



BUSINESS REPORT YEAR IN REVIEW

B.S. NIRMAL RAJ | Growth and Strategy Analyst

bsnirmalraj@swiggy.com

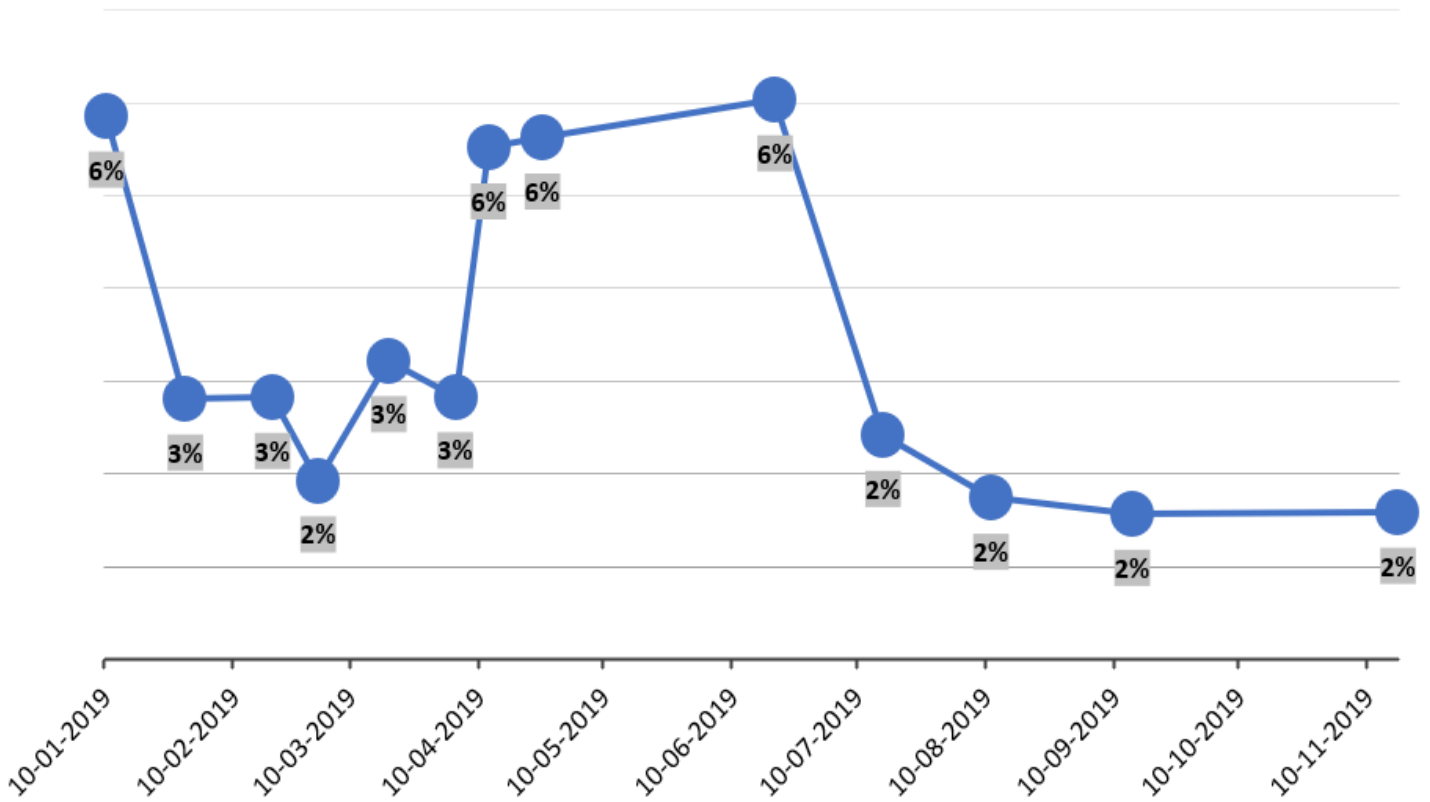
BUNDL TECHNOLOGIES PRIVATE LIMITED | BANGALORE

SWIGGY EXPERIENCED A DROP IN THESE DATES

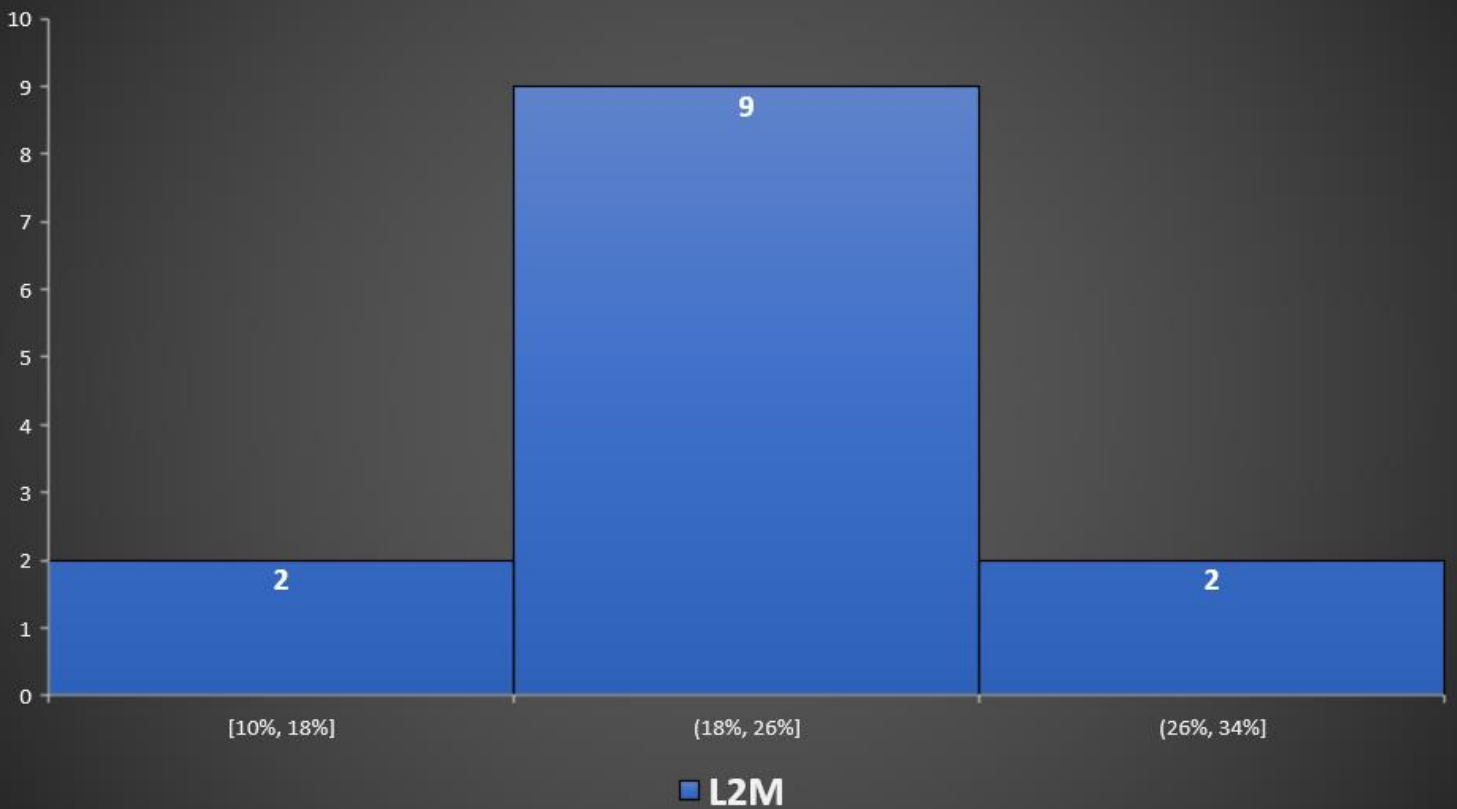
DATES	KEY FACTORS (SOCIAL MEDIA TRAFFIC & OTHERS)	DROP	FLUCTUATIONS IN TRAFFIC	OVERALL CONVERSION
10-01-2019	<ul style="list-style-type: none"> Facebook, YouTube, Twitter, etc. is lower compared to last week. High Average Cost of Two. 	-45%	Traffic change: -49%	6%
29-01-2019	<ul style="list-style-type: none"> There was a surge in YouTube traffic, while Facebook and Twitter traffic decreased. Additionally, traffic on other mediums also decreased. The number of restaurants got reduced by 28.28% compared to the previous week's same day. <p>Last week same day: 383,015. This week same day: 274,777.</p>	-72%	Traffic change: -40%	3%
19-02-2019	<ul style="list-style-type: none"> Overall Social media traffic is lower than last week. High Delivery Charges. 	-56%	Traffic change: -4%	3%
02-03-2019	<ul style="list-style-type: none"> High Delivery Charges. High Average Cost of Two. Out-of-stock items: 40 (last week "SD": 35) 	-38%	Traffic change: Increased by 8%	2%
19-03-2019	<ul style="list-style-type: none"> High Average Cost of Two. Low Success Rate of Payments. 	-46%	Traffic change: Increased by 2%	3%
04-04-2019	<ul style="list-style-type: none"> The average discount decreased by 10% compared to the same day of the previous week, which had a discount of 19%. Out-of-stock items: 35 (last week "SD": 31) 	-52%	Traffic change: Increased by 3%	3%

12-04-2019	<ul style="list-style-type: none"> Facebook, YouTube, Twitter, etc. is lower compared to last week. Restaurants increased by 4.60%. <p>Last week: 388,271. This week: 406,144 (+17,873).</p>	-27%	Traffic change: -9%	6%
25-04-2019	<ul style="list-style-type: none"> There are 30 out-of-stock items per restaurant. High Average Cost of Two. 	-39%	Traffic change: Increased by 0%	6%
20-06-2019	<ul style="list-style-type: none"> Facebook, YouTube, Twitter, etc. is lower compared to last week. The number of images per restaurant was higher compared to last week. 	-54%	Traffic change: -53%	6%
16-07-2019	<ul style="list-style-type: none"> High Average Cost of Two. The number of images per restaurant was higher compared to last week. Facebook, YouTube, Twitter, etc. is lower compared to last week. 	-63%	Traffic change: -10%	2%
11-08-2019	<ul style="list-style-type: none"> High Average Cost of Two. 	-54%	Traffic change: Increased by 0%	2%
14-09-2019	<ul style="list-style-type: none"> There are 64 out-of-stock items per restaurant. The average packing charges was high. The average delivery charges were high. 	-54%	Traffic change: -5%	2%
17-11-2019	<ul style="list-style-type: none"> There are 112 out-of-stock items per restaurant. Facebook, YouTube, Twitter, etc. is lower compared to last week. 	-57%	Traffic change: -7%	2%

DROP - Overall Conversion



MAJOR DROP

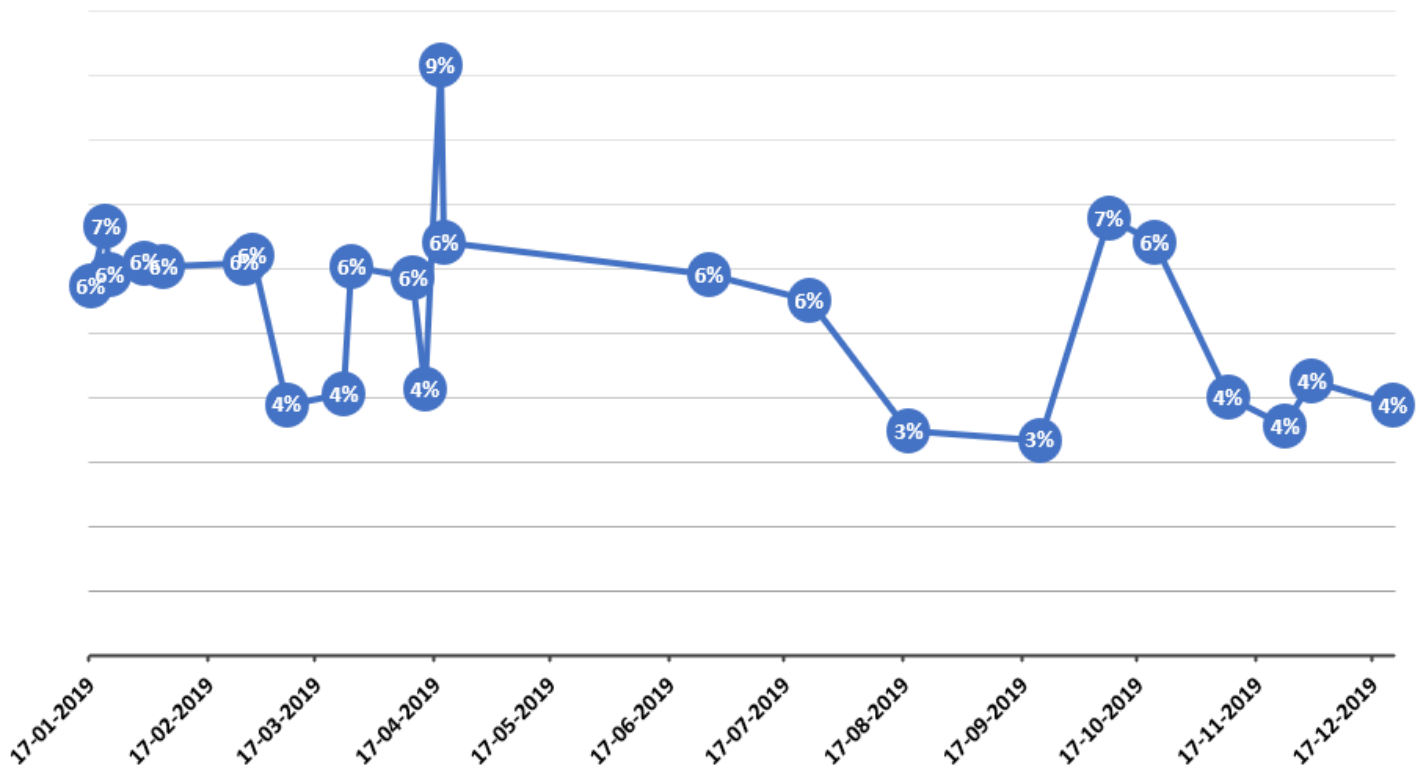


SWIGGY'S PERFORMANCE WAS HIGH ON THESE DATES

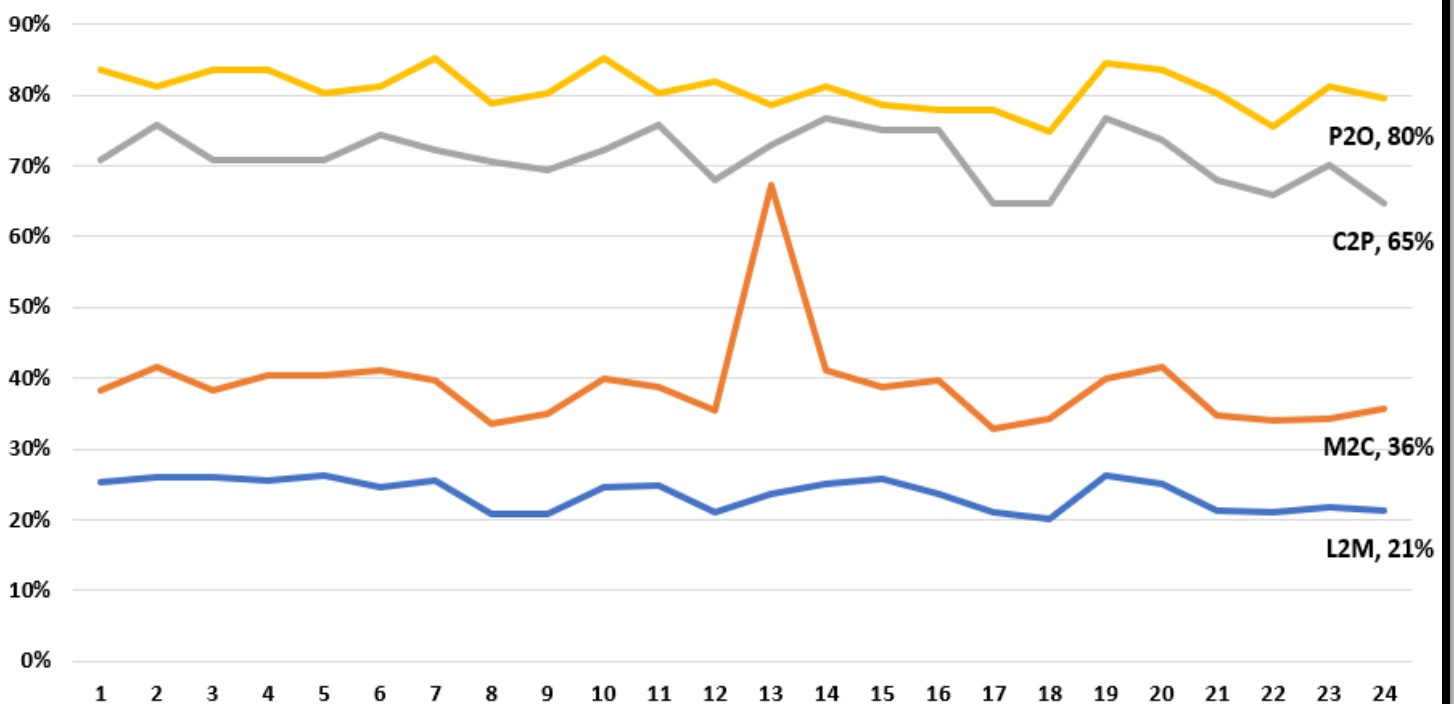
DATES	MAJOR HIKE (Same Day Last Week)	INSIGHTS (Same Day Last Week)
17-01-2019	Order change: +106%	Conversion: 6% Traffic change: +110%
21-01-2019	Order change: +23%	Conversion: 7% Traffic change: +5%
22-01-2019	Order change: +85%	Conversion: 6% Traffic change: +77%
31-01-2019	Order change: +20%	Conversion: 6% Traffic change: +1%
05-02-2019	Order change: +115%	Conversion: 6% Traffic change: 0%
26-02-2019	Order change: +120%	Conversion: 6% Traffic change: +2%
28-02-2019	Order change: +22%	Conversion: 6% Traffic change: +8%
09-03-2019	Order change: +102%	Conversion: 4% Traffic change: 0%
24-03-2019	Order change: +22%	Conversion: 4% Traffic change: +6%
26-03-2019	Order change: +78%	Conversion: 6% Traffic change: -5%
11-04-2019	Order change: +92%	Conversion: 6% Traffic change: -7%
14-04-2019	Order change: +28%	Conversion: 4% Traffic change: +8%
18-04-2019	Order change: +73%	Conversion: 9% Traffic change: +11%
19-04-2019	Order change: +25%	Conversion: 6% Traffic change: +7%
27-06-2019	Order change: +115%	Conversion: 6% Traffic change: +119%
23-07-2019	Order change: +135%	Conversion: 6% Traffic change: +3%
18-08-2019	Order change: +107%	Conversion: 3% Traffic change: +3%
21-09-2019	Order change: +112%	Conversion: 3% Traffic change: -1%
09-10-2019	Order change: +22%	Conversion: 7% Traffic change: -4%
21-10-2019	Order change: +32%	Conversion: 6% Traffic change: +9%
09-11-2019	Order change: +26%	Conversion: 4% Traffic change: +7%

24-11-2019	Order change: +135%	Conversion: 4% Traffic change: +5%
01-12-2019	Order change: +21%	Conversion: 4% Traffic change: +1%
22-12-2019	Order change: +21%	Conversion: 4% Traffic change: 0%

Hike - Overall Conversion



Menu to Order



HYPOTHESIS

The drop in Swiggy's performance can be attributed to three main factors: traffic influx from social media, challenges with restaurant partners, and high packaging and delivery charges.

Decreased Social Media Traffic

The primary reason behind the decline in Swiggy's performance can be attributed to the sudden decrease in traffic originating from social media platforms. As users on these platforms engaged with Swiggy's promotions, offers and advertisements, it resulted in a drop of app visit.

The subsequent unexpected drop in social media-driven traffic may have negatively impacted Swiggy's visibility and reach, leading to a decline in customer acquisition and order volume.

Strained Operational Capacity

The unexpected decrease in social media-driven traffic might have strained Swiggy's operational capacity to handle a high volume of concurrent orders. The company's infrastructure, including technological systems, delivery fleet, and personnel, may have been optimally designed to handle the previously anticipated traffic levels.

However, the sudden drop in social media traffic could have led to underutilization of these resources, resulting in inefficiencies and challenges in managing orders, deliveries, and overall service quality.

Impact on Performance

The decrease in social media traffic may have had a direct impact on Swiggy's performance during the identified dates. With fewer users accessing Swiggy's platform through social media channels, the company's ability to generate revenue, acquire new customers and retain existing ones may have been significantly affected.

Consequently, the decline in performance metrics, such as order volumes, revenues, and customer satisfaction ratings, can be attributed to the reduced exposure and reach resulting from the drop in social media-driven traffic.

The Impact of Restaurant Partner Issues & High Charges on Swiggy's Performance

Issues with Restaurant Partners – “Average Cost of Two”

One major reason for the drop in Swiggy's performance can be attributed to the issues faced with restaurant partners, primarily related to the *"average cost of two"* metric. Customers typically order two or more food items and they actively seek discounts and coupons to reduce their total bill.

However, if the average cost of two items is unreasonably high, it may deter customers from placing orders. The high cost may have led to a drop in customer demand, resulting in reduced order volumes and impacting Swiggy's performance.

High Packaging and Delivery Charges

Another significant factor contributing to the drop in Swiggy's performance is the imposition of high packaging and delivery charges. Customers are price-sensitive and seek affordable options when ordering food.

If the charges associated with packaging and delivery are excessively high, customers may choose alternative platforms or modes of food delivery that offer more competitive pricing. The high charges may have deterred customers from ordering through Swiggy, resulting in a decline in its business metrics.

Customer Drop-off and Impact on Orders

The combination of high average cost of two items and inflated packaging and delivery charges may have led to a considerable drop-off in customers placing orders through Swiggy. Customers who found the overall cost too high might have sought alternative options, impacting Swiggy's order volumes and revenues.

The negative customer perception resulting from these high charges could have contributed to a decline in Swiggy's performance during the specified period.