NY Launch Overview

Team Brand-on the Move

December, 2023

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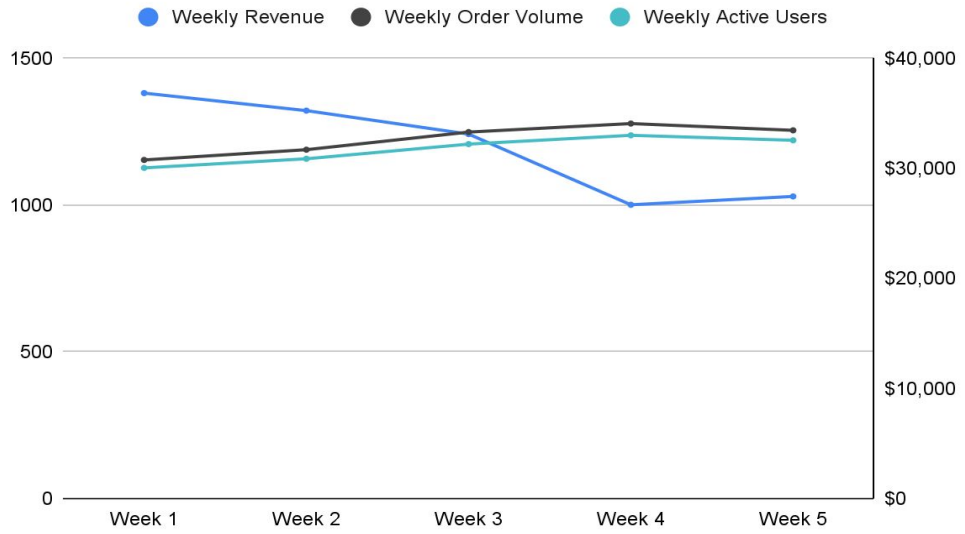
the commons

Executive Summary

1. **Weekly order volume** & **weekly active users** have flattened.
2. **Retention is declining** due to **long wait times** for delivery. **Acquisition rate is also declining**, indicating we are not bringing on new customers at a rate that makes up for declining retention.
3. As a result, **revenue will begin to decline** if we don't action immediately.
4. We must give customers a better experience by **shortening the delivery wait time**.

Business Update

Jupiter's weekly order volume and weekly active users have stalled since the launch, while revenue has steadily declined.



Note: Actual week 5 data spans 3 days, so figures are projected for the full week

The plateau in weekly order volume and active users, coupled with a steady revenue decline, suggests that acquisition and retention efforts are not meeting targets. It's important to understand how these factors are interplaying to address the underlying issues and rekindle growth.

Market Deep Dive

Customer retention rates are showing a declining trend with each successive cohort, and acquisition rates have slowed, leading to a potential contraction in the active customer base.

	First Order Date	Customers in Cohort	Retained Week 2	Retained Week 3	Retained Week 4	Retained Week 5
Cohort 1	10/1/20	956	21.76%	23.12%	21.76%	20.82%
Cohort 2	10/8/20	785	16.69%	17.45%	17.07%	
Cohort 3	10/15/20	688	14.68%	14.53%		
Cohort 4	10/22/20	619	11.79%			
Cohort 5	10/29/20	485				

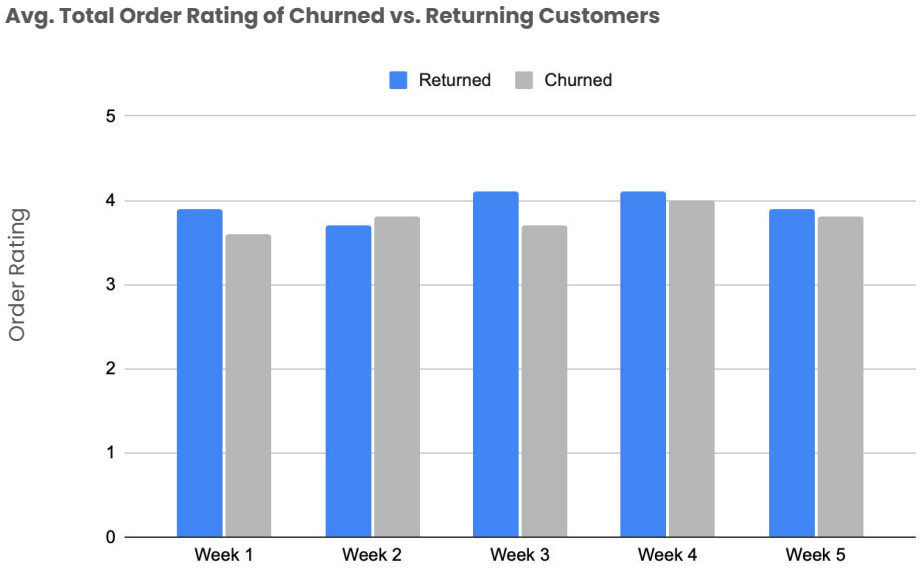
Note: Actual week 5 data spans 3 days, so figures are projected for the full week

Retention Findings:

- ~80% of users churn between weeks 1 & 2
- Only ~30% of our users have placed a repeat order
- User acquisition is declining week over week

As our customer retention drops each week, it's clear we're struggling to keep customers engaged and satisfied. With both retention and new customer rates falling, we must pinpoint why customers leave and act fast to stop the decline.

Although order ratings among churned customers were not substantially different from those of retained customers, it's clear that churned customers are having a worse experience.

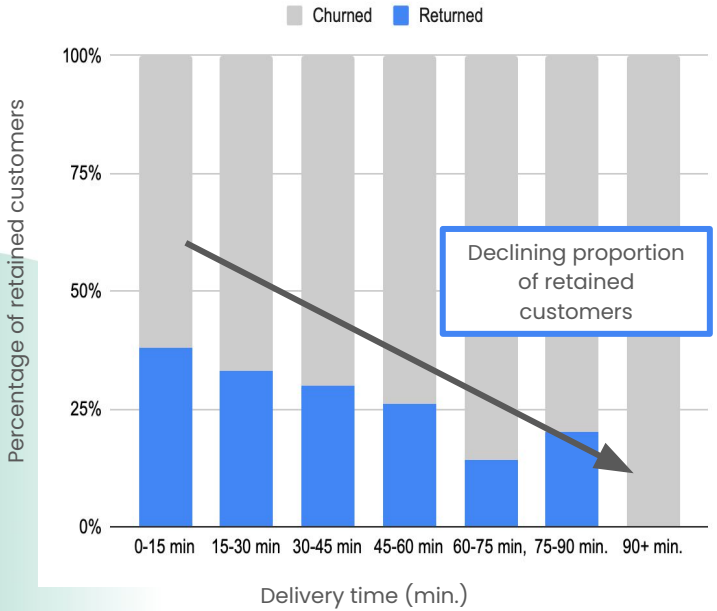


Despite similar order ratings between churned and retained customers, the higher churn rate indicates a disparity in customer experience. This calls for a deeper analysis into segmented order behavior to uncover specific pain points and reasons behind customer churn.

Delivery times >45 min on first order is a strong predictor of customer churn.

As delivery time increases, the likelihood a customer will return decreases.

Impact of first order delivery time on customer retention



Customers with wait times shorter than 45 min are more likely to place another order within 10 days.

Relationship between delivery time on first order & #days to reorder

Days To 2nd Order	First Order Delivery time (min.) <30	30-45	45-60	60-75	75-90	90+	Total
0-5	27.23%	8.79%	1.56%	0.57%	0.14%	2.84%	**41.13%**
5-10	20.14%	5.39%	0.71%			2.41%	**28.65%**
10-15	8.09%	4.40%	0.28%	0.28%	0.14%	0.85%	**14.04%**
15-20	5.11%	2.55%	0.57%			0.43%	**8.65%**
20-25	3.26%	1.42%				0.85%	**5.53%**
25+	1.42%	0.43%				0.14%	**1.99%**
Grand Total	**65.25%**	**22.98%**	**3.12%**	**0.85%**	**0.28%**	**7.52%**	**100.00%**

Data shows that customers experiencing faster deliveries are more likely to reorder within 10 days, emphasizing the critical role of efficient logistics in driving repeat business.

Juniper is missing out on valuable revenue by not retaining customers.

Revenue lost from not placing 2nd order

Customers who ordered once	2216
Avg. 2nd Order Value	$25
Revenue Lost	**$55,400.00**
Juniper Take	$8,310.00

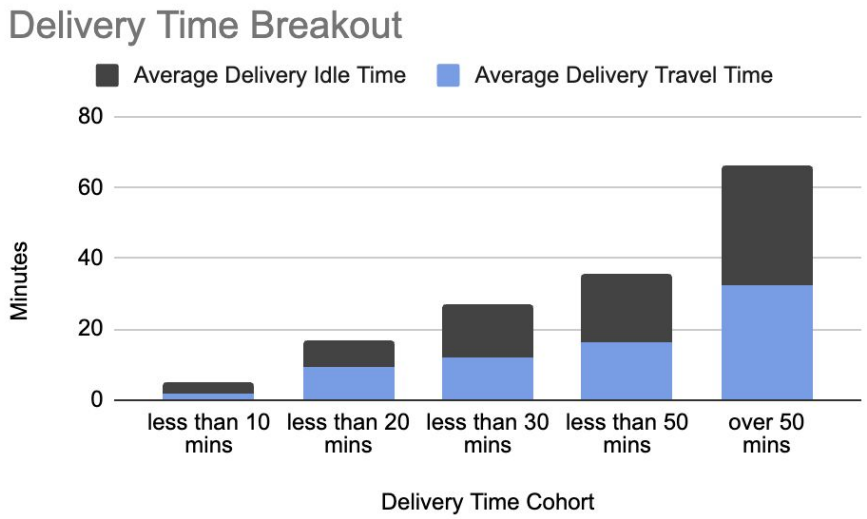
Annual revenue lost from churned customers

Customers who ordered once	2216
Avg. Order Value	$32.38
Avg. # Orders/year	26
Annual revenue lost	**$1,865,606.08**
Juniper Take	$279,840.91

Assumptions:
- *Average order value grows by 1% with each order*
- *Customers order 2x per month on average*
- *Jupiter has a 15% take rate*

Failing to retain customers leads to a direct loss in revenue, as acquiring new customers is costlier than nurturing existing ones, highlighting the pressing need to invest in robust retention strategies to protect and grow our revenue streams.

Looking at the various delivery segments, it's clear that couriers are waiting idle when picking up the delivery, causing long delivery times.



Of deliveries that arrive at customers <30min.

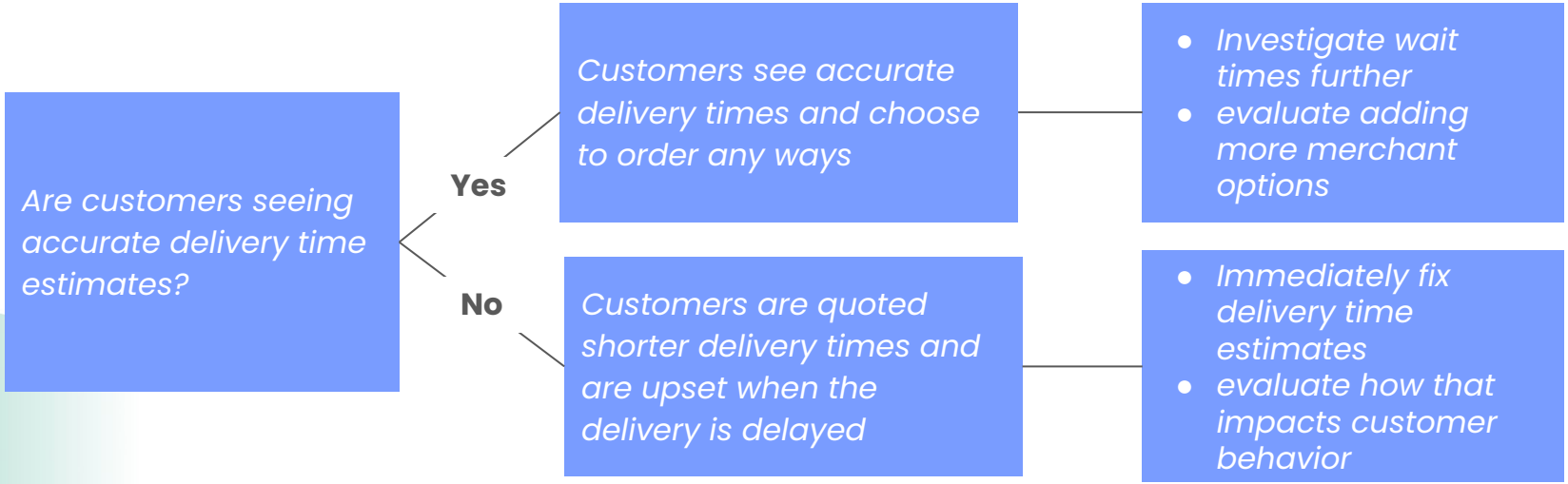
- **93%** have courier idle times of 10+ mins
- **24%** of deliveries have **delivery travel times of less than 10 mins.**

Excessive courier wait times at pickup points are directly contributing to extended delivery durations, pinpointing a critical inefficiency in our delivery process that must be addressed to improve service speed and customer satisfaction.

Next Steps

Short Term Part 1: Make sure customers are quoted accurate delivery times

Work with engineering & product teams to validate that customers are seeing accurate delivery time estimates when they place their order.



Verifying the accuracy of delivery time estimates is essential; it not only impacts customer trust but also serves as a diagnostic tool. Accurate findings will guide our strategy to address and reduce long delivery wait times, ultimately enhancing the overall customer experience.

Short Term Part 2: Understand what is driving long courier wait times at pickup

Utilize GM/Launch team for a boots-on-the-ground approach to understand the issues our customers, restaurants, and couriers are facing.

Visit 3 restaurants to observe how orders are processed in real time

Interview restaurant partners & couriers via a survey to understand what is driving idle times, among other issues

Submit 3 orders from popular restaurants at peak times to understand the accuracy of our wait time estimation

Report back with suggestions on ops-based projects that could help alleviate courier wait-times

By collaborating with restaurants and closely observing on-ground delivery operations, we can identify specific causes of long wait times. This hands-on approach will enable us to make targeted recommendations for streamlining processes and significantly improving delivery efficiency.

Long-Term: Reconfigure the app to redirect order traffic to help offset courier idle wait times

Perform an experiment to test whether a surge mechanism that alerts customers to similar merchants when restaurants hit a wait-time threshold will contribute to overall lower delivery times.

Time Frame: One month
Test Case: East Village Restaurants

Target Audience

Customers who are ordering for from popular restaurants in the East Village

Experiment

Once restaurant wait times hit a certain threshold, encourage customers to consider similar nearby restaurants with lesser wait-times

Key Metrics

- **Order Retention Rate**
- **Weekly Customer Retention Rate**
- **Daily Promotion Click-Rate**
- **Wait TIme Ratings**

Key Risks

- **Unhappy Restaurant partners due to order traffic redirection**

Execution of Project Wait-Time Surge:

#	Step	Owner	Action
1	Set experiment parameters	Ops	Compile list of popular restaurants in the East Village
2	Understand financial implications of a promotion / secure approval	Ops / Finance	Estimate promotion cost and CAC payback period
3	Draft alert copy to drive higher click-rate	Ops / Marketing	*“Wait-times for this restaurant are longer than usual. Consider ordering from similar local restaurants with lower wait-times: [insert CTA button]”*
4	Set parameters for alert deployment	Ops / Product	Create wait-time threshold, create logic for list of local restaurants
5	Deploy alert and ensure appropriate data is collected	Ops / Product	Deploy alert for first time customers ordering from sample pop, ensure clicks are tracked

Q&A

Appendix

Appendix Guide

A. Problem Solving Approach

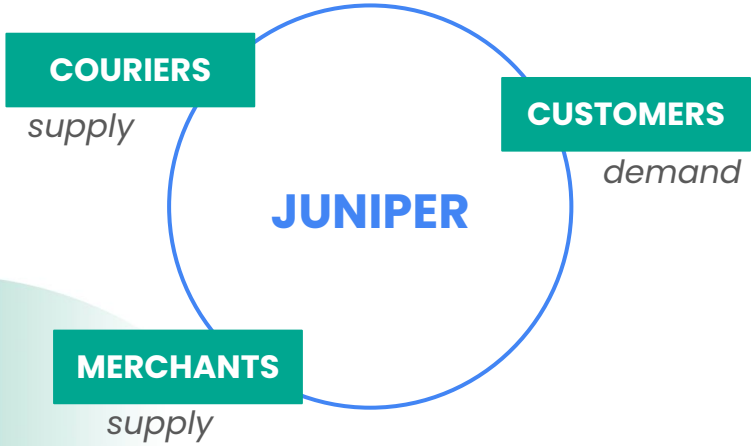
B. Customer Analysis

C. Delivery Analysis

D. Merchant Analysis

E. Other

Through the NYC launch, our goal is to grow the platform and become a global logistics powerhouse.



Key Questions

- Are we growing and retaining customers?
- Are we matching supply and demand?
- Are we delivering efficiently?

To understand how the NY Market is performing 1 month post-launch, we evaluated the market against 3 broad criteria that indicate how NY drives the company's larger strategic goals.

We anchored our understanding of the task in Juniper's long-term vision to focus our analysis and generate relevant, actionable insights.

Objective:

To evaluate how the NY market is performing 1 month after launch, and whether it's leading to an increase in Juniper's revenue.

Long Term Vision:

To become a global logistics powerhouse that can compete with Amazon

KPIs:

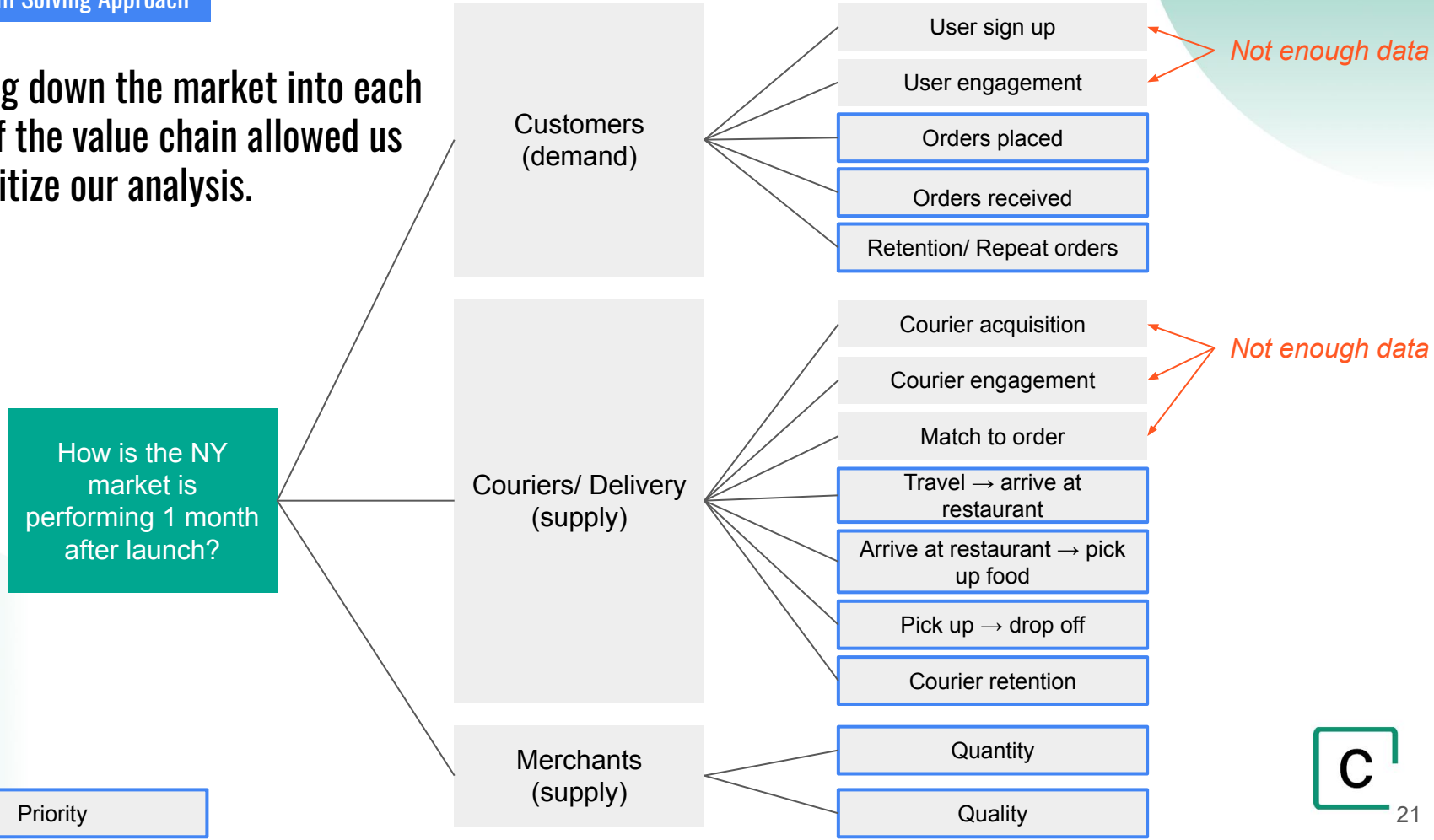
- **Efficiency**: Delivery time
- **Supply**: Active couriers
- **Demand**: Active users
- **Growth**: Completed deliveries
- **Growth**: Avg order value

Other Metrics:

- *1.5x Chicago launch*
- *Avg revenue per customer*
- *Orders per driver per week*
- *# of unique restaurants*
- *Orders per restaurant*
- *Variety of cuisine*

C

Breaking down the market into each stage of the value chain allowed us to prioritize our analysis.



CUSTOMERS

LEAD GEN/SIGN UP

- What's our new user acquisition rate?
- Does acquisition trend over time?
- What percentage of users start to sign up, but don't complete the process?

 # App downloads
 # New users
Acquisition rate
Customer acquisition cost
Incomplete sign up rate

APP ENGAGEMENT

- How often do users engage with the app? (common times of day, week, etc.)
- What percentage of users who engage with the app make an order?
- What's our new user conversion rate? (What causes users to make their first purchase?)

 # DAU
 # WAU
Conversion rate
Time between sign up and first order

PLACE ORDER

- How often do users place an order?
- How many orders are being placed?
- How do orders trend over time?
- How does avg. order value trend over time?
- What 'segment' generates the most rev (by spending type, time of day,…)?

Daily order volume
Weekly order volume
Avg. orders per week
Avg. order value
 # first-time customers
 # unique customers

RECEIVE ORDER

- What percentage of orders do users cancel? What causes those cancellations?
- What is the avg. wait time to receive the order?
- How does wait time vary by time of day, type of restaurant, location, etc?

Cancellation rate
Avg. wait time

RETENTION/CHURN

- What's our support CSAT?
- Cohort retention
- What percent of orders are from repeat customers?
- What is similar about repeat customers (why do customers return?)

CSAT
Weekly retention rate
 # repeat orders

COURIERS/DELIVERY

COURIER ACQUISITION

- What's our courier acquisition rate?
- Does acquisition trend over time?

 # App downloads
 # New couriers/week
Acquisition rate
Courier acquisition cost

APP USE/ORDER MATCH

- What is the avg. wait time to match with order
- How does that vary by time of day, day of week, etc?
-Avg. Deliveries

 # Daily active couriers
 # Weekly active couriers
Avg. time spent per work/driving session
 # Trips per driver

ORDER PICK UP

- How long does it take to travel to pick up?
- How far are they traveling to pick up?
- How long are couriers waiting at pick-up?

Avg. courier wait time
Avg. distance traveled to pick up

ORDER DROP OFF

- How far are couriers traveling from pick up to drop off?
- How long is the travel time?
- What is the most efficient means of travel?
- How easy is it for the courier to locate the drop-off location?

Avg. distance traveled to drop off
Avg. time to drop off

RETENTION/CHURN

- How many couriers are we retaining?
- Cohort retention
- Do we have enough couriers to meet demand? (Not entirely sure this goes here)

Weekly retention rate

RESTAURANTS

QUALITY
Do we have the right restaurants?

- Does our restaurant mix meet customer demand (variety, pricing, location…)?
- How do orders vary by restaurant type? (volume, ratings, etc.) (cuisine, location, size,…)?
- What's our restaurant CSAT?
- Are customers happy with restaurant service (quality, pricing,…)?
- How efficient are our restaurants?

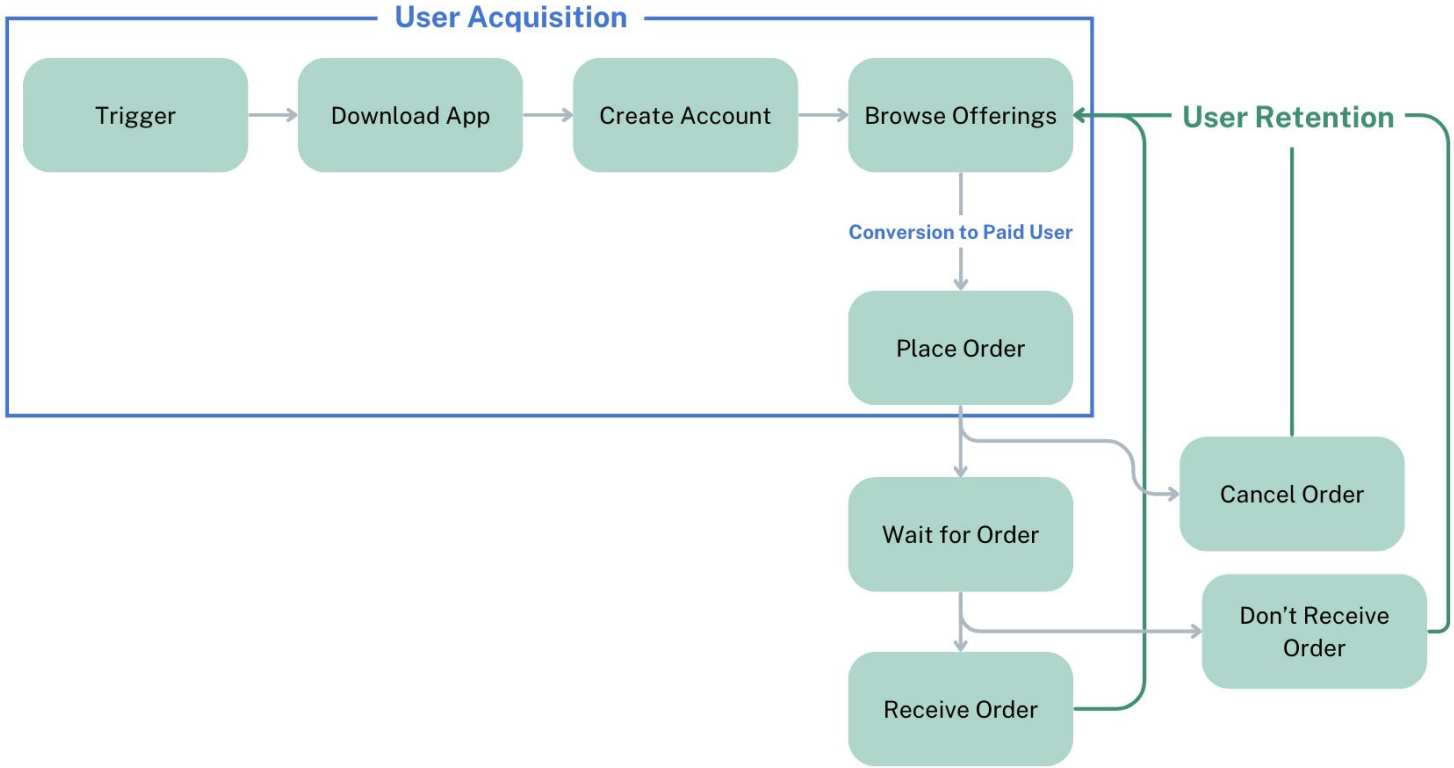
CSAT
Avg. prep time
 # repeat orders/restaurant

QUANTITY
Do we have enough restaurants?

- What's our restaurant acquisition rate?
- What's our restaurant retention rate?
- Do we have enough restaurants to service our customers?
- Are restaurant hours in line with popular customer order times?

 # restaurants
Avg. # orders per restaurant per day
Avg. order value per restaurant
 # restaurants/cuisine
Restaurant acquisition cost
Revenue generated per place category

Customer Journey



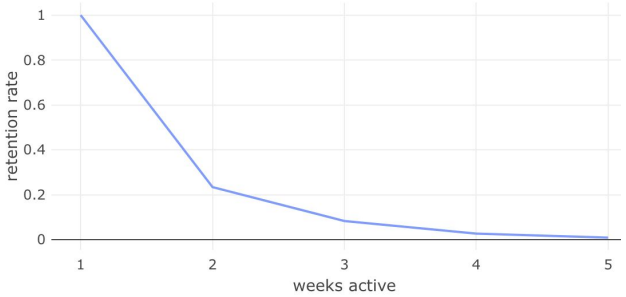
Customer Retention

Time	Users	1	2	3	4	5
Week of Sep 27, 2020	581	100.00 %	25.82 %	23.41 %	25.13 %	19.79 %
Week of Oct 4, 2020	843	100.00 %	19.22 %	18.51 %	12.69 %	-
Week of Oct 11, 2020	723	100.00 %	16.04 %	11.62 %	-	-
Week of Oct 18, 2020	626	100.00 %	12.46 %	-	-	-
Week of Oct 25, 2020	419	100.00 %	-	-	-	-

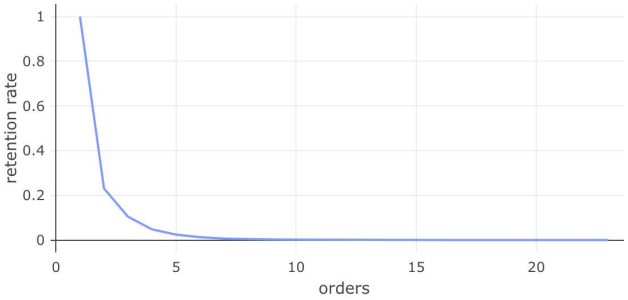
B. Customer Analysis

Weekly Customer Acquisition

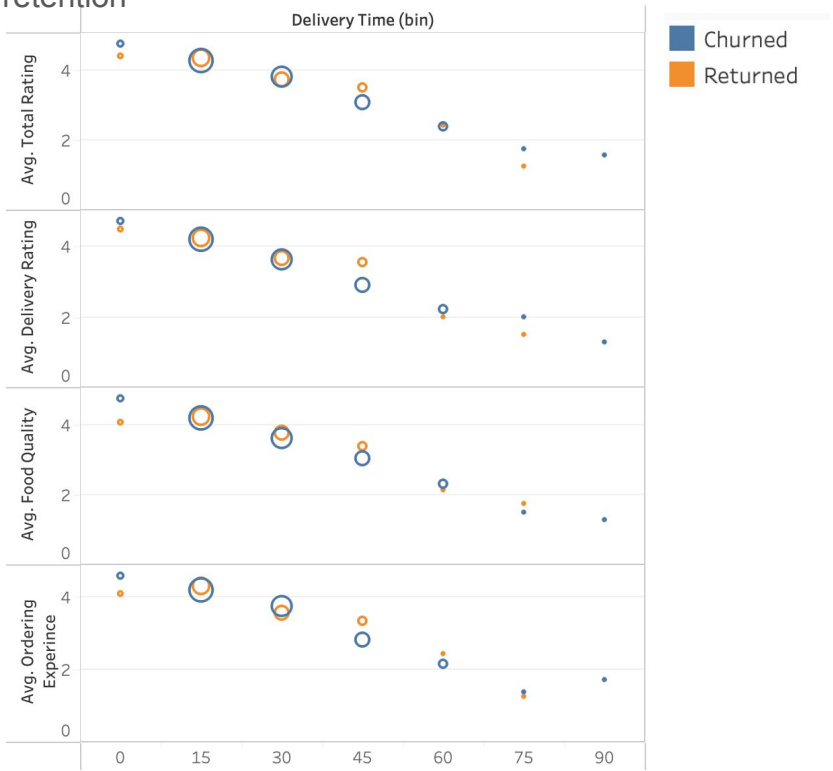
Customer Retention Rate



Order Retention Rate



Impact of first order delivery time on ratings & customer retention



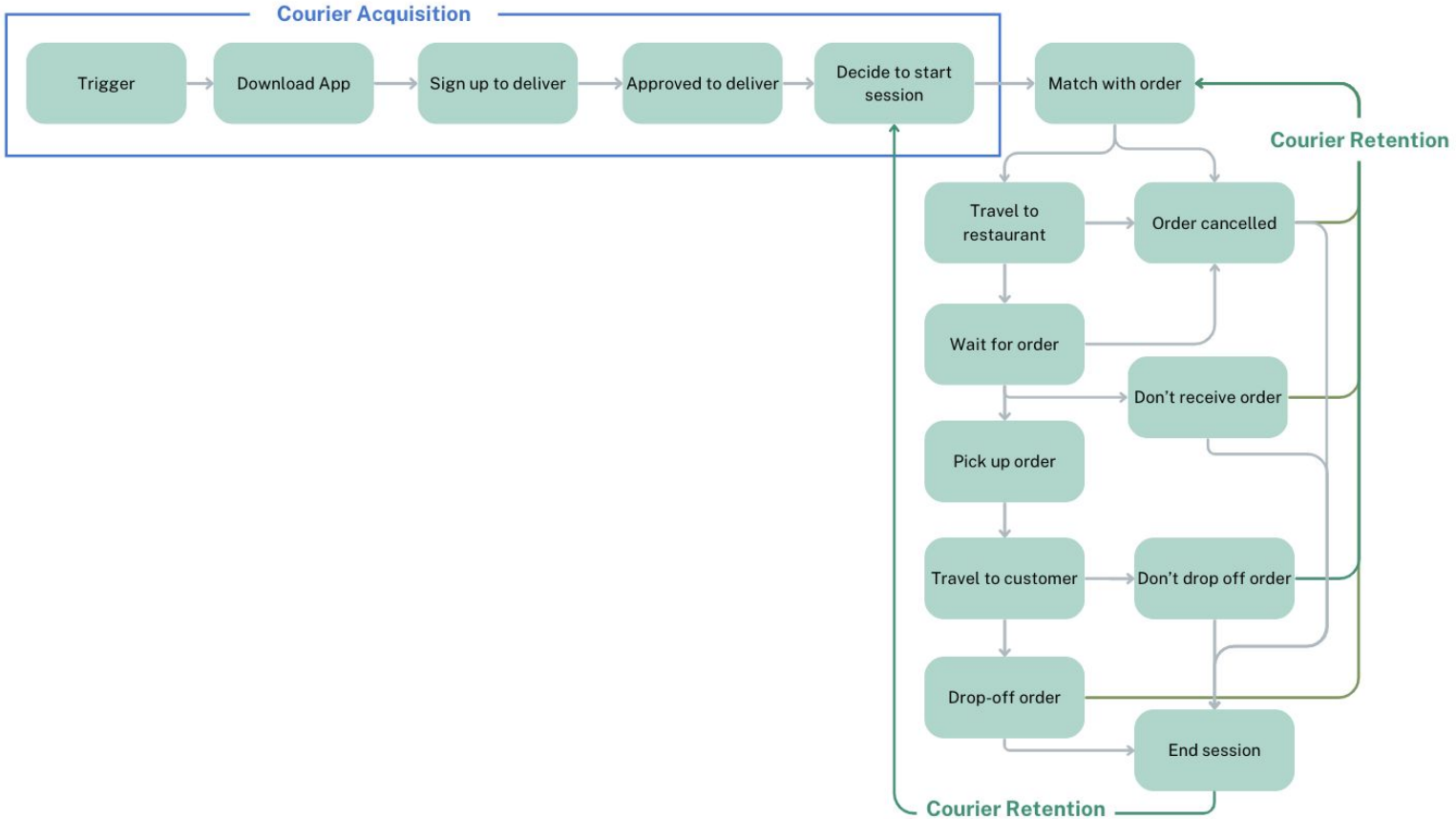
FINDINGS

- As delivery time increases, ratings go down
- Longer delivery times decrease the likelihood that a customer will return

WHY DO WE CARE

- If we want to compete with Amazon, we need to be a reliable and efficient delivery partner.
- Lost customers = Lost revenue
- We can increases the lifetime value of our customers
- More profit to invest in growth

Courier Journey



Delivery Time (min.) vs. Distance Traveled (meters)

day_of_week	delivery_time_category	15	30	45	60	75	90	Totals
1		1,147.10	2,883.94	4,477.67	3,280.07	3,691.22	1,437.31	**1,788.35**
2		1,255.72	3,120.32	4,801.01	4,597.05	5,473.98	1,814.13	**1,973.15**
3		1,204.94	2,850.28	4,485.83	3,616.18		1,260.67	**1,672.44**
4		1,203.37	2,829.71	5,098.85	5,797.89		1,390.39	**1,807.05**
5		1,116.47	2,973.18	4,483.91	5,146.68	3,168.58	1,516.51	**1,725.89**
6		1,167.26	2,742.10	4,900.88	4,283.64	6,904.93	1,760.33	**1,787.13**
7		1,195.34	2,896.77	5,320.13	4,278.39	4,167.00	1,897.50	**1,885.37**
Totals		**1,185.08**	**2,912.78**	**4,801.47**	**4,544.03**	**4,363.54**	**1,608.67**	**1,814.36**

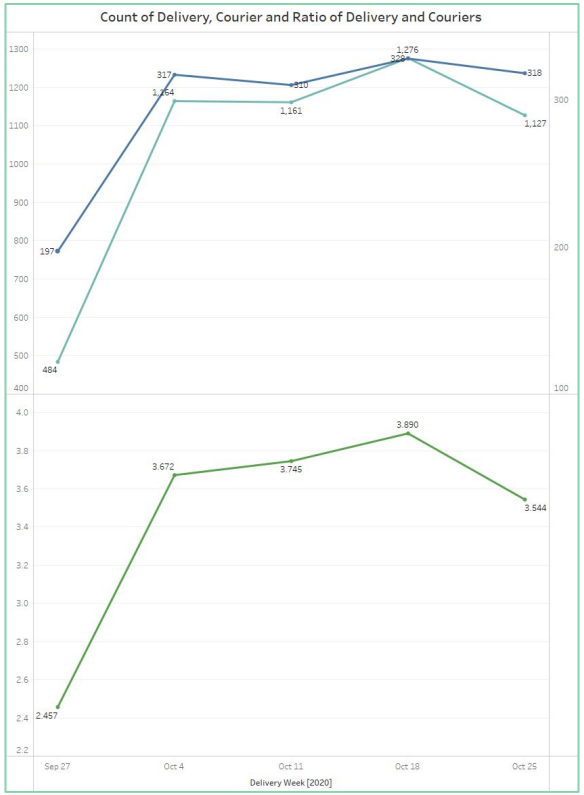
We would expect to see distance traveled and delivery time increase simultaneously. Because we see a peak in total distance traveled at 45-60 min. followed by a decline, we can infer that distance is not contributing to long delivery times.

Courier Cohort Analysis

Week	Cohort Size	W1	W2	W3	W4		W1	W2	W3	W4
27/09/20	197	152	132	127	116		77.16%	67.01%	64.47%	58.88%
4/10/2020	165	99	86	69	0		60.00%	52.12%	41.82%	0.00%
11/10/2020	79	45	33	0	0		56.96%	41.77%	0.00%	0.00%
18/10/20	70	33	0	0	0		47.14%	0.00%	0.00%	0.00%
25/10/20	67	0	0	0	0		0.00%	0.00%	0.00%	0.00%

Delivery Orders & Courier Ratio

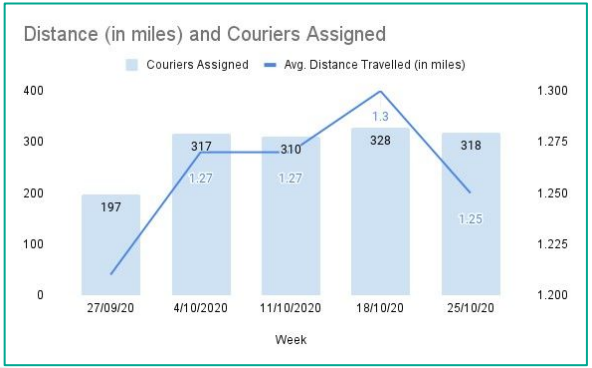
The number of deliveries relative to couriers are dropping since week 2.

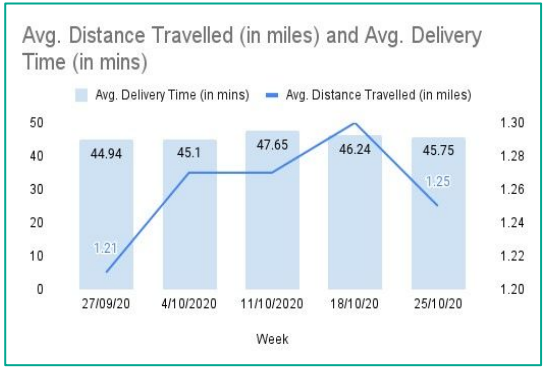


*Ratio = #Deliveries/ #Couriers

Courier Cohort Analysis

TRENDS



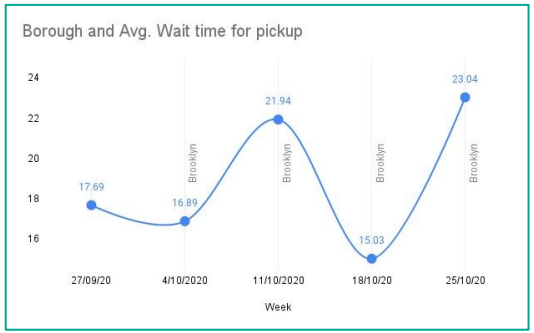


METRICS

1. Couriers assigned per week
2. Avg. distance travelled by couriers per week
3. Avg. Delivery time per week

Courier Cohort Analysis

TRENDS



Wait Time ↑ 30%

(Since Week 1)

Wait Time ↑ 3%

(Since Week 1)

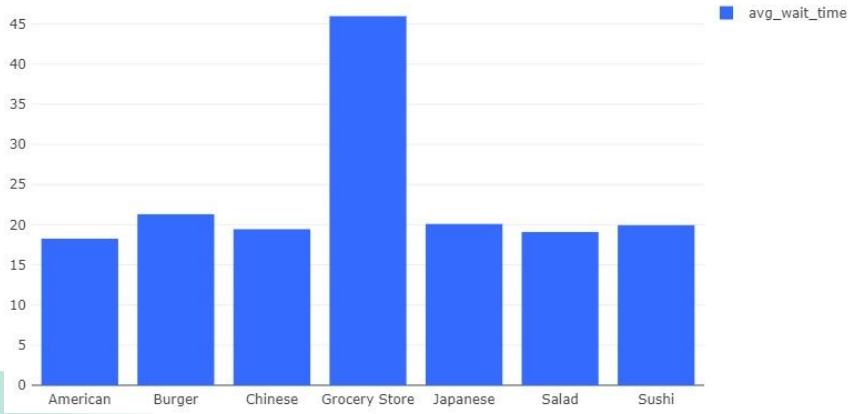
First Week of operation in Queens; Avg. Wait time ~ 24 mins

HYPOTHESIS

Brooklyn wait time is up by 30% . Are restaurants in Brooklyn seeing a rise in demand or whether the staff is unable to keep up with the orders?

Worst Offenders: Average Wait Time by Cuisine

TRENDS



METRICS

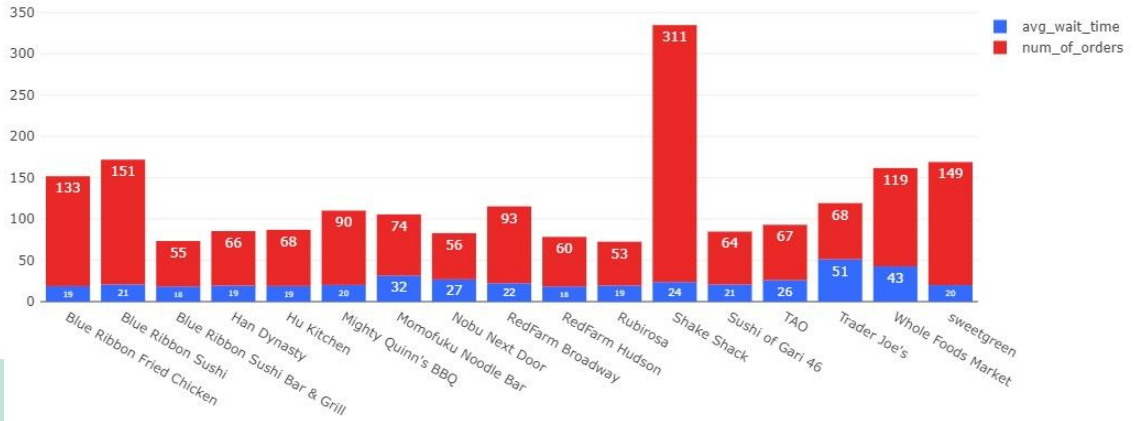
Bar graph isolates cuisine types with >150 orders and >18 mins courier idle time (worst offender cuisines)

HYPOTHESIS

Although grocery stores represent only x% of total orders at 187, their average wait time of 45.97 minutes for couriers is driving up total idle time

Worst Offenders: Average Wait Time by Restaurant

TRENDS



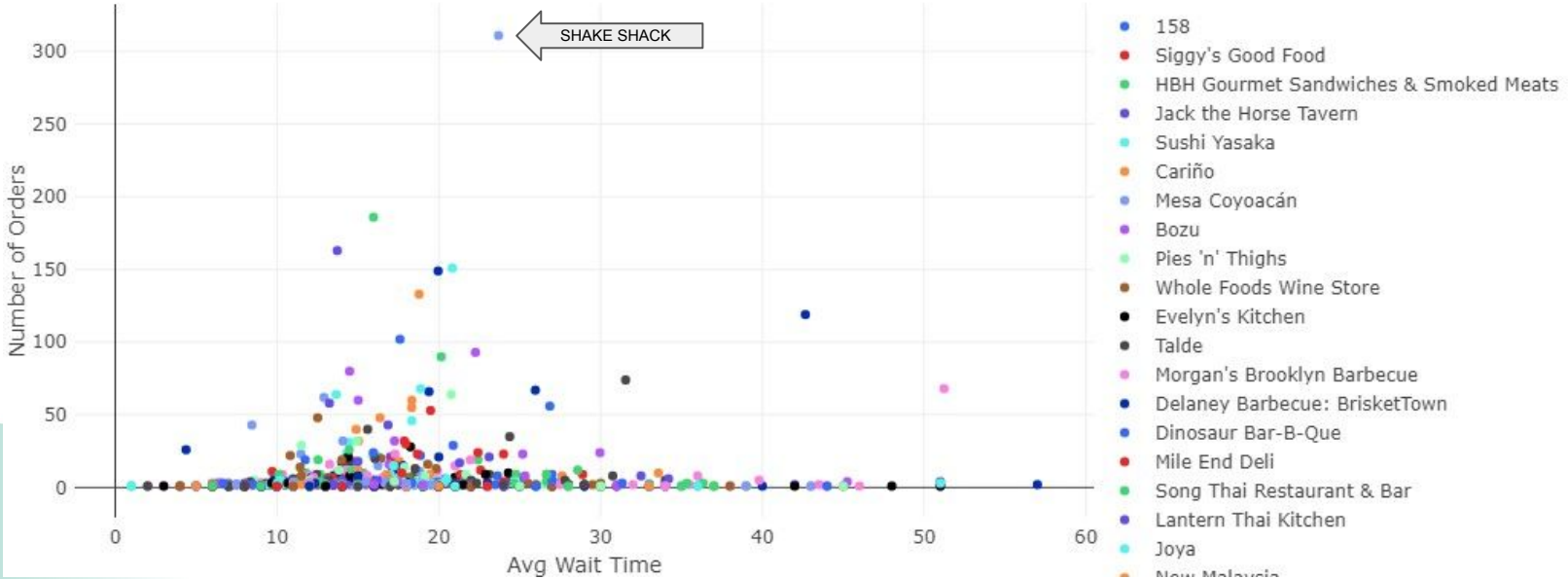
METRICS

Bar graph isolates restaurants with >50 orders and >18 mins courier idle time (worst offender restaurants)

HYPOTHESIS

Trader Joe's & Whole Foods Market have the longest wait times at 51 minutes and 43 minutes. *Who is doing the shopping for a grocery store order - the courier or the grocery store?*

Low hanging fruit: high order quantity + high wait times



Shake Shack has the highest number of total orders (311), however these orders have an above average courier wait time of 23.7 minutes. If we reduce the wait time to <18 minutes, this would lead to an estimated x% uptick in retention/repeat orders

Experiment Ideas

- Adding restaurants
  - Hypothesis: there aren't enough restaurants to service customers efficiently
- Help restaurants manage orders
  - Hypothesis: restaurants are getting too many orders and aren't effectively managing
- Wait time estimates
  - Hypothesis: is there something wrong with our calculations? Or are customers seeing accurate wait times and choosing to wait?
- Promotions
  - Hypothesis: wait times will be long, but we can find a way to please customers, or direct them to less busy restaurants

Storyline

1. Situation
    a. Juniper launched its delivery service in NY last month.
2. Complication (what is the data telling us?)
    a. Significant drop off in customer retention between weeks 1 & 2.
    b. Leading to an $XX loss in revenue
3. Resolution (where should we invest time and resources?)
    a.

Questions to consider

Audience

- What are our stakeholders' priorities?
- What do we want our audience to walk away believing?
- Do they have current opinions, biases, beliefs, etc?

Topline metrics

- How does our recommendation align with strategic goals, KPIs, etc.?
- Why does our analysis matter?
- What is the financial impact?