

AdaBox012 Report

Created 2019-06-17

Purpose

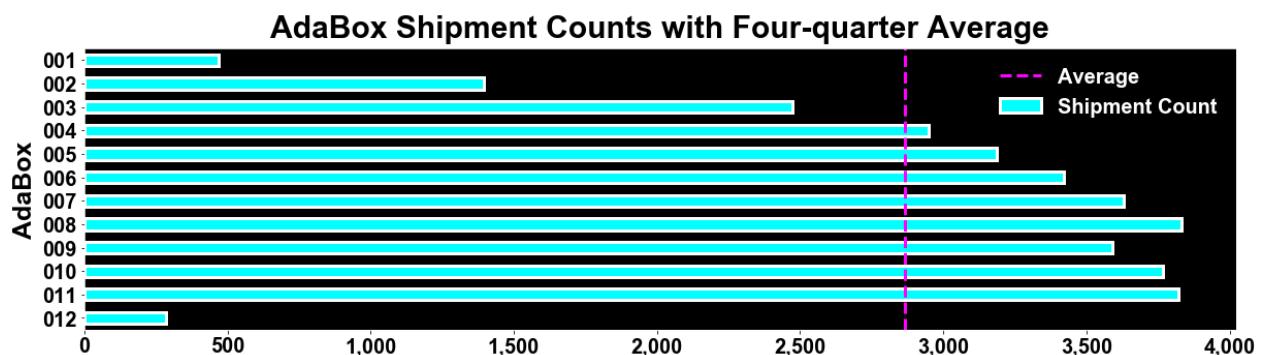
The purpose of this write-up is to report the revenue, cost, gross profit, and churn rate of AdaBox over time, with a focus on the most recent AdaBox, which for Q1 2019 is AdaBox012 (PN [4185](#)). To see subscription counts, etc. in real time, check out [this PLM page](#).

Summary + Financial Impact

Year over year, shipment counts were down 93%; revenue, including shipping, was down 93%; cost per box, including shipping, was \$58.87; shipping cost per box was \$31.02; gross profit margin, including shipping, was 1.88%; overall churn rate was 11.57%.

Shipment Counts

AdaBox012 shipped to x286 recipients, down 92.53% from last year's x3,831. This latest shipment count is below the four-quarter average of x2,867. Check out the chart below for shipment counts over time, along with the four-quarter average.



Revenue

Adabox revenue reached \$17,160 while shipping revenue hit \$0; this makes for \$17,160 in total revenue, down 92.65% from last year's \$233,465.

Cost

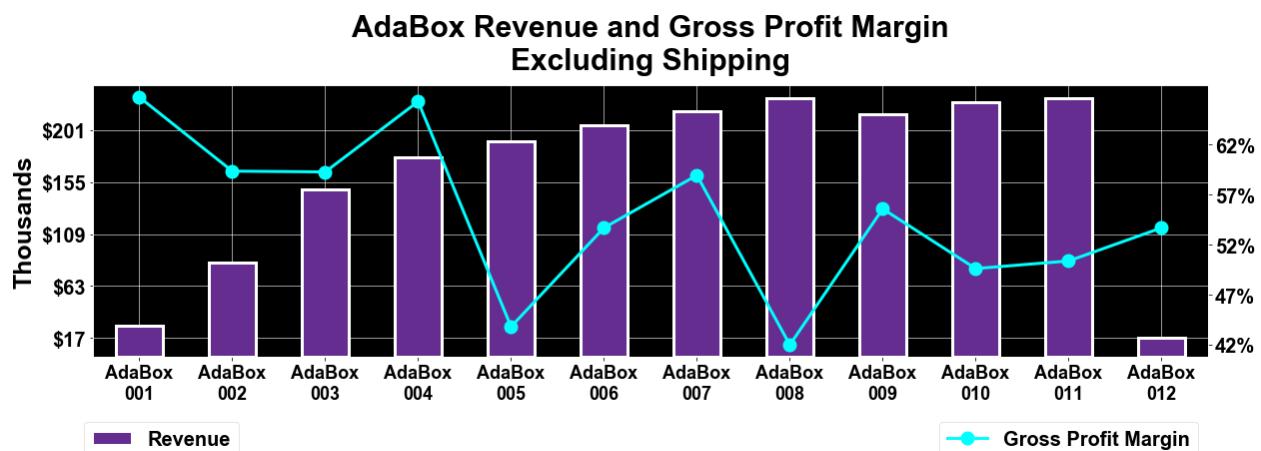
Part cost amounted to \$7,964 while the shipping cost came to \$8,872 for a total of \$16,837, or \$58.87 per box. This cost-per-box is higher than the four-quarter average of \$41.79.

Focusing now only on shipping, the cost averaged \$31.02 per box, higher than the four-quarter average of \$12.83.

Gross Profit Margin

When we exclude shipping, the gross profit margin was 53.59%, about equal to than the four-quarter average of 52.22%. When we factor in shipping, the margin becomes 1.88%, lower than the four-quarter average of 24.75%.

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



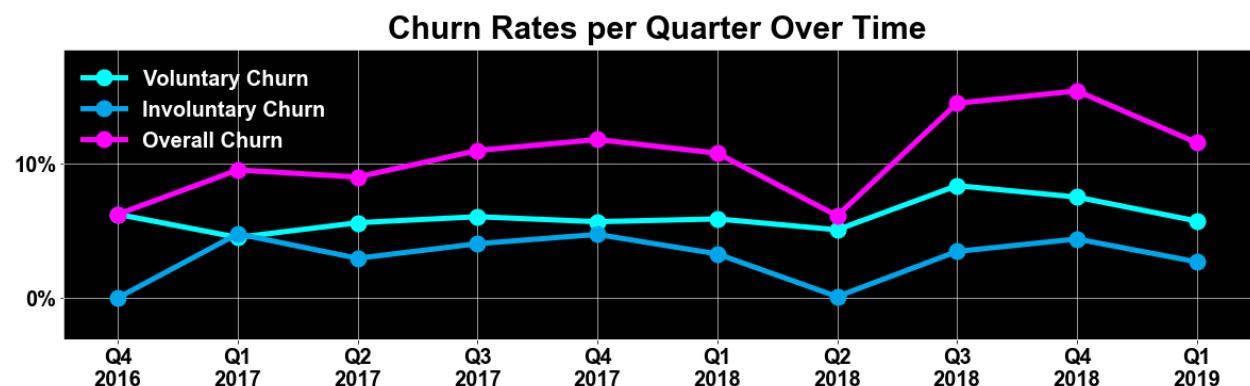
Churn Rate

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

For Q1 2019, the voluntary churn was 5.73%, about equal to the four-quarter average of 6.67%.

The involuntary churn was 2.68%, about equal to the four-quarter average of 2.66%.

The overall churn was 11.57%, about equal to the four-quarter average of 11.91%. 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, payment invalid makes up 0.05%, address error makes up 0.00%, expired makes up 27.45%, and cancelled makes up 72.50%.

End of report