Cab Industry Investment Analysis

Unlocking Insights for XYZ's Investment Strategy

G2M Case Study

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Virtual Internship

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XYZ is a private 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 and as per their Go-to-Market(G2M) strategy they want to understand the market before taking final decision.

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

We possess comprehensive data encompassing key metrics such as revenue, user demographics, geographical distribution, and transactional activity. This dataset will serve as the foundation for a meticulous analysis and the subsequent development of a comprehensive market report, providing a thorough insight into market dynamics and investment opportunities.
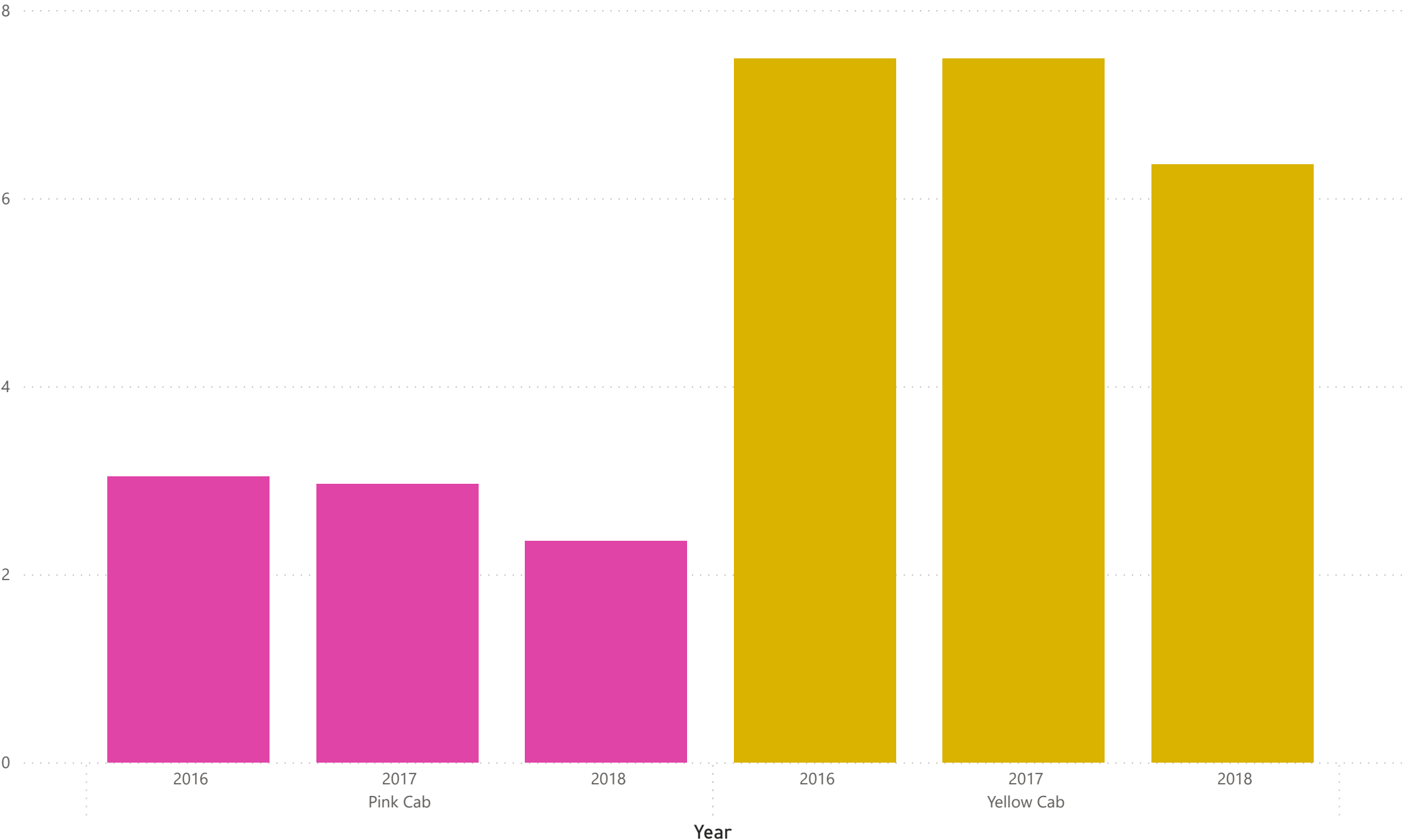
Provided datasets:

- Cab_Data.csv
- Customer_ID.csv
- Transaction_ID.csv
- City.csv

Total revenue for both companies over the entire period

Total revenue

5.31M (10.76%)

44.02M (89.24%)

Company
- Yellow Cab
- Pink Cab
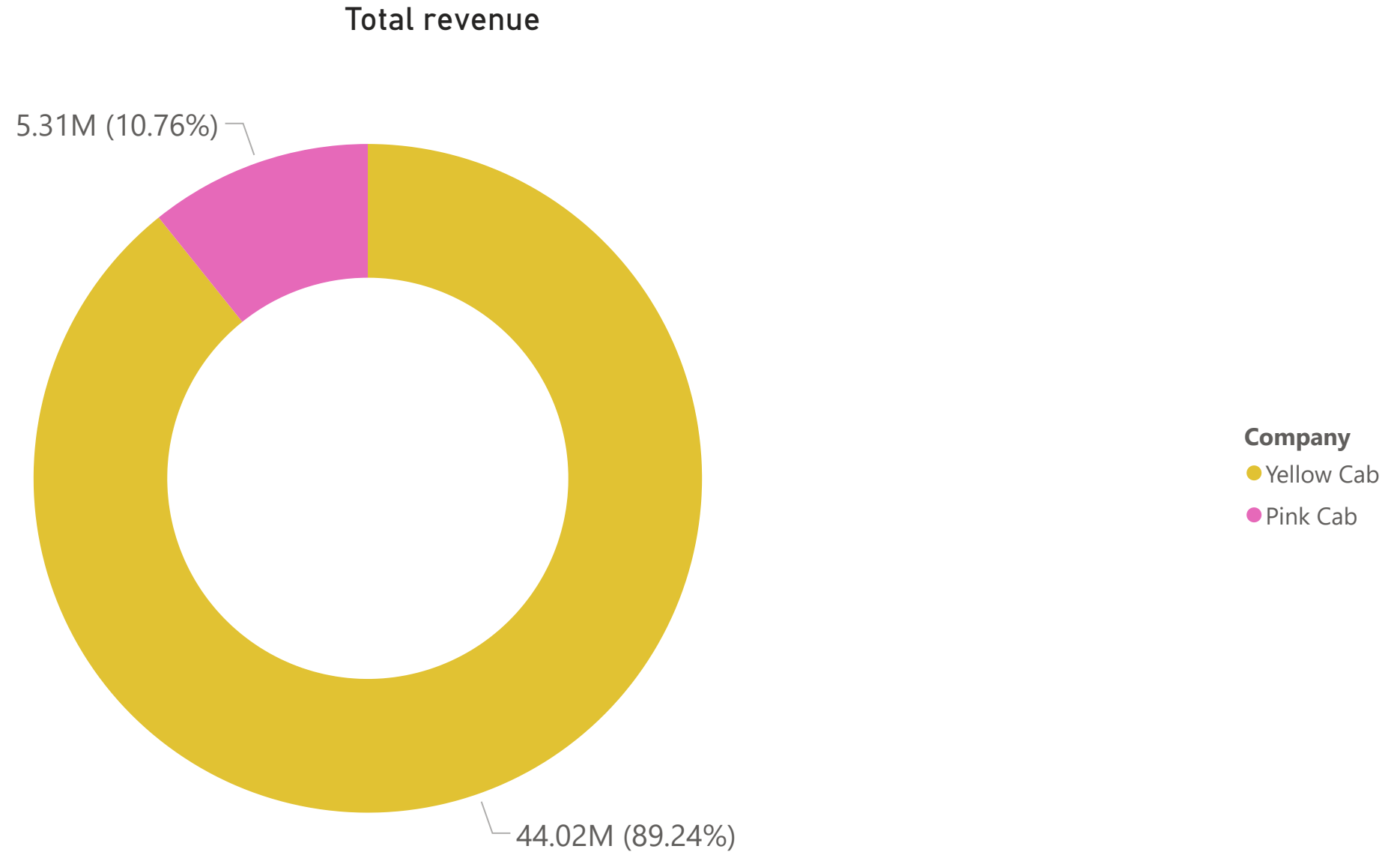
Profitability per kilometer

8

6

4

2

0

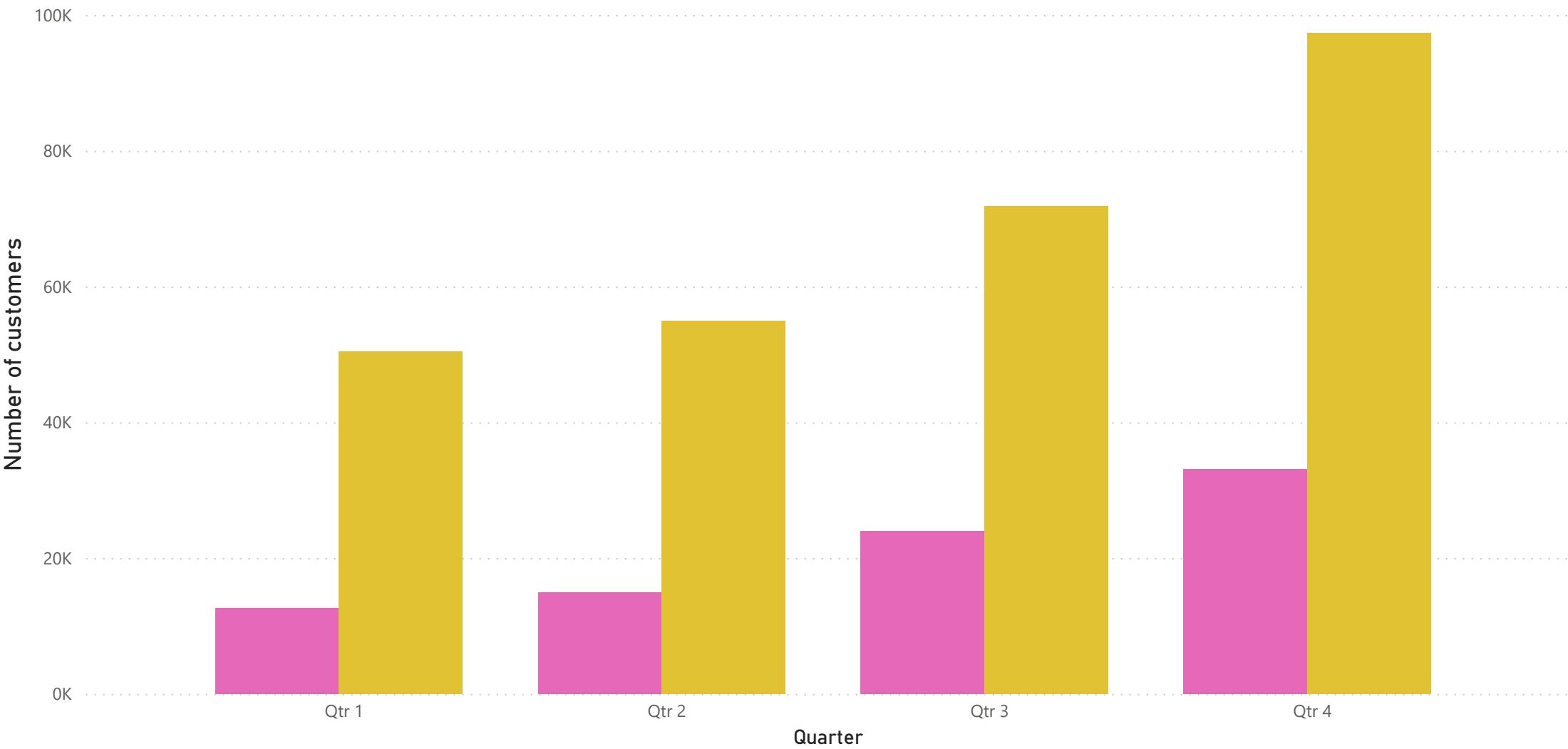| 2016 | 2017 | 2018 | 2016 | 2017 | 2018 |

Pink Cab

Yellow Cab

Year

This graph clearly shows that the net profit per kilometer in the Yellow Cab exceeds the same figure in the Pink Cab by 2.5 times

Seasonality in number of customers using the cab service

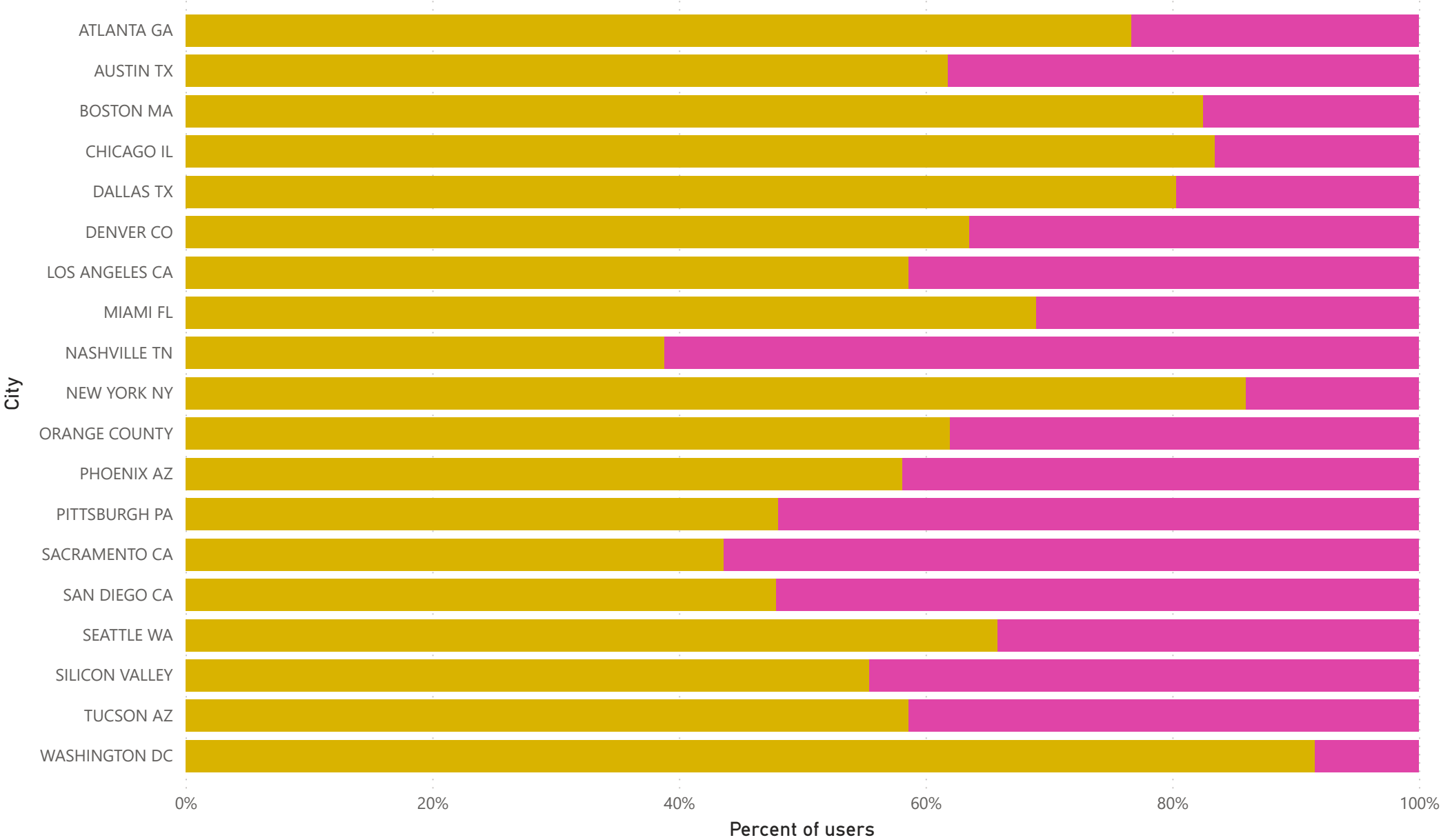## Number of customers in different quarters

Company ● Pink Cab ● Yellow Cab

This chart illustrates the variation in the frequency of taxi service utilization based on the seasons

Percentage of users by City and Company

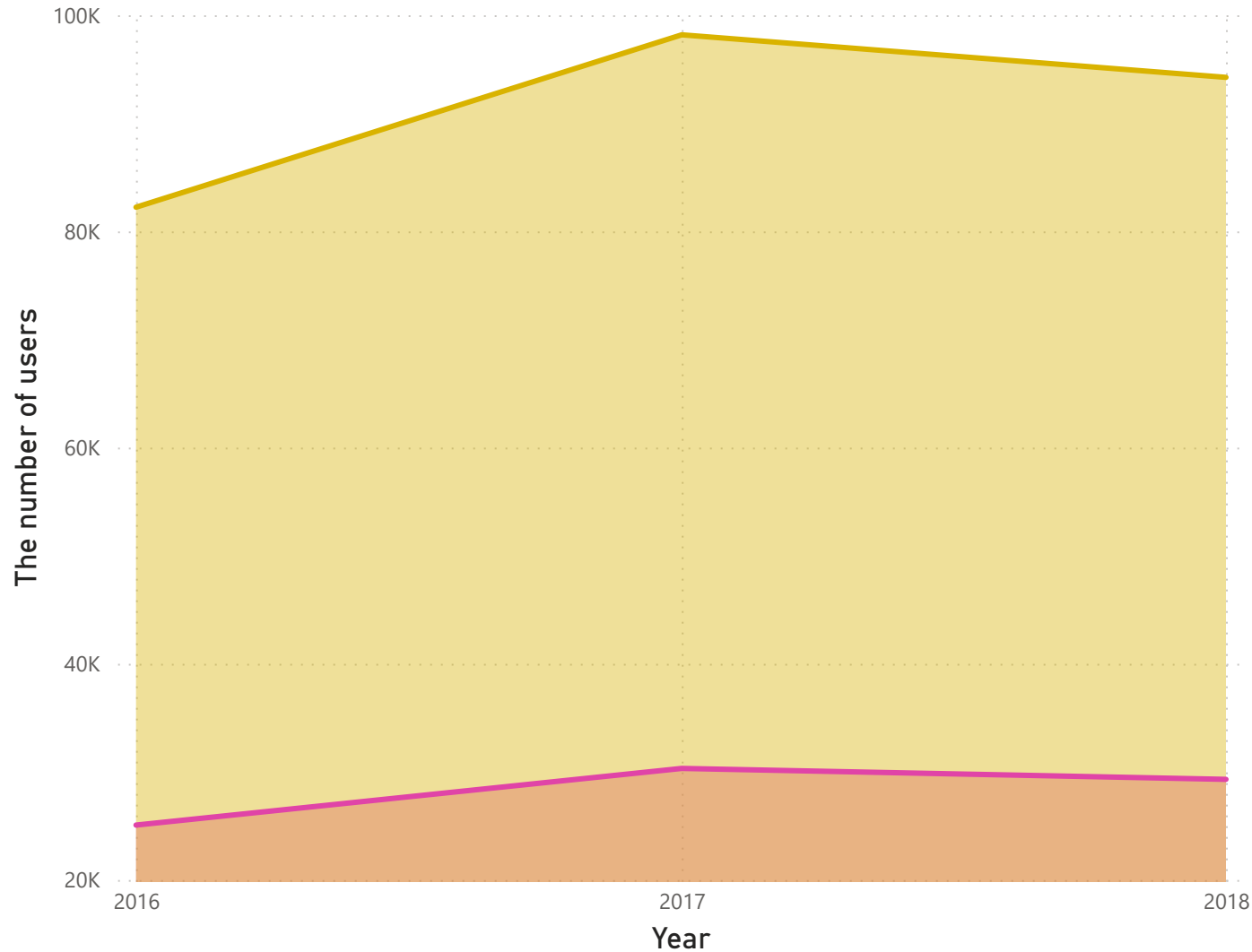**Company** ● Yellow Cab ● Pink Cab

This graph shows percentage of users of both companies by city. Pink Cab is a leader only in 4 cities. Most major cities prefer Yellow Cab.

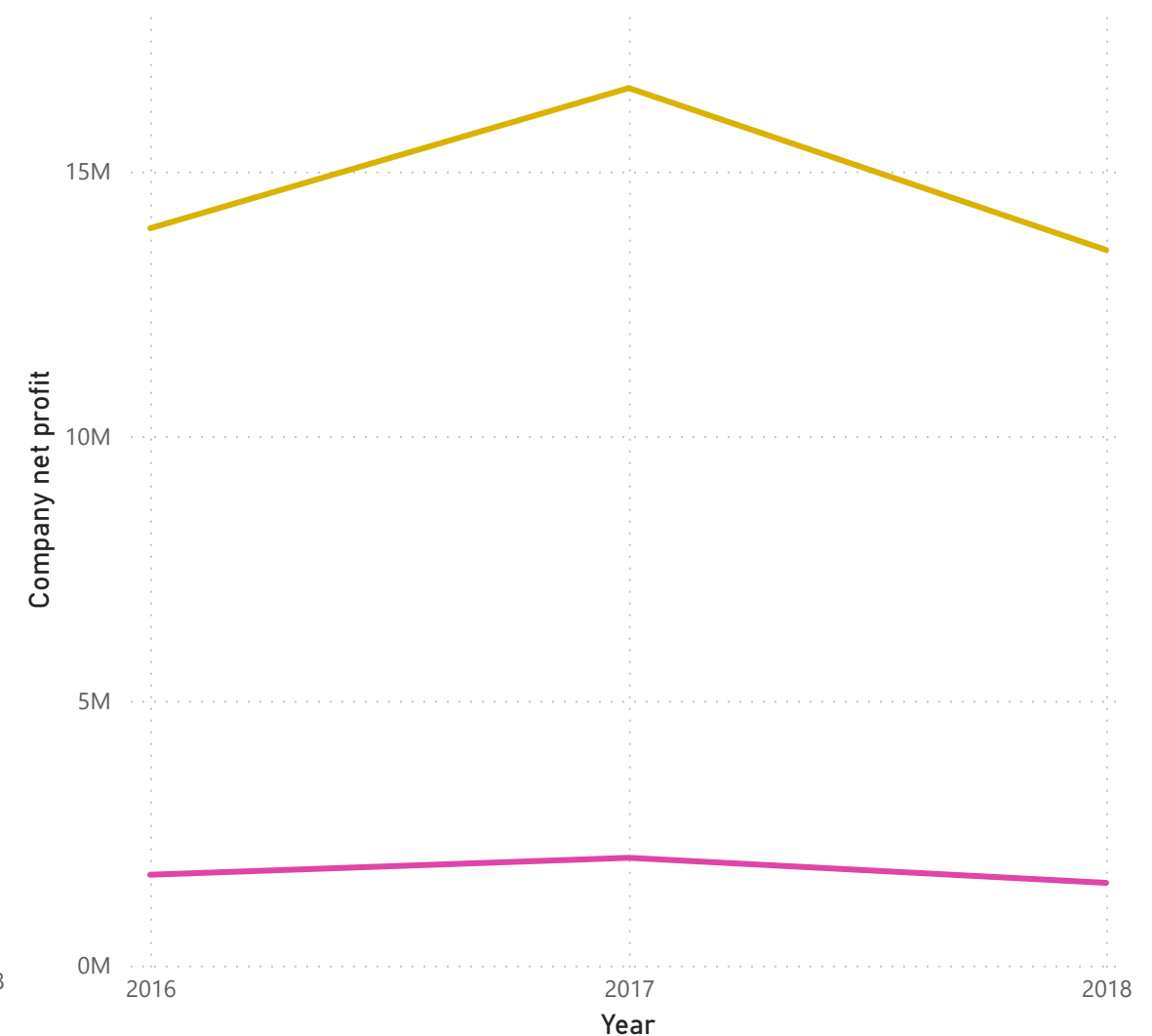# Change in the number of users and profitability by company over 3 years

The number of Users by Year and Company
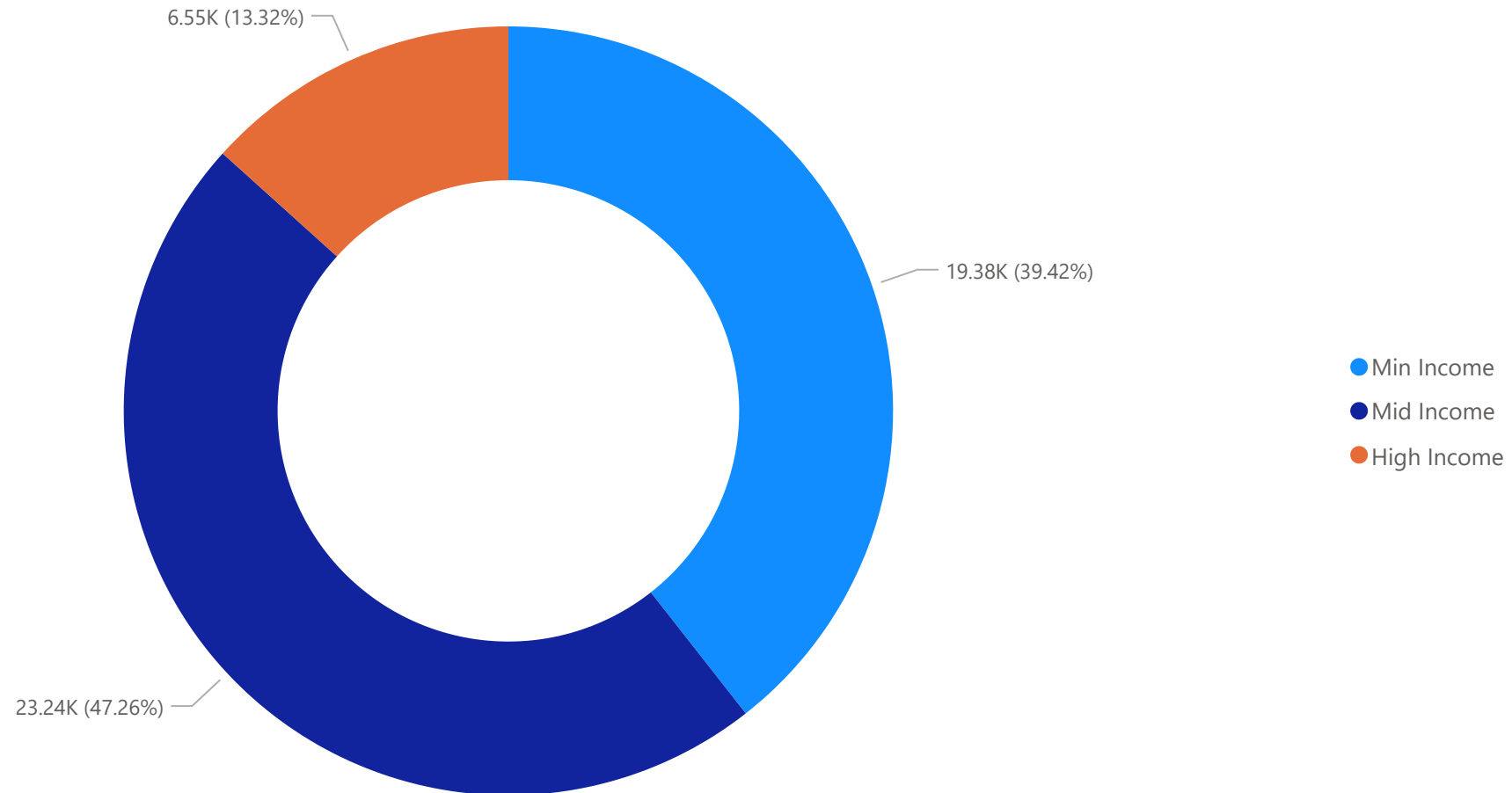
Company ● Pink Cab ● Yellow Cab

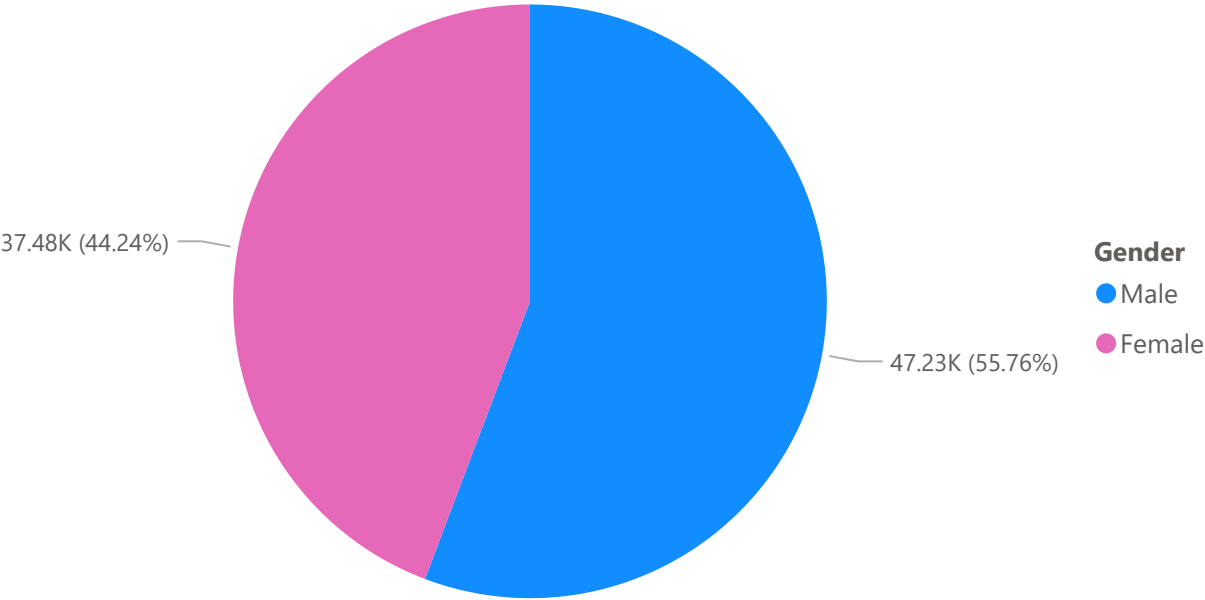## Changes in company profitability by year

Company ● Pink Cab ● Yellow Cab

Distribution of users by income

6.55K (13.32%)

19.38K (39.42%)

23.24K (47.26%)

- Min Income
- Mid Income
- High Income

User analysis by gender and payment method

User ratio by gender

37.48K (44.24%)

47.23K (55.76%)

Gender
- Male
- Female

User ratio by payment method

33.99K (40.13%)

50.72K (59.87%)

Payment Mode
- Card
- Cash

User analysis by gender and payment method

User ratio by gender

116K (42.23%)

158.68K (57.77%)

Gender
- Male
- Female

User ratio by payment method

109.9K (40.01%)

164.79K (59.99%)
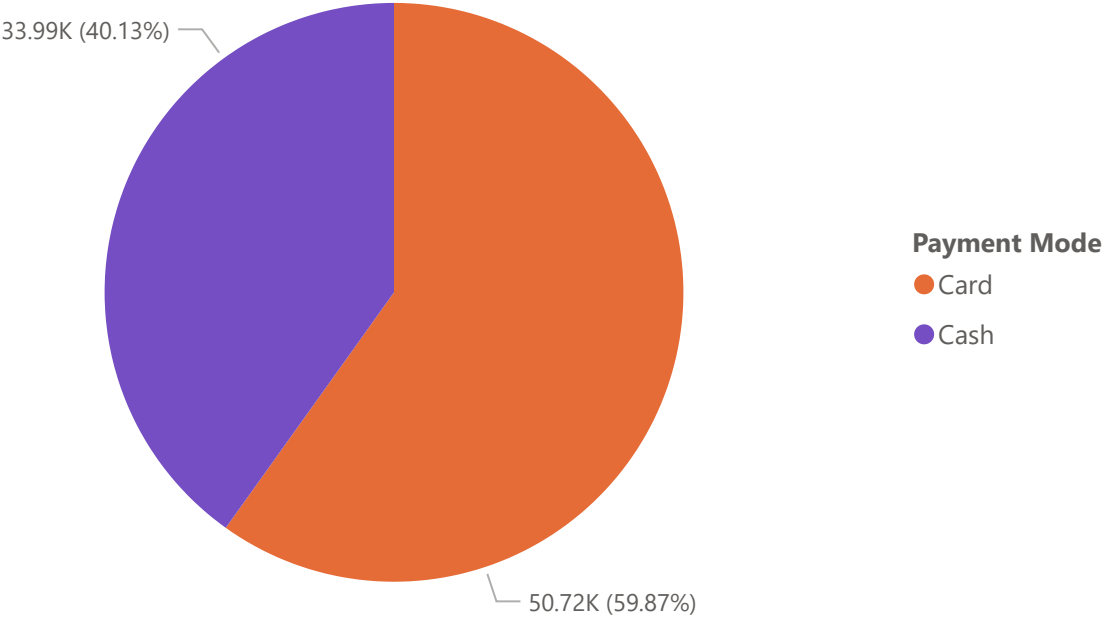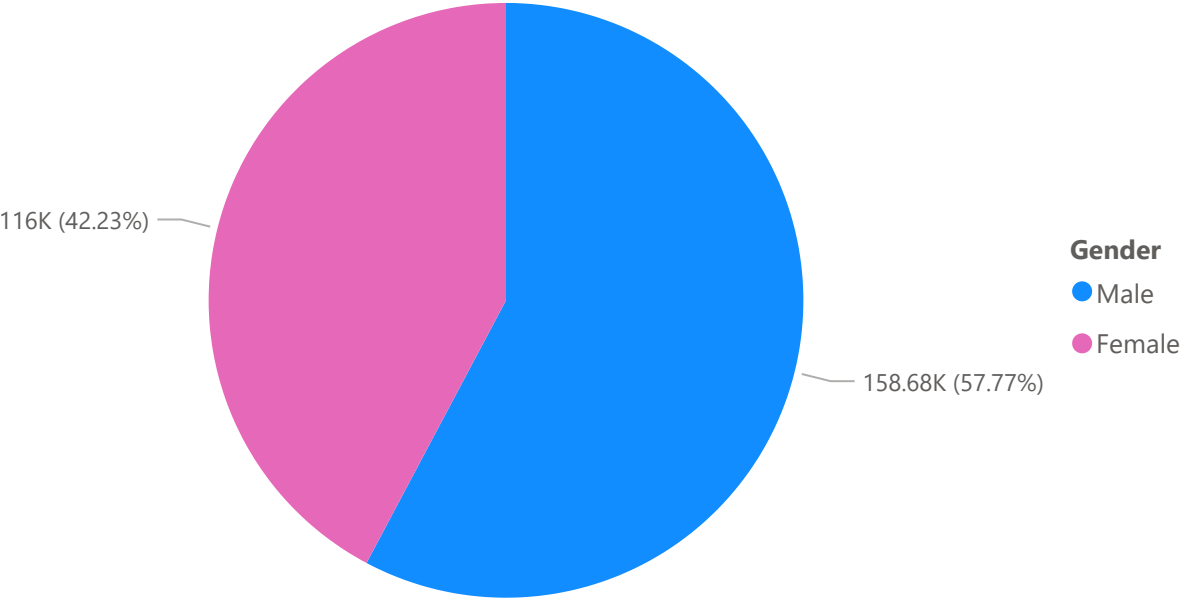
Payment Mode
- Card
- Cash
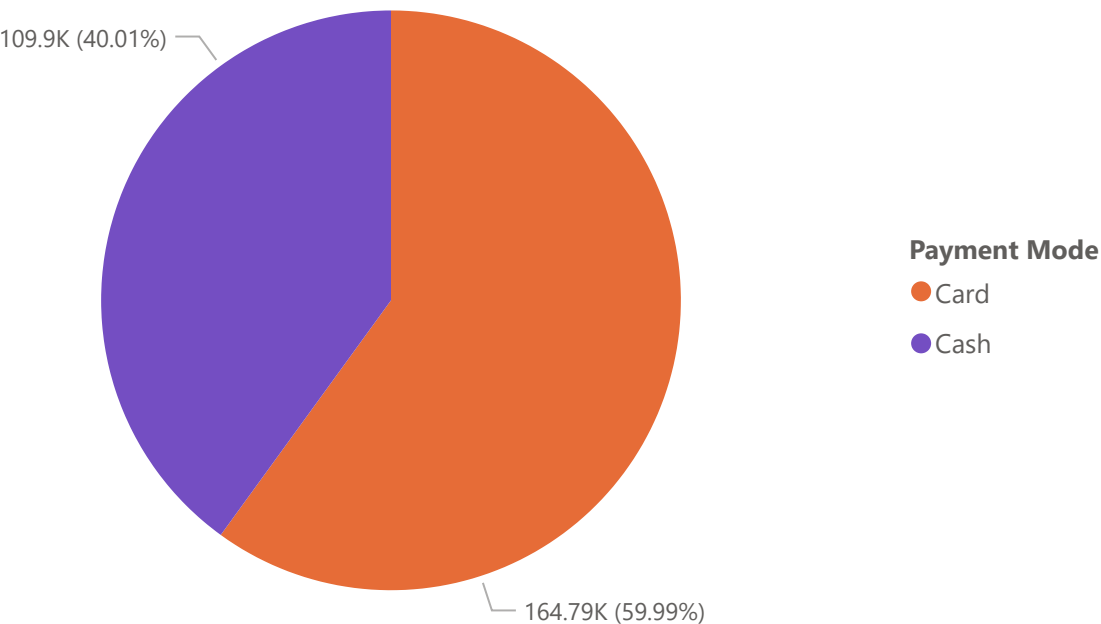
After a comprehensive evaluation of both cab companies, Yellow Cab emerges as the superior choice over Pink Cab based on the following key criteria:

Customer Reach:
- Yellow Cab exhibits a stronger presence in 25 cities, signifying broader customer reach.
- Pink Cab, on the other hand, has higher customer reach in only 4 cities.

Average Profit per KM:
- Yellow Cab boasts an impressive average profit per kilometer, nearly 2.5 times higher than that of Pink Cab.

Income-wise Reach:
- Both companies cater effectively to high and medium-income classes.
- Yellow Cab outperforms Pink Cab in extending its services to all income classes, including low, medium, and high.

Profit Forecasting:
- Yellow Cab demonstrates a notable advantage in user base and, consequently, revenue generation. However, it is crucial to acknowledge the potential vulnerability associated with a substantial concurrent outflow, as depicted in the graph. Nevertheless, under the premise of the company's stable operational performance, this signifies an expeditious and dependable avenue for maximizing income per invested dollar.

In conclusion, considering the superior customer reach, significantly higher average profit per kilometer, and a more resilient financial forecast, we strongly recommend Yellow Cab as the preferred choice for investment.