

A blurred background image of a business meeting. Several people in business attire are gathered around a table, looking at and pointing to various devices displaying data. In the foreground, a person's hand points at a tablet showing bar and pie charts. Other people in the background are also looking at laptops and tablets. The overall tone is professional and collaborative.

GROSS REVENUE GROWTH CASE

March 2023

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CASE CONTEXT

Case objectives

- Customore was asked to help our client, seller A, to boots double gross revenue to 20B VND in August compared to July.
 - Given the dataset with (1) historical sales performance from order management system; (2) traffic source performance from Google Analytics.

Assumptions

- Gross revenue in this case refers to the total amount of money is recorded from selling products before subtract any costs, expenses, taxes and refunds from cancelled orders.
- During the limitation information about product characteristics; industry & market insights, the recommendations for this case will mainly focus on improving digital marketing performance.
- The recommendations should consider the optimal costs to achieve target KPI.

CASE CONTEXT

Data interpreting

- **Data error:** In the 'raw' sheet of 'Sample_Customore_Order Raw' file, the order_id field has some duplicated values, which should be the unique value.
 - **Possible reasons:**
 - Duplicated transaction error from system -> impossible, because of not matching value in some fields between those transactions.
 - Error from rules of generating order_id -> possible, because for some transactions are conducted by one customer has the same order_id.
 - **Solutions:**
 - For backend system: Check the rules is applied for generating order_id and fix it.
 - For data analysis purpose: **Reset a new unique order_id for each transaction.**

EXECUTIVE SUMMARY

Approach:

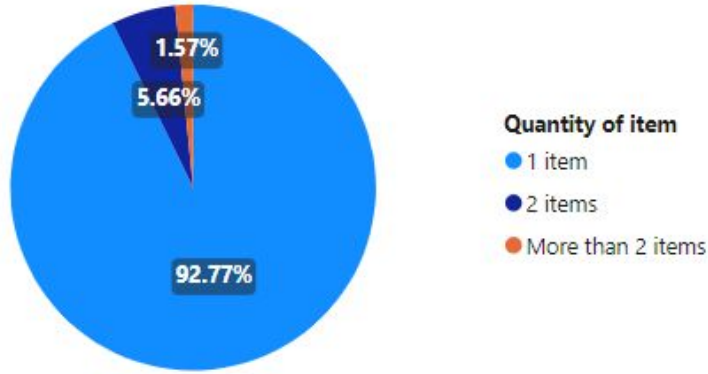
- To target gross revenue growth, the approach start with increasing the quantity of products sold and adjust product price at the optimal point. Specifically in this case, the focus is on how to **increasing number of customers; order frequency per customer; and volume per order**.
 - Given the price strategy will be associated with promotions, vouchers are setup from ecommerce platform.

Hypothesis analysis:

- 1 Increasing in promotions have both impact on number of orders & volume per order.
- 2 Optimizing marketing campaign & website to increase number of customers.
- 3 Upsell, cross-sell and increase order frequency by targeting customer base.

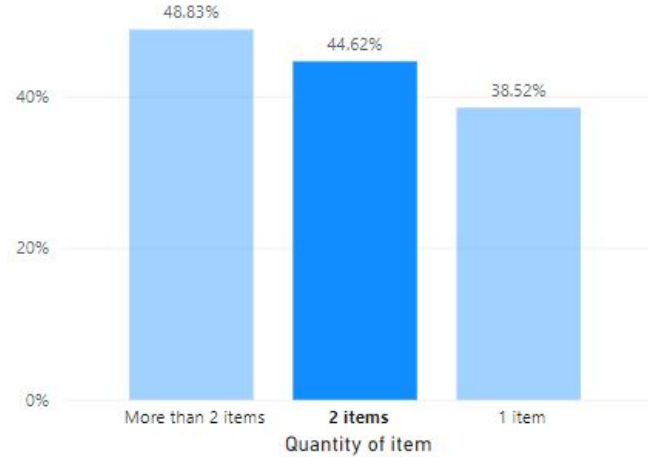
Increasing in promotions potentially lead to increase order volume

Total orders by quantity of item



Almost orders (93%) has only one item

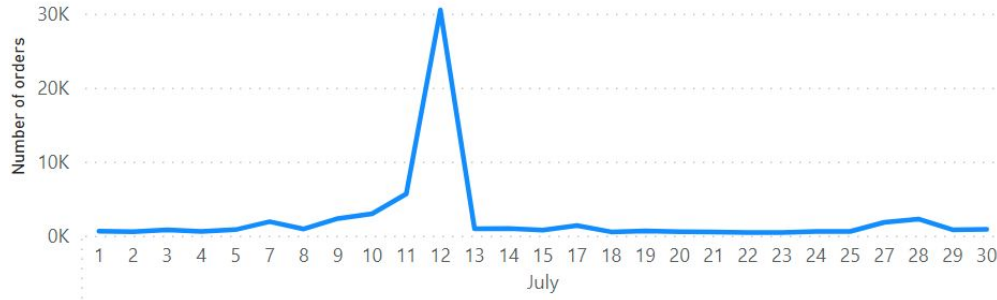
Cost for promotions base on original price



The orders with more than 1 item has more promotions (6%) than the order with only 1 item.

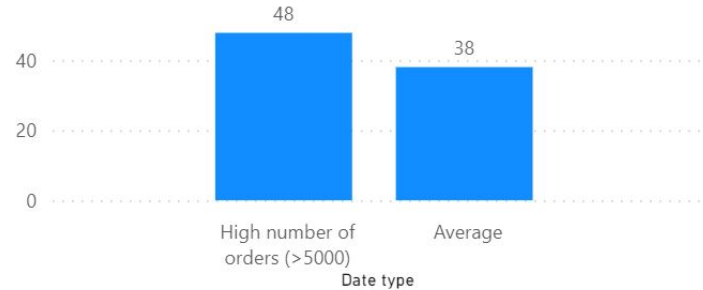
Increasing in promotions potentially lead to increase in number of orders

Number of orders by day (July)



Number of orders has significantly increased from 11/07 - 12/07

Cost for promotions base on original price

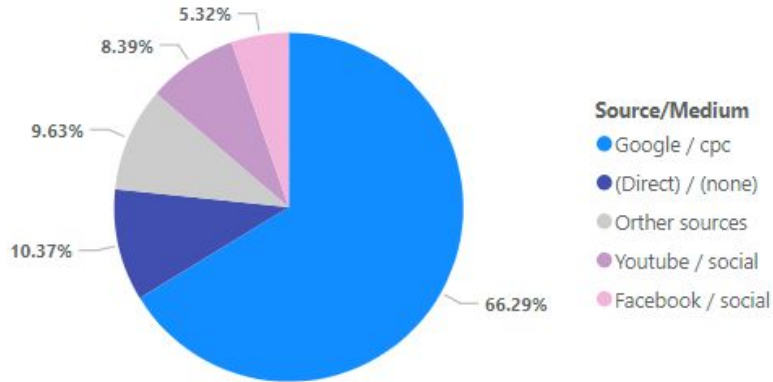


In these day the discount for orders has increased

We also need to consider whether it is special event that has high demand for products, or any impacts from marketing campaign.

Analyzing the website to improve ecommerce transaction rate (I/II)

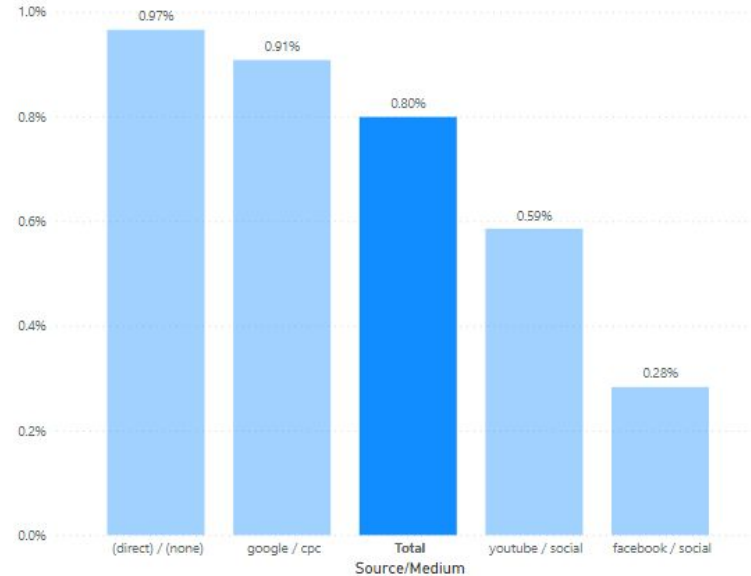
Revenue contribution from source/medium (%)



Revenue sources mostly come from google/ cpc (66%), direct/(none), youtube, facebook,...

Source: Customore data sample

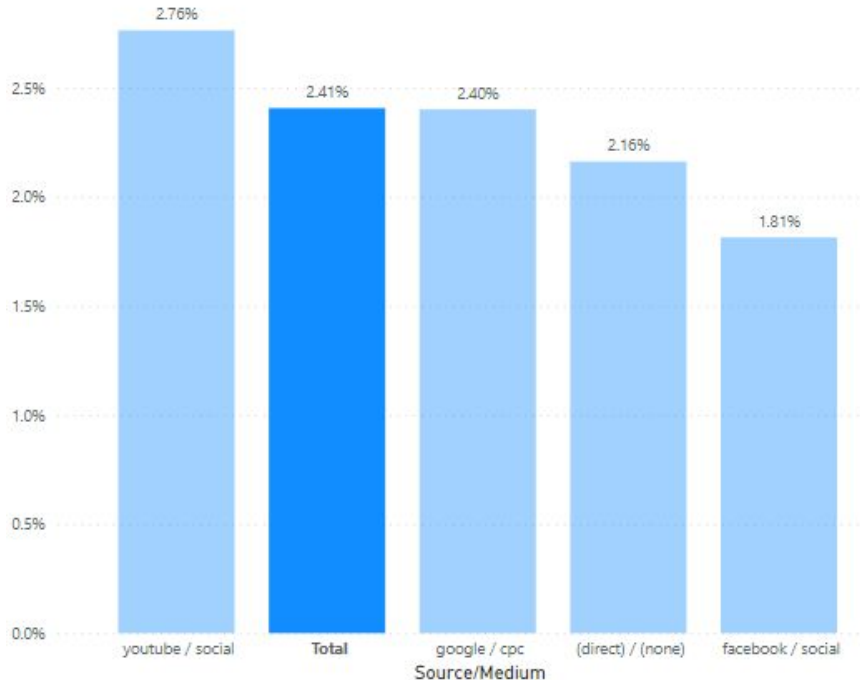
Ecommerce conversion rate (session-transaction)



The ecommerce transaction rate is low in average, just nearly 1%, which means only 1 transaction is conducted from 100 sessions.

Analyzing the website to improve ecommerce transaction rate (II/II)

Ecommerce conversion rate (engaged-transaction)



- While the conversion rate from **engagement to transaction states low as well**, which indicates only around 2.4 transactions is conducted from 100 engaged sessions.
- With 2 avg sessions per user, it means **only 2.4 transactions is conducted from 50 users that is potentially interested in products**.

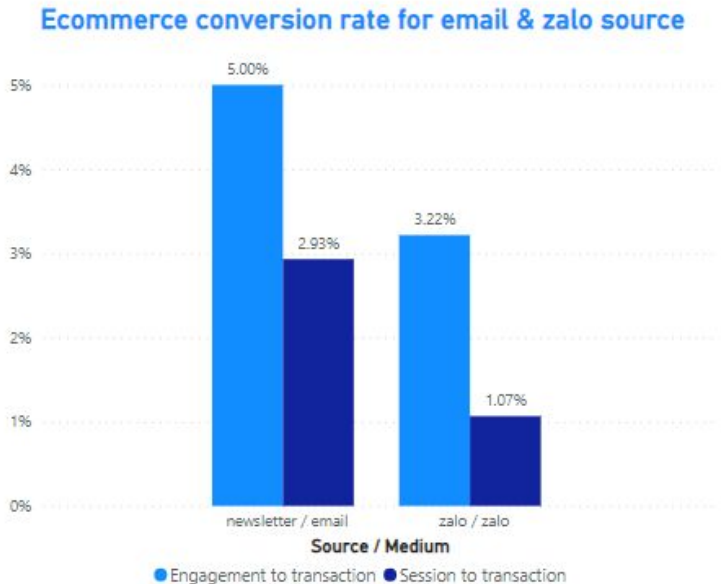
Considering as a store, the above number reflects that we need to **investigate in our website** to improve the conversion rate, including **product display, price; UX/UI and loading speech between each page**.

The misunderstanding from their need and our products cause from MKT message.

Upsell, cross-sell, and increasing order frequency by targeting customer base

The ecommerce conversion rate in the less expense sources like email, zalo is double compare to other ads sources.

The utilization of those channels (email, zalo OA) seem not been maximized.



Users from email & zalo	3,863
Customer base on July	30,513

Given we have collected customer data from our CRM system in July and before that, those data can be leveraged to boost sales by introducing & recommend our products, campaigns.

RECOMMENDATIONS & ACTION PLAN (I/II)

STRATEGY

KEY ACTIONS / TACTICS

MEASURE OF SUCCESS

1

**Optimize the website
to increase
conversion rate**

- Analyze & adjust the selling price if needed.
- Track GA data & testing on devices to improve UX/UI, loading pages.
- Optimize product display (visual, information).

- Adjusted price
- Loading page speech
- Optimized product display, UX/UI

2

**Increase promotions
to target boosting
order volume &
number of orders**

- Offer discounts for high value orders & new customers (from 6% - 10%).
- Partnership with other e-wallets, internet bankings to diverse options & get promotions from those partners for customers.

- Discount packages with specific conditions
- # of payment partners (high volume of users)

RECOMMENDATIONS & ACTION PLAN (II/II)

STRATEGY

KEY ACTIONS / TACTICS

MEASURE OF SUCCESS

3

Upsell, cross-sell by targeting customer base

- Collecting customer data, utilize it for introducing, recommend our products, campaigns through newsletter email, zalo OA.
- Consider loyalty program for customers.

- # of customer data
- Campaign to approach those customers

4

Improve marketing campaigns

- **Timeline:** preferably during the first half of August.
- **Target audience:** review the previous TA and data from current customers to adjust TA.
- **Key message:** Should address or trickier the relevant product features, promotions.

- Revised target audience & key message

**THANK YOU
FOR LISTENING**