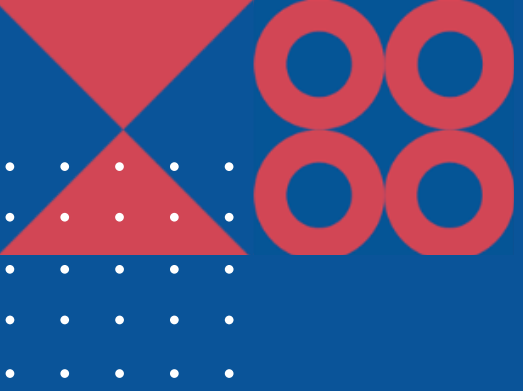# DELIVERING GROWTH
THROUGH DATA INSIGHTS

GROUP 8

MEET OUR TEAM

WAYNE PARK

ESTEFANY ALVARADO

NICK ACOSTA

JOCELYN CHANG

ANAIS CORRAL

TABLE OF CONTENT

BUSINESS PROBLEM

Optimizing logistics by **identifying high-potential customers** currently on *white truck (ARTM) delivery* ⟶ *red truck (direct delivery)* to support future growth while maintaining cost efficiency.
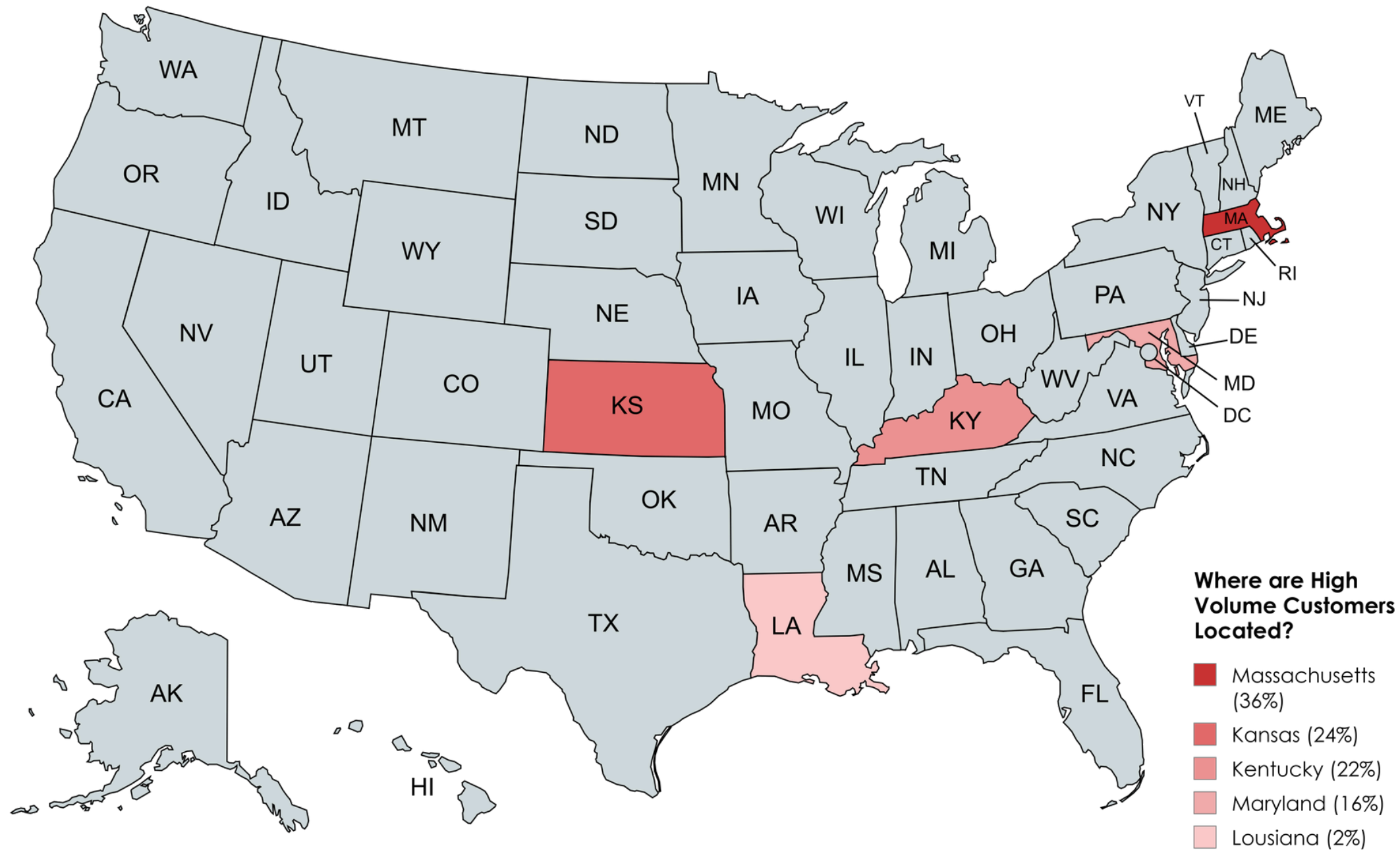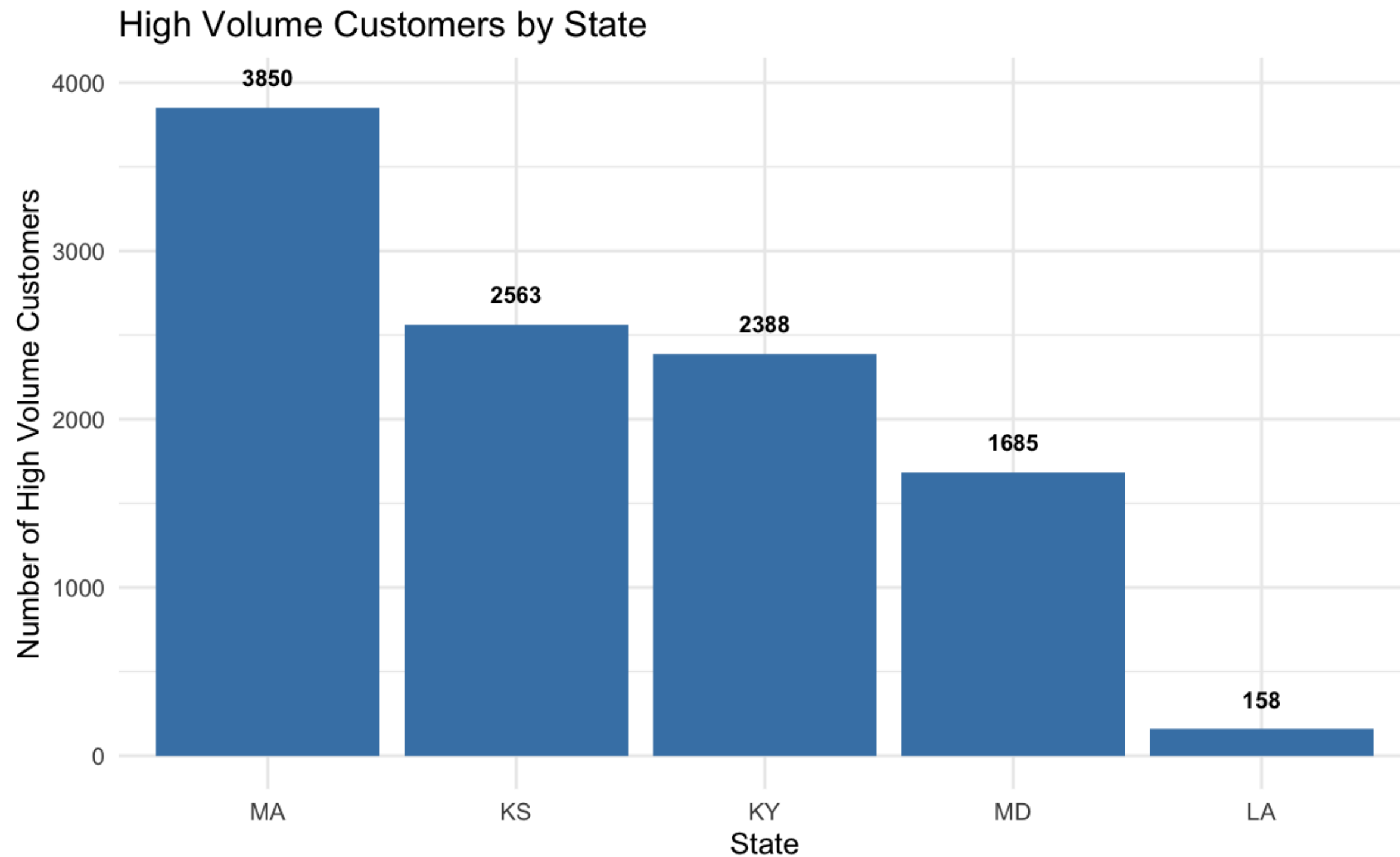
OUR APPROACH

- We used modeling approaches to predict high-growth accuracy.

- Evaluated high volume costumers by state and delivery costs to discover relationships between the two.

- Performed customer segmentation through XGBoost and Classification Trees to determine the characteristics of high-growth customers.

HIGH VOLUME CUSTOMERS BY STATE

*Cases & Gallons

Where are High Volume Customers Located?

- Massachusetts (36%)
- Kansas (24%)
- Kentucky (22%)
- Maryland (16%)
- Lousiana (2%)

HIGH VOLUME CUSTOMERS BY DELIVERY COST
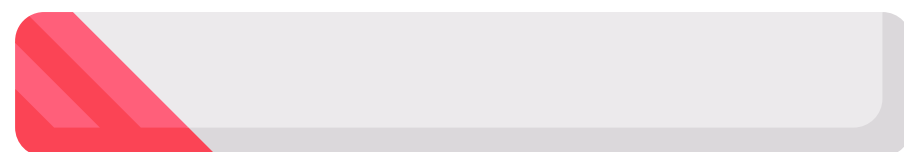

High Volume Customers by State

WHY THE RELATIONSHIP BETWEEN CUSTOMER VOLUME & DELIVERY COSTS MATTERS?

- Cost-efficiency in high-demand regions

- Delivery costs vs. profit margins

- Logistics optimization & waste reduction

- Data-driven investments

- Market expansion in low-cost regions

- Balance demand & distribution cost

SEGMENTATION

LOW GROWTH

MEDIUM GROWTH

HIGH GROWTH

HIGH GROWTH CUSTOMERS

TOP CHANNEL: DINING

TOP TRADE CHANNEL: FAST CASUAL DINING

TOP FREQUENT ORDER TYPE: SALES REP

TOP STATE: MASSACHUSETTS

AVG. DELIVERY COST: $2.88

RECOMMENDATIONS & NEXT STEPS

1 **Transition High-Growth Customers to Red Truck Delivery**

- Target "High Growth" customers identified by XGBoost.

- Focus on fast-casual & comprehensive dining segments (hotels, fast food chains, etc).

- Prioritize ZIPs 67647 (KS), 42033 (KY) & 2298 (MA).

- Strong fit: Customers using Sales Rep channel with rising volume.

RECOMMENDATIONS & NEXT STEPS

2 **Optimize Delivery Routes to Reduce Costs**

- Current avg. cost: $2.88 per delivery.

- Replan routes in high-cost zones.

- Bundle orders & shift to off-peak delivery windows.

IMPLEMENTATION STRATEGY

Offer bulk order discounts to improve delivery efficiency.

RECOMMENDATIONS & NEXT STEPS

3 **Strengthen Sales Rep Channel Engagement**

- Sales Reps are the primary order channel for growing customers

- Empower reps with tools for account growth & personalized offers

- Drive loyalty and conversion to direct delivery

IMPLEMENTATION STRATEGY

Performance-based incentives, offering rewards (bonuses and discounts) for meeting sales and customer engagement targets.

THANK YOU!

Q&A

POSSIBLE QUESTIONS

- What threshold have you used to determine the customer segmentation (low, medium, and high)? /How did you define "high-growth" customers?

- Are there other interesting characteristics in the other 2 segments? why not showing them?
- Exactly what customer groups does Swire use from our deliverables?

- Why did you choose XGBoost and Classification Trees for segmentation?
- Did you validate your model's predictions? If so, how?
- What distinguishes high-growth customers from low and medium growth ones?
- What would be your first step if Swire implements your recommendations tomorrow? *jeje sorry, chat gpt gave me a ton of questions*
- How did you ensure that the segmentation model accurately captures meaningful and actionable differences between customer segments, and what steps did you take to validate the effectiveness of the segmentation in driving targeted strategies?
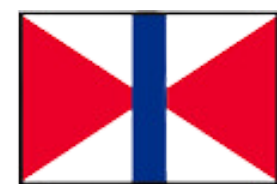- *How did you identify which regions had both high customer demand and low delivery costs?*

TAKEWAYS AND RECOMMENDATIONS

Key Takeaways:

- ◆ Massachusetts, Kansas, and Kentucky are top markets.

- ◆ Delivery costs vary significantly, with Louisiana being the most expensive.

- ◆ Kansas presents a cost-efficient logistics opportunity.

Recommendations:

- ◆ Reduce delivery inefficiencies in MA & LA.

- ◆ Expand Kansas as a logistics hub.

- ◆ Improve supply chain strategies to enhance customer satisfaction.