



Quarterly Business Report

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Agenda

- Business Context
- Problem Statement
- Business Overview
- Customer Metrics
- Revenue Metrics
- Shipping Metrics
- Recommendation



Business Context

A lot of people in the world share a common desire: to own a vehicle. A car or an automobile is seen as an object that gives the freedom of mobility. Many are now preferring pre-owned vehicles because they come at an affordable cost, but at the same time, they are also concerned about whether the after-sales service provided by the resale vendors is as good as the care you may get from the actual manufacturers.

New-Wheels, a vehicle resale company, has launched an app with an end-to-end service from listing the vehicle on the platform to shipping it to the customer's location. This app also captures the overall after-sales feedback given by the customer.



Problem Statement

New-Wheels sales have been dipping steadily in the **past year**, and due to the critical customer feedback and ratings online, there has been a drop in new customers every quarter, which is concerning to the business.

The CEO of the company now wants a **quarterly report with all the key metrics** sent to him so he can assess the health of the business and make the necessary decisions.

- Best Selling Vehicles
- True Value - Buy / Sell
- Quality Customer Support





Business Overview

Let's dive in



Performance Overview





Customer Metrics

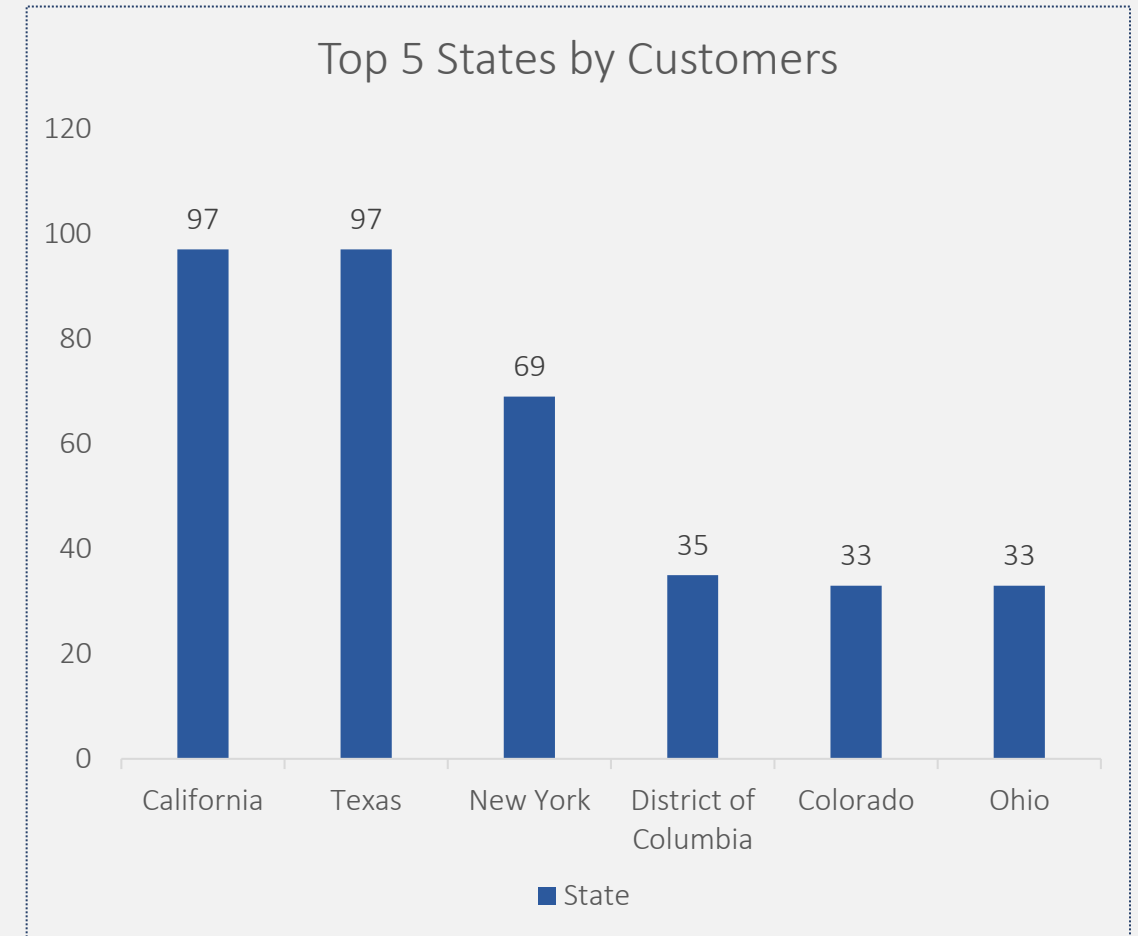
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Customer Distribution across States

Key Observations/ Insights

- California & Texas have the highest customer base (**97**)
- This can also be attributed to them being top populated states
- We can see a significant drop from the top states to the 2nd top state being New York (**69**) - ~30% drop
- Columbia, Colorado & Ohio have almost similar customer counts (30-35)
 - The customer distribution is only ~30% of that of California and Texas
 - As compared to New York, they have just about half the customers



Quarter over Quarter Average Ratings

Key Observations/ Insights

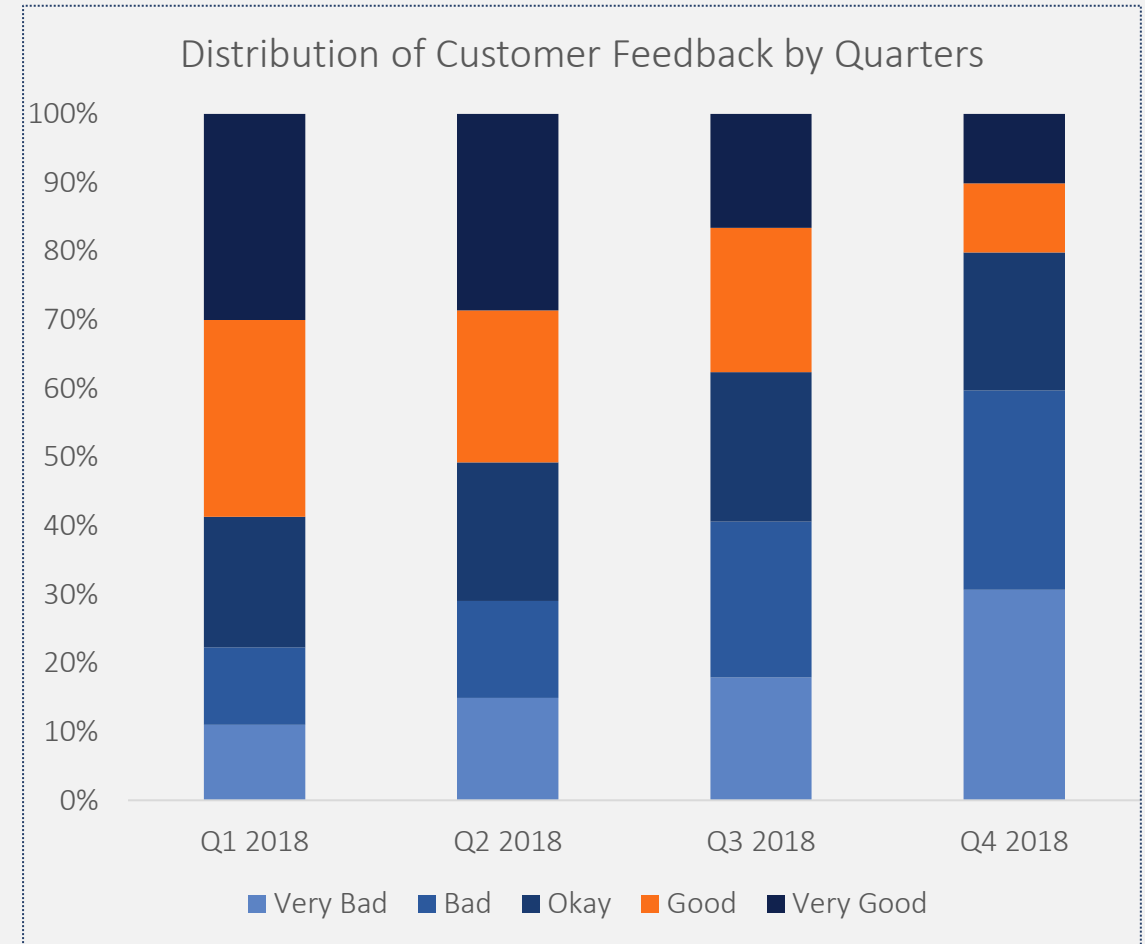
- Q1 2018 has the highest ratings standing at **3.6**
- There is consistent drop in the average customer ratings which indicates that the customer experience has been declining
- Q4'2018 has been the lowest in the entire year
- The highest drop in the ratings can be seen in the past two quarters (~20% drop)



Customer Satisfaction Trend

Key Observations/ Insights

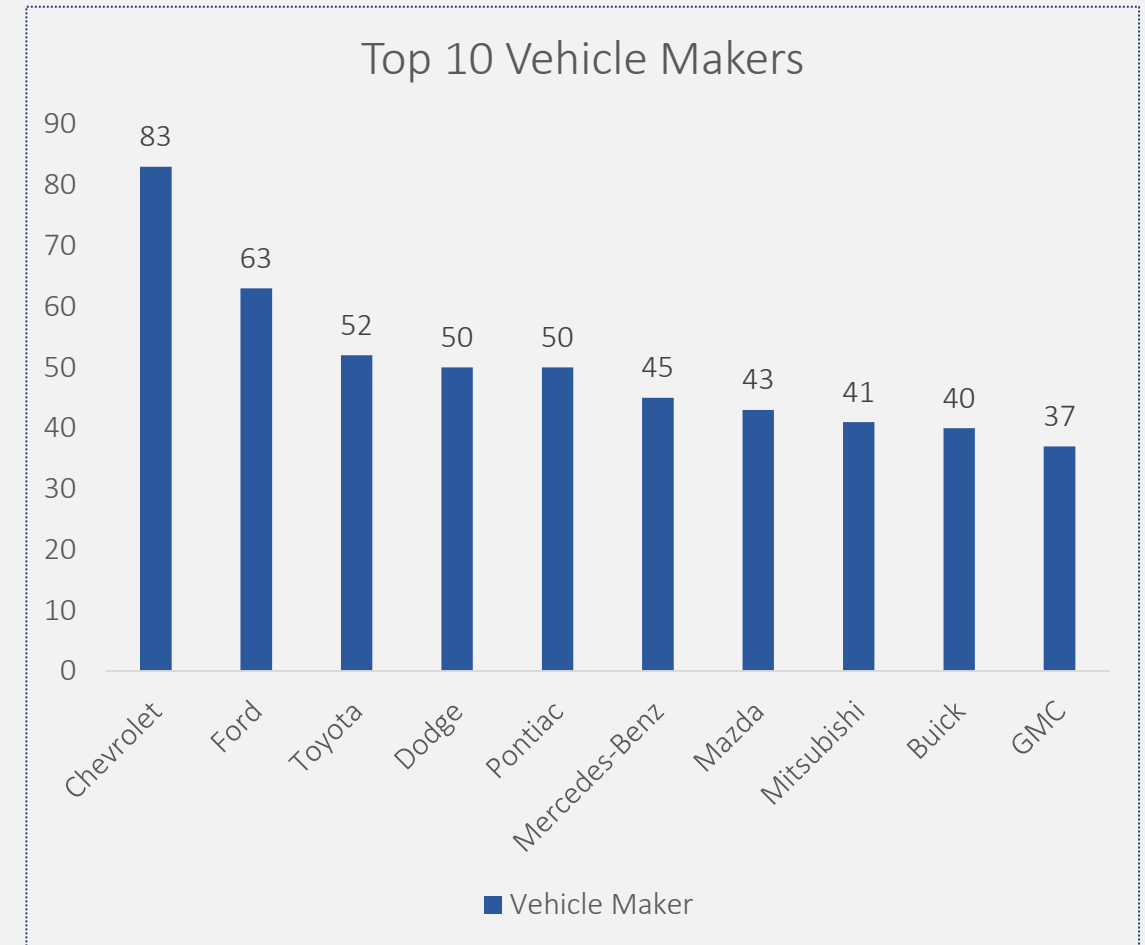
- We can clearly see that the proportion of “**Very Good**” & “**Good**” Feedback has been declining
 - The drop has been significant for Very Good from Q2 onwards
- “**Bad**” & “**Very Bad**” review have been on an uptrend quarter over quarter
 - “**Very Bad**” reviews shows a significant increase from Q3 to Q4 (~13 percent points)



Top preferred Vehicle Makers

Key Observations/ Insights

- Chevrolet is the leading vehicle maker with highest customer base (**83**)
- Ford is the second largest with **63** customers
- Toyota, Dodge & Pontiac have similar customer counts in the range of **50-52**
- GMC is the 10th in the list with **37** customers, which is <50% of Chevrolet



Top preferred Vehicle Makers by State (1)

Key Observations/ Insights

- For majority of the states, we can see that the most preferred vehicle maker is **Chevrolet**, which also ties back to the same having maximum customer base

| State | Vehicle Maker |
|----------------------|---------------|
| Alabama | Dodge |
| Alaska | Chevrolet |
| Arizona | Cadillac |
| Arkansas | Chevrolet |
| California | Audi |
| Colorado | Chevrolet |
| Connecticut | Chevrolet |
| Delaware | Mitsubishi |
| District of Columbia | Chevrolet |
| Florida | Toyota |
| Georgia | Toyota |
| Hawaii | Cadillac |
| Idaho | Dodge |
| Illinois | Chevrolet |
| Indiana | Mazda |
| Iowa | Chevrolet |
| Kansas | Buick |
| Kentucky | Acura |
| Louisiana | Nissan |
| Maine | Mercedes-Benz |
| Maryland | Ford |
| Massachusetts | Dodge |
| Michigan | Ford |
| Minnesota | GMC |

The summary table captures only a single top preferred vehicle maker for each state

Top preferred Vehicle Makers by State (2)

Key Observations/ Insights

- There are states which have multiple vehicle makers as the top preferred ones (e.g)
 - **California:** *Audi, Chevrolet, Dodge, Ford*
 - **New York:** *Toyota, Pontiac*

| State | Vehicle Maker |
|----------------|---------------|
| Mississippi | Dodge |
| Missouri | Chevrolet |
| Montana | Chevrolet |
| Nebraska | Cadillac |
| Nevada | Pontiac |
| New Hampshire | Chrysler |
| New Jersey | Hyundai |
| New Mexico | Dodge |
| New York | Toyota |
| North Carolina | Volvo |
| North Dakota | Ford |
| Ohio | Chevrolet |
| Oklahoma | Ferrari |
| Oregon | Toyota |
| Pennsylvania | Toyota |
| South Carolina | Acura |
| Tennessee | Mazda |
| Texas | Chevrolet |
| Utah | Buick |
| Vermont | Mazda |
| Virginia | Ford |
| Washington | Chevrolet |
| West Virginia | Mercedes-Benz |
| Wisconsin | Acura |
| Wyoming | Buick |

The summary table captures only a single top preferred vehicle maker for each state



Revenue Metrics

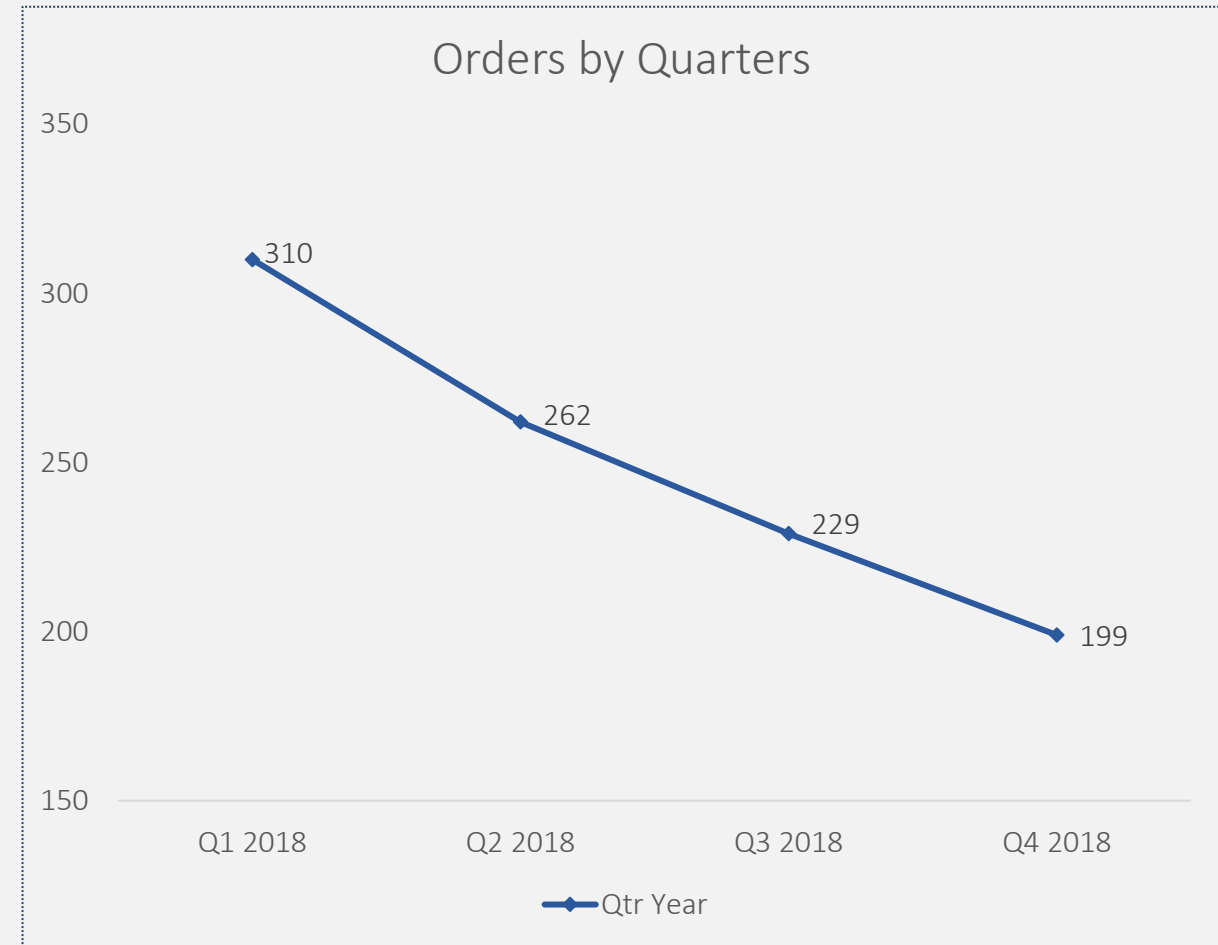
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Quarterly Orders Trend

Key Observations/ Insights

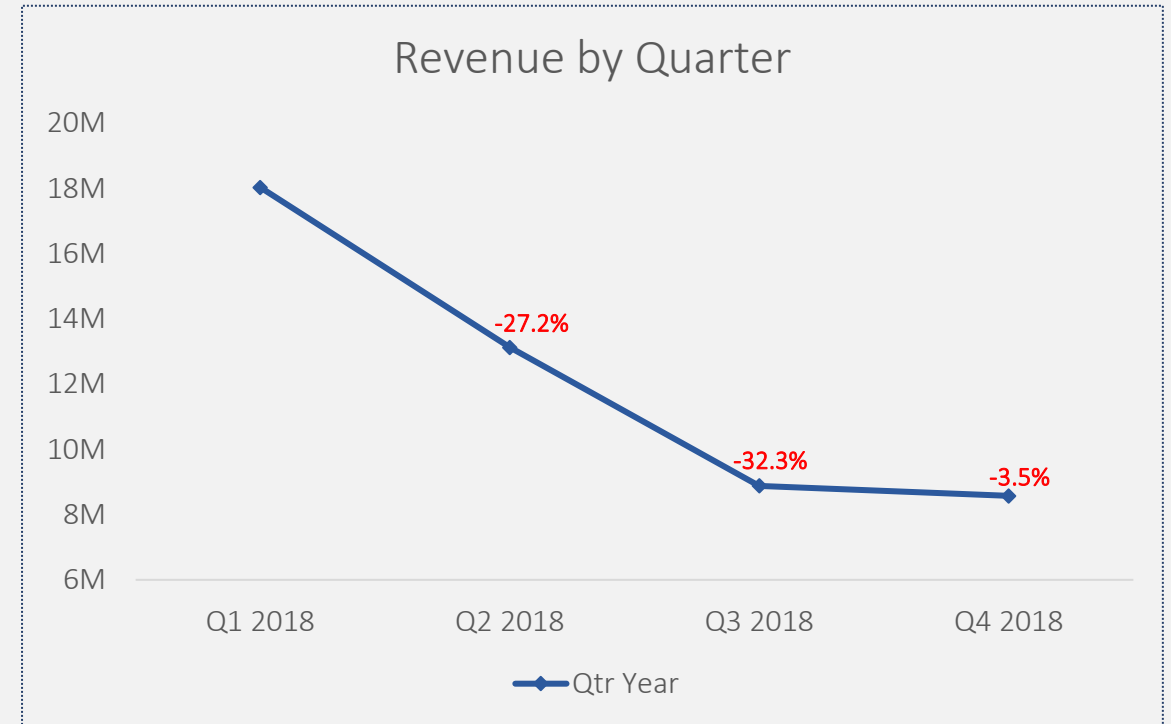
- There is clear decline in the sales which is evident from the fact that orders have been declining consistently over the quarters
- Maximum drop (~15%) can be seen from the 1st quarter (310) to the 2nd quarter (262)
- The **decline** is also in a steady range of **13%-15%**
- Q4 2018 has the lowest order (199) in the entire year, which is ~36% from the top (i.e Q1 2018)



Quarterly Revenue Trend

Key Observations/ Insights

- There is a significant decline in the revenue in the first 2 quarters
 - **27%** drop in Q2 2018
 - **32%** drop in Q3 2018, which is the highest drop in the entire year
- The revenue stands the lowest in Q4 2018
- The revenue has been declining quarter over quarter but the decline got arrested with **3.5%** drop in Q4 2018

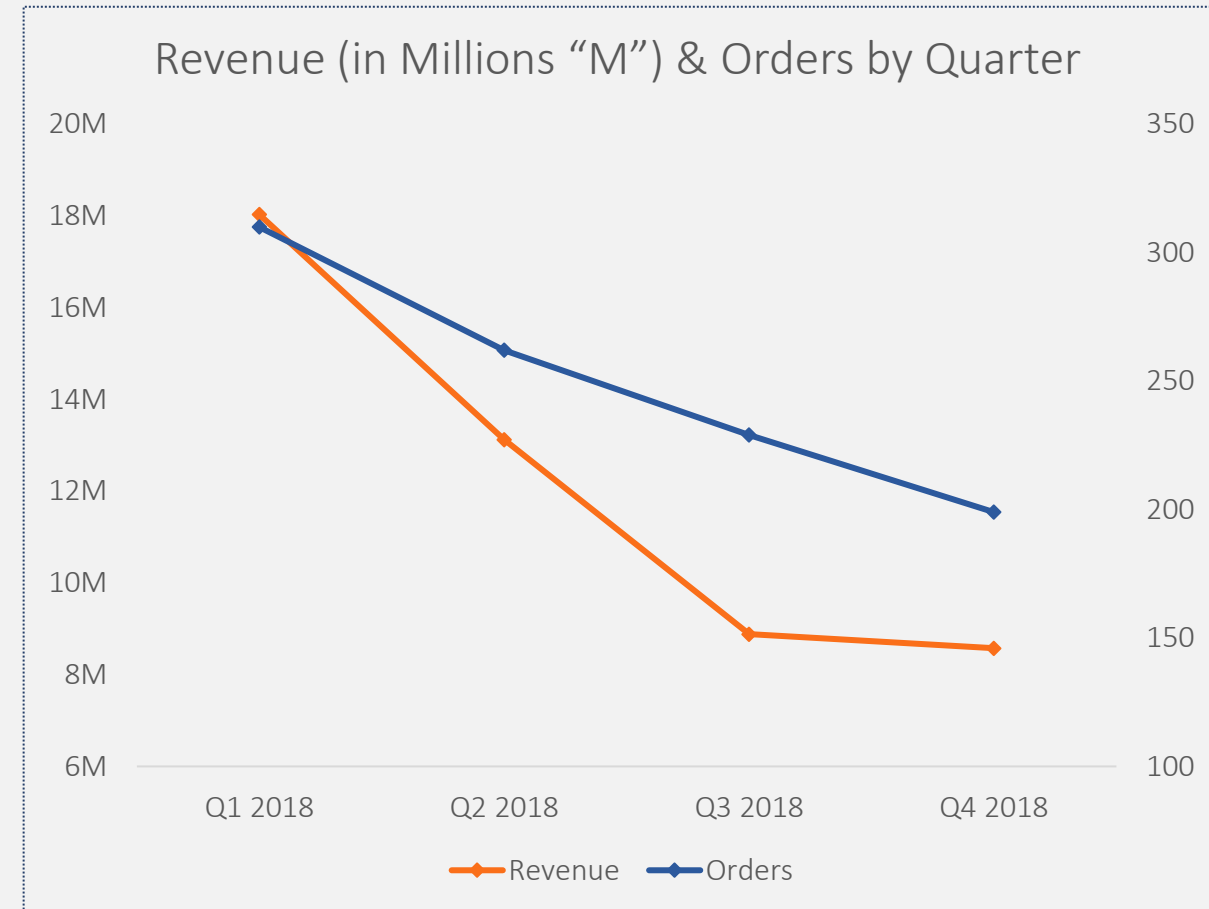


| Quarter | Revenue | Quarter over Quarter Revenue Change |
|---------|---------|-------------------------------------|
| Q1 2018 | 18M | |
| Q2 2018 | 13.1M | -27.2% |
| Q3 2018 | 8.9M | -32.3% |
| Q4 2018 | 8.6M | -3.5% |

Quarterly Revenue & Orders Trend

Key Observations/ Insights

- Both orders and revenue declined quarter over quarter
- The decline was more linear in case of orders
- 1st Quarter had the highest orders and revenue with 4th quarter being the lowest
- Th revenue decline slowed down in the final quarter as compared to the 1st 3 quarters





Shipping Metrics

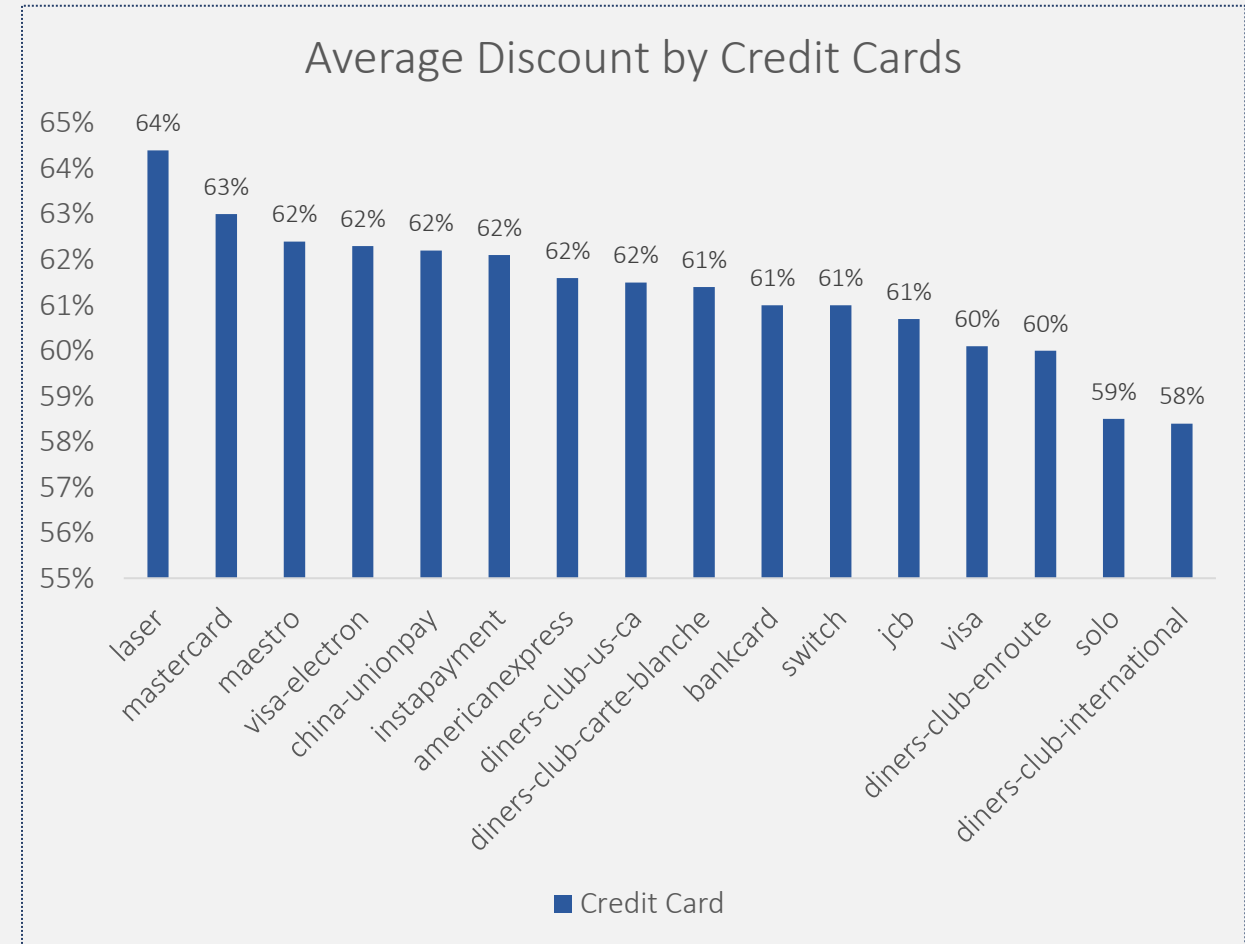
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Average Discount offered by Credit Card Type

Key Observations/ Insights

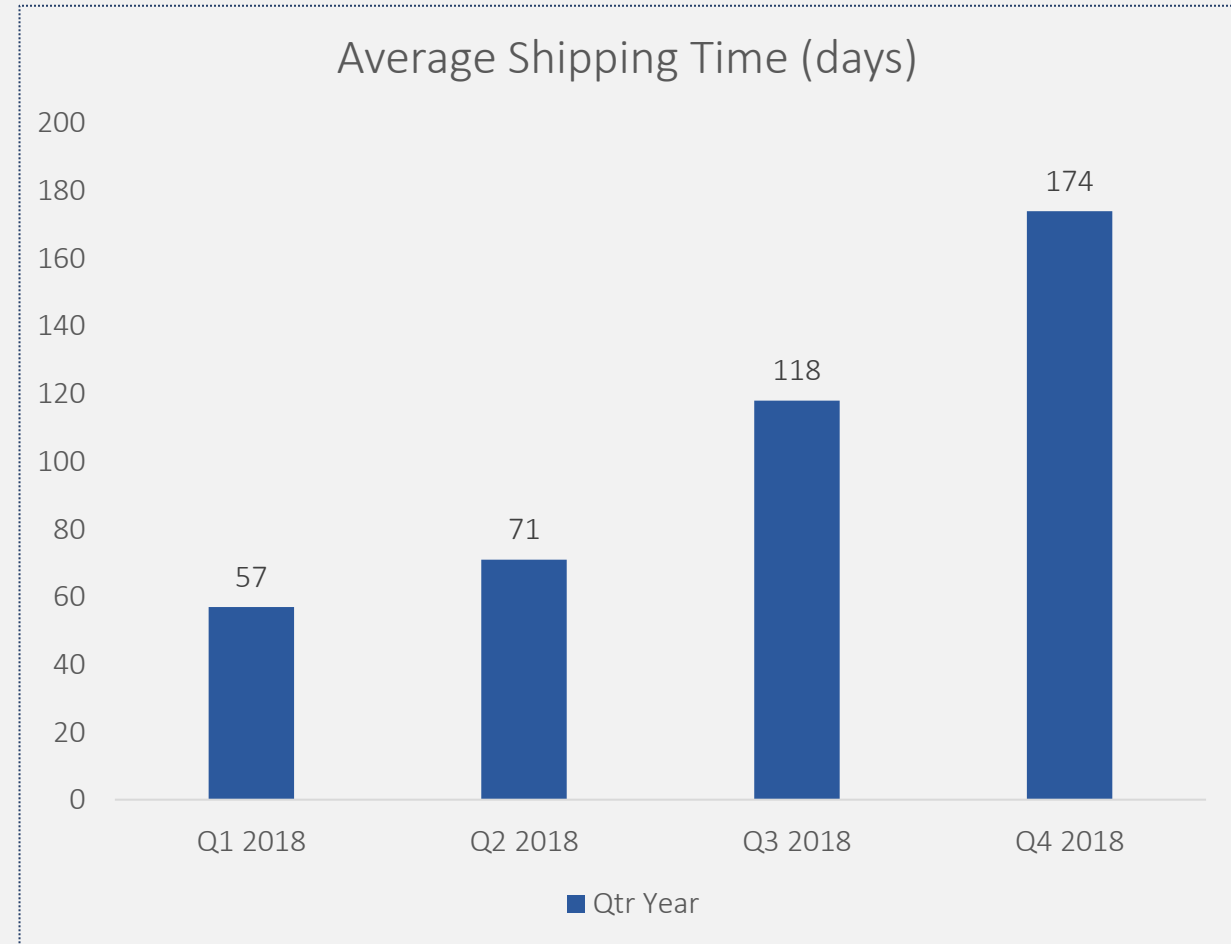
- **Laser card** provided the highest discount (average: **64%**) as compared to all other credit cards
- **Solo** and **Diner Club international** were the ones with least discount **58%-59%**
- All other credit cards have comparable discounts for the consumers
- Majority of the credit cards provide with discounts **>60%**



Average Shipping Time Trend

Key Observations/ Insights

- It is very evident that the average shipping time has increased quarter over quarter
- **66%** increase in the average shipping time can be witnessed from Q2 (71 days) to Q4 (118 days)
 - This is the highest increase among all the quarters
- Q4 2018 has shown to be the quarter with maximum delay in delivering the order (**174 days**)
 - This is more than **3 times** the time it used to take in Q1 2018





Recommendations

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Summary & Next steps



We had a good first quarter

Q1 2018 was a good quarter to begin the year with with highest customer satisfaction and revenue

Our average shipping time was at the lowest i.e **57days** , with **310** orders and **~18M** revenue



Business has been declining consistently

There has been a steady dip in the customers and orders which in turn has been hitting the revenues negatively



Heavily focus on customer experience

Customer feedback has clearly taken a hit where average ratings have dropped by **~33%** since Q1 2018

The primary reason attributed to this decline is the **Shipping**. The duration to ship has increased by more **than 3 folds** which is a huge setback

We need to focus on delivering faster and redirect our investments into making our delivery more efficient



Prioritize and execute

We should first prioritize the states which has a huge customer base and area (e.g. **California, Texas, Florida, New York**) and cater to them which could restore the brand faith

In unison with the states, we should also closely partner with the top vehicle makers (**Chevrolet, Ford, Toyota, Dodge**) to ensure timeliness in delivery



Thank
You !

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