

# PRODUCT PERFORMANCE ANALYSIS

## UNLOCKING GROWTH THROUGH CUSTOMER INSIGHTS AND PRODUCT STRATEGY (2022–2024)

**Unpacking Order Trends & Customer Behavior**

**Identifying High-Potential Growth Levers**

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# OBJECTIVE

Our Goal: Move beyond descriptive reporting and create a data-driven roadmap for growth.

## FOCUS AREAS

### City Performance

Identify metros where AOV lags despite strong customer bases.

### Category Health

Evaluate which product categories drive revenue vs those dragging down AOV.

### Customer Voice

Quantify satisfaction via reviews to highlight quality issues & delight factors.

### Ultimate Outcome:

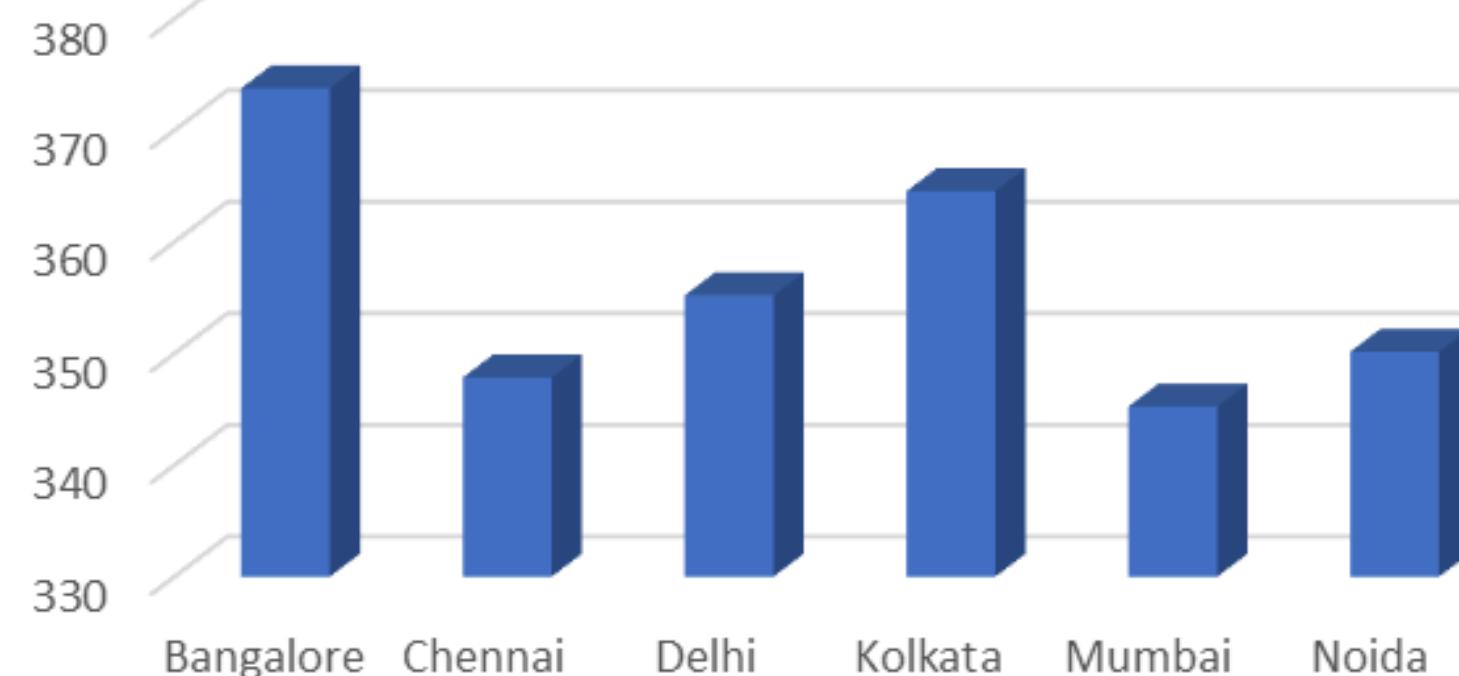
Deliver actionable recommendations for product, marketing, and operations that will:

- Lift AOV in underperforming markets
- Improve product quality in weak categories
- Strengthen retention & brand trust

# CITY-WISE ANALYSIS

Average of Order Amount

Total



Location ▾

## Findings from Data

**Bangalore:** Strongest performer, highest AOV (₹374) → digitally savvy, adoption-friendly

**Delhi NCR & Kolkata:** Stable AOV (~₹350–₹364), showing potential with targeted pushes.

**Mumbai & Chennai:** Surprisingly lowest AOV (<₹350) despite large populations.

## Why It Matters

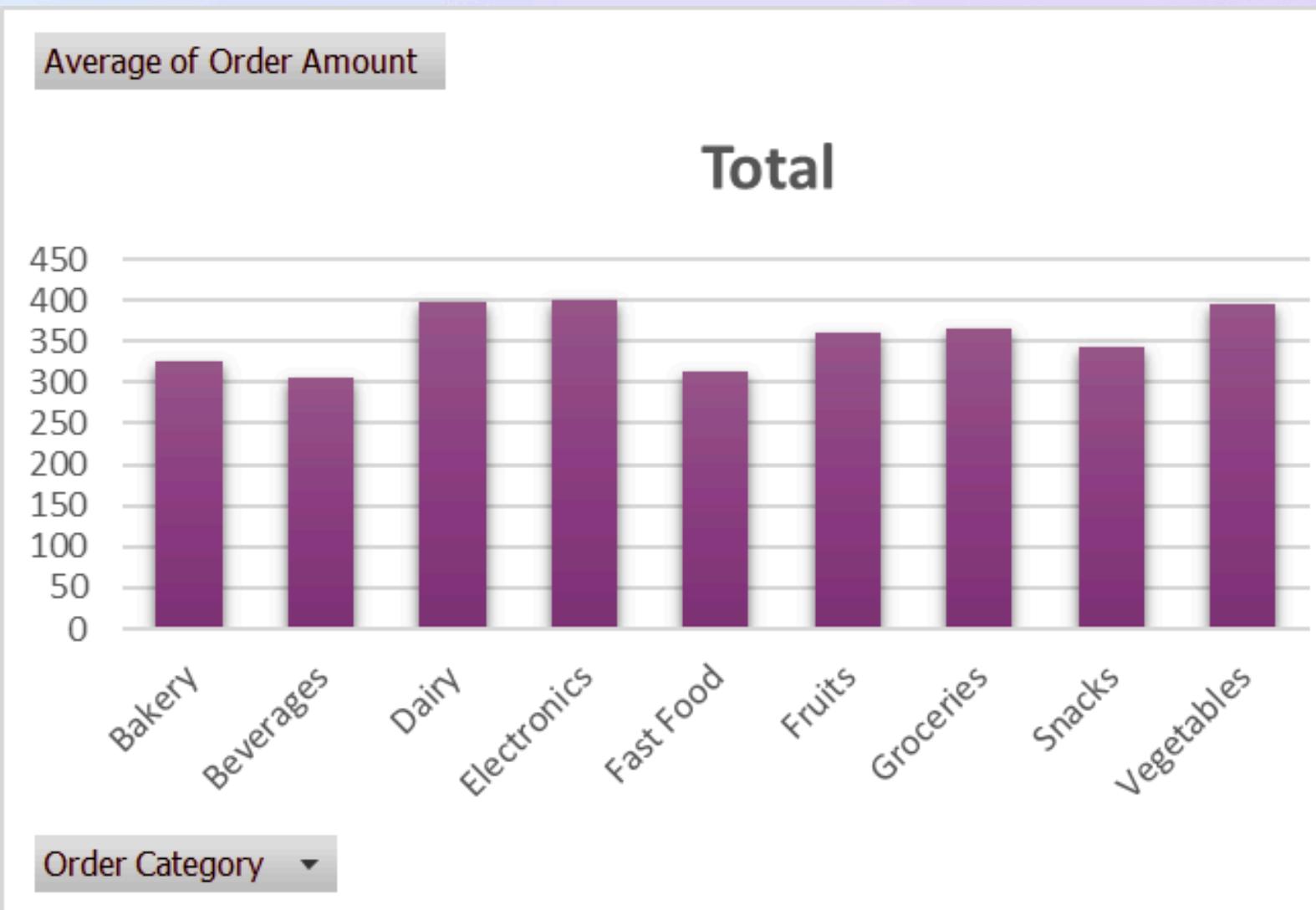
- Bangalore shows product-market fit.
- Mumbai & Chennai, though huge markets, are underperforming → largest growth lever lies here.

**Insights about Bangalore high AOV vs Mumbai/Chennai underperformance.**

## Takeaway

Zepto is losing out in high-volume metros. Localized product interventions are essential

# PRODUCT CATEGORY ANALYSIS



## Which categories drive vs drag AOV

### Takeaway

Boosting or bundling weak categories is crucial to lifting total AOV

### Top AOV Drivers

- Electronics (₹401)  
→ premium, low-frequency but high-value.
- Dairy (₹397), Vegetables (₹395)  
→ daily essentials with strong spend.

### Mid-tier

Groceries (₹366), Fruits (₹361) → steady performers, frequent but modest AOV.

### Weakest Fast

Food (₹314), Beverages (₹307) → popular but significantly lower basket size.

## Why It Matters

Zepto relies on premium/essential items to drive revenue, but low-value categories are dragging overall profitability.

# CUSTOMER REVIEWS BY CATEGORY

## DISSECTING SATISFACTION

### High Satisfaction, Low AOV

The high-performing categories in terms of reviews are Fast Food (4.41) and Vegetables (4.39). These items could be key to customer retention.

### The Quality Pain Points

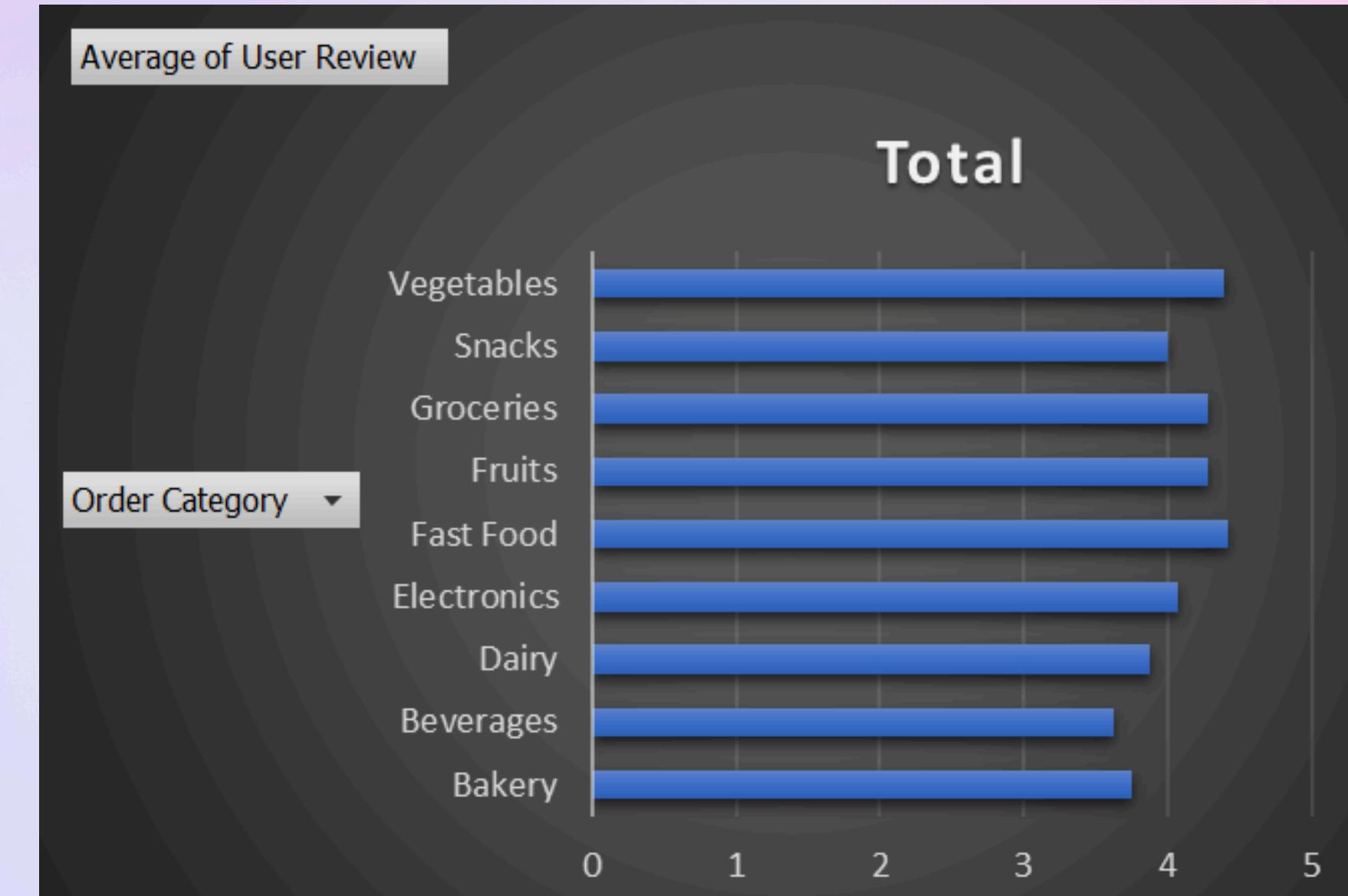
The lowest-rated categories are Dairy (3.88) and Beverages (3.63), followed by Bakery (3.75). Low reviews for dairy and beverages can be potential issues with product quality, freshness.

### A Vicious Cycle

This creates a paradox: customers are delighted by low-AOV items (Fast Food) but dissatisfied with essential, high-frequency categories (Dairy, Beverages), posing a significant churn risk.

## Takeaway

Product quality issues in daily-use categories can directly damage long-term loyalty.



## Why It Matters

- Customers love fast food & fresh produce → but they don't spend much on it.
- Essentials like Dairy & Beverages score low → frequent churn risk if not fixed.

# PROBLEMS IDENTIFIED

## The Metro Market AOV Gap

High-density, high-volume markets (Mumbai & Chennai) have surprisingly low average basket sizes, despite high user satisfaction. This indicates a missed opportunity to increase revenue in these key metros.

## The Product Quality Gap

The lowest-rated categories, Dairy and Beverages, are essential, high-frequency items. Poor reviews here suggest a fundamental problem with product quality or the supply chain, which can lead to customer churn.

## The AOV Detractor Problem

The lowest AOVs are concentrated in popular categories like Fast Food and Beverages. While these items are frequently purchased, they are significantly dragging down the overall basket size.

## The Cross-Selling Gap

The app is not effectively leveraging its high-performing categories (like Electronics and Dairy) to lift the low-performing ones. The lack of a proactive bundling mechanism is leaving revenue on the table.

**The issues are interconnected — poor quality reduces trust, weak cross-selling reduces basket size, and low adoption in metros reduces market share.**

# THE SOLUTIONS: ACTIONABLE STEPS FOR GROWTH

## Localized City Campaigns

**Action:** Launch a "Mumbai-exclusive" or "Chennai-specific" in-app promotion. Based on a "fill-the-cart" model, offering special discounts, when a user's order amount reaches the city's average or a specific target.

**Examples:** "Fill your cart, save up to ₹50!" or "Get 15% off when you spend over ₹400."

**Goal:** Directly target the low AOV issue in these high-potential markets.

## Smart Bundling & Cross-Selling

**Action:** Implement intelligent product recommendations and pre-packaged bundles.

**Examples:** "Frequently bought together: Dairy + Bakery," "Beat the heat: Beverages + Snacks."

**Goal:** Increase the average basket size by guiding customers toward high-AOV combinations.

## Supplier Quality Program

**Action:** Partner with certified local farms and trusted brands for Dairy and Produce. Launch a "Farm-to-Table" or "Fresh from the Dairy" campaign to build customer trust.

**Examples:** Highlight supplier stories and use visual cues (e.g., a "fresh" badge on products) to reinforce quality.

**Goal:** Address the root cause of the low reviews and restore customer trust in these critical categories.

## Proactive Feedback Loop

**Action:** Introduce a simple, one-tap review system after delivery.

**Examples:** "Was this fresh?" with a simple Yes/No, or a quick slider for satisfaction.

**Goal:** Get real-time, granular feedback to quickly identify and fix quality issues.

**Together, these actions improve quality, lift basket sizes, and restore customer trust in low-performing categories.**

# THE ROADMAP TO EXECUTION



## Experiment

- A/B Test: Run small-scale A/B tests on the localized promotions in a single city (e.g., Mumbai).
- Prototype: Build a low-fidelity prototype of the cross-selling bundle feature.
- Pilot Program: Launch a pilot supplier quality program with one or two key brands for Dairy and Beverages.



## Measure & Iterate

- Avg Order Value (AOV): Measure the percentage increase in Mumbai and Chennai.
- Customer Retention Rate: Track the percentage of repeat customers in these cities.
- User Reviews: Monitor the average star rating for Beverages and Dairy.



## Scale

- Rollout: Roll out successful campaigns and features nationwide based on the performance of the pilot tests.
- Ongoing Analysis: Continue to monitor data to identify new opportunities and challenges.

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# THANK YOU

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