Business Case Resolution – Glovo Assessment

Muoneke Nwamba

Data Analyst Candidate

11/26/2025

My Approach to The Business Case

The very first thing I did was understanding how Glovo thinks about problem: keep things simple, understand the business impact, prioritize what moves the needle, and keep the story clear.

Before digging into the data, I made sure I fully understood:

- How Glovo makes money (commission, delivery fee, contribution)
- Glovo partners dynamics in the whole ecosystem
- The metrics that are important to Glovo (GMV, AOV, CPO, Cancellations, contribution, CPO)
- What good looks like from Glovo's playbook

In all the three cases, I followed the same approach

1. Clearly define the problem
2. Understand the dataset (scope, completeness, quality)
3. Identify the key drivers
4. Prioritize the biggest opportunities or risks
5. Recommend solutions that are actionable within 3months
6. Communicate simply and direct

This helped me maintained consistency and a very clean storyline throughout the assessment.

Case A: MacPacs Burger (Operational Review)

How I approached it

I began with the fundamentals: weekly orders, AOV, cancellations and bad orders. I treated this case as an operational reliability problem and not a demand problem.

What the data showed

- Orders declined significantly for several weeks
- AOV dropped at that same time which, signaled experience issue
- Cancellations were mostly caused by **Store Closed, Customer Absent, Product Availability, and Printer Issues**.
- Bad orders were mostly **Wrong Product and Poor Quality**

How I connected the dots

I didn't look at the metrics independently, I followed the chain:

Operational inconsistency → Bad customer experience → Lower repeat rate → Lower orders → Lower GMV

The data clearly pointed to **operational and reliability gaps**, and not missing demands.

What I recommend

A phased plan that aligned with Glovo logic:

Weeks 1–2 (Fix the basics):

- Fix POS issues
- Stabilize store hours
- Improve stock accuracy
- Introduce a 2-step accuracy check

Weeks 2 – 8 (Stabilize operations):

- Improve packaging
- Fix staffing gaps
- Clean the menu

Weeks 8 – 12 (Grow responsibly):

- Visibility push
- CRM nudges
- AOV-boosting bundles

The principle: **Fix the experience → stabilize → Grow.**

Case B: Burrito MX (Commercial Strategy)

How I approached it

Burrito MX case required a commercial and growth outlook and not an operational one.
The goal was to propose a profitable growth strategy that Burrito MX would trust and Glovo could sustainably support.

I focused on:

- last year's GMV
- commission
- delivery fee
- Glovo share vs other delivery platforms
- Promotion elasticities

What the data showed

- Burrito MX has strong brand equity
- Glovo represents 30% of their delivery business
- Basket size reacts negatively to discounts
- Product-level promos have high elasticity (+50–70%)
- Delivery-fee promos have smaller impact

How I approached the plan

I looked for strategies:

- Drive volume
- Protect contribution
- Avoid cannibalization
- Build repeat behaviors

I avoided overusing discounts and built a plan that balances:

- Acquisition (bringing in new customers)
- Frequency (getting customers to order more)
- Contribution value (how much Glovo keeps after delivery cost)

What I recommend

A measured, ROI-positive activation plan

- **Moderate product promo (≤30%)** to drive volume
- Support promos with **in-app visibility**
- Use **CRM** to maintain momentum
- Avoid heavy discounts unless combined with visibility
- Bundle best-sellers to increase AOV

The follows Glovo's commercial principle: **Grow, but grow responsibly.**

CASE C: RealGood (Profitability Management)

How I approached it

This case called for both a financial and operational view I started from the raw order-level data and built:

- Commission amount
- Platform revenue
- Contribution per order
- Unprofitable-order flags
- Unprofitable rates per store
- Store level contribution
- Prioritization model

What the data revealed

Five stores were responsible for majority of the loses:

- **2 Critical stores** (very high unprofitable orders + extremely low contribution)
- **3 High-Risk stores** (significant risk but recoverable)

Root cause analysis

I validated drivers using correlations:

- CPO → Contribution: **−0.5**
- AOV → Contribution: **0.8**
- Unprofitable rate → Contribution: **−0.7**
- Distance → CPO: **0.7**
- Wait time → CPO: **0.1**

This story was very clear:

High delivery cost + low AOV + high unprofitable orders = structural margine loss.

What I recommended

Focus first on the 2 critical stores:

Quick Wins (1 – 2 weeks)

- Reduce delivery radius
- Introduce MOV
- Remove low-margin SKUs
- Fix stock and availability issues

Mid-Term (2 – 6 weeks)

- AOV-boosting bundles
- Menu cleanup
- Improve batching
- Fix wrong mapping

Long-Term (6 – 12 weeks)

- Pricing review
- Explore geo-split / dark kitchen in long distance areas

This fits Glovo's operating logic: **Protect contribution → stabilize → Grow responsibly.**

How I Made My Decisions (Across All Three Cases)

All through the cases, I applied same principles:

1. **Prioritized what moves the business**
   - I focused on drivers and stores with visibly impact GMV or contribution.
2. **Validated assumptions with data**
   - Trends, cancellations, bad orders, elasticities, and correlations helped avoid guesswork**.**
3. **Kept recommendations practical**
   - Everything recommended can be executed within 12 weeks.
4. **Separated symptoms and root causes**
   - AOV drop = symptom
   - Operational inconsistency = cause
   - High CPO = symptom
   - Distance = cause
5. **Communicated in Glovo style**
   - Simple
   - Direct
   - Structured
   - No jargon
   - No unnecessary charts
   - Only insights that matter

Across the three cases, the key themes were operational consistency, customer experience, commercial activation quality, and delivery cost structure.

In Summary

Case A → reliability issues
Case B → controlled commercial growth
Case C → structural profitability fixes

In all cases, I focused on simple, actionable solutions that improve customer experience, partner performance, and contribution.