



HUMAN HARMONY: shopping with compassion

Creative Shock'17 Preliminary Case Study Solution Template

Team Name: Alchemist

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ATTENTION: Data provided in the case study is fictional and is presented for illustrative purposes only

Task 1. Solution Template (*Structure of this template cannot be altered*)

A What are the main profit drivers/KPIs in each region during the last 12 months?

**Main profit drivers/
KPIs**

- ❖ **Sales KPI :-**
 - Product affinity (sex distribution of market share)
 - Monthly sales (Explosive in the month of November and significant in October)
 - Average market base (Average number of products per basket ID is 3)
 - Improving site economics (gross profit vs sales increasing at a steady rate as seen from all product categories especially 114 and 116)
- ❖ **Marketing KPI :-**
 - Improving site traffic and brand display through advertising

B Specify which of the KPIs best explain the performance differences among regions

Region	Main KPIs explaining performance difference	Supporting arguments
Honeyton	<ul style="list-style-type: none"> • Product affinity • Monthly and annual sales 	<ul style="list-style-type: none"> • Due to majority of users being female and office hours barring family shopping marketing should be female oriented. • Due to honeyton being an office area, sales during the common days for distributing paychecks will boost profits.
Techton	<ul style="list-style-type: none"> • Cost of goods sold • Basket size 	<ul style="list-style-type: none"> • Being a densely populated region with a varied social classes of population which purchase varying prices of goods. • Since middle class families mainly order in bulk this results in a larger basket size.
Oldton	<ul style="list-style-type: none"> • Average margin • Tourist location 	<ul style="list-style-type: none"> • Being a home to upper middle class and a tourist destination there is a high margin on products which boosts profit levels. • Relatively higher saturation limit of Oldton as compared to remaining regions due to the fact of it being a tourist location.

Supporting materials

- Google Drive (plots): [here](#)
- Google Sheets (pivot tables): [here](#)
- Google Docs: [here](#)

Task 2. Solution Template (*Structure of this template cannot be altered*)

- In your opinion, which of the regions has the biggest opportunity for Human Harmony? Provide the reasoning for your choice.

Recommendation

- **Oldton is our recommended region for consideration, with the biggest opportunity**

Argumentation

- **Tourist location :-**
 - Since Oldton is a tourist destination we expect its saturation point to be explicitly high as compared to Tecton and Honeyton.
- **Average margin :-**
 - The goods purchased in Oldton are generally high priced products due to it being a tourist location and comprising of an upper middle class society, it can be comparatively high priced which will lead to higher revenues and intern higher gross profits.
- **Highest regional sales of women's shoes and untapped potential of scarves, bracelets market :-**
 - Due to the higher profits of scarves, women's shoes, and bracelets there is a scope of further rise in the sales of these products since the percentage sales of scarves and bracelets are relatively lower than women's shoes as compared to the other regions.
 - Since the number of sales of women's shoes in honeyton is only 33% more than that of oldton, while scarves and bracelets being especially popular purchase item in historic locations having more than 50% sales in honeyton as compared to oldton is an indicator that the sales of scarves and bracelets are not at their full potential.
 - Also the amount to scarves owned by a woman is typically more than or equal to the amount of women's shoes since it being more of a fashion accessory is another indicator of the relatively low sales of scarves as compared to its maximum potential.
 - We recommend that scarves , bracelets and women's shoes be sold with offers and also offers on bracelets and scarves be provided with women's shoes to increase it's sales.

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