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By Prajwal Chittora

# Case Study on Order Cancellations





# Problem Statement

"Optimizing Food Platform's Cancellation Policy and Insights from Cancelled Orders Data"

- High order cancellations on the food platform impact user satisfaction and operational efficiency
- The existing cancellation policy covers different item categories but doesn't curb cancellations.
- Challenge: Use cancelled order data to:
  - Identify causes of cancellations
  - Propose policy improvements.
  - Reduce cancellations and maintain user contentment.



# OBJECTIVE

- Utilise rejected order data for:
  - Extracting actionable insights
  - Identifying areas of improvement and opportunity
  - Minimising cancellations while ensuring user satisfaction.
- Outline the analysis method and steps employed for data insights.
- Present gathered insights from the analysis.
- Based on insights, suggest enhancements or modifications to the current cancellation process.

# COURSE OF ACTION

Understanding our customers.



## User Personas

Persona 1

Aditya

### **Bio:**

Aditya is the Cloud Engineer at Virtusa. He lives with his friends and organises house parties often to invite his office colleagues and prefers to order online.

### **Goals:**

- Discover new restaurants nearby.
- Food at an affordable price.
- Save time while deciding what and from where to order.

### **Frustrations:**

- The food scheduling option is not available
- multi-restaurant order for parties
- Does not get notified of new restaurants added

# COURSE OF ACTION



Persona 2

Komal

**Bio:**

Komal works as a Marketing Manager. She has 2 kids and lives with her family. She uses food delivery apps to order food when she's too tired or to fulfil the cravings of her kids.

**Goals:**

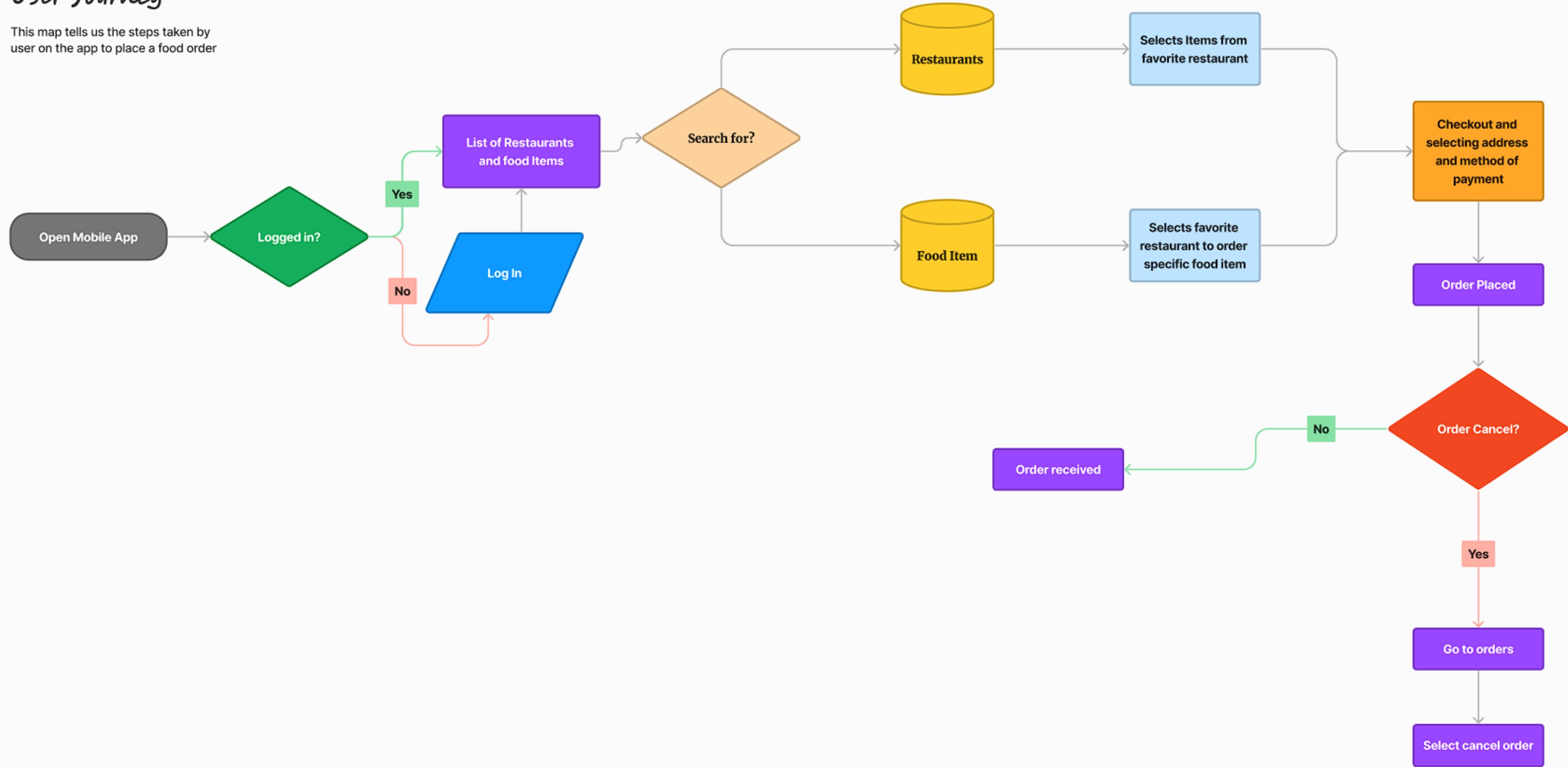
- Homelike food
- Personalized shortlist of restaurants
- Quality of food at the time of delivery

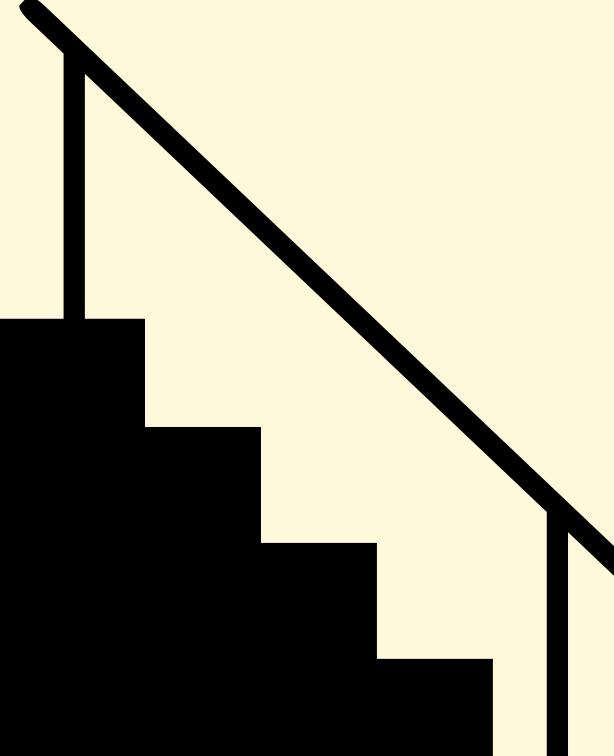
**Frustrations:**

- Nutritional information
- Takes too long to order when no decided
- Hygiene

## User Journey

This map tells us the steps taken by user on the app to place a food order





A systematic approach was employed to tackle the issue:

- **Data Examination:** Immersion in the dataset occurred, involving understanding its variables and scope.
- **Research Endeavours:** Exploration of delivery platforms encompassed capturing industry trends and models.
- **Business Assessment:** Scrutiny of diverse platform models transpired, aligning them with the specific case.
- **Product Understanding:** Profound comprehension of the platform's attributes, alongside scrutinising analogous cases for insights, took place.
- **Emphasis on Metrics:** The isolation of pivotal metrics led to subjecting them to SQL queries, resulting in informed conclusions.
- **Proposal of Recommendations:** Solutions rooted in data and research were offered to address the challenges faced by the platform.

This methodical approach yielded data-guided, actionable insights conducive to enhancing the food ordering platform.



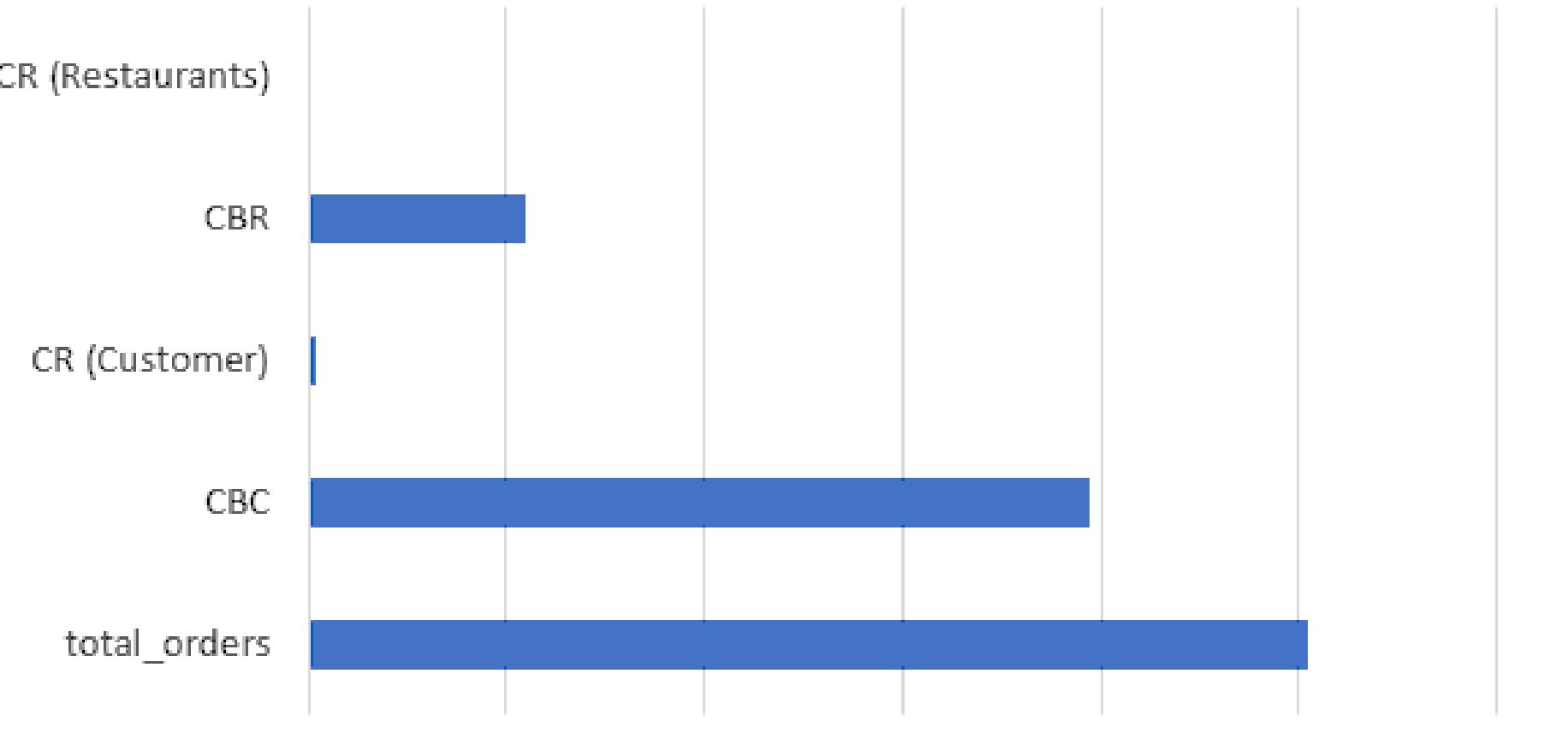
# INSIGHTS AND RECOMMENDATIONS

Considering the SQL query analysis, the following insights and recommendations have emerged from the cancellation data assessment:

## Cancellation Rate Overview:

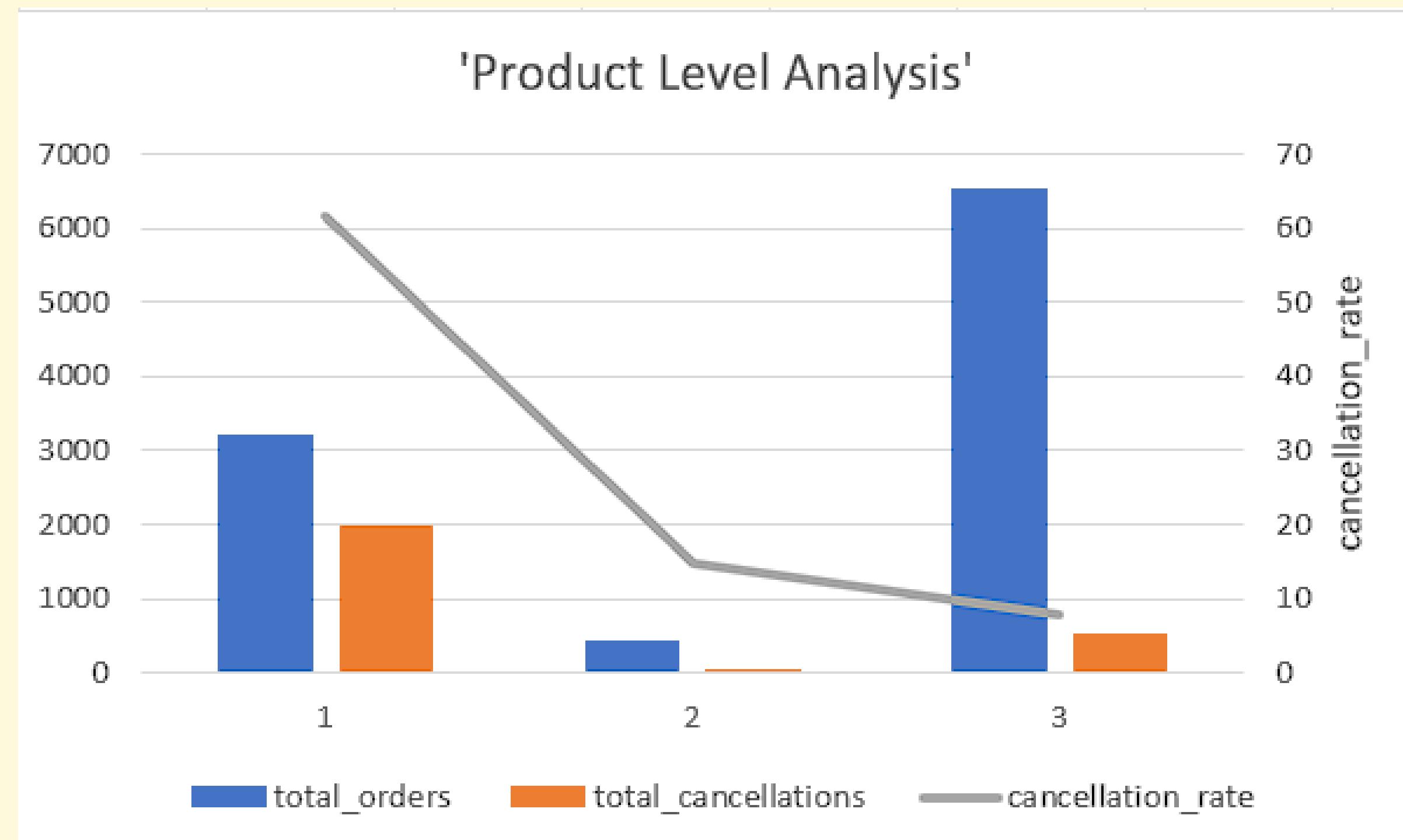
- Total Orders: 10,077
- Orders Cancelled by Restaurants (CBR): 2,184
- Cancellation Rate (CR): 21.76%
- Orders Cancelled by customers through the app (CBC): 7,893
- Cancellation Rate (CR): 78.33%

**Cancellation Rate Overview**



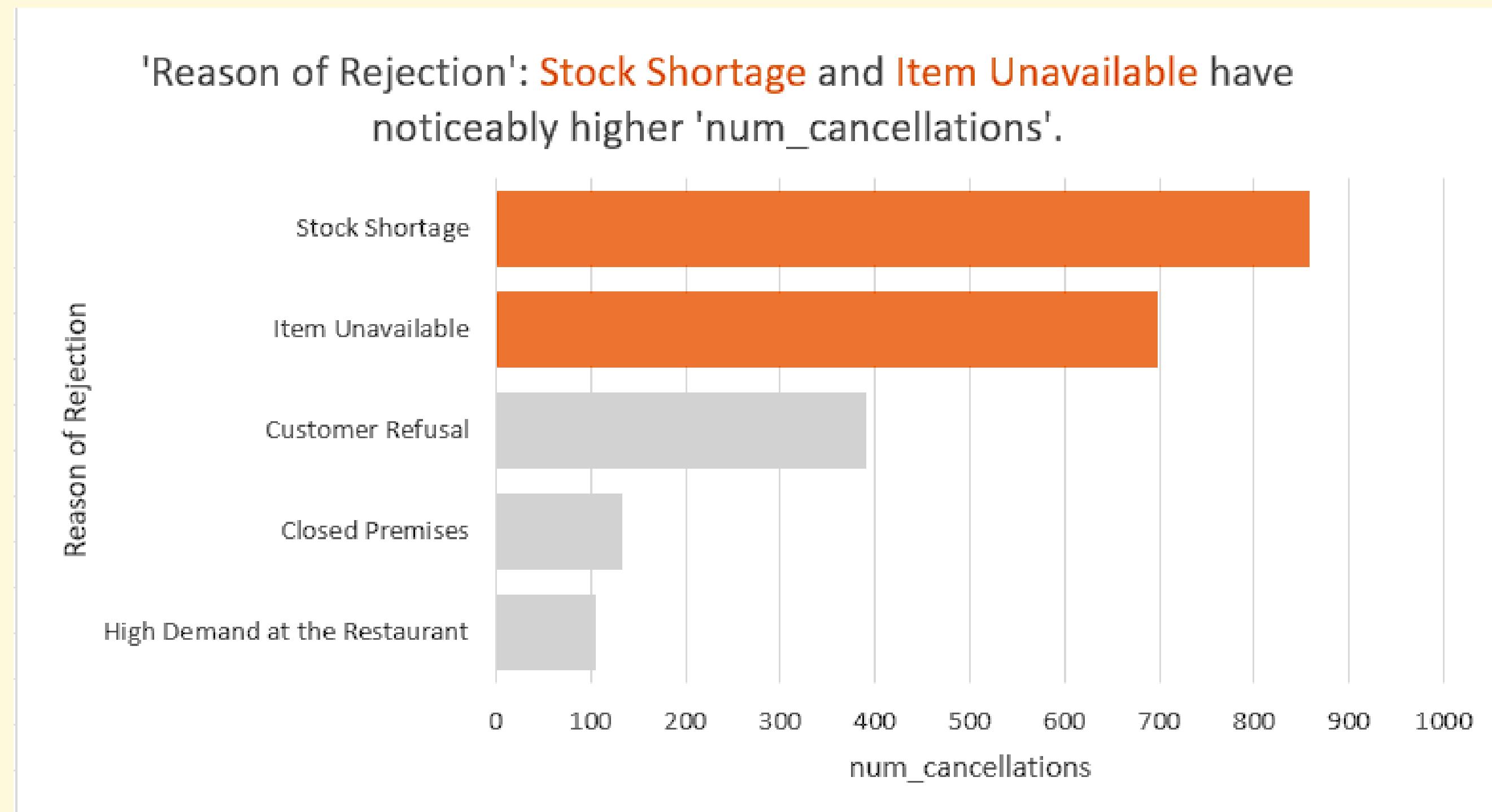
## Product-Level Cancellation Analysis:

- Among CBR instances, *Buffet Items* primarily faced cancellations due to *Stock Shortage* (241) and *Item Unavailable* (175), resulting in **416 cancellations**.
- Non-MRP items experienced the highest **CR of 61.50%** among CBR cases.



## Cancellation Reasons Analysis:

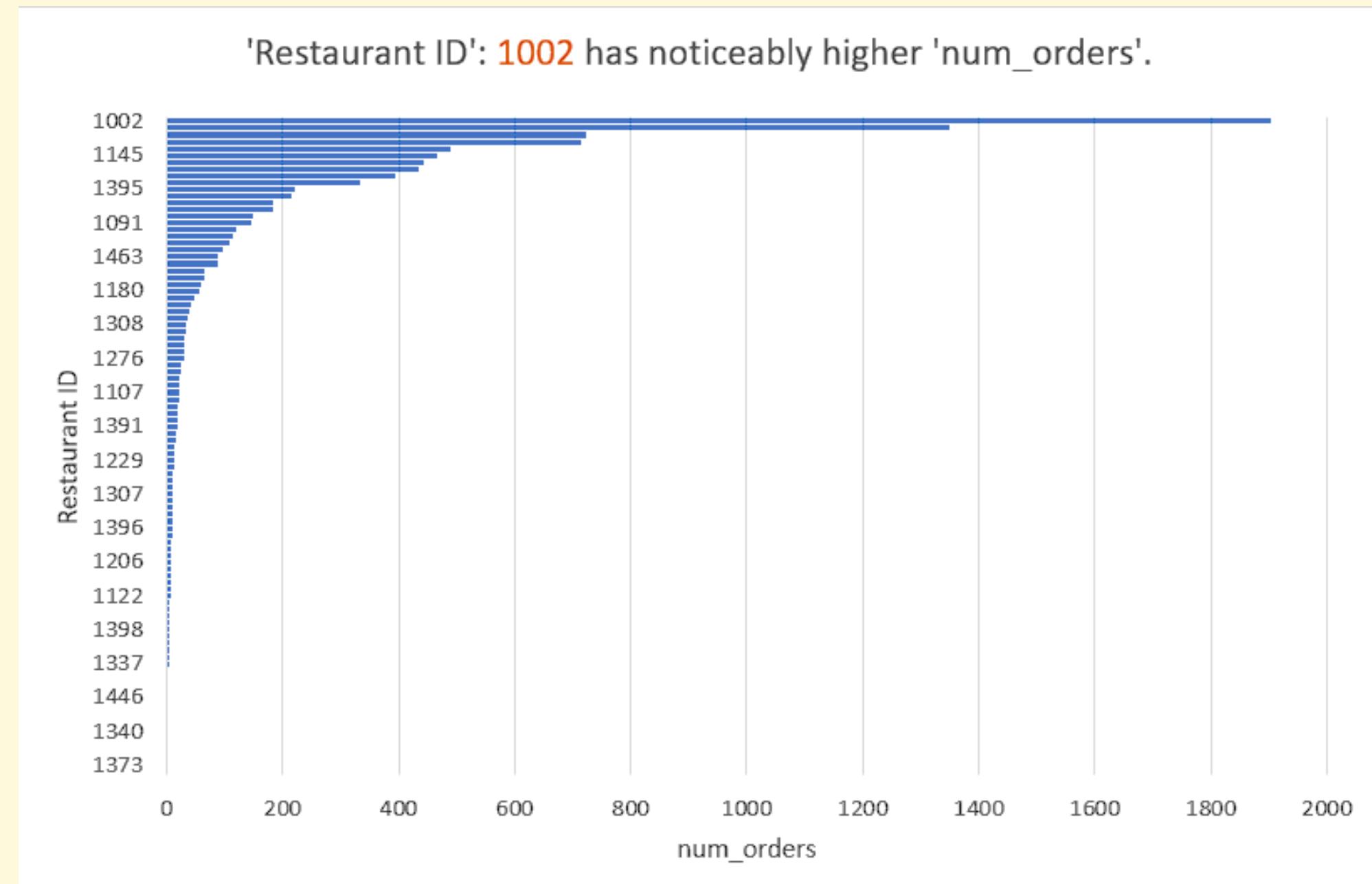
- For CBR cases, primary cancellation reasons were *Stock Shortage* (858 cancellations) and *Item Unavailable* (697 cancellations), contributing to a cumulative **1,555 cancellations**. These cancellations mainly resulted from product unavailability and preparation delays.



## Restaurant Based Analysis:

- **Restaurant ID 1002** received the *most orders*, consequently having the highest number of cancellations according to the data, with **1,904 orders cancelled**.
- Conversely, **Restaurant ID 1314** received *fewer orders* and consequently had the least number of cancellations, with only **19 orders cancelled**.

These insights underscore critical patterns and occurrences in the data. Based on these findings, strategic measures can be implemented to optimise the platform's operational efficiency and user experience.





# SOLUTIONS AND RECOMMENDATIONS

## **Optimised Inventory Management and Penalty System:**

To address product unavailability, enhance inventory management, and enforce timely updates, consider introducing a penalty mechanism for restaurants that accept orders without accurate stock data. This encourages consistent inventory upkeep without adversely affecting business operations, promoting better user experiences.

## **Preparation Efficiency:**

To reduce cancellations due to preparation delays, focus on improving the efficiency of food preparation processes, especially for buffet and live-cooking items.

### **Cancellation Reasons Feedback:**

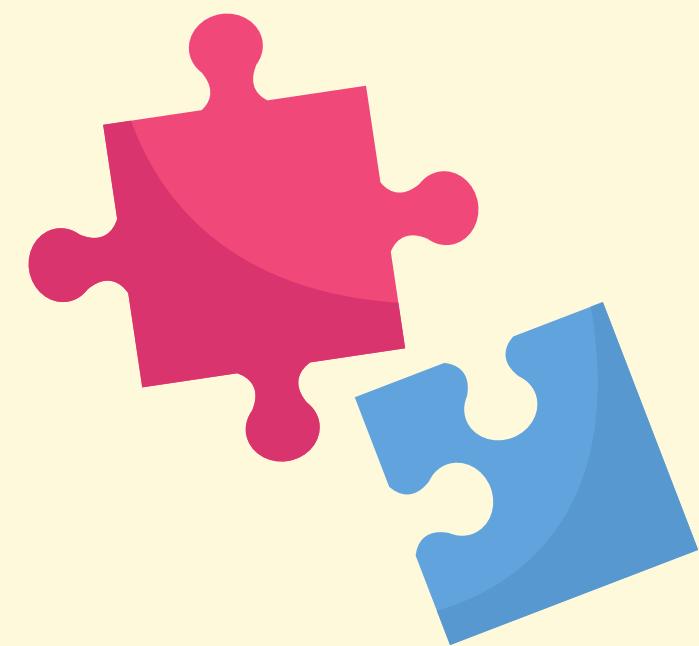
Implement a feedback loop between the platform and customers to gather detailed reasons for cancellations. This can provide more actionable insights for further improvements.

### **Enhance Packaging:**

For packaged items, ensure robust packaging to maintain product quality during delivery and minimise the chances of damage or spillage.

### **Real-time Updates and Estimated Time of Arrival (ETA):**

The app should provide ongoing real-time updates on order status, including notifications like "Order Received," "In Preparation," "Packed," "En Route," and estimated arrival time. Such updates engage customers and deter order cancellations, significantly reducing cancellations from the customer's standpoint.



## **Add Items Enhancement:**

Empowering customers to modify orders post-placement with the "Add Items" feature mitigates errors and encourages additional items. Integration with real-time updates empowers customers, reducing cancellations by enhancing control.

## **Multi-Restaurant Ordering:**

Facilitating simultaneous orders from different restaurants accommodates diverse preferences. Integrating this with "Add Items" and real-time updates curbs cancellations, facilitating informed adjustments and seamless decisions.



# PRIORITISATION

Priority table

Priority	Recommendation
High	Cancellation Reasons Feedback
High	Optimized Inventory Management and Penalty System
High	Real-time Updates and Estimated Time of Arrival (ETA)
Medium	Add Items and Multi-Restaurant Ordering
Low	Enhance Packaging

High	
Medium	
Low	

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THANK YOU

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