G2M INSIGHT FOR CAB INVESTMENT FIRM

10-19-2022

Background

• 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:

• Data Understanding

• Forecasting profit and number of rides for each cab type

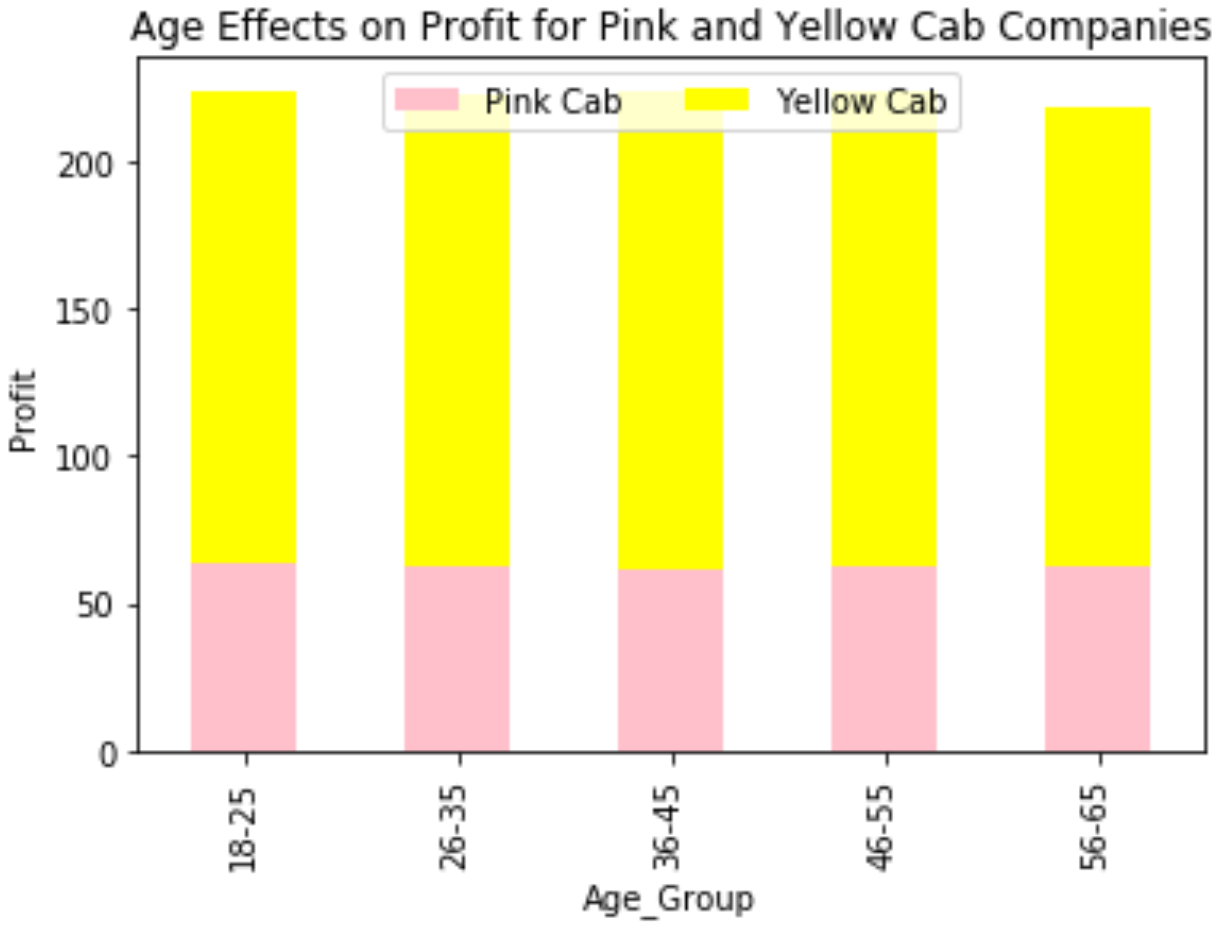
• Finding the most profitable Cab company

• Recommendations for investment

Problem Statement

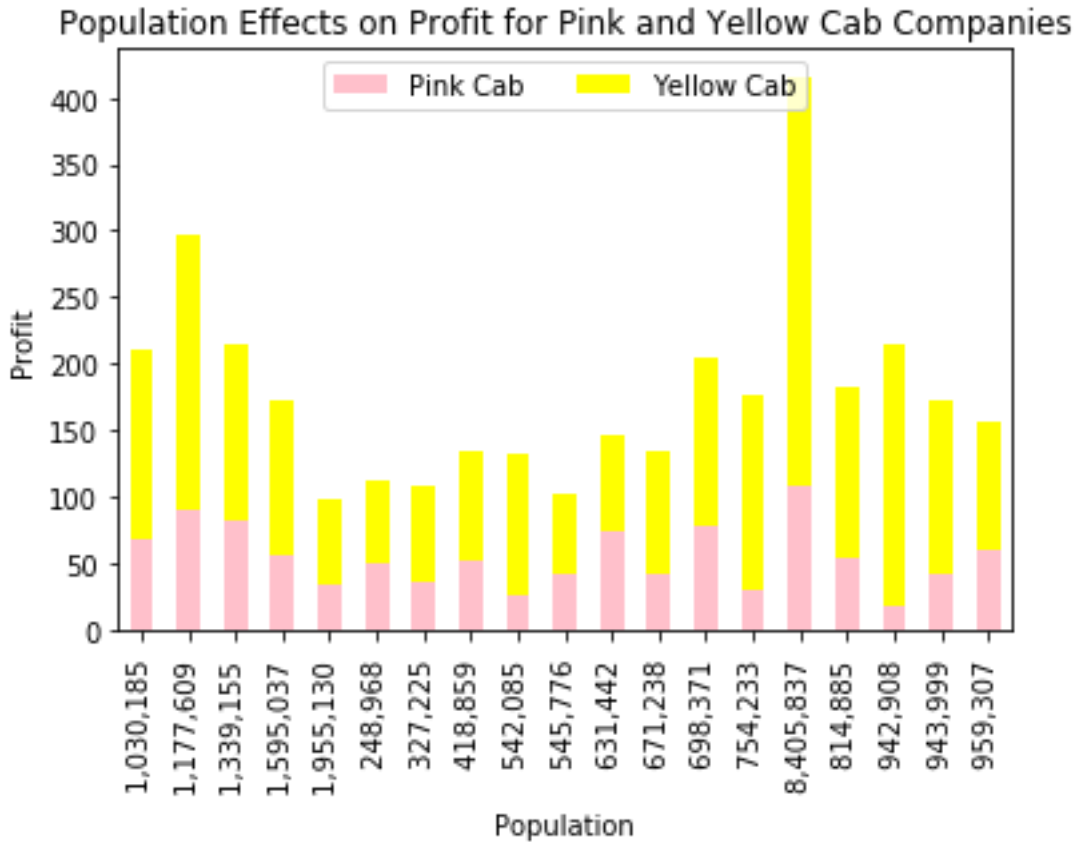
- Analyze the data and predict which cab company is better for profits.
- There is no significant difference of profit regarding age
- Population influence the profit for cab riders
- Cities effect on number of users
- Number of users have positive difference in price of cab
- Higher the population, higher the cab riders
- Customers over 50 rides cab less

Age Effects on Profit



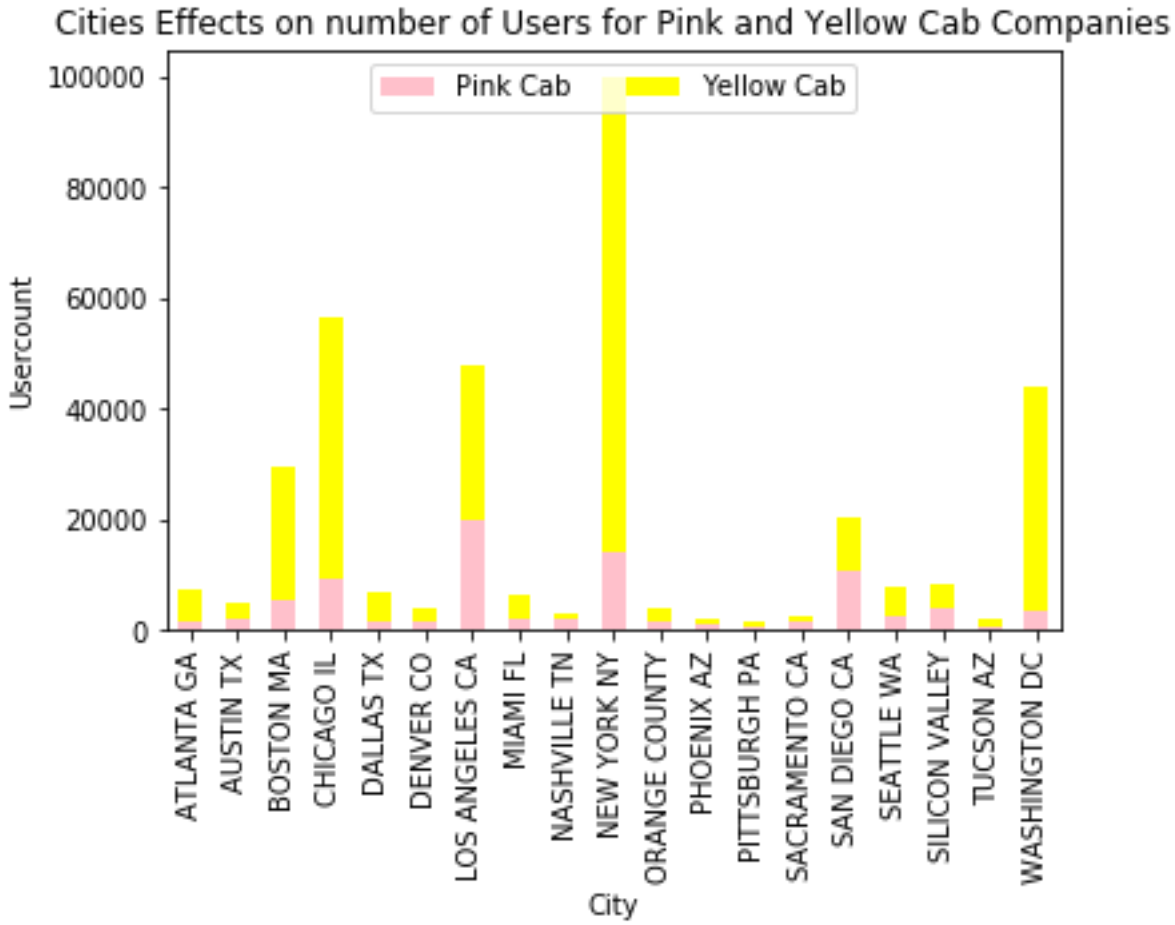
There is no significant difference in Profit with age. But Yellow cab made higher profits in all age group compared to pink cab.

Population Effects on Profit



Yellow cab gains a higher profit for all population

Cities Effect on number of Users

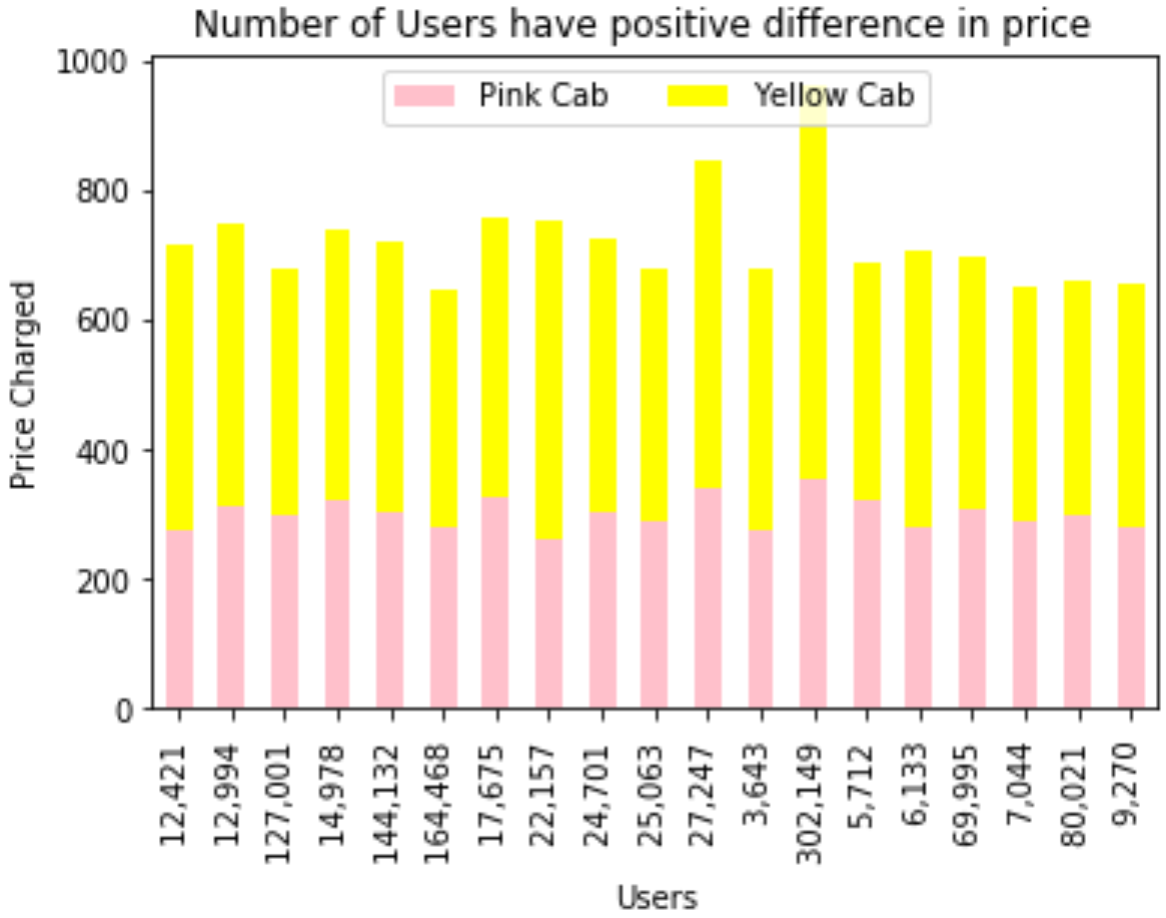


Cities have significance influence on cab users and usage of yellow cab is higher in all cities

Gender Based Profit

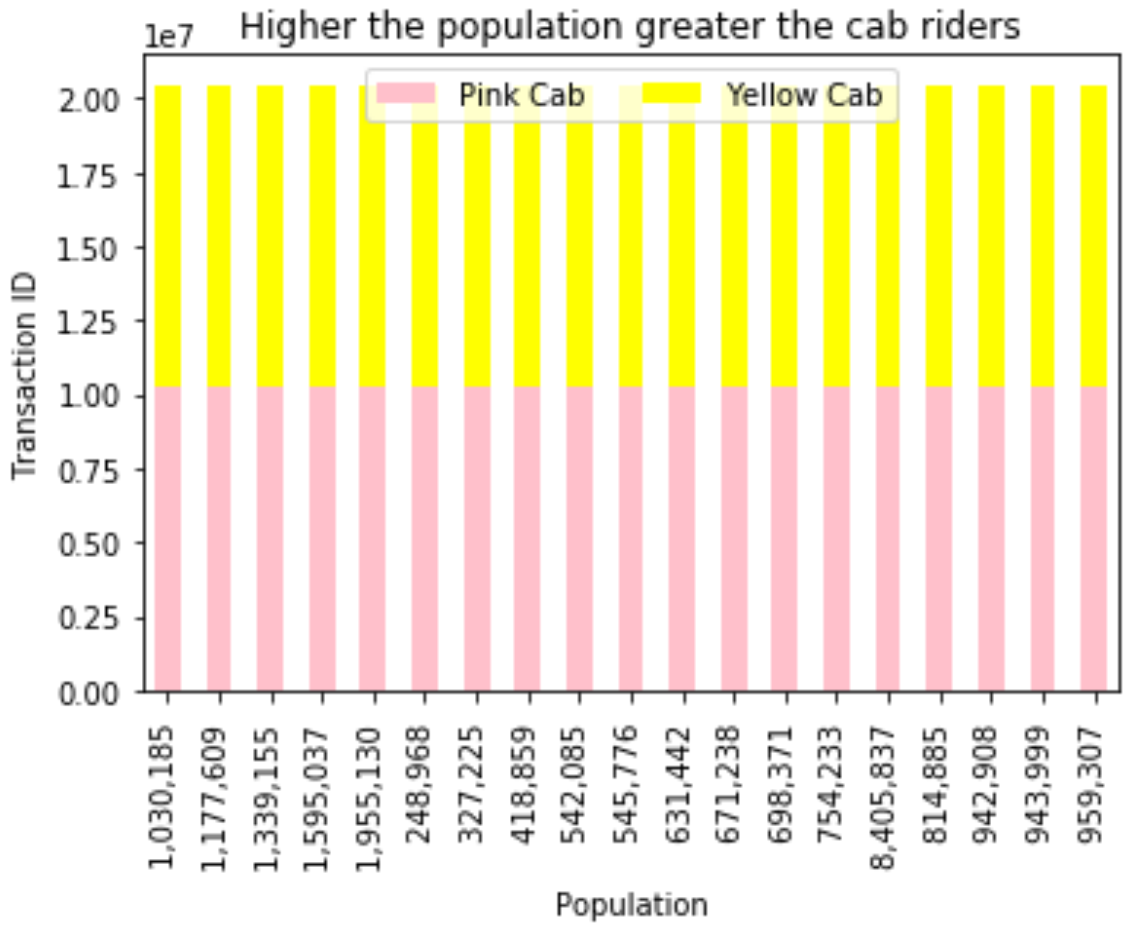
Gender of customer doesn't influence profit, but Yellow cab made higher profit in both genders

Effect of price based on number of users



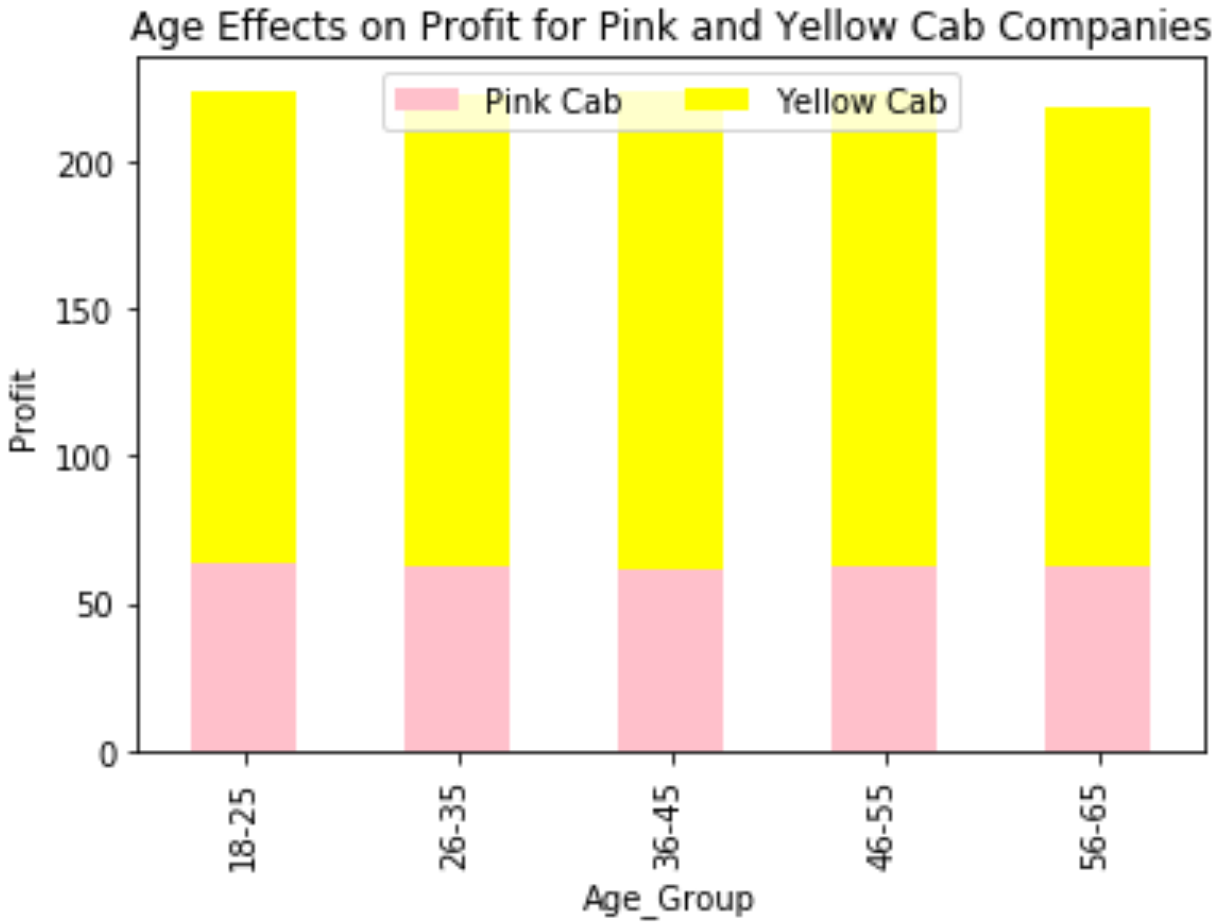
- There is no significant effect on price based on number of users. Usage of Yellow cab is higher

Population Effect on Cab Riders



Population has no significant influence on cab riders. But Pink and Yellow cab has been used equally

Customers over 50 rides cab less



Age has no significant effect on Cab riders. But usage of Yellow cab was higher in all age group compared to pink cab.

Recommendations

I have evaluated both the cab companies on following points and found Yellow cab is better than the Pink cab:

Age wise Profit : Yellow cab has higher customers in all age group. Profit is equal for all age groups

Population wise Profit: Yellow cab has higher profit for all population

Customer Reach : Yellow cab has higher customer reach in all cities

Gender wise Profit: Yellow cab makes higher profit in both genders.

User wise Price: Price doesn’t change based on Users. Yellow cab is used more often than Pink Cab

Based on above observation , I recommend Yellow cab for investment.

Thank You