

Recommended thresholds

Data-backed proposal for Caketella & Ketocake B2C

Analysis window: 23 Jan 2026 — 23 Apr 2026 · exactly 90 days

Recommendation

Different brands, different thresholds — here's why.

CAKETELLA

RM 250

free shipping above this amount

AOV is RM 192 · threshold sits 30% above AOV · customers need to add RM 101 to qualify · 90-day absorb cost RM 6,389 (1.0% of revenue)

KETOCAKE

RM 200

free shipping above this amount

AOV is RM 158 · threshold sits at natural price cliff · customers need to add RM 68 to qualify · 90-day absorb cost RM 5,491 (2.3% of revenue)

Brand profiles

Two brands, same kitchen, very different customer behaviour

CAKETELLA — shopify

Platform	Shopify
Orders (90 days)	3,399
Net revenue	RM 653,456
AOV	RM 192
Pickup share	47%
Delivery share	53%
Shipping model	GoGet tiered
Avg delivery fee	RM 20.07

KETOCAKE — woocommerce

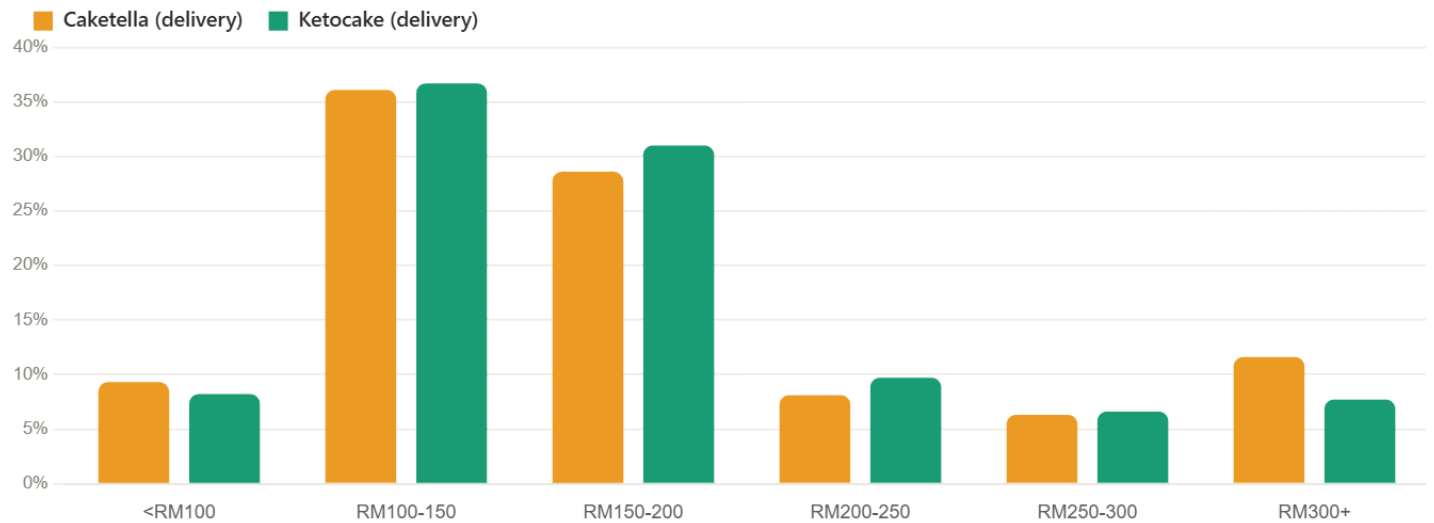
Platform	WooCommerce
Orders (90 days)	1,493
Net revenue	RM 236,620
AOV	RM 158
Pickup share	36%
Delivery share	64%
Shipping model	RM 1.20 / km
Avg delivery fee	RM 19.88

Key observation — per-order shipping cost is nearly identical

Both brands average RM 20 per delivery order. The differences between the two are in customer behaviour (AOV, pickup share, distribution shape), not delivery economics.

Order distribution

Where delivery orders sit today — % of orders in each price band



How to read this: both brands cluster heavily at RM 100–200. Above RM 200, Caketella has a long tail (11.6% of orders spend RM 300+), but Ketocake drops off sharply (only 7.7% spend RM 300+). This cliff shape is why Ketocake’s threshold must be lower — there aren’t enough high-value orders to support RM 250.

Full comparison

Metric	Caketella	Ketocake
Orders (90 days)	3,399	1,493
Net revenue (after discounts)	RM 653,456	RM 236,620
Gross sales	RM 673,481	RM 237,136
Discounts / coupons	RM 15,764	RM 516
Total shipping collected	RM 36,161	RM 19,065
Average order value (AOV)	RM 192	RM 158
Pickup orders	1,597 (47%)	~533 (36%)
Delivery orders	1,802 (53%)	~960 (64%)
Avg shipping on delivery orders	RM 20.07	RM 19.88
Orders above RM 200	26%	14%
New customer share	—	83%
Single-item order share	—	67%

The stretch gap

How much customers need to add to unlock free shipping — and whether it's realistic

CAKETELLA

current avg RM 149 → **RM 250**

Add **RM 101** more

Reachable by adding **one Bakkwa Iberico Choc Chip** (RM 50) + **one Cake Bite**, or upgrading from a small Tiramisu to a larger size. This is one extra SKU, not a whole new cake.

KETOCAKE

current avg RM 132 → **RM 200**

Add **RM 68** more

Reachable by adding **one small keto item**, like a cookie pack or brownie set. Gap is smaller than Caketella because Ketocake's typical cart is smaller (single-item orders dominate).

How we picked each threshold

Every realistic threshold compared side-by-side

Caketella — threshold options tested

Threshold	Orders qualifying	% qualifying	Stretch gap	90-day absorb	Verdict
RM 180	600	33%	RM 44	RM 12,095	Too low
RM 200	469	26%	RM 59	RM 9,410	Too close to AOV
RM 220	358	20%	RM 74	RM 7,099	Margin tight
★ RM 250	323	18%	RM 101	RM 6,389	Sweet spot
RM 280	227	13%	RM 124	RM 4,637	Gap too wide
RM 300	209	12%	RM 143	RM 4,272	Most won't stretch

Ketocake — threshold options tested

Threshold	Orders qualifying	% qualifying	Stretch gap	90-day absorb	Verdict
RM 150	~641	55%	RM 34	RM 11,742	Subsidising normal
RM 180	~329	28%	RM 44	RM 6,333	Inside dominant cluster
★ RM 200	~280	24%	RM 68	RM 5,491	Just past cliff
RM 220	~224	19%	RM 86	RM 4,477	Too steep a gap
RM 250	~166	14%	RM 102	RM 3,328	Cliff kills participation
RM 300	~90	8%	RM 143	RM 1,749	Almost no one qualifies

Cost to absorb

How much shipping we would cover over 90 days at the recommended thresholds

CAKETELLA @ RM 250

RM 6,389

over 90 days

1.0% of net revenue

323 delivery orders would qualify · avg shipping on those orders RM 19.78 · ~RM 2,130 / month

KETOCAKE @ RM 200

RM 5,491

over 90 days

2.3% of net revenue

~230 delivery orders would qualify · avg shipping RM 23.81 · ~RM 1,830 / month

Why Ketocake's % is higher (2.3% vs 1.0%)

Not because Ketocake is worse — because its threshold is lower, more orders qualify relative to total revenue. Ketocake also has a higher delivery share (64% vs 53%), which means more orders paying shipping in the first place. The gap between them is proportional, not problematic.

Break-even math

How much extra revenue each threshold needs to generate to pay for itself

CAKETELLA

Absorb cost per 90 days = **RM 6,389**

Needed margin uplift (at 40% margin) = $RM\ 6,389 \div 0.40 = RM\ 15,972$ extra revenue

As % of current delivery revenue = 4.5%

Program pays for itself if delivery revenue rises \geq 4.5%

KETOCAKE

Absorb cost per 90 days = **RM 5,491**

Needed margin uplift (at 50% margin) = $RM\ 5,491 \div 0.50 = RM\ 10,982$ extra revenue

As % of current revenue = 4.6%

Program pays for itself if total revenue rises \geq 4.6%

Why these thresholds — the four principles

The reasoning framework behind both numbers

- 1 Threshold must sit **just past AOV**, not below it. Setting it below AOV means giving free shipping to customers who were already buying that much — no lift, just margin loss.

- 2 Stretch gap must be **reachable by adding one small SKU**. If the gap is larger than a typical add-on item, customers abandon cart instead of adding.
- 3 Absorb cost must stay under **2.5% of net revenue**. Both proposals land in the 1–2.3% range, leaving room for AOV uplift to cover the cost.
- 4 Threshold should sit **at a natural price cliff**, not inside a dominant cluster. RM 200 is Ketocake’s natural cliff (86% below, 14% above). RM 250 is Caketella’s (82% below, 18% above).

Findings worth flagging

Context to keep in mind beyond the threshold decision

Ketocake is a single-cake business

67% of Ketocake orders are one item. Most customers order one cake and leave. This means free shipping alone won’t move AOV much — it needs to be paired with 2-cake bundles or cross-sell suggestions at checkout.

Ketocake’s customer base is 83% new

First-time buyers are risk-averse and order small. This reinforces why RM 200 (a stretchable threshold) works better than RM 220+ for this brand.

Shipping cost per order is nearly identical across brands

Caketella RM 20.07 vs Ketocake RM 19.88. GoGet tiered pricing and RM 1.20/km pricing converge at similar KL/PJ delivery distances. This means both brands have the same unit shipping economics — the threshold difference is purely driven by customer behaviour, not cost.

Pickup share is already high — don’t touch it

47% of Caketella and 36% of Ketocake orders are self-pickup (zero shipping). These customers don’t need a threshold — they’re already getting free “shipping.” The threshold should apply only to delivery orders.

Action plan

6 steps across 60 days — launch, measure, adjust

- 1 Set thresholds in platform backend** WEEK 1
Shopify: add "Free shipping above RM 250" shipping rate · WooCommerce: add free shipping method with RM 200 minimum. Exclude self-pickup from threshold logic — pickup stays free regardless.
- 2 Launch announcement banner** WEEK 1
Top-of-site banner: "Free shipping on orders above RM X" · use brand colours (amber for Caketella, teal for Ketocake) · link to homepage / product page.
- 3 Add cart progress bar** WEEK 2
Show "You’re RM X away from free shipping" with a live progress bar in the cart drawer. This single UI element typically drives 40–60% of the AOV lift on its own.

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|---|---|--------|
| 4 | Ketocake 2-cake bundle
Pre-built 2-cake pairings priced at RM 199–220. Solves the "what do I add?" problem for 67% of Ketocake customers who currently buy one item only. | WEEK 2 |
| 5 | Measure AOV lift at day 30
Compare 30-day post-launch AOV to baseline: Caketella RM 192 / Ketocake RM 158. Also track: % of orders qualifying, abandon rate, total absorb cost. | DAY 30 |
| 6 | Keep or adjust
AOV up 5%+ → keep threshold · AOV flat → lower by RM 20–30 and retest · AOV down (unlikely) → revert. | DAY 60 |

Expected impact

What success looks like after 60 days

AOV TARGET

+5 to 10%

Caketella: RM 192 → RM 200–210
 Ketocake: RM 158 → RM 170–175

ABSORB / REVENUE

1 to 2.3%

Well within the 2.5% ceiling for free shipping programs

NET MARGIN

Positive

AOV lift of 4.5%+ pays for the absorb cost entirely

DATA SOURCES

Caketella: Shopify reports — average order value over time, total sales by order, shipping by order (23 Jan – 23 Apr 2026).

Ketocake: WooCommerce orders export (11,577 all-time orders with shipping method detail) + revenue report (90-day window).

Ketocake delivery figures derived from all-time shipping-method split scaled to 90-day order count. Percentages confirmed against actual 90-day shipping revenue (RM 19,065) to within 1.5% accuracy.