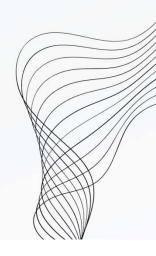
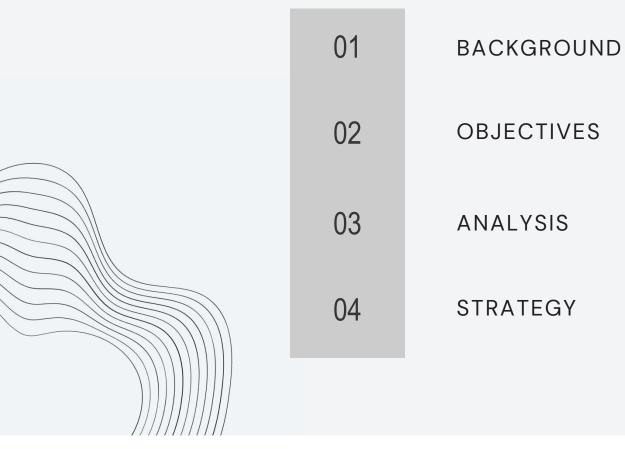
E-COMMERCE

DELIVERY PERFORMANCE ANALYSIS



CONTENT



BACKGROUND

- Olist is the largest e-commerce site for sellers in Brazil. It connects merchants and their products to the main marketplaces there. Merchants are able to sell their products on Olist and ship them directly to the customers using Olist logistics partners.
- ~ 100k data containing information on Olist orders from 2016 to 2018 has been made available for the analysis

olist

Source:https://paganresearch.id//pompany/olist#:~:text=Olist%20operates%20an%20online%20e,small%20brick%20and%20mortar%20businesses.

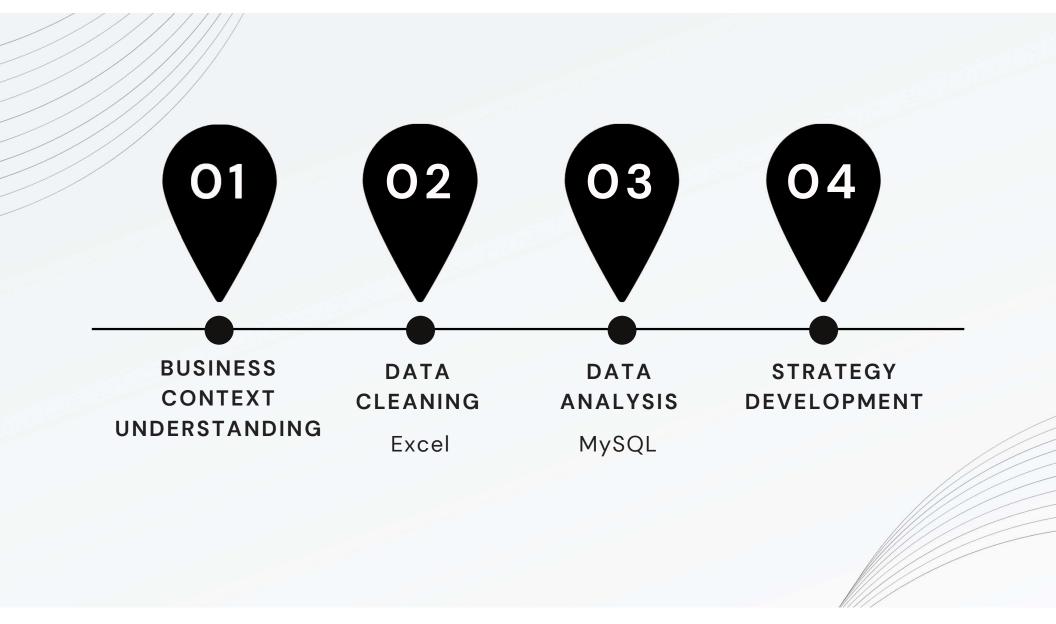
GOALS AND OBJECTIVES

Understand the delivery services provided by Olist logistic partners from 2016 to 2018

Evaluate delivery services performance

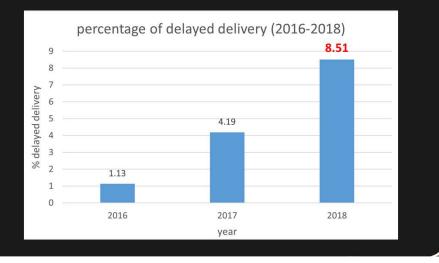
Develop strategies to enhance delivery services performance and boost customer satisfaction





Delay in Delivery

- The overall average % of delayed delivery was 6.65%
- % of delayed packages increased each year from 1.13% in 2016 to 8.51% in 2018



% of packages delayed in delivery were increasing from 2016 to 2018

Delay in Delivery

On average, customer satisfaction was **4.29** for on-time delivery whereas it was only **2.27** for delayed delivery

Note: the satisfaction score was measured on a scale of 1-5

significant discrepancy in customer satisfaction between on-time delivery and delayed delivery

Delay in Delivery

- A package was more likely to be delayed in winter and spring, especially in March and November.
- The delay was not particularly associated with the workload (i.e. the total number of orders)



Seasonality played a role in delay rate

/Top 5 states w/ the lowest customer satisfaction

avg days until							
state	order cnt	delivered		% delay	satisfaction		
MA	715		21.34	17.06	3.84		
AL	398		24.41	20.85	3.84		
RR	41		29.34	12.2	3.90		
SE	334		21.38	14.97	3.91		
PA	939		23.60	10.65	3.91		

 These states tend to have much smaller numbers of orders, and the average days from purchase to delivery compared to the overall average (18.67 days)

Top 5 states w/ the largest volume of orders

avg days until								
state	order cnt	delivered	% delay	satisfaction				
SP	40470	8.69	4.42	4.25				
RJ	12278	15.18	11.92	3.96				
MG	11351	11.92	4.47	4.19				
RS	5361	15.25	6.06	4.19				
PR	4919	11.93	3.96	4.24				

- Overall, states with larger numbers of orders tend to have lower % of delay packages and higher satisfaction.
- One exception is state **RJ** which had significantly higher % of delay packages.

Locations where customers placed orders was also a contributing factor to delivery

Why does optimizing delivery matter?

A satisfied customer:

- Is more likely to become repeat customers
- often share their positive experiences with friends and family, both in person or through social media, which can attract new customers

By improving delivery process, we can boost our customer satisfaction, increase profitability, and pave ways to long-term success.





STRATEGIES



STRATEGY N°1



Pay attention to the seasonal impact on delivery services, especially during months prone to delays. Prepare in advance and collaborate proactively with logistics partners to develop contingency plans

STRATEGY N°2



Implement local distribution centers or warehouses in or near states with low number of orders

STRATEGY N°3

THANK YOU

