

Bonsai Business Overview

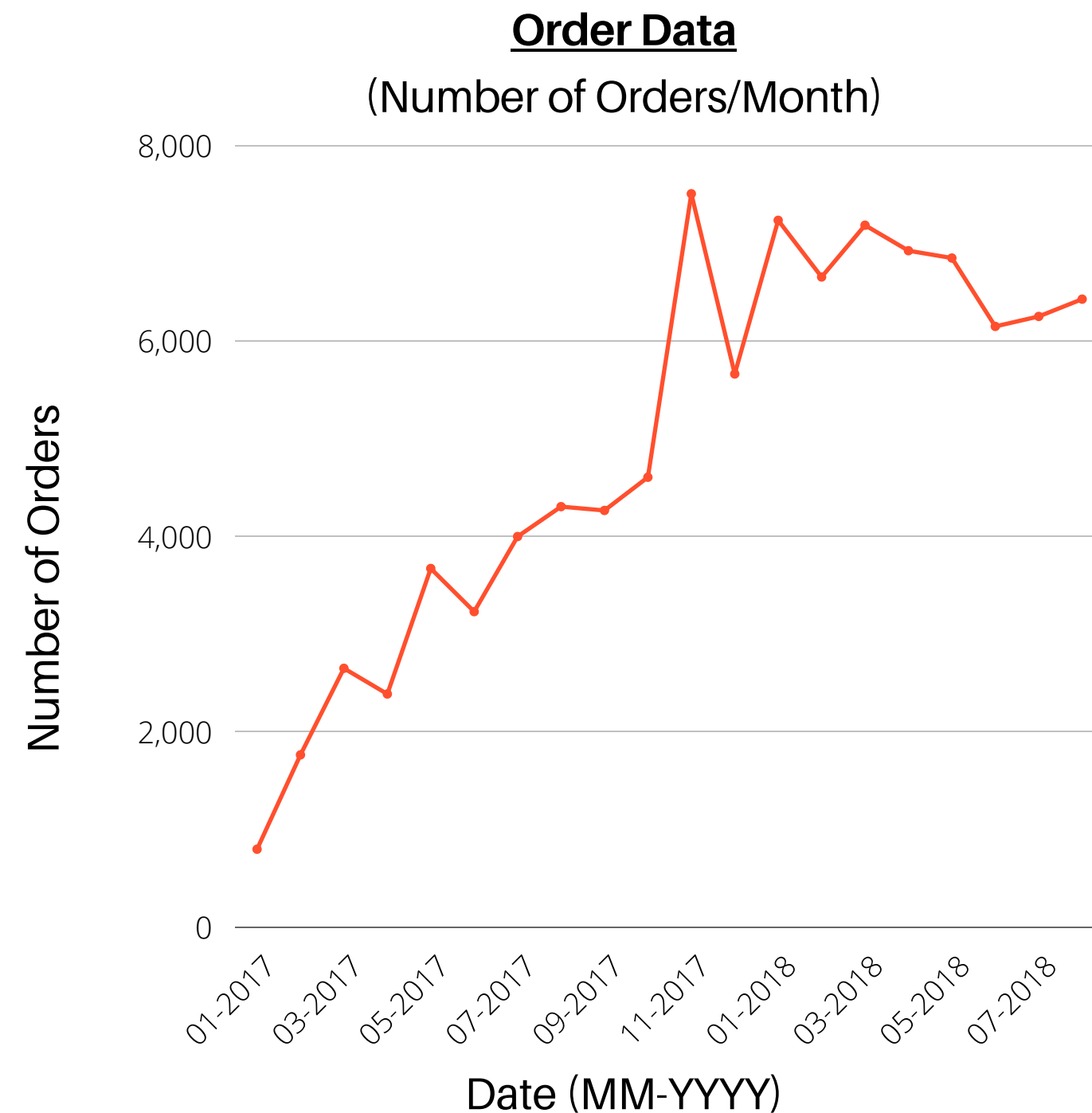
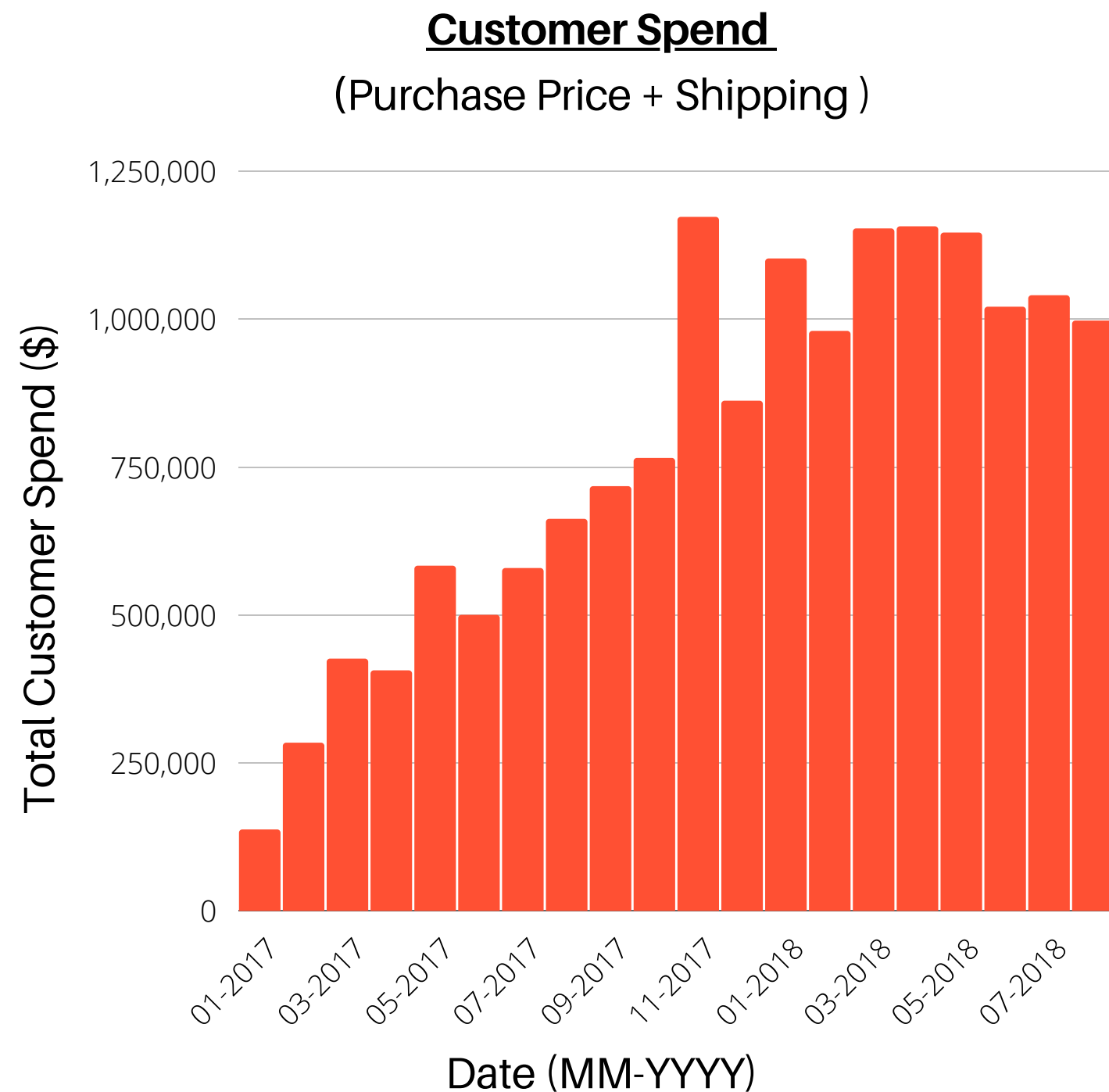
A Deep Dive into 2017-2018 Sales and Operations

Nandita De | December, 2020



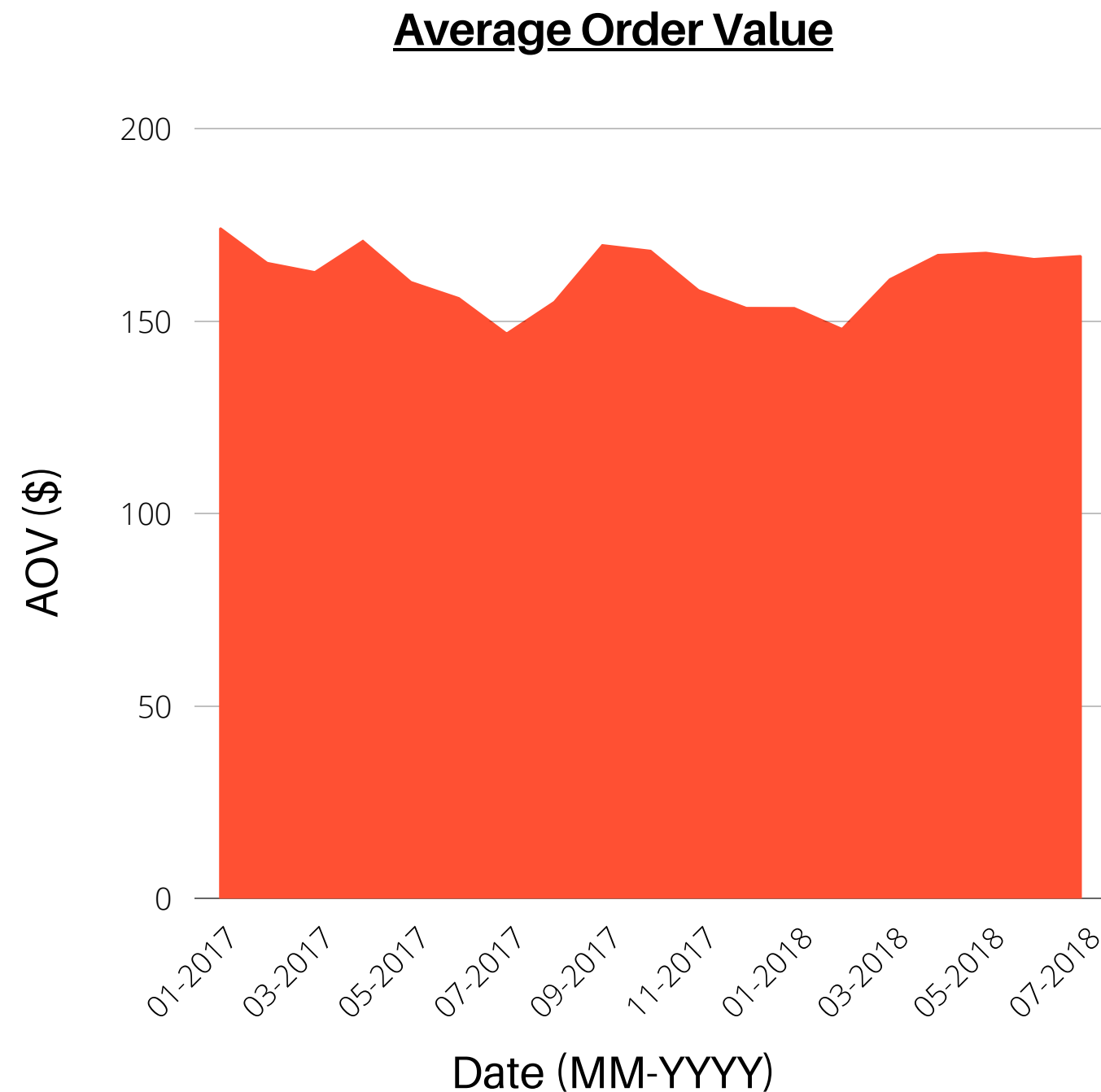
Financial Highlights

Customer Spend and Number of Orders is Increasing YoY



Opportunity for Growth - I

Increase Average Order Value (AOV) to Boost Customer Spend



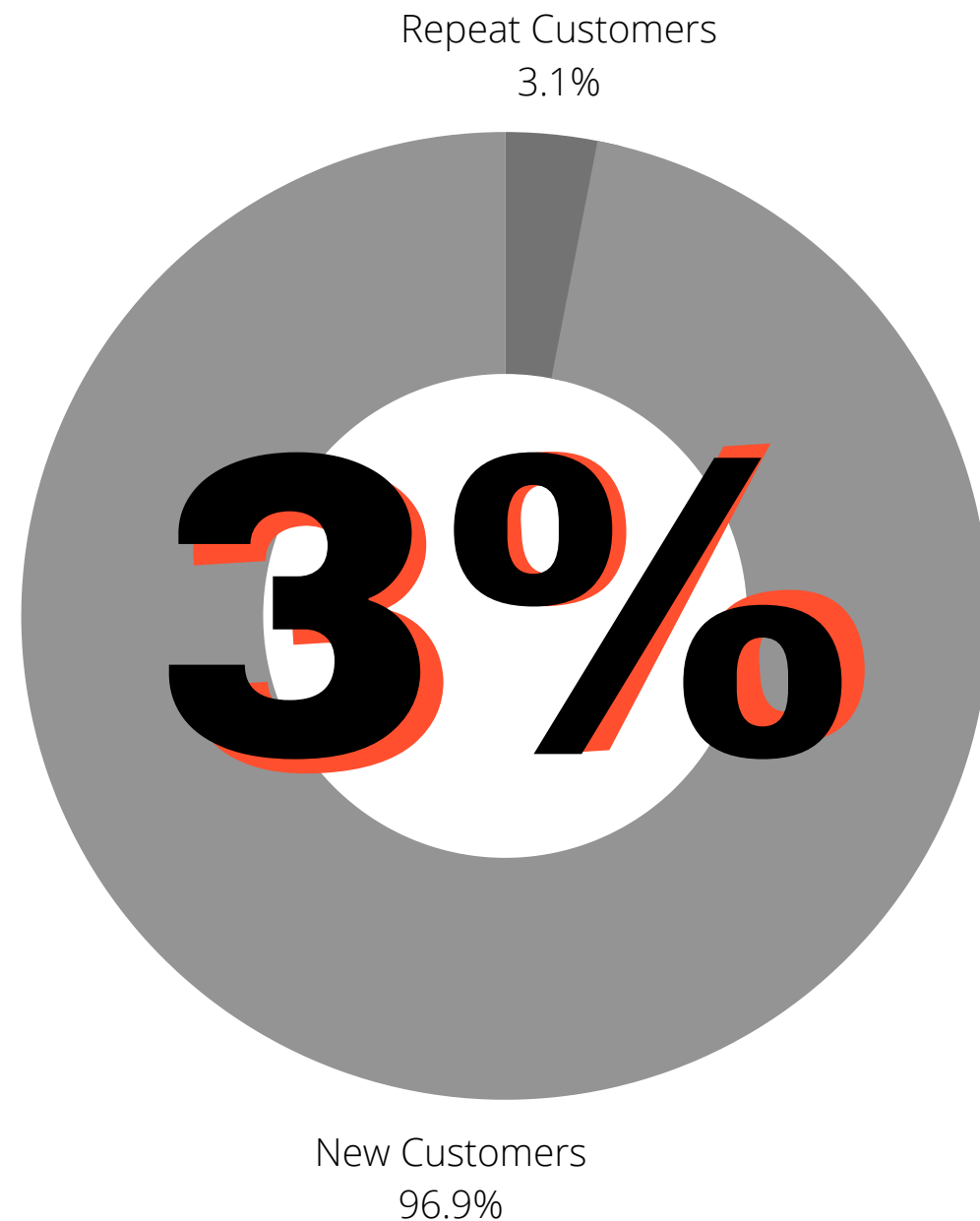
- AOV is stagnant YoY (~\$160)
- Increasing AOV will positively impact revenue
- Strategies to increase AOV:
 - Cross-selling
 - Upselling
 - Volume Discounts
 - Free Shipping - for higher minimum purchase



Opportunity for Growth - II

Increase Customer Lifetime Value (CLV) to Boost Customer Spend

Repeat Customer Rate



- Only 3% of the customer base are repeat shoppers
- Strategies to increase CLV:
 - Implement retargeting campaigns on 1-time buyers
 - Implement loyalty programs
 - Reduce shipping times to improve customer experience



Conclusion

Bonsai is growing. However, Bonsai can grow faster by strengthening relationships with current customers.

Strategies to strengthen relationships with current customers:

- Increase Average Order Value
- Increase Customer Lifetime Value



Appendix

- Year-over-year is abbreviated to YoY in the presentation.
- Outlier data (pre 2017 and post 08-2018) removed from visualizations.
 - The 2016 sales trend is not on par with industry trends as Black Friday and Holiday Season is the biggest time in e-commerce. However, since Bonsai started in 2016, this variance can possibly be attributed to growing pains. Thus, this time period is removed in the presentation.
 - There is a significant decrease in orders from 09-2018 to 10-2018. The assumption is that the team at Bonsai would have immediately noticed this critical drop-off and investigated the cause. Thus, this decrease in orders is removed from the presentation. The assumption is C-Suite is already aware of the issue and cause.

