Dunzo Failure Analytics Dashboard --- Project Summary

Project Objective

Conduct a comprehensive post-mortem analysis of Dunzo's collapse (2018-2025) across operational performance, financial health, workforce stability, and customer behaviour to understand the key failure points and extract lessons for quick commerce businesses.

Business Objectives

- Identify where delivery operations failed
- Analyze money losses and spending patterns
- Study employee and delivery partner problems
- Track how competitors took over the market
- Understand why customers left the platform

Dataset

- Delivery performance metrics (2018-2025)
- Financial statements and burn rate data
- Workforce and delivery partner analytics
- Customer transaction and behavior data
- Competitor benchmarking data
- Order volume, cancellation, and fulfillment records
- Investor funding rounds and cash runway

Tech Stack

Data Analysis: Excel / Python

Data Processing: SQL

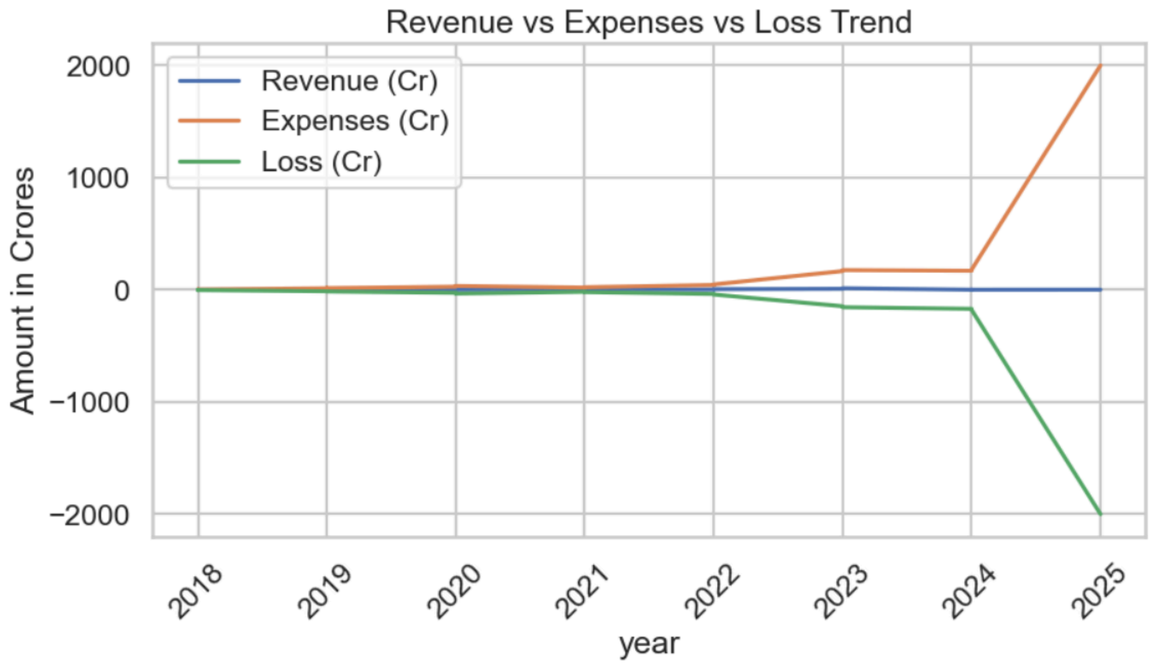
BI & Visuals: Power BI / Tableau

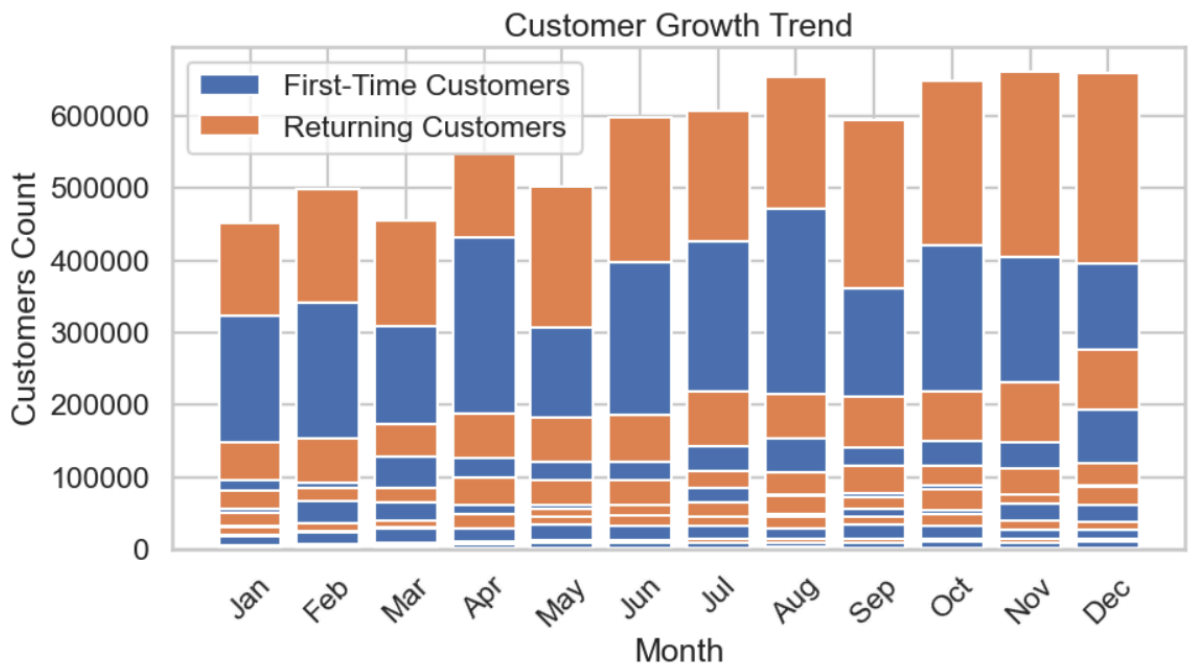
Analysis Type: Failure Analysis & Root Cause Investigation

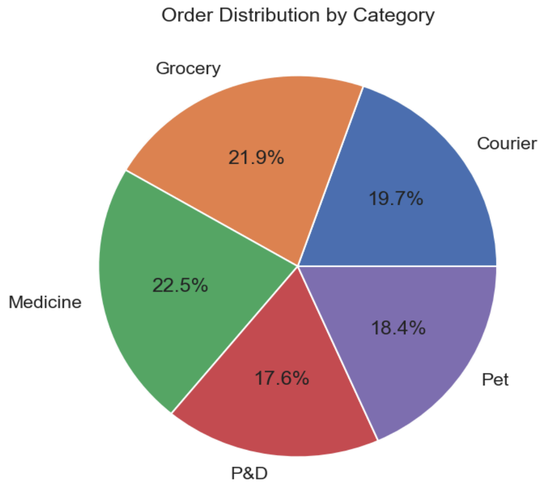
Key Business Metrics

- Revenue: ₹2,000 Cr peak → ₹0 Cr (Complete shutdown)
- Money Burned: ₹7,288.9 Cr - Massive losses
- Loss Per Order: ₹6,079.44 - Lost money on every delivery
- Cash Left: 0.5 months - Nearly bankrupt
- Market Share: ~25% (2020) → 0% (2025) - Lost everything
- Delivery Success: 15% → 0% - Stopped working
- Delivery Partners: 80,000 → 0 - Everyone left
- Customer Leaving Rate: 29.12% - Poor loyalty

EDA Visual:


Revenue vs Expenses vs Loss Trend
Revenue (Cr)
Expenses (Cr)
Loss (Cr)
Amount in Crores
2000
1000
0
−1000
−2000
2018
2019
2020
2021
2022
2023
2024
2025
year


Customer Growth Trend
First-Time Customers
Returning Customers
Customers Count
600000
500000
400000
300000
200000
100000
0
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Month



Key Insights & Findings

1. Catastrophic Unit Economics Failure

- Lost ₹6,079 on every single order because costs (₹4,000) were much higher than earnings (₹2,500)
- Burned through ₹7,288.9 Cr in 7 years without ever making profit
- Spent ₹285-₹387 to get each customer but customers only brought back ₹239-₹342 in value

2. Complete Operational & Workforce Collapse

- Delivery success rate crashed from 15% to 0% in 2024 while active delivery partners dropped from 80,000 to zero
- 45% of delivery riders quit, destroying the ability to deliver orders
- Order cancellations dominated by out-of-stock issues (35%) and rider unavailability (28%), indicating systemic operational breakdown

3. Market Share Annihilation & Competitive Defeat

- Market share went to competitors: Swiggy Instamart (52%), Zepto (25%), Blinkit (22%), Dunzo (0%)
- Orders dropped from 7 million per month (2023) to zero by mid-2024
- Investors stopped funding: went from healthy funding in 2022 to zero by 2024, with only 0.5 months of money left

Root Causes of Failure

Money Problem: Lost ₹6,000+ on every order hoping business would become profitable later—it never happened

Operations Problem: Half the delivery riders quit and items were always out of stock, making service unreliable

Competition Problem: Competitors figured out how to make money while Dunzo kept losing more

Critical Lessons Learned

- You must earn more than you spend on each order, not hope it will work out later
- Keeping delivery partners happy is critical—losing 45% means the business fails
- If you spend more to get customers than they bring back in revenue, you will go bankrupt

The Big Mistake: Dunzo focused on growing fast for 7 years while losing money on every order. They spent ₹7,288 crores hoping to become profitable someday. When investors stopped giving money and operations failed in 2024, it was too late to fix anything.

Conclusion

Dunzo's failure shows what happens when a delivery business grows too fast without making money. Even with support from Reliance and Google, losing ₹6,000+ on every order eventually killed the company. Within 18 months, Dunzo went from 7 million monthly orders to complete shutdown.

Key Takeaway: Growing fast only works if you have a real plan to make profit. Dunzo spent ₹7,288 crores proving that getting bigger while losing money on every sale leads to failure.