

**UXD 260: P1 Project Scoping**  
**Part 1 –**

**Competitive Analysis**

**Business Overview – Describe the business and the customers it serves**

- **Temu** is an online retail platform offering a wide variety of affordable products, from clothing and accessories to electronics and home goods. It targets budget-conscious consumers looking for a broad selection at low prices. The platform often attracts younger shoppers and those who are looking for a deal, including first-time online shoppers or older consumers unfamiliar with online shopping habits.

**Offerings – What types of services and products does it sell?**

- Clothing (women's, men's, and children's)
- Accessories (jewelry, bags, etc.)
- Home goods (decor, kitchen gadgets)
- Electronics (gadgets, chargers, etc.)
- Beauty products (skincare, makeup)

**Messaging – What are the key messages on the home page?**

- The homepage features heavy emphasis on **discounts** and **special offers**, often with pop-ups encouraging users to engage in games or "win discounts." The messaging does a good job of communicating low prices but lacks clarity, especially with regards to terms like "bundles" and how deals work (such as needing to purchase two items for a \$300 bundle).
- Simplifying the discount messaging and making it more transparent. For example, ensuring users understand that a bundle deal requires multiple items could reduce confusion. Consider using clearer visual cues or concise copy for promotions.

### Customers – What types of people use this service and products?

- Young adults looking for fashion and home goods at a low price.
- First-time online shoppers who are attracted by the idea of deals and discounts.
- Budget-conscious buyers who appreciate convenience and variety in one place.

#### User needs:

- They value low prices, variety, and convenience.
- They might be drawn to the "game-like" pop-ups or offers that promise extra discounts or prizes, even if those deals can sometimes feel misleading.

### Competitors – What are some competitors to your chosen business?

- Competitors: Shein, Amazon, Wish, AliExpress, and other fast-fashion or discount product platforms.
- **Similarities:** Like Temu, competitors also emphasize low prices, broad product categories, and discount-driven marketing.
- **Differences:** Shein has a more streamlined and polished user interface with better product descriptions and a strong social media presence.
- Wish and AliExpress, like Temu, rely on aggressive discount strategies but might not be as engaging in their marketing.
- **UI Standards:** Competitors often use clean, minimalist layouts with simple navigation. The use of pop-ups for discounts is common, but competitors like Shein have refined this into a smoother, less intrusive experience.

**Opportunities for Improvement:** Temu could refine its pop-up strategy to be less intrusive. It can improve product descriptions and better define its discount and deal structures to increase transparency.

- **SWOT Analysis** – Conduct a SWOT Analysis using the template below to structure your observations.

### SWOT Analysis

Answer the questions below based on your competitive research.

<p><b>STRENGTHS</b> – What are the current website's strengths? What do you want to build upon?</p>	<ul style="list-style-type: none"> <li>• <b>Low prices</b> and a <b>wide selection of products</b>.</li> <li>• <b>Simple UI</b> that's easy to navigate, especially for price-conscious users.</li> <li>• <b>Appealing to younger audiences</b> with a mix of game-like pop-ups and offers.</li> <li>• <b>Transparency in pricing</b>: Prices are usually quite clear, even if the discount structures could be better communicated.</li> </ul>
<p><b>WEAKNESSES</b> – What internal barriers might limit potential improvements?</p>	<ul style="list-style-type: none"> <li>• <b>Too many pop-ups</b> and some of them are misleading. The "winning discounts" can create frustration.</li> <li>• Lack of <b>clarity around bundles</b> and deals. Customers are sometimes confused about what the deals actually entail (e.g., needing to buy 2 items for a bundle).</li> <li>• Opening a new tab when clicking on a product might create <b>user friction</b> or confusion, as it disrupts the shopping flow.</li> </ul>
<p><b>OPPORTUNITIES</b> – What elements should the business capitalize on to enhance the user experience?</p>	<ul style="list-style-type: none"> <li>• <b>Simplify and clarify discount messaging</b>. Make deals and bundles more transparent.</li> <li>• <b>Reduce the frequency of pop-ups</b> or make them less flashy and more informative.</li> </ul>

	<ul style="list-style-type: none"> <li>• Develop a <b>loyalty program</b> or another form of value proposition that encourages repeat customers.</li> <li>• Create more <b>personalized shopping experiences</b> through better data insights or machine learning, improving recommendations for users.</li> </ul>
<b>THREATS</b> – What external barriers might prevent the business from achieving an optimal user experience?	<ul style="list-style-type: none"> <li>• <b>Over-saturation of discount platforms:</b> With competitors like Shein, Wish, and Amazon constantly evolving their offerings, Temu could struggle to stand out if it doesn't improve its user experience.</li> <li>• <b>Customer trust issues:</b> Misleading discount strategies and pop-ups could <b>deter users</b> or create skepticism, especially among first-time shoppers or older customers who may not be familiar with online shopping tactics.</li> </ul>



Image: <https://onstrategyhq.com/resources/swot-analysis/>