



CX Strategy Workshop

Financial Scenarios for ZoomGo Experience

ZoomGo Financials. Chapter 1

INCREASE
SOCIAL
AWARENESS

INCREASE
FIRST ORDER
RENTAL
PRICE

Increase Social Awareness

Before

Total Incremental Traffic (Campaign Driven)	50.0%	5,000,000	Cost per traffic	Total Cost		
Social Campaigns	0.0%	0	0.001	0	2.0%	0
Total Cost of Acquisition per year				\$22,027,695		
Cost of Acquisition per Customer				\$65.07		

After

Total Incremental Traffic (Campaign Driven)	50.0%	5,000,000	Cost per traffic	Total Cost		
Social Campaigns	10.0%	500,000	0.001	500	2.0%	10,000
Total Cost of Acquisition per year				\$21,172,284		
Cost of Acquisition per Customer				\$62.09		

Impact

Delta Income Statement							
	Year 1		Year 2		Year 3		
Net Sales	\$296,325	0.2%	\$573,630	0.3%	\$801,479	0.4%	
(Cost of Good Sold)	\$153,922	0.2%	\$300,814	0.3%	\$422,268	0.4%	
Gross Income	<u>\$142,403</u>	0.2%	<u>\$272,816</u>	0.3%	<u>\$379,211</u>	0.4%	
Selling Expenses (COS&A)	\$(855,411)	-3.9%	\$(840,771)	-3.8%	\$(829,701)	-3.7%	
General (COR)	\$28,865	0.2%	\$55,782	0.3%	\$75,236	0.4%	
Administrative	\$-	0.0%	\$-	0.0%	\$-	0.0%	
Operating Income / Profit	<u>\$968,949</u>	7.5%	<u>\$1,057,805</u>	5.7%	<u>\$1,133,676</u>	4.8%	

Increase First Order Rental price by \$1 per year

Before

	One Customer	Year 1	Year 2	Year 3
First Order				
Average Rental Price	\$53.00	\$53.00	\$53.00	\$53.00

After

	One Customer	Year 1	Year 2	Year 3
First Order				
Average Rental Price	\$53.00	\$54.00	\$55.00	\$56.00

Impact

Delta Income Statement						
	Year 1		Year 2		Year 3	
Net Sales	\$994,185	0.7%	\$2,265,484	1.4%	\$3,722,249	2.1%
(Cost of Good Sold)	\$497,093	0.7%	\$1,144,184	1.3%	\$1,891,782	2.0%
Gross Income	<u>\$497,093</u>	0.7%	<u>\$1,121,300</u>	1.4%	<u>\$1,830,467</u>	2.1%
Selling Expenses (COS&A)	\$-	0.0%	\$-	0.0%	\$-	0.0%
General (COR)	\$-	0.0%	\$-	0.0%	\$-	0.0%
Administrative	\$-	0.0%	\$-	0.0%	\$-	0.0%
Operating Income / Profit	<u>\$497,093</u>	3.8%	<u>\$1,121,300</u>	6.0%	<u>\$1,830,467</u>	7.7%

ZoomGo Financials. Chapter 2

INCREASE
REFERRAL
RATE

REDUCE
POST PICK-UP
CONTACT
RATE

REDUCE
REFUND
RATE

Increase Referral Rate by 100 basis points

Before

Referral % of Existing Customers	10.00%	No cost to acquire
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After

Referral % of Existing Customers	11.00%	No cost to acquire
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Impact

Delta Income Statement						
	Year 1		Year 2		Year3	
Net Sales	\$-	0.0%	\$1,505,288	0.9%	\$2,688,836	1.5%
(Cost of Good Sold)	\$-	0.0%	\$864,259	1.0%	\$1,543,792	1.6%
Gross Income	<u>\$-</u>	<u>0.0%</u>	<u>\$641,029</u>	<u>0.8%</u>	<u>\$1,145,044</u>	<u>1.3%</u>
Selling Expenses (COS&A)	\$-	0.0%	\$3,834	0.0%	\$3,935	0.0%
General (COR)	\$-	0.0%	\$137,802	0.9%	\$171,406	1.0%
Administrative	\$-	0.0%	\$-	0.0%	\$-	0.0%
Operating Income / Profit	<u>\$-</u>	<u>0.0%</u>	<u>\$499,394</u>	<u>2.7%</u>	<u>\$969,704</u>	<u>4.1%</u>

Decrease Post Pickup Contact Rate by 10%

* Does affect up sell / cross sell

Before

Contact Rate Post Pickup	70.00%	70.00%	70.00%
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After

Contact Rate Post Pickup	63.00%	63.00%	63.00%
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Impact

Delta Income Statement						
	Year 1		Year 2		Year3	
Net Sales	\$(23,198)	0.0%	\$(24,829)	0.0%	\$(26,089)	0.0%
(Cost of Good Sold)	\$(11,599)	0.0%	\$(12,414)	0.0%	\$(13,045)	0.0%
Gross Income	<u>\$(11,599)</u>	0.0%	<u>\$(12,414)</u>	0.0%	<u>\$(13,045)</u>	0.0%
Selling Expenses (COS&A)	\$-	0.0%	\$-	0.0%	\$-	0.0%
General (COR)	\$(1,417,144)	-10.0%	\$(1,697,183)	-10.5%	\$(1,771,402)	-10.5%
Administrative	\$-	0.0%	\$-	0.0%	\$-	0.0%
Operating Income / Profit	<u>\$1,405,546</u>	10.8%	<u>\$1,684,768</u>	9.0%	<u>\$1,758,357</u>	7.4%

Reduce Refunds from 10% to 9%

	One Customer	Year 1	Year 2	Year 3
Before	Refund Rate due to	10.00%	10.00%	10.00%
After	Refund Rate due to	9.00%	9.00%	9.00%

Delta Income Statement						
	Year 1		Year 2		Year3	
Net Sales	\$1,613,894	1.1%	\$1,838,818	1.1%	\$2,014,150	1.1%
(Cost of Good Sold)	\$783,949	1.0%	\$812,005	0.9%	\$833,328	0.9%
Gross Income	<u>\$829,945</u>	1.2%	<u>\$1,026,813</u>	1.3%	<u>\$1,180,822</u>	1.4%
Selling Expenses (COS&A)	\$-	0.0%	\$-	0.0%	\$-	0.0%
General (COR)	\$-	0.0%	\$-	0.0%	\$-	0.0%
Administrative	\$-	0.0%	\$-	0.0%	\$-	0.0%
Operating Income / Profit	<u>\$829,945</u>	6.4%	<u>\$1,026,813</u>	5.5%	<u>\$1,180,822</u>	5.0%

ZoomGo Financials. Chapter 3

INCREASE
POST DROP OFF
SELF SERVICE
RATE

REDUCE
POST DROP OFF
CONTACT
RATE

INCREASE
RETENTION
RATE

Increase Self Service for Post Drop Off Support

* 10 to 20% Self Service and Coinciding Drop in Phone Support

Before

Self Service Mix including Socially & IVR enabled	10.00%	10.00%	10.00%
Phone Mix	50.00%	50.00%	50.00%

After

Self Service Mix including Socially & IVR enabled	20.00%	20.00%	20.00%
Phone Mix	40.00%	40.00%	40.00%

Impact

Delta Income Statement						
	Year 1		Year 2		Year3	
Net Sales	\$-	0.0%	\$-	0.0%	\$-	0.0%
(Cost of Good Sold)	\$-	0.0%	\$-	0.0%	\$-	0.0%
Gross Income	<u>\$-</u>	<u>0.0%</u>	<u>\$-</u>	<u>0.0%</u>	<u>\$-</u>	<u>0.0%</u>
Selling Expenses (COS&A)	\$-	0.0%	\$-	0.0%	\$-	0.0%
General (COR)	\$(1,746,783)	-12.3%	\$(1,988,583)	-12.3%	\$(2,081,669)	-12.3%
Administrative	\$-	0.0%	\$-	0.0%	\$-	0.0%
Operating Income / Profit	<u>\$1,746,783</u>	<u>13.4%</u>	<u>\$1,988,583</u>	<u>10.7%</u>	<u>\$2,081,669</u>	<u>8.7%</u>

Decrease Post Drop Off Contact Rate by 10%

* Does affect up sell / cross sell

Before

Contact Rate Post Drop Off	70.00%	70.00%	70.00%
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After

Contact Rate Post Drop Off	63.00%	63.00%	63.00%
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Impact

Delta Income Statement						
	Year 1		Year 2		Year3	
Net Sales	\$(23,198)	0.0%	\$(24,829)	0.0%	\$(26,089)	0.0%
(Cost of Good Sold)	\$(11,599)	0.0%	\$(12,414)	0.0%	\$(13,045)	0.0%
Gross Income	<u>\$(11,599)</u>	0.0%	<u>\$(12,414)</u>	0.0%	<u>\$(13,045)</u>	0.0%
Selling Expenses (COS&A)	\$-	0.0%	\$-	0.0%	\$-	0.0%
General (COR)	\$(1,417,144)	-10.0%	\$(1,697,183)	-10.5%	\$(1,771,402)	-10.5%
Administrative	\$-	0.0%	\$-	0.0%	\$-	0.0%
Operating Income / Profit	<u>\$1,405,546</u>	10.8%	<u>\$1,684,768</u>	9.0%	<u>\$1,758,357</u>	7.4%

Increase Retention Rate by 100 basis points

Before

Retention rate (affects years 2 and 3) 76.00%

After

Retention rate (affects years 2 and 3) 77.00%

Impact

Delta Income Statement						
	Year 1		Year 2		Year3	
Net Sales	\$-	0.0%	\$1,600,152	1.0%	\$3,151,967	1.7%
(Cost of Good Sold)	\$-	0.0%	\$839,126	1.0%	\$1,665,959	1.7%
Gross Income	<u>\$-</u>	<u>0.0%</u>	<u>\$761,026</u>	<u>1.0%</u>	<u>\$1,486,008</u>	<u>1.7%</u>
Selling Expenses (COS&A)	\$-	0.0%	\$94,089	0.4%	\$169,904	0.7%
General (COR)	\$-	0.0%	\$155,605	1.0%	\$288,624	1.7%
Administrative	\$-	0.0%	\$-	0.0%	\$-	0.0%
Operating Income / Profit	<u>\$-</u>	<u>0.0%</u>	<u>\$511,333</u>	<u>2.7%</u>	<u>\$1,027,480</u>	<u>4.3%</u>