

# G2M insight for Cab Investment firm EDA analysis

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Mukhammadjon Kholmirzaev

#### Background

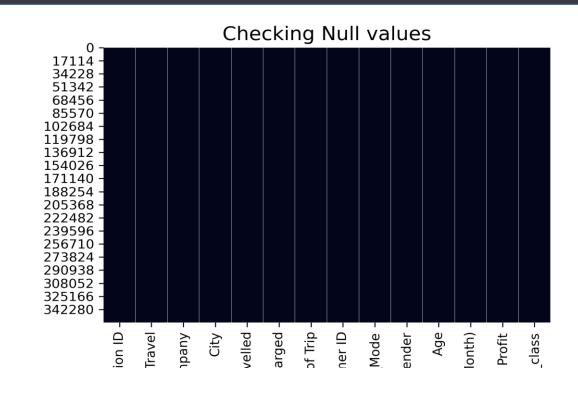
- XYZ is a private equity firm in US. Due to remarkable growth in the Cab Industry in last few years and multiple key players in the market, it is planning for an investment in Cab industry. (Yellow Cab, Pink Cab)
- Objective: Provide actionable insights to help XYZ firm in identifying the right company for making investment.

#### Contents of EDA analysis:

- Data Exploration
- Statistical Analysis
- Correlation Analysis
- Finding the most profitable Cab company
- Recommendations for investment

#### **Data Exploration**

- 14 Features(including 2 derived features)
- Timeframe of the data: 2016-01-31 to 2018-12-31
- Total data points: 359,392
  - Firstly, the data frames merged by foreign\_key values.
  - In order to join dataframes, I've decided to use Inner join over Left join. Mainly, it only returns the matched rows in both dataframe also it is faster when we work with meta data and only need an intersection.
  - After merging, there are no Null values and Duplicated



## Statistical Analysis

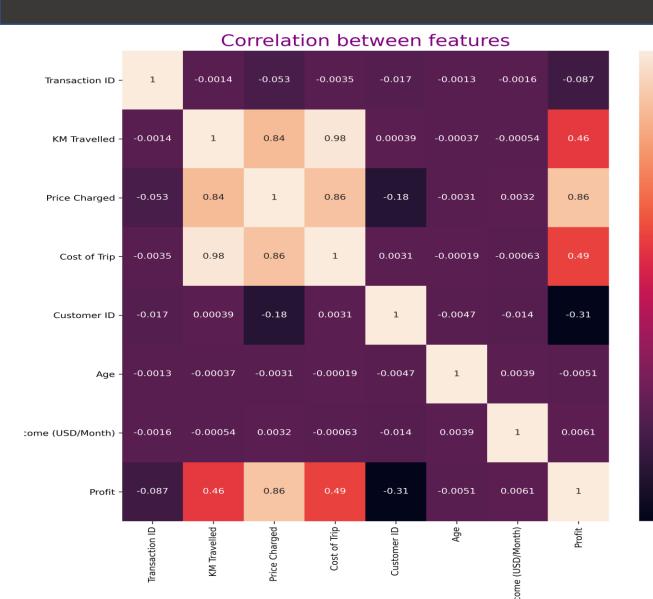
	count	mean	std	min	25%	50%	75%	max
Transaction ID	359392.0	1.022076e+07	126805.803715	10000011.0	1.011081e+07	10221035.50	1.033094e+07	10440107.00
KM Travelled	359392.0	2.256725e+01	12.233526	1.9	1.200000e+01	22.44	3.296000e+01	48.00
Price Charged	359392.0	4.234433e+02	274.378911	15.6	2.064375e+02	386.36	5.836600e+02	2048.03
Cost of Trip	359392.0	2.861901e+02	157.993661	19.0	1.512000e+02	282.48	4.136832e+02	691.20
Customer ID	359392.0	1.919165e+04	21012.412463	1.0	2.705000e+03	7459.00	3.607800e+04	60000.00
Age	359392.0	3.533670e+01	12.594234	18.0	2.500000e+01	33.00	4.200000e+01	65.00
Income (USD/Month)	359392.0	1.504882e+04	7969.409482	2000.0	8.424000e+03	14685.00	2.103500e+04	35000.00

Statistics for numerical Features

	count	unique	top	freq
Date of Travel	359392	1095	2018-01-05	2022
Company	359392	2	Yellow Cab	274681
City	359392	19	NEW YORK NY	99885
Payment_Mode	359392	2	Card	215504
Gender	359392	2	Male	205912

Statistics for categorical features

#### **Correlation Analysis**



 The following heatmap illustrates the correlation between numerical features.

- 0.8

- 0.6

- 0.4

- 0.2

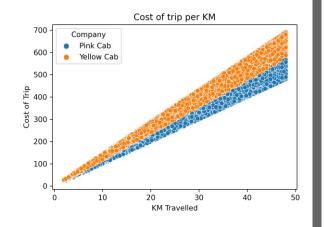
- 0.0

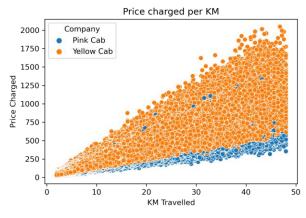
- -0.2

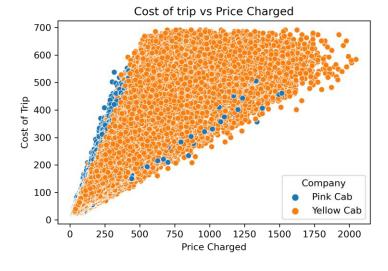
- For the two companies, KM Traveled and Cost of Trip are more relevant than KM Traveled and Price Charged.
- The derived feature Profit has similar correlation to that three features.

# Correlation Analysis

- There is significant difference on price between the companies as km increases.
- As we can see, Yellow cab charged more money than Pink Cab for longer distance.







#### **Profit Analysis**

```
Company
```

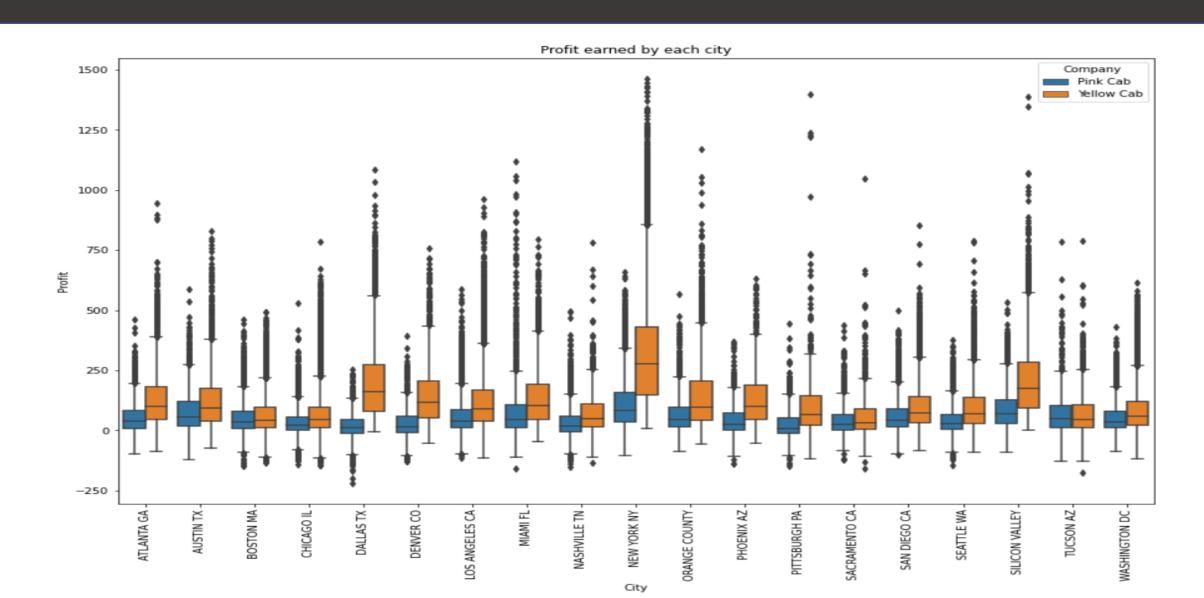
Pink Cab 62.652174

Yellow Cab 160.259986

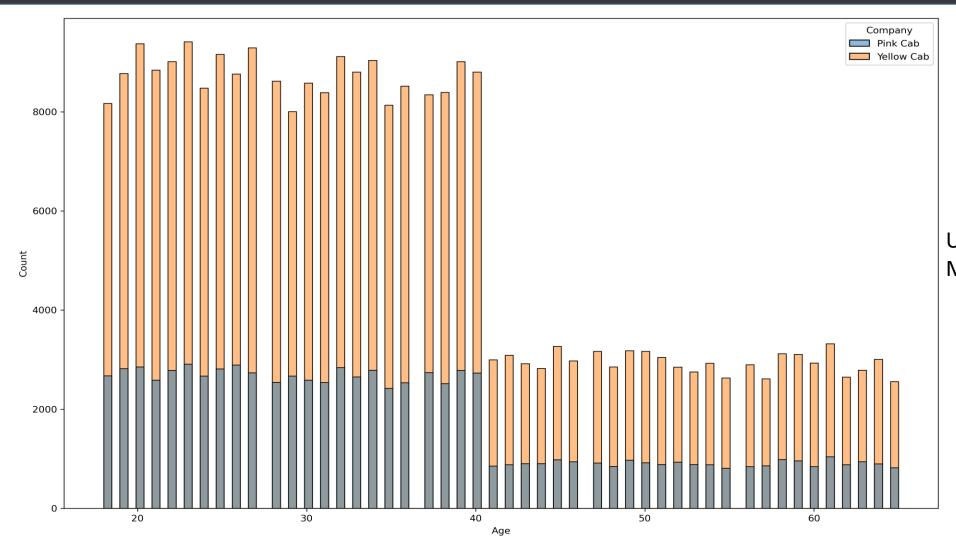
Name: Profit, dtype: float64

The average of both companies clearly illustrates which company is dominant here

### Profit Analysis by City

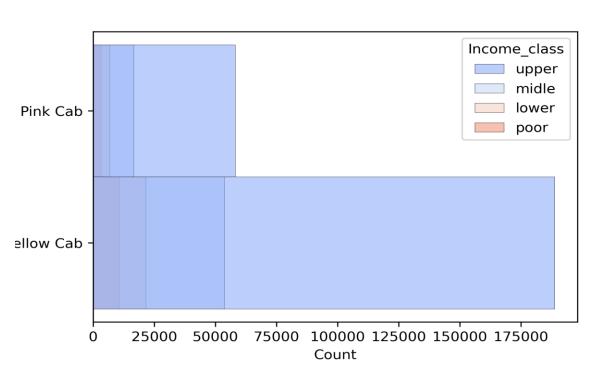


#### Age Group



Users aged on average 20-60. Most users aged 20-40

#### **Income Class Analysis**



```
Income group—#Income

Poor or near-poor—#$32,048 or less

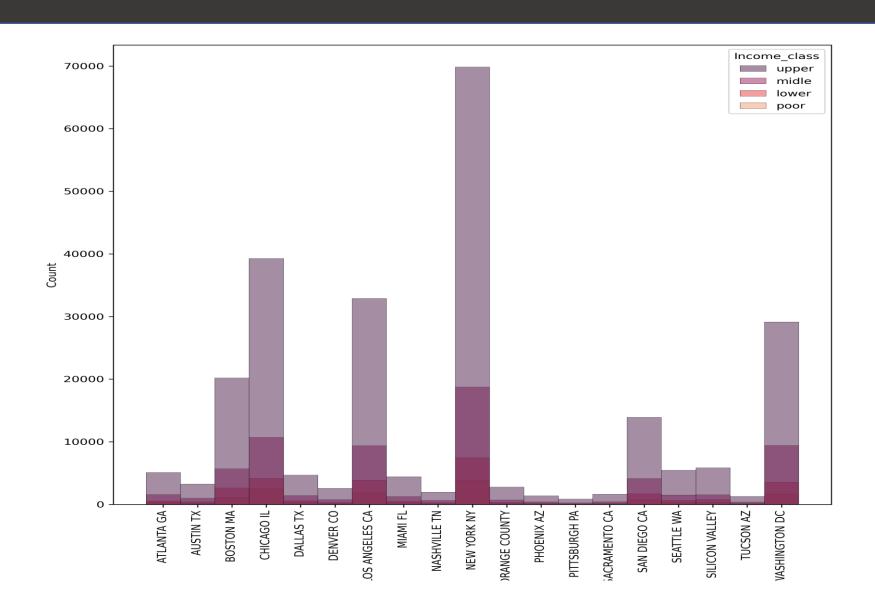
Lower-middle class—#$32,048 - $53,413

Middle class—#$53,413 - $106,827

Upper-middle class—#$106,827 - $373,894
```

Company	Income_	class	
Pink Cab	lower	6792	
	midle		16578
	poor		3321
	upper		58020
Yellow Cab	lower		21646
	midle		53655
	poor		10682
	upper		188698
Name: Incom	e_class,	dtype:	int64

#### Income Class Analysis by city



## Payment Mode by Income Class

Income_class	Payment_Mode	
lower	Card	4074
	Cash	2718
midle	Card	9860
	Cash	6718
poor	Card	2016
	Cash	1305
upper	Card	34769
	Cash	23251
lower	Card	12972
	Cash	8674
midle	Card	32218
	Cash	21437
poor	Card	6393
	Cash	4289
upper	Card	113202
	Cash	75496
	lower  midle  poor  upper  lower  midle  poor	lower Card Cash midle Card Cash poor Card Cash upper Card Cash lower Card Cash midle Card Cash poor Card Cash upper Card Cash Cash Card Cash poor Card Cash Cash Card

Name: Income\_class, dtype: int64



#### Recommendations

- Overall, We found that Yellow cap is a way better than Pink cab
- **Company Profit:** The Yellow Cab Company has higher profits on every aspect:
  - Average: The average profit per kilometer of the yellow cab is nearly 3 times the average profit per kilometer of the pink cab
  - Income level: Most users of Cabs are in the middle and upper classes. Yellow cab has more
    upper level customers.
  - City: Profit of Yellow cab is significantly higher in many cities, except Tucson Az.
- **Customer Reach:** The yellow cabin has a higher customer reach in 25 cities whereas the pink cabin has a higher customer reach in 4 cities.
- Transaction counts: Yellow Cab has a larger number of transactions then Pink Cap.
- According to above points, it is highly recommended to invest Yellow cab. But also, we should consider that profit of Pink Cab is gradually increasing. However, We can surely say that Yellow cabin can maintain monopoly for several years.



# Thank You