

Case Study: Pedal Power Inc.

Background of Pedal Power Inc.

Pedal Power Inc. is a well-established bike retail franchise with a network of 15 stores strategically located across urban and suburban areas. The business model focuses on the retail and service of bicycles, accessories, and parts, coupled with bike repair and maintenance services. The franchise primarily caters to urban commuters and weekend cycling enthusiasts, ranging from beginners to experienced cyclists.



Current Situation

Over the past three years, Pedal Power Inc. has experienced a stagnation in its growth trajectory. The annual revenue of the franchise stands at ca. \$19 million, a figure that has not seen significant change in the past 18 months, and the franchise is facing a worrying decline in customer foot traffic, a 20% decrease from the previous year. Although the franchise has an online presence, it is not fully leveraged, with e-commerce sales contributing just 10% to the total revenue.

Data

Total Annual Revenue Across All Stores	\$18,720,000
Number of stores	15
Average Transaction Value (ATV)	\$200
Daily Transactions Per Store (Average)	20
Total Daily Foot Traffic Across All Stores	4000
Operating Days Per Year (Per Store)	312
Total Annual Revenue E-Com	\$1,755,000
Total Revenue	\$19,500,000

YOUR TASK: Pedal Power Inc. has brought you in as a data analyst to help them get actionable, data-driven advice on how to grow their business.