

# AdaBox010 Report

Created 2019-01-10

## Purpose

The purpose of this write-up is to report the revenue, cost, gross profit, and churn rate of AdaBox over time, with a focus on the most recent AdaBox, which for Q4 2018 is AdaBox010 (PN [4012](#)). To see subscription counts, etc. in real time, check out [this PLM page](#).

## Summary + Financial Impact

Year over year, shipment counts were up 10%; revenue, including shipping, was up 11%; cost per box, including shipping, was \$42.30; shipping cost per box was \$12.22; gross profit margin, including shipping, was 30.73%; overall churn rate was 16.38%.

## Shipment Counts

AdaBox010 shipped to x3,770 recipients, up 10.20% from last year's x3,421. This latest shipment count is about equal to the four-quarter average of x3,706. Check out the chart below for shipment counts over time, along with the four-quarter average.



## Revenue

Adabox revenue reached \$226,200 while shipping revenue hit \$4,030; this makes for \$230,230 in total revenue, up 11.10% from last year's \$207,230.

## Cost

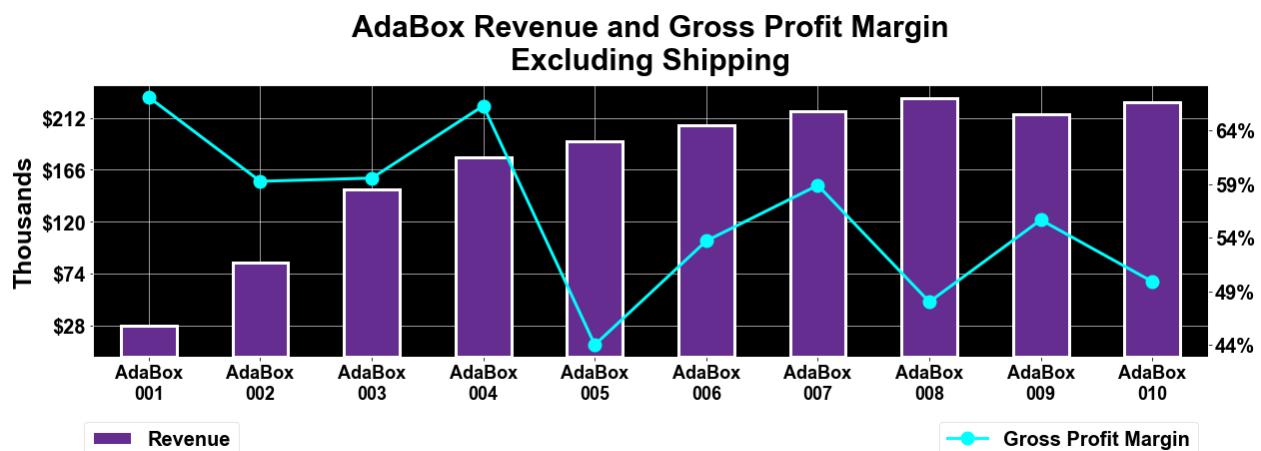
Part cost amounted to \$113,409 while the shipping cost came to \$46,067 for a total of \$159,477, or \$42.30 per box. This cost-per-box is about equal to the four-quarter average of \$40.24.

Focusing now only on shipping, the cost averaged \$12.22 per box, about equal to the four-quarter average of \$12.03.

## Gross Profit Margin

When we exclude shipping, the gross profit margin was 49.86%, lower than the four-quarter average of 53.08%. When we factor in shipping, the margin becomes 30.73%, lower than the four-quarter average of 34.07%.

The chart below shows the revenue and gross profit margin over time.



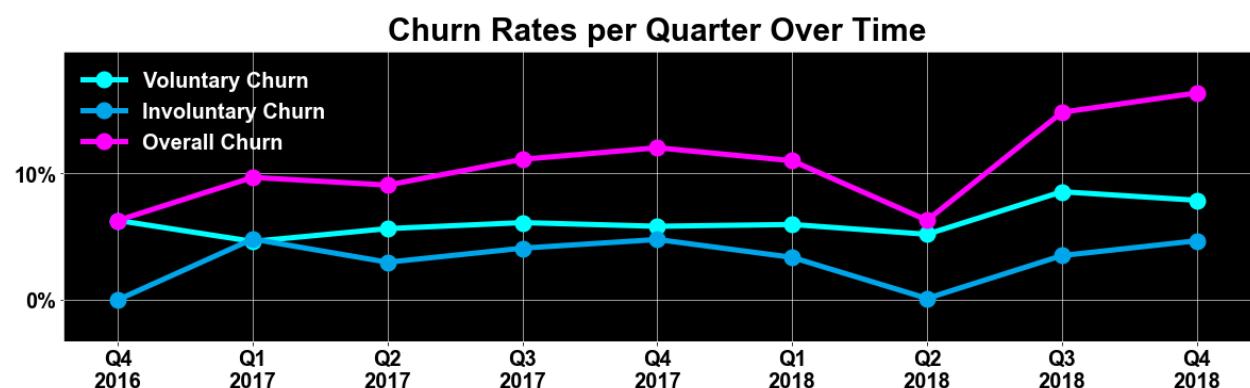
## Churn Rate

Churn can be divided into voluntary churn (cancelled) and involuntary churn (expired, payment invalid).

For Q4 2018, the voluntary churn was 7.88%, about equal to the four-quarter average of 6.90%.

The involuntary churn was 4.68%, greater than the four-quarter average of 2.91%.

The overall churn was 16.38%, greater than the four-quarter average of 12.13%. Check out the chart below for churn rates over time.



Looking now at the reasons for churn, on average and over the most recent four quarters, cancelled makes up 71.89%, expired makes up 28.04%, and payment invalid makes up 0.07%.