

AdaBox012 Report

Created 2019-06-27

Purpose

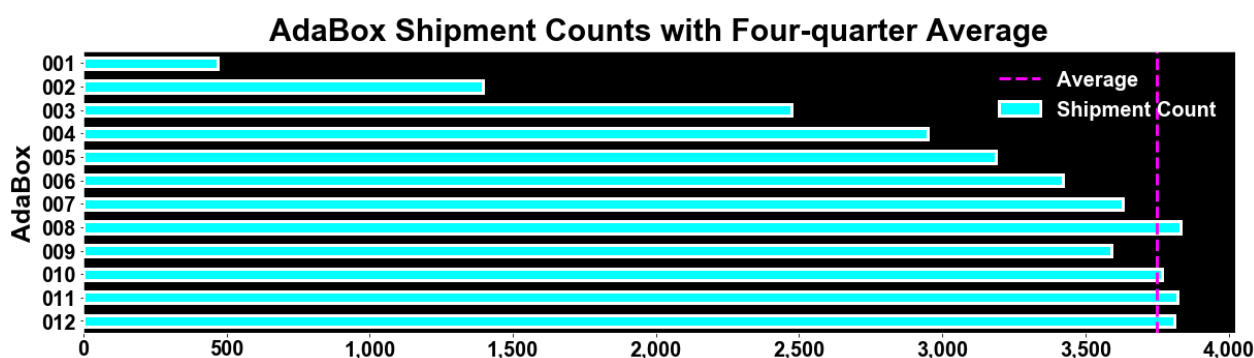
The purpose of this write-up is to report the revenue, cost, gross profit, and churn rate of AdaBox over time, with a focus on the most recent AdaBox, which for Q2 2019 is AdaBox012 (PN [4185](#)). To see subscription counts, etc. in real time, check out [this](#) PLM page.

Summary + Financial Impact

Year over year, shipment counts were down 0%; revenue, including shipping, was down 0%; cost per box, including shipping, was \$39.51; shipping cost per box was \$11.66; gross profit margin, including shipping, was 35.46%; overall churn rate was 11.95%.

Shipment Counts

AdaBox012 shipped to x3,812 recipients, about equal to last year's x3,831. This latest shipment count is about equal to the four-quarter average of x3,749. Check out the chart below for shipment counts over time, along with the four-quarter average.



Revenue

Adabox revenue reached \$228,720 while shipping revenue hit \$4,650; this makes for \$233,370 in total revenue, down 0.04% from last year's \$233,465.

Cost

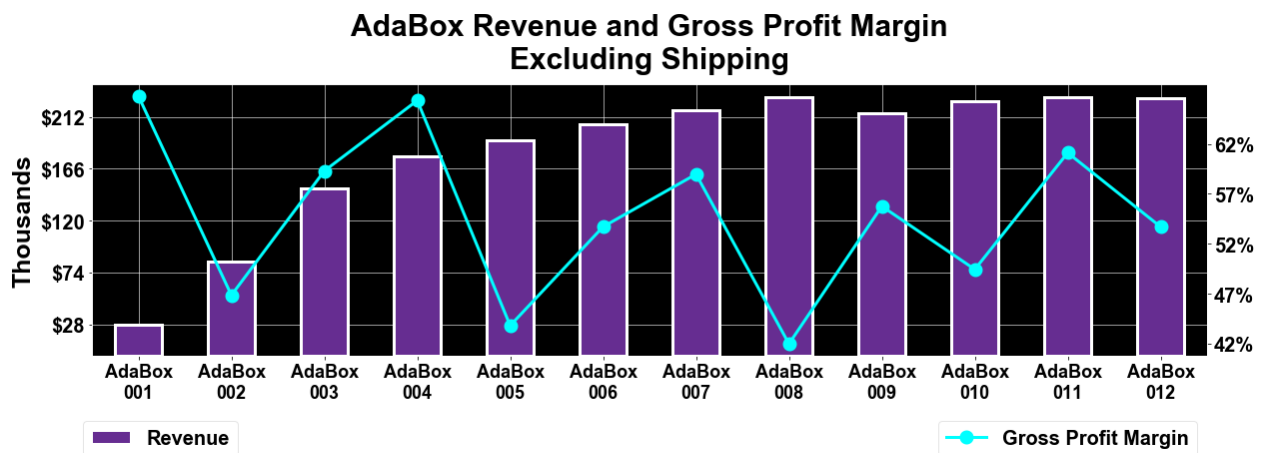
Part cost amounted to \$106,168 while the shipping cost came to \$44,443 for a total of \$150,611, or \$39.51 per box. This cost-per-box is about equal to the four-quarter average of \$39.25.

Focusing now only on shipping, the cost averaged \$11.66 per box, about equal to the four-quarter average of \$12.19.

Gross Profit Margin

When we exclude shipping, the gross profit margin was 53.58%, about equal to than the four-quarter average of 54.89%. When we factor in shipping, the margin becomes 35.46%, about equal to the four-quarter average of 35.76%.

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



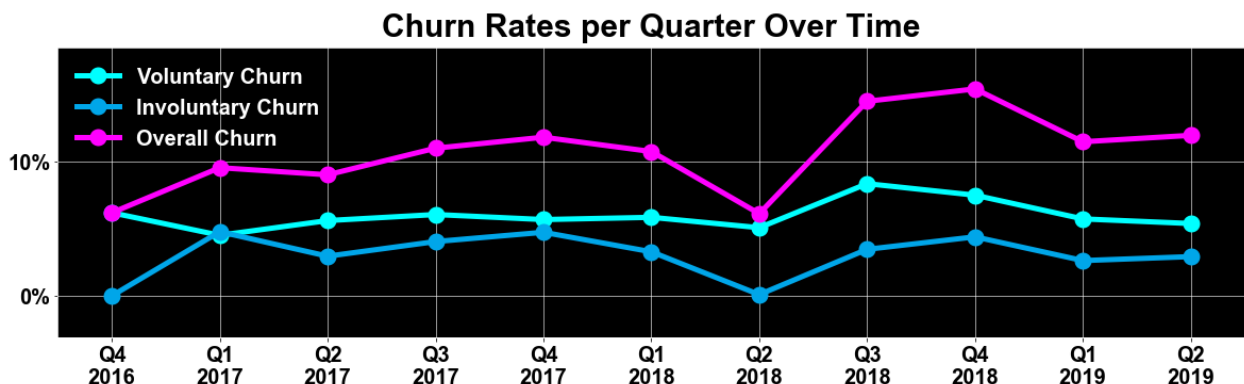
Churn Rate

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

For Q2 2019, the voluntary churn was 5.38%, less than the four-quarter average of 6.74%.

The involuntary churn was 2.92%, about equal to the four-quarter average of 3.35%.

The overall churn was 11.95%, less than the four-quarter average of 13.32%. 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, "expired" makes up 36.68%, "cancelled" makes up 63.18%, and payment invalid makes up 0.15%. Check out the chart below for more.

