

# Business Analysis For XYZ Company

Prepared by



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# Three Areas of Analysis

- Marketing
- Operations
- Finance

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# Marketing

## Current Activities

- Direct Mail  
Catalogs
- Email Marketing

## Future Activities

- Search Engine Marketing
- Shopping Feeds
- Strategic Partnerships
- Wholesale Division
- Directories
- Affiliate Programs
- Press Releases
- Blogs
- Member Programs
- Auctions

# Current Marketing Data

**Avg Cost Per Order: \$19.93**

- Traditional Marketing

- Direct Mail Marketing

- 3 Mailings/3 Catalogues

- 185,000 Total Distribution

- \$34.11 CPA

- Online Marketing

- Email Marketing

- 48 Mailings

- 13,165,350 Total Distribution

- \$2.57 CPA

	<u>Total Delivery</u>	<u>Total Cost</u>	<u>Total Orders</u>	<u>Gross Rev</u>	<u>GPM</u>
Catalogue	185K	\$158K	4633	\$181K	\$66K
Email	13 MM	\$9.7K	3783	\$148K	\$55K
<b>Total</b>	13 MM	\$168K	8416	\$330K	\$121K

	<u>CPA</u>	<u>Conversion Rate</u>
Catalogue	\$34.11	2.5%
Email	\$2.57	0.03%
<b>Average</b>	\$19.93	0.06%

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# Marketing Opportunity

## Forecast of Combined Opportunities

<u>Activity</u>	<u>Budget</u>	<u>Orders</u>	<u>CPA</u>	<u>GPM</u>
Combined Activities	\$25k	3,571	\$7.00	\$59k

## Sample Activities Forecast

<u>Activity</u>	<u>Budget</u>	<u>Deliver y</u>	<u>Order s</u>	<u>Conv. Rate</u>	<u>CPA</u>	<u>GPM</u>
SEM	\$4K	18K	545	3%	\$7.34	\$7.8K
Shopping Feeds	\$8K	32K	960	3%	\$8.33	\$13.8K
Strategic Partnerships	\$2K	40K	800	2%	\$2.50	\$2.9K
Member Programs	\$1k	37k	500	13%	\$2.00	\$1.8K
Auctions	\$1K					

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# Operations

## Areas Analyzed

- Product Delivery
- Customer Support
- Inventory Turnover
- Overhead

## Danger Areas

- Product Delivery
  - Expense is High
    - At Capacity: \$21 CPD
    - Current: \$11 CPD
  - Low Capacity
- Customer Support
  - Up sell opportunities
    - No follow up on orders placed
  - Customer relationship building opportunities
    - No follow up with customers
- Inventory Turnover
- Overhead

# Finance

## Area Analyzed

- Cash Flow
- Assets
- Net Worth

## Danger Areas

- Cash Flow
  - Negative Cash Flow
  - Losing \$37 per order
  - Collection Rate 62%
- Assets
  - High Debt
  - Too Much Inventory
- Net Worth
  - Negative

# Summary

## High Level Focus Areas

- Reduce Expenses
- Increase Capacity
- Increase Sales
- Establish Client Relations
- Increase Collection Rates
- Establish Positive Cash Flow
- Reduce Inventory Debt
- Reduce Booked Debt (CC & Loans)

