

# G2M Case Study

Virtual Internship

Huu Thien Nguyen
19-May-2022

### Background –G2M(cab industry) case study

XYZ is a private equity firm in US. Due to remarkable growth in the Cab Industry in last few years and multiple key players in the market, it is planning for an investment in Cab industry.

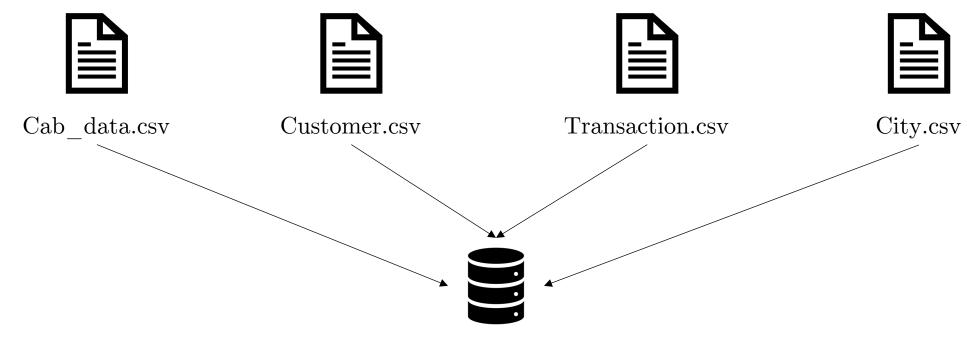
Objective: Provide actionable insights to help XYZ firm in identifying the right company for making investment.

The analysis has been divided into four parts:

- 1. Exploratory data analysis
- 2. Finding the most profitable Cab company
- 3. Forecasting profit
- 4. Recommendations investment strategy

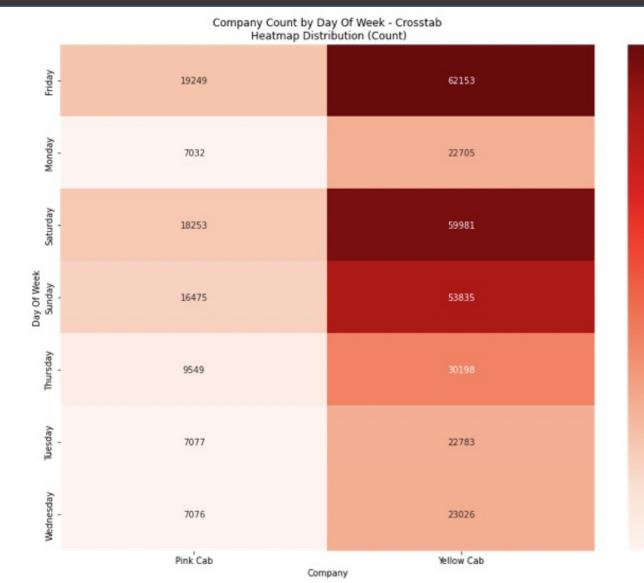
#### Summary:

- 22 Features (including feature engineering)
- Timeframe: 02-Jan-2016 to 31-Dec-2018
- Total observations: 359392



Full dataframe

Insight #1



Weekends (Fri, Sat, Sun) accounted for 64% of the transaction.

60000

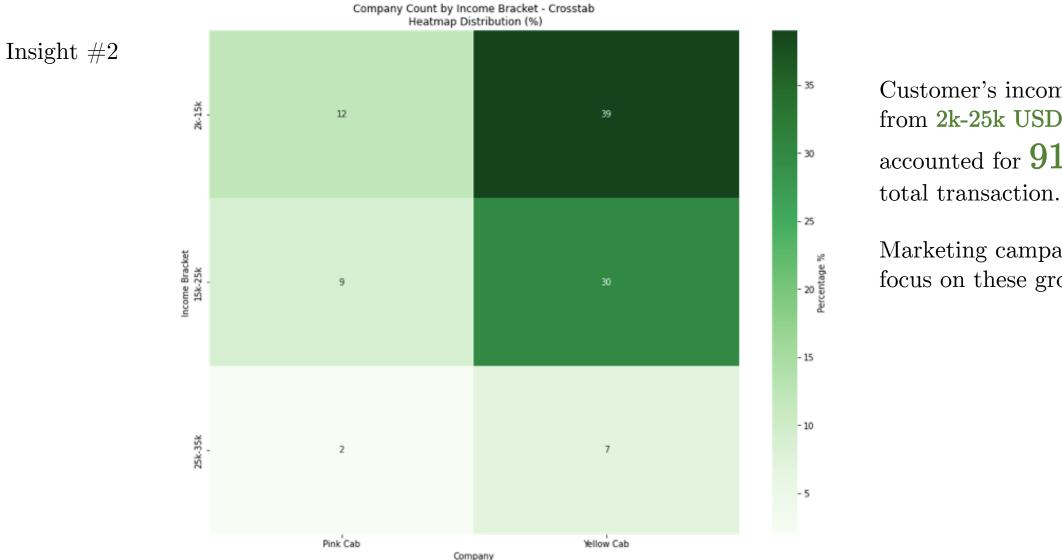
40000

- 30000

- 20000

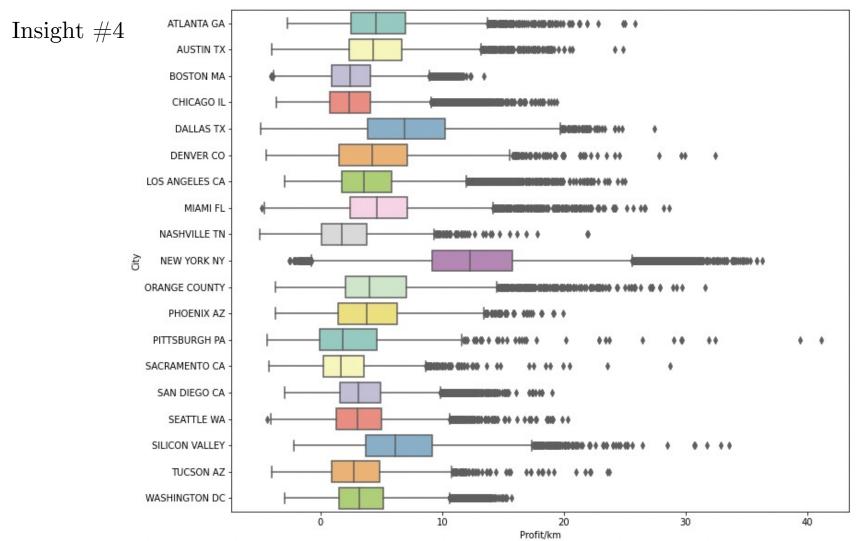
- 10000

Businesses should prepare more workforce and resources on the weekend occasion



Customer's income segment from 2k-25k USD/month accounted for 91% of the

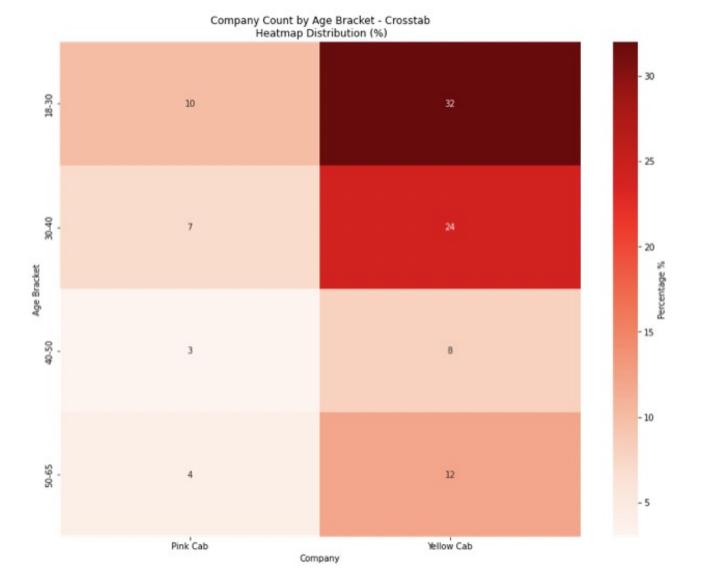
Marketing campaign should focus on these groups.



 $\begin{array}{l} New\ York\ {\rm has\ the}\\ {\rm highest\ Profit/km\ out\ of\ any}\\ {\rm city\ (mean}>10\$) \end{array}$ 

We can focus of the New York to increase the profit / or invest in other city to increase coverage, depend on strategy.





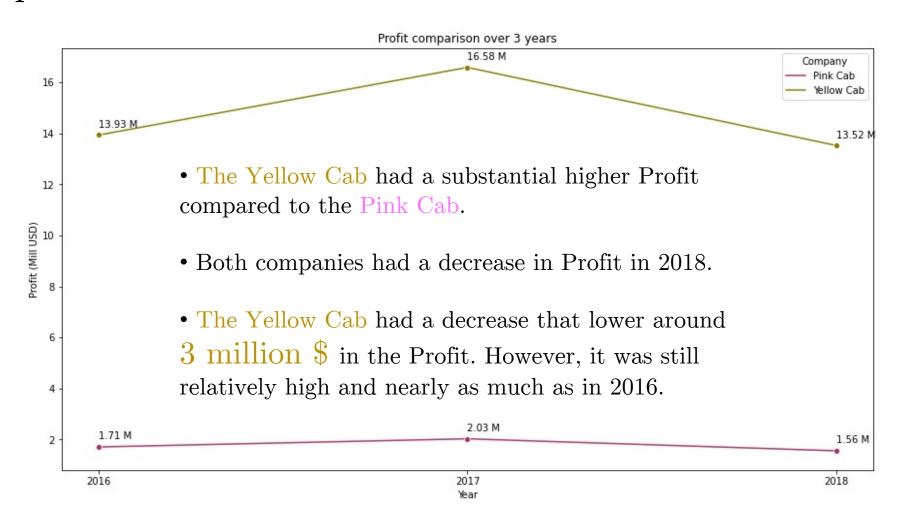
The customer's age bracket from 18-40 accounted for 73% of the total transaction.

The marketing campaign should focus on this sector.

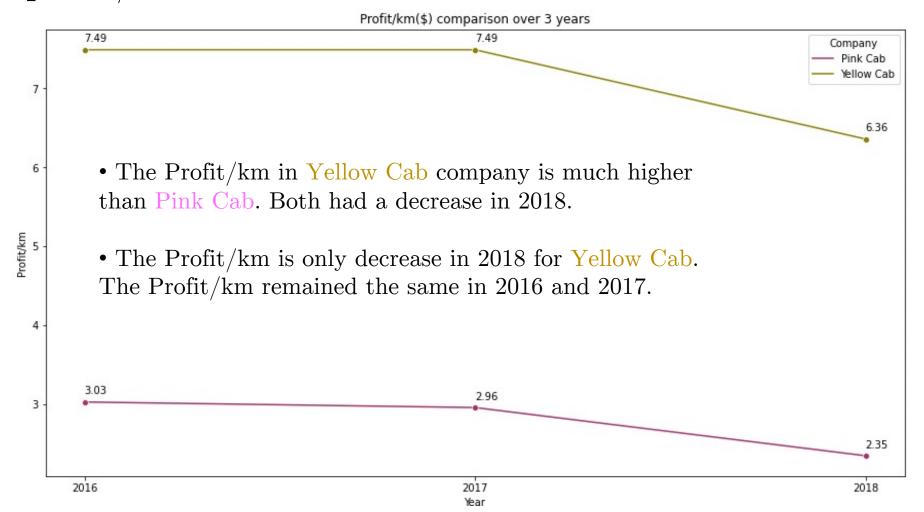
3 main criteria to determine the investment:

- 1. Total profit
- 2. Average profit/km
- 3. Total number of transaction

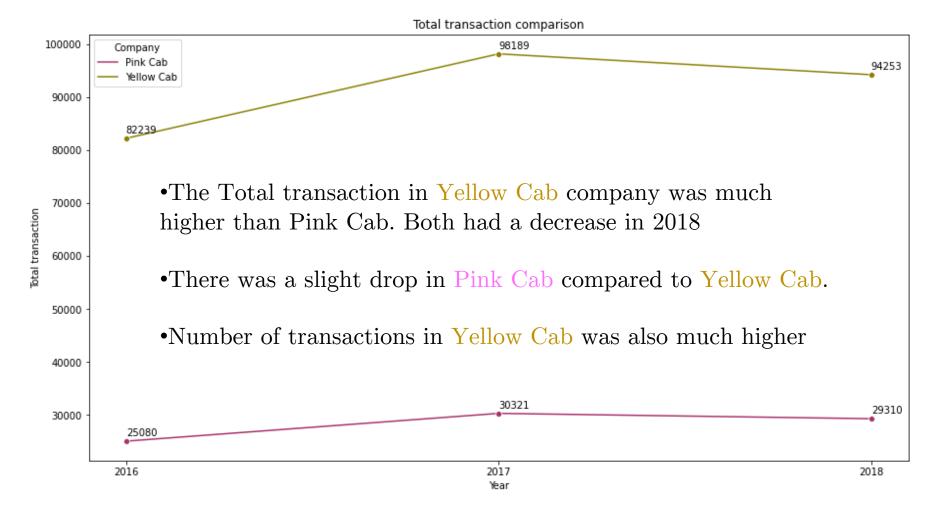
#### 1. Total profit



#### 2. Average profit/km

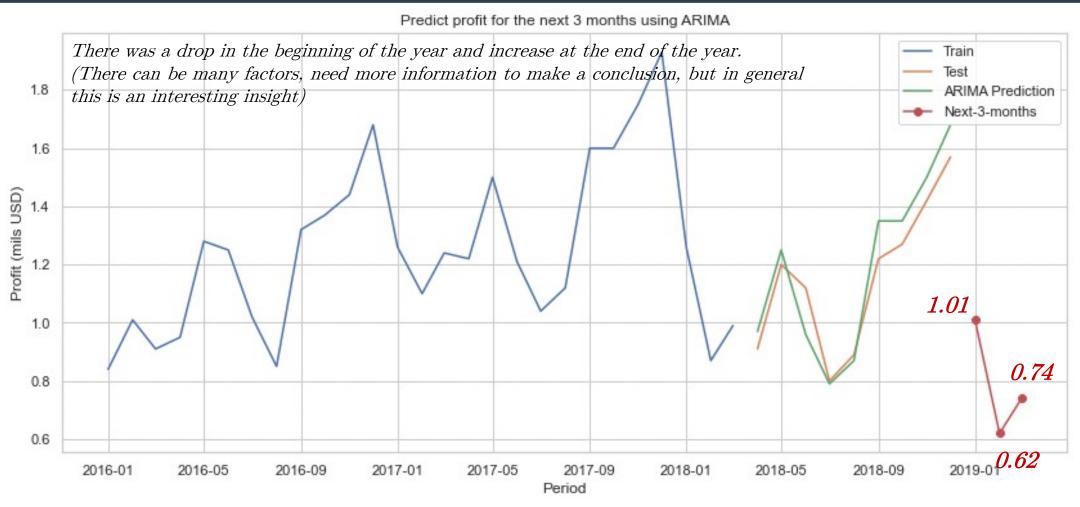


#### 3. Total number of transaction



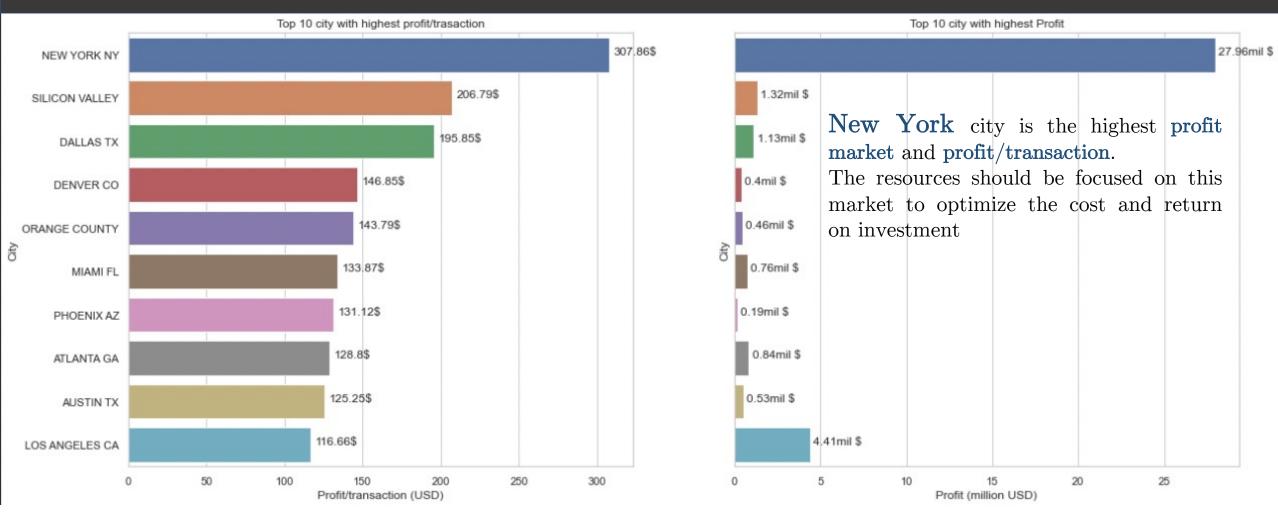
Investment recommendation: We should invest in the Yellow Cab since it had higher profit, amount of transactions (larger market), and has potential (the Profit did not drop so much). With the correct strategy, we can leverage the brands and increase the profit. Next recommendation will go into detail about the strategies.

### 3. Forecasting profit



Next 3 months will be a huge downtrend based on ARIMA prediction, therefore we should wait until the end of the year to make an investment based on the seasonal trend

### 4. Recommendations investment strategy



Although Los Angeles had very high profit (4,41 mil USD in total), Dallas and Silicon Valley should have attention in the marketing since it had low profit but very high profit per transaction, which mean it has very high potential in this segment.

# Thank You For Reading