

SHARED REALITY

External Factors

- In the period around 2018 -2019, in Europe, e-commerce was emerging (containing 11.9% of the market in 2018 and 14% in 2019)

Product

- The top products that contributed more than 200,000 revenue each **(1)**

ItemDescription	OrderValue	NumberOfItemsPurchased
REGENCY CAKESTAND 3 TIER	872332	54000
WHITE HANGING HEART T-LIGHT HOLDER	421435	109536
PARTY BUNTING	292573	42834
JUMBO BAG RED RETROSPOT	232407	82050
ASSORTED COLOUR BIRD ORNAMENT	229905	98250

Geography

- UK is the major market with the following of Germany, France and EIRE

CountryCoded	OrderValue	Percent
UK	119109917	94.73%
Other	2825262	2.25%
Germany	1387440	1.10%
EIRE	1213855	0.97%
France	1197564	0.95%

Customer

- There are 40% of customers considered “Hibernating” and 19% considered “About to sleep” **(2)**

RFM Segment	RFM Logic (Scores)	Behavior Characteristics	% of Customers
Hibernating	R = 1 F = 1-2 M = 1-2	Haven't purchased for a long time => High-risk group — requires reactivation	40%
About to Sleep	R = 2 F = 1-2 M = 1-2	High-risk group — requires reactivation => Need reminder or small promo	19%

- The peak spending season is Dec and Jan **(3)**

KEY INSIGHTS

- The emergence of e-commerce threatened the profit margin of traditional retailer, pressuring traditional retailers to go omnichannel

- **regency cakestand 3 tier, white hanging heart t-light holder, party bunting jumbo bag red retrospot, assorted colour bird ornament** are the important products that need to be always available

- UK is the most important market that needs special treatment.
- Regarding the geographical distance and revenue, Germany, France and EIRE could be developed to become the successor

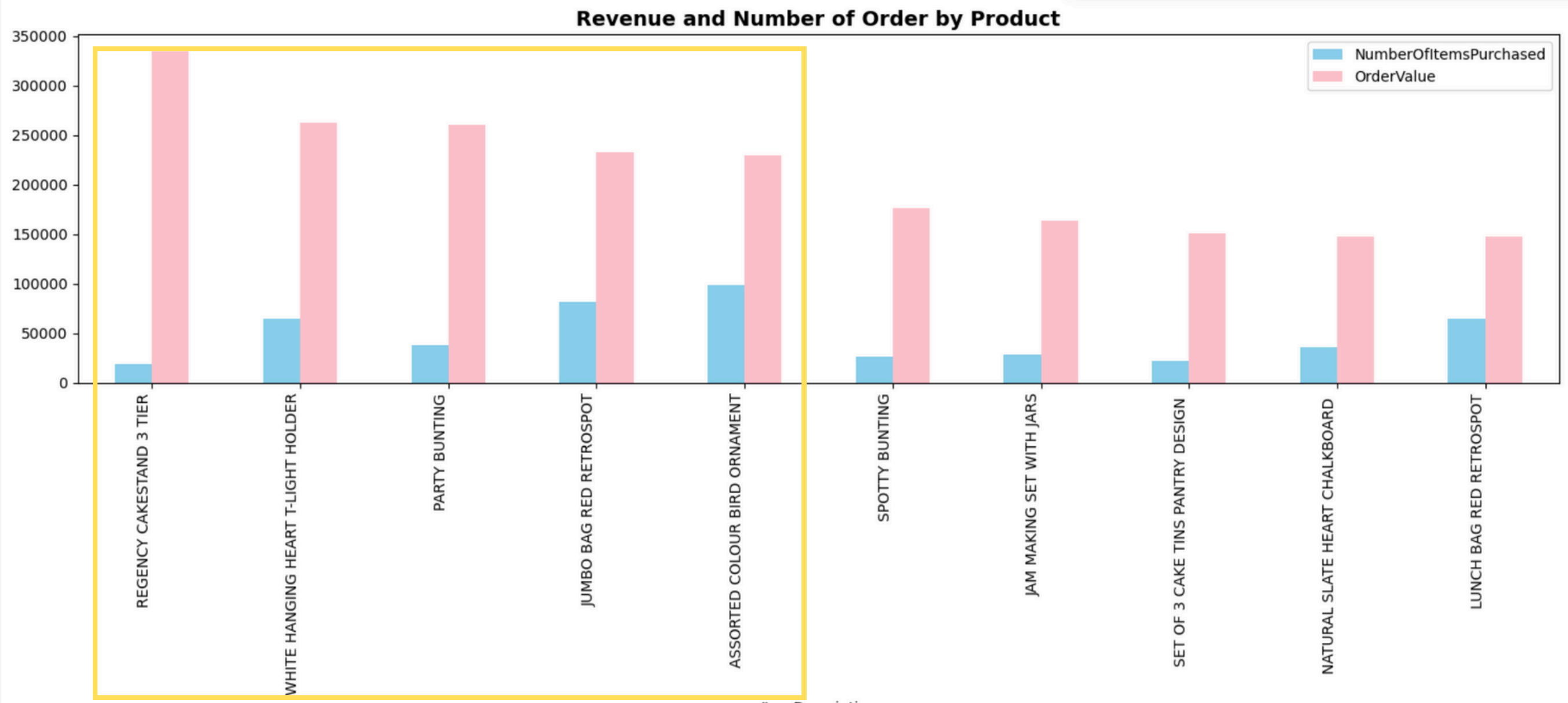
- Hibernating and “About to sleep” groups of customer contain for such a huge ratio. There should be strategy to lower these groups
- The peak season correlate to the holiday season



<div>Project Name</div> <div>Decoration Retail Dataset</div>	Objective		
Goal	Strategy	Measurement	
KPIs	Strategy 1. Increase customer retention and loyalty 	Action Plan	Metrics
	Strategy 2. Ensure stable supply and distribution for core products	<ul style="list-style-type: none"> Strengthen local supplier partnerships Set up backup suppliers 	<ul style="list-style-type: none"> Stockout rate On-time delivery rate
	Strategy 3. Maintain growth in the UK, grow revenue in Germany, France, and EIRE	<ul style="list-style-type: none"> Launch targeted local campaigns Customized promotions 	<ul style="list-style-type: none"> 10% revenue growth for the UK, 30% for the others Market ratio of GE, FR, EIRE increases from 8.5% to 15%
	Strategy 4. Adopt an omnichannel model, activate monthly sales campaign for low season period	<ul style="list-style-type: none"> Integrate sales platforms Deliver monthly sales campaigns 	<ul style="list-style-type: none"> Conversion rate (offl to onl) Percent of new users on onl channels Redemption rate, campaign ROI
Current	<ul style="list-style-type: none"> UK's current overall yearly revenue is 34.3 mil, Germany, France and EIRE market is 3.4 mil (4) Current month retention rate varies from 14%-47% (5) 		

APPENDIX - SHARED REALITY

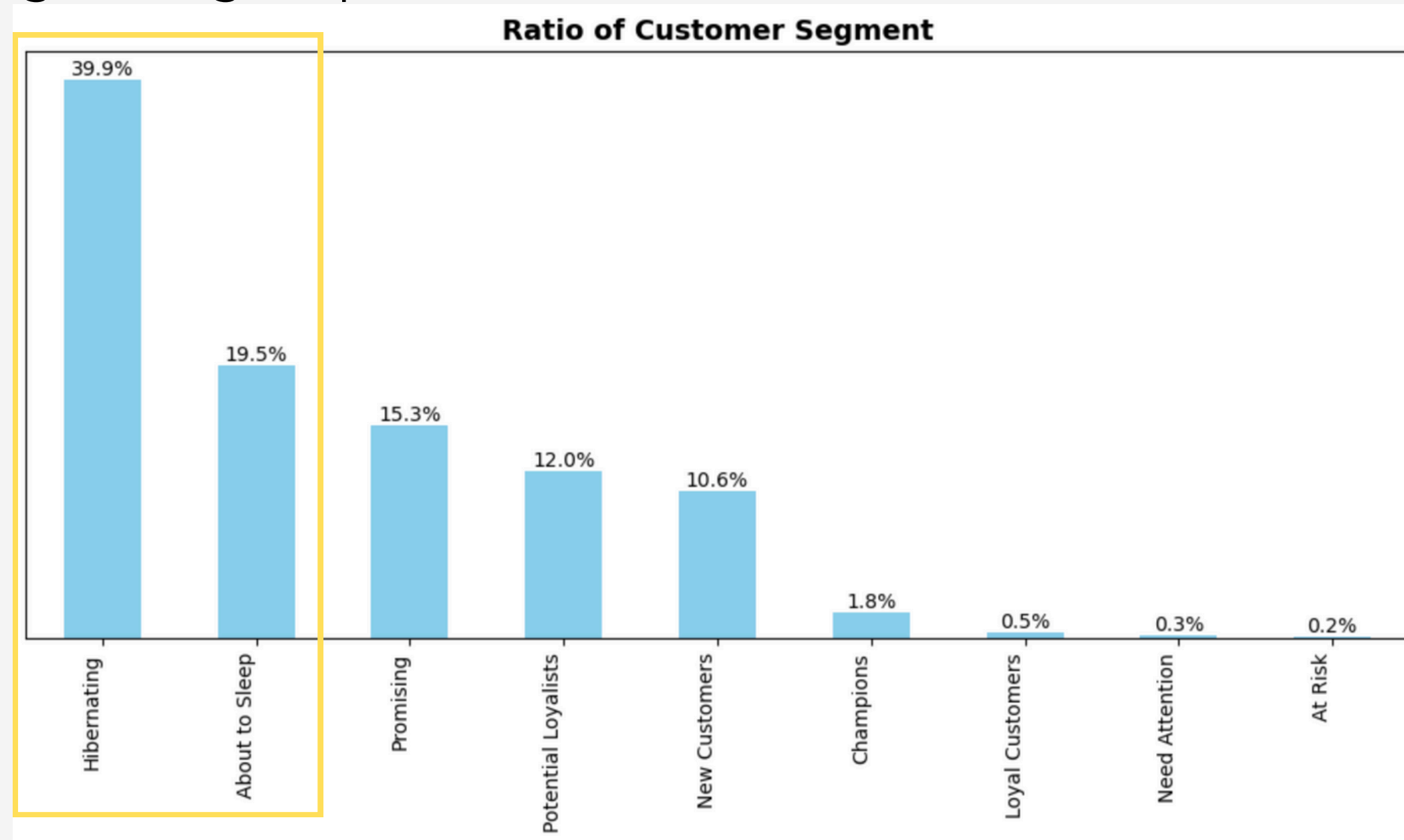
Recency cakestand 3 tier, White hanging heart T-light holder, Party bunting, Jumbo bag red retrospot are the top products that contributed more than 200,000 revenue each



(1) Revenue and Number of Order by Product

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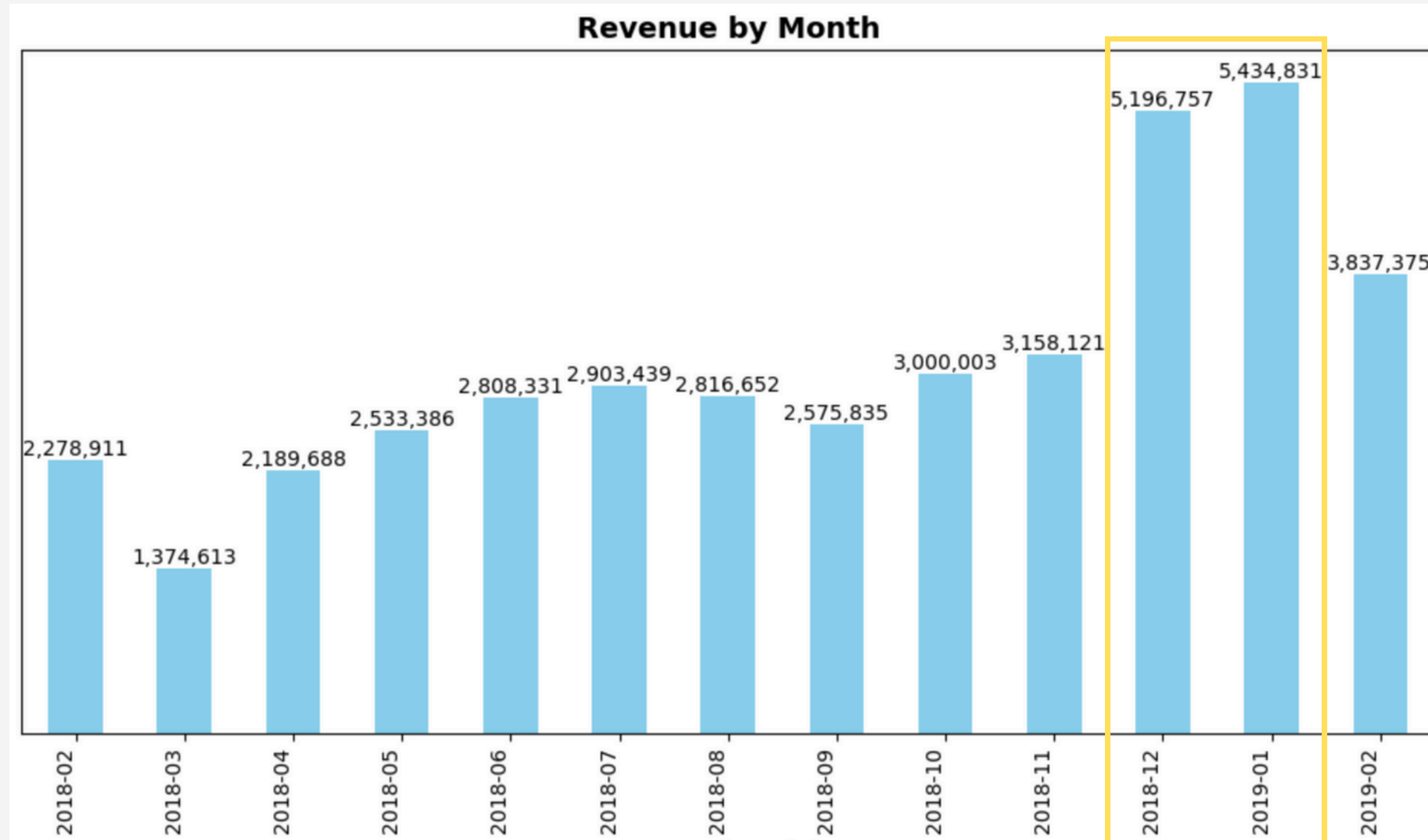
There are 40% of customers considered **“Hibernating”** and 19% considered **“About to sleep”** - becoming Hibernating, the highest among RFM groups



(2) Ratio of Customer Segment

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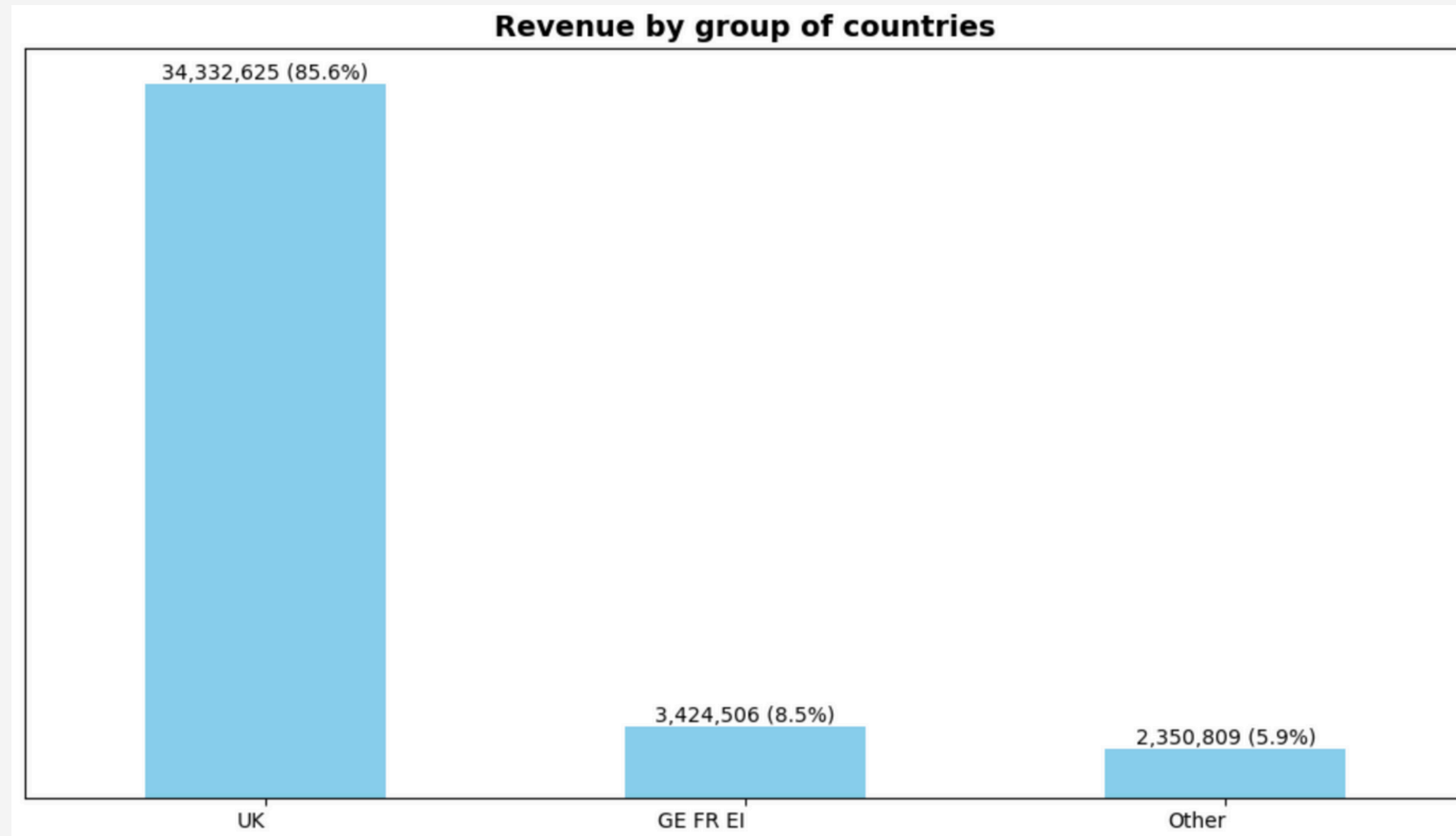
The peak spending season is from **Dec to Jan**



(3) Revenue by month

APPENDIX - OGSM

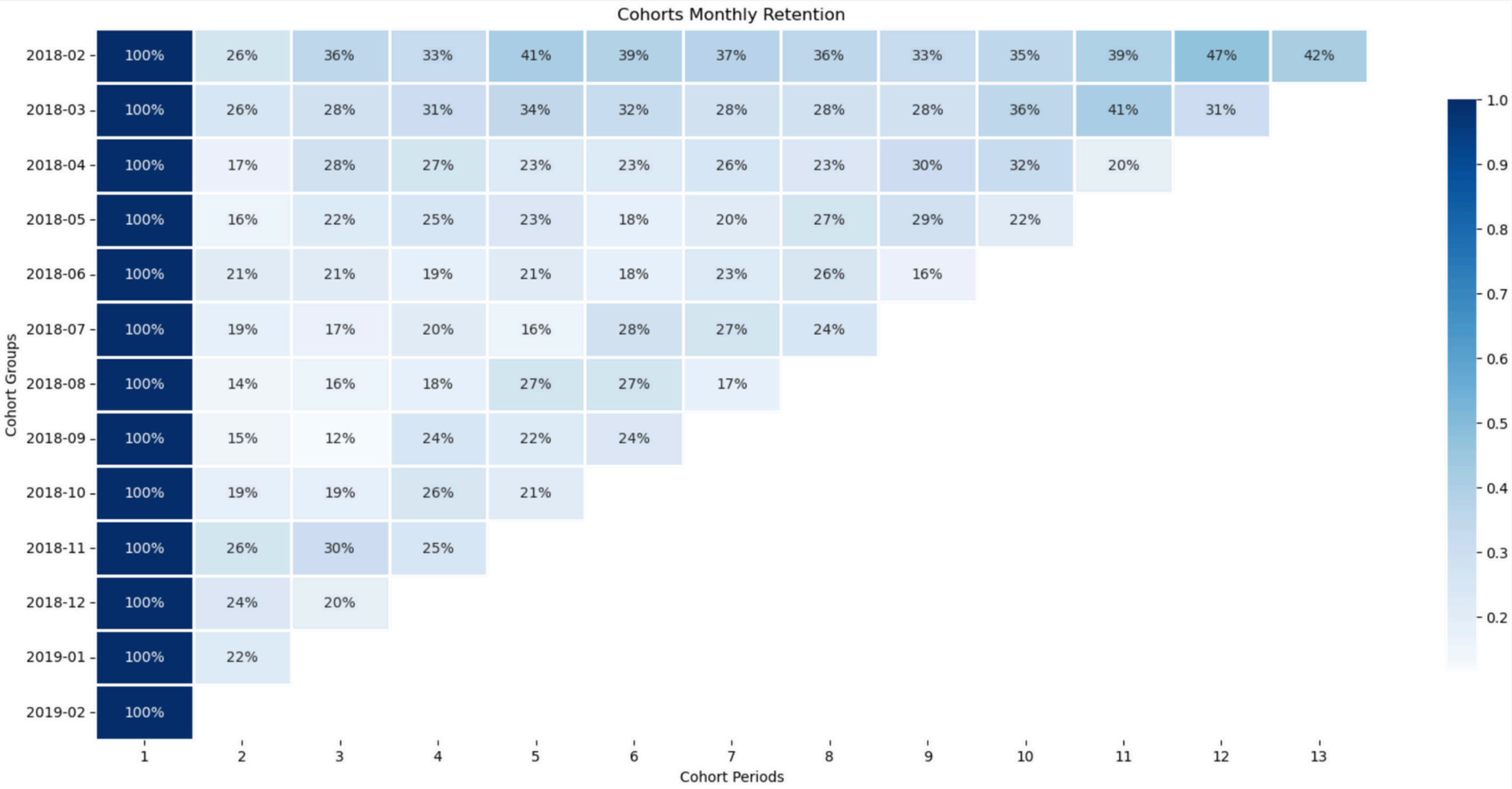
The **UK**'s current overall yearly revenue is 34.3 mil,
Germany, France and EIRE market is 3.4 mil



(4) Revenue by group of countries

APPENDIX - OGSM

Current monthly retention rate varies from **14%-47%**



(5) Cohorts monthly retention