and have a deeper understanding of the merchandises to add to our stores. This would automatically lead to a growth in profits due to the sales increase and inventory reduction. Let's discuss in details the aspects of this project.

## 6. References

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