



OUR COMPANY

# NIKE



### **COMPANY OVERVIEW**

Nike, Inc. is an American multinational association that is involved in the design, development, manufacturing and worldwide marketing and sales of apparel, footwear, accessories, equipment and services. Nike, originally known as Blue Ribbon Sports (BRS), was founded by University of Oregon track athlete Phil Knight and his coach, Bill Bowerman, on January 25, 1964. Headquartered at Oregon, it is a major producer of sports equipment and one of the world's largest suppliers of athletic shoes and apparel. Apart from its own brand, Nike market its products under Nike Pro, Nike+, Nike Golf, Nike Blazers, Air Jordan, Air Max and other as well as subsidiaries including brands Jordan, Hurley Int. and Converse.

**Nike's mission statement** is "to bring inspiration and innovation to every athlete in the world." And **Nike's vision statement** is "to do everything possible to expand human potential."



# BUSINESS OBJECTIVES

- To continue developing and innovating in the space of footwear, apparel, and technology' thereby expanding its market leadership and increasing revenue and profitability
- Building and strengthening relationships with consumers by delivering high-quality products and exceptional customer experiences
- Embracing technology and digital platforms to enhance customer engagement, streamline operations, and optimize marketing efforts

### KEY PERFORMANCE INDICATORS







### **Shopping Behavior**

- Cart Abandonment by
  - Device
  - Browser
  - User Type
- Bounce Rate

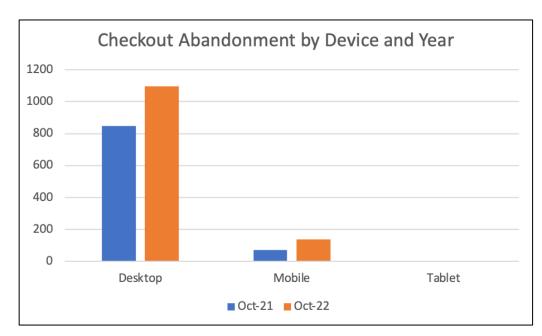
### Revenue

- Contribution by category
- Average Order Value (AOV)
- Conversion Rate

### Session (Visits)

- Session by
  - Marketing Channel
  - Device
  - Page

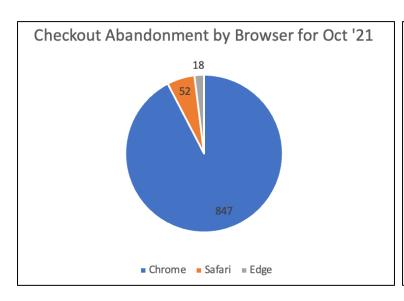
# CHECKOUT ABANDONMENT by Device

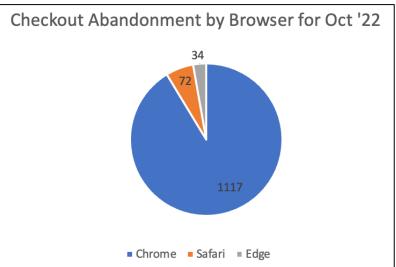


Checkout Abandonment					
Device	Check-out Abandonment				
Desktop	Oct-22	1096			
Desktop	Oct-21	848			
% Change	29.25%				
Mobile	Oct-22	135			
Mobile	Oct-21	70			
% Change	92.86%				
Tablet	Oct-22	3			
Tablet	Oct-21	2			
% Change	50.00%				

- Desktop has the highest checkout abandonments for both years followed by mobile; negligible checkout abandonments for tablet
- Across both desktop and mobile checkout abandonments have increased for Oct '22 compared to Oct '21

## CHECKOUT ABANDONMENT by Browser

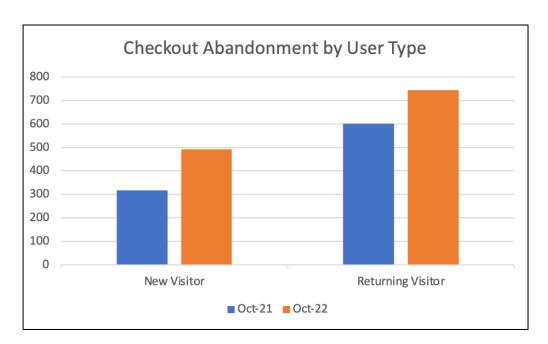




Checkout Abandonment						
Browser	<b>Check-out Abandonment</b>					
Chrome	Chrome Oct-22					
Chrome	Oct-21	847				
% Change	31.88%					
Safari	Oct-22	72				
Safari	Oct-21	52				
% Change	38.46%					
Edge	Oct-22	34				
Edge	Oct-21	18				
% Change	88.89%					

- Most of the checkout abandonment is observed for the Chrome browser followed by Safari and Edge
- Even though the percent change from Oct '21 to Oct '22 is the least for Chrome, it overall still accounts for a large number of checkout abandonments

# CHECKOUT ABANDONMENT by User Type



Checkout Abandonment					
User Type	Date	Check-out Abandonment			
New Visitor	Oct-22	491			
New Visitor	Oct-21	318			
% Change	54.40%				
Returning Visitor	Oct-22	743			
Returning Visitor	Oct-21	602			
% Change	23.42%				

- Comparing abandonment rate for October 2022 vs October 2021, we can see that, the abandonment rate and increased for both new and returning visitors
- Further, we also infer that the rate is almost double for returning visitors compared to new visitors
- Even though less brand loyalty is expected from a new visitor, an abandonment rate of  $\sim 50\%$  for new visitors and  $\sim 20\%$  for returning visitors is still very high and required investigation

### **BOUNCE RATE**

Device Category ⑦		Acquisition			Behaviour		
		Users ?	New Users ?	Sessions ?	Bounce Rate ? ↑	Pages/Session ?	Avg. Session Duration ?
		3.63% ♠ 61,311 vs 59,163	0.42% ♠ 54,317 vs 54,092	2.78% ♠ 80,628 vs 78,449	5.30% <b></b> 43.62% vs 46.06%	2.56% • 4.94 vs 5.07	0.30%  00:03:27 vs 00:03:26
1.	desktop						
	1 Oct 2022 - 31 Oct 2022	<b>41,684</b> (68.11%)	<b>35,248</b> (64.89%)	<b>57,350</b> (71.13%)	39.40%	5.52	00:04:01
	1 Oct 2021 - 31 Oct 2021	<b>39,870</b> (67.11%)	<b>34,947</b> (64.61%)	<b>55,983</b> (71.36%)	40.92%	5.83	00:04:07
	% Change	4.55%	0.86%	2.44%	-3.70%	-5.41%	-2.64%
2.	mobile						
	1 Oct 2022 - 31 Oct 2022	18,546 (30.30%)	<b>18,115</b> (33.35%)	<b>22,153</b> (27.48%)	53.52%	3.51	00:02:03
	1 Oct 2021 - 31 Oct 2021	18,658 (31.41%)	18,285 (33.80%)	<b>21,452</b> (27.35%)	58.74%	3.16	00:01:44
	% Change	-0.60%	-0.93%	3.27%	-8.88%	11.22%	18.27%
3.	tablet						
	1 Oct 2022 - 31 Oct 2022	968 (1.58%)	954 (1.76%)	<b>1,125</b> (1.40%)	63.47%	3.30	00:02:12
	1 Oct 2021 - 31 Oct 2021	882 (1.48%)	860 (1.59%)	<b>1,014</b> (1.29%)	61.54%	3.02	00:01:46
	% Change	9.75%	10.93%	10.95%	3.13%	9.40%	24.89%

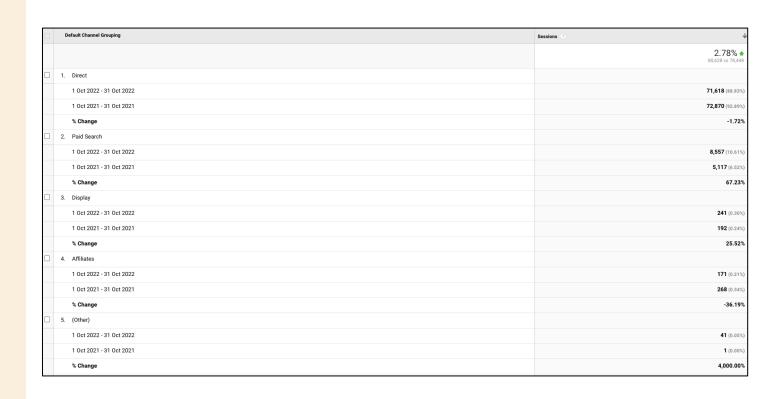
- Bounce rate for desktop and mobile has reduced for Oct '22 compared to the previous period
- Tablet has seen a slight increase in bounce rate, but overall, we are seeing a  $\sim$ 5% drop in bounce rate

### RECOMMENDATIONS

- Simplify checkout process making it user friendly; reduce required input fields from users
- Offer guest checkout options and don't restrict free shipping forcing users to create accounts
- Include multiple payments options
- Add product thumbnails and hyperlink product description page to the product image allowing users the chance to do a final check or changes to the product added

# SESSIONS by Marketing Channel

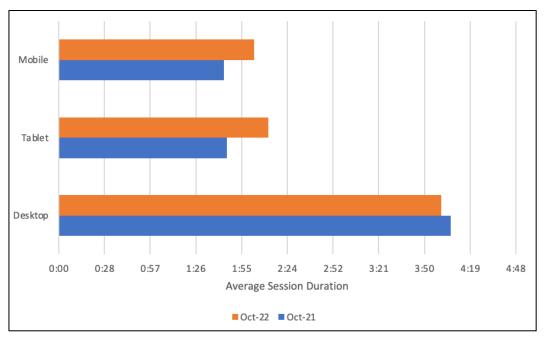
- From all the marketing channels, direct has the maximum number of sessions followed by paid search and display
- Comparing October 2022 to 2021, direct had almost same number of sessions which contributed to the overall increase in sessions
- 67% increase in sessions for paid search and 25% increase for display in October '22 compared to previous period
- Affiliates saw a major drop in sessions by 35%; analyze for change in traffic and assess content



# SESSIONS by Device

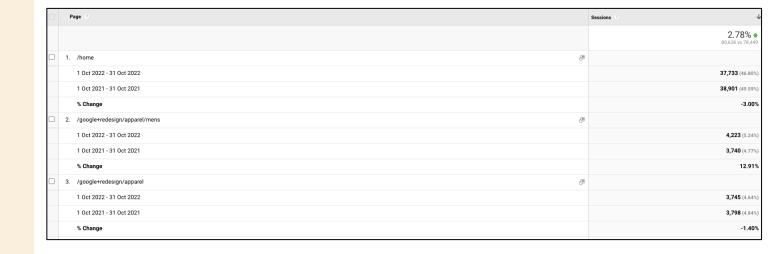
- Across all devices, desktop has maximum sessions across both periods and average contribution of ~71% followed by mobile (~27%) and tablet (~1.5%)
- Compared to Oct 2021, we have seen an overall ~3% increase in sessions across all devices in October 2022
- There was a slight drop in average session duration across desktop in October '22 compared to '21 while the average duration increase on both mobile and tablet





# SESSIONS by Page

- Overall, there was a ~3% increase in session in October 2022 compared to the previous period
- The top 3 pages were homepage, men's apparel and apparel page
- While there was a slight drop in sessions on the homepage and apparel page, men's apparel saw a significant rise of 12% in October '22



### RECOMMENDATIONS

- Even though direct search has maintained number of visits in both years, it is a good idea to invest in marketing effects that build brand visibility; this could include a new product or limited-edition product line, or an athlete collaborated product line
- The homepage should be optimized with relevant keywords and include meta tags, headers etc
- The homepage should also have a prominent and attention-grabbing call to action (CTA) such as a waitlist signup for a limited-edition product line

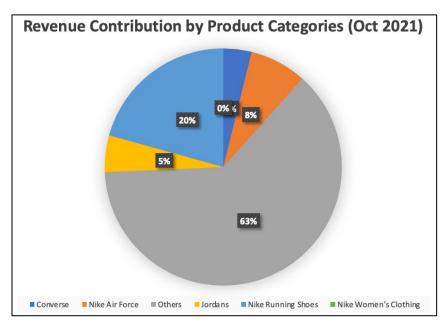
### WATERFALL TABLE

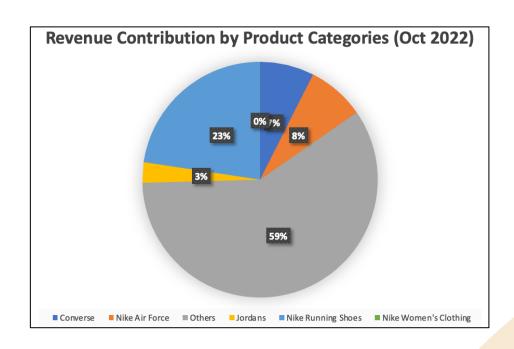
	Oct-21	Oct-22	% vs October 2021	# vs October 2021	Impact on Revenue
Revenue	\$221,776.96	\$199,434.25	-10.07%	(\$22,342.71)	
Visits	78,449	80,628	2.78%	2,179	\$6,151.01
Conversion	2.99%	2.07%	-30.77%	-0.92%	(\$68,138.60)
AOV	\$94.41	\$119.21	26.27%	\$24.80	\$58,171.50
					(\$3,816.09)

### Observations:

We have seen a 10% drop in revenue in October 2022 compared to October 2021. While AOV drastically increased by ~26%, we saw a huge drop of ~30% in conversions. Visits also saw a slight increase compared to October 2021. Overall, revenue saw a negative impact of \$3816 due a significant drop in conversion rate

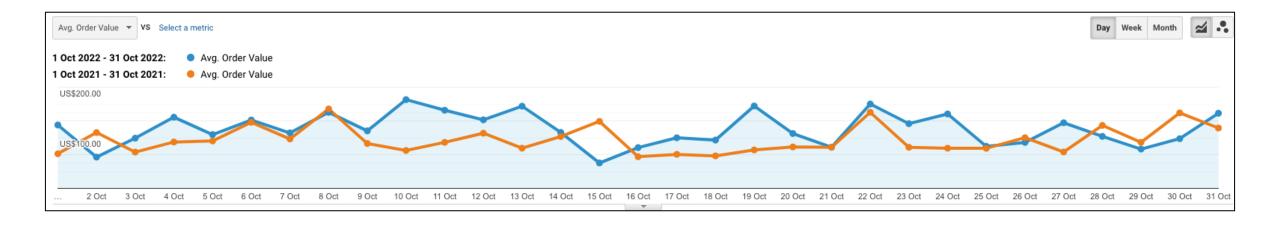
# REVENUE by Product Category





- The 'others' category contributes to most of the revenue due to the diversity in products sold by Nike
- Nike running shoes has consistently contributed to about 20% in both years with a slight increase in revenue in October '22
- Converse has also seen a significant increase in revenue contribution from 4% to 7% from October 2021 to 2022 while Jordans have seen a drop in the same period

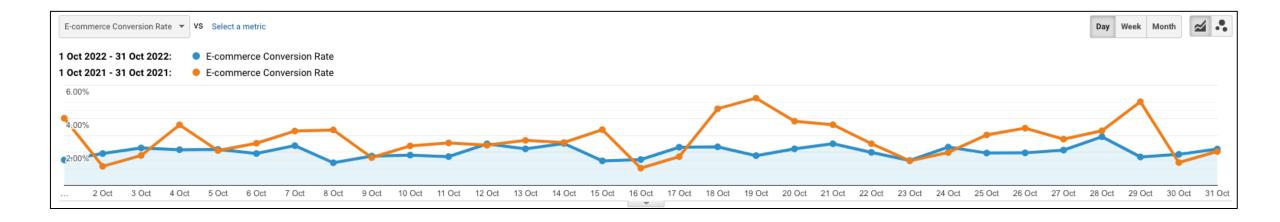
# AVERAGE ORDER VALUE (AOV)



### Observations:

• The AOV for October 2021 was \$94.41 while the AOV significantly increased by ~26% to \$119.21 in October 2022

### **CONVERSION RATE**



- We have seen a 30% drop in conversion rate from 2.99% in October 2021 to 2.07% in October
- This could also be one of the major reasons why we are seeing a 10% drop in revenue for the same period

### RECOMMENDATIONS

- Conduct A/B testing to test different variations for parts of the website like layouts, colors, headlines, and CTAs
- Create user appealing landing pages representing different marketing campaign, product launch announcement, or a new product line link
- Improving site speed on desktop as well as a mobile friendly website can prevent users from leaving the site thus negating the impact on conversions
- Users are more likely to stick around, explore the website, and make a purchase when their visit is simplified by showing product recommendations based on historic user behavior and preferences

# THANK YOU