

eCommerce Due Diligence Report

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Basic Information

- URL: [REDACTED]
- Where is it listed: [REDACTED]
- [REDACTED]
- [REDACTED]
- **Niche:** Health Supplements
- **Relevant documents:** P&L provided by seller
- **List of assets:**
 - Primary domain
 - Branded emails
 - Supplier contracts
 - Klaviyo account
 - Social media accounts
 - [REDACTED]
 - [REDACTED]
 - Email list (4,912 active profiles)
 - Google & meta ad accounts
 - UK Trademark

Follow-Up Questions to Ask Seller

During our investigation, we compiled a list of questions that you should ask the seller before the final purchase.

- What was the reasoning behind reducing paid social (Facebook) ad spending in the last 6 months?
- What are the 3PL warehouse costs and structure?
- Who handles email marketing campaigns in Klaviyo? Is there a team member in place?
- Does the brand have documentation stating the medical claims made on the website are legitimate?

WebAcquisition Team Verdicts

Overall Viewpoint

[REDACTED] is a B2C supplement business based in the UK. The business sells private labeled products. The majority of the traffic is from paid social campaigns through Facebook. The email marketing channel through Klaviyo generates a significant return on investment. There is very minimal organic traffic, either through SEO or organic social.

Overall, the business in and of itself is healthy. The brand has excellent reviews. It's in a growing market. The branding and website design is good. There are multiple products within the brand.

The business is in a good niche with significant competition. The competition is all more seasoned in terms of years in the market, the vastness of products, and organic search traffic rankings. This is a good sign that there is an opportunity to grow.

However, the seller's claims of revenues, costs, etc., are understated, thus inflating the valuation. Many costs are omitted or not properly categorized. Basic mistakes like this raise internal red flags about what else could be wrong in the business, requiring further scrutiny. Lastly, recent revenues have seen a downtrend, which is potentially correlated with reduced ad spending on paid social. However, from the buyer's standpoint, a recent downtrend is a turnoff; it's in the seller's best interest to keep the status quo and not make drastic changes during the exit period.

The products claim significant improvements (see ). The brand/seller should have documentation to provide these claims to reduce liabilities from potential lawsuits.

Note that there are no red flags that cannot be fixed prior and post-sale. The business as a whole is strong at the correct valuation.

Business Analysis Summary (Fail)

There has been a notable downtrend in the latter half of 2024 and the beginning of 2025. The intra-trend within the trailing 6 months, considering the most recent months (Mar., Apr. 2025), showcases a significant revenue downtrend. April 2025 clocked in with the lowest revenue in the last few years.

The new buyer needs to be aware of the revenue changes and the issues need to be factored into the valuation.

We are issuing a red flag here as something to look into.

Verdict: fail

Traffic Analysis Summary (Pass)

The traffic is focused on paid advertising through Facebook and Google, primarily Facebook. Some ad spend is put towards TikTok, but it is minimal.

The seller has not focused on organic SEO.

Verdict: pass

Website Summary (Pass)

The website has a good mix of product, category, and transactional pages. There is room to improve the pages to obtain more traffic from Google search.

Verdict: pass

[SEO Analysis Summary](#) (Pass)

During our SEO analysis, we covered several segments, including page speed analysis, a deep-dive crawl of each page on the site, on-page SEO analysis, and internal/external linking analysis. On-page SEO and technical SEO have no red flags. Note that there are improvements that can be made post-acquisition, but none that raise a red flag.

Verdict: pass

[Google Ads Summary](#) (Pass)

We analyzed the conversion tracking, campaigns, and their setup, keywords, and conversion results. There are no red flags. The two (2) ad campaigns are set up and are being appropriately tracked.

Verdict: pass

[Facebook Ads Summary](#) (Pass)

We analyzed the account setup, audience tracking, ad campaign results, creatives, and conversions.

The campaigns are obtaining a strong return on ad spend (RoAS) (i.e., \$1 spent brings back more in revenue). The creative assets used on the campaigns are static images.

The seller has “optimized” ads to reduce ad spend and allegedly increase profits. However, a new buyer should perform a full performance audit on Facebook to determine whether any of the seller's changes need to be reversed.

Verdict: pass

[Email Marketing Summary](#) (Pass)

The email marketing is set up properly using Klaviyo. The store uses automated flows and one-time email campaigns to bring back users to purchase from the store. Email marketing is a major revenue channel for the brand and should be continued.

Verdict: pass

Overview

The goal of this report is to better understand the business and how it operates in its niche. Our main focus was on five different categories: business as a whole, marketing, revenue, traffic, content, SEO, and paid ads.

Strengths

- Well-designed website with high conversions
- Excellent revenues through email marketing
- Excellent product/brand reviews (see [REDACTED])
- Growing market and product category

Weaknesses

- Private labelled product - nothing proprietary
- No significant organic traffic channels bringing in revenue - always relying on ads to generate revenue

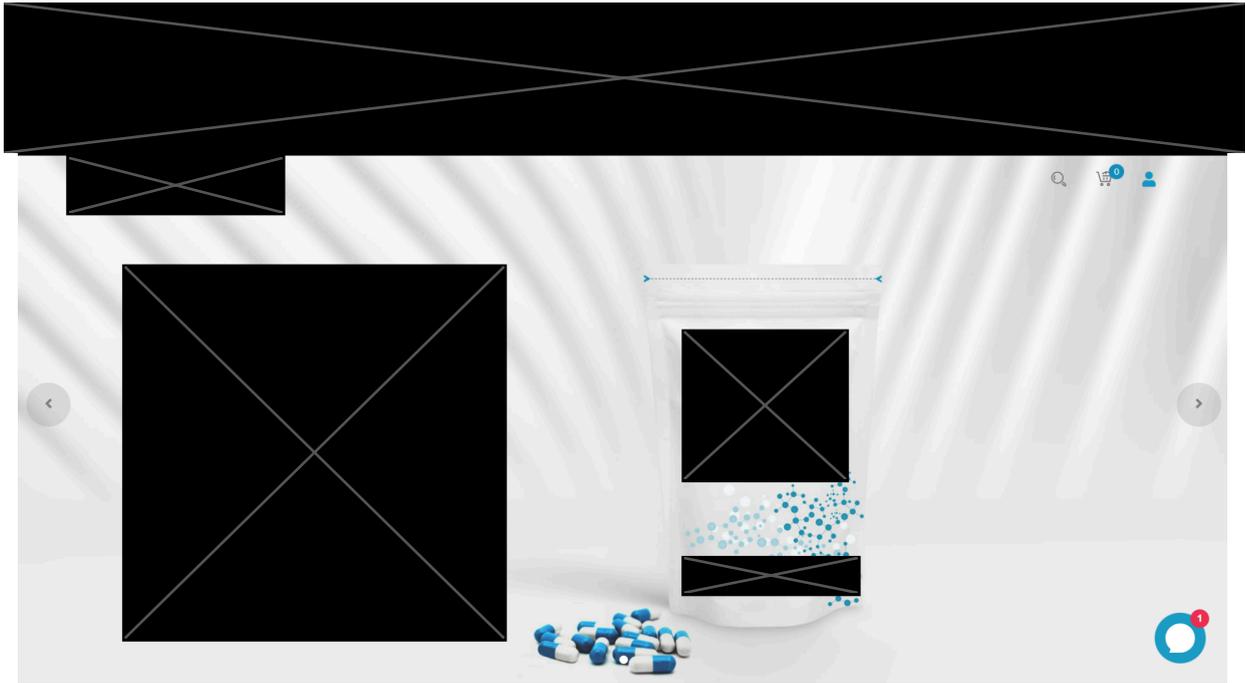
Risk Analysis

- P&L is not done correctly, and thus business valuation is inflated
- Medical risks and claims need to be verified

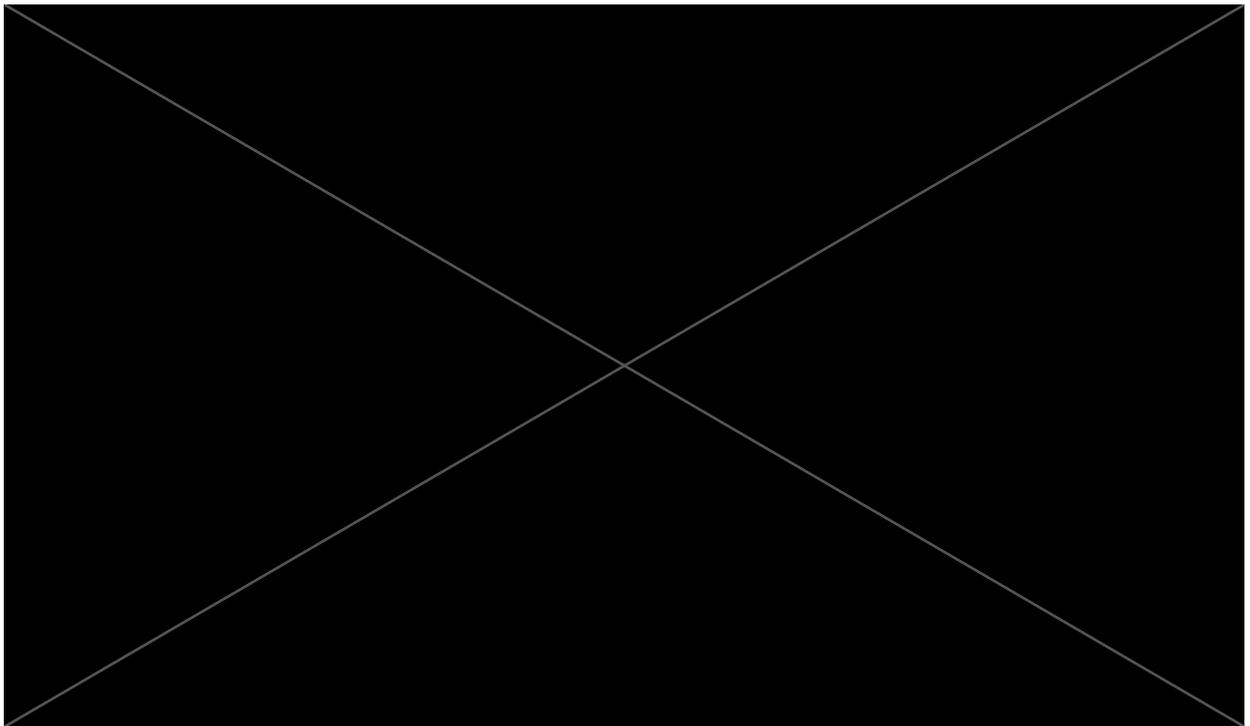
Domain History

- **First registered:** 13 Nov 2019
- **Number of significant domain/hosting changes:** [REDACTED]
- **Built on the expired domain:** No
- **Trademark lookup:** According to the trademark electronic search system [REDACTED] there is an active trademark registration in the UK. [REDACTED]

Website History



Wayback snapshot from [REDACTED] showcasing an early version of the home page



The variations of websites on this domain all had the same theme, type of content, and patterns. There are no red flags with the domain and website history.

Verdict: domain and website history passes due diligence.

Business Analysis

Our main goal in business analysis is to shed light on revenue trends and sources.

We analyzed the eCommerce revenues and associated costs. The data is obtained from the provided P&L by the seller.

Annual Revenue Analysis

We analyze annual total and average revenues in 2023, 2024, TTM, and then all time.

	2023	2024	TTM Apr '24 - Mar '25	All Time
Total Revenues	£313,549	£770,594	£736,472	£1,820,615
Average Revenues	£26,129	£64,216	£61,373	£50,572

The business saw a significant boost in revenues from 2023 to 2024. However, the TTM (trailing 12 months) has seen a drop against 2024 revenues.

Trailing Revenue Analysis

Last 12 months' data is used in valuations. It's critical to understand the trend during these 12 months. Therefore for the last 12 months (Apr 2024 to Mar 2025), we look at total and average revenues for last month, 6 months, and full 12 months.

	L1M	L6M	L12M
Total Revenue	£43,866	£295,512	£736,472
Average Revenue	£43,866	£49,252	£61,373

The downtrend (TTM vs 2024) is clearer when looking at the trailing averages. From reviewing the business P&L, this is not a seasonal business. The last month and most of 2025 have seen significantly fewer revenues (around £40K) compared to the average of £61K.

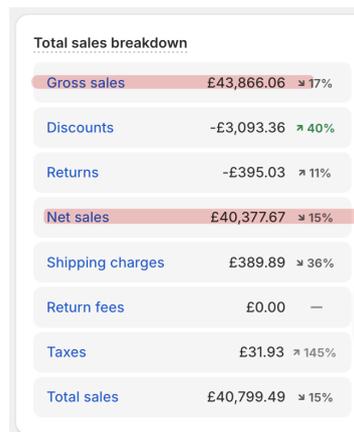
While April 2025 numbers were not provided in the P&L, using Shopify, we were able to see that April brought in £35,790. This is the lowest revenue number in 2024 and 2025 so far.

Verdict: clear downtrend in revenues month over month in recent months

Cost of Goods Analysis (COGS)

The P&L shows one line item as a Cost of Goods. It is not clear if this includes other ancillary costs OR just the actual product costs.

From the P&L, the seller chose to showcase Gross Sales. Gross Sales neglect to show discounts, returns, and such. For example, in March 2025, gross sales were £43,866; however, net sales were £40,377 in Shopify (this ignores product costs). Product costs are ignored because the seller has not made the effort to add product costs to each product in Shopify.



Total sales breakdown		
Gross sales	£43,866.06	↘ 17%
Discounts	-£3,093.36	↗ 40%
Returns	-£395.03	↗ 11%
Net sales	£40,377.67	↘ 15%
Shipping charges	£389.89	↘ 36%
Return fees	£0.00	—
Taxes	£31.93	↗ 145%
Total sales	£40,799.49	↘ 15%

A proper Cost of Goods should have the following:

- Product costs
- Shipping from factory to 3PL (freight)
- 3PL pick and pack fees
- 3PL monthly storage fees
- Shopify Transaction Fees
- Discounts
- Returns
- Shipping Fees (this is included as expense line 12 when it should be part of COGS)

Verdict: Costs are not being properly mentioned or tracked. This makes the business look “better” than it is. This is not a red flag but a misunderstanding by the seller/broker on what needs to be in the P&L.

Note that the miscalculation of CoGS results in a higher valuation. This needs to be fixed.

Gross Profit Margins

In eCommerce businesses, gross profit margins (GPM) are the company's lifeblood. In short, GPMs equal the remaining money after you account for the Cost of Goods Sold (CoGS).

For example, if \$100 is earned, and it takes \$80 to fulfill the product to the end consumer, gross profits are \$20. This equates to a 20% gross profit margin. The \$20 is your growth budget, which needs to be used for ads, team expenses, subscriptions, etc (in other words, operating costs).

For this physical eCommerce business, the CoGS is equivalent to the elements discussed in [Cost of Goods Analysis Section](#).

The Seller P&L claims GPMs to be 82.26% (cell AL6). However, this is not correct since the majority of costs are missing. From our understanding, GPM will be around the 60% range after all costs are factored.

The typical GPM for physical eCom is 60-70% for a healthy business. Anything lower and there won't be enough cash flow to reinvest in advertising and other operations.

However, a recalculation is needed to determine the correct GPM.

Verdict: GPM is not calculated correctly since costs are missing from the P&L

Operational Cost Analysis

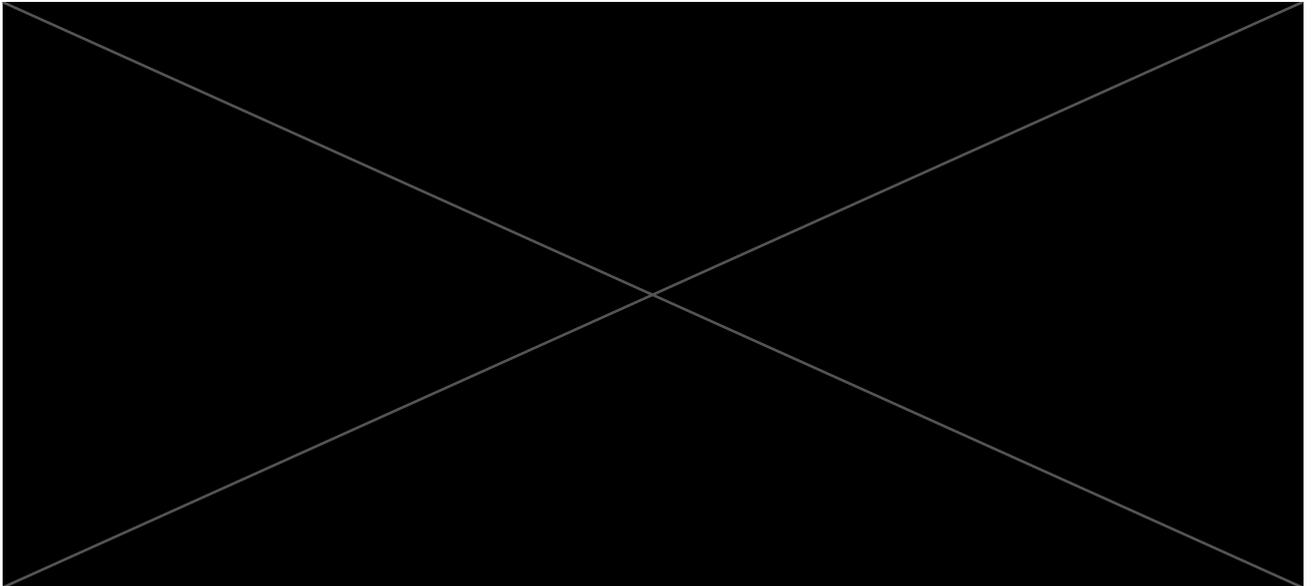
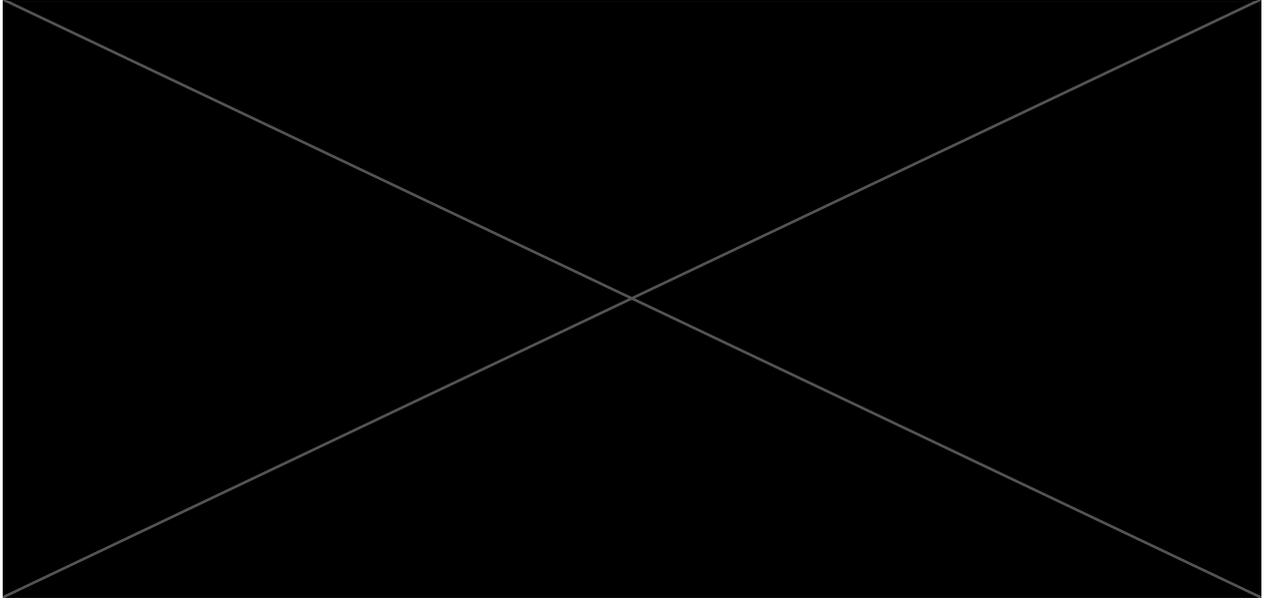
Upon analyzing the P&L, one of the line items is incorrect:

- **Hosting & Apps** - stated as £150 per month. However, the costs in March 2025 was \$459 USD or £343. The actual costs are being understated as the seller is using more applications in Shopify. 

Verdict: a warning to review specific line items, redo the P&L to be accurate, and ultimately, recalculate valuation.

Market Analysis

Seasonality & Trends



Keyword	Intents	SF	Volume	KD	CPC	Traffic	Change	Paid	Position	Change	URL	Updated
[Redacted]	I Branded	5	450	7	4.86	0	-66	0	3	×	Lost	7 Nov 20...
[Redacted]	I C Branded	1	50	0	0.22	31	+14	0	1			4 d ago
[Redacted]	C T Branded	4	20	20	1.22	8	-1	0	1			27 Apr 20...
[Redacted]	I C Branded	2	10	10	N/A	5		0	1			12 d ago
[Redacted]	I C	3	30	4	N/A	2	-2	0	2	→ 6	▼ 4	7 d ago
[Redacted]	I C	4	350	63	1.14	2	+2	0	93	→ 20	▲ 73	1 d ago
[Redacted]	C T	2	100	7	1.23	1	+1	0	×	→ 15	New	14 Apr 20...
[Redacted]	I C	3	50	41	1.05	1	+1	0	×	→ 12	New	9 d ago
[Redacted]	C T	2	100	9	0.80	1	+1	0	100	→ 18	▲ 82	1 d ago
[Redacted]	C T	4	100	32	1.32	1	+1	0	×	→ 13	New	16 / ?

Top Keywords By Traffic (per Ahrefs)

[Redacted] is a growing market, not a fad or seasonal. This can be verified with Google Trends and keyword reports.

Verdict: no red flags

Competition Analysis

Competitor	Total Keywords	Ref Domains	DR	Indexed pages	Type of Website	Age	Affected by update
b	99	86	23	47	eCommerce	5	No
p	4,129	1,781	33	325	eCommerce	14	Yes
a	8,377	958	50	3,470	eCommerce	10	Yes
disco	9,400	1,596	42	38,400	eCommerce	17	Yes
pr	9,738	1,538	52	2,330	eCommerce	21	No
	25,127	2,342	53	7,030	eCommerce	18	No

We pinpointed the top competitors that sell similar products and go after similar organic search keywords in the table above. Overall, there are a significant number of competitors in this niche, which is a good sign.

More competitors means more organic search traffic potential, which can be captured by [Redacted] with a proper SEO strategy.

The majority of the competitors have significantly higher domain ratings (DR) than [REDACTED] (DR 23). Each competitor is also older.

[REDACTED] ranks for just 99 keywords with a DR of 23. This ratio indicates the seller has not focused on SEO as a marketing channel. The closest competitor in terms of metrics is [REDACTED], ranking for 4,195 keywords with a DR of 33. [REDACTED] has a strong enough DR to go after more keywords; this requires a proper SEO content strategy to be implemented.

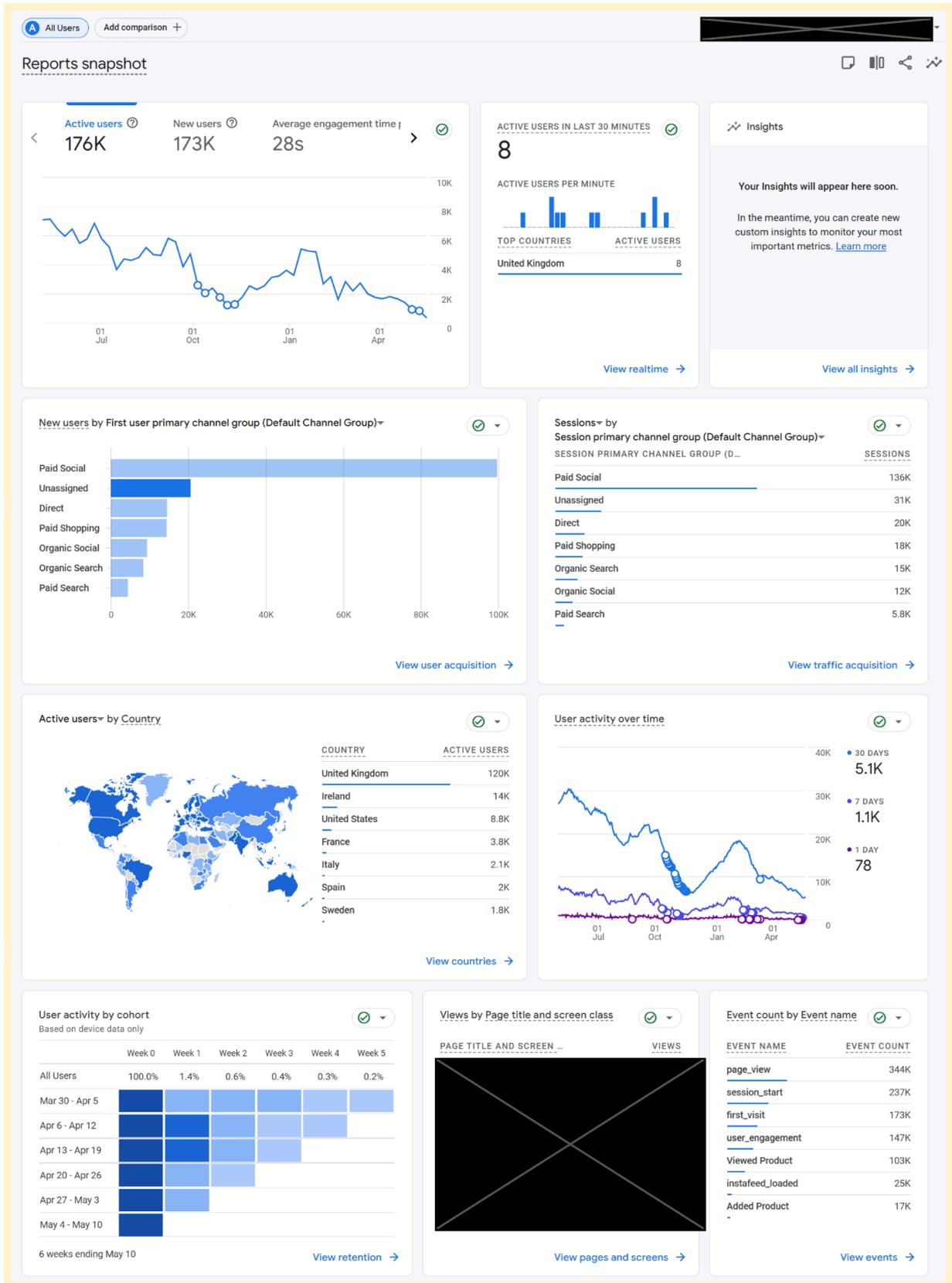
There is significant potential in this niche for increased growth and revenues. All good signs.

Verdict: no red flags

Traffic Analysis

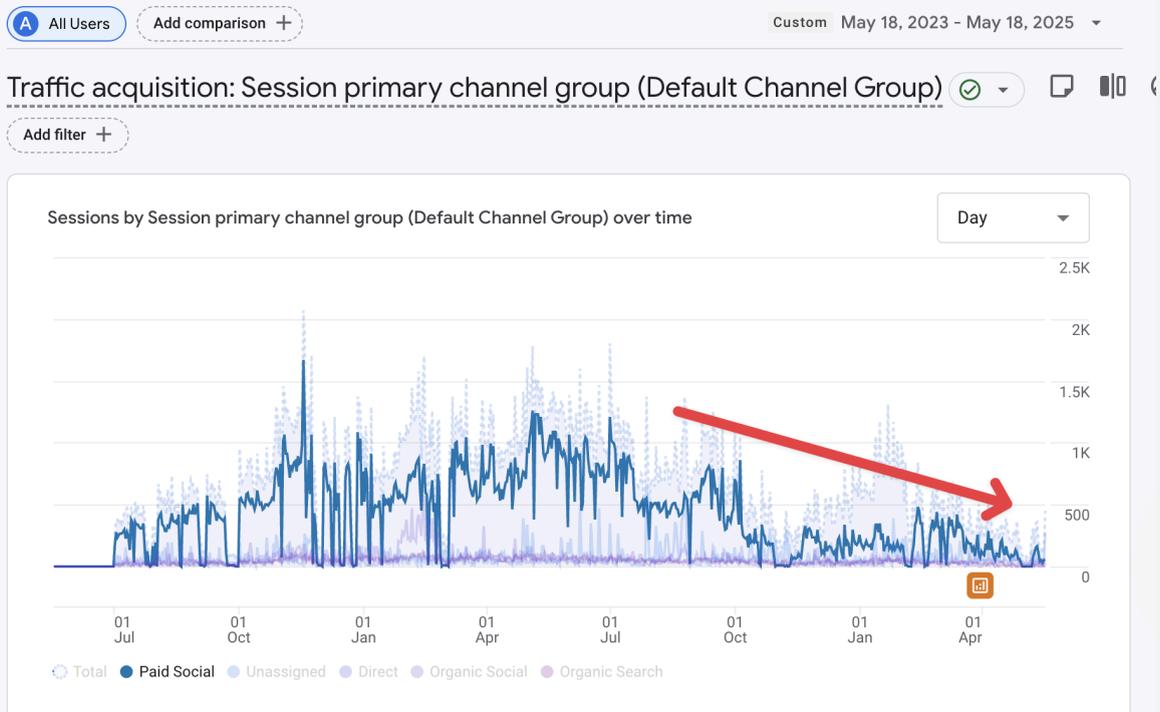
Traffic Dashboard

We analyzed the Google Analytics traffic data. A snapshot is below:



GA4 traffic

The snapshot from Google Analytics gives a sense of high-level metrics. The majority of the traffic, as expected, is from Paid Social (Facebook). There is a downward trend in traffic, which is due to less and less traffic from Paid Social. This can be visualized below:



This drop happened because the seller stopped spending on paid social channels. For example, in the middle of 2024, the average spend was 20K. As expected, that has dropped to 10K in recent months, causing the drop in traffic.

Most Visited Pages (last 60 days)

URL	% of total traffic	Users (L2m)	Top KW	Position	Type of article
[REDACTED]	78.27%	9,888	[REDACTED]	1	Commercial
[REDACTED]	23.04%	2,911	[REDACTED]	1	Information
[REDACTED]	4.17%	527	[REDACTED]	11	Commercial
[REDACTED]	2.45%	310	[REDACTED]	8	Commercial
[REDACTED]	2.06%	260	-	-	Informational

Since the majority of traffic is paid social, the traffic will be targeted to a product page. In this case, 78%+ is going to a single product page.

Directing traffic to product pages is the best way to generate sales.

If this site had a large portion of organic traffic, then we would not want to see more than 15% or more of traffic going to any single page. This is because individual pages can get penalized in Google. If that happens, then overnight traffic can go to zero and so can revenue. Diversification is key for organic SEO traffic, not so important for paid ad traffic.

No red flags.

Last 12 Months' Traffic

Month	Users	Sessions (UA)/ Views (GA4)
May 2024	30,690	53,739
June 2024	24,508	47,021
July 2024	22,695	42,488
Aug 2024	19,733	40,650
Sep 2024	20,503	37,615
Oct 2024	11,542	22,862
Nov 2024	6,757	15,063
Dec 2024	12,489	20,293
Jan 2025	18,496	33,544
Feb 2025	10,286	18,726
Mar 2025	9,268	17,090
Apr 2025	6,519	12,465
May 2025	1,355	2,916
Averages:	16,124	30,130

Additional Traffic Data

Averages:	
Engaged sessions per user	0.49
Session duration	28s
Bounce rate:	36.31%
Traffic By Channel (New users):	
Paid Social	57.55%
Unassigned	11.86%
Direct	8.39%
Paid Shopping	8.36%
Organic Social	5.44%

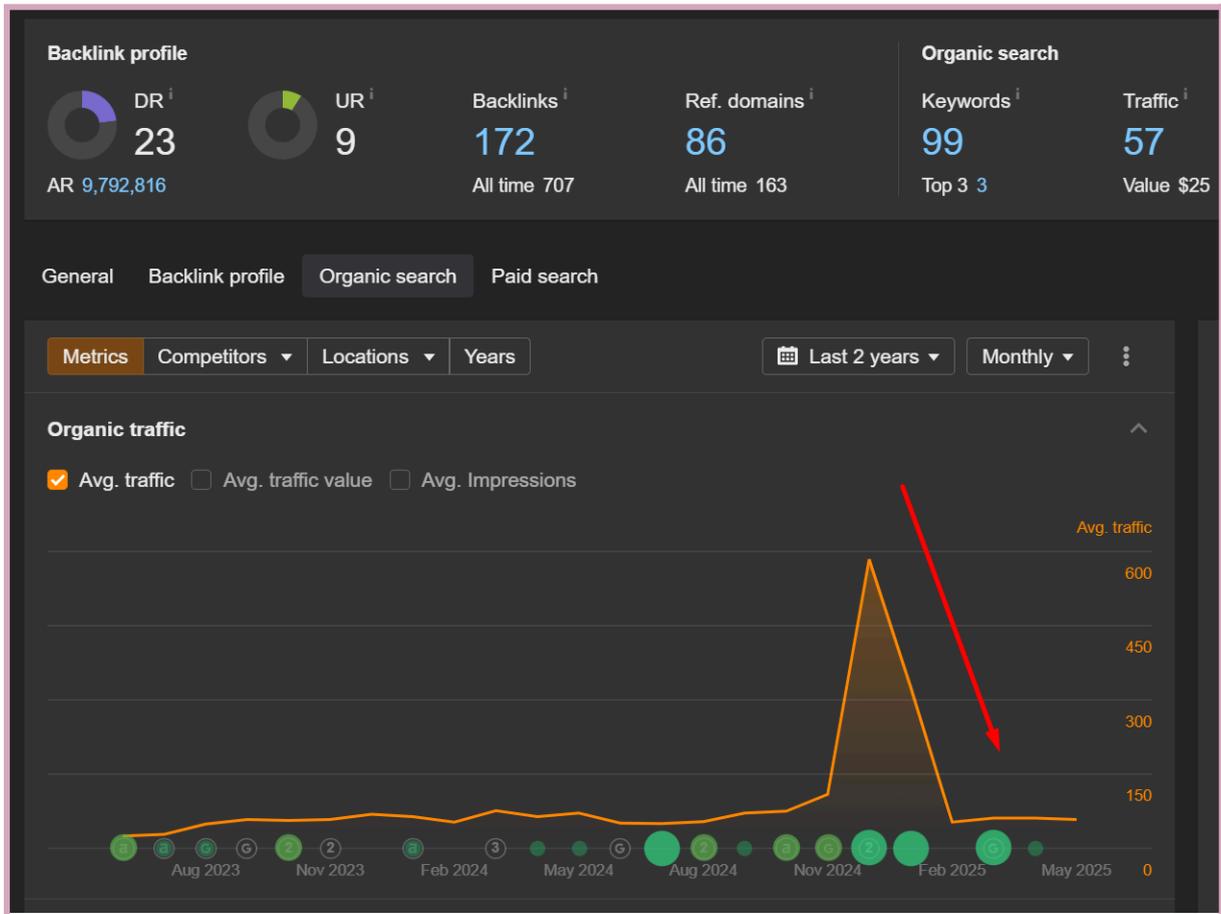
Traffic By Device:	%
Mobile	82.61%
Desktop	15.01%
Tablet	2.76%
Traffic By Country	%
United Kingdom	67.45%
Ireland	7.92%
United States	4.97%
France	2.18%
Italy	1.18%
Returning vs new visitors	%
Returning	9.89%
New	90.1%

*Bounce rate is differently calculated in GA4 compared to UA

The site's bounce rate at 36% is ideal for an e-commerce site. The session duration of 28 seconds is low and can be improved with conversion rate optimization.

To re-verify, the majority of the traffic is from the UK from paid social media campaigns. As expected.

Google Updates Impact



Ahrefs traffic graph

12 May, 2025 compared to 12 Feb, 2025

	Total
Keywords that improved in rankings	42
Newly found keywords	18
Keywords that declined in rankings	38
Lost keywords	69

While Ahrefs shows a steep drop, this is not an impact of any algorithmic updates. Google may have ranked the site temporarily for high volume keywords and then removed those rankings. This happens naturally and is part of the process.

Verdict: no red flags

Google Ads Analysis

For due diligence purposes, the goal is to check if Google Ads is performing, if conversions are being tracked, if keywords are showing CPC/conversions, and if none of the data is fake. We break down the analysis below.

Conversion Tracking

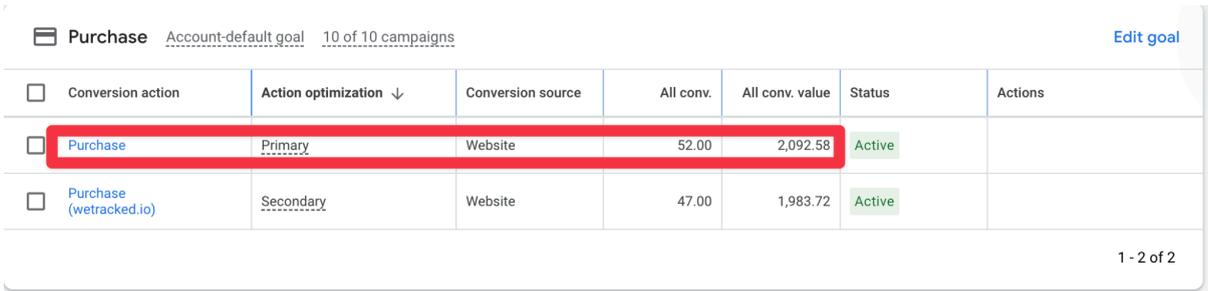
Tracking can be viewed on Google Ads platform 

Below is the conversion tracking summary. The goal is to see if conversions are set up properly. If conversions are not set up properly, then the data shown in Google Ads can be misleading.

From the analysis, the seller is tracking Purchases as the primary action, which is correct. "Purchase" has had 52 conversions totaling \$2,092 in revenue.

Add To Cart (ATC) is a secondary conversion, which is correct. Begin Checkout is tracked as a primary conversion, which is not correct. While this won't have an impact on the data in Google Ads, the optimization structure for Begin Checkout is wrong so the ad campaigns won't be as optimal. This is an easy fix.

See below for all screenshots.



The screenshot shows a table of conversion actions in Google Ads. The table has columns for Conversion action, Action optimization, Conversion source, All conv., All conv. value, Status, and Actions. Two rows are visible: 'Purchase' (Primary) and 'Purchase (wetracked.io)' (Secondary). The 'Purchase' row is highlighted with a red border.

<input type="checkbox"/>	Conversion action	Action optimization ↓	Conversion source	All conv.	All conv. value	Status	Actions
<input type="checkbox"/>	Purchase	Primary	Website	52.00	2,092.58	Active	
<input type="checkbox"/>	Purchase (wetracked.io)	Secondary	Website	47.00	1,983.72	Active	

1 - 2 of 2

Add to cart 0 of 10 campaigns

<input type="checkbox"/> Conversion action	Action optimization ↓	Conversion source	All conv.	All conv. value	Status
<input type="checkbox"/> Add to cart	Secondary	Website	92.00	92.00	Active
<input type="checkbox"/> Add to cart (wetracked.io)	Secondary	Website	81.00	3,371.42	Active

Begin checkout 0 of 10 campaigns

<input type="checkbox"/> Conversion action	Action optimization ↓	Conversion source	All conv.	All conv. value	Status
<input type="checkbox"/> Begin checkout	Primary	Website	67.00	67.00	Active
<input type="checkbox"/> Begin checkout (wetracked.io)	Primary	Website	45.00	2,119.10	Active
<input type="checkbox"/> Contact Information	Primary	Website (Google Analytics (UA))	0.00	0.00	No recent conversions

Overall, the conversions are set up properly.

Active Campaigns

In the last 30 days, the seller has had two active campaigns. One campaign is a branded keyword campaign, and the other is a PMax campaign.

We treat the branded keyword search campaign as a brand “protection” campaign. This is not an enhancement campaign to bring in new visitors, but instead, it's already visitors who are searching the brand name; in short, these sales would have probably happened anyway.

The PMax campaign is bringing new visitors. However, the ROAS is 2.35X, which seems low. A proper analysis needs to be done to calculate the breakeven ROAS.

Overall, the campaigns are set up correctly.

<input type="checkbox"/> Campaign	Interaction rate	Avg. cost	Cost	Bid strategy type	Clicks	Conv. rate	Conv. value
<ul style="list-style-type: none"> <input type="checkbox"/> Drafts in progress: 0 <input type="checkbox"/> BRA <input type="checkbox"/> ALL UK 							2,340.98
							975.34

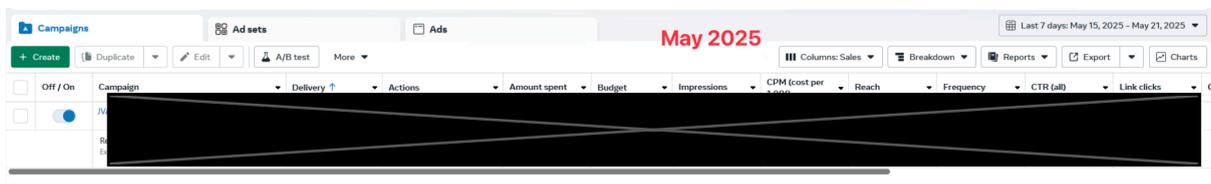
The Google Ad campaigns are all set up correctly. The targeting, campaign set up, and conversions are done right.

Verdict: no red flags

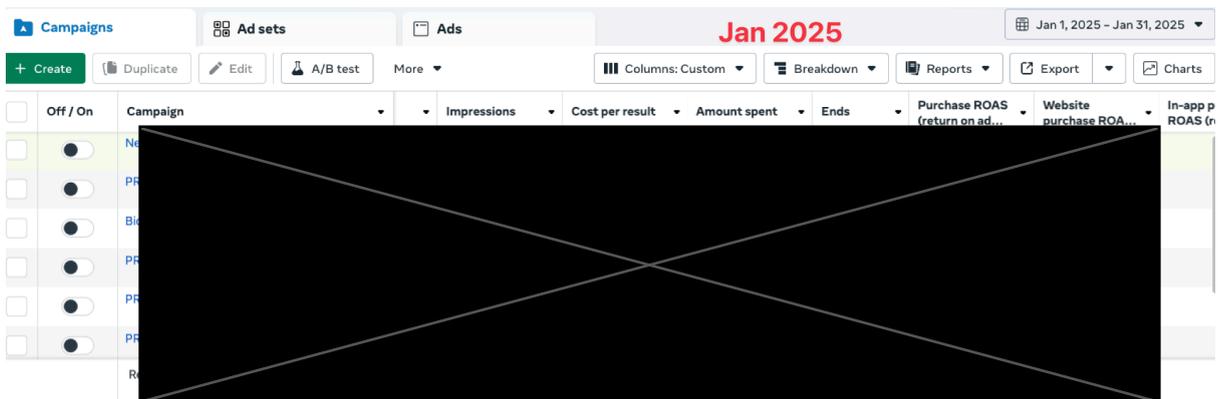
Facebook Ads Analysis

Account Set Up

The seller has a single advertising account in Facebook Ad Manager, running a single campaign at the moment in May 2025. In January 2025, there were a total of 6 campaigns running.



May 2025 Campaigns



January 2025 Campaigns

As stated by the seller, they reduced advertising spend in recent months. This is proven with the above two screenshots.

Events

Facebook needs “events”. Events are activities users take on the Shopify site. This can be a page view, add to cart, specific content viewed, etc. To ensure this is setup, the Facebook pixel needs to be integrated into Shopify.

Below is a screenshot of the events being tracked by Facebook.

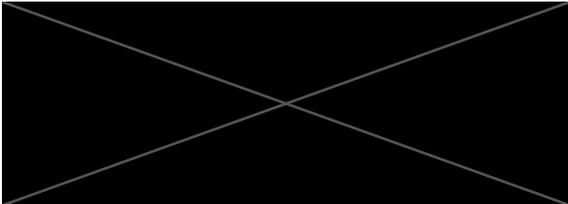
Events	↑↓	Status	Used by	Integration	Event match quality	Total events	↓
PageView ● Active				Multiple ⓘ	8.0/10	29.4K Last received 14 minutes ago	⌵
View content ● Active				Multiple ⓘ	7.3/10	11.1K Last received 17 minutes ago	⌵
Initiate checkout ● Active				Multiple ⓘ	8.3/10	2.2K Last received 39 minutes ago	⌵
Add to cart ● Active				Multiple ⓘ	8.2/10	2K Last received 25 minutes ago	⌵
Purchase ● Active			2 ad sets	Multiple ⓘ	9.3/10	1.1K Last received 36 minutes ago	⌵
Add payment info ● Active				Multiple ⓘ	8.7/10	631 Last received 36 minutes ago	⌵
Search ● Active				Multiple ⓘ	7.4/10	61 Last received 21 hours ago	⌵

The pixel is properly set up. It's tracking live events.

Audience Set Up

It's essential to understand if the Facebook Audiences are set up correctly. Ad groups within campaigns target specific audiences.

The current audiences the seller has setup are as follows:

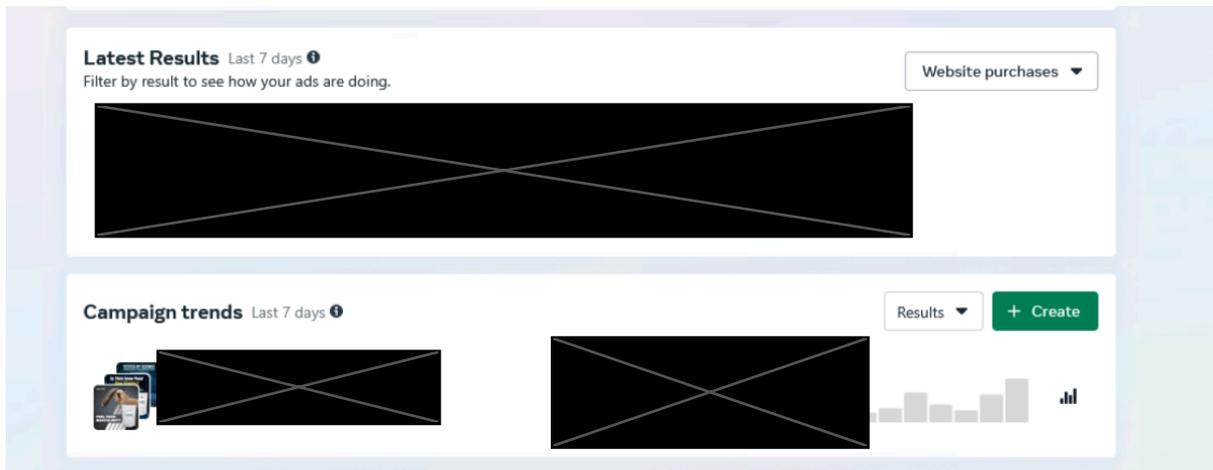
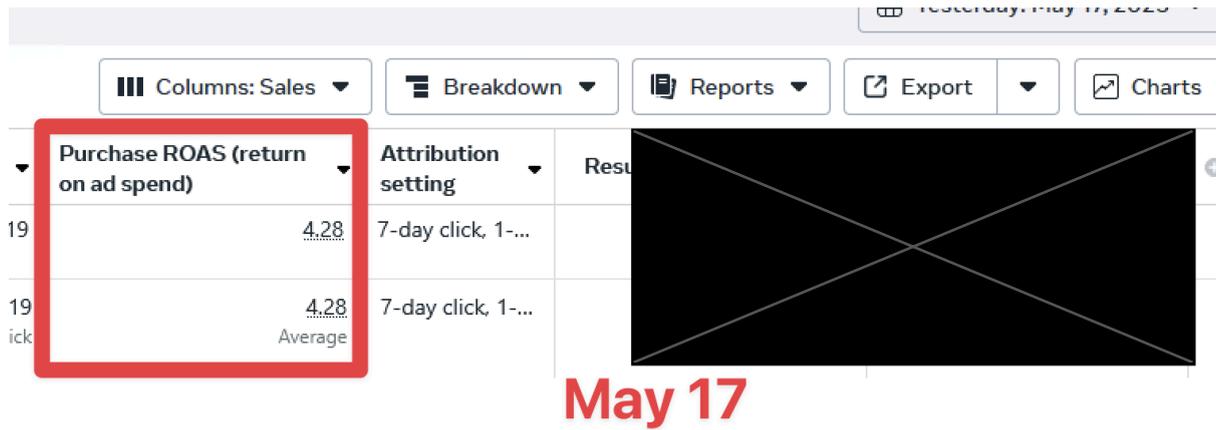
- B
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- 

The seller is targeting predominantly male target aged 18-55.

The audienc stack is very wide. Further analysis should be done to understand which audience and/or specific age range has a higher ROAS. No red flags.

Ad Account Report

The screenshot below shows the overall results of the ad accounts for May 2025 (as an example). Overall, these accounts have a positive ROAS (i.e., spending \$1 brings in more than \$1 in revenue).



The operations look healthy with a positive ROAS and good amount of website purchases.

Individual Ads

Facebook requires creatives. Dynamic creatives (videos) usually work better than static (image) creatives. The seller utilizes mostly static creatives at this time.

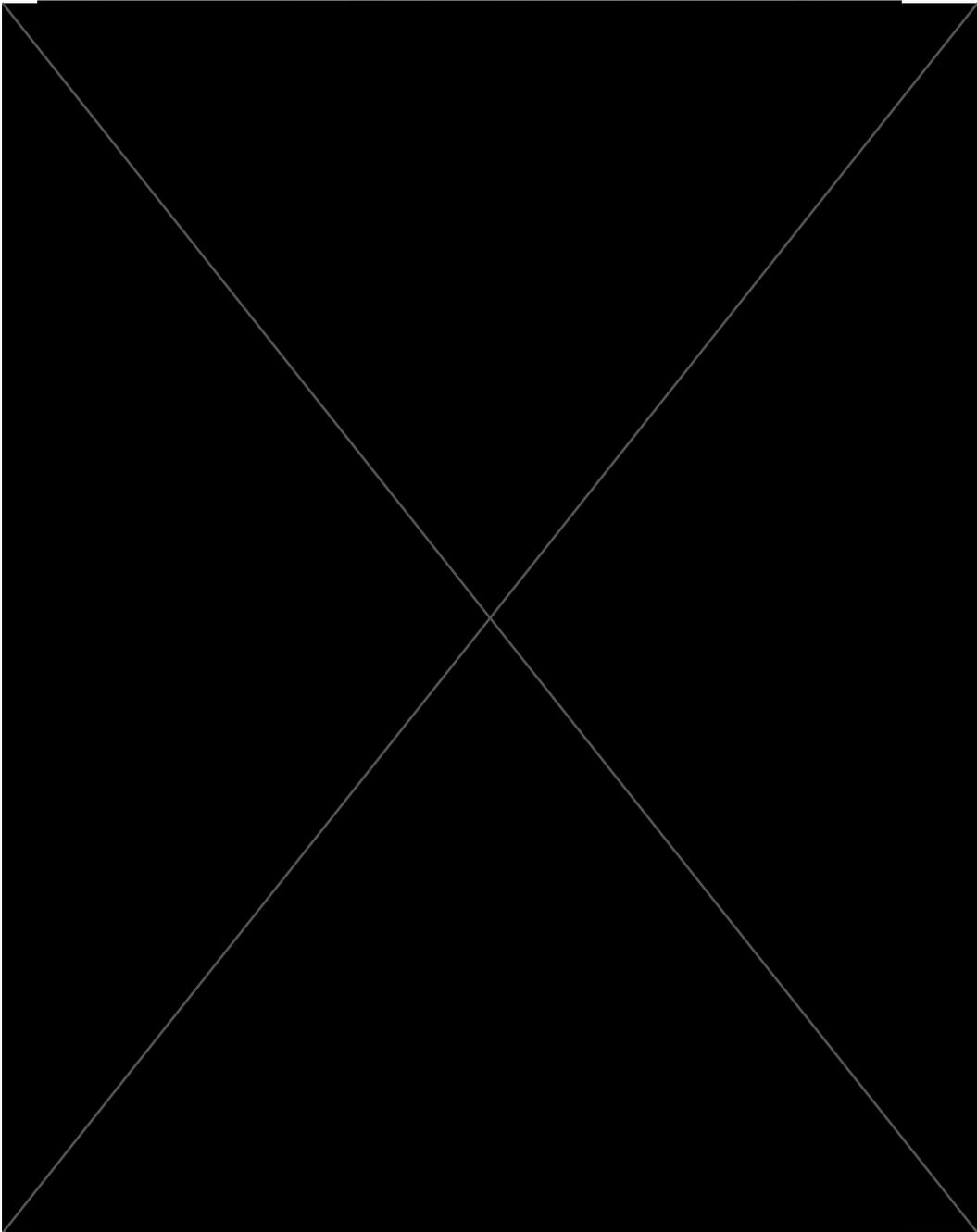
A full list of ad creatives can be found here:



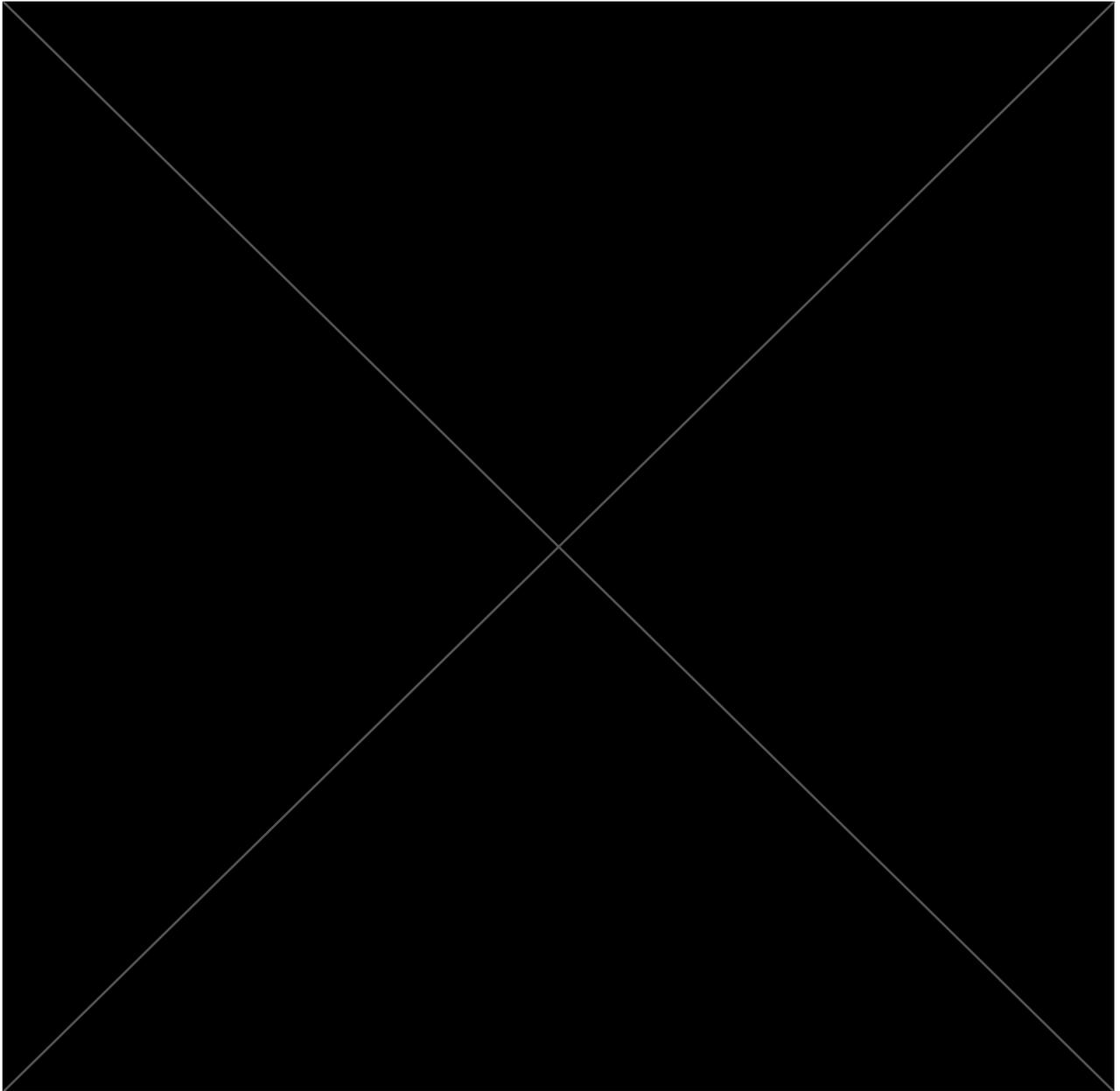
The [Redacted] also shows the most recent ads that were live.

Below is a snapshot of a few ad creatives:





★ Trustpilot ★ ★ ★ ★ ★
Rated 4.9/5 on Trustpilot



The buyer should know that new ads must be created over time. The same audience will start to ignore the ad shown to them, so variety is needed.

The Facebook ad campaigns are set up correctly. The targeting, campaign setup, audience, and ad structure are all good.

The seller has “optimized” ads to reduce ad spend and allegedly increase profits. However, a new buyer should do a full audit of Facebook performance to understand if any of the seller's changes need to be reversed.

Verdict: no red flags

Email Marketing Analysis

The seller uses [Klaviyo](#), the premier go-to email marketing solution for eCommerce stores.

The seller is using Klaviyo for automated flows and one-time campaigns, There are a total of 29,881 active profiles that can receive emails.

Profile counts

<p>Total profiles</p> <p style="font-size: 24px; font-weight: bold;">34,979</p> <p>All profiles ⓘ</p>	<p>Email profile counts</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"> <p style="font-size: 24px; font-weight: bold;">29,881</p> <p>Active profiles ⓘ</p> </td> <td style="width: 50%; text-align: center;"> <p style="font-size: 24px; font-weight: bold;">4,905</p> <p>Suppressed profiles ⓘ</p> </td> </tr> </table>	<p style="font-size: 24px; font-weight: bold;">29,881</p> <p>Active profiles ⓘ</p>	<p style="font-size: 24px; font-weight: bold;">4,905</p> <p>Suppressed profiles ⓘ</p>
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Automated Flows

A flow is triggered when a visitor takes action. The most common flows for eCommerce are abandoned checkout, thank you emails post-sale, welcome email if a newsletter is joined, etc.

Flows

Status ▾
Tags ▾
⚠ Has email sender alerts

Metric time period Conversion me

📅 Last 7 days ▾
📈 Placed C

Flow	Type	Status ↓	Last updated	Revenue
BM: Abandoned Checkout Checkout Started	✉	🟢 Live	Feb 21, 1:50 AM	£80.91
BM: Welcome Flow Added to 10% OFF POP-UP list	✉	🟢 Live	Feb 21, 12:58 AM	£243.30
BM: Site Abandoned Active on Site	✉	🟢 Live	Feb 21, 2:29 AM	£26.99
BM: Browse Abandoned Viewed Product	✉	🟢 Live	Feb 21, 2:19 AM	£114.79

All the necessary flows are set up in Klaviyo. Note that the flows generated minimal revenue in the last 30 days. This is not a red flag and is usually the case. These flows act as a “last line of defense” to entice users to purchase. They do not have high conversion rates.

However, other flows that could be introduced are:

- **Offer to VIP Customers** - if a customer has purchased above a threshold, they are a VIP customer and get a special offer
- **Multi-year recurring customers** - if a customer has been purchasing constantly for X years, they can be given a special offer
- **Leave a Review, get X% OFF next order**

One-Time Campaigns

The main revenues are generated through one-time email blasts (campaigns). Below is a screenshot that shows the most recent campaigns. Every email generates a good ROI for the seller.

This is a marketing channel that should be grown and continued to be managed.

Campaign	Type	Status	Last updated	Open rate	Click rate	Placed Order
BM: [Redacted]	✉	✓ Sent	May 18 at 2:53 PM	52.03% 7,074 recipients	1.85% 251 recipients	£1,389.08 36 recipients
BM: [Redacted]	✉	✓ Sent	May 17 at 12:00 PM	50.96% 6,975 recipients	0.42% 57 recipients	£541.81 17 recipients
BM: [Redacted]	✉	✓ Sent	May 11 at 2:37 PM	53.83% 7,258 recipients	0.65% 88 recipients	£1,667.61 46 recipients
BM: [Redacted]	✉	✓ Sent	May 8 at 2:40 PM	55.49% 7,708 recipients	1.32% 183 recipients	£1,024.13 27 recipients
BM: [Redacted]	✉	✓ Sent	Apr 27 at 3:38 PM	55.09% 7,837 recipients	0.76% 108 recipients	£1,932.53 49 recipients
BM: [Redacted]	✉	✓ Sent	Apr 24 at 3:35 PM	57.92% 7,858 recipients	0.60% 81 recipients	£1,456.41 38 recipients
BM: [Redacted]	✉	✓ Sent	Apr 20 at 3:53 PM	53.74% 7,856 recipients	0.94% 138 recipients	£2,396.18 55 recipients

Deliverability

Deliverability is key. Bounce rate, open rates, click rates, etc need to be analyzed. See below.

Overall, the deliverability metrics are good. There isn't a single item that needs to be significantly improved. All are within good range.

Deliverability score

Based on last 30 days of data

Factors

Over time



Your score is **Good**

↑ 11 over the previous 30 days

Metrics	Rate	Recommended
✓ Open rate	54.1%	greater than 33.0%
⚠ Click rate	1.02%	greater than 1.20%
✓ Bounce rate	0.79%	less than 1.00%
⚠ Unsubscribe rate	0.34%	less than 0.30%
✓ Spam complaint rate	0.001%	less than 0.01%

Overall, email marketing is set up correctly for due diligence purposes.

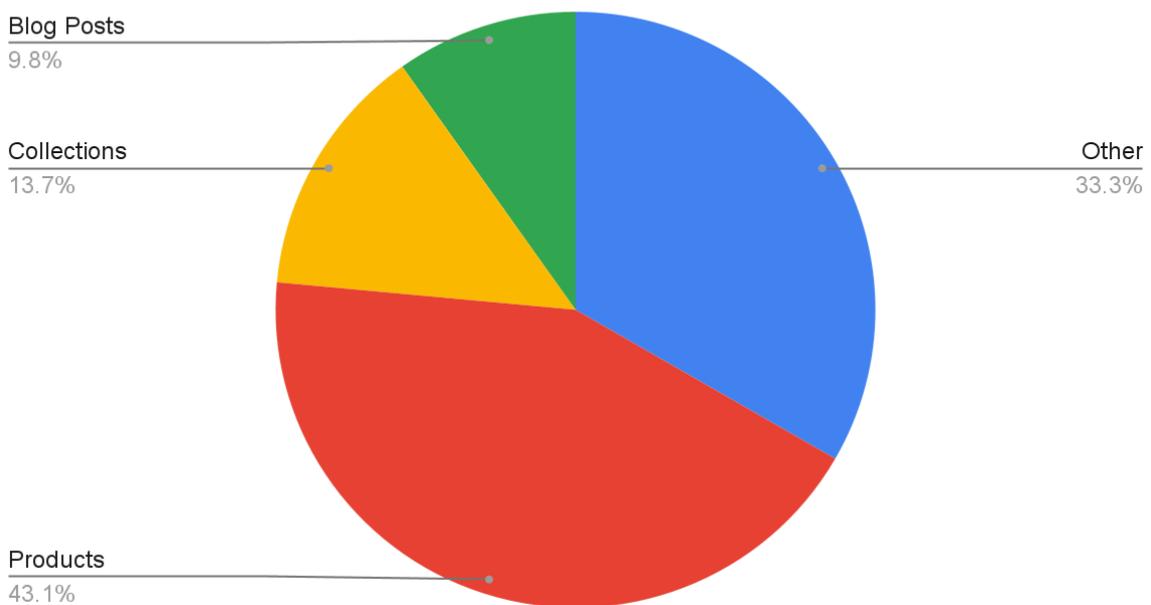
Verdict: no red flags

Website Content Analysis

- Sitemap URL: [REDACTED]
- Total pages: 51
- Indexed pages: 47
- Total Word Count: 33,215
- Average Word Count: 1,383
- Publishing frequency (L90D): N/A

Content Type Breakdown

Content Types



Content type	%	Examples
Product Pages	43.1%	[REDACTED]
Collection Pages	13.7%	[REDACTED]
Other	33.3%	[REDACTED]
Blog Posts	9.8%	[REDACTED]

This content analysis enables us to understand how the site is built and what can be optimized.

The site has a mix of product pages, collection pages, and transactional pages (about, contact, etc).

Furthermore, variation of collection pages can be published to target long-tail keywords.

Verdict: no red flags. There are opportunities for optimization through SEO.

SEO Analysis

Off-Page SEO Analysis

DA	DR	SW RANK	CF	TF	SS%	REFERRING DOMAINS	INDEXED PAGES
11	23	2,738,970	26	0	2%	86	47

DA - Domain Authority (MOZ)

DR - Domain Rating (Ahrefs)

SW RANK - SimilarWeb Global Rank

CF - Citation Flow

TF - Trust Flow

SS% - Spam Score

Number of linking domains - domains that refer to the website

Indexed pages - number of indexed pages on Google search

SEO Crawl Results

The crawler found no major errors that are not evident on most other websites. The results below are “good to know” and, if time permits, most of these things can be fixed.

	Title Tags / #	H1 Tags / #	Alt text / #	Meta des. / #	Images / #
Missing	0	1	130	6	-
Duplicated	0	2	-	0	-
Too long/large	6	3	41	13	0
Too short	5	-	-	1	-
4XX and 5XX Links	5	-	-	-	-
3XX Redirects	7	-	-	-	-

Page Speed Analysis & Web Core Vitals

We check all aspects of Google Web Core Vitals. The site needs to be optimized. The Page Insights scores need improvement to at least hit 80/100 scores. The Largest Contentful Paint Time at 2.8 seconds has to be less than 2 seconds. These numbers impact user experience on the site. These are not red flags but things to fix post-acquisition.

First Contentful Paint (seconds)	1.7
Google Page Insights score (mobile)	23
Google Page Insights score (desktop)	23
Cumulative Layout Shift	0
Largest Contentful Paint Time (seconds)	2.8

* all results are averages of 5 best pages by traffic and homepage

During our SEO analysis, we covered several segments, including page speed analysis, a deep-dive crawl of each page on the site, on-page SEO analysis, and internal/external linking analysis.

On-page SEO and technical SEO have no red flags. Some things could be fixed, such as image alt tags that are too long or missing. However, these are good to do, not critical red flags.

Verdict: SEO analysis has no red flags

Backlink Analysis

- **Number of referring domains:** 86
- **Total backlinks:** 172
- **Dofollow backlinks (1 per domain, web 2.0 backlinks excluded):** 66
- **Backlinks from domains with DR >20:** 49
- **Top linked page:** [REDACTED]
- **Redirected referring domains:** Yes ([REDACTED])
- **Average DR of dofollow domains:** 30
- **Average Traffic of dofollow domains:** 3,504
- **Link velocity (L30D):** 28

Types of backlinks used

- **Niche Insertions (purchased)** - A common practice among online bloggers is requesting other blog owners to include their links within their posts. This technique is particularly prevalent for promoting websites. Usually, the insertion of the link requires payment. This is not entirely a red flag unless the backlinks are from low-quality sites. After analyzing, there are no niche edit links that the owner purchased.

- **Natural Niche Relevant Links** - these are links directly correlated with the niche of this site and hence carry the most authority. After analyzing, there are no niche relevant links
- **Natural General Authority Links** - These are generic links (not entirely niche relevant) from very high authority sites. These help boost overall authority and are great to have. These help boost overall authority and are great to have. These help boost overall authority and are great to have. (e.g. [REDACTED])
- **PBNs** - private blog networks are purchased links that point from a blog's homepage to your site. They are highly frowned upon as backlinks. This site has no PBN links.

The seller did not actively perform any SEO backlinking for this website; hence, it has no significant backlink profile. All of the competitors have a higher domain rating, indicating the value of proper backlinks in this niche. The new owner would benefit from strategically placed SEO backlinks.

Verdict: no red flags

Workload and Investment Projections

This business is an e-commerce website selling physical B2C products. This is not a passive business model and will require work.

Here are the main individuals who should be part of the team (or outsourced);

- **Customer Service & Order Processing assistant** - this person will handle day-to-day issues with customer orders, questions, etc. It looks like the business already has a virtual assistant in place. We assume that the person is fulfilling these roles.
- **SEO specialist or SEO operator** - someone who can execute SEO strategies (e.g., fixing technical SEO, adding internal links, backlinks). A specialist will start at \$20/hour and can go upwards of \$100/hour. An agency can range from \$2,000 to \$5,000/month.
- **Media Buyer (Google Ads & Facebook)** - This business has enough margin to reinvest properly into advertising. An expert who understands how to optimize, set up, and track paid ad campaigns can be hired. This person should have 5+ years of experience with successful case studies. Salaries can be \$1,000 to \$2,000 per month.

Optional, not needed for the business unless these are new directions the new owner wants to grow the site:

- **Social media manager:** A specialist who will handle the growth of social channels. Someone under \$10/hour can do this.

The new owner (buyer) can take on all of these roles if they have the background or are willing to learn.

Valuation & Deal Structure

The listed structure of the buyer is as follows:

- **Valuation:** £438,000
- **Structure:**
 - £350,000 upfront
 - £88,000 after 90 days
 - If average profit (post vat) drops below £15,950 over next 3 months, then earn out amount (£88K) is dropped by 10%
 - If average profit drops below £13,280 over next 3 months, then earn out amount (£88K) is dropped by 20%
 - If average profit (post vat) exceeds £19,920 over next 3 months, then earn out figure (£88K) is increased by 10%
 - If any of the above rules are not triggered, earn out (£88K) is paid as is on month full.
- **Claimed SDE (L12M):** £19,318 from P&L
- **Multiple:** 22.67X monthly multiple

The typical average valuation multiple is 30-36X monthly for eCommerce, so being at 29X is a good sign. However, this business has a major issue of declining traffic and revenues.

The P&L needs to be restructured to include missing costs. This will most likely decrease the SDE/profit. Then the valuation can be recalculated.

Furthermore, since there are red flags, a re-negotiation can ideally take place to get the multiple down to 18X. There are justifications for asking for this adjusted multiple.

The earnout structure is fair. Usually, we do a 12-month earnout to get a full 12 months under operations. This also gives the buyer time to scale up, get an understanding of the business, and collect revenues/profits to pay the earnout. 3-month earnout is not the norm.