

G2M case study -Cab Industry-

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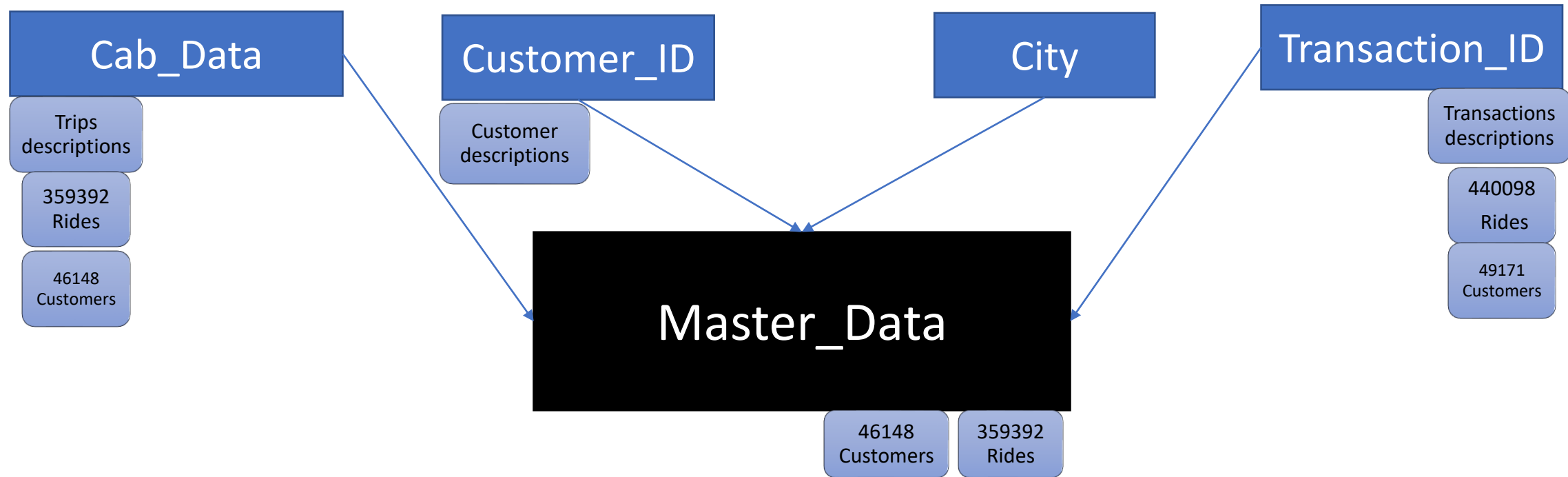
Project Overview and Objectives

- **Overview:** XYZ is a private company in the US. Due to remarkable growth in the Cab Industry in last few years, it is planning for an investment in Cab industry and as per their Go-to-Market strategy they want to understand the market before taking final decision.
- **Objective:** Provide actionable insights to help XYZ firm in identifying the right company to invest in.

In this Presentation we will go through:

- Data Understanding
- Number of Rides and Profit analysis
- Customer Analysis
- Recommendation

Data Understanding



- Profit calculated using *Price Charged – Cost of Trip*
- Treat our data as a well sample of all trips (80,706 Undescribed Rides, 3023 customers)
- *Users* in City data treated as number of all cab users in the *City*
- Timeframe of the data: 02/01/2016 → 31/12/2018
- Assuming no outliers because we don't have the trip duration

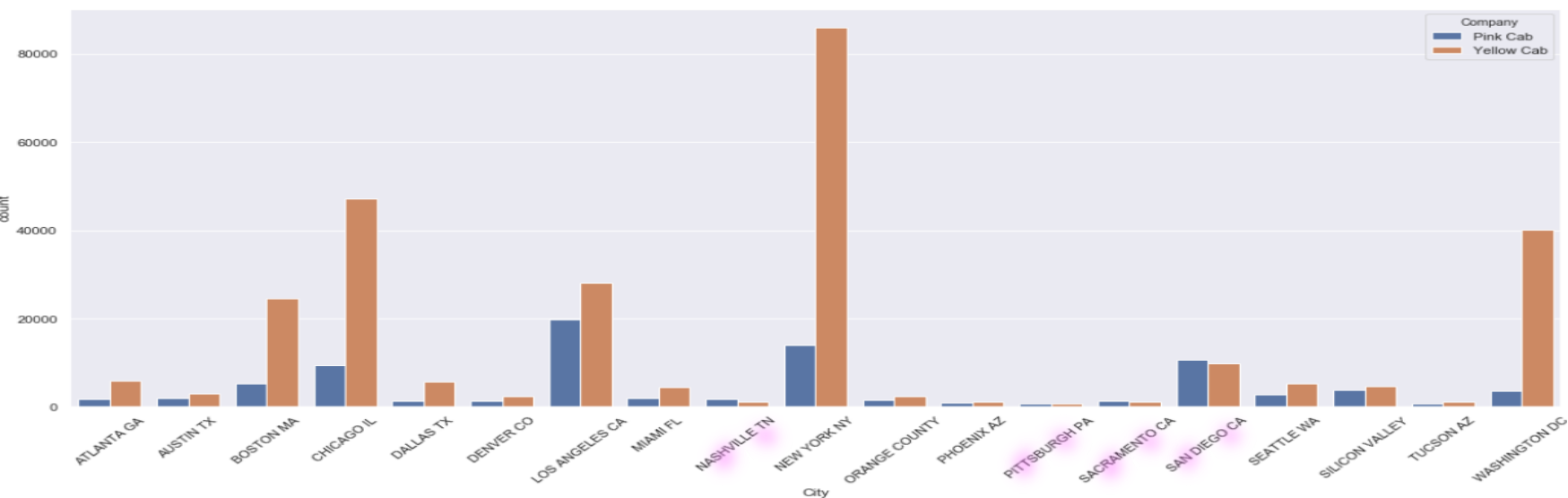
Number of Rides:		
Total: 359392	274681 76.4% of trips	84711 23.6% of trips

General Idea

	Average			Median			Min			Max		
Company	Cost of Trip	Price Charged	Profit	Cost of Trip	Price Charged	Profit	Cost of Trip	Price Charged	Profit	Cost of Trip	Price Charged	Profit
Pink Cab	248.14	310.80	62.6521	246.330	298.06	41.5	19.0	15.60	-220.06	576.0	1623.48	1119.48
Yellow Cab	297.92	458.18	160.259	295.596	425.06	102.0	22.8	20.73	-176.93	691.2	2048.03	1463.96

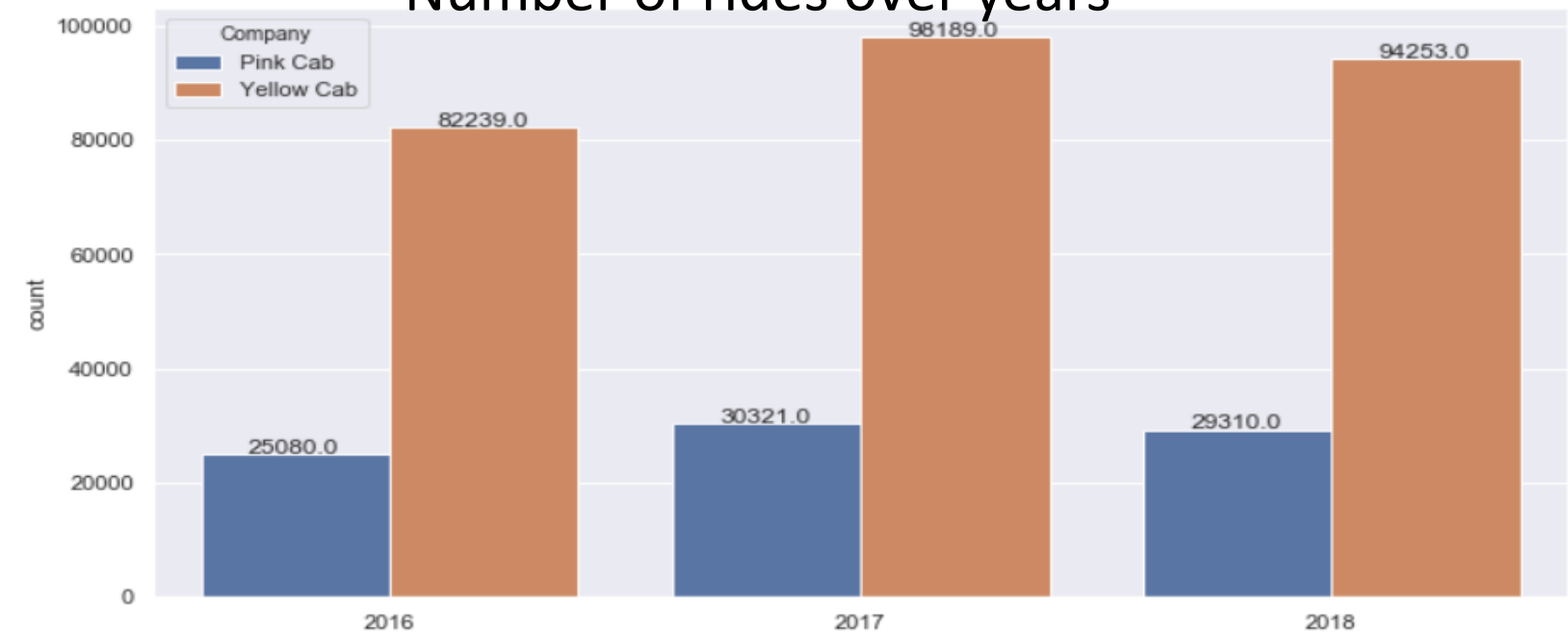
Total Profit:	
44 020 370	5 307 328

Number of Rides by cities



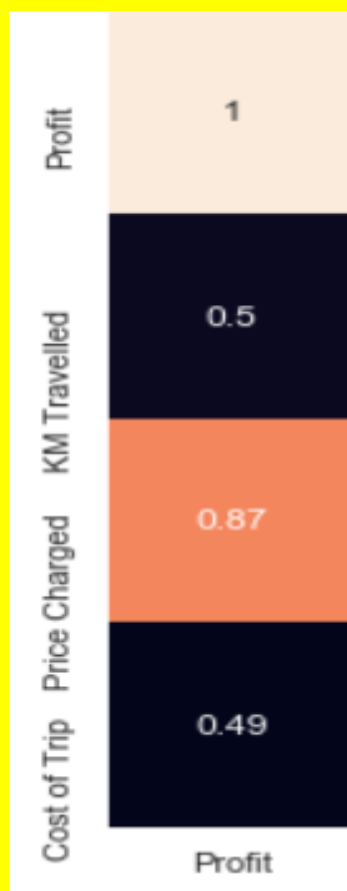
- Pink Cab is dominant in just 4 out of 19 cities
 - San Diego
 - Nashville
 - Sacramento
 - Pittsburgh

Number of rides over years

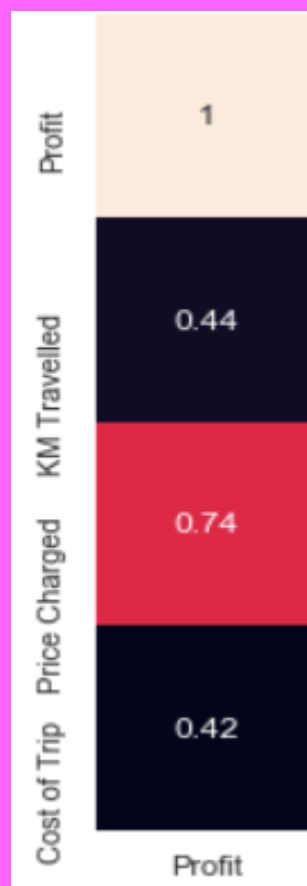


- Both follow same variation over years
- 2016 → 2017:
 - +21%
 - +19.3%
- 2017 → 2018:
 - -3.2%
 - -4%

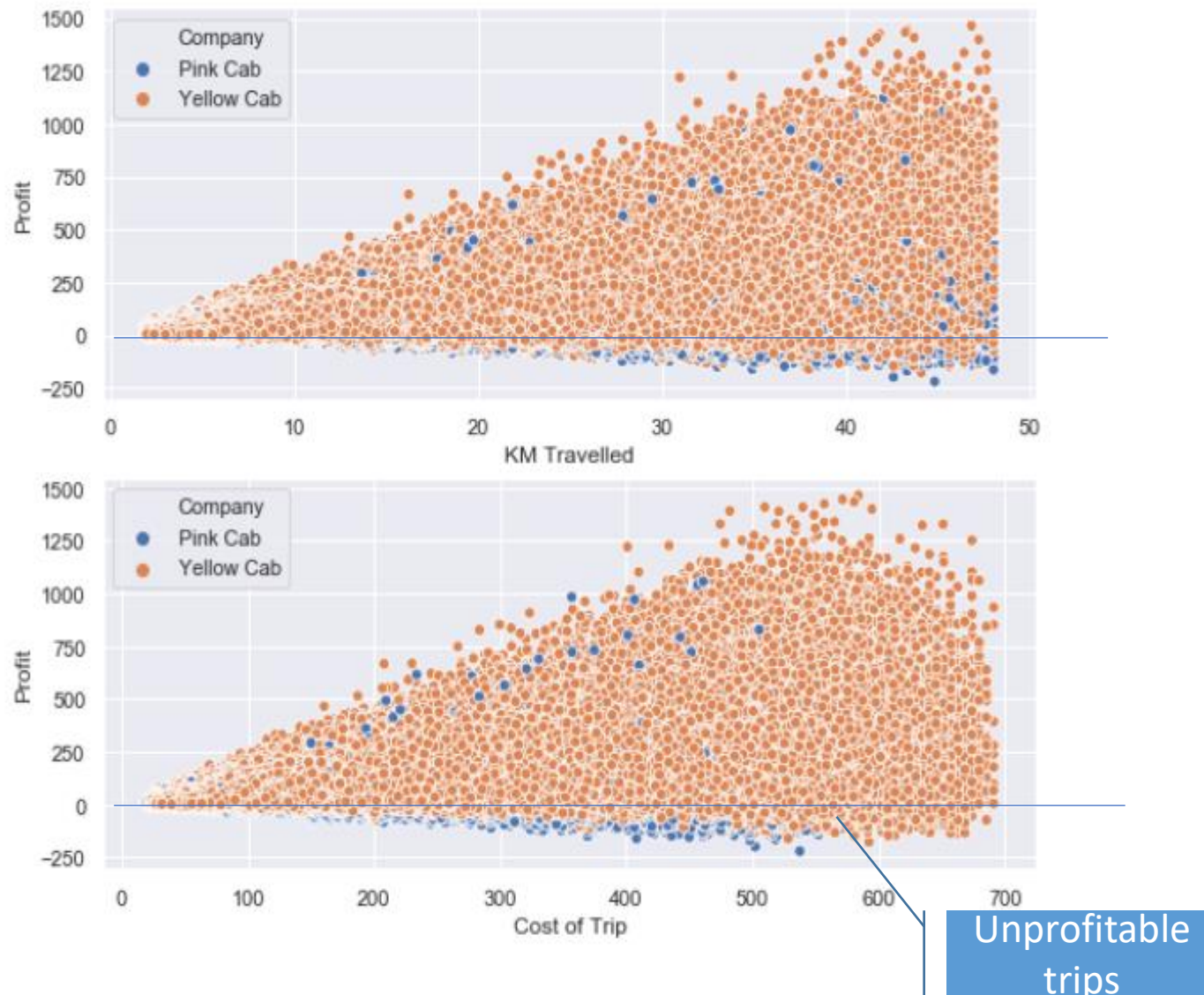
Yellow Cab



Pink Cab

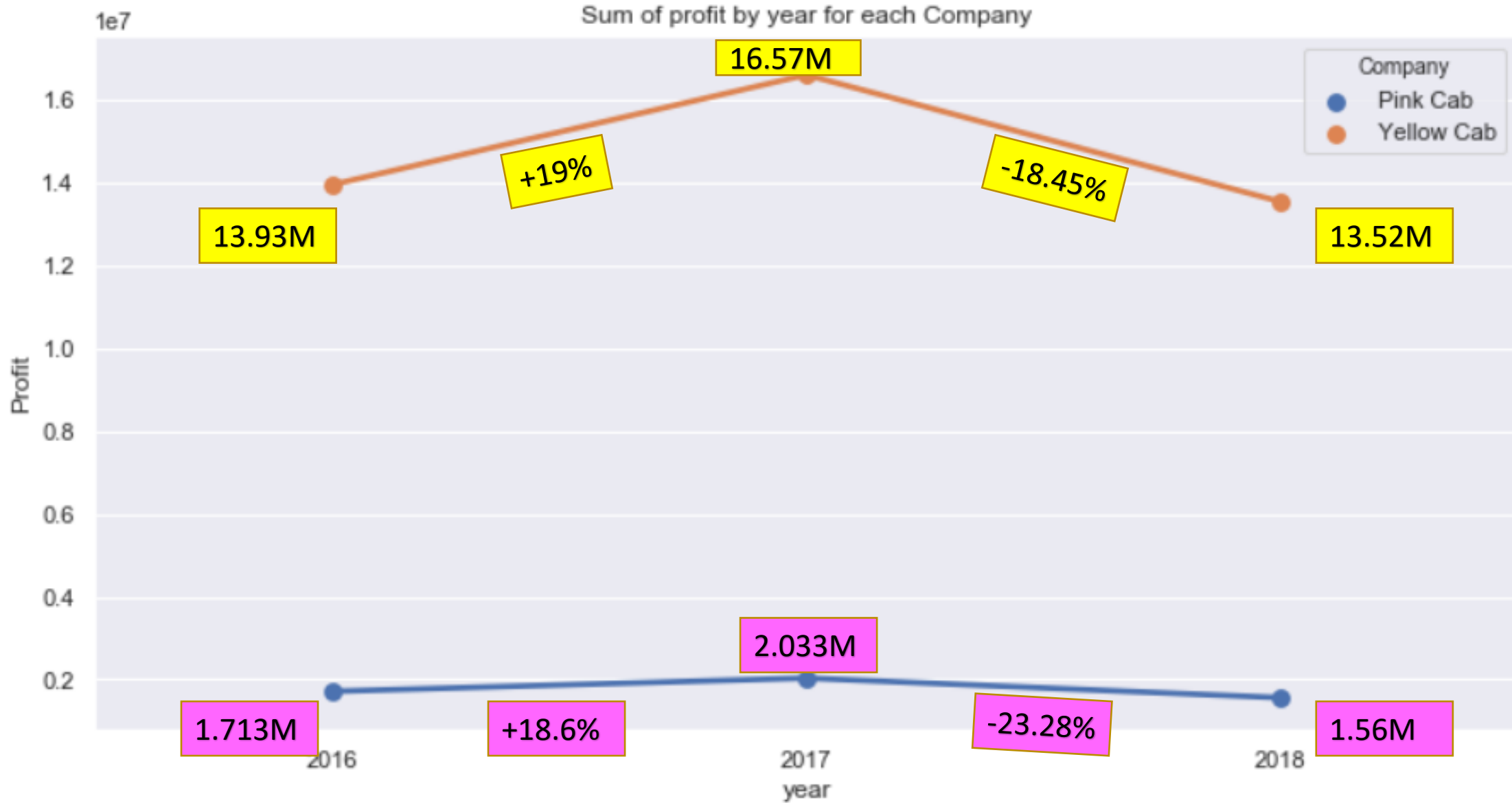


Relationship between “Profit” & “Price, Cost & KM-Travelled”



Profit Analysis

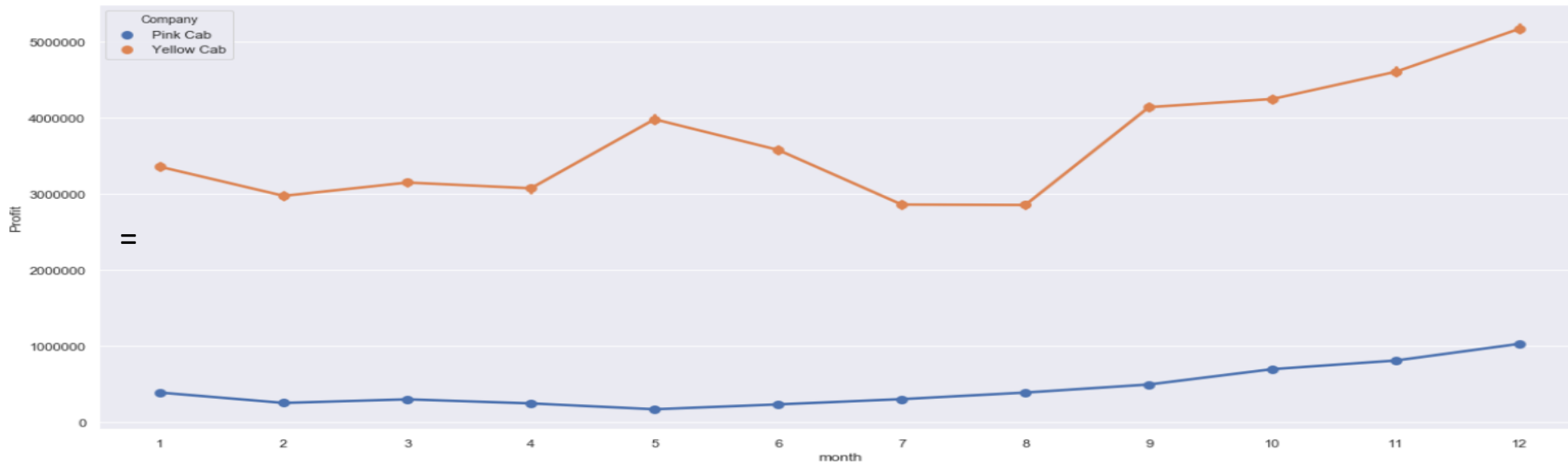
Yearly Profit



Monthly Profit Analysis

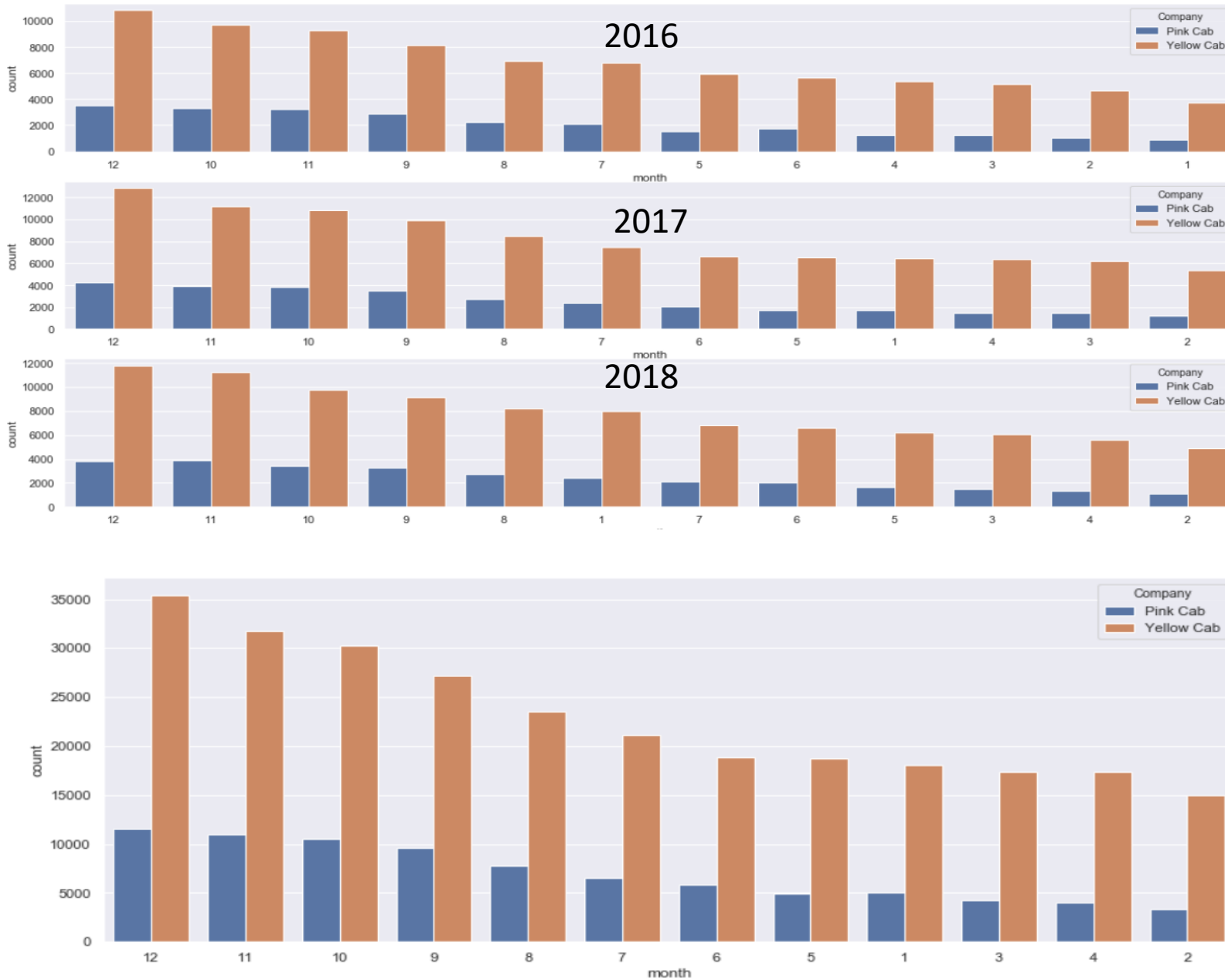


- Each of Both firms Follows almost the same variability over the years



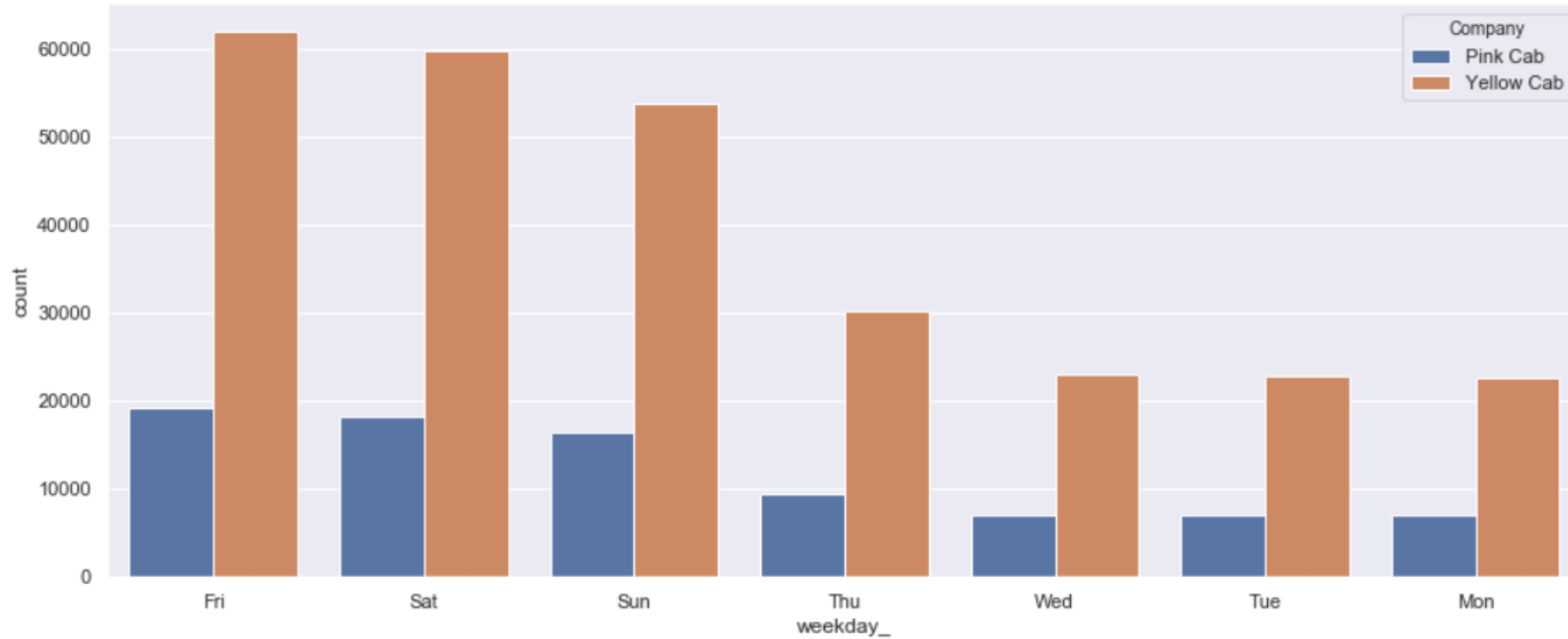
- Sum of Profit for each month

Ride Analysis by months



- Both company follow the same distribution over the months
- Higher demand from summer till holiday months

Number of rides analysis by weekdays



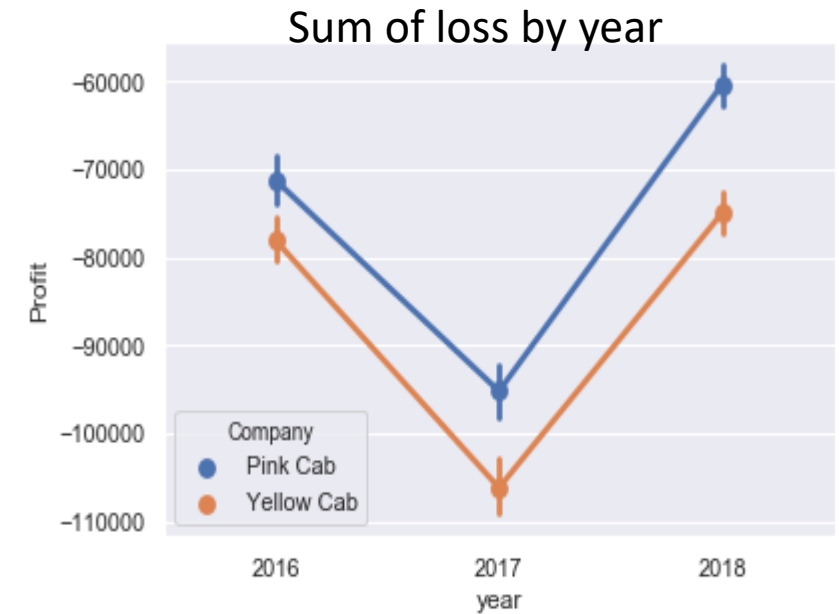
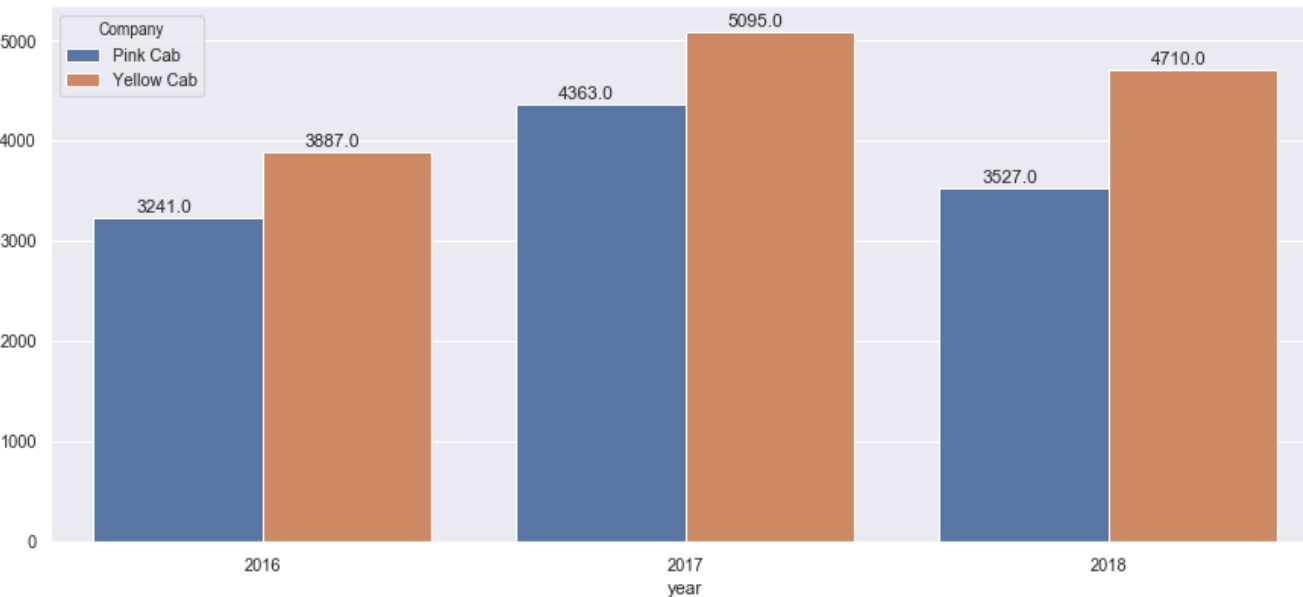
➤ Demand on cabs increased in day offs (holidays and weekends)

Unprofitable Trips

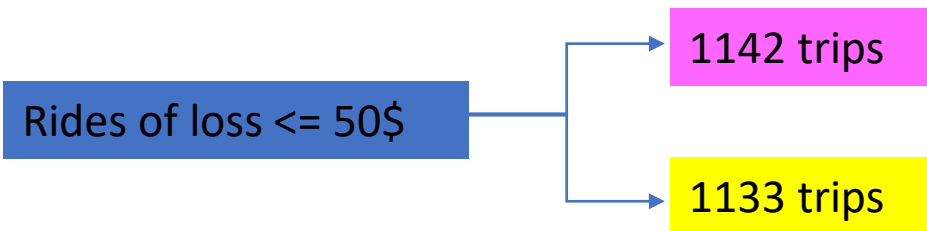
Remember:

Number of Rides:		
Total: 359392	274681 76.4% of trips	84711 23.6% of trips
Total Profit:		
44 M	5.3 M	

Number of unprofitable rides	
13692 ≈5% of total rides	11131 ≈13% of total rides



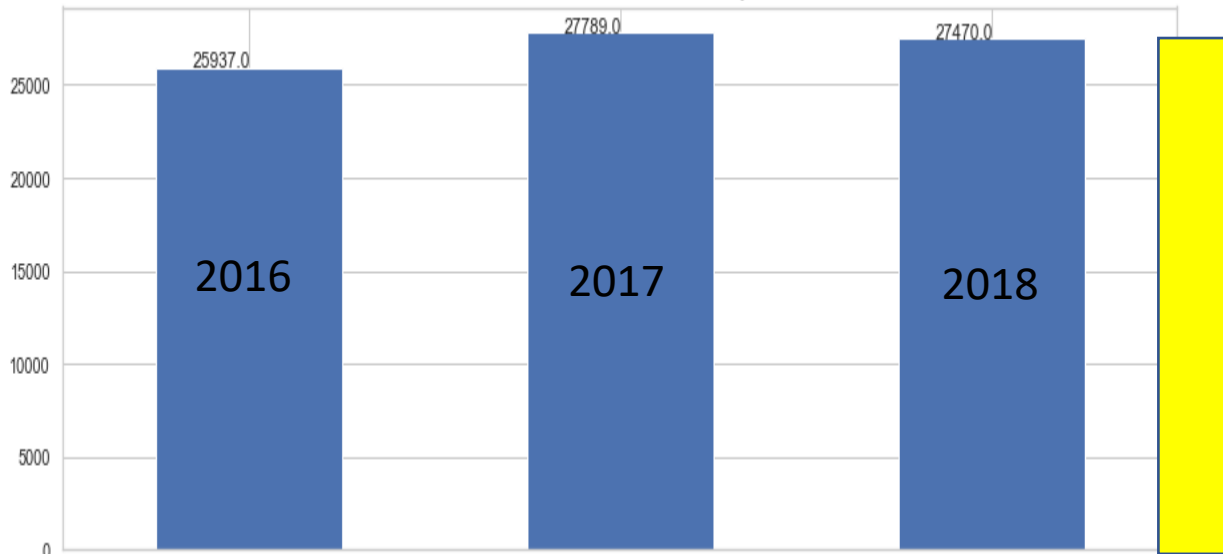
- The differences of losses considered close by comparing them to the differences in profit → Yellow Cab is better in managing more profitable rides.



Also the number of rides that lost more than 50\$ is dominant by Pink Cab

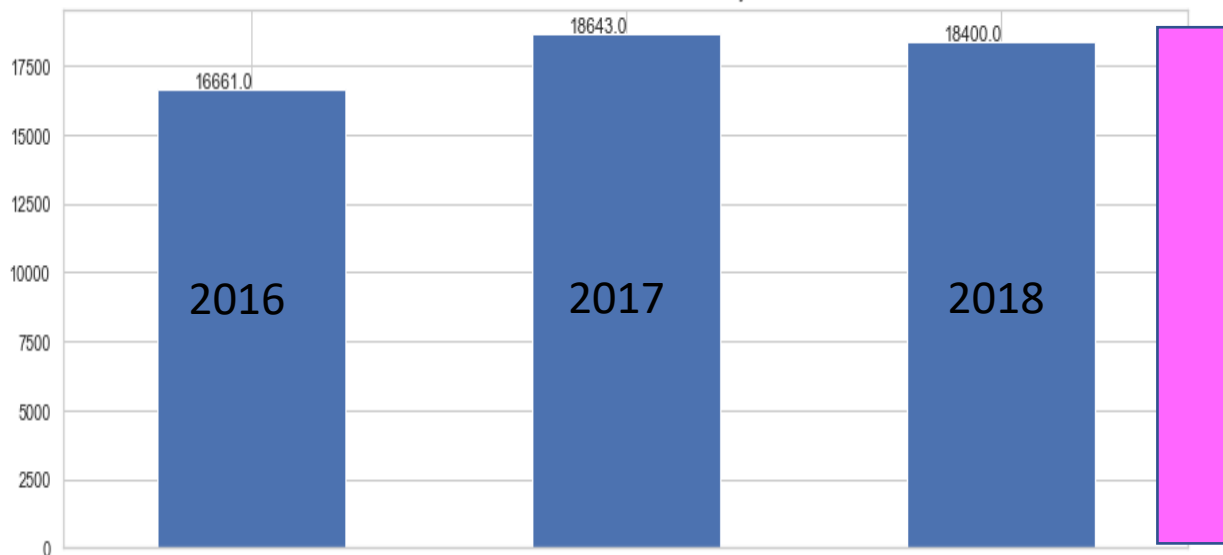
Customer Analysis

Number of Yellow Cab customers over years



- Number of customers decreased by 1.1% from 2017 → 2018

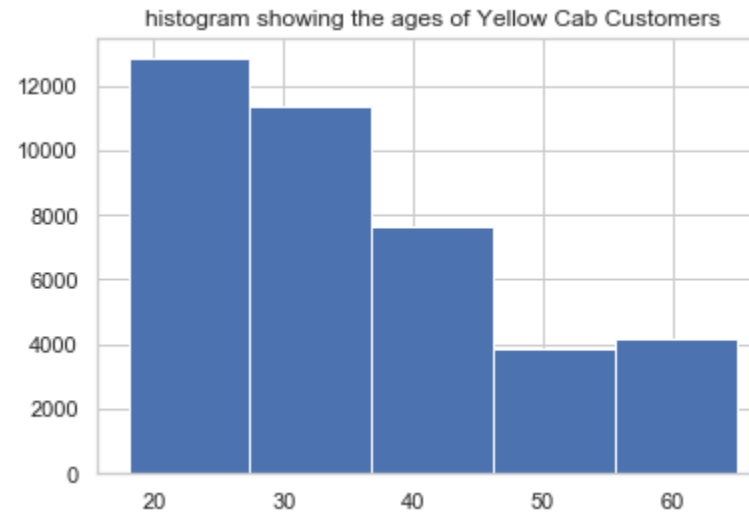
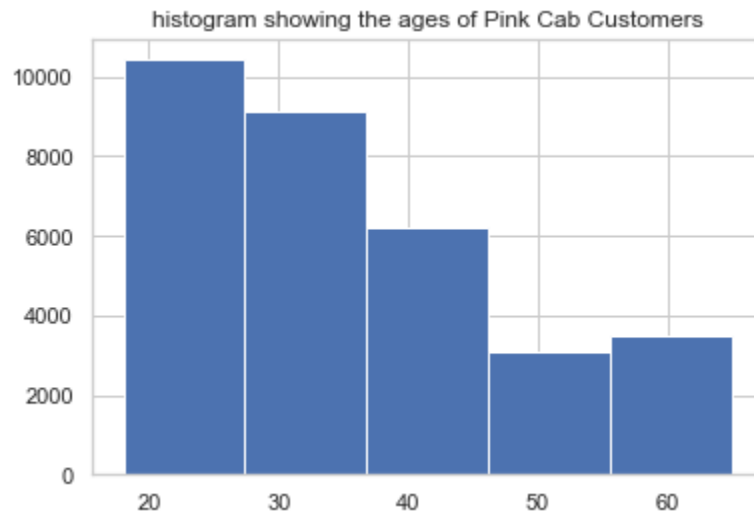
Number of Pink Cab customers over years



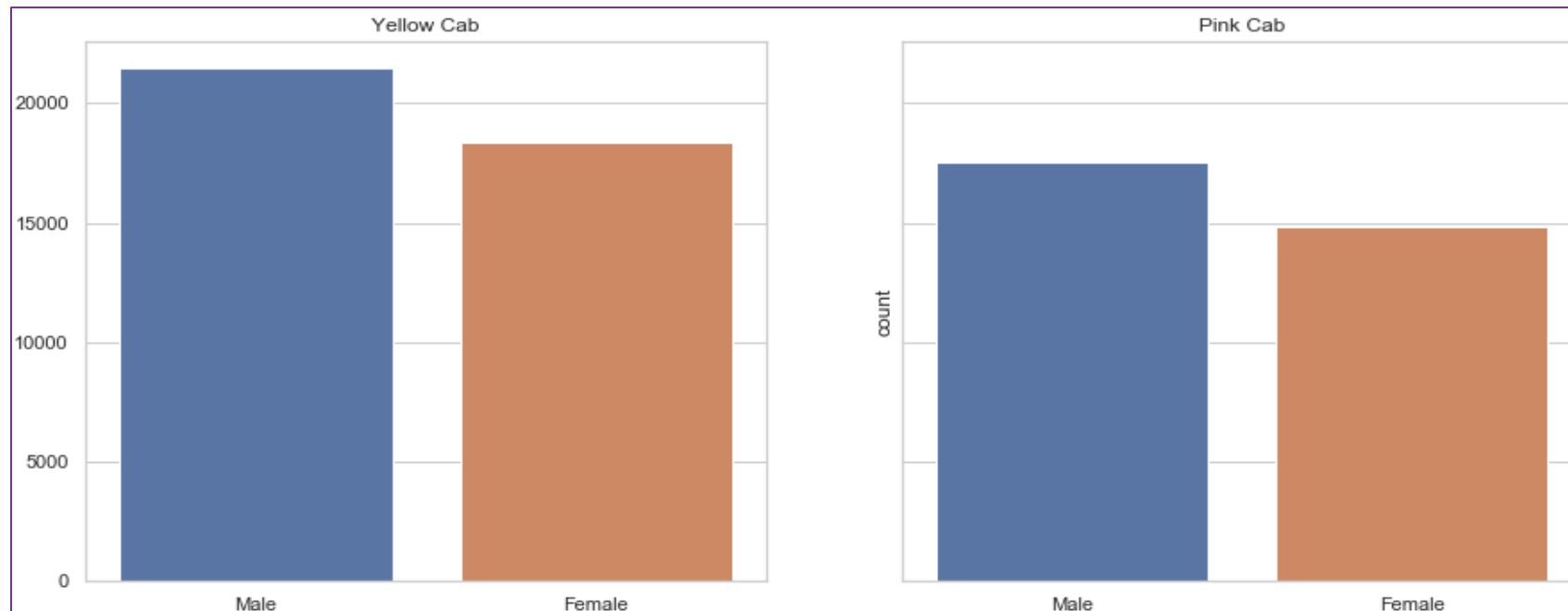
- Number of customers decreased by 1.3% from 2017 → 2018

➤ By considering the higher customer base of Yellow Cab company comparing to Pink Cab and the ↓ in percentage we can say that Yellow is better than Pink cab company in term of *Customer retention*

Customer analysis: Age and Gender wise



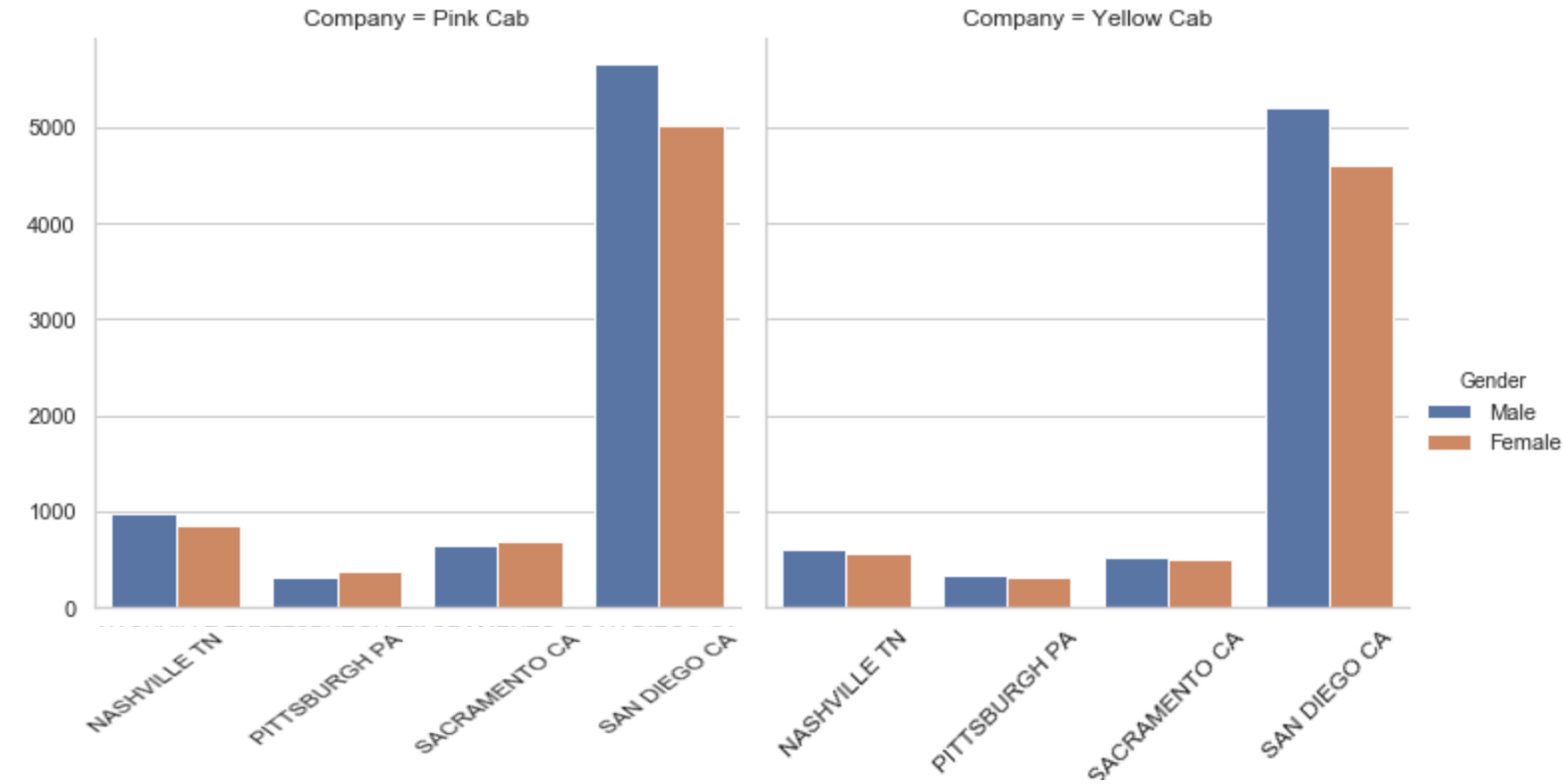
Both have 25% of their customers btw 42 and 65 years old



➤ The customers are similarly distributed in terms of Age and Gender for both companies

- 40% of all rides have been made by Women

Gender wise analysis for cities where Pink Cab is dominant



- number of trips belongs to men is almost always more than women except for Pink Cab in Pittsburgh and Sacramento

➤ The Pink color has no significant influence in attracting women customers

Conclusion:

Based on the evaluation of both the cab companies. We found that the Yellow Cab is better than Pink Cab in terms of:

- Customer reach: Yellow Cab is dominant by all the cities except 4.
- Profit: Overall, Average profit. Yearly profit, Monthly profit showed stability for Yellow Cab
- Unprofitable trips: Yellow Cab is better in managing the rides.
- Customer Analysis: Yellow Cab has a much bigger Customer base than Pink Cab.

Recommendation:

We Recommend **Yellow Cab** for investment

Thank You