GoodPeople

Bachelor Thesis

Marketing Mix Adjustment of Avenida

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Abstract

As an Argentinean eCommerce business, GoodPeople decided to acquire Avenida, an online platform that was owned by Flipkart, the Indian market leaders in eCommerce, in the end of 2017. Flipkart had to face a sharp decline in sales figures which was the reason the company decided to sell the marketplace. GoodPeople saw a lot of potential and now faces the issue of only slightly increasing revenues which the firm intends to solve by adjusting its current marketing strategy and implementing appropriate marketing measures.

In order to increase the Avenida sales figures, quantitative research has been conducted in form of a customer satisfaction survey and data mining. It has been made use of an online questionnaire to determine the level of satisfaction with several aspects and operations of the platform such as product quality, price, customer service or the website. By looking at past sales of the two most sold product groups "Home" and "Electronics", it was aimed to identify top-selling products and forecast future revenues.   Moreover, desk research has been applied to find out about current trends in global eCommerce and general problems that an internet start-up faces.

The research has shown that there are several reasons that cause customer dissatisfaction. Using sales forecasting uncovered product groups that will face a growing customer demand in the future whereas the sales figures of others will most likely face a sharp decline. The survey revealed that clients are unsatisfied with the customer service that GoodPeople provides for Avenida, the product descriptions published on the website, the ranking in search engines and the delivery time of orders. Moreover, additional payment options and pick-up branches are requested. By means of data mining, the most successful product categories, computers and bedroom articles, could be discovered and four product groups that are threatened by decrease in customer demand could be identified. Cellphones, TV's, tools and garden and outdoor items are most likely going to generate less or no revenues at all, in the near future.

In order to increase the sales figures of the online platform Avenida, it is recommended to implement a live chat and attach more importance to the customer service in general. Contracts with local suppliers can help to shorten the long delivery times, an issue that has to be investigated in the future. It is further suggested following a mobile strategy and create an application to make the chopping experience easier and more comfortable for customers. Moreover, it is recommended adding "Todo-Pago" as a payment option and to conduct SEO. In order to improve product descriptions, a data sheets provider can be involved and complementary products for computers and bedroom articles can be promoted in particular to influence the purchase decision of all consumers that are interested in those two product groups. Finally, content marketing in form of videos or blog posts in social media networks and on the website itself, can help to make the marketplace more attractive to a higher number of potential customers.

Abbreviations

ad – advertisement
ad-tech – advertising technology
AR$ - Argentinean Peso
ARS – Argentinean Peso
BA – Buenos Aires
EDA – exploratory data analysis
e.g. – for example
etc. – et cetera
GE – General Electrics
GMV – Gross Merchandise Value
LATAM – Latin America
NYSE – New York Stock Exchange
USD – US Dollar
ROI – Return on Investment
SEA – Search Engine Advertising
SEM – Search Engine Marketing
SEO – Search Engine Optimization

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1. Introduction

1.1. Terms of Reference

This report is written with the aim of obtaining a bachelor degree in Business Administration from the HZ University of Applied Sciences, located in Vlissingen. An in-company research project will be executed in order to find a solution for an issue that the internship company is facing as well as to acquire specific competences. The report has to be submitted by June 17th 2017 to the thesis supervisors as well as to the in-company mentor.

Since the sales figures of the online marketplace Avenida decreased immensely within the year 2016, the management team of GoodPeople decided to counteract this fact. In order to raise the sales figures and the resulting increasing turnover, the following report focuses on international marketing. It is to be presented to Mr. Pablo Orlando, the CEO of GoodPeople, before the end of the graduation internship, thus by June 9th 2017, in Buenos Aires.

1.2. Company Overview

GoodPeople

When GoodPeople was founded in 2009, the company's product range included only longboards (Orlando, 2017). Nowadays, the retailer offers all kinds of products for outdoor and action sports such as clothes and a variety of gear (GoodPeople, 2017). Pablo Orlando and Daniel Jejcic who graduated from St Andrews University, the most respected university in Argentina for Business, are the founders of the company and are both also the CEO's of the firm. GoodPeople's headquarter is located in Buenos Aires, capital of Argentina. The company currently has 9 proprietary stores and 9 franchises (including a flagship-store in San Francisco, United States), making it the largest action sports retail franchise in Argentina (See appendix 1). Furthermore, it organizes events such as the X-Games, the largest longboard day and other festivals and concerts. The firm also supports several non-profit organizations such as B4BC (Boarding for Breast Cancer), the High Fives Foundation or the Rob Drydek Foundation (Orlando, 2017).

Moreover, GoodPeople settled in the eCommerce industry with the mission to provide an online experience where sports enthusiasts around the world can have fun shopping while making new friends, building networks and supporting the community. The firm tends to empower and encourage individuals and groups to have fun, take action, live an active lifestyle and give back to the community. The online marketplace of GoodPeople is nowadays also available for American customers. GoodPeople runs a B2B as well as a B2C business by allowing brands to sell through their platform and being a direct-to-consumer online retailer. Its strategy is to combine profitability with a lean company structure and a focus on customers (Orlando, 2017).

A vaiety of companies are involved in GoodPeoples's supply chain for instance shipping companies such as OCA, Andreani and VIA CARGO. Investors of GoodPeople are IRSA, the largest shopping center chain in Argentina that is listed in the local stock market, Globant.com, the only Latin American software development company listed in the NYSE and Despegar founders, the largest travel marketplace in LATAM with USD 6 billion in sales. GoodPeople makes an average monthly turnover of AR$ 300,000 to AR$ 500,000 (USD 19,273 – USD 32,123) whereas in May and November, they are even able to generate revenues of AR$ 800,000 to AR$ 1,000,000 (USD 51,397 – USD 64,245). The main revenue source are commissions paid by sellers and charged per transaction (Orlando, 2017).

The target group of GoodPeople consists of skaters including long boarders, snowboarders, surfers, Bmx-drivers and lifestyle-oriented young adults.

The target group audience is very brand-conscious and between 25 and 34 years old, followed by the 18 to 24 and 35 to 44 years old customers. The company's website visits divided by locations looked as follows in 2013 (Orlando, 2017):
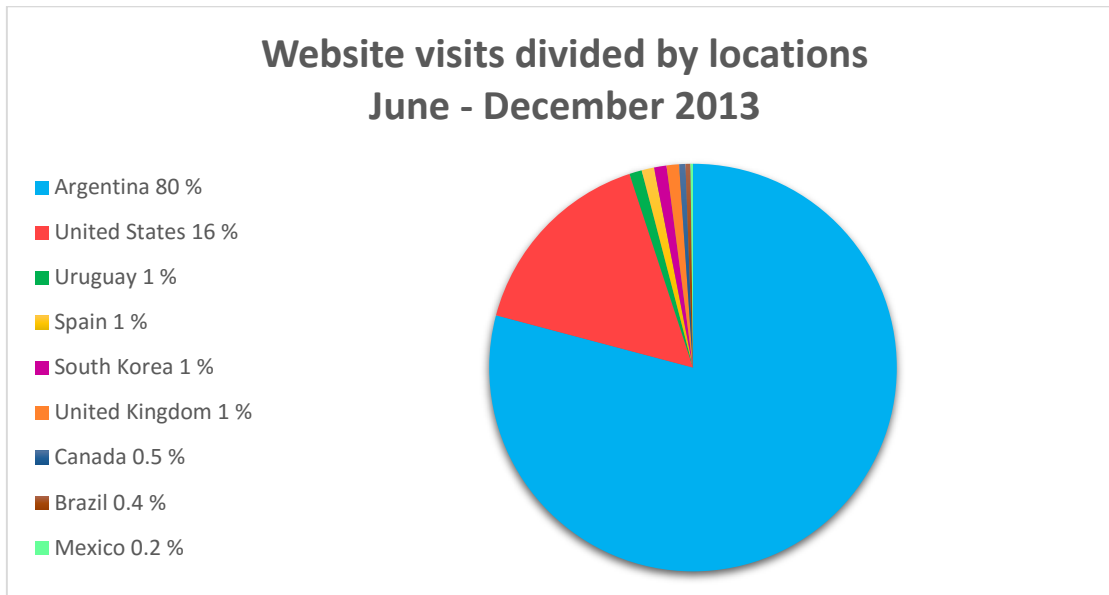

Figure 1: Website visits of GoodPeople in 2013 divided by location

In fact, GoodPeople's main business still takes place within Argentina, even though it has already settled in the United States.

GoodPeoples marketing strategy focuses on social media platforms like Facebook, Twitter, Instagram and Pinterest, direct mailing and promotions including discount campaigns or the above mentioned events that are hosted by the company (Orlando, 2017).

In the future, the company plans on allowing users to sell their own gear and apparel on the platform as well as to enter the international market and becoming a HUB for the entire action sports industry (Jejcic, 2017).

In the end of 2016, GoodPeople acquired another marketplace called Avenida. Avenida was owned by the Flipkart before, eCommerce leader in India with more than 80 million products offered and 10 million daily page visits (Pvt Ltd., 2017). The Indian firm was facing financial problem due to the fact that it invested huge amounts of money in marketing measures to push the online platform Avenida to success. Eventually, Flipkart was forced to sell its marketplace. As GoodPeople is greatly successful with its own selling platform which has the same name as the firm itself and has deep knowledge of fulfillment and the direct brand to consumer, drop-shipping model the company decided to acquire Avenida including the team as well as the marketplace software for USD 2 million (Orlando, 2017).

With a total of 18 employees, the headquarter of GoodPeople in BA has a rather horizontal organizational structure marked by flat hierarchies (See appendix 2). 3 of 18 employees are responsible for the success of the company's same-named marketplace whereas the remaining 15 are in charge of the implementation of Avenida. GoodPeople plans to hire seven additional workers in order to have 25 employees by the end of 2017 to focus on the growth of Avenida (Jejcic, 2017).

Regarding the mentioned figures, the average inflation rate as well as the fluctuations of the peso compared to the USD have to be taken into account. The average inflation rate in 2016 amounted to 40 % whilst an amount of 20.2 % is expected by the end of 2017 (Stringer, 2016).

The average consumer price inflation in 2017 is projected to be 23, 2 % whilst the international Monetary Fund recorded a percentage of 10.6 % for the year 2013 (See appendix 3) (knoema, 2017).

The exchange rate of the Argentinean peso compared to the United States Dollar mostly fluctuated between 15 and 16 since September 2016 (See appendix 4) (fxexchange, 2017).

Avenida

The online marketplace was founded in 2014 and offers a variety of products from seven main product categories (Household aids, Electronics, Home, Garden, Fashion, Sports and Games). All products sold in Avenida.com are fulfilled by merchants and stored and delivered from a variety of shipping companies such as ShipNow, OCA, Etrans or Motonorte (See appendix 5) (Avenida, 2017). In contrast to GoodPeople's marketing strategy, Flipkart, the former owner of the marketplace, focused on TV, Radio and billboards as means of communication. Considering the competition, Avenida has to compete against four main rivalries in the Argentinean market which are Falabella, Garbarino, Fravega and MercadoLibre.

Before GoodPeople purchased Avenida, the platform generated a revenue of USD 23, 422,626 in 2016 which was more than double the amount that it recorded in the first year of existence (See Appendix 6). In 2016, Avenida had a total market share of 0,25 % of the eCommerce market in Argentina. As the turnover is currently strongly decreasing, which will further be explained in the problem statement, GoodPeople's vision is to generate a turnover of USD 10 million in the end of 2017 (Jejcic, 2017).This goal should be achieved by expanding the current product range and adjust the company's marketing strategy (Orlando, 2017).

1.3. Problem Definition

In the year 2016, 30.4 million Argentineans of a total population of 43.9 million were using the internet for a variety of activities such as online banking, social media or online shopping (Factbook, 2016). Statista, one of the leading statistics portals in Germany, states that this number is expected to increase up to 33.9 million in the following five years (statista, statista - The Statistics Portal , 2016). This means, that more than three third of all Argentineans will be actively using and having access to the World Wide Web.

Within the last five years, the e-commerce sales in Argentina have grown from 16.7 billion Argentinean pesos (approximately 1.02 billion Euros) in 2012 to 112.3 billion (approximately 6.84 billion Euros) in 2016 (statista, Statista - The Statistics Portal , 2016).
Argentina is currently the fastest growing eCommerce market within Latin America with an annual growth rate of 28 % (Meola, 2016). According to statista, the total amount of digital buyers will further increase within the next 4 years. While the website forecasts a total of 16. 8 million online Argentinean shoppers in 2017, more than 3 million additional buyers are expected in the year 2021 (Statista - The Statistics Portal, 2016).

When Flipkart decided to sell Avenida in 2016, the costs incurred for marketing in relation to the generated revenues were immense. At the time the acquisition took place, Avenidas' turnover threatened to drop below the USD 10 million that were reached in the platforms founding year. In the three years of Avenida's existence, Flipkart invested almost USD 20 million in the platform to make it as successful and popular as it is nowadays. During the year 2016, Flipkart realized that it is not able to spend any more money on the chosen marketing measures such as TV, Radio and Billboard and therefore, the marketing strategy was lacking what actually caused the immense decrease in turnover by the time of the sale of the marketplace (end of 2016). The company stopped investing any money in marketing measures and started to seek a purchaser.

In fact, GoodPeople decided to purchase Avenida for USD 2 million which was only possible by involving additional investors who injected USD 3 million (Orlando, 2017).

At the moment, the following cost incur for the online marketplace:

Table 1: Cost Centers Avenida

Cost Centers Avenida	
Cost Center	*Costs*
Office Rent	n/a
Salaries	n/a
Shipping	n/a
Customer Service	n/a
Card Transaction costs	3.9 %
Web Services	>0.1 %
Marketing	10 % of GMV

The operating margin of the products sold in Avenida amount to 30 %. Products of the category "Home" for instance beds, furniture and decoration articles are the most sold, followed by "Electronics" and "Fashion" as the least popular product category. The expenses for marketing include all measures that are done in order to acquire customers for instance print media, online and social media marketing, salaries of the marketing department or any kind of sponsorships but exclude customer services (Orlando, 2017).

In order to avoid further decreasing sales figures and a future bankruptcy, GoodPeoples' challenge is to find appropriate and efficient marketing measures that are consistent with the tight marketing budget of 10% of the gross merchandise value of Avenida. It has now the goal of reaching a turnover of at least USD 10 million by the end of 2017 while reaching the break-even point in May and making profit in June 2017, considering only the marketplace Avenida. Due to the fact that it is the company's first year as owner of Avenida, all achieved profits will be reinvested (Orlando, 2017).

Due to increased workload caused by the acquisition of Avenida which took place only a few months ago, the time that GoodPeople can invest in the above mentioned issue is limited. Therefore, it was requested that the investigation should be done by an additional employee who also look at the problem from a different point of view as previous investigations done by employees of Goodpeople could not generate satisfactory results.

1.4. Objective

The aim of the research is to find an appropriate marketing mix that GoodPeople can apply for its online selling platform Avenida in order to reach a revenue of USD 10 million by the end of 2017 and attract additional customers. Moreover, special attention will be paid to the tight marketing budget of 10 % of the GMV of Avenida that the researcher has to stick to while finding a solution and giving advices. It is crucial for GoodPeople not to invest additional money that is not planned to be spend on marketing.

Firstly, limitations regarding resources, man power or capacities need to be determined to get an idea of the overall situation of GoodPeople and to get to know which characteristics could eventually be useful and represent an opportunity for the company.

It is aimed to already find out about potential competitive advantages in this step. Moreover, trends of the eCommerce industry will be analyzed, evaluated and it will be further identified to which of those trends the company could possibly adapt. Furthermore, a competition analysis will be executed to compare GoodPeople's marketing mix and operations in general with those of the rivalry. The aim is to find out about niches and potential competitive advantages of the company. The last step is intended to be the analysis of Avenida's current marketing mix with the goal of identifying certain components of the marketing mix that are either unsuitable for the business or too costly. The final objective is to combine all findings and determine an appropriate marketing mix for Avenida that will help the platform to increase its sales figures.

It is aimed to communicate the outcome of the research to GoodPeople by showing a variety of tables, graphs and figures that underline the results. Moreover, advices and recommendations that according to the researcher will most likely lead to a turnover of USD 10 million by the end of 2017 will be given. These advices will be backed with detailed explanations as well as reasons and information that led to the assumption that the research question could be answered by choosing these specific measures.

1.5. Research Question

As a result of the research problem stated in paragraph 1.3 the following research question has been defined:

How can GoodPeople generate a turnover of USD 10 million at the end of 2017 with its online platform Avenida by adjusting its current marketing mix?

1.6. Sub-Questions

The following four sub-questions could be determined in order to precisely answer the above mentioned research question:

1. **What are major characteristics and problems GoodPeople has to face as an internet start-up?**

With answering this sub-question, it has to be determined of what kind of resources GoodPeople dispose and which of them represent a competitive advantage or might lead to failure regarding marketing strategy change. By answering this question, a detailed SWOT analysis can be conducted.

2. **What are current and upcoming trends of global eCommerce?**

In order to become more successful, GoodPeople has to consider upcoming trends of the eCommerce sector as well as to become aware of any kind of changes that might happen in the future. By either following trends or developing innovative own approaches, companies are able to climb the career ladder. This sub-question can be answered by preliminary research and received results can be involved in the solution finding process.

3. **What are the strengths and weaknesses of the main competitors of Avenida in the Argentinean market?**

A competitor analysis will determine the competitors' strengths and weaknesses in order to find out if a niche market exists and what threats GoodPeople has to pay special attention to. Moreover, benchmarking will help to determine the competitors' success strategies.

4. To what extend does the current marketing mix of Avenida attract and satisfy customers?

By pointing out what Avenida was focusing on so far, the reasons for the failure of the actual marketing strategy can be determined. Moreover, aspects that Flipkart was not paying attention to can be uncovered and aspects that GoodPeople did not consider as being important can be taken into account. Furthermore, it can be determined what kind of products GoodPeople should concentrate on and further promote. Current customer behavior can be helpful to improve sales in the future.

1.7. Scope

Even though GoodPeople has its own selling platform which is also called GoodPeople and focuses on a variety of sports clothes and gear, the research will be limited to the issue of the strongly decreasing sales figures of Avenida.

In addition, a certain timeframe to execute the research is given. Pablo Orlando, the CEO of GoodPeople, want the advisory report to be presented before June 12th 2017. This gives the researcher a period of in total 18 weeks to investigate and analyze the problem and find possible solutions.

Moreover, the firm provides only little financial resources for the execution of the research. GoodPeople expects the researcher to gain information in a cost-efficient way. Therefore, company data is made available at any time and a variety of the company's employees are willing to answer any kind of questions that are necessary in order to achieve sufficient results in the end. Furthermore, it cannot be guaranteed that the marketing mix that will be suggested by the end of the research will not consume more than 10 % of the GMV of Avenida. Even though special attention will be paid to this fixed percentage, deviations are possible.

Due to the tough time frame, a limited amount of sources such as the internet and several scientific books have been used in order to conduct desk research. Since the variety of existing sources that deal with the research topic is immense, a selection of the most suitable and instructive ones had to be made. Especially when considering the second sub-question, not all trends of global eCommerce could be taken into account. Several trends could be excluded already when creating the theoretical framework due to the time limit that was set beforehand. Nevertheless, those aspects will be included in the section "Further Research".

As GoodPeople's primary priority is to adjust its marketing strategy that is currently not appropriate, neither for the firm's budget nor for its philosophy and values, the company does not intend to expand its business. Therefore, the research will be focused only on the Argentinean market, including the competitor analysis.

In addition, Mr. Orlando mentioned the preference of online marketing measures as his business also concentrates on the world wide web and only offers products online. Nevertheless, he is willing to consider any advices and recommendations concerning any other kinds of marketing instruments as well and is prepared to be convinced by any other options that will become apparent after the execution of the research project. When answering the fourth sub-question, this limitation will play an important role.

Even though, great importance will be attached to the given goal of reaching a turnover of USD 10 million by spending 10 % of the GMV of Avenida on marketing, it cannot be guaranteed that the results of the research can be implemented by sticking to those exact numbers. However, the management team of GoodPeople is aware of this fact but still willing to investigate the matter.

2. Theoretical Framework

2.1. ECommerce Start-ups

2.1.1. Characteristics and Benefits

The foundation and development of internet start-ups becomes more and more popular with the fast changing technology and the globalization that the society has to face nowadays. In his business guide *Internet Startup,* Florian Bereuter points out crucial characteristics of eCommerce companies as well as their goals and daily difficulties. He assumes that especially Internet start-up often have advantages over traditional start-ups and explains how they can make use of their position (Bereuter, 2012). By determining the characteristics of a start-up company, the basis for a future marketing strategy can be given. The resources that are available specify which products, distribution channels and communication elements a firm might focus on.

Internet start-ups are young businesses that tend to actualize an innovative business idea (Rose, 2016). Internet start-ups have only little seed capital and therefore focus on the procurement of equity capital and the expansion of their financial resources in general (Bereuter, 2012). Financial risk has to be faced by founders of a start-up as many costs occur especially in the initial phase (Lawrence, 2017). According to Bereuter, internet start-ups have to face three main difficulties that need to be overcome in order to be successful. A lack of awareness, missing market share as well as a missing client base often hinder start-ups from growing in the initial phase. It is further stated that especially in the early stages, each start-up is confronted with many statutory provisions which often complicate the foundation process (Rose, 2016). In this stage it is also important to consider the competition and to find a team that has outstanding skills and will strongly contribute to the company's success (Bereuter, 2012). Competitors are often underestimated which leads to rapid failure. It is considered as being important to find a niche market and differentiate from those (Bereuter, 2012). Tim Cadogan, CEO of OpenX, a leader in ad-tech, recommends to develop products or additional parts for products that already exist. In this way, companies rather support each other than compete against each other. Moreover, many young companies are not prepared for a successful business and a rapid growing customer base. Therefore, resources such as production capacity are missing (Cutler, 2014). The recruitment of the right employees at the right time is also often underestimated (Hermann, 2016).

Furthermore, it is important to keep up with the technology that is continuously developing (Cutler, 2014). Especially internet start-ups are dependent on their own website, therefore it is important to always have a well-performing and unique online presence (Hermann, 2016). The so-called cyber risks force internet start-ups to have antivirus software systems installed as well as for instance a firewall. In many cases, the start-ups that make use of latest technologies have a great advantage over online companies with long-term experience (Bereuter, 2012).

2.1.2. Trends and Future Outlook

Various sources indicate that there are many different opinions about the further development of eCommerce and e-tailing in specific. By following current trends and keep up with them in particular, start-up companies have better chances to compete against rivalries. Todd Starbuck, Executive Vice President Business Development Europe of DHL, states that future consumers will become more and more discerning and demanding. A personal service but remaining prices are expected. Therefore, businesses need to focus on the service provision and keep their prices. He further assumes that the distances between manufacturer and consumer will become even shorter than they are already as this will guarantee less costs for the different parties of the supply chain and a reduced environmental pollution which will further lead to an added value for the customer (Ehrhart, 2014). Centralized warehouses will optimize the logistics network (Ehrhart, 2014).

According to Starbuck, sustainability will become a crucial topic in the upcoming years. Especially each part of the supply chain should include sustainability.
Companies aim to recycle waste and particular components of used products.
It is a fact that customers seek for a guilt-free purchase and are willing to buy premium products as well as to pay a relatively high price for those value added products (Ehrhart, 2014).

Moreover, it is stated that multi-channel retailers will become more and more common. Several retailers will add an online store to their business which will provide a variety of benefits for instances additional logistics options (Ehrhart, 2014). Especially Omni-channel retailing will become popular. An objective of every eCommerce firm is to optimize the Omni-channel-management in order to give customers the opportunity to switch between many different channels such as online, physical store and mobile (Lazar, 2017). Customer-touchpoints with the company are crucial and considered as first contact with a brand or a firm (Oeser, 2015). In 2016, 45 % of all eCommerce purchases came from smartphones and tablets. Therefore, the mobile strategy is seen as an ongoing trend (secure trading - A UC GROUP COMPANY , 2016).

Regarding technology trends, processes in general will be made easier by implementing smart buttons that allow customers a one-click checkout to complete their purchase process and hinder them from changing their opinion about buying already selected products. Moreover, payment processors such as PayPal will further develop themselves and make the payment process more secure and easier for clients (Lazar, 2017).

Last but not least, many sources state that the connection between social media and eCommerce will become more crucial. Online sales might become possible in social media accounts since likes, comments and tags can greatly influence purchase decisions of potential customers and which might lead to an increased turnover for companies. It is projected that the share of social commerce in the total eCommerce traffic will increase up to 10 % until 2021 (Lazar, 2017).

2.2. Competitor Analysis

In fact, it is important as an owner of a company to understand the firm's own advantage over others in the same industry as well as its disadvantages. This is crucial for the future in order to be in a better situation and to be able to compete against the rivalries (Roggio, 2012). Firms often lack in focusing on and being geared to competitors which leads to decreasing sales figures whilst a lot of effort has been put into marketing management. Identifying niches and competitive advantages facilitate the process of finding appropriate marketing measures.

Firstly, it is recommended to determine in what kind of industry the own company is operating and how the customer group looks like (Job, 2016). Competitors can be easily analyzed by looking for them for instance in Google or social networks such as Facebook and Twitter (Roggio, 2012).
As a second step, a SWOT analysis is suggested as it helps to get a clear overview of the other businesses concepts. Most sources state that aspects such as products, target group, online presence, financial resources and the supply chain will be compared to each other in a competitor analysis. Regarding Marketing, putting oneself in a customer's situation is useful to discover advertising campaigns and communication concepts. Rating and comparing the rivalry clarifies the degree of threat that each of them pose (Job, 2016). An evaluation of all competitors in the end gives firms the opportunity to develop a competitive advantage over them (Roggio, 2012).

Especially in the last century, many models have been developed to analyze competitors. The most widespread one is called Porter's Five Forces which is named after Michael E. Porter and analyzes five competitive forces.

These so-called forces identify and reflect every industry and therefore helps to diagnose the weaknesses and strengths of the competition. The following five forces are considered:

- Entry barriers – Financial, political and economic barriers
- Substitutes – Simplicity of creating substitutes
- Customers – Bargaining power of the buyers
- Suppliers – Bargaining power of suppliers
- Industry rivalry – Market growth, number of players

Entry barriers can represent a threat for a company as soon as the barriers are low meaning that the market the firm is operating in can be entered easily by other companies. Moreover, a company's products and services should be unique in a way that they cannot be easily substituted as this could weaken the company's strengths against others. The bargaining power of customers refers to the liability and loyalty of customers. If they commonly switch between different companies, the power of the firm weakens. The same applied to the supplier. The more dependent a company is on a certain supplier the more power he has. The industry rivalry determines how many competitors do exist in the same industry and to what extend they are representing a threat to the company (Investopedia, 2017). All those elements determine the competitive environment of international companies (Leeman, 2010).

2.3. Marketing Techniques
2.3.1. Traditional Models
2.3.1.1. 4 P's of Marketing by McCarthy

Several models which deal with the optimization of marketing and elements that influence customer's decision have already been developed within the last century. One of the most known and widespread approaches was founded in 1960 by the American marketing professor Jerome McCarthy and will be further explained in the following section. The model is still seen as a framework of effective marketing and the first step that is taken when looking for an appropriate marketing strategy (Bhasin, 2017). In case of an insufficient marketing mix, major reasons can be found in one the four components.

The so called 4 P's marketing model consists of the elements Product, Place, Promotion and Price. The first P, the Product, deals with the selection of the product or the product line that should be offered, the quality, all added items, branding and packaging as well as secondary products such as specific services that will be added to the original product. The element Place specifies where, when and to whom the before chosen product should be sold and includes all supply chain and logistics decisions. It further refers to the different distribution channels for instances wholesaler or retailer as well as the financial aspects that it entails. The third P, the Promotion, equals the communication about the high valued product to the end consumer. This P affects all the other elements which have to be adjusted in case the promotion of a product is highly effective. Finally, a pricing strategy and thus, a price for the product will be set and all expenses for advertising, distribution etc. have to be calculated. The pricing of a product greatly effects the overall positioning and targeting (Bhasin, 2017).

2.3.1.2. 7 P's of Marketing by Booms and Bitner

In 1981, Bernhard H. Booms and Mary J. Bitner published an extension of the traditional 4 P's marketing model by adding 3 additional elements focusing on service marketing (Van Vliet, 2013).

The first added P implies Personal since the persons who provide the service can greatly influence the value of a product and also how customers perceive the quality of a product.

Booms and Bitner further state that in the view of customers, the appearance and manner of sales persons often indicate the quality of a product or service. Moreover, they assume that the process of production of services and goods becomes more and more crucial. Only by optimizing business processes, customers can become satisfied. Therefore, the model was extended with another P for Process. The last one of the elements equals the physical facilities of a firm. It specifies which physical facilities such as buildings, lounges etc., a company as to own in order to provide an excellent service for customers (Professor Dr. Hoepner, 2015).

2.3.1.3. 4 C's of Marketing by Lauterborn

Another third widespread model was founded in 1990 by Bob Lauterborn. The so-called 4 C's of Marketing model is consumer oriented whereas the 4 P's focus on a specific product. Lauterborn replaced products with consumers in order to strongly focus on the needs and wishes of customers. Instead of the price of a product, the model concentrates on the costs as these influence the purchase decisions of the consumers. The 3rd C represents convenience. Since the fast changing lifestyle, that is present nowadays, comes along with for instance fast changing payment or delivery methods, convenience is more crucial than the distribution channels. According to Lauterborn, promotion is considered as being manipulative whereas advertising leads to a dialog between the company and the consumer "which may be the formula to success as we leave the second millennium". Therefore, he replaced promotion by communication (Popovic, 2016).

2.3.2. Modern Approaches

Due to the technological progress, several new approaches have been developed. Especially the world wide web is the reason additional marketing strategies exist nowadays and cannot be ignored when formulating a firm's marketing mix.

Content Marketing

Content marketing refers to how the content of websites is created and what it includes. In fact, if the content of a firm's website is entertaining and informative, it attracts customers. It is important that companies focus on the optimization of content for desktop as well as mobile view. Especially imagines, videos and blog posts are eye-catcher, draw interest of potential customers and build credibility and trust (Bisk, 2015). Moreover, content marketing can also be seen as part of Search Engine Optimization once the content is accessible for any kinds of search engines (Cardello, 2013).

SEM

The so-called Search Engine Marketing can be divided into two sub-categories – Search Engine Optimization (SEO) and Search Engine Advertising (SEA). Whereas SEO intends to improve the visibility of a company's website in order to be higher in the results ranking or search engines, SEA refers to advertisements on search engines such as Google. As SEO is a complex and complicated progress, many firms invest in SEO agencies who manage the whole process. SEA appears when internet users look for specific keywords in search engines. Usually, firms pay per each click on the advertisement (*pay-per-click*) which indeed guarantees control over costs, free publishing of ads in case no one clicks on it and precise targeting (Cardello, 2013).

Affiliation

Affiliation simply describes the relationship between a merchant and an affiliate. Once an affiliate provides the opportunity to promote a product or service of a merchant on his own website, he earns a commission depending on the frequency of the promotion, clicks, gained contacts and other criteria, in return.

In 2016 a survey of *Rakuten Marketing*, a global leader in Omni channel marketing, was published and showed that 90 % of in total 150 merchants declare that affiliate programs are included in their marketing strategy and are crucial for the company. However, the investment of the advertiser is immensely high with a percentage of often more than 10 % of the total marketing budget (mThink, 2016).

Social-media Marketing

Social-media marketing describes the process of using social media platforms such as Facebook, Instagram or Twitter as well as the integration of social media into the firms' eCommerce website, with the purpose of draw potential customers' attention. It is stated that the ROI of Facebook ads amount to 152 %. Especially the indication of prices and payment possibilities push customers to a quickly taken purchase decision (Huberman, 2016).

Another widespread method to attract potential clients through social media platforms is the invitation to competitions with the opportunity to get awarded. The interaction with the audience in social networks is considered as success strategy (Kelly, 2015).

E-mail Marketing

E-mail marketing concerns mainly e-mail newsletters with high quality content. It has been assumed that 44 % of newsletter receivers eventually take a purchase decision because of certain advertising that was send by firms. By adjusting both content and frequency of newsletters to former products that were purchased by the client or to the period of time that the customer did not visit the eCommerce website, they become more individual and clients feel personally addressed (Huberman, 2016). Besides newsletters, e-mail marketing also includes all e-mails sent by an eCommerce business to its clients for instance after a purchase, as a demand to check out new products or a request to follow the firm on social media (Kelly, 2015).

Influencer Marketing

Word-of-celebrity-mouth marketing or influencer marketing became popular as customer rather trust persons that do not work in a specific company as any kind of ads. As the term already says, a person who is highly influential promotes a company's product or is part of advertising campaigns. Whilst influencer marketing facilitates spreading brand awareness, it does not raise the sales figures straight away. Moreover, it is important that the influencers themselves are convinced of the product or service they have to promote (Huberman, 2016).

2.4. Findings

In general, start-up companies often dispose of only little seed capital and few resources such as workforce or facilities (Lawrence, 2017). In the initial phase, their overall aim is to grow these as well as market share and customer base. The underestimation of competitors as well as a missing preparation for a possible growth are common pitfalls that lead to failure. Once an internet start-up keeps up with the latest technology, it is able to have a great advantage over online firms that are part of the business for many years already. It could be further determined that especially the individual service will be a crucial fact considering the future of eCommerce. In addition, the term sustainability will appear more often and should be included in companies' operations. Customers are attracted by guilt-free purchases and do not hesitate to spend a higher amount for those products. Multi- as well as Omni-channel retailing will further grow and is seen as one of the major trends in 2017.

Moreover, each step done by users of eCommerce websites should be made easier and faster in order to improve the shopping experience. Lastly, the combination of social media networks and eCommerce will become vital for many companies.

In order to have a competitive advantage over rivalries, it is recommended to execute a competitor analysis which consists of different steps. The industry a firm is operating in has to be specified and companies who poses a potential threat in this industry should be evaluated in a SWOT analysis. A rating can help to determine the risk that each of them represents to the company. A model named Porter's Five Forces points out five crucial aspects which could be analyze to determine the companies own positon compared to companies in the same industry. The elements considered are entry barriers, substitutes, customers, suppliers and the industry rivalry.

In terms of marketing techniques, several traditional models are still part of many marketing strategies and often form the basis of the marketing management. Whilst the 4 P's of marketing model by McCarthy builds upon the variables Product, Price, Promotion and Place, the 4 C's of Marketing by Lauterborn focus on the consumers. The 4 P's model was further expanded by adding personal, process and physical facilities. All three models were developed as an indicator to successful business when focusing on the elements the models consist of. Nowadays, several approaches such as content marketing, SEM, affiliation, social-media marketing, e-mail marketing or influencer marketing complement traditional strategies.

By means of the outcome of the conducted desk research, it could be found out if GoodPeople makes use of several crucial marketing models that are explained above or how satisfied customers are with the different components that are part of such models. Moreover, the models served as an orientation for the creation of the customer satisfaction survey. The operationalization table in the following chapter shows that the constructs that relate to the different components that are part of a marketing mix. Many aspects that belong to a marketing mix have been taken into consideration, however, have not been executed with care. The models also serve as a basis for the final decisions and to find out if all components are applied by the company. Therefore, the final application of the models can be found in the conclusion chapter.

3. Research Method

3.1. Procedure

Due to the fact that the research has to be completed within 18 weeks, it will be focused on answering the fourth sub-question within the following methodology and report. Whereas the second sub-question could already be answered by conducting desk research, the first and third sub-aspects could be briefly discussed with the CEO's of the company and will suggested to be investigated into more detail in further research. Therefore, this matter will be described in the chapter "Further research".

3.2. Data Collection Technique

In order to gain the most appropriate results for the research question, it has been decided to apply multiple research methods as data collection techniques and data analysis procedures. Multi-method quantitative studies will be executed by using quantitative data collection and analysis procedures. In this way, better opportunities to answer the main research question are guaranteed and the likelihood of an unexpected outcome increases.

Considering the time horizon, cross-sectional studies will be applied as the time frame for the completion of the research project is only 18 weeks. In addition, the time is further constrained due to the fact that GoodPeople plans to adjust its marketing strategy already in 2017 to generate additional revenue by the end of the year. Longitudinal studies could be used to study the change and development of the generated revenues after the marketing mix will be adjusted (Saunders, Lewis, & Thornhill, 2007).

3.3. Research Design

Quantitative research, in form of data mining considering the sales of Avenida, will be the tool to adjust the current marketing strategy. This design was chosen as it is assumed that it identifies unknown targets and can help to maximize the ROI of a firm (Sumathi & Sivanandam, 2006). It is intended to find out about top-selling products, purchase behavior of customers, sales forecast and additionally possible complementary products will be figured out. By doing so, products and prices will most likely be easier to determine, the customer group can be understood better by GoodPeople and the communication methods can be well targeted. Discrete, numerical data will be the basis for interpretations and analyzed in detail.

As a second source, quantitative research in form of a survey will further valorize the outcome. Due to the fact that questionnaires are of low-cost, facilitate the data collection and are anonymous, it has been decided to apply this specific design. Moreover, respondents have time to think carefully about their answer and are not pressed for time as it might be the case in an interview. It is intended to develop a structured internet questionnaire that collects information which will determine the satisfaction of customers about several aspects considering the platform Avenida. Those aspects will further be specified in the section "Operationalization".

3.4. Research Unit

Research units refer to mainly persons but also to services and situations that will be affected by the outcome of the research and to which advices will be applicable (Baarda, 2014).

In terms of the survey, all customers who purchased one or more items in the first four months of the year 2017 on the selling platform Avenida, are the units of analysis.

As they are the ones who already experienced a purchase process and could therefore develop an opinion about different elements concerning the company and its platform, they will can contribute to the outcome of the research and will also be affected by it. Moreover, e-mail addresses are available for an internet questionnaire. The population register consists of in total 1224 customers which will serve as the basis for a random number generator to draw a simple random sample. Therefore, a sample that represents the population is drawn with the aid of an online sample calculator. A confidence level of 95 % has been chosen which can actually be lowered in case of many non-responses or incorrect completed questionnaires. Whilst the margin error is 5 % a standard deviation can be ignored as the survey does not look at continuous data. The sample size has been calculated with an online sample size calculator (Survey Monkey, 2017) which showed the following result:
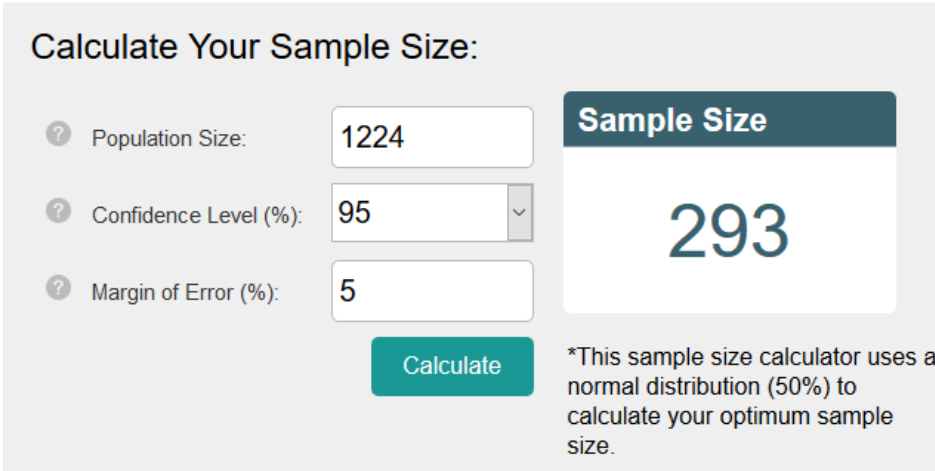
Figure 2: Sample Size Calculator

Therefore, a structured questionnaire will be send to 293 customers of GoodPeople who used the platform Avenida within the first four months of 2017. The representativeness of the sample will be guaranteed as all customers are at least 18 years old and all monthly reports of customer sales will be available for the research without any exemptions.

The data mining will focus on sales of products of the category "Home" as well as "Electronics" due to the fact that these sections are considered as star and question mark, according to Mr. Orlando (Orlando, 2017). It is assumed that they require investment and a special focus on marketing. This might lead to an increase in revenue. (Hanlon, 2016). Whereas products such as furniture, kitchen equipment and lighting belongs to the home section, electronics basically include computer, TVs, cameras and cellphones. As the monthly reports of the Avenida sales will also include the purchase information of other products or product categories, the population size will be determined by eliminating all irrelevant data via Microsoft Excel. Depending on the outcome, a sample size will be determined.

3.5. Research Construct

Constructs are described as the characteristics or the research units that are going to be measured (Baarda, 2014).

Considering the survey, an operationalization has been executed. The following constructs of the unit of analysis have been translated into measurable terms:

- **Age** of the customers of Avenida
- **Gender** of the customers of Avenida
- **Overall experience** of the whole purchasing process on Avenida.com
- **Product category** that the item(s) the customers purchased belongs to
- Perceived **Quality** of the purchased product(s)
- Satisfaction with the **Service** perceived by the customers of Avenida and provided by GoodPeople
- Satisfaction with the **Price** of the purchased item(s)
- Satisfaction with the **Payment process**
- Opinion about **Website** layout, content and ranking of Avenida
- **Communication** methods that actually attracted the customers

In terms of data mining, the following constructs will be investigated:

- Number of Purchases
- Sales Forecast
- Sold Units Correlations

3.6. Operationalization

The above mentioned survey will be send in form of a questionnaire to the customers of Avenida. Constructs will be operationalized into the following measurable terms (Baarda, 2014):

Table 2: Operationalization

Construct	Dimensions	Sub-dimensions	Indicators
Age	18 – 25		Highest demand of customers at the age of X
	26 – 35		
	36 – 45		-
	45 +		Lowest demand of customers at the age of Y
Gender	Female		Higher demand of females - Lower demand of females
	Male		Higher demand of males - Lower demand of males
Overall experience	Purchasing Process		Most customers are satisfied - Most customers are dissatisfied
Product Category	Category Home		Most purchases of product category X
	Category Fashion		-
	Category Technology		
	Category Babies		

	Category Other		Least purchases of product category Y
Quality	Quality of Products		The quality of the purchased product was good - The quality of the purchased product was not good - If not, what was not good
Service	Customer Service	Channels (e.g. Telephone, Facebook, e-mail)	A sufficient variety of channels for customer service is provided - The variety of channels for customer service is not sufficient enough - Via what specific channels would you like to reach GoodPeople
		Fast service (Response to the issue on the same day)	The customer service is fast enough - The customer service is not fast enough - If not, how fast should a response be to be acceptable
Price	Price-Performance Ratio		The price was fair for the product purchased - The price was too high for the product purchased
Payment process	Fast Payment		Current payment process is fast enough - Current payment process is not fast enough

	Options	Number	Enough payment options are provided - Not enough payment options are provided
		Type	The types of payment options are adequate - The type of payment options are not adequate - Which type of payment options would you like to add
	Convenience		The payment process is convenient - The payment process is not convenient
Website	Layout		The layout of the website is appealing - The layout of the website is not appealing
	Structure		The structure of the website does seem clear - The structure of the website does not seem clear
	Content		The website provides high-quality content - The website does not provide high-quality content
	Ranking		The website can be easily found in Google - The website cannot be easily found in Google

Communication	TV, Radio, Billboard		Communication method X is perceived by most of the customers
	Family, Relatives, Friends		
	Search Engines		-
	Social Media		Communication method Y is not perceived by most of the customers
	Other		

3.7. Data Collection

It is aimed to use *Typeform* as an online questionnaire as it is recommended for such research matters based on its multiple advantages. Templates facilitate the creation of a survey and an unlimited number of questions are included whereas an unlimited number of answers can be received simultaneously. Moreover, it allows the data export which will be time-saving and beneficial for the researcher. Another crucial fact is that the software is available for free and therefore, no additional costs will arise for the company. All collected data will automatically be stored in an excel file and can also be edited in tools such as Google drive (Marrs, 2017).

Microsoft Excel will be used as a data mining software for collecting, processing and analyzing the sales of Avenida that have been recorded for the first quarter of 2017. The so-called pivot tables will serve as an analyzing method. As the researcher is familiar with this tool, the number of errors done by researchers can be reduced. Moreover, it offers a variety of function to analyze sales data.

3.8. Data Analysis

All quantitative collected data will be analyzed statistically. In a first step, a data matrix will be created in order to get a clear overview of all figures. Whereas the columns will represent variables such as age, gender or products, the rows will stand for the individual customers. Numerical codes will be used for the variables and units as this will help to avoid errors and fastens the whole analysis process. If necessary, re-coding will serve to eliminate unnecessary details and make the data matrix look more structured. Furthermore, a coding scheme will be developed once the first responses of the survey and the first reports of the sales of Avenida will be received. In order to present the collected data, exploratory data analysis (EDA) will be applied (Saunders, Lewis, & Thornhill, 2007)*.* As a last step, appropriate diagrams and tables will be chosen to be able to present the results.

3.9. Reliability

Reliability describes the extent to which a result such as a measurement is independent of chance (Baarda, 2014).

First of all, the reliability of the survey will be increased by the above determined sample size of 293 participants. A sample size makes sure that the results that will be received will not only be dependent on one or a few persons. This approach will further reduce the risk of participant bias and unfavorable testing conditions. In addition, all persons who are going to conduct the survey will be informed about the research details and anonymity as well as confidential handling of their answers will be guaranteed. In order to increase the honesty. Even though a response rate of 100 % cannot be guaranteed, a discount voucher of 15 % for the customer's next purchase will reduce non-responses and make the participation more attractive. Simultaneously, it will be made ensured that each participant can conduct the questionnaire only once in order to avoid that customers fill in answers multiple times to increase their chance to receive the discount voucher. In addition, customers will not have the opportunity of choosing answers provided on a scale for each single question. The randomization of the questions and answers options will avoid insignificant results.

In terms of data mining, it will specifically be looked for errors, especially in case data has to be transferred from one software to another. As already stated above, the chosen data mining software is known which reduces the general margin of error.

The cultural and educational background of the units of analysis will also have a great impact on the research reliability. As all customers are at least 18 years old, it is assumed that the survey will be answered honestly and consciously.

3.10. Validity

The validity of a research can be divided into two sub categories: the construct and ecological validity. Whereas construct validity represents the extent to which one measures what is intended to be measured, ecological validity determines the trustworthiness of the outcome in relation to the everyday practice (Baarda, 2014).

Firstly, content validity will be ensured as a detailed literature review about the considered research topic has been conducted beforehand. The researcher already investigated all factors that are crucial considering marketing mix and eCommerce business. This implies that the researcher has in-depth knowledge of the research topic as well as all terms included in the research design. Therefore, the included items in the survey have been chosen carefully. Moreover, all participants will have an appropriate understanding of the purpose of the questionnaire as a clear introduction will be included. Simple language will be used, thus each participant will be able to understand all questions. Short and positively formulated questions will avoid negative influence of the persons who are going to take the survey. Furthermore, a scale that cannot be mistaken will be chosen for a selected number of items. The researcher will make use of a so-called pilot-test which will exclude confusion during the execution phase of the survey. Five persons will be asked to fill in the questionnaire in advance to find out if the questions are comprehensible. Moreover, the operationalization shows a precise determination of the constructs of analysis which will further increase the reliability. Each construct is divided into dimensions which have a specific meaning for the outcome. The coding described in the section "Data analysis" will ensure that all collected data have an actual meaning for the research project. A generalization of the results can be excluded as the research design will be presented to customers of Avenida who made a purchase on the platform in the first quarter of the year 2017. As a crucial fact, also non-responses will be documented to avoid biased results when analyzing the collected data.

Especially in terms of data mining, business experts which will be represented by the CEO'S of the company, will review the results of the data mining model to determine whether the discovered patterns have an actual meaning in the targeted business situation.

3.11. Research Ethics

While doing the research as well as when giving final advices, ethical aspects will be taken into consideration in every stage of the research process (Saunders, Lewis, & Thornhill, 2007). All persons involved participate voluntarily and will be informed about the objectives as well as the procedure of the whole research in order to get an idea what result they will be contributing to. All data received from subjects will be handled confidentially and the end results will not influence the participants' life negatively. Additionally, all information that are intend to be gained from participants have a meaning for the research. Moreover, participants will have the right to process and store their personal data if desired.

Moreover, results than can be retrieved from the research will not influence other people's life in a negative way in case GoodPeople decides to actually execute any of the advices given by this report.

Ecological and social aspects such as fair working conditions, the protection of the environment and human rights in general will always be the focus while developing recommendations and advices. If any of those aspects will counteract with the results, the respective results will be excluded.

4. Results

4.1. Customer Survey

By means of the operationalization of the research constructs, a customer satisfaction survey could be created. The structure and design of the questionnaire which has been developed with typeform, can be seen in appendix 7. The survey has been sent out by e-mail to all clients of the first quarter of the year 2017 of Avenida.

After 7 days, in total 706 customers replied to the questionnaire. Instead of the above mentioned 293 persons who should represent the sample, more than double the amount answered the survey. Therefore, the confidence level as well as the margin error could be raised to 99 % and 4 % instead of 95 % and 5 %. Under those aspects, the sample size represents the population in a more accurate way and the results are more reliable. The new calculations show a sample size of 563 persons who need to reply to the survey that has been sent out. With the number of 706, the respondents represent a reliable sample.

A small extract of the data matrix that was chosen for the analysis of the received responses can be found in appendix 8. The following variables with corresponding values and measurement levels have been developed:

Table 3: Coding Customer Satisfaction Survey

Coding		
Variable	**Possible Values**	**Measurement Level**
ID	1-706	Ratio
Age	18-25, 26-35, 36-45, 45+	Ratio
Gender	Masculine (1), Feminine (2), Other (3)	Nominal
TV, Radio, Ads	yes/no	Nominal
Family, Friends, Relatives	yes/no	Nominal
Search Engines	yes/no	Nominal
Social Networks	yes/no	Nominal
Other	yes/no	Nominal
Home	yes/no	Nominal
Electronics	yes/no	Nominal
Fashion	yes/no	Nominal
Other	yes/no	Nominal
Overall Satisfaction	Totally dissatisfied (1), Dissatisfied (2), Neutral (3), Satisfied (4), Totally Satisfied (5)	Ordinal
Quality of Products	Totally dissatisfied (1)-Totally satisfied (5)	Ordinal
Customer Service Channels	Totally dissatisfied (1)-Totally satisfied (5)	Ordinal
Speed of Customer Service	Totally dissatisfied (1)-Totally satisfied (5)	Ordinal
Price	Totally dissatisfied (1)-Totally satisfied (5)	Ordinal
Payment Process	Totally dissatisfied (1)-Totally satisfied (5)	Ordinal
Payment Options	Totally dissatisfied (1)-Totally satisfied (5)	Ordinal
Types of Payment Options	Totally dissatisfied (1)-Totally satisfied (5)	Ordinal
Convenience of Payment Process	Totally dissatisfied (1)-Totally satisfied (5)	Ordinal
Website Design	Totally dissatisfied (1)-Totally satisfied (5)	Ordinal
Website Structure	Totally dissatisfied (1)-Totally satisfied (5)	Ordinal
Product Information	Totally dissatisfied (1)-Totally satisfied (5)	Ordinal
Ranking	Totally dissatisfied (1)-Totally satisfied (5)	Ordinal

By means of an appropriate coding, several pie and bar charts could be created. Those graphical depictions are in the chapter appendix marked with the number 9. Pie charts have been chosen for all questions that could be answered by a rating or concerned personal information and bar charts represent the questions about the participant's opinion. With the help of certain excel functions, the percentage share could be calculated and helps making the relation between the different results clearer.

In order to get a clear overview of the results that could be achieved by the open questions, it has been made use of the so-called grounded theory design which includes a data reduction and coding (Baarda, 2014). The final tables and their corresponding diagrams can be found in appendix 9.2.

4.1.1. Closed Questions

First if all, the customer group of Avenida consists of 55 % women and 45 % men, which is almost an equal splitting. The evaluation also showed that the majority of all customers is older than 26 years. The age group of the ones who are between 18 and 25 years old amounts to only 5 %. Considering the product categories, items of the category "Home", "Electronics" and "Babies" are the most sold ones of the online shop. In total, more than 60 % of all respondents found out about the company through social networks such as Facebook, Instagram and Twitter as well as search engines like Google. Mouth-to-mouth propaganda and Media such as TV, radio, and ads are less successful contact channels with a 12 % and 16 % success rate.

In total, 82 % of all clients who did a purchase in the first quarter of 2017 are satisfied with the services of Avenida. Only 14 % can report negative experiences. Considering different factors such as product quality or price, the level of satisfaction varies greatly. 88% of all customers are satisfied with the product quality whereas only 76 % are happy with the number of customer service channels that Avenida offers. The same percentage applies to the speed of the customer service. 23 % are not satisfied and consider it not to be fast enough. The level of satisfaction of the product prices is slightly higher with 83 % and only 2 % of all customers are unsatisfied with this factor. Almost the same relation appears regarding the satisfaction of the payment process. 90 % of the customers are satisfied whereas only 3 % clicked on dissatisfied. The payment options that Avenida provides satisfy 83 % of the clients and only 4 % are unsatisfied. Moreover, 84 % of the customers are convinced of the different types of payment options such as Master Card or American Express. In addition, almost the same number of clients, 88%, consider the whole payment process as convenient and only 2 % as complicated or annoying. The website design has been assessed as positive by 81 % of Avenida's customers and 4 % think it could be improved. This result also reflects in the following question about the structure of the website. 80 % of all participants are satisfied, but only 4 % got a negative impression of that factor. The result of the question about the product information that are given online is more striking. Only 66 % of the customers are satisfied with that component and 11 % are not happy at all with the descriptions of the items offered by Avenida. 72 % are contented with the ranking of Avenida in search engines such as Google whilst 24 % have a neutral opinion about this factor and 4 % are dissatisfied.

4.1.2. Open Questions

Considering the open questions, often recurring problems that were described by the participants of the survey have been the delivery time, the quality, the condition, the description of the product(s) ordered. These results correspond with the ones of the closed questions before. Some clients also expressed their dissatisfaction with the missing physical stores and information about the delivery status of products. In addition, some participant's complaint about missing stock after they have had placed their order. The major requested customer service channels are telephone, physical facilities like already mentioned above, online chat and the message app Whatsapp. Customers wish to reach the customer service via those channels within 24 hours. Some of them would only accept an immediate response or at least the same day. 15 % of all participants who pose their opinion would wait 2 days for a reply. Moreover, the payment by debit card and interest-free installments are requested by 57 % of the customers who answered the open question about additional payment options. In addition, 17 % wish Avenida would offer a payment by "Todo Pago", an Argentinean payment platform. Furthermore, 26 % of all customers would like to pay their purchases in cash, preferably on delivery.

In the last question of the survey, it has been asked for further comments regarding the operations of GoodPeople considering the online platform Avenida. All answers given appeared already in the other open questions about recurring problems, customer service channels and response as well as payment options. Major complaints related to missing branches, faulty or insufficient product descriptions, poor customer service and the delivery time of the ordered items which is way too long.

4.2. Data Mining

4.2.1. Sales Forecast

Data Mining regarding the sales figures of Avenida was executed in order to forecast futures sales. An excel file which included the sales reports from the first of January 2017 until the 30th of April 2017 has been received from the management department of GoodPeople. It included the following details of each single purchase that was done by clients of Avenida:

- Order Creation Date
- Payment Date
- Payment Status
- Shipment Status
- Order ID
- Order Total
- Suborder ID
- Sold by
- Fulfilled by
- Customer Name
- Customer E-Mail Address
- Customer DNI
- Product Title
- Product Variant
- GP SKU
- External SKU
- Category Path
- Quantity
- Product Price
- Sales Price
- Coupon/Discount
- Paid Shipping Price
- Subsidized Shipping
- Price x Quantity
- Price x Quantity sin IVA
- Shipping Address
- Commission
- Full Name Customer

The total amount of sold units as well as the products sold times their prices of the sub categories of the sections "Home" and "Electronics" have been calculated and were divided by the first four months of 2017 to get an overview of the in- or decreases and for being able to calculate the forecast. Several PivotTables have been created by means of Microsoft Excel (See appendix 10) and the following tables could be developed:

Table 4: Avenida Sold Units January - April 2017

Avenida Sold Units January - April 2017

	Item	January	February	March	April
Electronics	Cameras	11	4	6	10
	Cellphones	82	100	84	39
	Computer	220	181	220	130
	Games consoles/Video games	12	16	7	13
	TV's	64	94	74	77
	Total divided by months	389	395	391	269
	Total				1444
Home	Bath	18	7	45	67
	Kitchen	46	77	240	319
	Decoration	4	1	17	13
	Bedroom	8	22	122	292
	Tools	49	22	6	7
	Illumination	0	1	11	6
	Garden/Outdoor	13	2	1	1
	Furniture	0	0	13	257
	Cleaning	0	0	0	3
	Security	0	0	1	2
	Total divided by months	138	132	456	967
	Total		1693		

Table 4: Avenida Sold Units January - April 2017

Table 5: Avenida Sales Figures January - April 2017

Avenida Sales Figures January - April 2017

	Item	January	February	March	April
Electronics	Cameras	19581	2742	23137	37311
	Cellphones	130102	75082	83533	55971
	Computer	211199	250894	331064	446741
	Games consoles/Video games	9647	11100	4676	39067
	TV's	134950	203757	127423	97611
	Total divided by months	505479	543575	569832	676701
	Total	2295587			
Home	Bath	8068	3570	27596	35475
	Kitchen	40366	30299	120195	267862
	Decoration	320	95	4663	7029
	Bedroom	6306	129720	435910	577673
	Tools	46359	13900	6312	6473
	Illumination	0	444	19649	7798
	Garden/Outdoor	20400	3000	1500	319
	Furniture	0	0	89537	667198
	Cleaning	0	0	0	3857
	Security	0	0	2699	5398
	Total divided by months	121818	181027	708060	1579082
	Total	2589988			

A graphical depiction of the total sales figures of the product groups 'Electronics' and 'Home' can be seen in appendix 11 as well as the corresponding graphs of each single item of the categories.

The Microsoft Excel forecast function has been used in order to show future sales figures of each product group of the categories "Home" and "Electronics". It has been decided to calculate all figures until December 2017 as GoodPeople aims to raise its sales figures by then. The increase or decrease of sales is represented in monthly steps.

4.2.1.1. Electronics

Considering the graphs that occurred from the pivot tables, only increasing or decreasing sales figures can be seen. A fluctuating course does not exist in any of the charts.

According to the forecast sales, the revenues of the product group "Electronics" will most likely almost double by the end of 2017. The same will happen with the sales figures of the cameras that Avenida offers. In April 2017, a revenue of almost AR$ 40,000 could be reached and this will increase to approximately AR$ 77,000 until December 2017. In contrast, the sales quantity of the cellphones seems to decrease. Between the 25th of June and 23rd of July, Avenida will stop to generate any turnover with cellphones. The great variety of computers that the platform offers will probably become more and more popular during the year. The sales of that category are already the highest and will more than double until the end of 2017 with an amount of approximately AR$ 1,198,000 of turnover.

Also the revenues of games consoles will almost triple within 8 months, even though the total sales will only increase up to AR\$ 111,000. The demand of the TV's offered will decrease like the one of the cellphones. Within 8 months, the sales will most likely shrink from AR\$ 97,000 to AR\$ 13,000 and will probably reach the zero-point in 2018.

Especially the categories Cellphones and TV'S show striking and negative results whereas computer items seem to have potential to become even more successful.

4.2.1.2.   Home

The sales of each product of the category "Home" seem to increase likewise. The total revenue amounted to AR\$ 1,579,000 in April 2017 and will most likely increase to AR\$ 11,423,000 by the end of the same year. This means the turnover of the product group "Home" has multiplied tenfold. Specific products promote contribute to the increased revenues whereas the sales of some will shrink immensely in the future. Bathroom equipment as well as kitchen accessories will become more popular and its sales figures will more than triple from April to December 2017. In addition, the demand for decoration articles will increase, even though not a single item was sold in the first two months of the year 2017. The revenues of decoration items will triple while the sales of bedroom articles will quadruple. Currently, in April 2017, one third of the total revenues of the category "Home" was generated by the sales of bedroom items. Therefore, bedroom articles are the most demanded by the customers of Avenida regarding products for their home. In contrary, tools will probably not generate a turnover anymore as the line in the diagram reaches the zero-point somewhere in May 2017. The state of Garden and Outdoor products looks even worse. An ongoing loss can be seen in each month. Furthermore, the demand for illumination articles will increase strongly with a sixfold increase in revenues within 8 months and also the sales figures of furniture offered by Avenida will quadruple until December. Even though it seems like the sales of cleaning and security articles increase only slightly and do not contribute to the turnover of Avenida in particular, the figures will triple and quadruple until the end of 2017.

To sum up, drastically decreasing sales figures can be observed in the product categories "Tools" and "Garden-Outdoor" whilst the demand for bedroom articles will increase immensely throughout the year 2017.

4.2.2.   Sales Correlations

The *correlation-matrix*-function in Microsoft Excel served as a basis for calculating any correlations between the sold units of the different product groups that are visible in the table above. The following table arose:

Table 6: Correlation Matrix 'Electronics' and „Home'

	Bath	Kitchen	Decoration	Bedroom	Tools	Illumination	Garden/Outdoor	Furniture	Cleaning	Security	Cameras	Cellphones	Computers	Game consoles	TV's
Bath	1														
Kitchen	0,96117524	1													
Decoration	0,84829253	0,85812025	1												
Bedroom	0,95505256	0,95162119	0,69225019	1											
Tools	-0,67735355	-0,85339345	-0,71820672	-0,72032804	1										
Illumination	0,69935866	0,78726149	0,95183679	0,56190668	-0,81382807	1									
Garden/Outdoor	-0,46801344	-0,69263775	-0,4917303	-0,57649124	0,95733807	-0,646444979	1								
Furniture	0,83370936	0,78870677	0,42149207	0,93934156	-0,49856322	0,244491377	-0,395154799	1							
Cleaning	0,80721299	0,75836654	0,37777778	0,92175541	-0,46550436	0,197385508	-0,370221652	0,99882553	1						
Security	0,98147891	0,97744194	0,77754686	0,99199672	-0,74666957	0,652847726	-0,580025856	0,89322199	0,87038828	1					
Cameras	0,38884622	0,12249178	0,1177011	0,29824493	0,41260506	-0,189178854	0,607662665	0,44308746	0,45398995	0,28977485	1				
Cellphones	-0,88615456	-0,77554863	-0,52050447	-0,91319319	0,37571475	-0,288562582	0,202349854	-0,95621501	-0,95120809	-0,89015332	-0,64824141	1			
Computers	-0,54442126	-0,5816429	-0,08359821	-0,76506045	0,47579061	0,002313235	0,507635704	-0,8908928	-0,90239194	-0,67934713	-0,13301197	0,72608806	1		
Game consoles	-0,4281798	-0,39103292	-0,80772286	-0,1565204	0,28881188	-0,791302442	0,060889784	0,13523454	0,17817416	-0,27914526	-0,10785237	0,0648349	-0,513670133	1	
TV's	-0,28084441	-0,03674562	-0,33760989	-0,04225673	-0,40252339	-0,108135013	-0,649559885	-0,02250186	-0,01336187	-0,10467013	-0,81488672	0,31297107	-0,395083551	0,592804216	1

It becomes visible, that there are several correlations between the different product groups. Some figures almost reach an amount of one or minus one which represents a very strong correlation. The figures marked in green show a positive correlation meaning that the increase of a product group A also leads to an increase of a product group B. The boxes marked in red represent negative correlations which means that a decline in sold units of a specific product leads to an increase in sold units of another product.

A strong negative correlation between cellphones and bedroom articles as well as furniture and cleaning items can be observed. Sales figures of Camera's tend to increase when the ones of TV's decrease and vice versa. The number of purchased computer also increases when the number of cellphones decreases.

In addition, several strong correlations can be observed when looking for instance at bedroom and bath and kitchen articles or also security and bath and kitchen goods. Further striking results are marked in green in red in the above added table.

5. Discussion

5.1. Customer Service

The second sub-question deals with current trends in eCommerce which could also be investigated by the theoretical framework. Amongst others, future customers will become more demanding and will therefore require an excellent customer service. That GoodPeople lack in this point has also been proven by the conducted customer satisfaction survey. The current customer service of Avenida is insufficient and clients wait way too long for a response. This causes a feeling of indifference and does not lead to problem solutions.

The survey revealed that only 76 % of all respondents are satisfied with the existing customer service channels and 23 % consider the responses of the customer service not to be fast enough. A major problem is, that phone calls are not picked up and e-mails are ignored or answered weeks after they have been received. This leads to anger and customers switch to the competition. GoodPeople needs to pay more attention to complaints and find appropriate solutions for every single complaint that the company receives. By doing so, customers feel perceived and will be more satisfied. Furthermore, the customer service should be reachable daily and replies should not take longer than 24 hours. The task of receiving any requests, questions or complaints as well as answering them should be assigned to a certain number of customer service employees. It has been showed that the P's of the 7 P's marketing model, in this case the personal, as well as the consumers of the 4 C's model greatly influence the satisfaction of customers and are vital for any eCommerce business.

5.2. Delivery Time

Furthermore, an upcoming trend will be the shortage of the distances between supplier and client which is also important for the Argentinean eCommerce business. This would simultaneously lead to a shorter delivery time and less shipping costs. Customers have been complaining a lot about the time between their order and the point of time when they finally receive their products. By investing time and money in shortening the delivery time for customers, GoodPeople has the opportunity to save on environmental costs and promote a sustainable business. This would add a value to the company and additional customers can be acquired. Since the sustainable aspect will become more and more important in the future, the whole supply chain of Avenida has to be adjusted to this condition, which is currently not the case.

Also the survey proved the dissatisfaction with the delivery time. Many participants also requested pick-up branches in order to avoid the long delivery time and make sure the placed order reaches them. The component 'Place' appears at this point and GoodPeople could consider build up some physical facilities in the future, depending on its budget. Not only the branches itself are costly, also additional employees have to be hired and logistics processes have to be re-planned. This would exceed the budget that GoodPeople can spend for any marketing measures in the year 2017. Nevertheless, branches can be a future option when the company has been able to generate profit.

5.3. Omni-channel Approach

At the moment, orders can only be placed via the platform's website which includes an online shop. The web page can be accessed via internet browser. GoodPeople does therefore not make use of a mobile strategy and does not follow an Omni-channel approach. Especially younger generations are using their mobile devices for many hours per day and constantly use the world wide web. Therefore, an app represents a great opportunity to reach and influence people. An application is a comfortable way to do a purchase online and preferred by many people since the fast paced lifestyle does not provide much spare time.

5.4. Payment Options

Moreover, the offered payment options can be optimized in order to provide customers with more benefits. The more comfortable the payment for a client is, the more attractive an online retailer will be for that person. At the moment, Avenida gives consumers the opportunity to pay only by credit card. The survey uncovered the request for further payment options such as debit card, interest-free installments and "Todo-Pago". More ways to pay improve the shoppers experience and increase sales likewise. As already mentioned above, "Todo-Pago is a payment platform that is comparable with Paypal which is more common in Europe and that gives buyers the opportunity to pay their online purchases by a variety of credit and debit cards and offers instalment payment (Todo Pago, 2017).

5.5. Social Ecommerce

In fact, as already mentioned in the theoretical framework, social eCommerce will become more crucial for online businesses. Currently, Avenida is present on several social networks such as Facebook and Instagram, however, the company shows little activity, once a week at most. In contrast to many other promotion and advertising opportunities, social media accounts are for free and can reach a broad customer group. Moreover, they are the most successful communication channels and ways to enter a company.

Social networks provide an excellent opportunity for rich content. Videos, blog posts or quotes make customers aware of a possible solution that they face and should primarily educate potential buyers. Rich content will give customers the feeling that there is knowledge about the products and the industry a firm is settled in.

5.6. SEO

Besides social networks, search engines are a popular way to enter the online marketplace. The ranking of Avenida in search engines such as Google can be optimized in order to reach potential customers that will eventually take a purchase decision. SEM seemed to work in the past and provides a lot of potential to reach further consumers.

5.7. Product Information

The company further lacks in publishing appropriate product information. Many clients complained about missing sizes, colors or technical information. In addition, the platform sometimes gives wrong information and customers are disappointed when they receive their orders. Therefore, wrong information have to be avoided and product descriptions have to be complete and detailed to satisfy more customers and guarantee a repeat purchase.

5.8. Stock Counts

The same issue that happened with the product information appeared regarding the stock indications. Customers were called and informed about missing stock even though the system showed a sufficient number of items. It is assumed that there is an error in the system or employees do not clearly indicate the exact amount of the stock that the company has available.

5.9. Sales Forecast

The results achieved by means of the sales forecast are of great importance to schedule promotions for certain products and product groups in the future, especially when sales will most likely decrease. It further helps to determine possible complementary products that could be implemented when sales figures are about to increase. This would most ideally lead to additional sales figures and revenues. Furthermore, seasonal fluctuations will be taken into consideration. Especially during those times, an investment in seasonal salespeople might be adventurous.

To sum up, accurate sales forecasting helps to run the whole business of GoodPeople more efficiently, plan processes smarter, save money, increase profit and serve the customer in the best way.

Considering the actual outcome, it becomes clear that certain products will need additional promotion campaigns in the upcoming months whereas others represent a good opportunity to implement complementary products. The sales of four product groups tend to decrease in the near future. It is suggested to promote articles of the categories cellphones, TV's, tools as well as garden-outdoor. The demand for the mentioned product-categories can be increased by making them more attractive for consumers for instances by reducing their prices or using content marketing that point out the advantages of the specific products. Videos or blog posts with rich content cannot only further satisfy the customers that are visiting the website or social network accounts of Avenida, it can also contribute to the SEO. The right choice of keywords make the website appear higher in rankings on search engines and the higher the ranking the more website visitors and potential purchase decisions are taken. Moreover, the different articles should appear more often on the website of Avenida as well as in social network accounts to create an imagine in the head of potential customers. Marketing campaigns should be planned and executed for each product category that shows an immense decrease in sales in the future. Campaigns are ways to promote products in different media and get the attention of potential customers. According to the conducted survey, the prices of items such as cellphones or TV's are not a major reason for decreasing product demand. Also the 'Place', one of the components of the 4 P's of marketing, is the same as for all the other products that Avenida sells. Therefore, GoodPeople should concentrate on promoting the categories that are tend to be unsuccessful in the future and investigate the specific products that are offered to find out if the assortment might be unsuitable for the customer group. All other components that are part of marketing models and can influence the success such as costs or personal, are equal to products that are sold successfully.

Since the sales figures of tools and garden and outdoor products almost reach or already reach the zero point in case of garden and outdoor articles, it is suggested entirely eliminating those 'poor dogs' from the product portfolio. Instead of revenue and profit, those products cause avoidable expenses for the eCommerce business.

In contrast to the four product groups just mentioned, computers and bedroom articles seem to become more and more successful until the end of 2017. In order to further push the sales of those products and make use of its popularity, GoodPeople could think about offering complementary products. While consumers look for a specific item of one of the product groups, they can easily become influenced and buy another product even though they did not plan it. This would further lead to an increase in the company's sales figures. Moreover, promotions and special discounts sent to costumers by e-mail or published in social media might also further push the already high sales volume.

In addition, GoodPeople will be able to plan when and how much their suppliers will have to provide for its customers in the upcoming months. The issue of missing stock can be avoided by paying attention to the forecast and informing supplier about an approximate amount of goods that is needed. Since some customers complained about missing stock or wrong indications about it, GoodPeople would be able to better plan the amount that its customers are possibly going to purchase. Considering computers and bedroom articles, the eCommerce firm can look for suppliers with the best conditions and prices already in advance as the company knows about the high demand and could reduce expenses that will come along with it.

Moreover, trends can be identified and a rough ROI can be calculated. As GoodPeople plans to re-invest all the profit that it is able to make within 2017, this will be of great importance for the firm.

5.10. Correlations

Some striking results could be achieved through the correlation matrix. The positive correlations can help GoodPeople to have certain products available when the company notices that there is strong demand for a product A that influences a product B. Moreover, the company can make use of that knowledge by implementing a specific button on their website that uses the principle "Customers who bought this product also bought…". One correlation showed that the sold units of tools increase when the garden and outdoor articles are being purchased a lot. A logical explanation might be that tools are used amongst others in order to take care of the garden or to repair for instance furniture that is placed outside. The mentioned button might push customers to take another purchase decision.

5.11. Infographic

Lastly, it can be made use of the customer survey which was a great success. The e-mail text that was created to encourage consumers to answer the customer satisfaction survey looked as follows:

Figure 3: E-mail Text Customer Satisfaction Survey

The huge success was caused by several factors such as the discount coupon offered for every customer who applied to the survey and is marked in bold in the e-mail above. According to Pablo Orlando, 184 persons eventually made use of the coupon of AR$ 400. Furthermore, the direct approach of the customers influenced their decision to take the survey in a positive way. Many clients can better identify themselves with the company and feel involved. The rhetorical question "Are you ready to start?" (Spanish: ¿Estás listo para empezar?) supports this feeling.

Moreover, the survey was clearly formulated and did not include long text sections but only short questions. The rating scales were used as a tool to make answering the survey faster and easier. The questionnaire was sent out on Thursday afternoon in order to reach as many customers as possible due to the fact that most people are more willing to take such a questionnaire when the weekend is coming soon and the working week is almost over. In the late afternoon of the following day, the 500 responses mark could be cracked.

The positive outcome of the questionnaire can serve as a basis for so-called Infographics. Those specific graphics contain statistical data and are often used as a tool to convince potential customers of the services and products of a company. Since the survey revealed that the overall satisfaction and also the satisfaction with many other components such as price or payment process are high, the results should be published to give consumers an idea of the ranking of the company in the industry.

6. Limitations

Several limitations that occurred during the execution of the research project and possibly influences the outcome of the research will be mentioned in this section.

Even though GoodPeople is aware of the main competitors of Avenida, the firm never investigated specific threats or strengths in detail. Due to the small period of time that was given for the research project, it could not be dealt with this issue but will be recommended for future research.

While data mining was conducted, several limitations have been discovered. Normally, a sales forecast is conducted by looking at units that were sold in the past months or years and also include the prices and costs of each single units. This method applies especially to retailers that are somewhere located with a physical building and sell directly to customers. Ultimately the units sold are multiplied times the average cost per unit. This makes the cost of sales visible. In case of GoodPeople, the costs of each single unit is impossible to calculate, as the company does not buy the products from manufacturer, wholesaler or retailer. The firm only receives a certain commission for all sold items. The commission amounts to 30 % in average for every product sold which led to the decision to ignore it in this case, to save time. Therefore, the sales numbers are not what the company receives in the end. However, a forecast could be given by considering only the revenue that is made.

Moreover, industry-wide comparisons as well as economic trends should be investigated before conducting sales forecasting in order to reach a more reliable result. Due to the lack of time, those factors could not be considered and included. Additional aspects that are crucial for an accurate forecasting are also the average number of website visitors, marketing measures and for instance all direct costs that the company has.

7. Conclusion

To sum up, several issues that hinder GoodPeople from generating more revenues and profit with its online platform Avenida could be discovered.

One of the company's future priorities will be the extension of its client base and to further differentiate from its competition on the Argentinean market. Fortunately, GoodPeople was able to generate profit within its 8 years of existence and therefore does not depend on little seed capital anymore. Also a good team of engaged employees could be hired over the years. As an internet start-up, special attention is paid to the online presence of the firm and an IT department has been implemented right after the foundation. Therefore, major characteristics and problems GoodPeople has to face as an internet start-up are definitely missing market share of Avenida and a client base that is still too small to generate profit that will not be reinvested in the firm.

To keep up with the competition, GoodPeople should follow certain trends. The results showed that the company does follow some, however it does not really focus on a good execution. It has been stated that the firm does not pay enough attention to its customer service which will become even more important for global eCommerce businesses in the future. Consumers often do not have the opportunity to become aware of the status of their order and also complaints are ignored. Moreover, an improvement in customer service leads in most cases to success. An American express survey from 2011 revealed that 70 percent of customers are willing to pay more on average for an excellent customer service and Sage, a software for business in the United Kingdom publishes a number of even 86 % (Williams, 2012). 40 % of all customers on average will indeed decide to spend 13 % more when they are satisfied with the customer service (Cockburn, 2014). Therefore, an improvement in customer service provides a good opportunity to increase the sales.

An estimation of a sales increase for Avenida through an improved customer service looks as follows:

Number of customers x 40 % = Customers who are willing to pay more
6,220 x 40 % = 2,488

Average amount spend per purchase x 13 % = additional amount spent per customer
AR$ 1,136 x 13 % = AR$ 148

Customers who are willing to pay more x additional amount spent per customer = additional turnover in 4 months
2488 x AR$ 148 = AR$ 368,224

Therefore, GoodPeople can earn about USD 22,320 more in 4 months which amounts to USD 33,480 until the end of 2017.

Moreover, the distances between supplier and end consumer are too long at the moment. This was confirmed by the outcome of the survey which uncovered dissatisfaction with the delivery time. In addition, the idea of a sustainable operating business should be considered for the future. This issue has to be further investigated in the future to find out about the sources of the problem. Furthermore, GoodPeople lack in following an Omni-channel approach for Avenida or at least a mobile strategy by creating an application for mobile devices. The payment options offered are very limited and payment processors such as PayPal could not be implemented yet. Avenida does not follow the trend of social eCommerce either. Social network accounts have been created, but are not actively used. All in all, GoodPeople focuses only on a few trends but has the potential to follow many more and become more competitive.

The answer to the third sub-question is that the overall satisfaction with the products and services of Avenida is quite high, however, several operations provide room for improvement. As already mentioned in the former paragraph, more activity in social networks is requested which can easily be solved by improving the content in those accounts. According to a survey that was executed by the Inbound marketing agency inBlurbs, content marketing can lead to an increase in turnover of up to 40 % in one year if it is executed correctly and successful. Indeed, it improves many more factors simultaneously such as the web traffic, the SEO ranking or the sales lead quality (Mestrovic, 2012). Moreover, the ranking of the selling platforms website in search engines can be further improved. By taking only half of the percentage of the above mentioned assumptions into consideration to make the result more realistic, the calculation for Avenida looks as follows:

(USD 750,000 x 6) x 20 % = USD 900,000

An additional amount of USD 900,000 can be achieved until the end of 2017.

According to the *ecommerce magazine*, it is possible to increase the turnover of a company by approximately 20 % to 25 % within the first month when conducting SEM (ecommerce magazin, 2011). In addition, SEM causes an increase in the average time that a visitor spends on a website. It is assumed that after 3 months, a revenue increase of approxiamety 45 % can be expected and even more than 100 % after half a year (Worldsites, 2011) (See table below).

Time period	Increase in turnover
1 month	20 % - 25 %
3 months	40 % - 45 %
6 months	100 %

Before the SEO, it is important to implement *Google Analytics* to be aware of the conversion rates, Old campaigns have to be checked and which keywords cause most orders. The controlling tool also helps to find out how much more turnover was generated through selected campaigns. It is stated that the costs for SEO equal almost zero as those kind of marketing campaigns are successful in most cases (Steimle, 2013). An additional usability check can further determine how user-friendly the website of Avenida is and where improvements are useful. However, the conducted questionnaire already identified where the operations of the firm lack.

According to the table above, results that occur from SEO can be seen already after one month but increase immensely the more time passes. By the end of 2017, Avenida could increase its turnover by impressive 100 % or more considering a best case scenario. However, as the best case scenario occurs rarely, the increase in turnover has been calculated with half of the percentage to make the end result more probable. The calculation looks as follows:

Current turnover x 100 % = Expected turnover

As the company had a turnover of approximately USD 3,000,000 in the first quarter of 2017 and therefore an average turnover of USD 750,000 per months, the following result can be achieved:

(USD 750,000 x 6) x 50 % = USD 2,250,000

Since GoodPeople has a strict marketing budget and would like to be aware of the results of its marketing campaigns, project-based SEO services are considered to be most appropriate for the company. Moreover, this form of a SEO campaign is the most common one in all around the world.

According to a survey conducted by Moz, a SEO consulting company, the average costs of project-based SEO services are between $1,000 and $7,500 (Steimle, 2013). The price strongly depends on factors such as the size of the target market, the size of the SEO consulting firm or the project length.

Another issue are insufficient product descriptions that are published in the online shop. They have to be more detailed and provide customer with all necessary technical information such as weight and size of products.
In addition, customers complain about the time between their order and the arrival of the products. This point corresponds with the upcoming trend of shortening the distance between supplier and consumer. The pick-up branches that were eliminated when GoodPeople acquired the platform are being missed by many clients and led to dissatisfaction as already mentioned above. Finally, more payment options have been demanded for instance interest-free installments or "Todo-Pago". Nevertheless, most of the consumers are satisfied with the product quality and price as well as the payment process and website design.

The data mining uncovered several product groups that are threatened by decreasing demand and simultaneously shrinking sales figures. Cellphones, TV's, tools and garden and outdoor articles have either be removed from the product portfolio or specifically promoted. Computers and any bedroom products will be even more requested and sales should be supported by implementing complementary products. Moreover, GoodPeople is able to better plan the stock that is needed and can therefore avoid any stock discrepancies.

At the moment, GoodPeople focuses on the component price and product of the 4 P's of marketing model by McCarthy. The company tries to provide consumers with a great variety of products that are available for competitive prices. The place of the business is more or less predetermined as an eCommerce company. Nevertheless, customers request pick-up branches that would facilitate the delivery process for many of them. The products of Avenida are offered at the right place and time in general but the distribution could obviously be optimized. Moreover, GoodPeople does not put enough effort in investing in appropriate promotion and advertising campaigns. Modern marketing approaches that can be found in the theoretical framework are barely followed or rather not executed with care. Affiliation and influencer marketing are options that are too expensive for the platform at the moment, according to Daniel Jejcic (Jejcic, 2017).

Table 7: Estimated Sales Increase of Avenida in 2017

Measure	Additional turnover
Customer Service (Payment option, Application, LiveChat)	USD 33,480
Content Marketing	USD 900,000 (20%)
SEO	USD 2,250,000 (50%)
Total	**USD 3,183,480**

The calculated results can be much lower or also higher depending on many factors such as the time invested, the contractor or upcoming trends. In addition, several measures such as the improvement of social media marketing are not included as it is almost impossible to calculate such a success. However, calculating with an estimated turnover of USD 9,000,000 for the year 2017, an approximate amount of **USD 12,183,480** can be achieved by making use of the recommended marketing mix.

The optimal marketing mix for Avenida is a mix that includes components of all three models explained in the theoretical framework but also modern approaches. Especially digital but less traditional marketing is seen as an appropriate part for the new marketing mix of Avenida.

Considering the 4 P's of marketing, the product arrangement as well as the price of the products were chosen wisely and most customers are satisfied with these components. The right product mix has to be chosen with the help of sales forecasts or correlations between different goods. The distribution of the articles of Avenida can be improved by including pick-up branches. However, this is an option that can be taken into consideration in the future as it is very cost-intensive. The company did not pay much attention to the term promotion yet. This will change when they start to promote products in the social networks or conduct affiliate marketing even though this can also be an option for the future as it is quite expensive for a company with a tight marketing budget. The 7 P's model includes the production process and physical facilities which do not really apply to GoodPeople as an eCommerce business. Nevertheless, the factor personal needs improvement which is aimed to be solved by paying more attention to the customer service.

Considering the 4 C's model, GoodPeople needs to focus on consumers and communication. But it will be recommended to focus especially on the modern approaches such as Content marketing, social-media marketing or SEM. This will automatically improve customer satisfaction. By improving and implementing all above mentioned marketing strategy elements, the sales figures of the online platform Avenida are likely to increase and the marketplace might be able to generate a turnover of USD 10 million by the end of 2017. The results also depend on the expenses that GoodPeople will have for the new marketing mix.

However, it will be a real challenge for GoodPeople to reach a turnover of USD 10,000,000 by the end of 2017. Especially measures such as SEO or content marketing influence each other and take time to be implemented and to show results in particular. Nevertheless, if GoodPeople will put a lot of effort and concentrate on the above mentioned marketing measures, it is possible to reach the set target.

8. Recommendations

One of the major problems that GoodPeople faces is an insufficient customer service. In order to improve this aspect, the company should be available at least on normal working days (Monday to Friday) via telephone and e-mail. It is suggested assigning the task of answering any customer messages to a particular number of employees who work in the customer service department. Customers requested an online chat which is recommended in order to make the service provision more comfortable for both parties. According to *capterra*, a business software publisher, LiveChat Inc. is a commonly used online live chat solution for small businesses. For only USD 16 per month per user, customers are kept satisfies and the number of leads can be increased. Moreover, the quality of the delivered service can be rated by clients and therefore, GoodPeople can continuously improve its customer service (Capterra, 2017).

It is also highly recommended to investigate the issue of the delivery time that takes way too long. Contracts with local manufacturers or a faster and better communication between the merchants and GoodPeople might fasten the whole delivery process provided that the problem is caused by one of those parties. It is supposed that switching to local manufacturers can be the beginning of a sustainable business. This can further be extended by looking for suppliers that offer products made out of sustainable material and who make use of environmental friendly production processes. In this way, GoodPeople can label some of its products with certificates such as "organic" and create an added value for all shareholders and communicate it to those.

Moreover, a mobile strategy should be taken into consideration. An application comes along with many advantages for the company itself and its customers. For clients it is easier to shop online and they can place an order at any time and place. The costs for an application vary greatly depending on many factors such as design, operating system or external database connection. A basic app costs between USD 3,000 and USD 8,000 according to the application development website App 3.0. Since GoodPeople has its own Graphic designer and IT department, the company might be able to develop the design of the app by itself and take over the processing which will further save expenses (App 3.0, 2014).

Customers further requested additional payment options such as debit cards, instalments or "Todo-Pago". Since Todo-Pago is a common way of paying for online purchases in Argentina, it is recommended to implement this payment platform. As a seller, the company has to pay a certain percentage of each purchase paid with "Todo-Pago" to the payment platform. Rates are mentioned in appendix 12 (Todo-Pago, 2017).

Moreover, it is suggested paying more attention to social media networks. Since they are already one of the most successful communication channels for Avenida, activities can be extended to reach even more customers. Many activities such as posts are for free and therefore a low-priced possibility to reach the target group. Promotions, discounts or leading potential customers to the online shop are easy ways to attract customers. Provide consumers with rich content is not only suitable for social media but also for the company's website itself. It is highly recommended to show expertise by using measures such as blog posts or videos about for instance product innovations or comparisons. Especially the products that will decrease in demand have to be promoted by content marketing. Moreover, it is crucial to keep posting things regularly. Here, valuable information about products or the company are preferred instead of publishing discount coupons daily.

A Search Engine Optimization can improve the ranking of the website in search engines such as Google and Bing. As it has been stated that many customers enter the online shop via search engines, a higher ranking can make potential customers choose Avenida over its competitors.

Regarding product information and technical data, it is suggested to take a company that provides data sheets for eCommerce businesses into consideration. *Icecat* is an international provider that commands a great variety of data sheets of all kinds of products. Some sheets are even for free and human errors that arise when typing in the product information manually, can be avoided (icecat, 2017).

In order to further push the sales figures of Avenida, the company can make use of the great demand for computers and bedroom articles. Complementary products such as keyboards and hard disks or product packages such as a blanket and a pillow can influence customers to take an additional purchase decision even though they did not plan to buy any other products.

Since the customer satisfaction survey was very successful and showed mostly positive results, so-called infographics can spread the results and make customers aware of the high satisfaction level and the good reputation of the company. The infographics can easily be created by the graphic designers of the company and are therefore a cost-effective promotion measure.

9. Further Research

In order to achieve more accurate results, the two missing sub-questions can be answered. Interviews with the CEO's of the company can provide information about resources that the firm possesses as well as possible lacks. The received information can be presented in a SWOT analysis which will point out possible consequences of the company's characteristics for the adjustment of the marketing strategy. Moreover, an in-depth analysis of the main competitors of Avenida such as Falabella, Garbarino, Fravega and MercadoLibre will make competitive advantages and disadvantages visible. This might further influence the direction that GoodPeople will chose for its future marketing mix. Models such as Porter's 5 forces, SWOT or the segmentation, targeting and positioning model are helpful to make the competitor analysis look structured and clear to the reader of the research project.

As already mentioned in the chapter 'Methods', it has been concentrated on only two product categories of Avenida – 'Electronics' and 'Home', when conducting the data mining. Regarding further research, all product groups can be taken into account in order to achieve additional sales figures and further increase the ROI. This might also uncover further reasons for the current stagnation of the sales figures of Avenida. It is assumed that further correlations will arise when taking all kinds of different products into consideration. Explanations and logical assumptions might appear for certain correlations and those can then influence the choice of the product mix. It can also be investigated if the purchase of a product A that leads to the purchase of a product B is done by the same customer.

In addition, it can be investigated why the demand for cellphones, TV's, tools and garden and outdoor articles is so poor. Another questionnaire that includes questions about those specific products might work to find out why people choose not to take a purchase decision.

Furthermore, the issue of the delivery time can be considered in more detail. At the moment, it is not clear which party of the supply chain is responsible for the time it takes to deliver the ordered product from the manufacturer to the end consumer. Interviews with all involved persons or also observations might uncover if there is a communication problem or if one unit does not attach importance to a fast delivery.

Finally, also the stock discrepancies could be investigated. Since the company suffered from frequently occurred stock errors,

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Appendices

Appendix 1: Corporate Structure GoodPeople

Appendix 2: Organizational Structure of GoodPeople
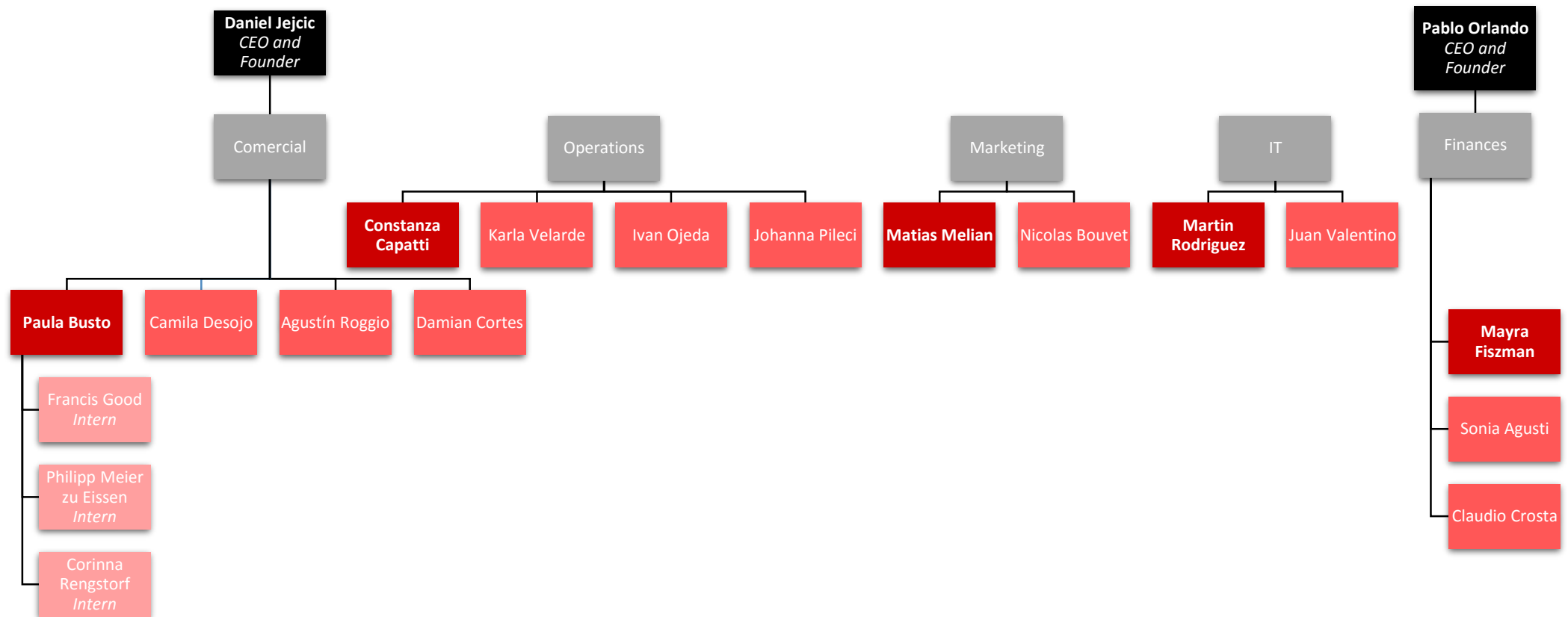
Appendix 3: Average Consumer Price Inflation 2009-2020

International Monetary Fund (IMF) Forecast

Average Consumer Price Inflation (% Change)
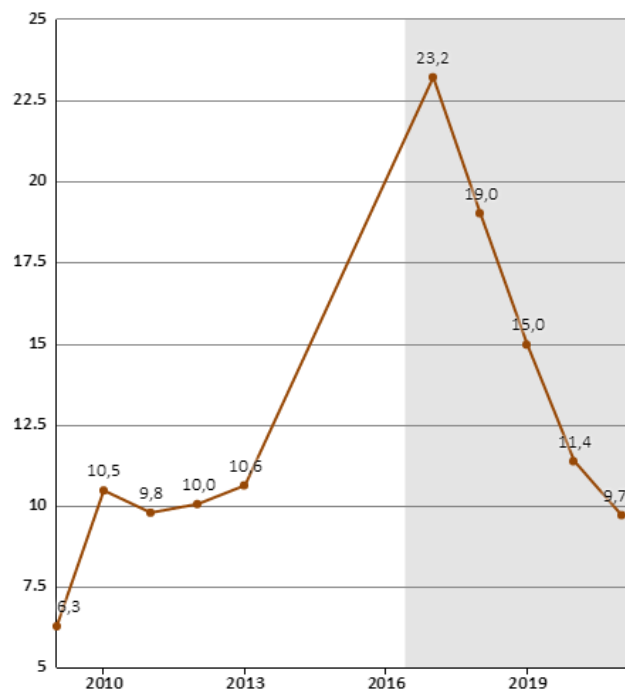
Appendix 4: Fluctuations of the ARS compared to the USD

Appendix 5: Supply Chain Avenida

Appendix 6: Annual Turnover of Avenida 2014-2017

Investors
- IRSA
- Globant.com
- Despegar founders

GoodPeople
- Pablo Orlando
- Daniel Jejcic
- 18 employees

Avenida
- Suppliers (more than 300 brands)

Shipping company
- ShipNow
- OCA
- Etrans
- Motonorte

Customer
- In the Argentinean market

Annual Turnover Avenida

Turnover (in million USD) — Year

*= projection
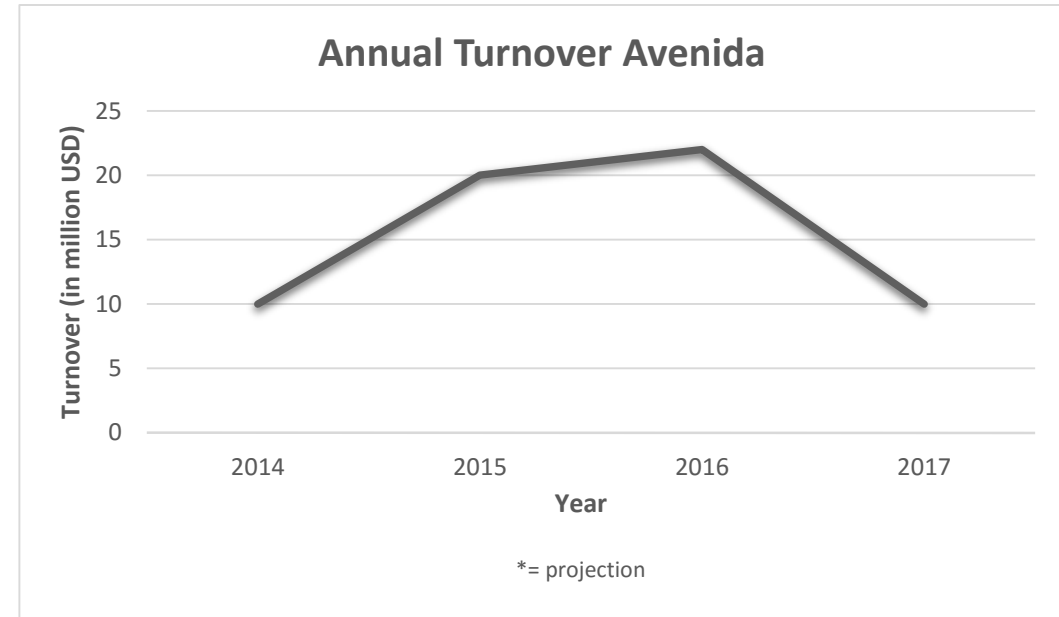
Este typeform está en modo Privado y sólo tú puedes acceder a él.

¡Muchas gracias por ayudarnos a mejorar!

Como te indicamos anteriormente esta encuesta es totalmente confidencial y anónima, todo que completes será resguardado y utilizado solo con el fin de optimizar nuestra calidad de servicio. Si hay algún comentario que quieras hacer además de las preguntas que tenemos, por favor no dudes en agregarlo, tu opinión es lo más importante para nosotros!

Para ingresar a la encuesta presioná siguiente

Siguiente   presionar ENTER

1 → **Sección 1 | Datos Personales**

a. ¿Cuántos años tenés? *

A 18-25
B 26-35
C 36-45
D +45 años

b. ¿Cual es tu género? *

2 → **Sección 2 | Tu compra**

Seleccioná la opción correspondiente (Podés seleccionar más de una).

a. Conocí Avenida.com a traves de: *

a. Conocí Avenida.com a traves de: *

Se pueden seleccionar varias opciones

A Televisión, Radio, Anuncios
B Familiares, Amigos, Algún Conocido
C Buscadores
D Redes Sociales
E Otros

b. He comprado algún producto(s) de las siguientes categorías *

Se pueden seleccionar varias opciones

2 → Sección 2 | Tu compra...

b. He comprado algún producto(s) de las siguientes categorías *

Se pueden seleccionar varias opciones

A Hogar
B Tecnología
C Bebes
D Moda

Otro

2 → Sección 2 | Tu compra...

c. Cómo te sentís con esta afirmación?
En general estoy muy satisfecho con el funcionamiento de Avenida. *

A Totalmente en desacuerdo
B Un poco en desacuerdo
C Ni de acuerdo, ni en desacuerdo
D Un poco de acuerdo
E Totalmente de acuerdo

1 → Sección 3 | Evaluación
¿Qué tan satisfecho estás?...

3 → **Sección 3 | Evaluación**
¿Qué tan satisfecho estás?...

a. ... con la calidad del/los producto(s) que compraste. *

1	2	3	4	5

Muy insatisfecho   Muy satisfecho

b. En caso de que no estés satisfecho, contanos ¿Cuál fue el inconveniente que tuviste?

3 → **Sección 3 | Evaluación...**

c. Cómo te sentís con la cantidad de canales de contacto que tenemos?
(Telefono, correo electronico, redes sociales) *

1	2	3	4	5

Muy insatisfecho   Muy satisfecho

d. ¿Qué otros medios de contacto pensás que deberíamos tener?

e. ¿Qué tan satisfecho estás con la rapidez de nuestro servicio al cliente? *

1	2	3	4	5

Muy insatisfecho   Muy satisfecho

f. ¿Qué tiempo de respuesta crees que sería aceptable?

3 → **Sección 3 | Evaluación...**

g. ¿Cómo te sentís con el precio de los productos que compraste? *

1	2	3	4	5

Muy insatisfecho   Muy satisfecho

h. ... con la velocidad del proceso de pago *

1	2	3	4	5

Muy insatisfecho   Muy satisfecho

3 → **Sección 3 | Evaluación...**

1	2	3	4	5

Muy insatisfecho   Muy satisfecho

h. ... con la velocidad del proceso de pago *

1	2	3	4	5

Muy insatisfecho   Muy satisfecho

i. ... con la cantidad de opciones de pago que ofrecemos? *

1	2	3	4	5

Muy insatisfecho   Muy satisfecho

o. ¿Cuál es tu grado de satisfacción con la información que hay en las publicaciones de los productos? *

1	2	3	4	5

Muy insatisfecho   Muy satisfecho

p. ... con el ranking de Avenida en algunos buscadores como Google o Bing *

Muy insatisfecho   Muy satisfecho

p. ... con el ranking de Avenida en algunos buscadores como Google o Bing *

1	2	3	4	5

Muy insatisfecho   Muy satisfecho

4→ Sección 4 | Propuestas de mejora

4→ Sección 4 | Propuestas de mejora

a. ¿Tenés alguna sugerencia comentario o pregunta que quieras enviarnos?

Para añadir un párrafo oprime: SHIFT + ENTER

b. Por favor escribe acá abajo tu correo electrónico para que puedes recibir tu cupón Avenida.

¡Muchas gracias por tu tiempo! :)

En breve te enviaremos tu Cupón Avenida para que lo puedas utilizar en tu próxima compra.

¡Que tengas un gran día!
El equipo Avenida.com

Appendix 8: Data Matrix Customer Satisfaction Survey

ID	Age	Gender	TV, Radio, Ads	Family, Friends, Relatives	Search Engines	Social Networks	Other	Home	Electronics	Babies	Fashion
1	18-25	2	no	no	yes	no	no	no	yes	no	yes
2	36-45	2	yes	no	no	no	no	yes	yes	no	no
3	36-45	1	yes	no	no	no	no	yes	yes	no	no
4	36-45	2	no	no	no	yes	no	no	yes	yes	no
5	36-45	2	no	no	no	yes	yes	no	no	yes	no
6	26-35	2	no	yes	yes	yes	no	yes	no	yes	no

Other	Overall Satisfaction	Quality of Products	Customer Service Channels	Speed of Customer Service	Price	Payment Process	Payment Options
no	4	4	3	4	5	4	4
no	4	1	4	3	3	3	3
no	2	2	3	3	3	3	3
no	5	5	5	5	3	5	4
no	1	4	3	4	3	4	4
no	5	5	5	5	5	5	5

Types of Payment Options	Convenience of Payment Process	Website Design	Website Structure	Product Information	Ranking
3	4	4	4	2	3
2	2	1	3	3	3
3	3	3	3	3	2
4	3	4	4	4	4
4	3	3	4	3	3
5	5	5	5	5	5
4	4	4	4	4	4
3	4	5	4	2	4

Appendix 9: Graphical Representation of Customer Survey Results
9.1: Closed Questions

Gender
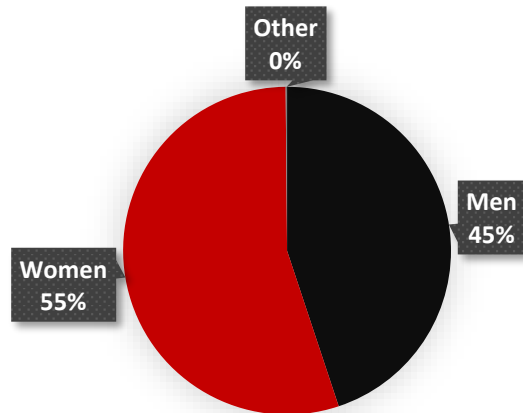
Age
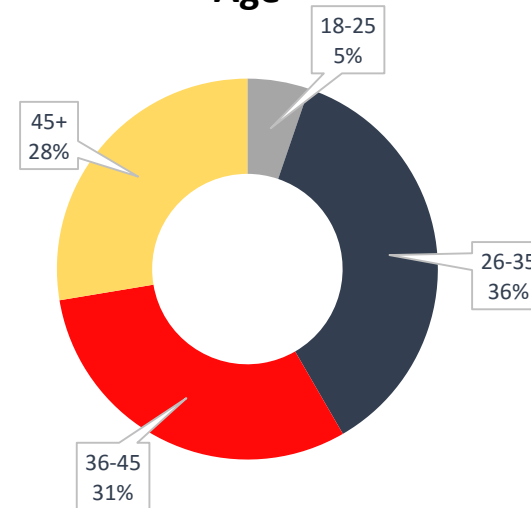
Product Category Popularity

Contact Channels

Ranking

- Totally Satisfied — 30%
- Satisfied — 42%
- Neutral — 24%
- Dissatisfied — 3%
- Totally Dissatisfied — 1%

9.2: Open Questions - Data Reduction and Graphical Representation

In case of dissatisfaction, what was the specific problem?	
Problems	Frequency
Assembly of furniture	1
Return of product	2
Cost of cargo	5
Change of defect product	1
Time between order and arrival of product/No delivery of product	**55**
Description of product	**13**
Product quality	**14**
Missing Stock	9
Damaged/Wrong product	**14**
Price	4
Communication/Information about status of order	9
Shipping	4
Limited product assortment	5
Customer service	5
Missing pick up branches	**13**
System error	1
Refunding of money	5
Wrong products received	2
Not working discount coupon	2
Not applying conditions	1

Via what specific channels would you like to reach Avenida?	
Channels	Frequency
TV	6
SMS	4
Telephone	**49**
Online chat	**18**
Social media (Twitter, Facebook, Instagram)	7
Telegram	1
Whatsapp	**15**
Physical facility	**31**
App	7
Newspaper	1
Radio	1
Internet	1

How fast should a response be to be acceptable?	
Time	Frequency
Immediately (max. 30 minutes)	**30**
1 hour	6
2 hours	13
3 hours	2
4 hours	5
6-8 hours	2
8-12 hours	5
Same day	**29**
24 hours	**76**
2 days	**29**
3 days	8
5 days	1
1 week	7
More than 1 week	1
Does not matter	1

What type of payment options you would like us to add to the existing ones?	
Payment Option	Frequency
More credit card companies	2
Credit card "Galicia"	1
Bank transfer/Home banking	9
Todo Pago	**13**
Paypal	5
Debit card	**26**
Discount with "Clarín 365" (Newspaper in Buenos Aires)	1
Visa credit card of the bank "Itaú"	1
Interest-free installments	**19**
Special discounts for payments with credit card	9
PagoFacil	7
Rapipago	5
Cash	**10**
Cash on delivery	**10**
By card via telephone	1
Idem	1
Bitcoins	1
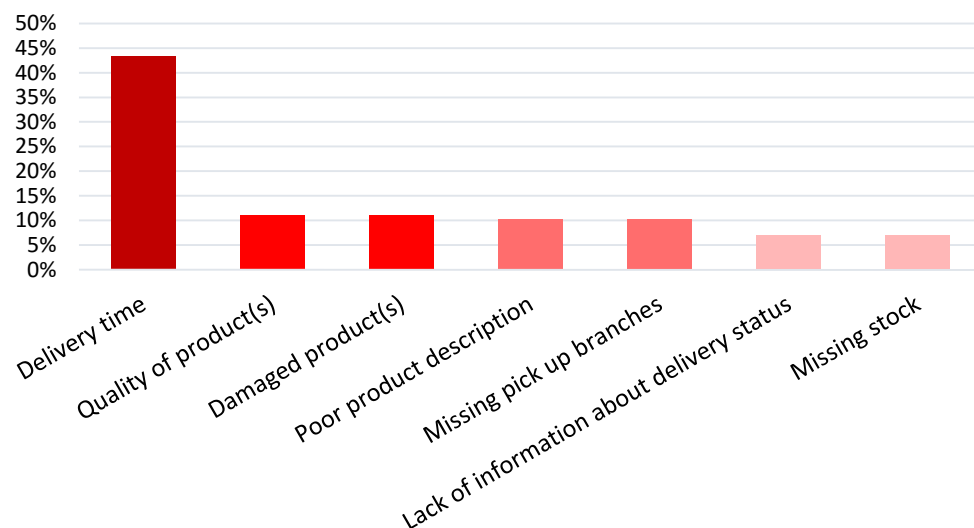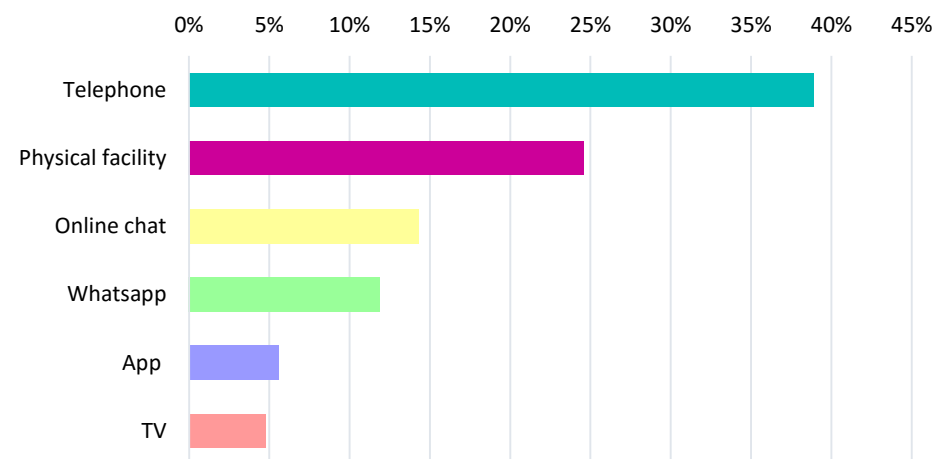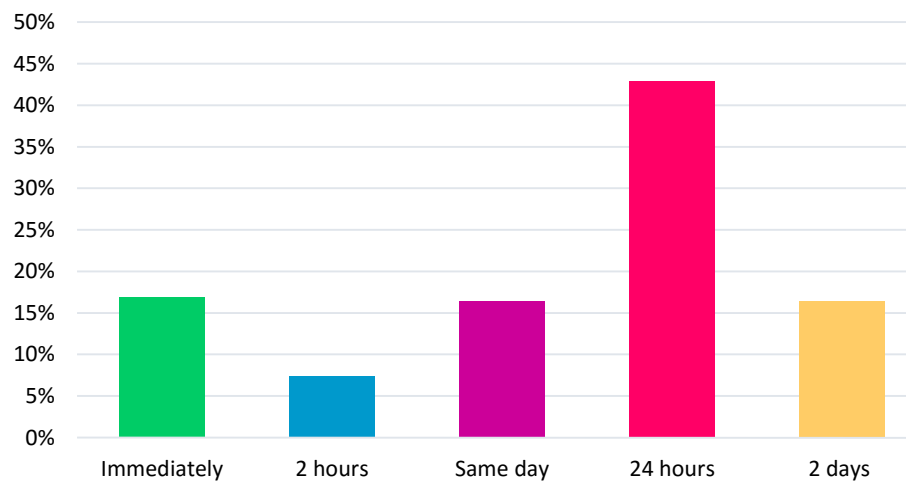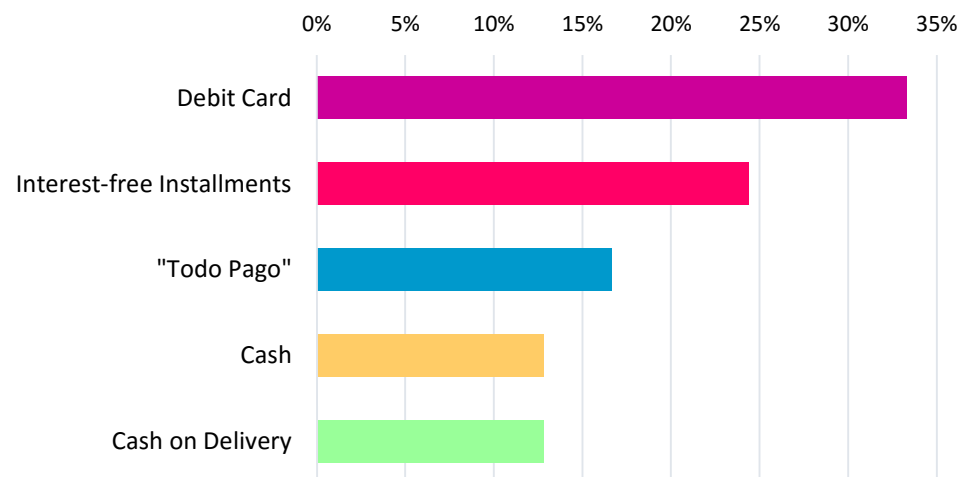
Appendix 10: PivotTable Sample

Period	Sold Units - Cameras
Jan	11
Feb	4
Mrz	6
Apr	10
(Dez '16)	7
Gesamtergebnis	**38**

Category Path

- computacion-y-electronica
- computacion-y-electronica / camaras-y-filmadoras / accesorios
- computacion-y-electronica / camaras-y-filmadoras / accesorios / antiemp...
- computacion-y-electronica / camaras-y-filmadoras / accesorios / arneses...
- computacion-y-electronica / camaras-y-filmadoras / accesorios / bateria-...
- computacion-y-electronica / camaras-y-filmadoras / accesorios / carcasas
- computacion-y-electronica / camaras-y-filmadoras / accesorios / estuche...
- computacion-y-electronica / camaras-y-filmadoras / accesorios / lentes

Appendix 11: Sales Figures January – April 2017 Product Groups 'Electronics' and 'Home'

Sales Figures January - April 2017
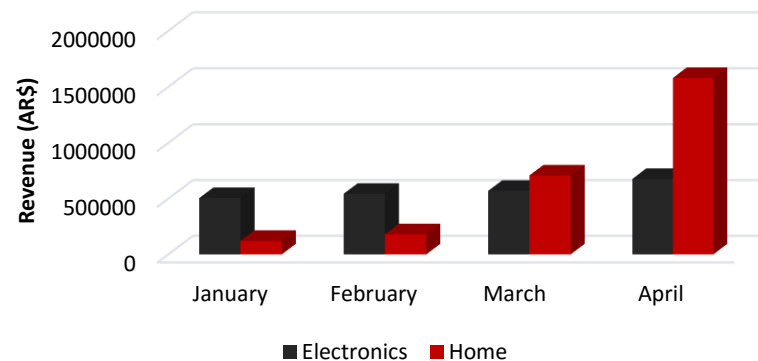
Appendix 11.1: Sales Forecast Product Group 'Electronics'

Date	Sales	Forecast (Sales)	Lower Confidence Bound (Sales)	Upper Confidence Bound (Sales)
31.01.2017	505479			
28.02.2017	543575			
31.03.2017	569832			
30.04.2017	676701	676700	676700,00	676700,00
28.05.2017		717509,1282	668668,01	766350,24
25.06.2017		773019,481	722663,34	823375,62
23.07.2017		828529,8337	776691,37	880368,30
20.08.2017		884040,1865	830749,31	937331,06
17.09.2017		939550,5393	884834,75	994266,32
15.10.2017		995060,8921	938945,55	1051176,23
12.11.2017		1050571,245	993079,82	1108062,67
10.12.2017		1106081,598	1047235,86	1164927,34
31.12.2017		1147714,362	1087865,30	1207563,43

Forecast Avenida Sales Figures 'Electronics'
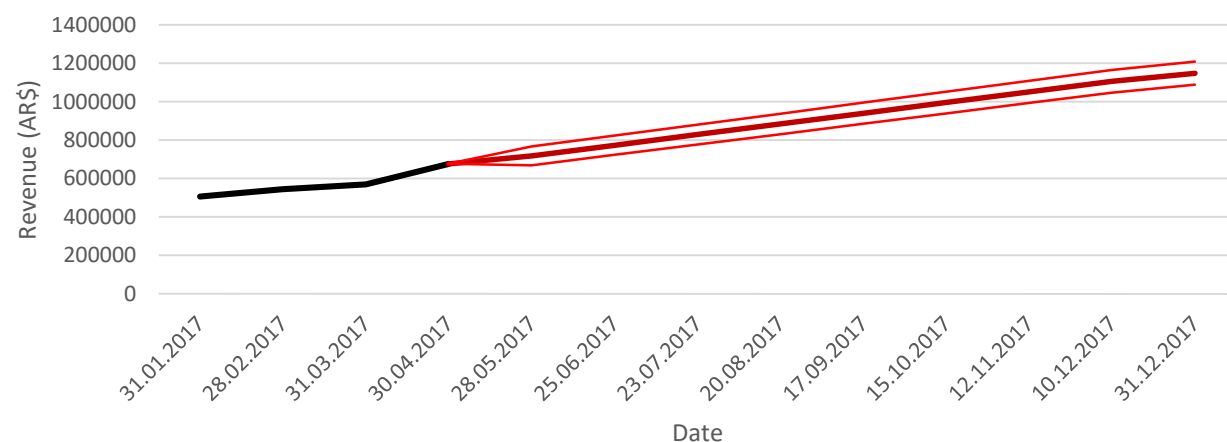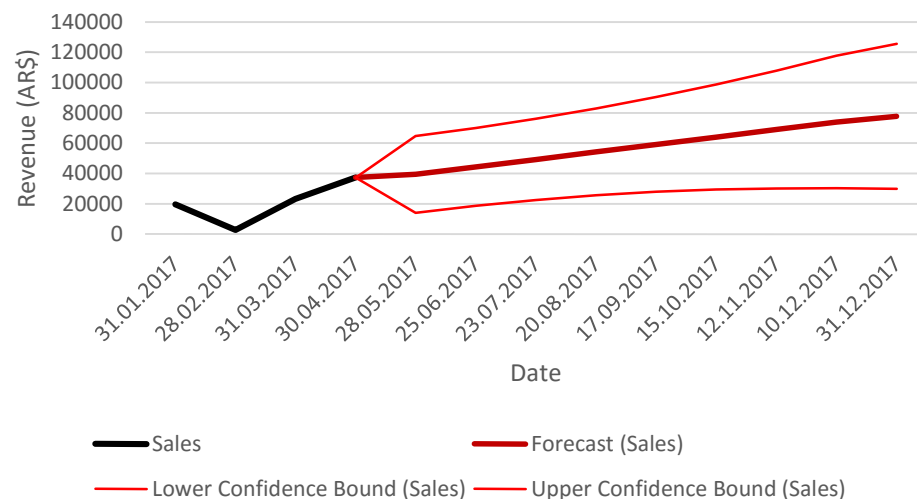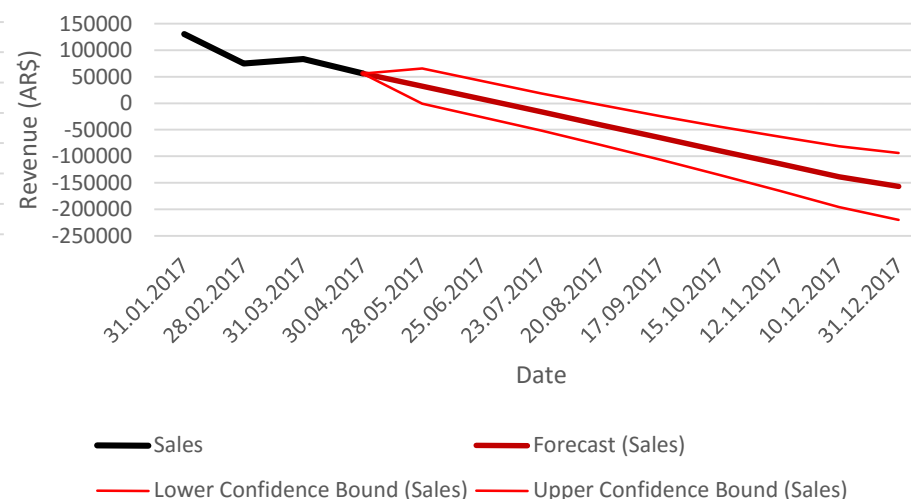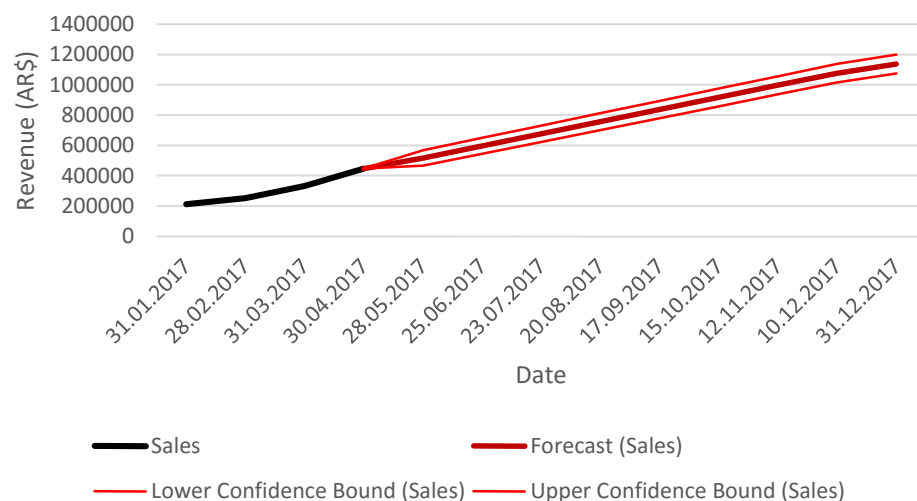
Sales Forecast Category 'TV's'
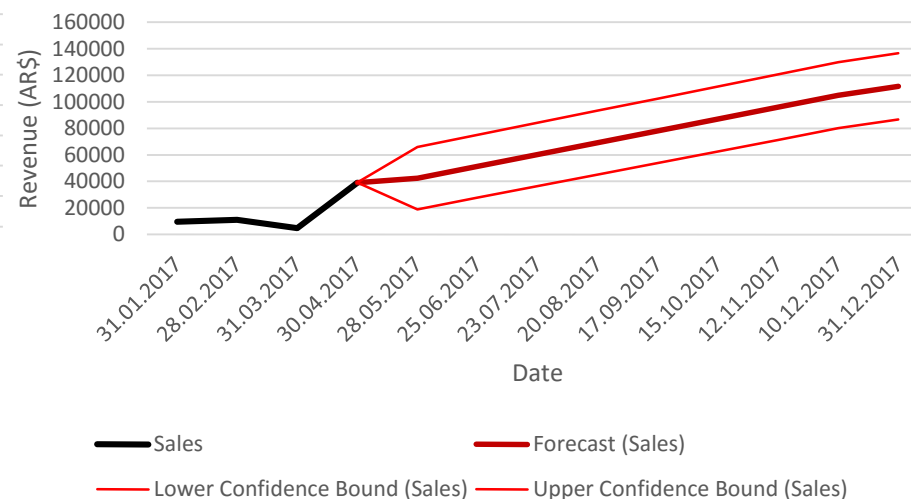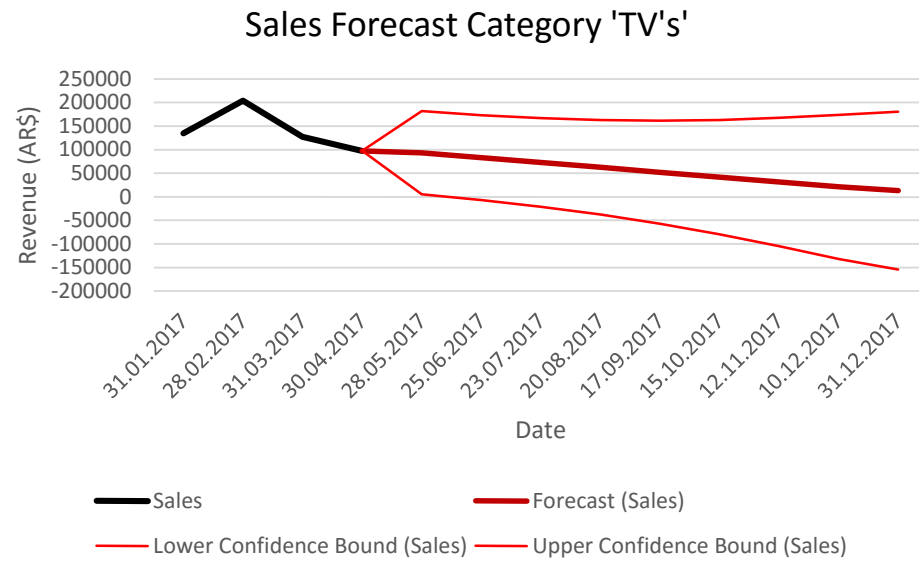
Appendix 11.2: Sales Forecast Product Group 'Home'

Date	Sales	Forecast (Sales)	Lower Confidence Bound (Sales)	Upper Confidence Bound (Sales)
31.01.2017	121818			
28.02.2017	181027			
31.03.2017	7080060			
30.04.2017	1579082	1579081	1579081,00	1579081,00
28.05.2017		3969514,262	-1242720,86	9181749,38
25.06.2017		4931305,42	-280953,15	10143563,99
23.07.2017		5893096,577	680796,31	11105396,85
20.08.2017		6854887,734	1642522,31	12067253,16
17.09.2017		7816678,891	2604219,65	13029138,13
15.10.2017		8778470,049	3565883,12	13991056,98
12.11.2017		9740261,206	4527507,50	14953014,91
10.12.2017		10702052,36	5489087,58	15915017,14
31.12.2017		11423395,73	6210235,52	16636555,94

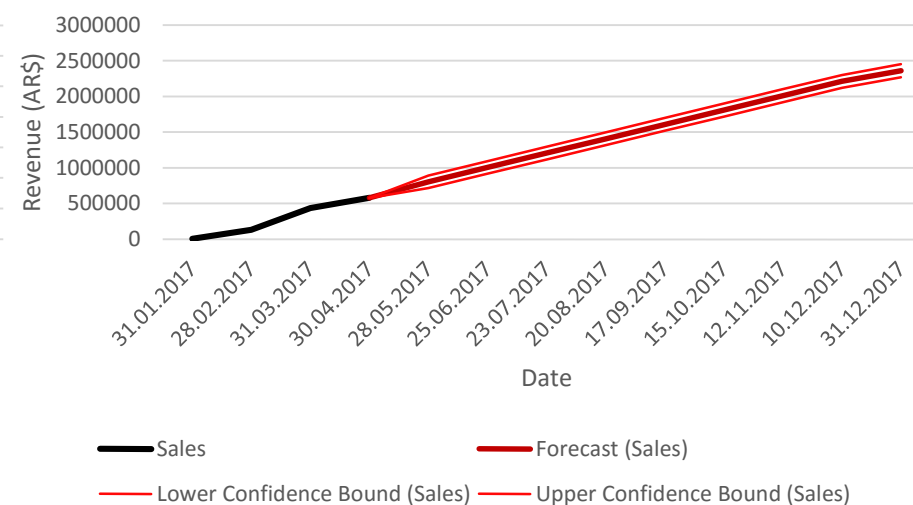Forecast Avenida Sales Figures 'Home'
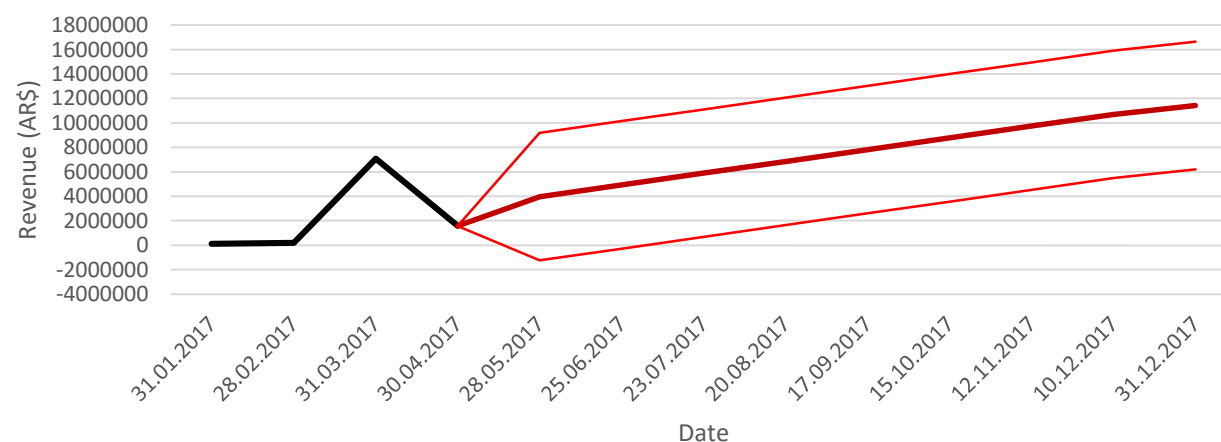
Sales Forecast Category 'Bath'

Sales — Sales (Sales) — Lower Confidence Bound (Sales) — Upper Confidence Bound (Sales)
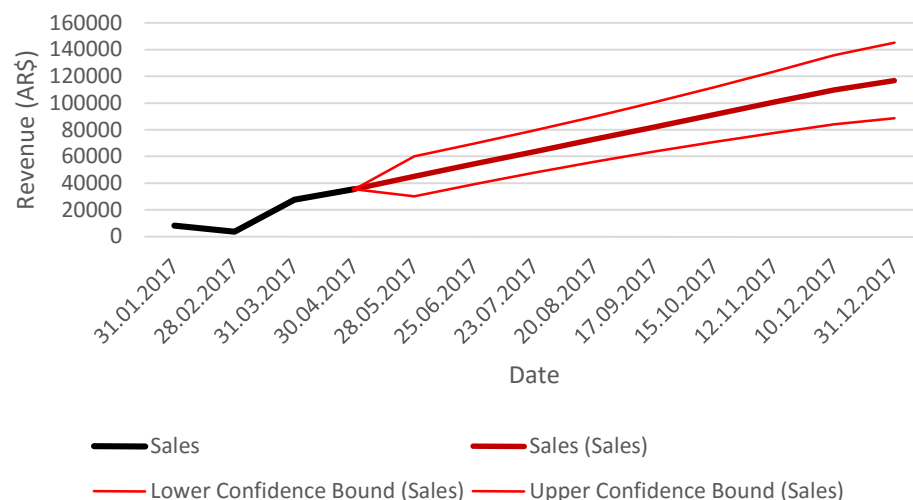
Sales Forecast Category 'Kitchen'

Sales — Sales (Sales) — Lower Confidence Bound (Sales) — Upper Confidence Bound (Sales)
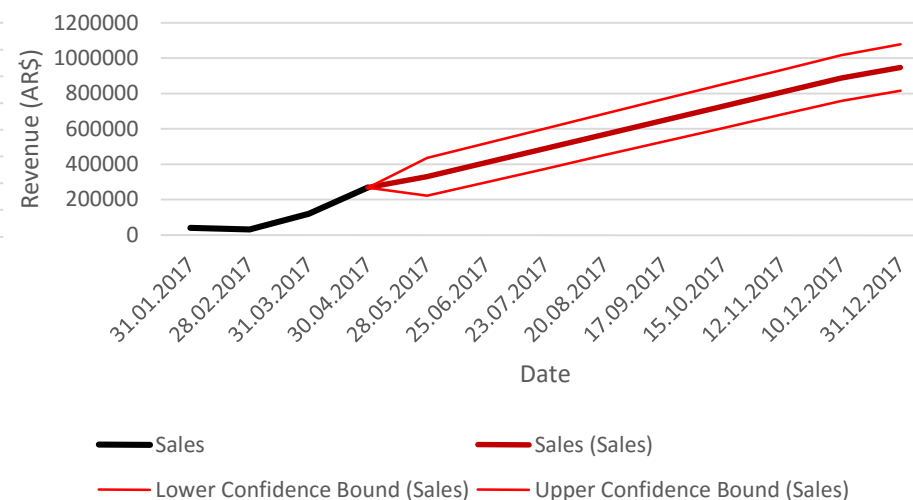
Sales Forecast Category 'Decoration'

Sales (Sales) — Lower Confidence Bound (Sales) — Upper Confidence Bound (Sales)
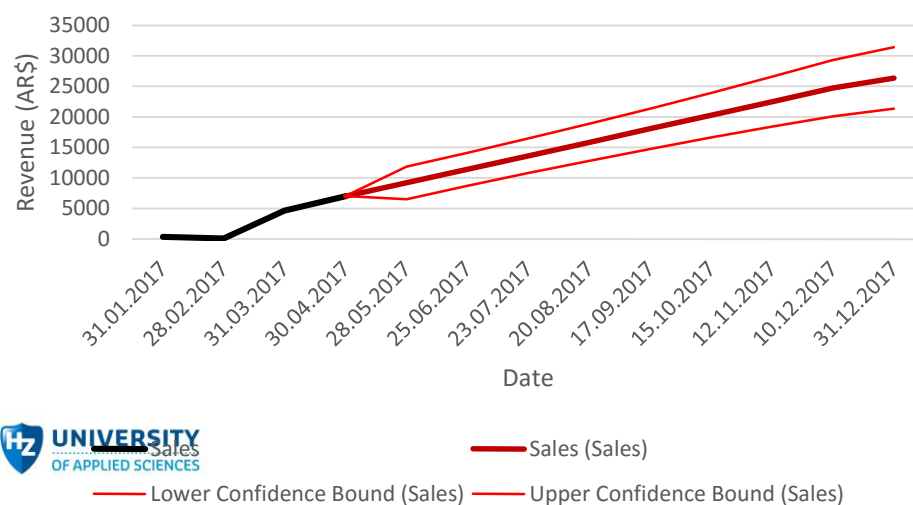
Sales Forecast Category 'Bedroom'

Sales — Forecast (Sales) — Lower Confidence Bound (Sales) — Upper Confidence Bound (Sales)
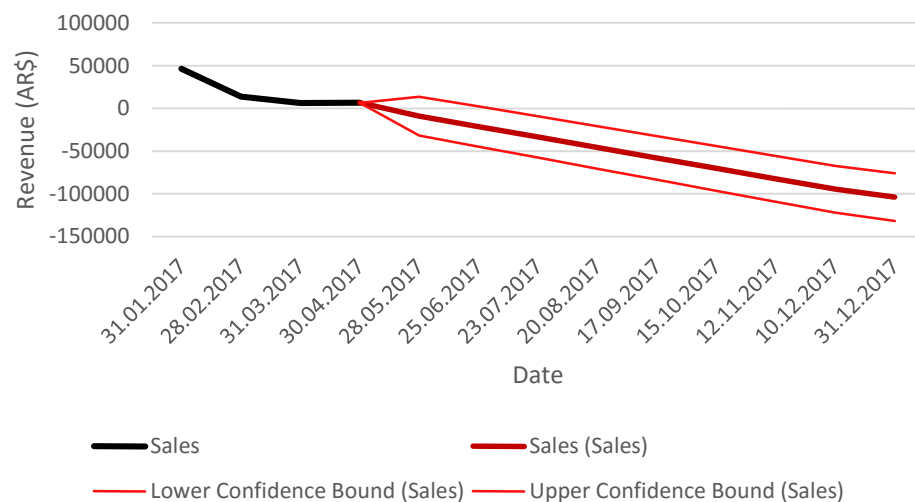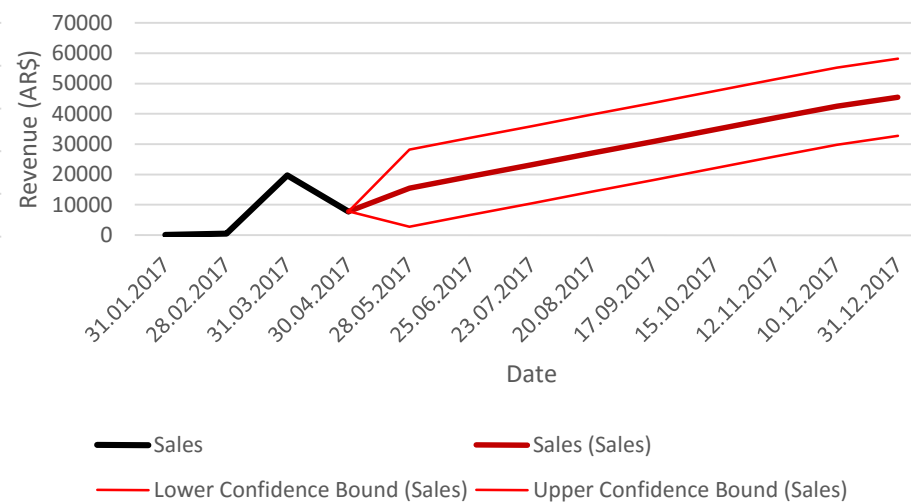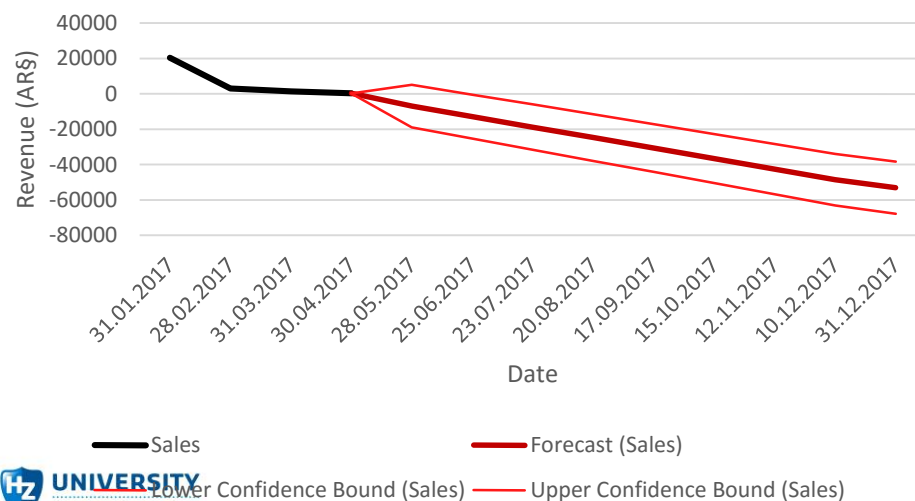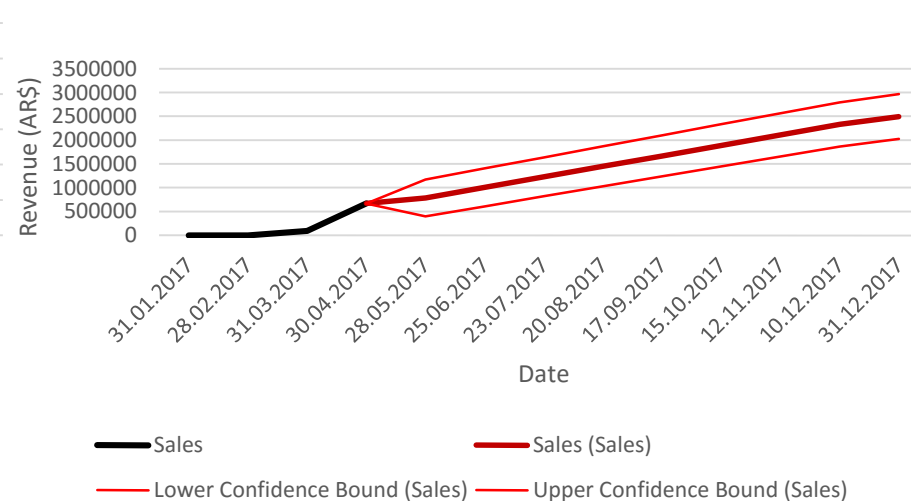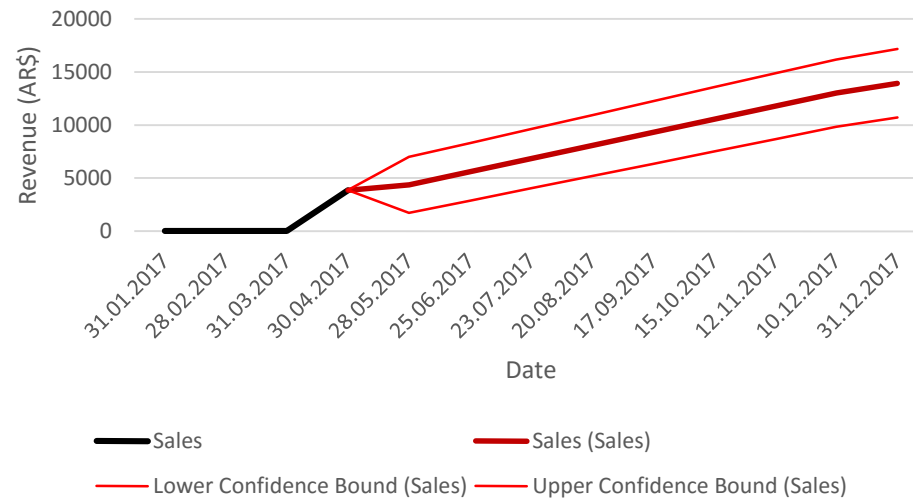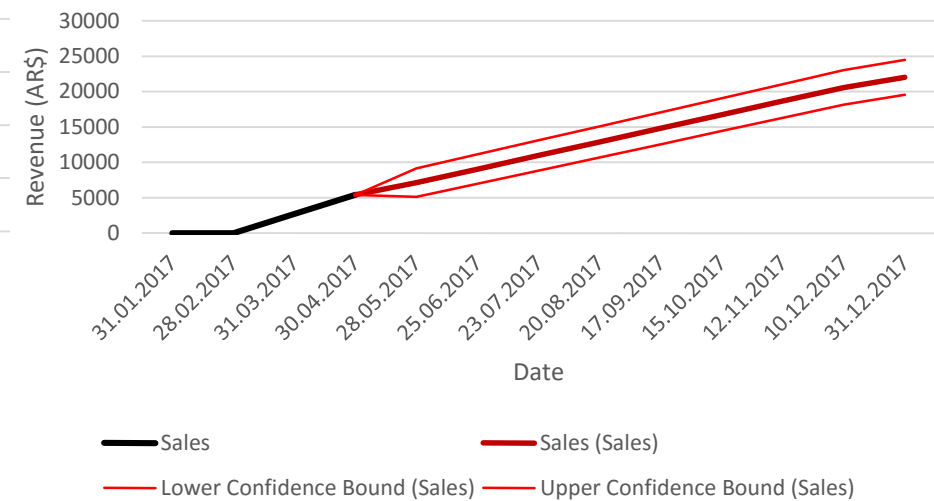
12.: Costs "Todo-Pago"

Información para el Vendedor	
Cuotas	**Precio del Servicio**
1	3,99%
2	7,00%
3	7,00%
4	7,00%
5	7,00%
6	9,00%
7	**9,00%**
8	9,00%
9	12,00%
10	12,00%
11	12,00%
12	13,00%