

Diagnosing sales of Google merchandise store



Google
Analytics



Objectives

Key business objectives

- Increase revenue from products sold on Google Merchandise store.
 - *Identify factors that led to revenue drop in 2017 holiday season*
 - *Develop strategies to achieve growth in sales for 2018.*

Key success metrics

- ✓ Session Quality/Engagement
- ✓ Landing Page (Revenue Contribution)
- ✓ Product Category Sales
- ✓ Customer Segmentation
- ✓ Channel Conversion Rate



official merchandise store



Focus Area- Analysis



Country	Revenue	Revenue
	18.57% ↓ US\$650,739.37 vs US\$799,097.89	18.57% ↓ US\$650,739.37 vs US\$799,097.89
1. 🇺🇸 United States		
23-Nov-2017 - 22-Dec-2017	US\$628,046.70	96.51%
23-Nov-2016 - 22-Dec-2016	US\$747,217.22	93.51%
2. 🇨🇦 Canada		
23-Nov-2017 - 22-Dec-2017	US\$10,436.72	1.60%
23-Nov-2016 - 22-Dec-2016	US\$38,598.50	4.83%
3. 🇸🇬 Singapore		
23-Nov-2017 - 22-Dec-2017	US\$2,150.91	0.33%
23-Nov-2016 - 22-Dec-2016	US\$210.85	0.03%
4. 🇬🇧 United Kingdom		
23-Nov-2017 - 22-Dec-2017	US\$1,425.72	0.22%
23-Nov-2016 - 22-Dec-2016	US\$1,314.45	0.16%

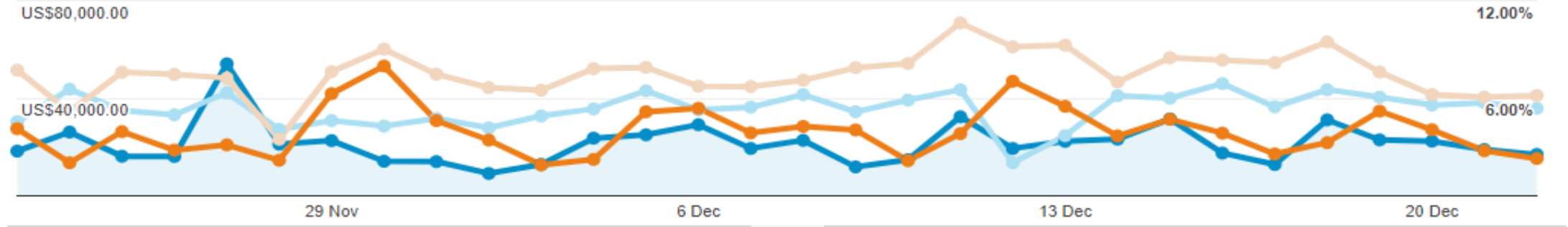
Methodology

- ✓ Different domains – US & Canada; Others
- ✓ Contribution of Revenue Generated by US & Canada ~ 98% in 2017 and 2016
- ✓ Holiday Season prominent in US & Canada between 23rd Nov- 22nd Dec

Revenue Comparison

23-Nov-2017 - 22-Dec-2017: ● Revenue ● E-commerce Conversion Rate

23-Nov-2016 - 22-Dec-2016: ● Revenue ● E-commerce Conversion Rate



Revenue & Conversion Rate

Revenue

US Canada

-18.46%

US\$643,095.06 vs
US\$788,721.47



E-commerce Conversion Rate

US Canada

-30.49%

5.17% vs 7.44%



Transactions

Transactions

US Canada

-25.48%

3,171 vs 4,255



Avg. Order Value

US Canada

9.41%

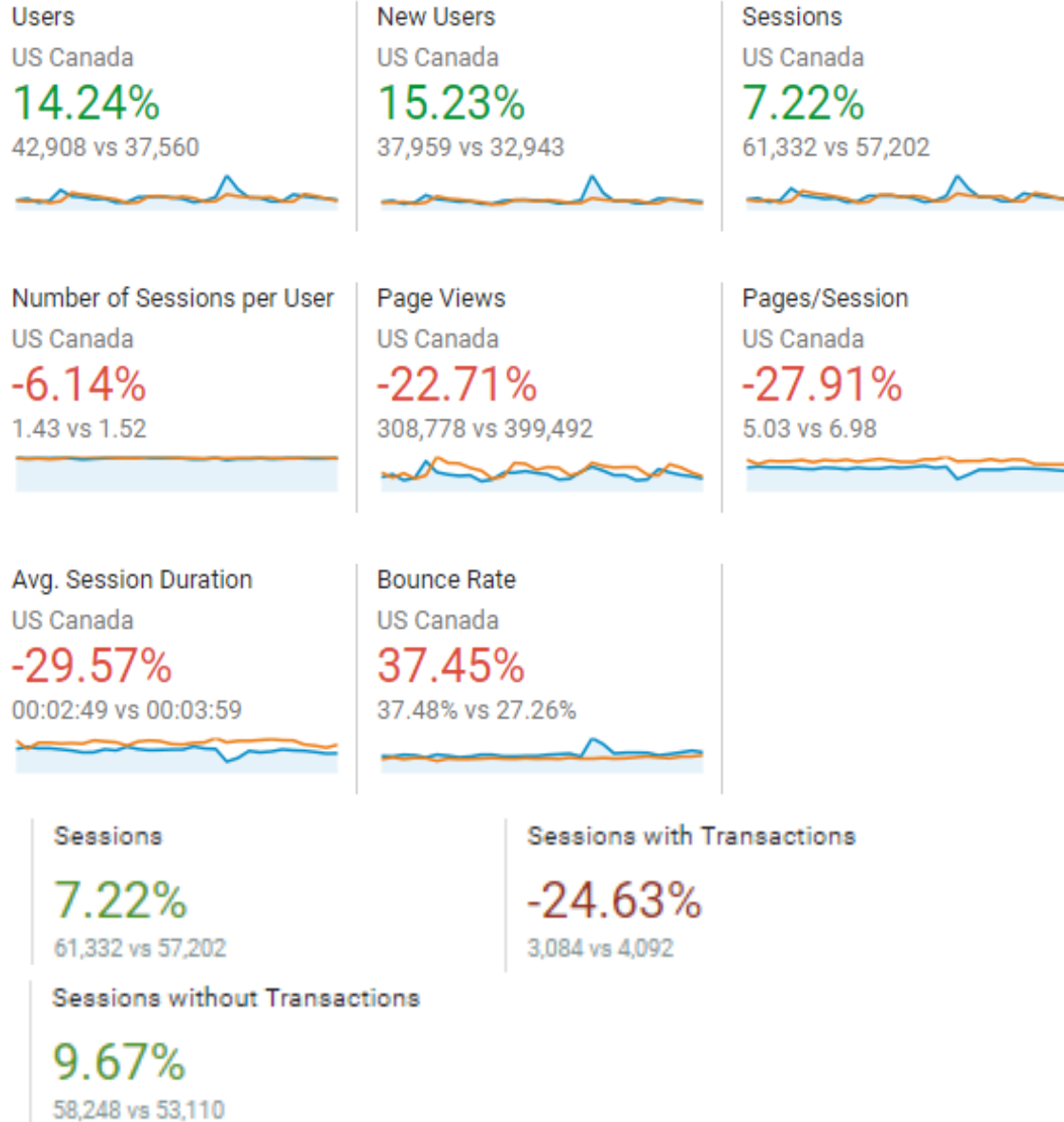
US\$202.81 vs US\$185.36



Findings

- Decline in revenue driven by decline in number of transactions
- Increase in Average Order Value by 9.4%

Session parameters



Findings

- Increase in No of users and sessions
- Decrease in No of Page views
- Increase in Bounce Rate

Insights

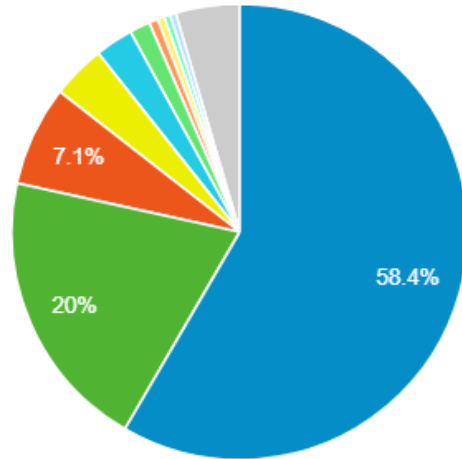
- Decline in Session Quality & Session Engagement
- Customers not able to find what they are looking for

Recommendations

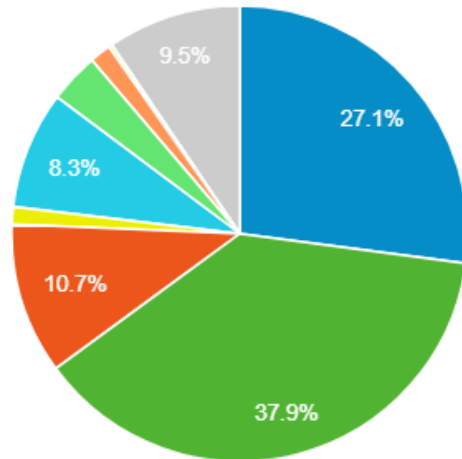
- ✓ Improve site layout, add banner ads and highlight featured products

Landing Pages- Contribution to Revenue

23-Nov-2017 - 22-Dec-2017



23-Nov-2016 - 22-Dec-2016



1. [/home](#)
23-Nov-2017 - 22-Dec-2017
23-Nov-2016 - 22-Dec-2016
2. [/google+redesign/nest/nest-usa](#)
23-Nov-2017 - 22-Dec-2017
23-Nov-2016 - 22-Dec-2016
3. [/basket.html](#)
23-Nov-2017 - 22-Dec-2017
23-Nov-2016 - 22-Dec-2016
4. [/google+redesign/nest/nest-usa/quickview](#)
23-Nov-2017 - 22-Dec-2017
23-Nov-2016 - 22-Dec-2016
5. [/signin.html](#)
23-Nov-2017 - 22-Dec-2017
23-Nov-2016 - 22-Dec-2016

Insights

- The homepage contributed more than half of the revenue for 2017 while it was only 27% in 2016.
- The Nest-usa revenue decreased by 18%.

Recommendations

- ✓ Improve design of nest-usa page, since it is one of the highest selling products.



Product Category

Product Category (Enhanced E-commerce) ?	Sales Performance		
	Product Revenue ? ↓	Unique Purchases ?	Quantity ?
US Canada	18.46% ↓ US\$643,095.06 vs US\$788,721.47	39.17% ↓ 5,335 vs 8,770	48.07% ↓ 16,176 vs 31,149
1. Nest-USA			
23-Nov-2017 - 22-Dec-2017	US\$332,506.00 (51.70%)	1,878 (35.20%)	2,774 (17.15%)
23-Nov-2016 - 22-Dec-2016	US\$530,781.00 (67.30%)	2,917 (33.26%)	4,309 (13.83%)
% Change	-37.36%	-35.62%	-35.62%
3. Apparel			
23-Nov-2017 - 22-Dec-2017	US\$47,909.78 (7.45%)	1,428 (26.77%)	2,707 (16.73%)
23-Nov-2016 - 22-Dec-2016	US\$85,748.85 (10.87%)	2,498 (28.48%)	3,127 (10.04%)
% Change	-44.13%	-42.83%	-13.43%
8. Nest-Canada			
23-Nov-2017 - 22-Dec-2017	US\$6,506.00 (1.01%)	32 (0.60%)	44 (0.27%)
23-Nov-2016 - 22-Dec-2016	US\$38,350.00 (4.86%)	178 (2.03%)	240 (0.77%)
% Change	-83.04%	-82.02%	-81.67%

Findings

- “Nest” showed the highest decline in revenue in 2017, accounting for over \$230,000.
- ‘Apparel’ had a dip in revenue by about \$40,000
- Decrease in the quantity purchased is the driving factor for the overall decrease in revenue.

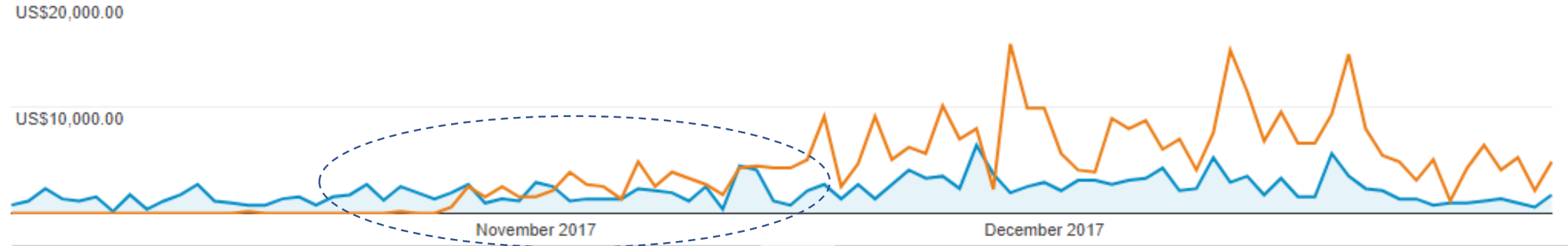
Recommendation

- ✓ Focus on high demand product categories to retain sales growth.

Product deep dive

01-Oct-2017 - 31-Dec-2017: ● Product Revenue

01-Oct-2016 - 31-Dec-2016: ● Product Revenue



Product ?	Sales Performance				
	Product Revenue ? ↓	Unique Purchases ?	Quantity ?	Avg. Price ?	Avg. QTY ?
US Canada	18.46% ↓ US\$643,095.06 vs US\$788,721.47	39.17% ↓ 5,335 vs 8,770	48.07% ↓ 16,176 vs 31,149	57.01% ↑ US\$39.76 vs US\$25.32	14.63% ↓ 3.03 vs 3.55
1. Nest® Learning Thermostat 3rd Gen-USA - Stainless Steel					
23-Nov-2017 - 22-Dec-2017	US\$88,208.00 (13.72%)	472 (8.85%)	592 (3.66%)	US\$149.00	1.25
23-Nov-2016 - 22-Dec-2016	US\$230,603.00 (29.24%)	1,188 (13.55%)	1,547 (4.97%)	US\$149.06	1.30
% Change	-61.75%	-60.27%	-61.73%	-0.04%	-3.68%

Insights

The Nest thermostat, new product launched just before 2016 holiday season, driving sales in holiday season.

Recommendation

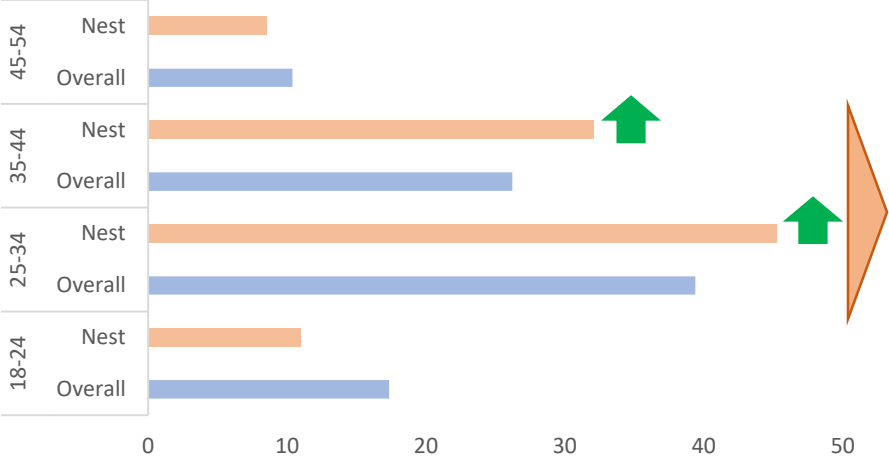
Identifying products that appeal to the customers and featuring them during the holiday season will help boost sales during this season

Potential Nest customers

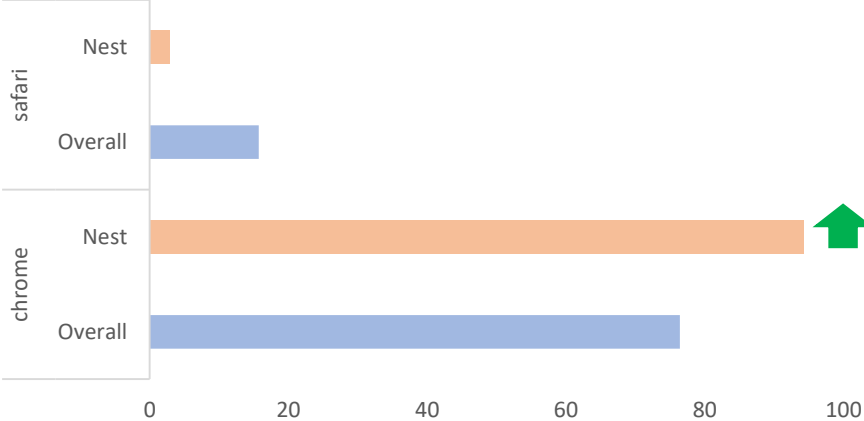
Target segment:

- ✓ Age group: 25-44 years
- ✓ Browser: Chrome
- ✓ Gender: Male
- ✓ Behavior: Returning Users
- ✓ In-market segment: Financial/ Investment services

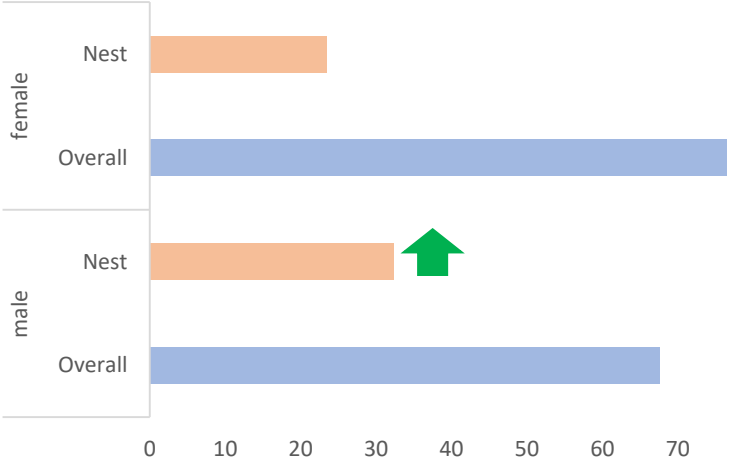
Age Profile



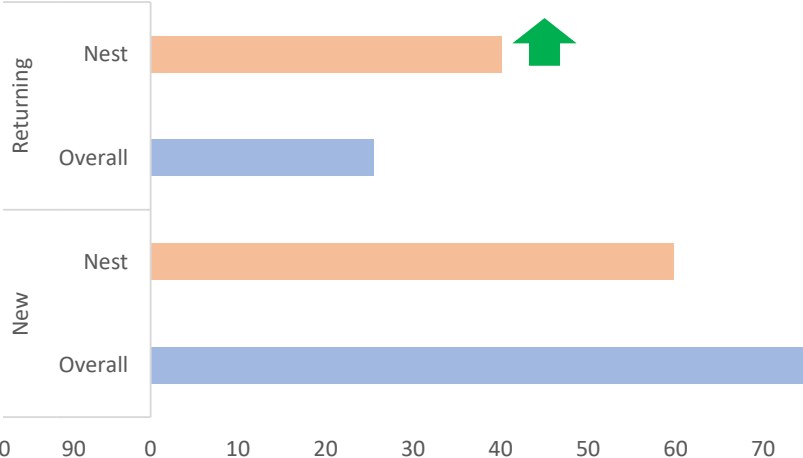
Browser Profile



Gender Profile



Behavior Profile



In-market segment

Overall

2.79%		Consumer Electronics/Mobile Phones
2.73%		Travel/Hotels & Accommodations
2.49%		Financial Services/Investment Services

Nest

3.32%		Financial Services/Investment Services
3.10%		Travel/Hotels & Accommodations
3.03%		Consumer Electronics/Mobile Phones

Analyzing Customer Acquisition

Default Channel Grouping	Users ?	New Users ?	Sessions ?	Bounce Rate ?	Revenue ?
US & Canada	14.24% 42,908 vs 37,560	15.23% 37,959 vs 32,943	7.22% 61,332 vs 57,202	37.45% 37.48% vs 27.26%	18.46% \$643,095.06 vs \$788,721.47
1. Organic Search					
Nov 23, 2017 - Dec 22, 2017	18,283 (40.93%)	16,427 (43.28%)	22,279 (36.33%)	35.62%	\$51,986.12 (8.08%)
Nov 23, 2016 - Dec 22, 2016	14,756 (37.62%)	13,145 (39.90%)	18,783 (32.84%)	31.36%	\$51,251.41 (6.50%)
% Change	23.90%	24.97%	18.61%	13.59%	1.43%
2. Referral					
Nov 23, 2017 - Dec 22, 2017	11,443 (25.62%)	7,569 (19.94%)	20,528 (33.47%)	20.98%	\$535,255.05 (83.23%)
Nov 23, 2016 - Dec 22, 2016	8,943 (22.80%)	6,065 (18.41%)	16,245 (28.40%)	14.60%	\$343,155.31 (43.51%)
% Change	27.95%	24.80%	26.37%	43.66%	55.98%
3. Direct					
Nov 23, 2017 - Dec 22, 2017	9,324 (20.87%)	8,849 (23.31%)	12,118 (19.76%)	59.88%	\$45,292.60 (7.04%)
Nov 23, 2016 - Dec 22, 2016	9,861 (25.14%)	9,040 (27.44%)	15,054 (26.32%)	33.34%	\$367,726.00 (46.62%)
% Change	-5.45%	-2.11%	-19.50%	79.60%	-87.68%
4. Social					
Nov 23, 2017 - Dec 22, 2017	3,345 (7.49%)	3,182 (8.38%)	3,601 (5.87%)	49.57%	\$7,924.93 (1.23%)
Nov 23, 2016 - Dec 22, 2016	2,084 (5.31%)	1,933 (5.87%)	2,409 (4.21%)	33.79%	\$6,350.00 (0.81%)
% Change	60.51%	64.61%	49.48%	46.70%	24.80%
5. Paid Search					
Nov 23, 2017 - Dec 22, 2017	1,052 (2.36%)	849 (2.24%)	1,271 (2.07%)	45.55%	\$2,140.46 (0.33%)
Nov 23, 2016 - Dec 22, 2016	2,662 (6.79%)	2,258 (6.85%)	3,491 (6.10%)	30.11%	\$13,951.30 (1.77%)
% Change	-60.48%	-62.40%	-63.59%	51.31%	-84.66%
6. Display					
Nov 23, 2017 - Dec 22, 2017	970 (2.17%)	860 (2.27%)	1,174 (1.91%)	80.24%	\$484.12 (0.08%)
Nov 23, 2016 - Dec 22, 2016	696 (1.77%)	301 (0.91%)	959 (1.68%)	33.58%	\$6,287.45 (0.80%)
% Change	39.37%	185.71%	22.42%	138.97%	-92.30%

Channel	Conversions-2016	Conversions-2017	% change
Organic search	5,236.00	4,690.00	-10.43%
Referral	7,320.00	8,641.00	18.05%
Direct	23,493.00	12,770.00	-45.64%
Social	434.00	722.00	66.36%
Paid search	952.00	251.00	-73.63%
Display	199.00	20.00	-89.95%

Last click conversion considered

Insights

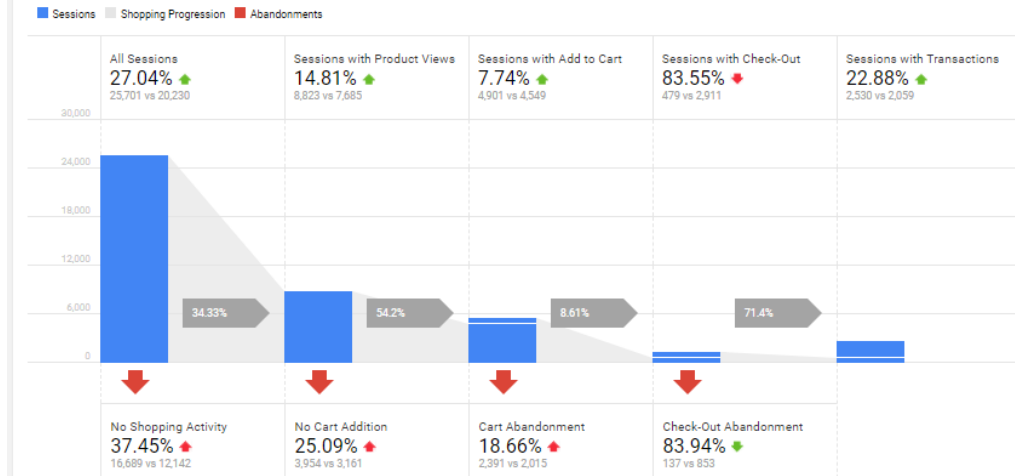
- ✓ Channels of Referral and Social gave greater revenue in 2017 while revenue from Direct and Display declined. This is driven by conversion rates of these channels.

Recommendation

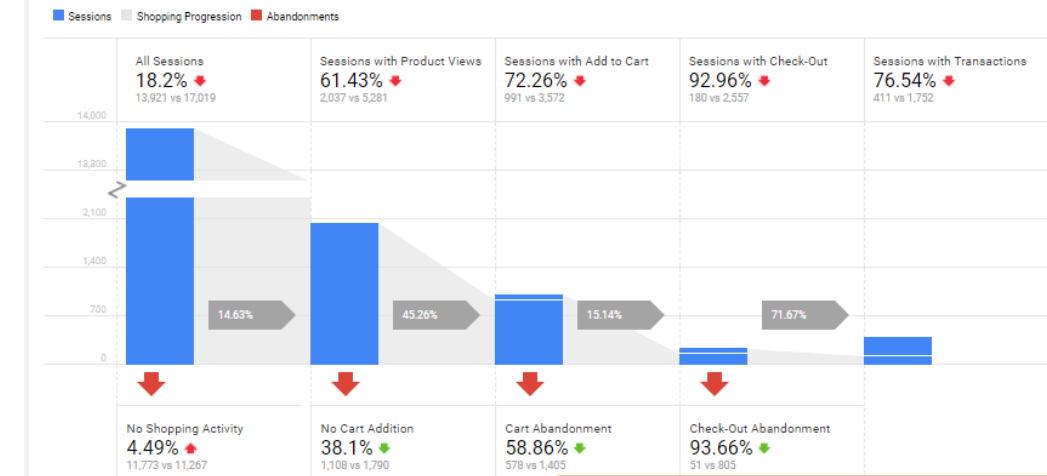
- ✓ Leverage social and referral channels by increasing their reach, while identifying gaps in others.

In-depth Channel Analysis – Where are customers leaving

Referral

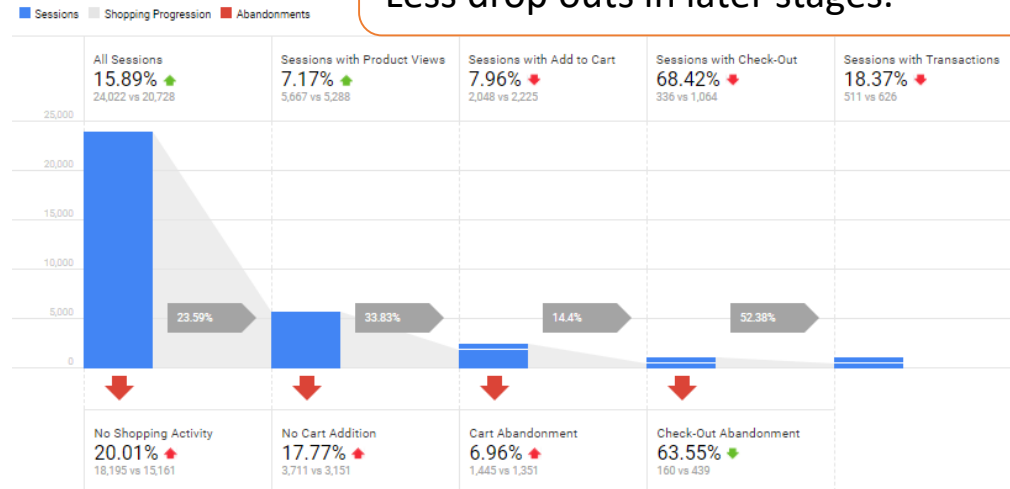


Direct



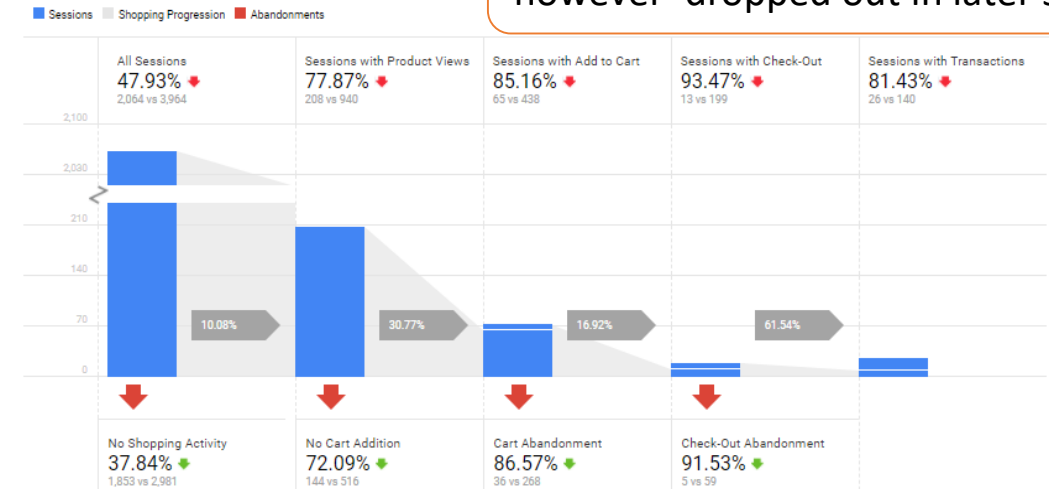
Organic

Most drop outs before product view.
Less drop outs in later stages.



Paid

More users view the product,
however dropped out in later stages



Recommendation – Make content/results of Referrals and Organic more relevant to the targeted products.

2018 – The Way forward

- ✓ **Increase relevance** – *Market product categories which have high consumer appeal like Nest-USA, Nest-Canada and Apparel, before the sale so as to pull relevant users to the site.*
- ✓ **Increase engagement:** –
 1. *Optimize home page to include banners of featured products, various promotional offers and signup offers.*
 2. *Improve Design of Landing Pages of High Selling products like Nest USA.*
- ✓ **Cross-sell** - *Identify top performing products, categories (like Nest) and cross - sell other products to these buyers. Use Recommender systems for the same.*
- ✓ **Leverage high conversion channels** - *Increase reach of Referral and Social channels through higher spends and relevant messages.*

2018 – The Way forward (2)

Re-Marketing

- ✓ Consistent user base, good performing products in the past like Nest-USA offers potential to Re-market Google merchandise.

Remarket to

- Potential future buyers – *Millennials, Male, Returning users interested in Financial/travel/electronics.*
- Coming through direct channel

Send reminders for products left in shopping cart and product views

