

# Recommendations to enhance profitability

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# Recommendations

- A** Offboard Restaurants w/ Negative Profit Margin
- B** Set a Minimum of 20% Commission Percentage
- C** Eliminate the 10% & Rs. 50 Discounts



# Current Metrics

Revenue	Profit	Profit Margin
126.99K	-34.10K	-47.26%
Commission %	Cost Per Order	Order Accuracy
19.75%	₹ 161.09	71.50%
↑ 20.56%	↓ -14.58%	↑ 10.60%

% values at the bottom are the Week on Week Changes

This act catapults our loss ridden business into a significant profit generating one. An increase in the profit margin, implies a bigger percentage of the revenue generated is retained by the business.

# New Metrics

Revenue	Profit	Profit Margin
62.15K	22.43K	35.13%
Commission %	Cost Per Order	Order Accuracy
28.79%	₹ 95.50	91.83%
↑ 63.57%	↓ -45.06%	↑ 33.62%

% values at the bottom are the Week on Week Changes

The Profit increases by a whopping 166%.  
The Profit Margin increases by 174%.  
The Average Commission % increases by 46%.  
The Cost Per Order dropped by 41%.  
The Order Accuracy increased by 28%.

# Recommendations

- A** Offboard Restaurants w/ Negative Profit Margin
- B** Set a Minimum of 20% Commission Percentage
- C** Eliminate the 10% & Rs. 50 Discounts



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The industry standard for commission fee is 15% to 30% of the order value, hence a minimum value of 20% is selected.

The Revenue nearly doubles.

The Profit & Profit Margin increase too, entering the positive zone.

# New Metrics

New Revenue	New Commision %
227.86K	26.95%
New Profit	New Profit Margin
66.78K	22.15%

The Profit increases by a whopping 296%.

The Profit Margin increases by 147%.

The Average Commission % increases by 36%

The Revenue increases by 79%.

# Recommendations

- A** Offboard Restaurants w/ Negative Profit Margin
- B** Set a Minimum of 20% Commission Percentage
- C** **Eliminate the 10% Discount**



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126.99K	-34.10K	-47.26%
Commission %	Cost Per Order	Order Accuracy
19.75%	₹ 161.09	71.50%
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% values at the bottom are the Week on Week Changes

The loss causing discounts are the new user discount, followed by the 10% discount, but since we need new customers, we only scrap the 10% discount to lower our losses incurred

# New Metrics

Revenue	Profit	Profit Margin
97.59K	-19.98K	-40.09%
Commission %	Cost Per Order	Order Accuracy
20.05%	₹ 153.28	70.66%
↑ 16.42%	↓ -18.44%	↑ 5.76%

% values at the bottom are the Week on Week Changes

The Profit increases by 41%.  
The Profit Margin increases by 15%.  
The Average Commission % increases by 2%.  
The Cost Per Order dropped by 5%.  
The Order Accuracy drops by a 1%.

# Cumulative Impact of all the suggestions

The collective  
enhancement of the  
profitability of the food  
delivery service by the  
recommendations made





# Current Metrics

Revenue	Profit	Profit Margin
<b>126.99K</b>	<b>-34.10K</b>	<b>-47.26%</b>
Commission %	Cost Per Order	Order Accuracy
<b>19.75%</b>	<b>₹ 161.09</b>	<b>71.50%</b>
↑ 20.56%	↓ -14.58%	↑ 10.60%

% values at the bottom are the Week on Week Changes

The individual impact by the suggested recommendations, compound when we merge them, creating a sustainable business model for the delivery service

# Final Metrics

New Revenue	New Commission %
<b>78.43K</b>	<b>32.85%</b>
New Profit	New Profit Margin
<b>46.19K</b>	<b>54.44%</b>

The Profit increases by a whopping **235%**.  
The Profit Margin increases by **215%**.  
The Average Commission % increases by **66%**  
The Revenue Per Order increases by **50%**.  
The Order Accuracy increases by **28%**  
The Cost Per Order drops by **43%..**



# Thank you for viewing!

Don't hesitate to ask any questions!