



New Wheels

Quarterly Business Report

PROJECT REPORT

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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.

Business Overview

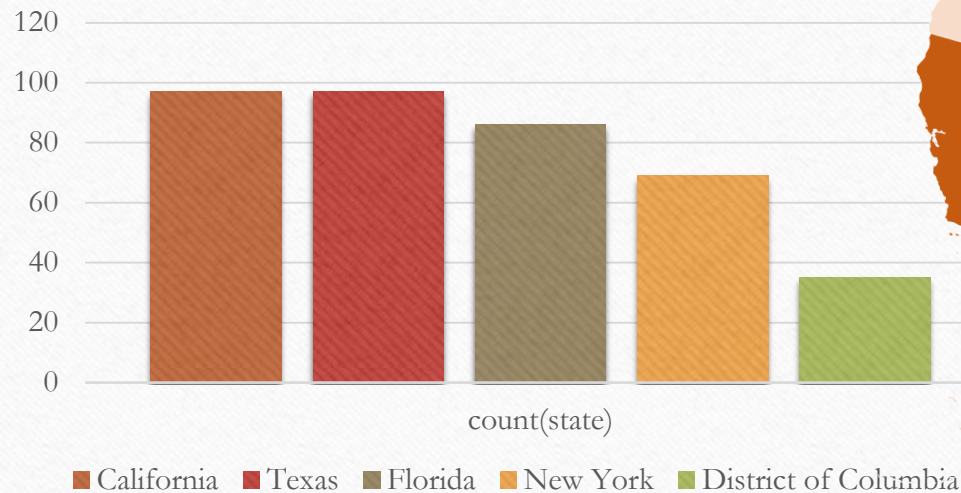
Total Revenue	Total Orders	Total Customers	Avg Rating
48.6 M	1000	994	3.1 of 5
Last Qtr Revenue	Last Qtr Orders	Avg Days to Ship	% Good Feedback
8.57 M	199	105	44%



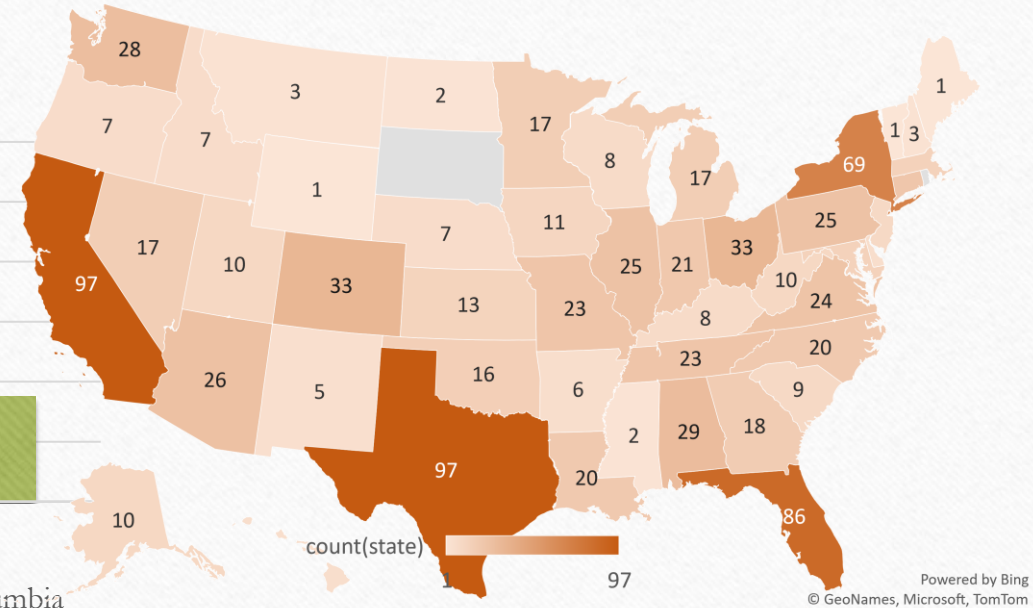
Customer Metrics



Top 5 States for Sales



Distribution of Customers across the U.S.

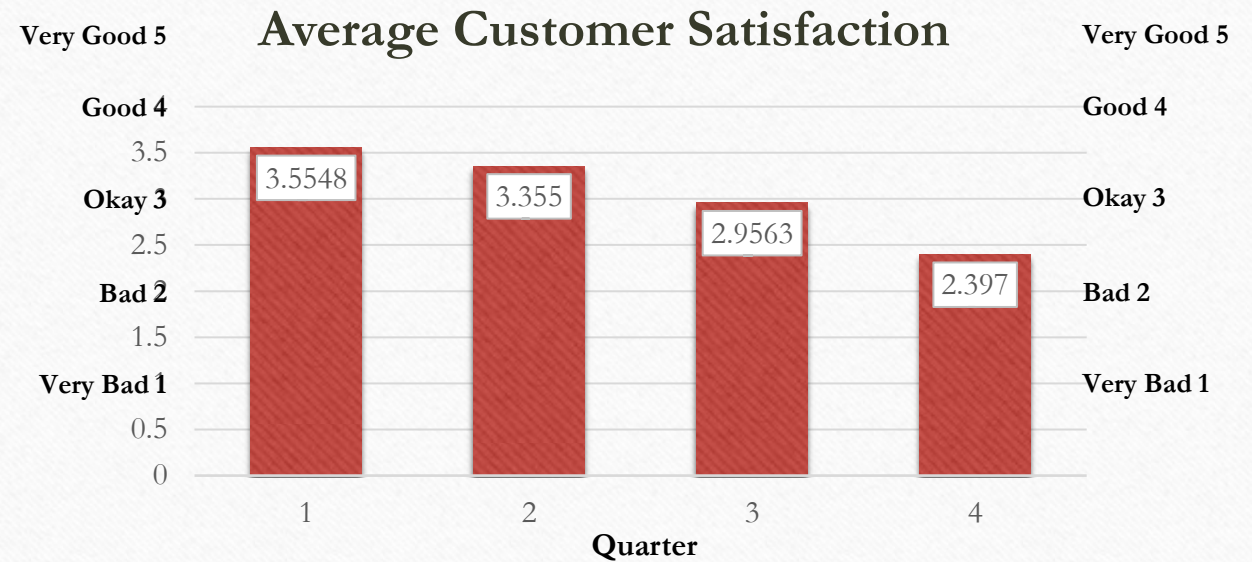


Observations / Findings

- ❑ The top four states are among the most populated. The fifth highest count of customers is an eye-raiser: the small District of Columbia. Neither Maryland and Virginia, DC's closest neighbors, share the same success.
- ❑ The top third of sales come from four states (CA, TX, FL, & NY) while the top half comes from an additional four states. Any increase in promotions, or growth strategies, should be focused here.



Observations / Findings



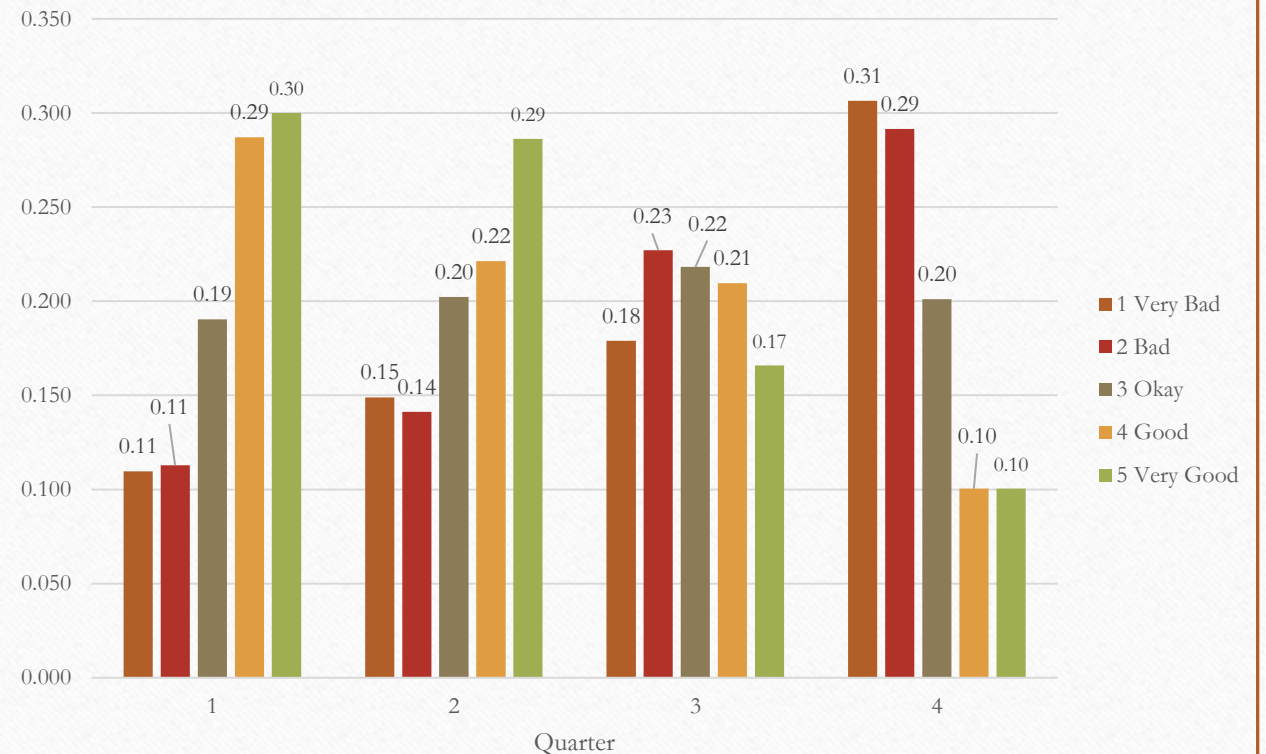
- ❑ Average customer satisfaction continually ticks downward from January until the end of the year, with each quarter dropping twice the amount of the previous quarter's loss, to end with a rating of 2.3 of 5.
- ❑ Only in the first half of the year is the rating average "okay." By the end of the year, the rating is down more than a full point from Q1.



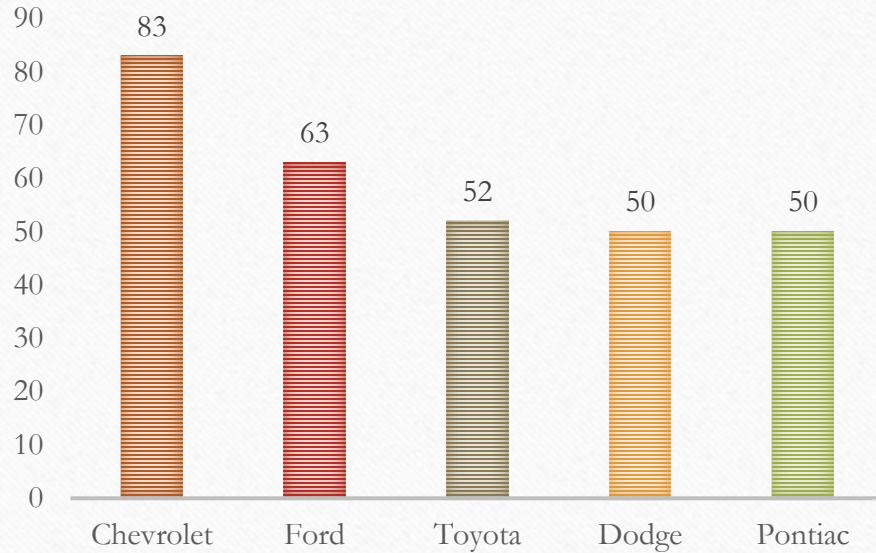
Observations / Findings

- ❑ The first quarter starts with high measures of satisfaction, with almost 60% of respondents rating their transactions with a 4 or higher.
- ❑ As the quarters continue, the scores reverse, with ratings above 4 counting as barely a fifth of the transactions.
- ❑ The mid-range of respondents ('3') stayed consistent throughout the year at 20%.

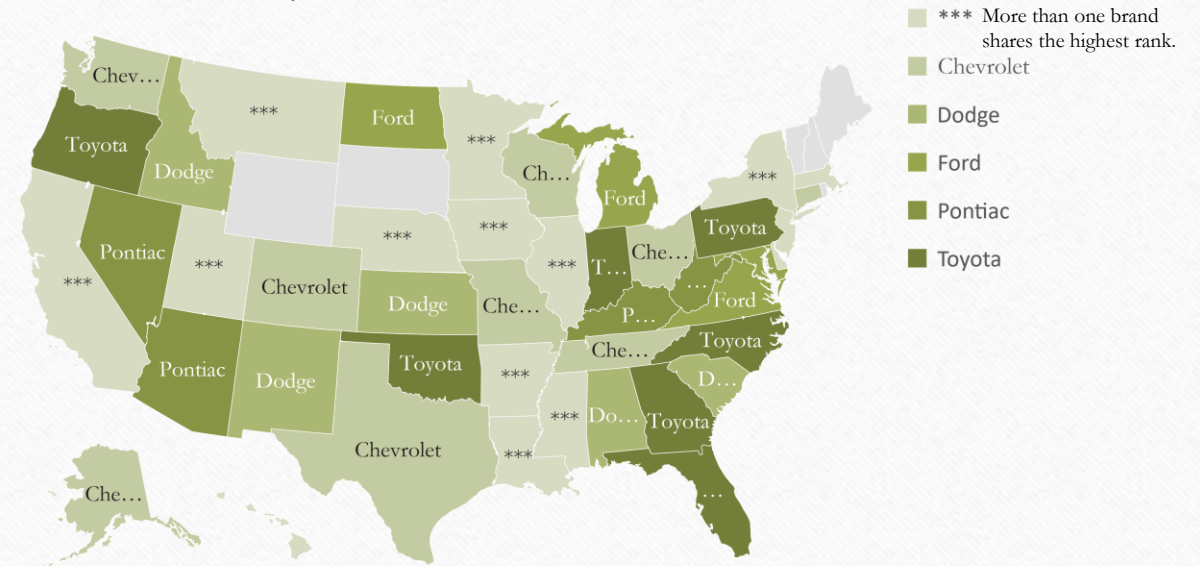
Breakdown of Customer Satisfaction



Top Five Brands Customers Choose



If customers could only choose from those five brands, these are the vehicles of choice.



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Observations / Findings

- ☐ Vehicles range in age from 1953 to 2013, so can be categorized as antique, classic, or used.
- ☐ The most popular vehicle brand is the Chevrolet, with sales making up just under ten percent of the vehicles sold
- ☐ Ford comes in second, with twenty fewer vehicles sold, though easily ten more than brands ranked third through fifth, being Toyota, Dodge, and Pontiac.
- ☐ Pontiac vehicles have not been made since 2010.





□ A wide variety of cars are available for sale. However, after the top five brands, many of the brands only make up a small percentage of sales.

State	Preferred Brand	State	Preferred Brand	State	Preferred Brand
Alabama	Dodge	Indiana	Mazda	Okla.	Ferrari
Alaska	Chevrolet	Louisiana	BMW		Mazda
Arizona	Cadillac		Ford		Toyota
	Pontiac		Kia	Oregon	Toyota
California	Audi		Nissan	Penn.	Toyota
	Chevrolet		Pontiac	Tenn.	Mazda
	Dodge	Maryland	Ford	Texas	Chevrolet
	Ford	Mass.	Chevrolet	Virginia	Ford
	Nissan		Dodge	Wash.	Chevrolet
Colorado	Chevrolet	Michigan	Ford	W Virg.	Mercedes-Benz
Conn.	Chevrolet	Minn.	GMC		
	Maserati	Missouri	Chevrolet		
	Mercury	Nevada	Pontiac		
	Volvo	N. Jersey	Hyundai		
Delaware	Mitsubishi		Mercedes-Benz		
DC	Chevrolet	N. Mex.	Dodge		
Florida	Toyota	N. York	Toyota		
Georgia	Toyota		Pontiac		
Idaho	Dodge	N Car.	Volvo		
Illinois	GMC	Ohio	Chevrolet		
	Chevrolet				
	Ford				

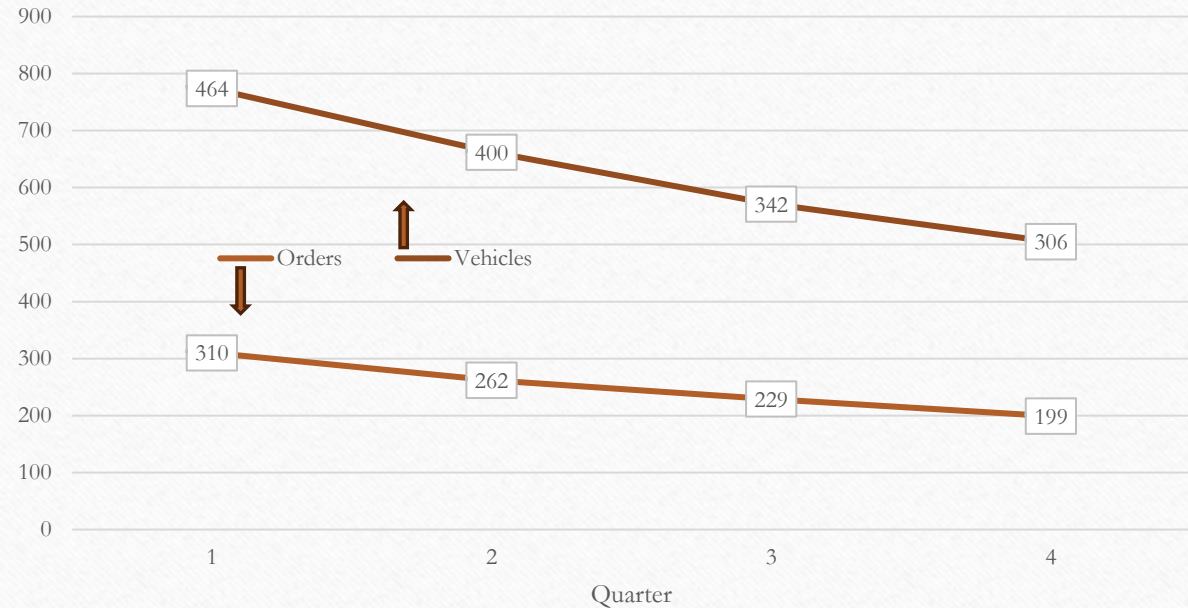
Revenue Metrics



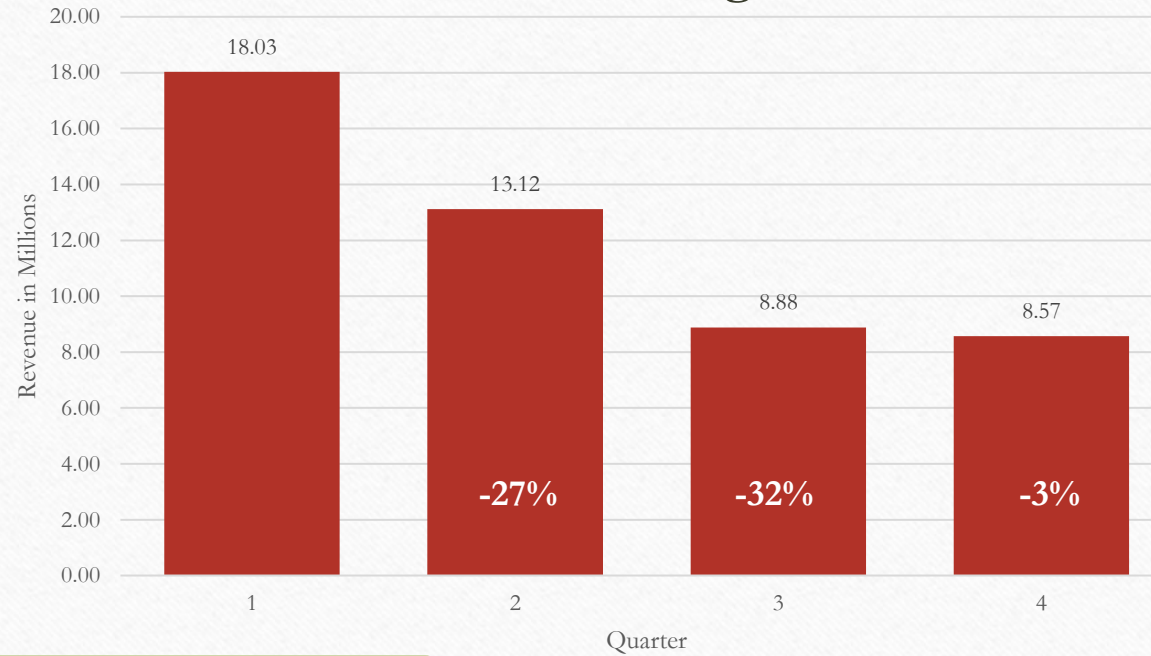
Observations / Findings

- ❑ Orders from Q1 to Q4 dropped by 36%.
- ❑ The number of vehicles ordered also dropped, though the ratio of people ordering multiple vehicles remained consistent.

Trend of Purchases by Quarter



Quarter Over Quarter Change in Revenue



Observations / Findings

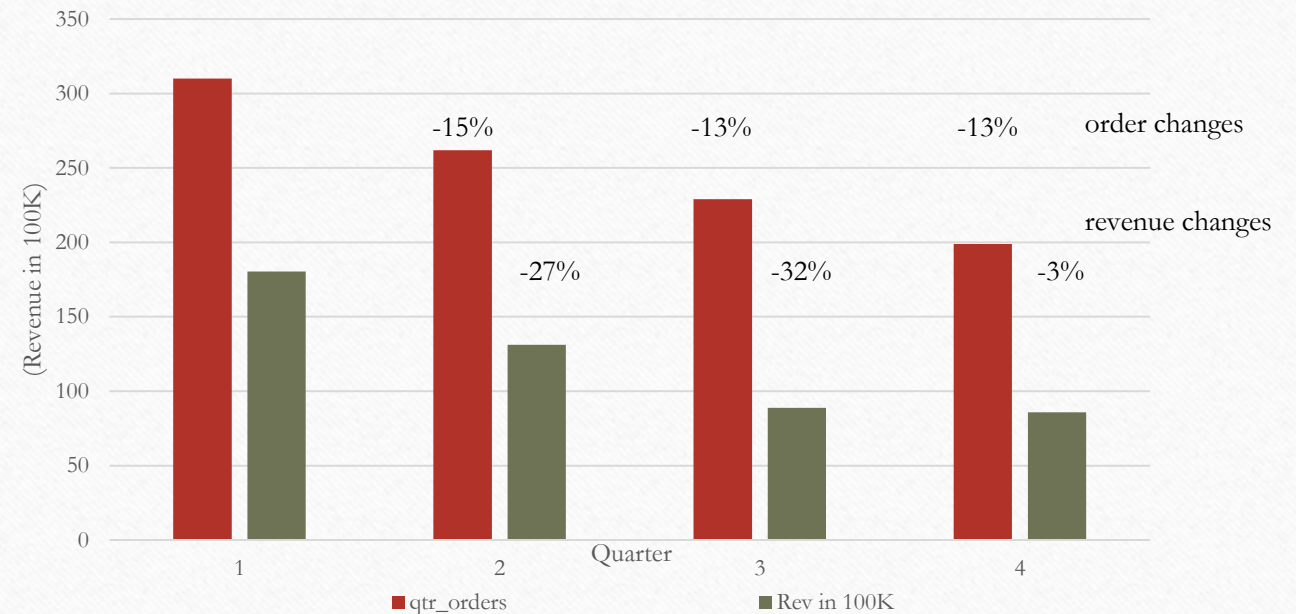
- ❑ As we observed in earlier findings, revenue per quarter trended down, in line with orders.
- ❑ Q1 revenue was more than twice Q4 revenue
- ❑ Q2 and Q3 saw ~30% revenue drops while Q4 held steady.



Revenue Metrics

Observations / Findings

- ❑ As with the previous two slides, orders dropped quarter over quarter.
- ❑ However, revenue dropped more than the change in order from quarter to quarter.
- ❑ Note: revenue is in 100K increments.

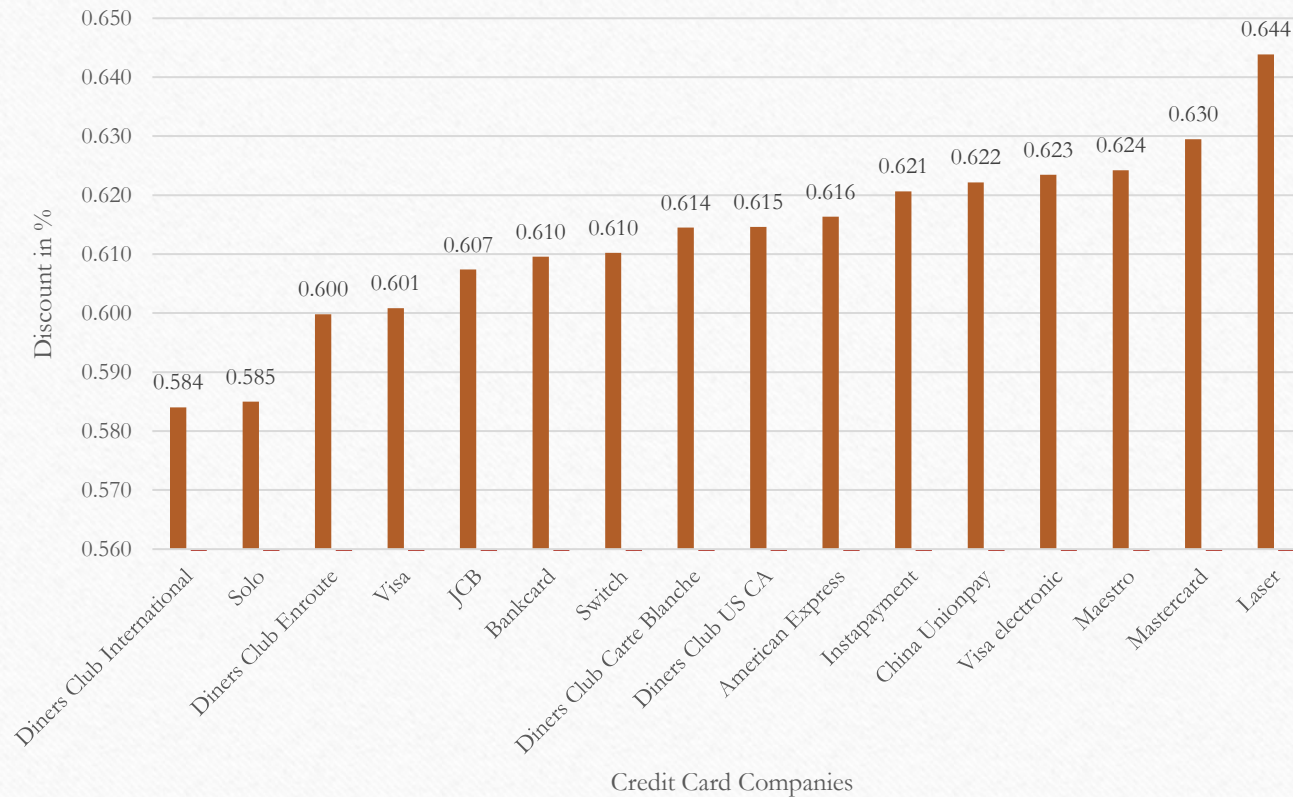


Trend of Revenue and Orders by Quarter





Average Discount offered by Credit Card Type



Observations / Findings

- ❑ 16 different credit cards available, with a range of discounts from .58% to .65%
- ❑ More than a third of the providers have a high discount above .62%
- ❑ Only 4 providers offer discounts below .6%

Shipping Metrics

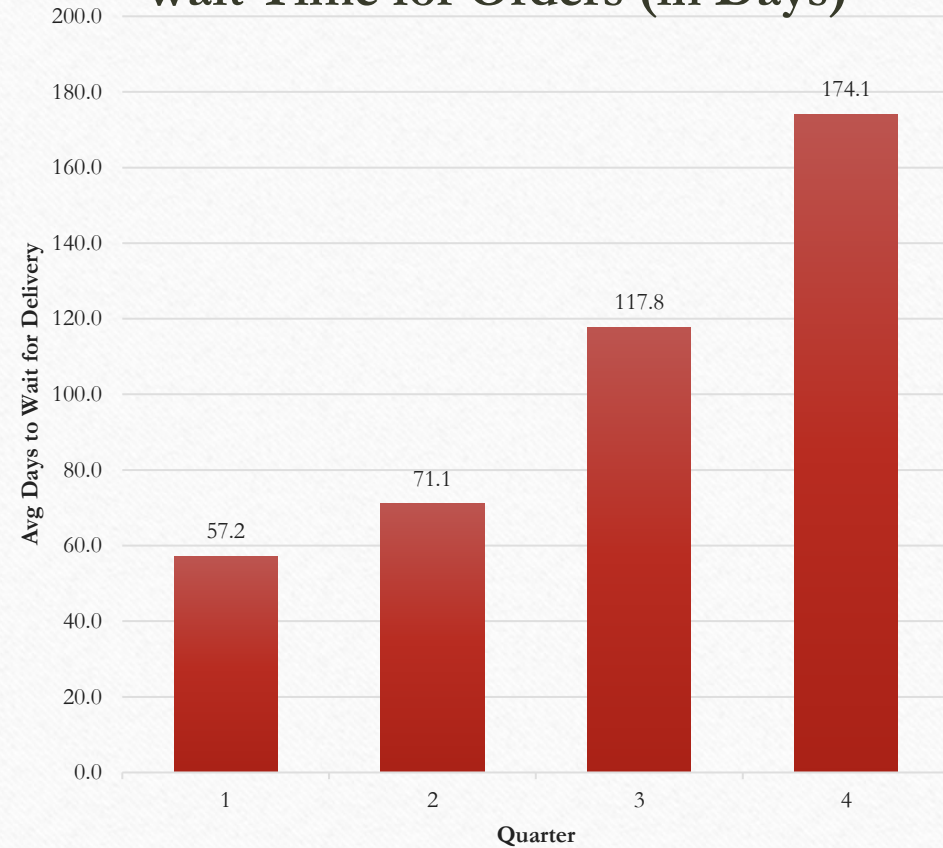


Shipping Metrics

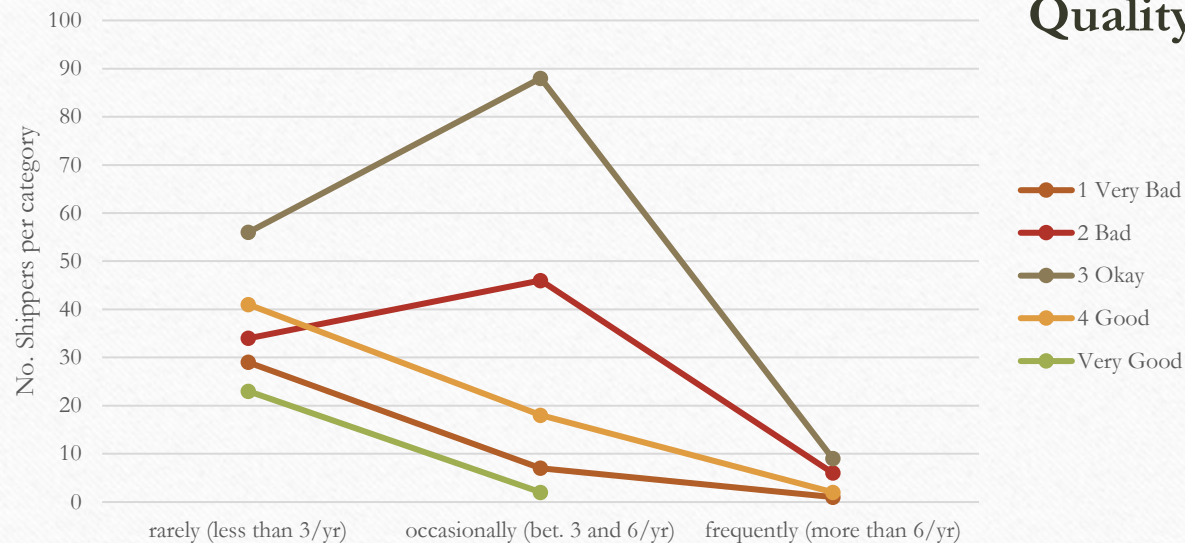
Observations / Findings

- ❑ Q1 wait times were under 2 months.
- ❑ By Q4 wait times had tripled to 6 months.
- ❑ CSQ can be easily increased by understanding and addressing shipping and wait time issues for vehicle delivery.

Wait Time for Orders (in Days)



Quality and Frequency of Shippers



Quality of Shipping Company Service



Observations / Findings

- ❑ Over half of shipping providers have a negative net rating; Only 10% of providers have a net positive rating.
- ❑ Of the top 18 shipping companies (of 281 shippers), only half average service as 'okay' or higher; only one ranks 'good.'
- ❑ 'Okay' and 'Bad' characterizes the ratings of the majority of occasional and frequent shippers. No frequent shipping companies are among the highest rated.



Insights & Recommendations





Insights and Recommendations

Sales Strategy and Growth

- ☐ Growth strategy should focus on the top 4 markets plus DC.
- ☐ Examine the DC market for either successful promotion or niche customer market.
- ☐ Revenue and order concerns and trends will be impacted by specialized campaigns and initiatives based on market research.

Customer Satisfaction

- ☐ Customer satisfaction is at or near all time lows. Focused effort should be spent to determine the main 3 issues.
- ☐ Once identified, special campaigns need to be made in each department to address the main 3 issues.

Inventory Management

- ☐ Vehicle brands need to have special incentives to move less popular inventory.
- ☐ In addition, research into the popularity of Chevy's and Ford for this customer base should educate future inventory decisions.
- ☐ Increased wait times for order delivery needs to be addressed.
- ☐ Renegotiating and evaluating shipping companies should be a priority. Customer sat scores will naturally improve in line with shorter delivery windows.