Business Opportunites for Macy's

YOY Sales Performance Revenue by Region

Revenue by Region -Top 4 and Bottom 5 markets

Revenue by Product category

Product Category Rank Product seasonality on the Top 4 Markets

and product revenue by category

YOY Revenue by Top Product Category

Revenue by channel and by payment method

takeaways



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Tania Lin

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Key takeaways

Macy's revenue was boosting from 2005 to 2007 until a drop in the 2009, then gradually recovered since 2010.

#### <u>Issues</u>

1)Growth rate after 2009was slow2)The business in 2011performed even worse thanPre-Financial Crisis



Business Opportunites YOY Sales for Macy's

Performance

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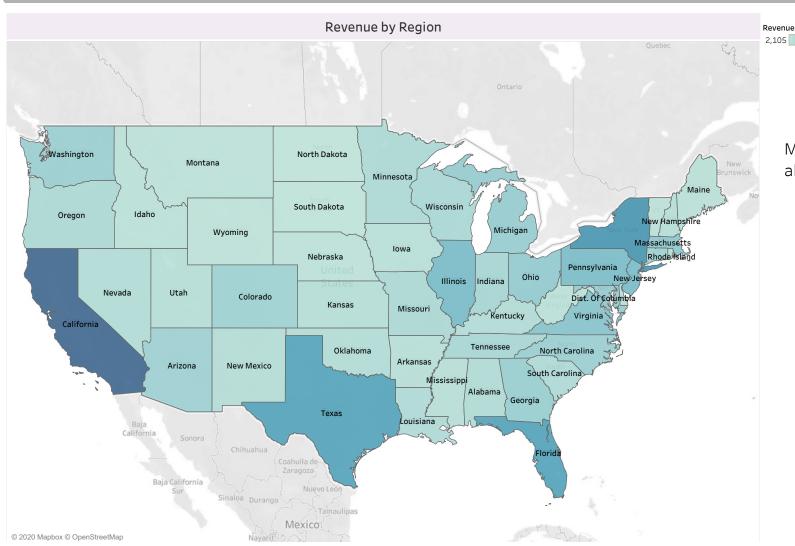
Product seasonality and product revenue by category

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Key takeaways

2,212,217



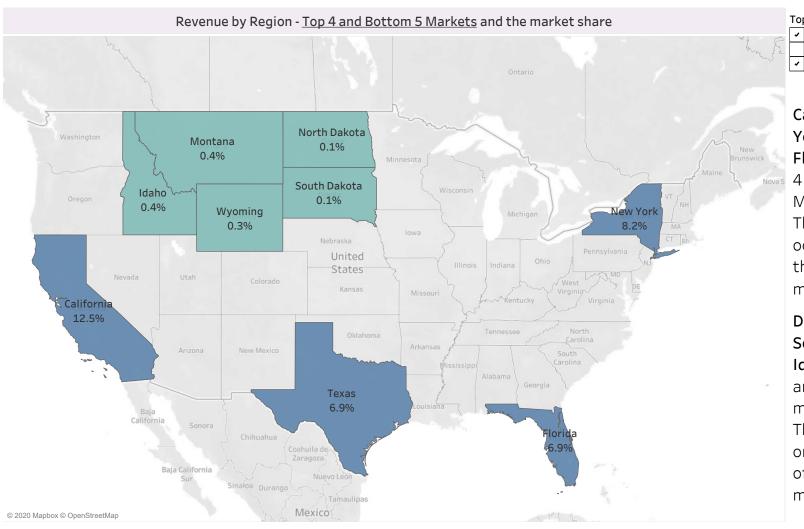
Macy's has markets all over the U.S.

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#### Top and Bottom Markets

- ✓ Bottom Market
  - OtherMarkets
- ✓ Top4Market

California, New York, Texas and Florida are the top 4 markets of Macy's. These four markets occupied 35% of the total U.S market

Dakota(North and South), Wyoming, Idaho and Montana are the bottom 4 markets of Macy's. These four markets only occupied 1% of the total U.S market

Business Opportunites for Macy's

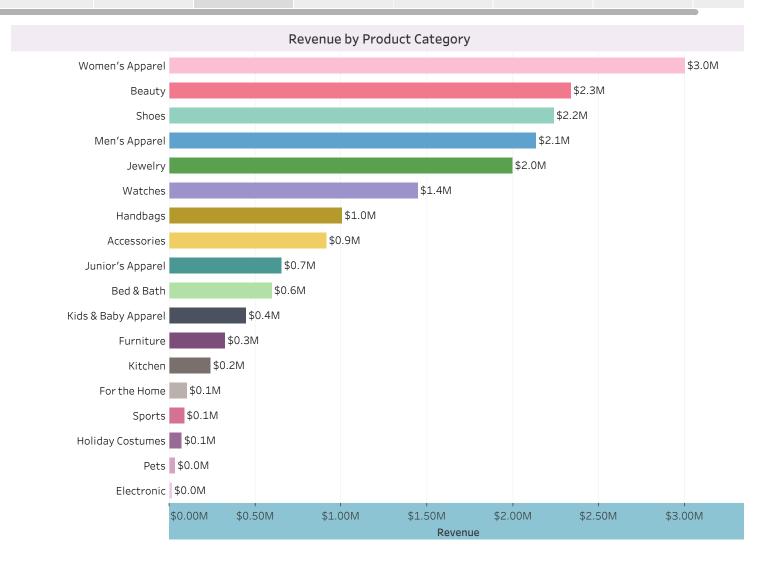
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Key takeaways

Women's Apparel generated the highest revenue as 3 million, which followed by Beauty, Shoes, Men's Apparel, and Jewelry



Business O pportunites for Ma.

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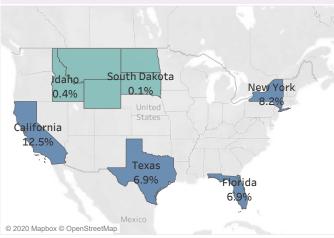
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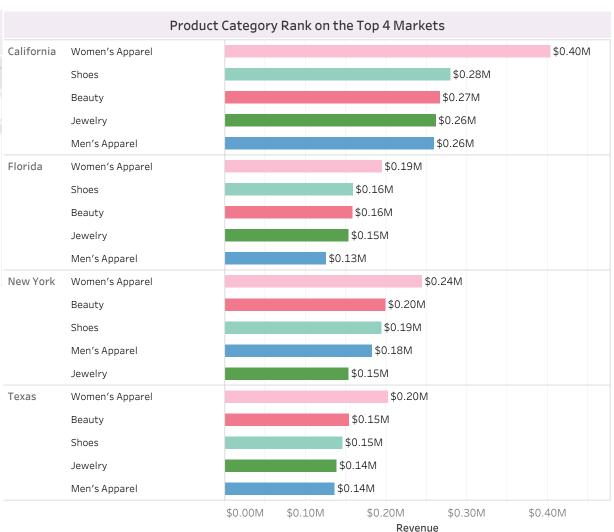
Revenue by channel and by payment method

Key takeaways





Among the top markets, the top markets are still women's apparel, shoes, beauty, Jewelry and Men's **Apparel** 



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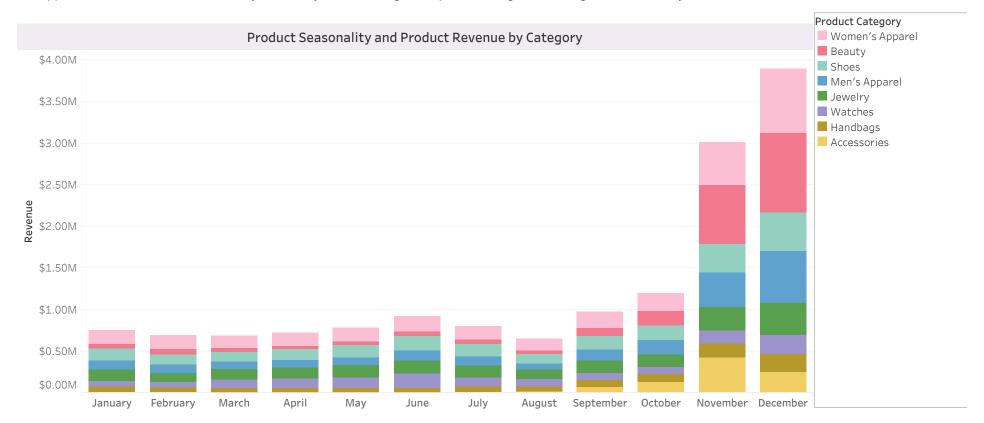
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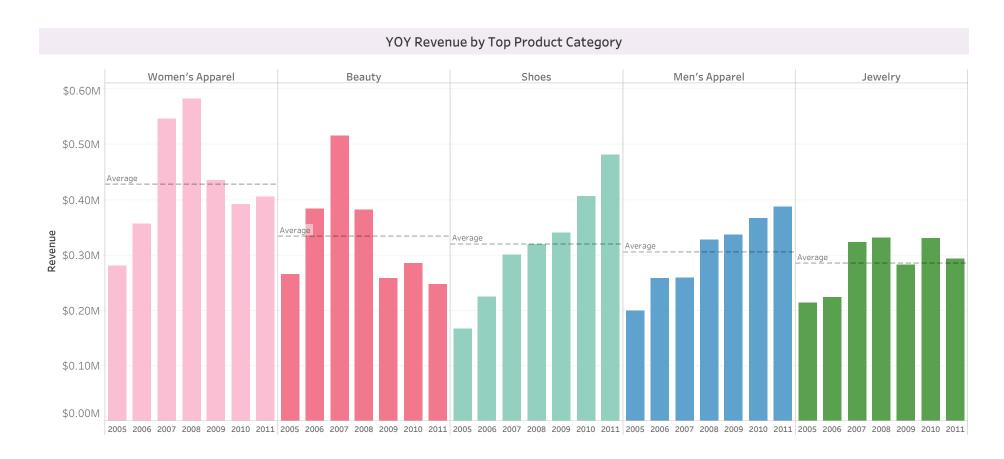
#### Seasonal Effect:

- 1. July and August are the sluggish months
- 2. Sales surge start in September and spike during holiday season in November and December
- 3. Beauty category can be highly seasonal as the sales surge started in September and became the top sales category in November and December
- 4. Apparel, Shoes, Watches and Jewelry had always been among the top sales categories throughout the entire year



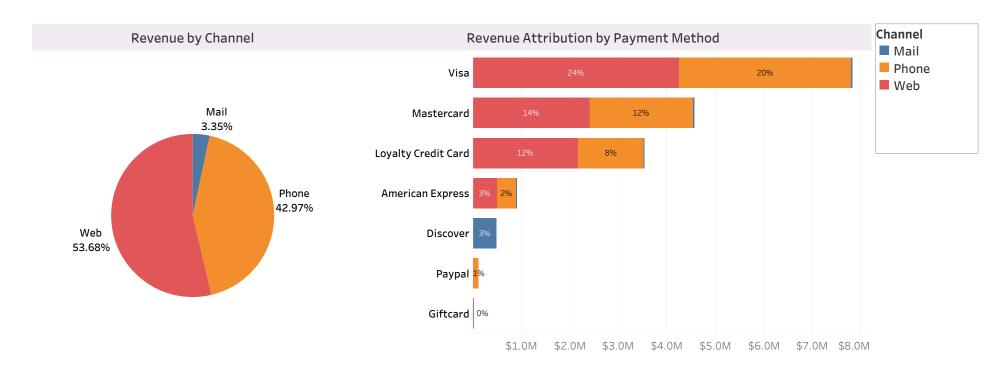
Business O YOY Sales Revenue by Region Revenue by Product YOY Revenue by Top Revenue by channel Revenue by Region -Product Category Rank Product seasonality Key takeaways pportunites Performance Top 4 and Bottom 5 on the Top 4 Markets category and product revenue Product Category and by payment for Ma.. method markets by category

Though Women's Apparel, Beauty, Shoes, Men's Apparel and Jewelry are the top 5 categories, Women's Apparel and Beauty sales are decreasing in recent years.



Business O YOY Sales Revenue by Region Revenue by Product Key takeaways Revenue by Region -Product Category Rank Product seasonality YOY Revenue by Top Revenue by channel pportunites Performance on the Top 4 Markets Top 4 and Bottom 5 category and product revenue Product Category and by payment for Ma.. markets by category method

- 1.1 Over 96% of total Revenue were driven by Desktop and Mobile users
- 1.2 Less than 4% of total Revenue were attributed to Mail
- 2.1 Visa, Mastercard, and Loyalty Credit Card are the top 3 payment method, and drove about 90% of the total Revenue
- 2.2Discovery card holders attributed to Revenue via mail channel



Business O YOY Sales for Ma..

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# **Key Takeaways**

1st Finding: Four markets accounted for 35% of total Revenue; mid-west region generated the least Revenue Solution: Continue to retain and improve market share in top 4 markets; implement incentives in midwest to improve Sales

3rd Finding: Women's Apparel and Beauty drove strong Revenue, but have experienced Revenue decreases in recent years Solution:Improve marketing effort, develop attractive offers for these two categories across all markets: include more new/independent brands into Macy's

2nd Finding: Q4 generated the highest Revenue and Sales in the entire year; summer was the weak season in retail sales Solution: Allocate more marketing budget from summer to Winter; roll out competitive promotion offer going into and during Holiday Season

4th Finding: Visa, Mastercard and Loyalty Credit Card drove majority of the Revenue Solution: Develop reward program with payment companies - Visa and Mastercard to improve Sales; promote Loyalty Credit Card and provide special offers/incentives for purchase