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SUBJECT: Uber- A Proposed Mission Statement and VARS Analysis

# Mission Statement

Taking into account UBER’s business model, value and offerings, I would like to propose a new mission statement for the organization. The proposed mission statement states thus “to deliver the most flexible, convenient and accessible methods of transporting people and goods on-demand”.

This mission statement was brought about by analyzing the organization as a whole, including its offerings and how it operates. The key points in this statement are the flexibility, convenience, accessibility of Uber’ service. These embody the customers’ experience with the Uber service which allows them to order rides from anywhere and anytime and be connected with drivers who are willing to take their orders. This also applies to the drivers on the platform as it also provides them the flexibility, accessibility and convenience of choosing the trips they are willing to go on. These align with the mission statement stated above which provides a short but accurate description of the service that Uber as a whole provide and its benefit to users.

# Analysis of Uber Business Model

Uber operates as a platform that connects drivers and riders through a smartphone app without ownership of any of the vehicles. The Uber Business Model will be analyzed using the V.A.R.S Framework which identifies the following attributes:

* Value Proposition,
* Activities - Resources - Capabilities,
* Realization
* Scope.

*Value Proposition:*

Uber as a service has two different groups of users with different value propositions- The Riders and The Drivers. In the case of the Riders, Uber offers the following

* Users can book and track trips from anywhere at any time, using a smartphone app. Compared to traditional taxis which can only be found at certain locations, this improves the convenience and efficiency of the transportation process.
* Users can also choose the transportation option that best meets their needs based on factors like cost, urgency, comfort levels etc with UberPool, UberX, UberCab, UberXL, UberSelect, UberBlack, Uber Black SUV, and UberLux.
* Real-time availability and tracking to quickly connect riders with drivers nearby and reduce wait times.
* A complex proprietary algorithm that seeks to dynamically match supply and demand.
* Upfront pricing and Cashless payment as the App provides an estimate of the trip fare (when booking), and bills actual fare to the stored credit card
* Safety- The rider receives information about a potential driver nearby (name, location, time to arrive, car model, license plate, driver rating). Also, the company has implemented several measures and technologies to provide a safe and secure environment for riders. Firstly, all Uber drivers undergo a comprehensive background check before they start driving on the platform. The Vehicle must also meet the minimum qualifications determined by the market.
* Riders can rate drivers based on experience which contributes to their overall ratings that can be viewed by future riders

In the case of the drivers, Uber also offers the following:

* Flexibility in hours of work; ability to work part time; second job
* Good income due to less time waiting for fares, guaranteed minimum income for new drivers, ability to use own vehicle, and surge pricing
* Flexibility to drive on their own terms- to pick or accept rides based on location, destination or customer ratings
* Ability to prescreen passengers, and assurance of being paid
* Drivers can also rate riders and ratings can be viewed by future drivers

*Activities- Resources- Capabilities:*

* Marketing: Uber’s marketing initiatives assist in attracting both riders and drivers as it cannot function without either of them. This includes social media, ads and word of mouth.
* Advanced Technology: Uber’s platform is driven by sophisticated technology that makes it simple for users to schedule and monitor trips in real-time.

*Realization:*

* Commission on rides (20%)
* Surge pricing
* Premium rides
* Cancellation fees

*Scope:*

* Customer Segment: Uber serves a broad range of customers which basically includes anyone regardless of age, gender or income bracket. This applies to both the riders and the drivers. It also operates in several countries and cities all over the world.
* Horizontal scope: Uber started as an App-enabled luxury private car service and expanded into multiple services like UberPool, UberCab, UberX, UberXL, UberSelect, UberBlack, Uber Black SUV, and UberLux. It also includes UberEats for grocery delivery, UberFreights and Uber For Business.
* Vertical Scope: Uber outsources software and web services such as GPS data service, mapping and data storage.

In conclusion, Uber’s business model above highlights the key reasons for its adoption and how it enhanced its competitive value against traditional taxicab services.