

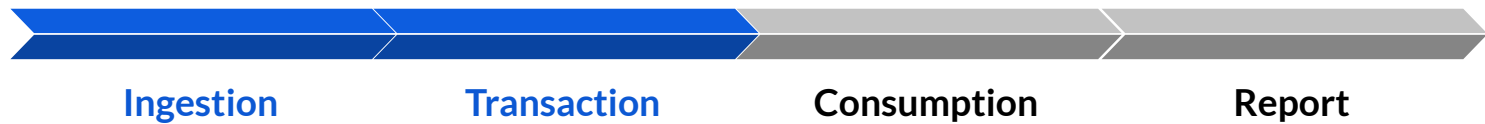


New Wheels Vehicle Sales

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Group A

Project Report

The Pipeline



Business Overview

Total Revenue

\$509,570

Total Orders

1,000

Total Customers

994

Average Rating

3.1

Q4 Revenue

\$97,635

Q4 Orders

199

Average Shipping

98 Days

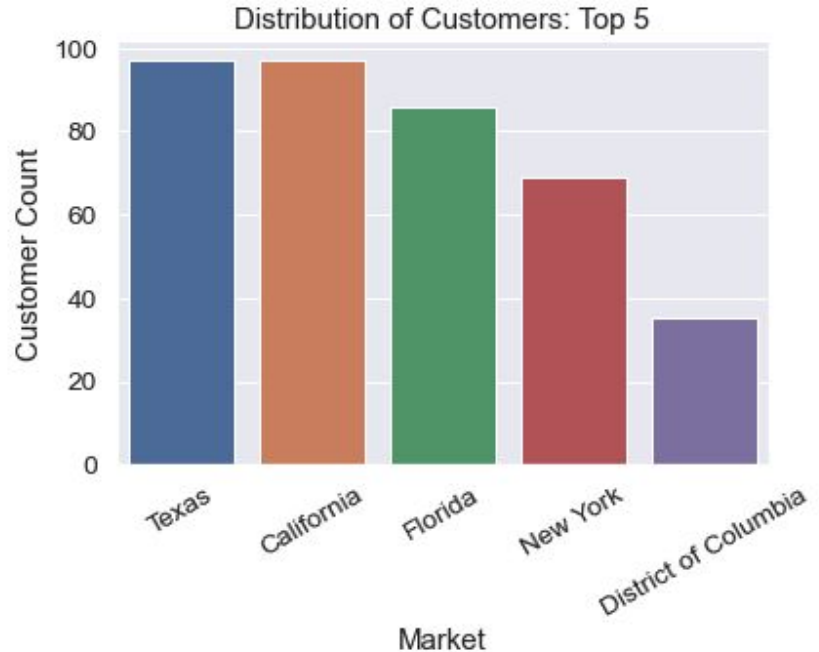
Good Feedback

44%

Customer Metrics

Distribution of Customers Across All States

- The Top 5 Markets are:
 - Texas
 - California
 - Florida
 - New York
 - Washington DC
- Outside of the Top 4 Markets the distribution of Customers drops quickly
- Ideally need to focus efforts to Top Markets or growth in the lower end of the spectrum



Average Customer Ratings By Quarter

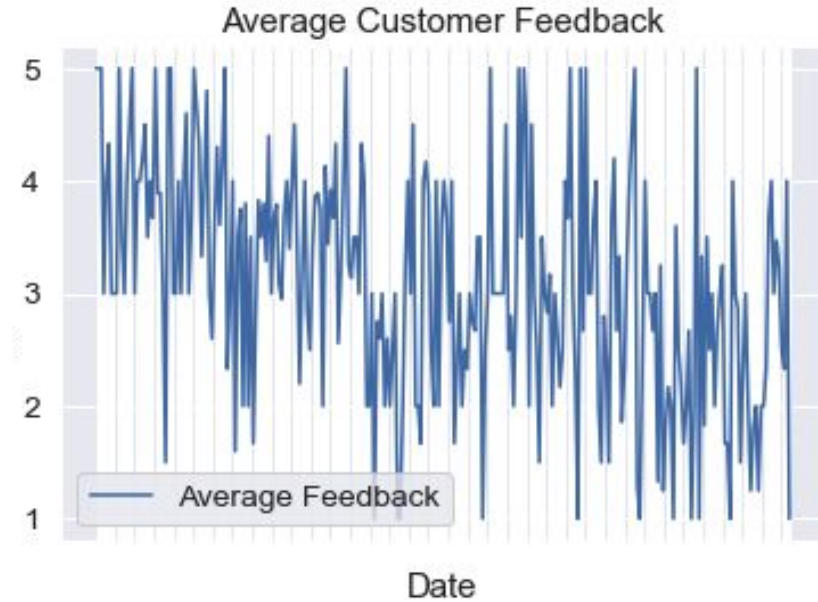
- Customer ratings seem to be trending downward
- Started pretty low to begin with, further decline is highly undesirable
- Additional views of Average Ratings by Quarter and Market would be a good investigation



Trend of Customer Satisfaction



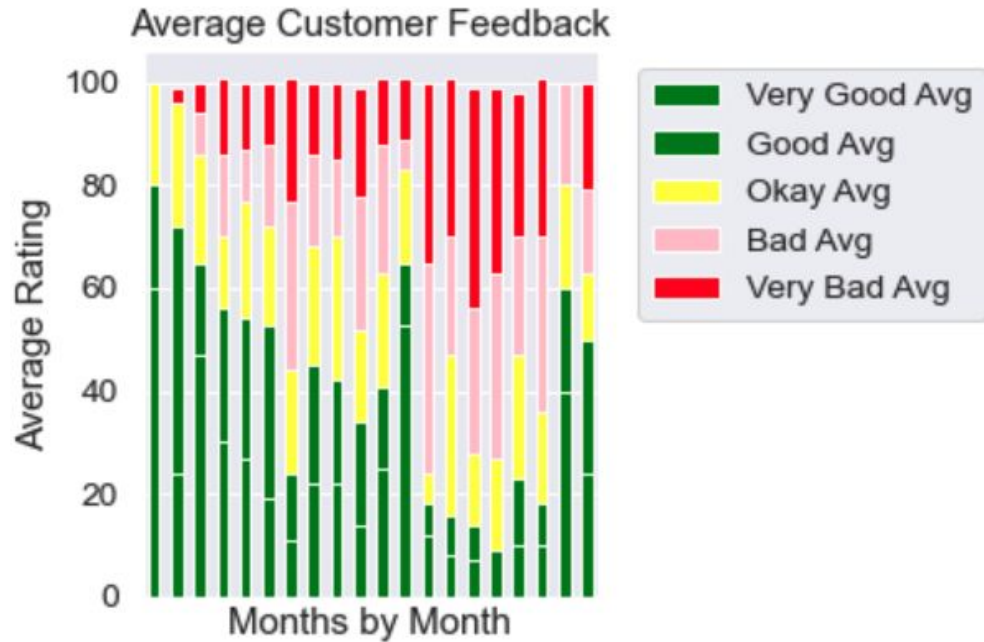
Smoothing (Average Monthly)



Raw Data (apply smoothing)

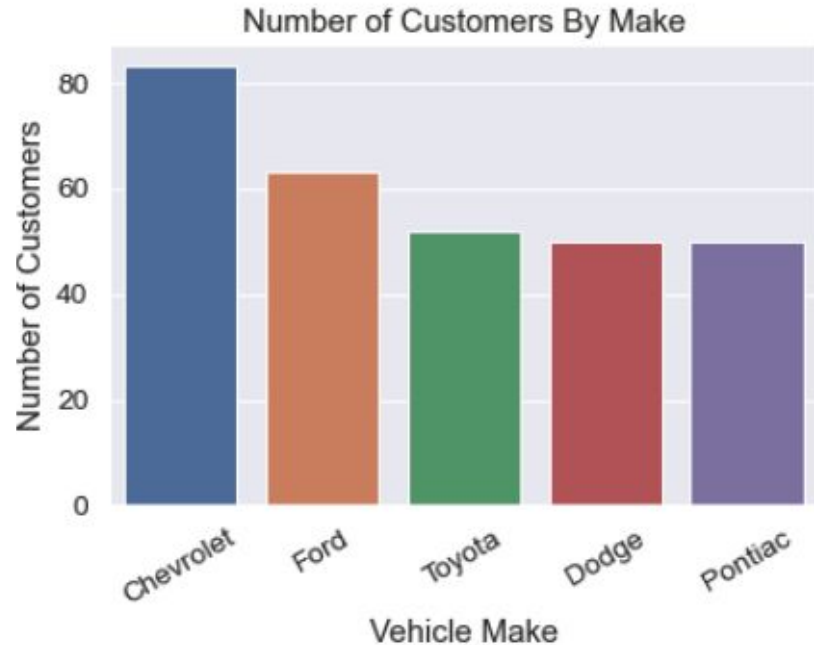
Trend of Customer Satisfaction: Continued..

- Average Customer Feedback is clearly declining
- Month by Month view reiterates the quarterly view
- “Okay” is relatively constant
- People tend to review more when they’re either clearly satisfied or clearly dissatisfied with the service



Top Vehicle Makes Preferred by Customers

- Chevrolet has a noticeable market advantage
- Being a resale car dealership this could suggest that people sell Chevrolets more often rather than being more desirable
- Including price would be more beneficial by letting us know if we are selling more of them, but for higher/lower value



Most Preferred Vehicle Make in Each State

- **Alabama:** Dodge
- **Alaska:** Chevrolet
- **Arizona:** Pontiac, Cadillac
- **Arkansas:** Chevrolet, GMC, Mitsubishi, Pontiac, Suzuki, Volkswagen
- **California:** Audi, Nissan, Chevrolet, Dodge, Ford
- **Colorado:** Chevrolet
- **Connecticut:** Volvo, Chevrolet, Mercury, Maserati
- **Delaware:** Mitsubishi
- **District of Columbia:** Chevrolet
- **Florida:** Toyota
- **Georgia:** Toyota
- **Hawaii:** Cadillac, Ford, GMC, Nissan, Pontiac, Toyota
- **Idaho:** Dodge
- **Illinois:** Ford, Chevrolet, GMC
- **Indiana:** Mazda
- **Iowa:** Chevy, Chrysler, Dodge, Ford, Hyundai, Isuzu, Jeep, Mazda, Pontiac, porsche, Subaru
- **Kansas:** Buick, Dodge, Ford, GMC, Honda, Lexus, Maserati, Mazda, Mercedes-Benz, Nissan, Saab, Suzuki, Volkswagen
- **Kentucky:** Acura, Audi, Mercedes, Mercury, Nissan, Pontiac, Ram, Volvo
- **Louisiana:** BMW, Ford, Kia, Nissan, Pontiac
- **Maine:** Mercedes
- **Maryland:** Ford
- **Massachusetts:** Dodge, Chevrolet
- **Michigan:** Ford
- **Minnesota:** GMC
- **Mississippi:** Dodge, Toyota
- **Missouri:** Chevrolet
- **Montana:** Chevrolet, Dodge, Mitsubishi
- **Nebraska:** Cadillac, Chevrolet, Mercedes, Nissan, Pontiac, Toyota, Volkswagen
- **Nevada:** Pontiac
- **New Hampshire:** Chrysler, Lexus, Lincoln
- **New Jersey:** Hyundai, Mercedes
- **New Mexico:** Dodge
- **New York:** Toyota, Pontiac
- **North Carolina:** Volvo
- **North Dakota:** Ford, Hyundai
- **Ohio:** Chevrolet
- **Oklahoma:** Toyota, Mazda, Ferrari
- **Oregon:** Toyota
- **Pennsylvania:** Toyota
- **South Carolina:** Acura, BMW, Buick, Dodge, Isuzu, Jaguar, Kia, Mazda, Mitsubishi
- **Tennessee:** Mazda
- **Texas:** Chevrolet
- **Utah:** Buick, Chevrolet, Dodge, Isuzu, Lincoln, Maybach, Oldsmobile, Pontiac, Subaru, Volkswagen
- **Vermont:** Mazda
- **Virginia:** Ford
- **Washington:** Chevrolet
- **West Virginia:** Mercedes
- **Wisconsin:** Acura, Cadillac, Chevrolet, Dodge, Honda, Mazda, Nissan, Pontiac
- **Wyoming:** Buick

Revenue Metrics

Trend of Purchases by Quarter

- Purchases are declining quickly
- Similar to the downward trend in customer satisfaction
- We need additional data to see if this is seasonality or a true decline
- Need market by market information as well (focusing efforts/attention)



Quarter Over Quarter Change in Revenue (% of Change)

- Consistent with the reduction in sales volume and customer satisfaction
- Need to investigate the spike in Q3, otherwise concerning decline
- Overall reduction of 43% in revenue from Q1 to Q3



Trend of Revenue and Orders By Quarter

- As expected Total Revenue is dropping consistent with Order Volume
- We are hemorrhaging sales
- Could be related to overall market slowdown or economic factors
- Unlikely considering the substantial decline in customer satisfaction/rating



Shipping Metrics

Average Discount Offered by Credit Card Type

- Pretty consistent discount rate across all credit card options
- Laser and Mastercard are leading by a small margin
- Diners Club International has the lowest discount rate
- ~5% increase to revenue if we incentivize the use of Diners Club International over the leading cards
- Need to see volume by card and relative popularity of the cards to see how impactful that could be

Credit Card	Average Discount
jcb	0.61%
visa-electron	0.62%
switch	0.61%
diners-club-carte-blanche	0.61%
laser	0.64%
china-unionpay	0.62%
diners-club-enroute	0.6%
americanexpress	0.62%
mastercard	0.63%
visa	0.6%
bankcard	0.61%
solo	0.59%
maestro	0.62%
diners-club-us-ca	0.61%
instapayment	0.62%
diners-club-international	0.58%

Time Taken to Ship Orders by Quarter

- Another undesirable trend
- Shipping times have increased by 117 days
- Increase of 200%
- Obviously a huge contributor to the the lost sales volume and customer dissatisfaction



Conclusion

- **Target improvements:**
 - Recover Sales Volume
 - Recover Customer Satisfaction
 - Increase Revenue
 - Reduction in shipping cost/time
 - Optimize credit card usage based on discounts
 - Further analysis into the difficulties with ontime, quality shipping of our vehicles
 - We need to further investigate at the market level to better focus our efforts
- I need more data to understand if this is due to a cyclical nature in car sales, unlikely due to the increased shipping and decrease in customer satisfaction. Our target demographic is seeking other options that provide a better service
- Current assumption is the issues surrounding shipping are causing great harm to our business
- We need to consider handling our own shipping