Project Juniper

New York Launch

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Agenda

1. **Overall Month Performance**
   a. Executive Summary
   b. Key KPIs
   c. What's Going Well
   d. What's Not Going Well
2. **Recommendations**
   a. Top of Funnel for New Users
   b. Merchant Recommendations
   c. Improve Courier Retention
3. **Experimentation**

Executive Summary

Launch Performance
- Immediate boom in adoption from merchants, users and couriers.
- Orders have stabilized around 1000 orders/week but seeing a decline in AOV, user signup and merchant signup rates.

Recommendations:
1. Targeted Merchant Acquisition with BDR teams - P0
2. Courier Wait Time Reduction - P1
3. Promotions in high-order zones - P2

Experiment / Action Plan:
- Work with engineering and marketing teams to promote low volume high value merchants

KPI Overview

<u>**Stable KPIs**</u>

- **Delivery times:** Average delivery times have ranged from ~**38** to ~**52** minutes per delivery with an average of **45.2** minutes
- **Completed Deliveries:** ~**1040**/Week

<u>**Focus KPIs**</u>
- **Courier Churn:** Significant drop after delivery **#1** and delivery **#4** (Slides 8 & 17)

- **New User Growth Diminishing:** Over the first week our signups were **~140/day** - have since dropped to **~75/day** (Slide 11)

- **Avg Order Value:** Over the last 30 days, the AOV has decreased **15%**, with a drop from **$26.92** to **$22.83** (APPENDIX C)
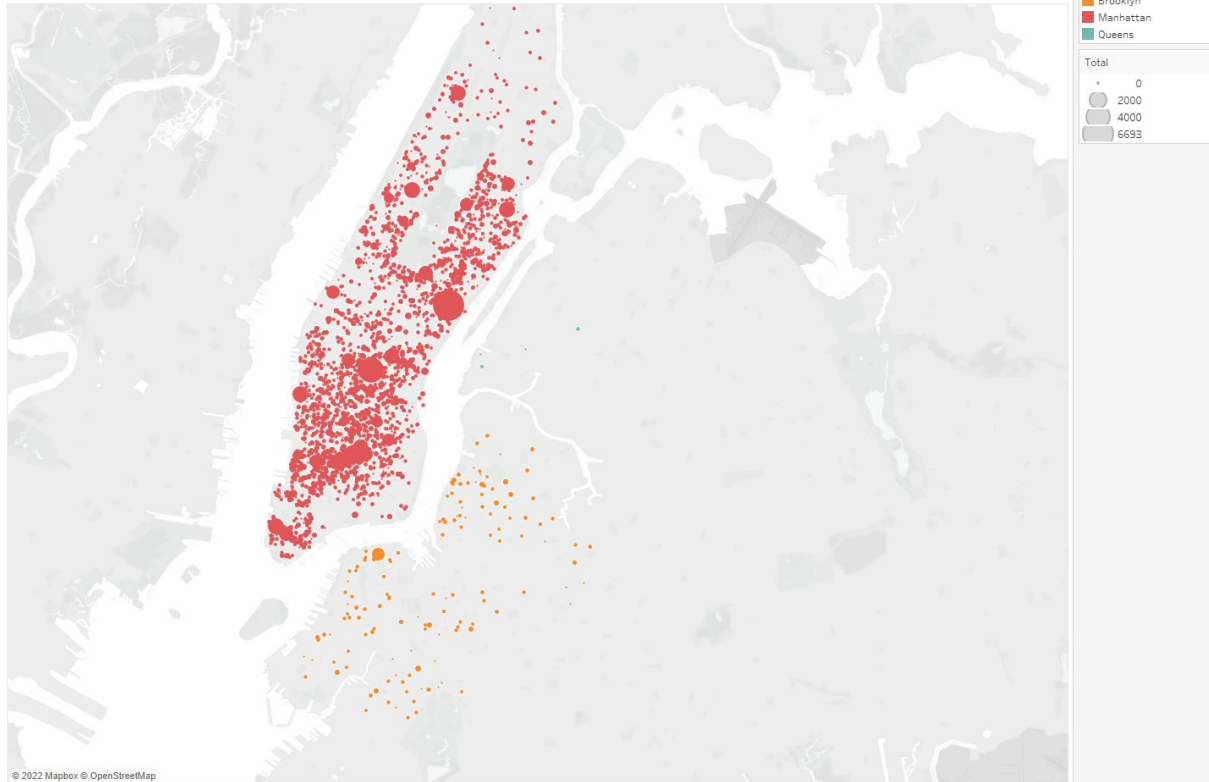
Users

User Locations

- User base is largely isolated to Manhattan
- Manhattan also accounts for our largest orders while Brooklyn also has a decent amount of orders

Customer Locations/Order Size

Borough
- Brooklyn
- Manhattan
- Queens

Total
- 0
- 2000
- 4000
- 6693

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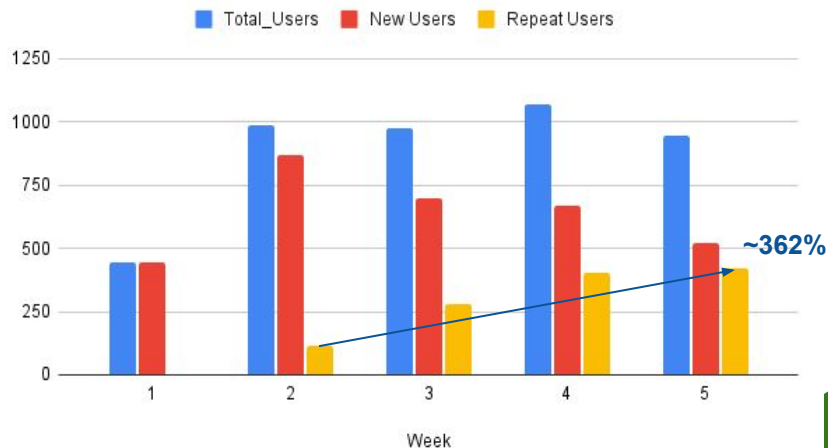
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Active Users Steady, Repeat Users Growing

- Total users (based on orders) are staying constant
- However, user signups are slowing quickly; ~48% decrease in user signups from day 1 - day 30
- Seeing an increase in repeat users; ~362% increase from week 2 - week 5

User Signups Over Month

User Growth WoW

~362%
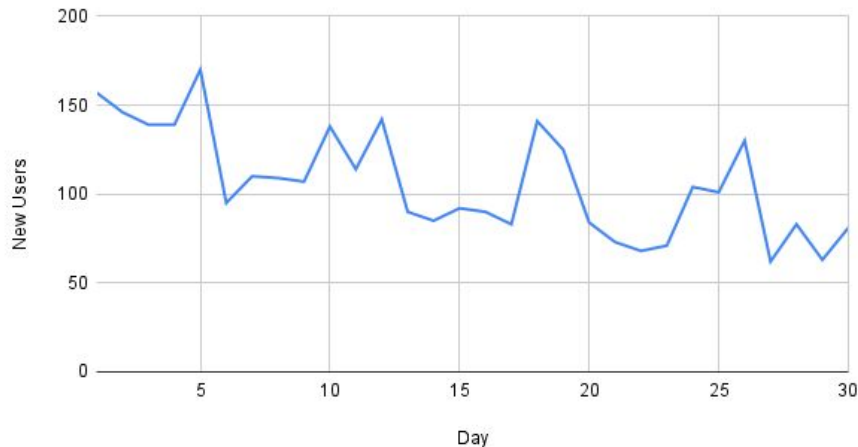
Time Between Subsequent Orders

- Habits forming in the user base - ordering more frequently with every subsequent order
- Tail-end results can be ignored due to lack of data - trend shows strength between 2-8 orders

Days Between Orders

Increase Top Line User Growth

- Largely successful in habit creation with our users
- Recommendation: work with marketing and discounts team to promote further in our high order areas where we have success in retaining orders
- This will drive new user growth in areas where there is minimal drop off
- Outside of Manhattan our focus should be in Dumbo/Vinegar Hill (not enough orders for meaningful trend but 22 orders with high retention)
- Impact: more "power users" with higher retention and lower dropoff
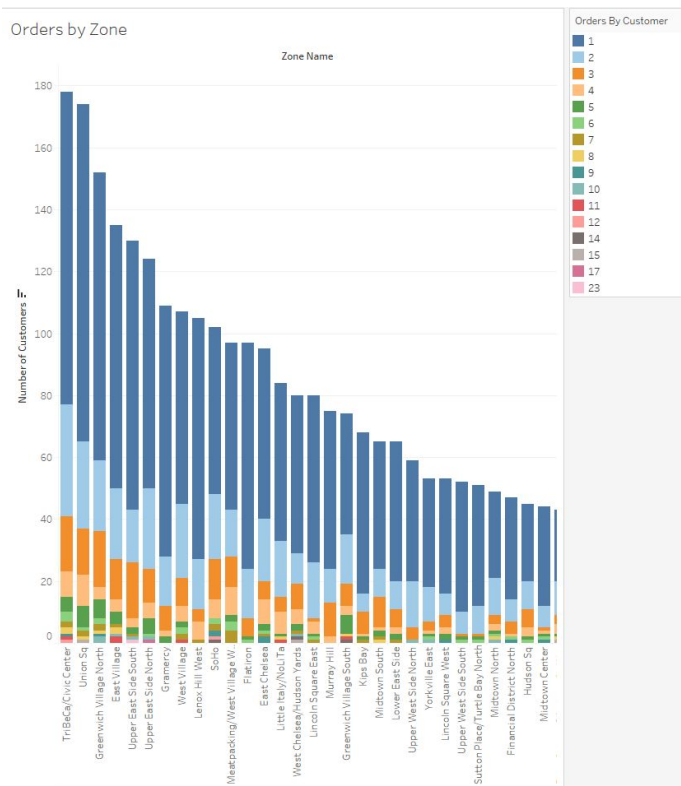
Orders by Zone

Avg Orders per Custsomer By Zone
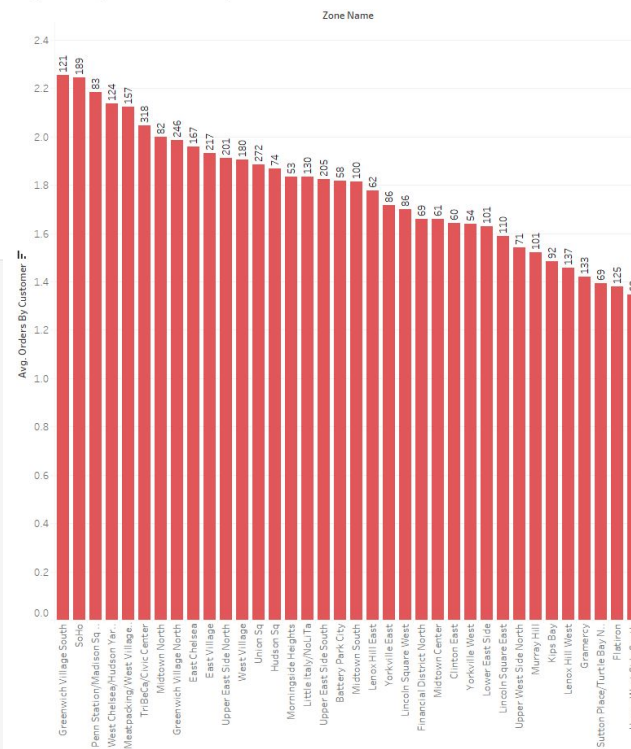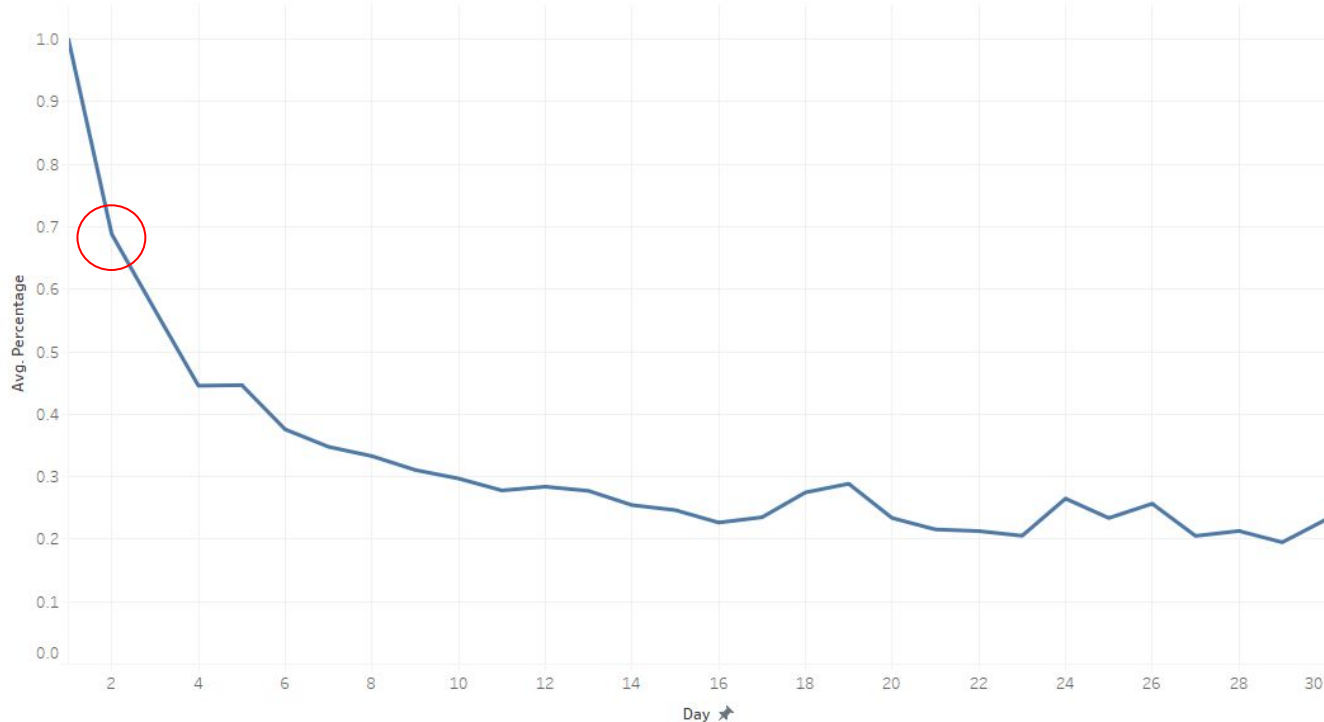
Recommendations

Couriers

Courier Churn / Retention Issue

The largest drop-off of couriers occurs after their first delivery
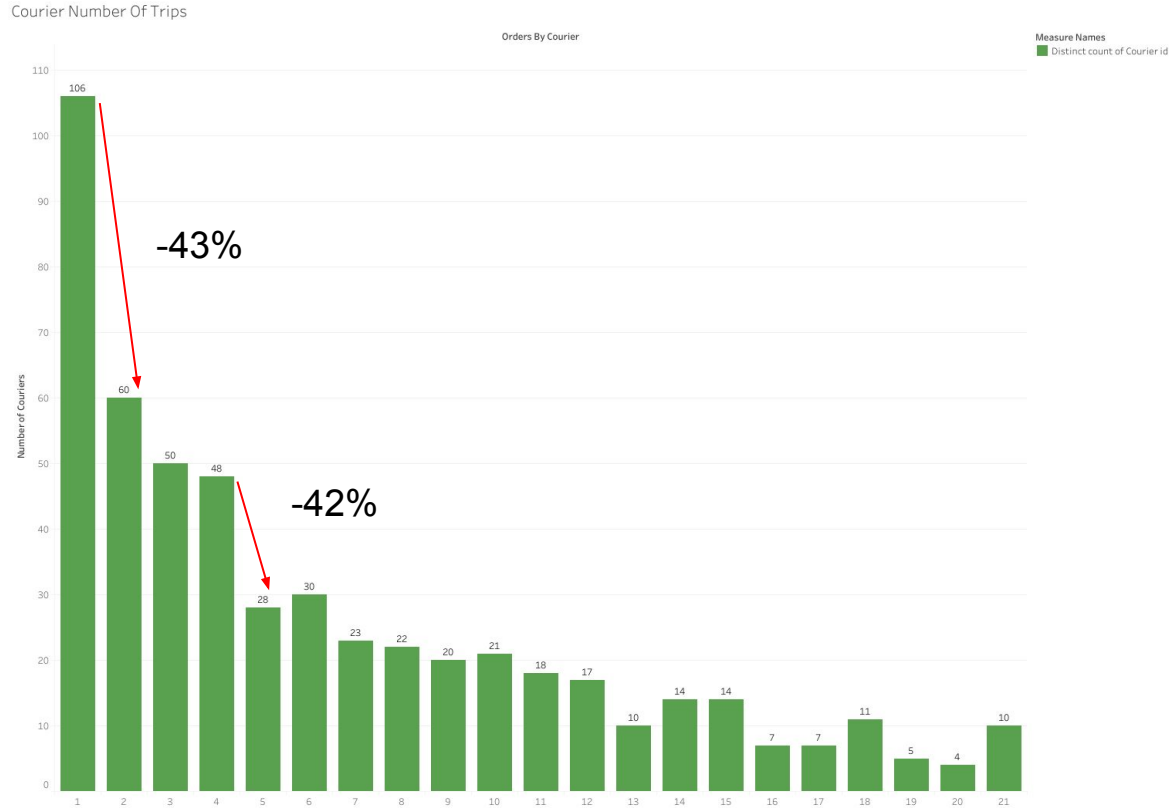
Courier Retention

The trend of average of Percentage for Day.

Courier Churn / Retention Issue

- Drop off of 43% from first time deliveries to those that are coming back for a second courier
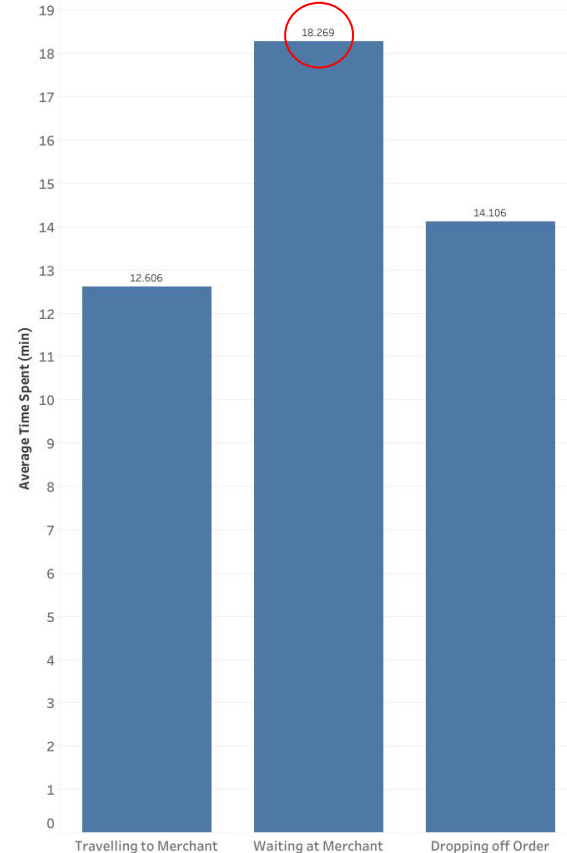- Another 42% drop-off between trip 4 and 5

Delivery Time Distribution

- Waiting at Merchant is a clear bottleneck for Couriers
- This is causing low retention especially after they have one bad experience

Average Time Spent in Each Stage of Delivery

Reduce Courier Wait Time

- Ultimate goal is to increase courier retention
- Lever to use here is reducing courier wait time
- Couriers are waiting on average ~18 minutes at the pick-up location
- Work with our success team and encourage quicker merchant preparation
- Alternatively, financially incentivize couriers to complete order number 2 and then order number 5

Courier Dropoff Based on Wait Time

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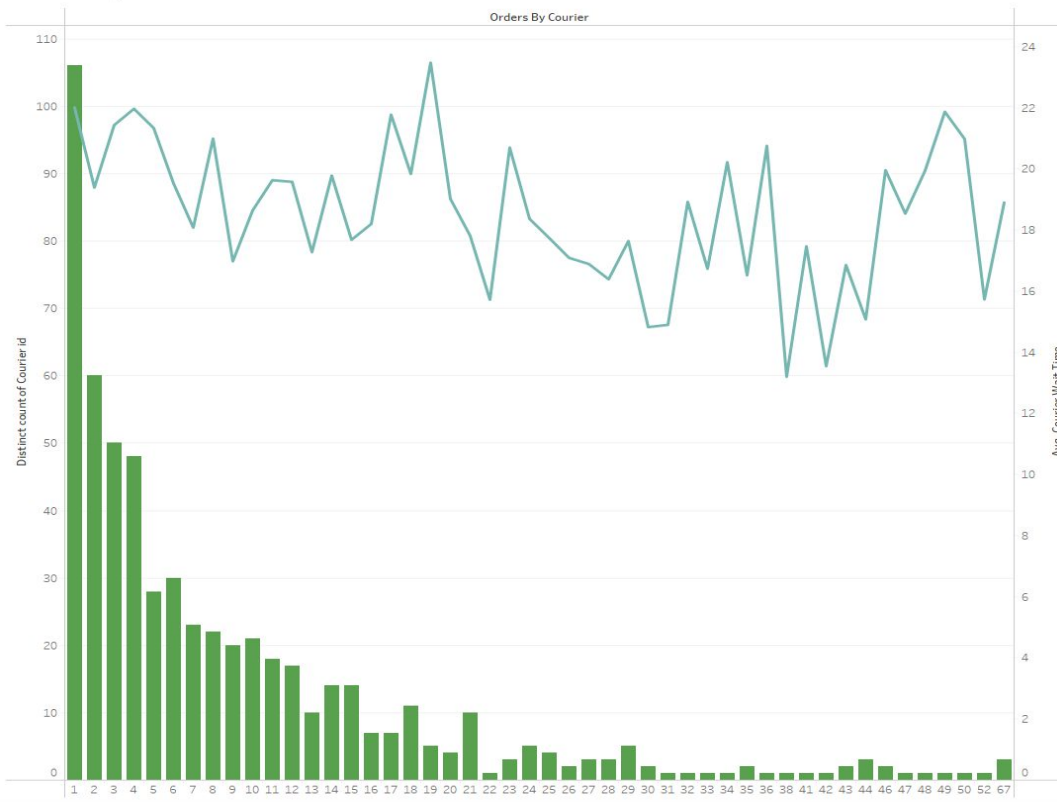
Recommendations

Merchants

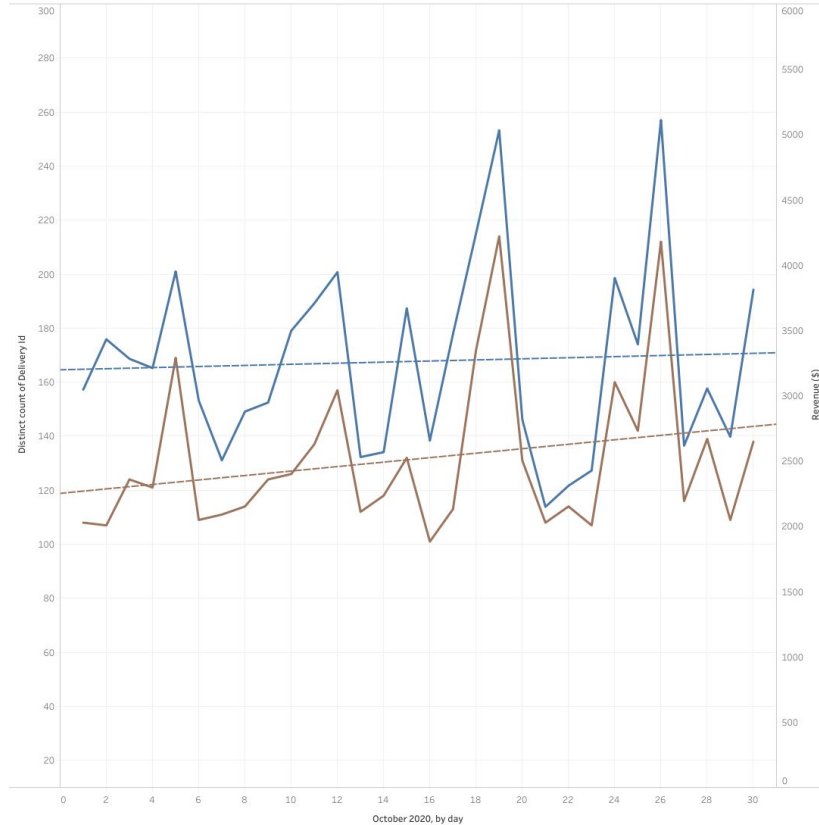# Dropping AOV dampens revenue gains
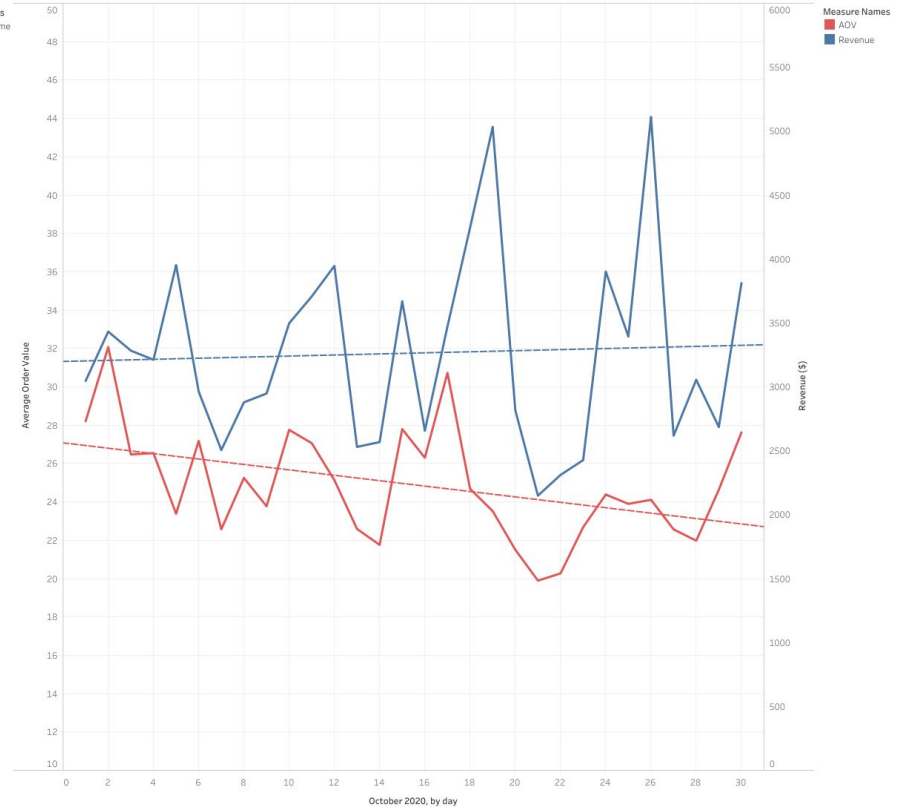
Revenue: +3.8%
AOV: −15.1%
Volume: +20.1%

Order Volume vs Revenue

Average Order Value vs Revenue
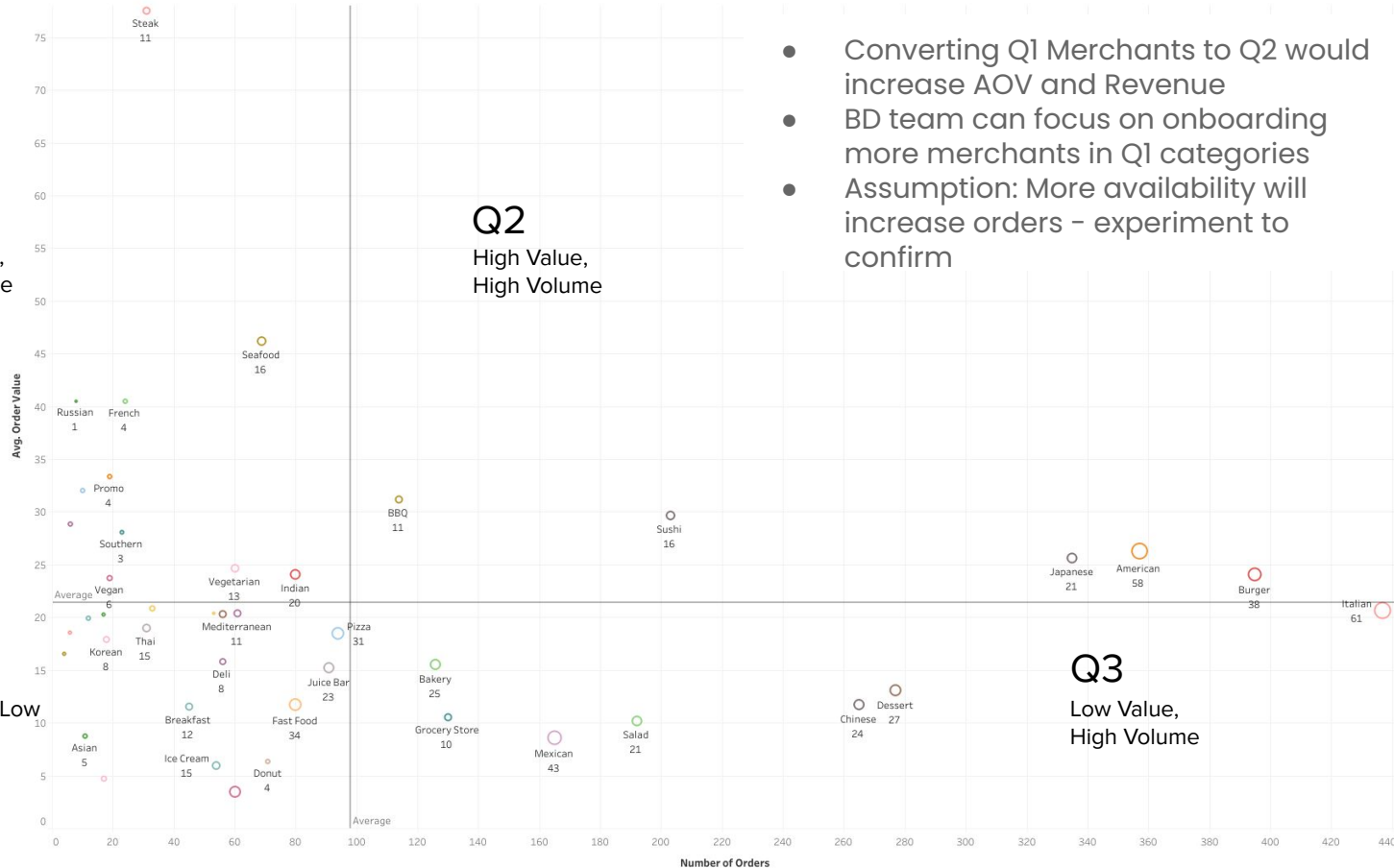
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Focus on High Value Merchants to bring up AOV

- Converting Q1 Merchants to Q2 would increase AOV and Revenue
- BD team can focus on onboarding more merchants in Q1 categories
- Assumption: More availability will increase orders - experiment to confirm

Summary

Priority	Recommendation	Impact	Time to Implement	Resourcing
0	Targeted Merchant Expansion	Higher AOV, higher Revenue	2-4 weeks	Promotions / Business Development
1	Courier Wait Time Reduction	Increased Courier Retention	4 weeks	Promotions/Business Development
2	Promotions/Discounts in high-order zones	More Repeat Users	4 weeks	Marketing

Experimentation

Experiment

|	
Hypothesis	User drop off comes from a lack of options on the merchant side, or ease of finding these options. If we can promote merchants that are high value and high volume we should see more success.
Goal	Increase user order #s as well as AOV
Tactics	Work with engineering and marketing teams to promote low volume high value merchants (Quadrant 1)
Experiment	Divide Users in manhattan into 2 cohorts: 1. Group A sees Quadrant 1 merchants (low volume/high value) towards the top of their search feeds 2. Group B sees their feed/suggestions as is
KPIs	% of repeat users in Group A and overall increase in AOV on group A orders
ROI	User Stickiness and increased Revenue
Scaling Plan	If successful, make this standard practice across users and implement in other boroughs as we expand

Questions?

APPENDIX A - Delivery Times are Stable

Average delivery times have ranged from ~38 to ~52 minutes per delivery with an overall average of 45.2 minutes
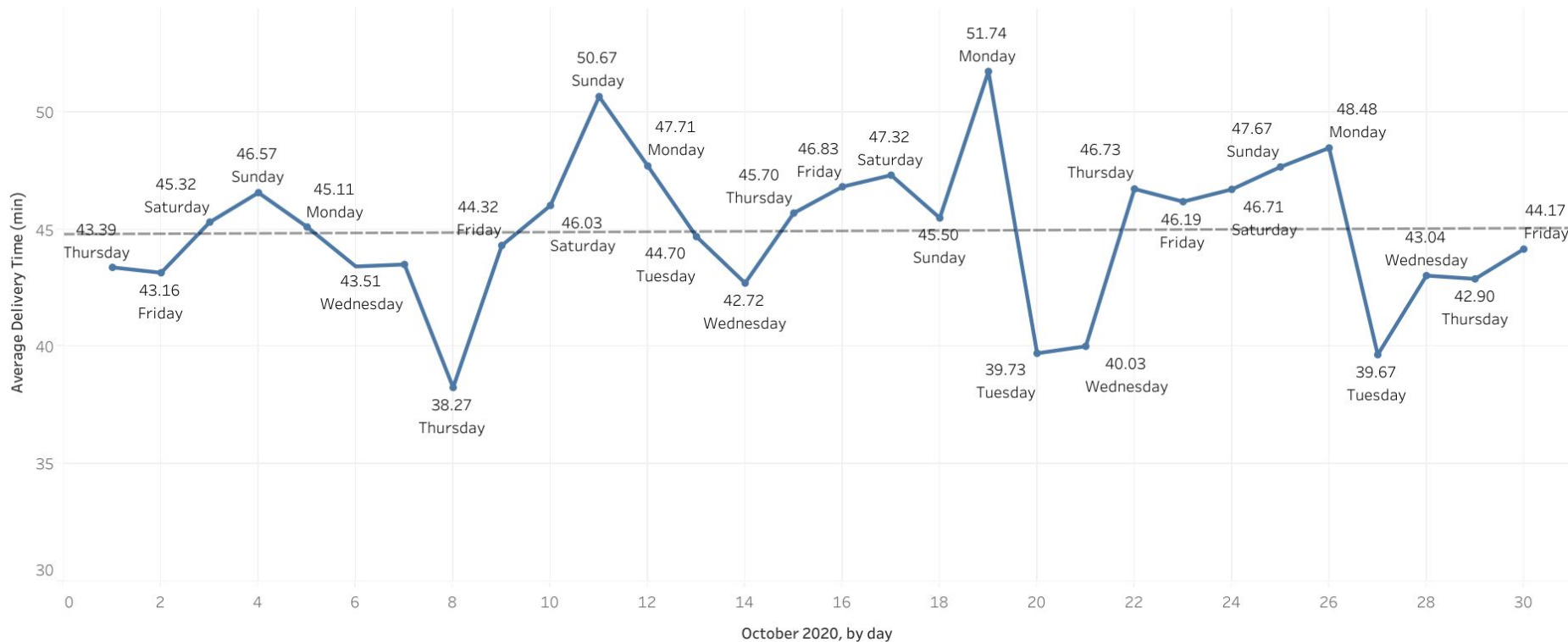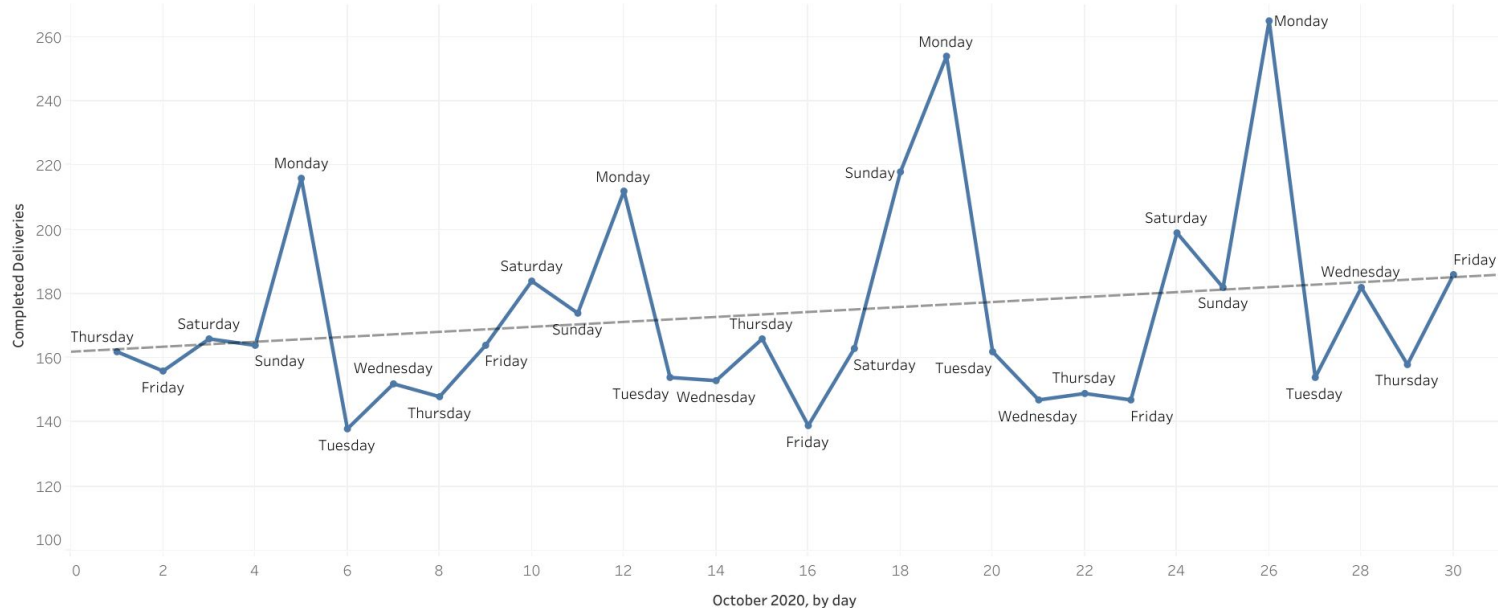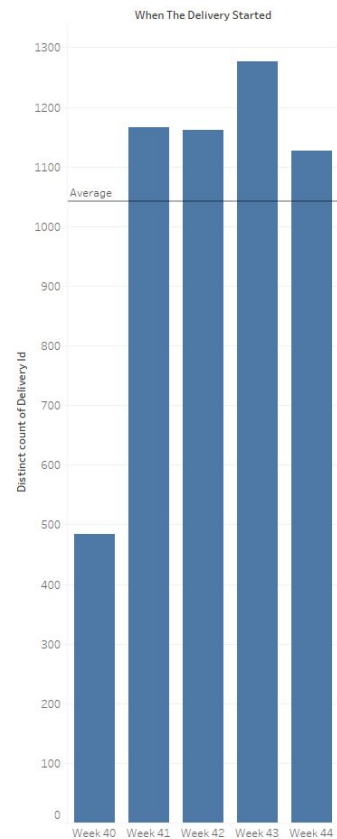
APPENDIX B - Completed Deliveries
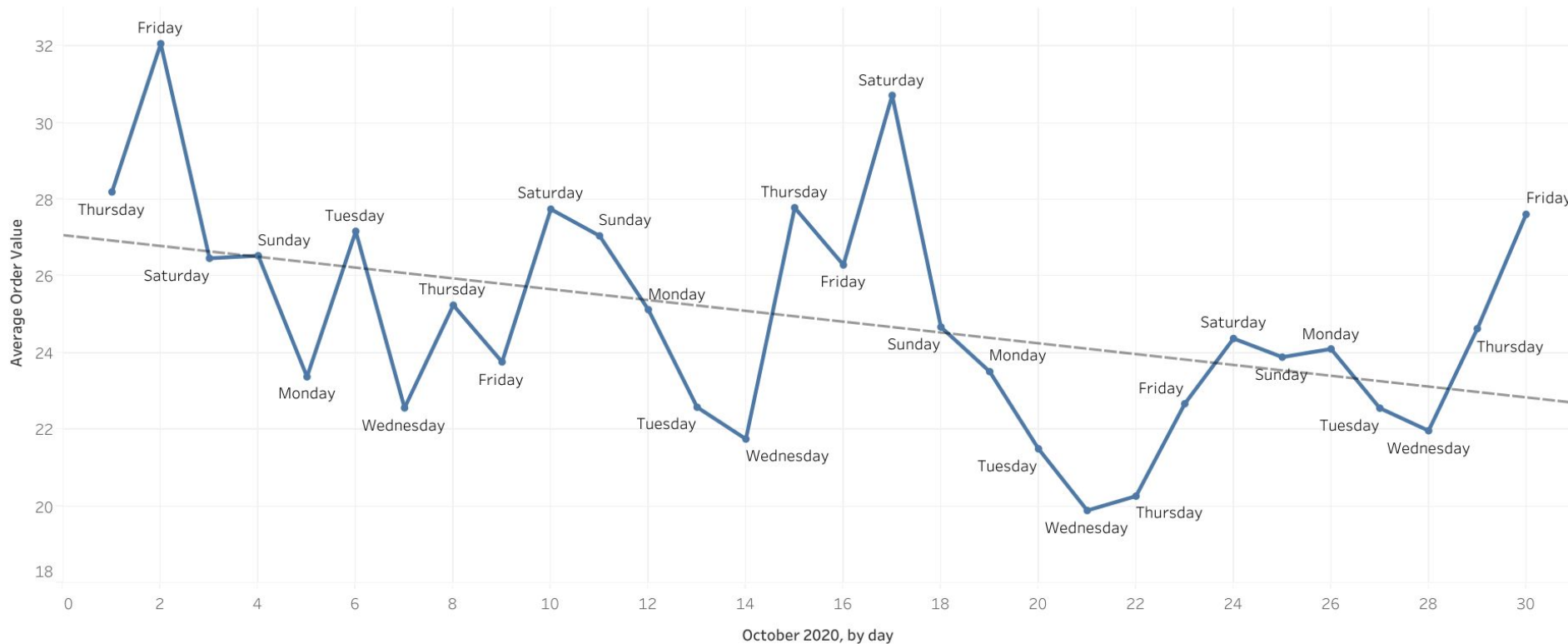
Average Orders per week are stable around 1042

Appendix C

Over the last 30 days, the AOV has decreased 15%, with a drop from $26.92 to $22.83

Appendix D - Alternative Experiment

Hypothesis	Courier Retention is a key metric to address and dropoff is particularly steep after 1 delivery and 5 deliveries. Incentivizing couriers to hit delivery number thresholds can increase retention
Goal	Increase courier retention
Tactics	Work with marketing and courier teams to introduce one-time bonuses for couriers on completion of 2nd and 5th deliveries
Location	Targeting new Manhattan couriers - the area with the most historic data
Control Group	Divide Couriers into 2 cohorts: 1. Half of new courier signups get bonuses issued on 2nd and 5th delivery 2. Half of new couriers get no bonus incentives
KPIs	% Courier Dropoff on 2nd and 5th delivery compared to historical and control group
ROI	Increase in Courier retention
Scaling Plan	If successful, make this standard practice across boroughs as we expand