

UrbanZen Delivery Performance Analysis - Executive Summary

1. Background

UrbanZen has experienced a noticeable rise in **customer complaints, cancellations, and declining review scores** over the past quarter.

Leadership initially suspected **pricing pressure**, while operational teams believed that **delivery delays** could be a major contributor to negative customer sentiment.

To validate the root cause, we conducted a full analysis using the company's order, delivery, and review data from **2016–2018**.

2. Objective

Identify whether **delivery performance** is the primary driver behind the drop in:

- Customer satisfaction (CSAT)
 - Review ratings
 - Order cancellations
- and quantify the **business impact** of delivery delays.
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3. Methodology

Using Tableau and Excel, the following analyses were conducted:

- **Delay Flag Logic:**
`Delay = DeliveredDate – EstimatedDate > 0`
- **On-time vs Delayed Segmentation**
- **Average days late (delayed orders only)**
- **Customer review score comparison**
- **Global delay trend (monthly)**

- Seller-level delivery performance
- Geographic delivery pattern analysis (map)

Due to incomplete cancellation data, cancellation rate was excluded from KPI calculations.

4. Key Findings

1. Delays strongly affect customer satisfaction

- On-time orders maintain a **high average rating**.
- Delayed orders show a **40% drop** in average review score.
- Customers are highly sensitive to both **delivery accuracy** and **delay severity**.

2. Delayed orders are **very late**

Delayed orders are **10 days late on average**, far exceeding typical customer tolerance.

This severity directly aligns with the sharp decline in satisfaction.

3. Significant monthly volatility in delivery performance

- The global delay trend shows unstable performance year over year.
- Specific months (e.g., September) experience unusually high delay concentrations, requiring operational review.

4. Sellers show large performance gaps

- A subset of sellers have **consistently high delay rates**, heavily contributing to negative reviews.
 - Many sellers lack sufficient orders to evaluate performance reliably, but those with strong delay patterns require immediate attention.
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5. Conclusions

UrbanZen's declining customer satisfaction is **not primarily driven by pricing**.

Instead, it is **strongly correlated with operational delays**, specifically:

- High delay frequency
- Extremely long delay duration (~10 days)
- Concentrated seller-driven delay clusters

Delivery performance is the **most influential factor** impacting customer sentiment.

6. Recommended Actions

1. Fix high-delay sellers

- Prioritize sellers with the worst delay rates.
- Implement SLA enforcement and monitoring.

2. Reduce "severity of delay"

Even decreasing average delay from **10 → 3 days** is likely to yield a noticeable improvement in reviews.

3. Monitor global delay trend monthly

- Establish monthly performance reviews
- Identify seasonal or operational bottlenecks earlier

4. Customer communication

- Proactively notify customers when orders will be delayed.
 - This can prevent review score drop and reduce support tickets.
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7. Expected Impact

Area	Expected Impact
Customer Satisfaction	↑ Higher review scores from improved delivery accuracy
Cancellations	↓ Reduction in drop-offs and refund requests

Area	Expected Impact
Revenue	↑ Retention increase from fewer negative experiences
Operational Efficiency	↑ Better SLA adherence from sellers
Support Tickets	↓ Lower complaint volume