

Best in Show: Chewy, a trusted destination for pet parents everywhere



Founded in 2011, a pure play retailer in the pet industry



Wide range of pet products: 3500+ brands



The WOW customer service experience

A Look Into Chewy's Community of Devoted Pet Parents

Meet Sam

Sam's Shopping Habits





Values the convenience of online shopping



Appreciates platforms that offer seamless and user-friendly shopping experience



Loves finding deals and discounts that offer the best value for the money

Chewy Empowers Pet Parents with Peace of Mind and More Bonding Time With Their Fur-Babies



Why does Sam like to use Chewy for her needs?

+ She loves having peace of mind that she's taking care of her babies in the best way possible.



How does Sam utilize Chewy for her needs?

- + She loves the convenience of Chewy's Autoship features.
- + Chewy's product variety and quality fulfills the needs of her babies.
- Sam appreciates Chewy's world-class customer service.

Pet Parents Want to Bond with Their Fur-Babies... But Less So With Chewy



Why does Sam get irritated with Chewy?

- She's not able to find the right products for her pets immediately and spending too much time browsing through the overwhelming product offerings, overloading her with too many choices.
- She's not able to spend enough time with her babies because of those reasons.
- She feels that she's not getting the best value for what she pays for.



How does Sam get irritated with Chewy?

- Sam's finds Chewy's website clunky and not as usable to discover products.
 - Amazon and Walmart have better pricing and more reliable shipping.

Revive the Alpha: Chewy's customer-centric culture and product array won't overcome logistic-savvy competition, inflation squeeze, and customer's tech expectations.



Active customer runway

1.3% drop in customer base15% increase customer spend75% net sales, Autoship



Profitable, but growth slowing

Softening in consumer discretionary spending



Automation controls costs, improves safety, increases efficiency

4 automated, 17 total Fulfillment Centers



Poor website engagement

Bounce rates and conversion rates not optimal

"Chewy will become the go-to destination for pet parents for a reliable, accessible and comprehe nsive shopping experience"

Steps we take: Objective

To deepen relationships with customers

Purpose: Retention

To empower users to get everything they need & want for their pets easily.

Purpose: Engagement

To welcome more pet parents

Purpose: Acquisition

Measuring our milestones: Key Results

Increase net spend per active customer by 5% by EOQ

Increase autoship sales by 2% QOQ

Decrease the bounce rate by 15% by EOQ

Maintain Avera ge warehouse cap/warehouse by at least 93% YoY.

Have 20% more first-time orders by end of FY23 Have 5% more first-time autoship signups QOQ

Revamping Logistics and Usability: A
Strategic Pivot to Propel Chewy's Market
Position

Identified supply chain and usability as the core aspects to improve on.

This aims to solidify its position as the ultimate haven for every pet parent's needs. This strategy is expected to foster greater customer loyalty, increased market share, and drive sustained growth in the fiercely competitive pet supplies market.





Chewy Thrives Over Logistics-centric Competition

 Chewy is set to undertake a robust expansion of its supply chain prowess, utilizing automation within its fulfillment centers to establish cuttingedge warehouse management systems.

- Compete against the delivery windows of behemoths like Amazon and Walmart, minimizing the threat of customer migration and bolstering customer retention.
- Maintain competitive pricing and direct more funds towards customer acquisition and growth.

Pet-parents spend less time on shopping, more time with pets

Employing cutting-edge human centered design principles, Chewy will create an online pet shopping environment that is easily navigable, visually appealing, and highly personalized to every customer journey.

In the envisioned future state, customers will enjoy a hassle-free shopping experience marked by extensive product range, and a highly engaging and user-friendly digital platform.



In order to propel Chewy's transformative impact on pet care, necessary opportunities identified require a large budget of \$100 M.



Improve Logistics

 Improve Supply Chain and Delivery Speeds



Web Redesign:

- Increase Technical Enhancements
- Improve Customer Convenience and Access



Low Hanging Fruit:

- Improve Value
- Increase Partnerships

In order to propel Chewy's transformative impact on pet care, necessary opportunities identified require a large budget of \$100 M.



Increase Customer Satisfaction and Engagement



Increase Customer Retention



Improve Customer Acquisition

Roadmap Prioritizes Customer Retention, Engagement, and Acquisition to Boost Chewy's relationship with its new and active customers.

Year 1: Focus on attainable improvements before the holiday shopping season while starting major projects (Fulfillment Centers, Web Design)

				Year 1: Lo	w Hanging Fruit	t & Starting Web	Redesign					
Q1				Q2			Q3			Q4		
JUN	JUL	AUG	SEP	ОСТ	NOV	DEC	JAN	FEB	MAR	APR	MAY	
Partner with Humane Society			Social Media Marketing Campaigns									
							Breed-Specific,	Review-Based R	Recommendations	3		
			Bundling Items and Discounts				Web Design 1: UI/UX, Personalized Profiles				Web Design 2: A	
Loyalty and Re	Rewards Program			Promote Fast Customer Support through email/social media								
				Adding Sample Pro	ducts to Orders							
				Increase Automat	ed Fulfillment Ce	nters to improve	logistics / delivery	1				
						Black Friday/F	loliday Shopping	J Season				
Strategic G	ioals											
Customer Retention: Keep active customers coming back to Chewy.com and continue to make more purchases												
Customer Engagement & Satisfaction: Empowering users/customers to engage and interact with Chewy.com												
Customer Acquisition: To welcome more first-time Chewy customers.												

Roadmap Prioritizes Customer Retention, Engagement, and Acquisition to Boost Chewy's relationship with its new and active customers.

Year 2: Focus on major projects (AI, Chat Bot, SCM) to truly push transformative change. MVPs will be used for these projects to lower risk.

					Year 2: Lon	g Term Plans					
Q1				Q2		Q3			Q4		
JUN	JUL	AUG	SEP	ОСТ	NOV	DEC	JAN	FEB	MAR	APR	MAY
I Recommendation System Chat Bot for Im		proved Customer Service Improve SCM for			r Fulfillment Centers						
	Introduce a paid subscription model										
	(free shipping, all	inclusive subscript	ion								
	- insurance/pet si	tting / etc.)									
						Black Friday/0	Christmas Seaso	1			
Strategic	Goals										
Customer Retention: Keep active customers coming back to Chewy.com and continue to make more purchases											
Customer Engagement & Satisfaction: Empowering users/customers to engage and interact with Chewy.com											
Customer Acquisition: To welcome more first-time Chewy customers.											

Takeaways

Leverage: Chewy's trusted name, product variety, exceptional customer service experience

Challenges: Indirect competition, economic inflation, non-intuitive website

Objectives: Customer retention, engagement, and acquisition

Plan to Unleash Pet Parent Delight

Ask: \$100M for 2 -year plan

In keen pursuit of:



Operational Efficiency

(SCM & Automation)



Enhanced Product Way-Finding (Ul Makeover)



Reinvigorated
Customer Centricity

(Customer Rewards, Loyalty Incentives)