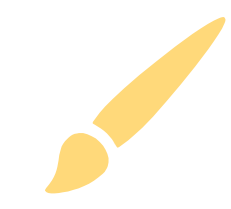


Welcome to Gilt.com! Navigate our website to see how we bring you the instant insider access to today's top designer labels, at up to 70% off retail.

Recommendations



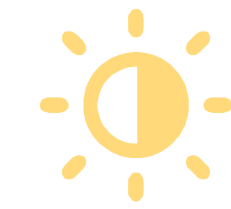
Purchase higher quantities in products of color **168ae5c7f5**.



Sell products with moderate levels of customizability (between **5 & 9 total SKUs**).



Reduce purchases of products of color **Eb04d680de** and limiting this color to sales within the **77799545** season.



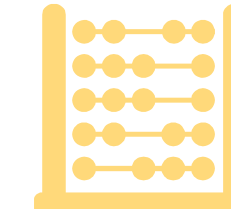
Optimize look sale-through rate by creating **2-day** sales.



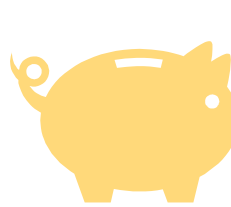
Start sales during the period of **1PM to 6PM** to increase probability of higher look sale-through rate.



Offer last-minute deals to sell any leftover inventory prior to sale end.



Eliminate sales that last for **7+ days** as this results in low sale-through rates and is not consistent with flash sale business model.



Focus tweets on looks for products that are priced between **\$100 and \$320**.



Continue tweeting to celebrities and pop culture pages to maximize Twitter traffic.

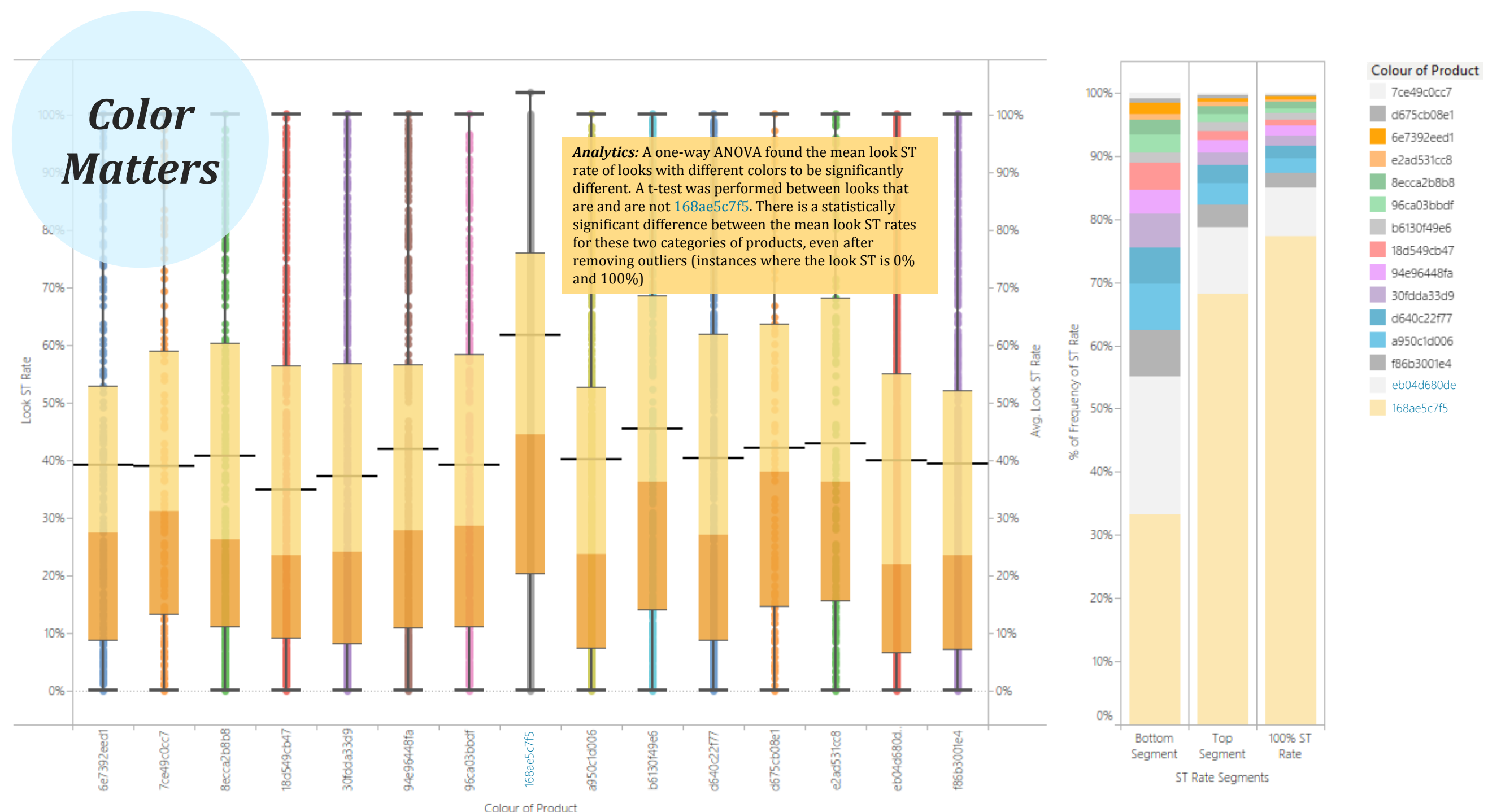
Overall Methodology: In the online retail flash sale industry, a key performance indicator is the **look sale-through rate (look ST rate)**. Much of our analysis uses ST rate as the dependent variable to benchmark the performance of other variables. In addition, one method of analyzing the data was segmenting the data by ST rate using quintiles, focusing specifically on the top segment (75.44% to 100%) and the bottom segment (0% to 9.38%) each with one-fifth of the dataset. We excluded from this the transactions with 100% ST rates as those represent looks for which there may have been potential lost sales.

Tools

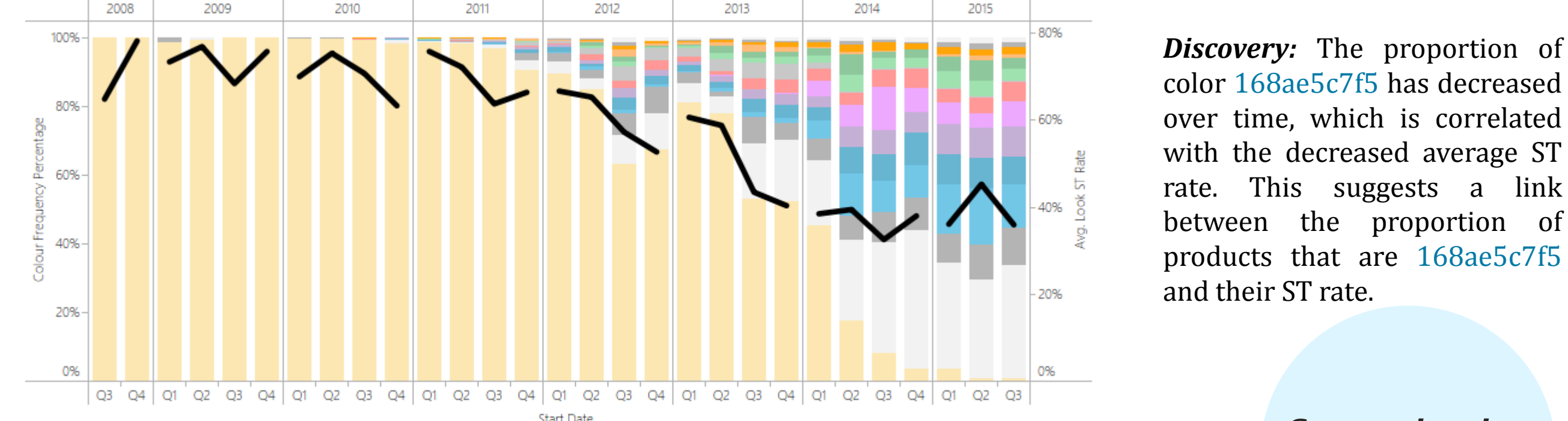


UNIVERSITY OF WATERLOO

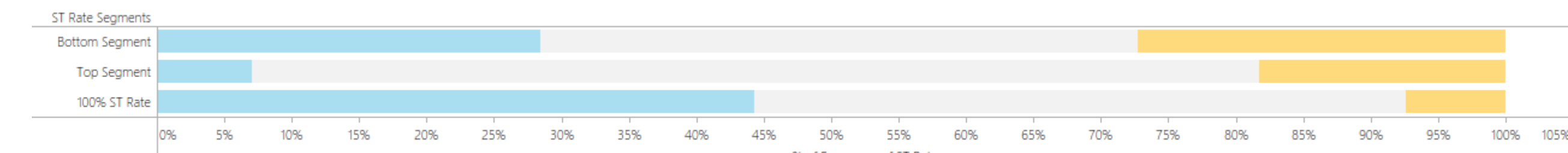
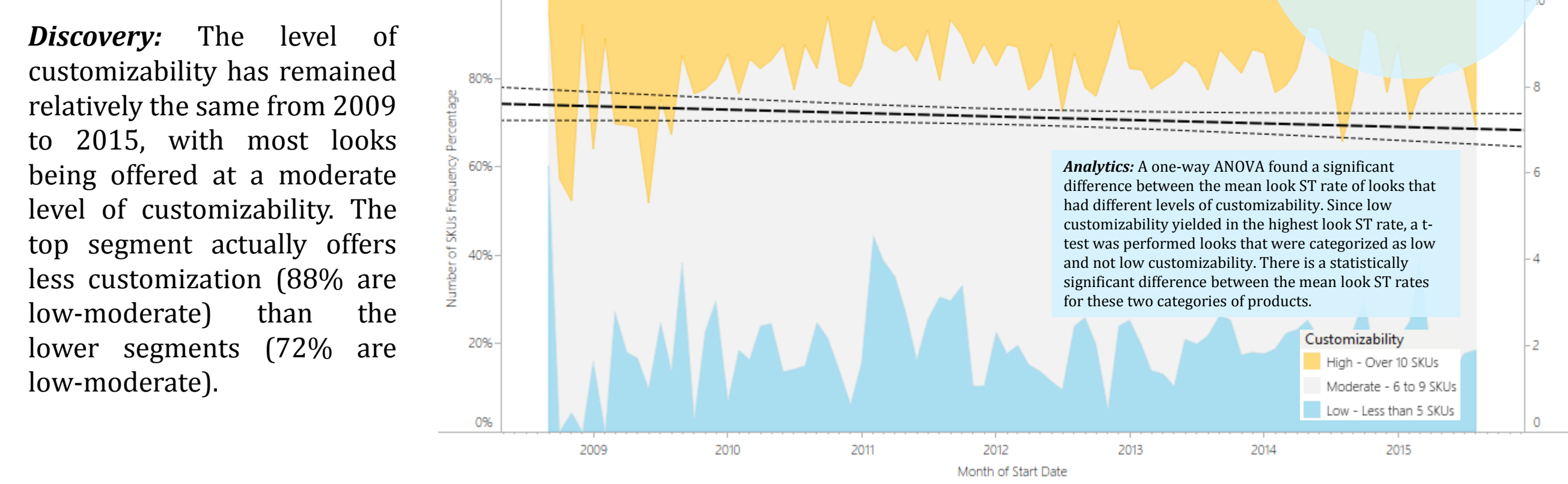
Product Procurement – What Sells?



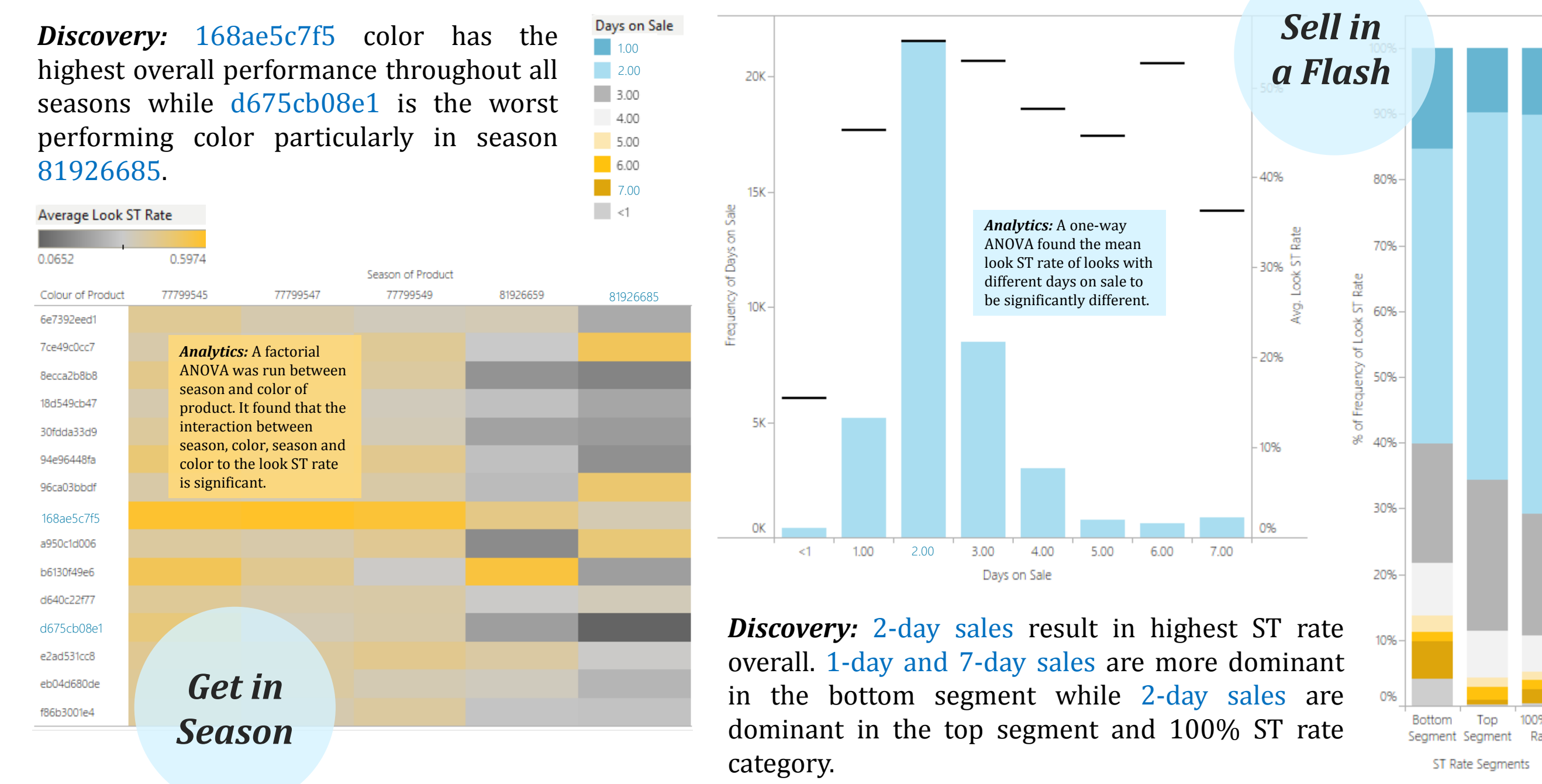
Discovery: 168ae5c7f5 is the top performing color by ST rate and products with this color have the highest ST rate at 62% and the highest IQR. The mean ST rates of all colors surpass their medians, indicating that the ST rate distribution has a positive skew. Products with colors 168ae5c7f5 and eb04d680de are in higher proportions in the top segment than in the bottom segment.



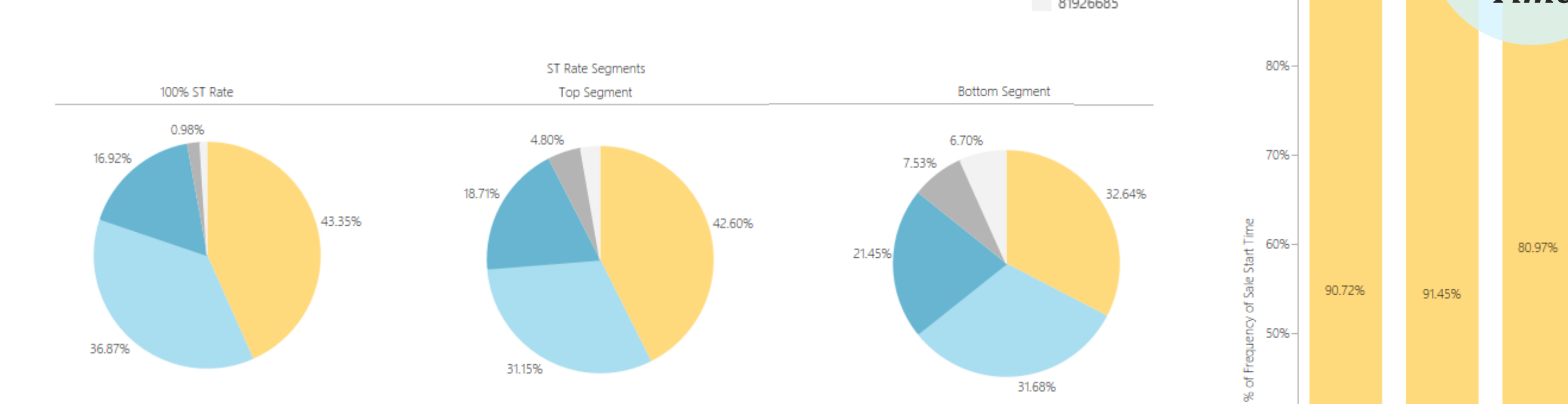
Customization also Matters



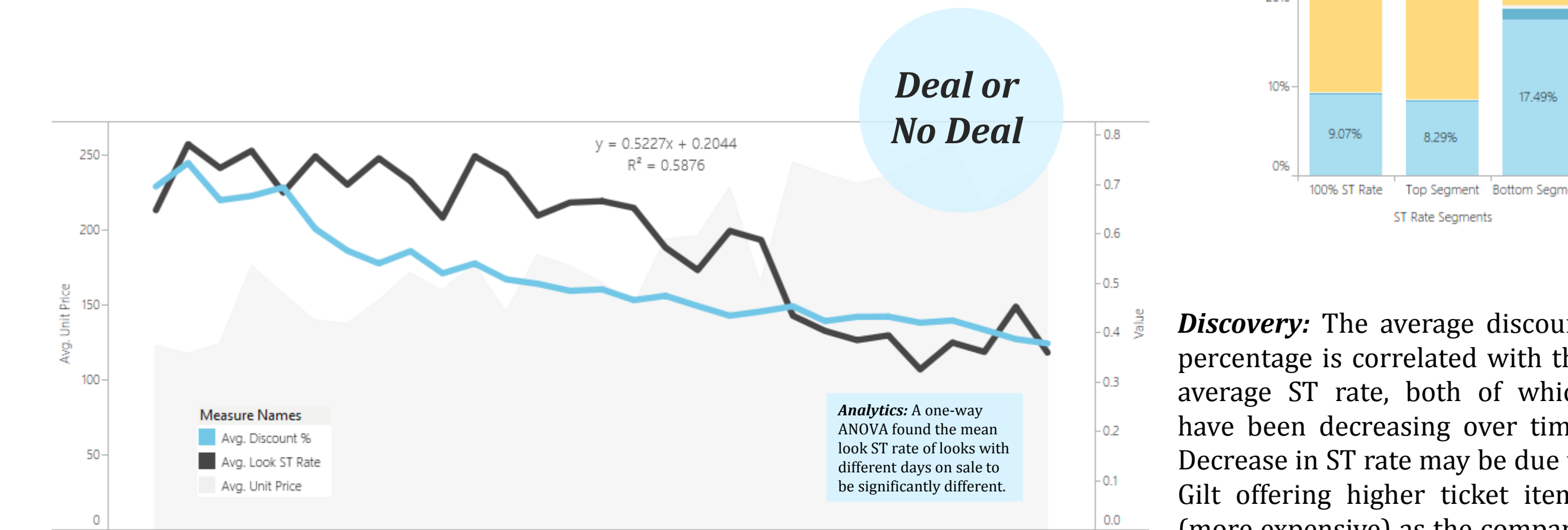
Sales Strategy – How do we Sell?



Discovery: Sales in both the 100% ST rate category as well as the top segment are represented by a larger proportion of sales of clothing in the 77799545 season (approximately 42-43% of all sales fall within this season for those categories vs 33% for the bottom segment).

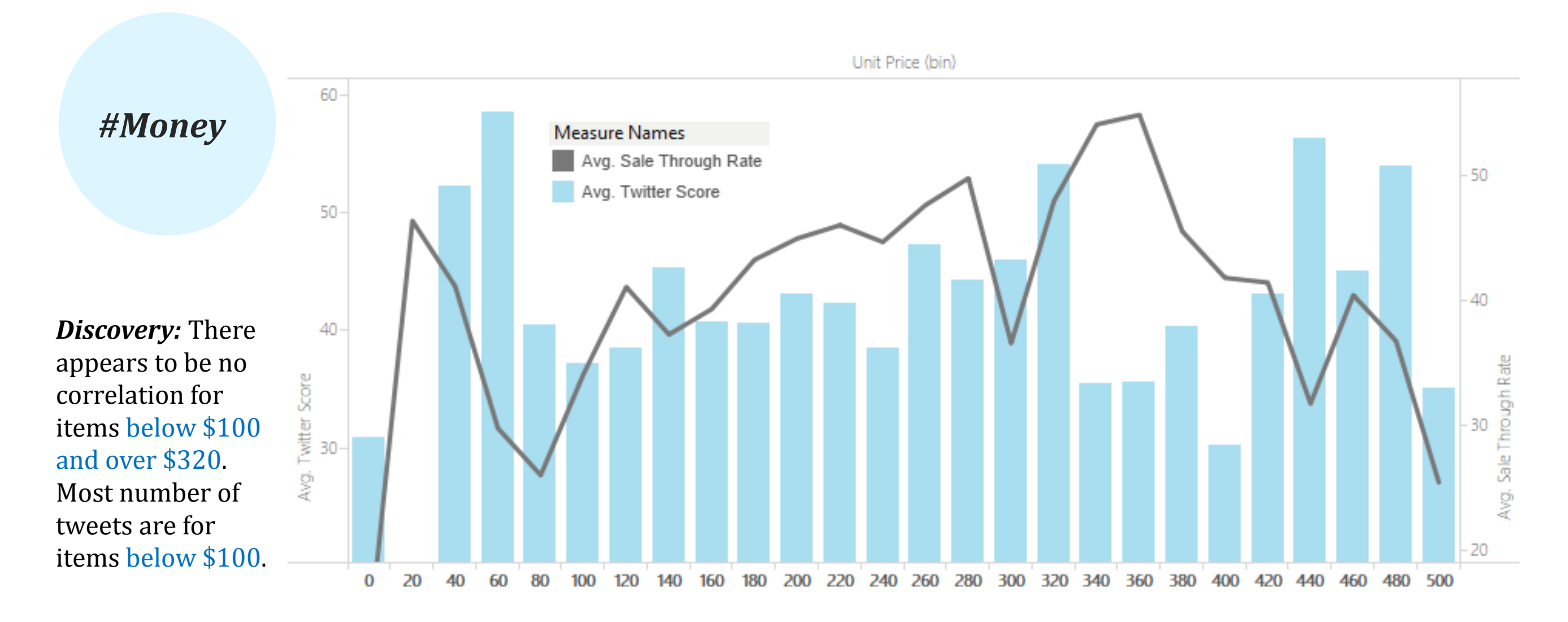
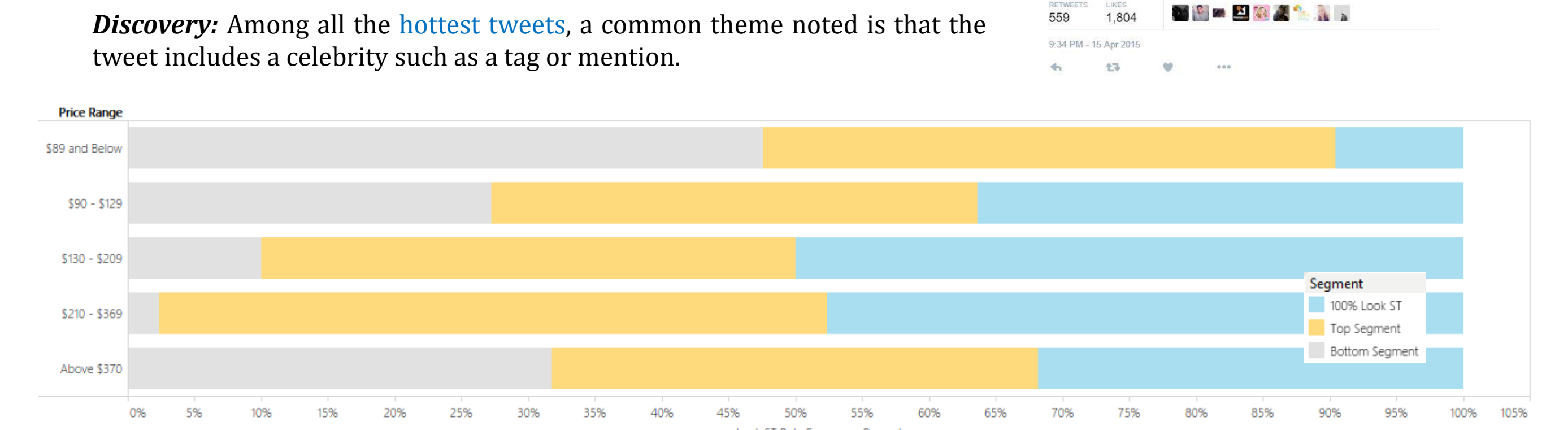


Discovery: Sales that begin during the period from 1PM to 6PM have a higher likelihood of achieving higher ST rates. Sales during this time period make up approximately 10% more of the total sales for both the 100% ST rate category and the top segment category, relative to the bottom segment.



Marketing and Social Media – Impact of Twitter?

Methodology: Marketing efforts are represented by social media activity generating user engagement that drives web traffic to Gilt resulting in potential sales. A combined dataset of Gilt sales and Twitter activity on Gilt's Profile was created between the range of December 2014 to August 2015 to emphasize the real-time nature of Twitter and its importance of capitalizing on recent trends.



Overall, there is weak statistical correlation between Twitter Score and Look ST rate. The r-squared is below 0.01 and P-value is above 0.05. Therefore we fail to reject the null hypothesis that the Twitter Score and look ST rate are not correlated.