G2M Case Study
Virtual Internship

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Context - Case study of the G2M (cab industry)

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
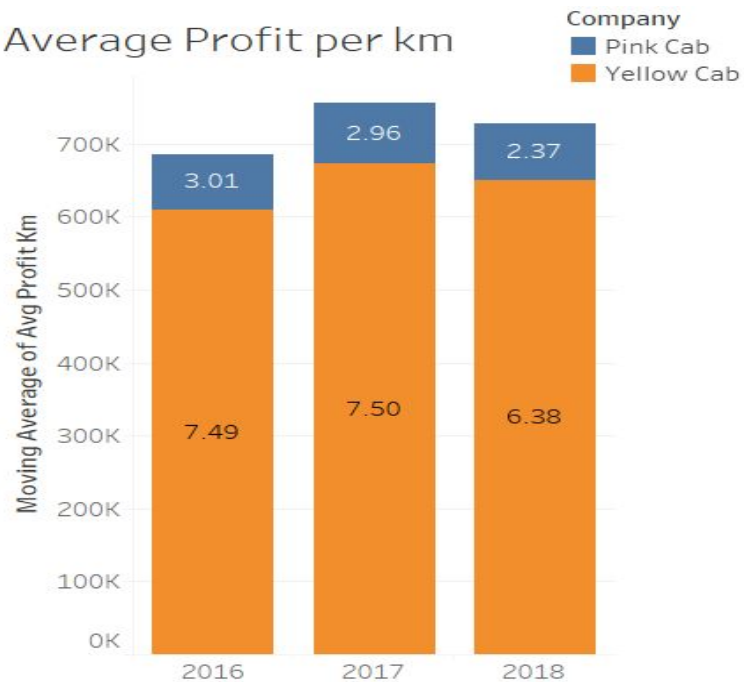
Objective: practical insights that can assist the XYZ company in identifying the most suitable company to invest in

Content:

➢ Data comprehension
➢ Prediction of profits and the number of rides for each type of cab
➢ Determining the most lucrative cab company
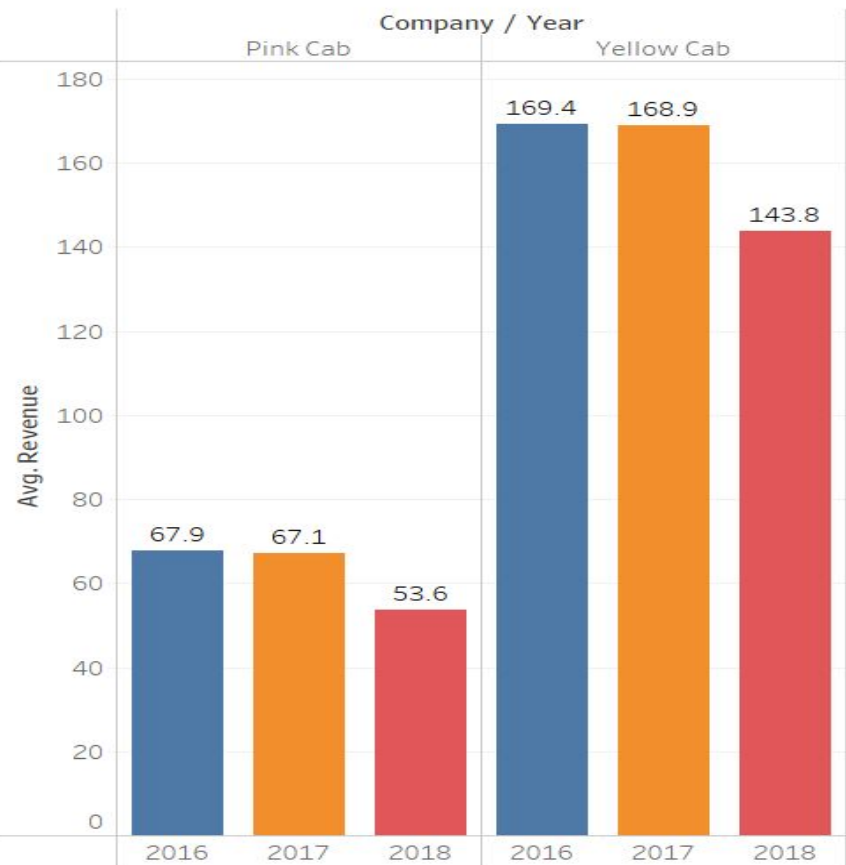➢ Suggestions for investment opportunities

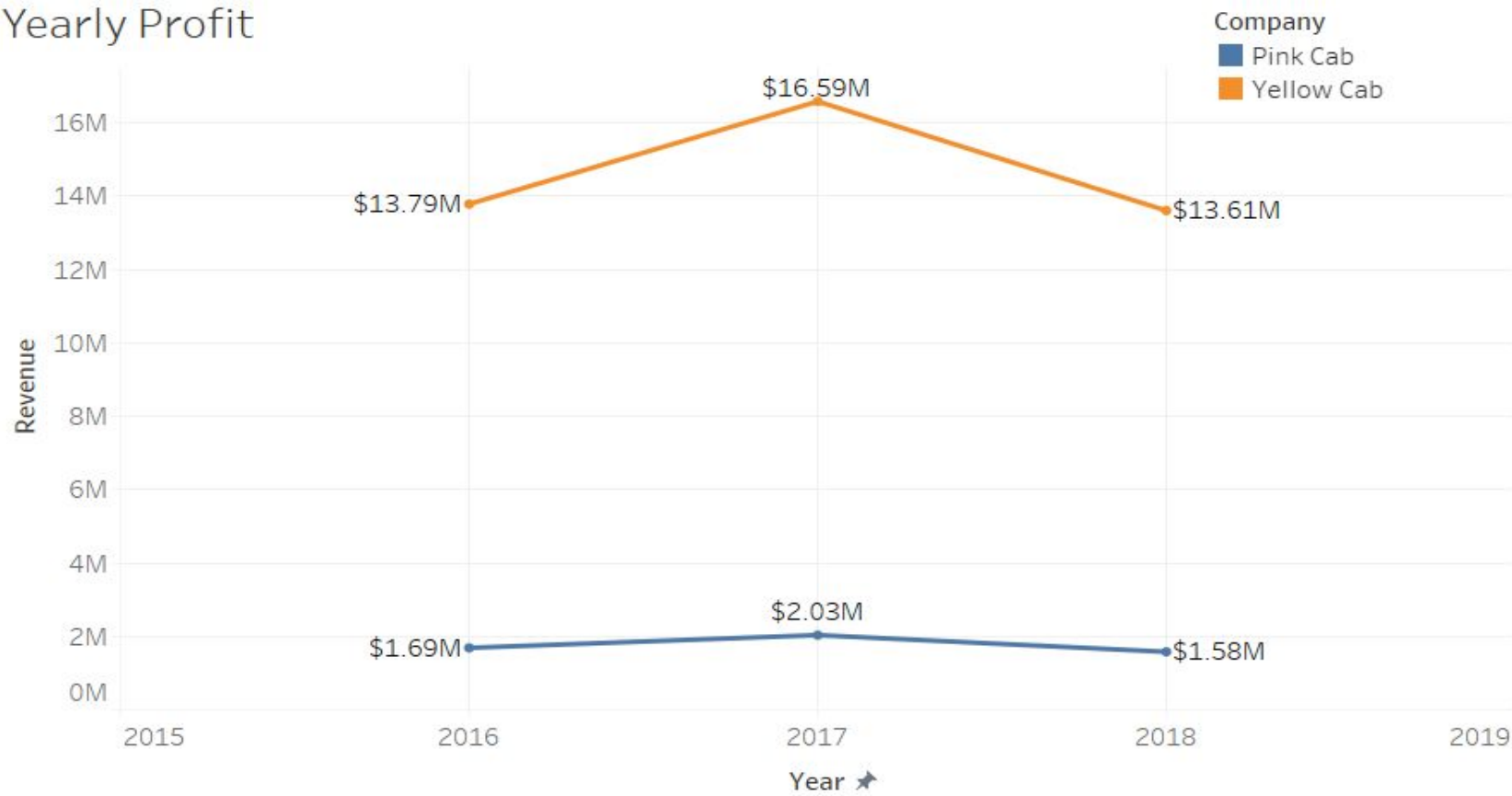# Profit Analysis

Average Profit per km

Company	Total Rides	Revenue	Profit per Ri..
Pink Cab	84,597	$5.30M	63
Yellow Cab	274,282	$43.98M	160

Yearly Profit Analysis

Yearly Profit

Company
- Pink Cab
- Yellow Cab

Yellow Cab:
- 2016: $13.79M
- 2017: $16.59M
- 2018: $13.61M

Pink Cab:
- 2016: $1.69M
- 2017: $2.03M
- 2018: $1.58M

Revenue (Y-axis): 0M, 2M, 4M, 6M, 8M, 10M, 12M, 14M, 16M

Year (X-axis): 2015, 2016, 2017, 2018, 2019

Profit and customer base Analysis Gender wise

Gender wise Profit

Company / Gender / Year

Pink Cab — Female, Male
Yellow Cab — Female, Male

Avg. Revenue

	2016	2017	2018
Pink Cab Female	67.4	66.5	53.5
Pink Cab Male	68.3	67.6	53.7
Yellow Cab Female	164.9	165.3	140.2
Yellow Cab Male	172.5	171.5	146.4

Gender wise Customers

Company / Gender / Year

Pink Cab — Female, Male
Yellow Cab — Female, Male

Gender
- Female
- Male

% of customers contribution

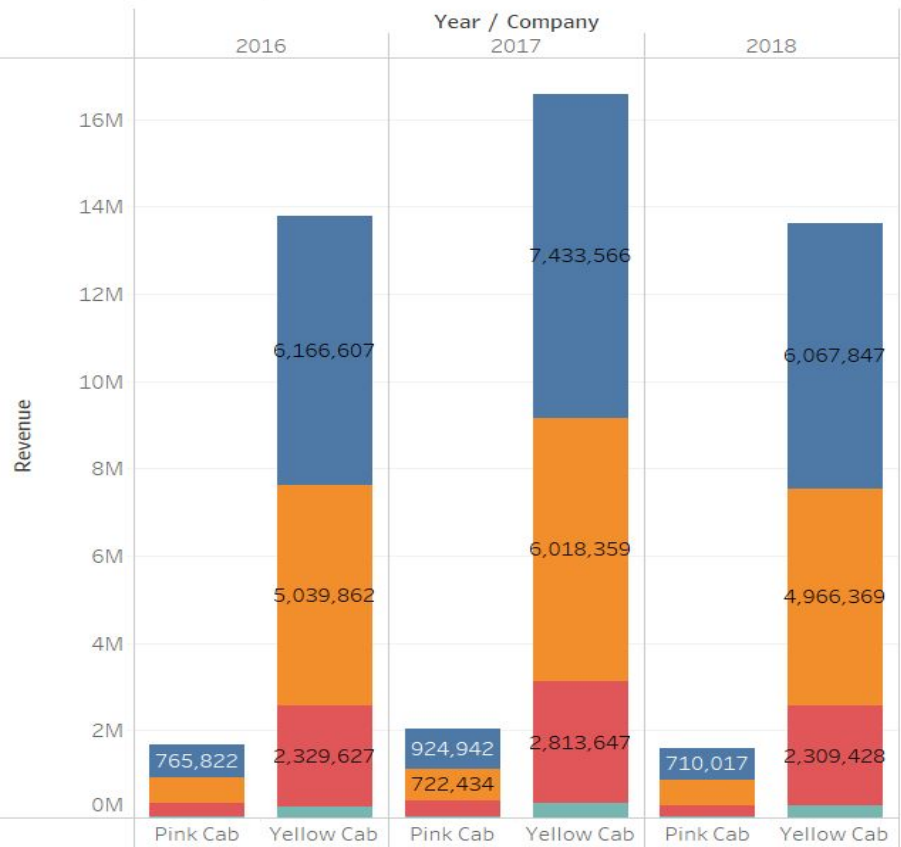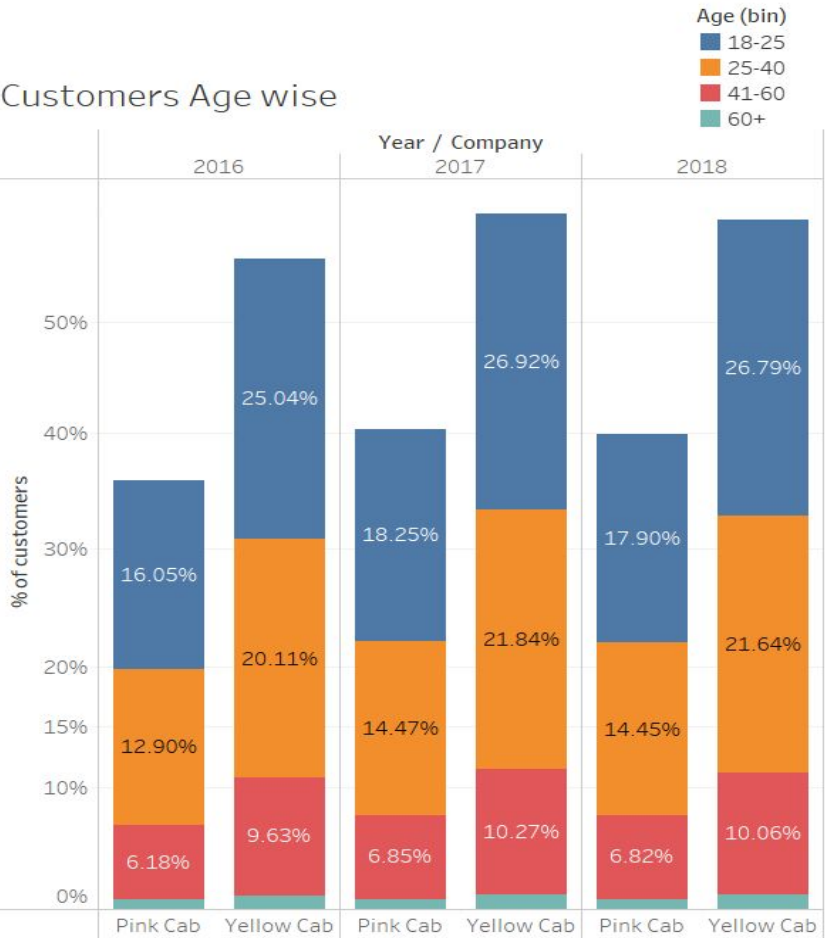|	2017	2018	2016
Pink Cab Female	18.27%	18.16%	15.83%
Pink Cab Male	22.12%	21.86%	20.06%
Yellow Cab Female	27.25%	26.98%	24.86%
Yellow Cab Male	33.02%	32.71%	31.07%

The results indicate that there is no significant difference in the usage or profit contribution between male and female riders for both types of cabs.

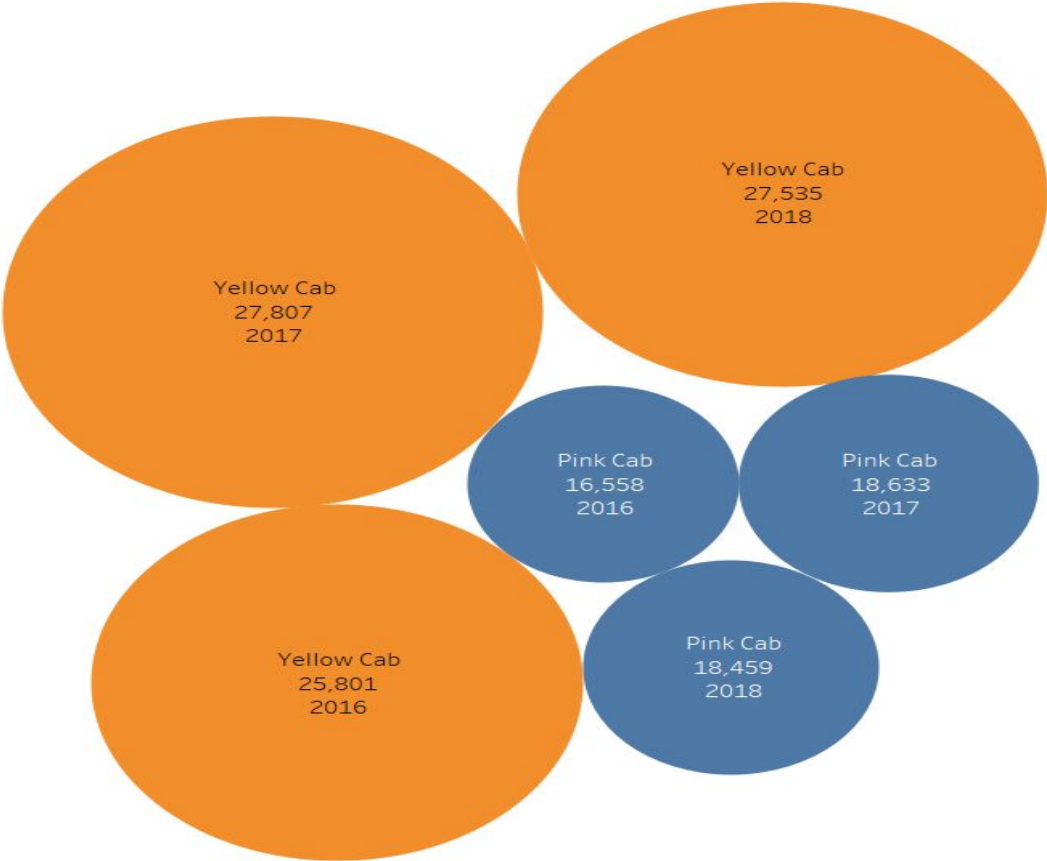# Profit and customer base Analysis Age wise

Profit Age Group

Year / Company

	2016	2017	2018

- 7,433,566
- 6,166,607
- 6,067,847
- 5,039,862
- 6,018,359
- 4,966,369
- 765,822
- 924,942
- 710,017
- 2,329,627
- 722,434
- 2,813,647
- 2,309,428

Revenue

Customers Age wise

Year / Company

Age (bin)
- 18-25
- 25-40
- 41-60
- 60+

% of customers

| Year	Age 18-25	Age 25-40	Age 41-60
2016 Pink Cab	16.05%	12.90%	6.18%
2016 Yellow Cab	25.04%	20.11%	9.63%
2017 Pink Cab	18.25%	14.47%	6.85%
2017 Yellow Cab	26.92%	21.84%	10.27%
2018 Pink Cab	17.90%	14.45%	6.82%
2018 Yellow Cab	26.79%	21.64%	10.06%

Profit and customer base Analysis Age wise

Customer_retention_at least 5 rides

The analysis indicates that the yellow cab company had the highest number of rides with the same 5 customers, compared to pink company.
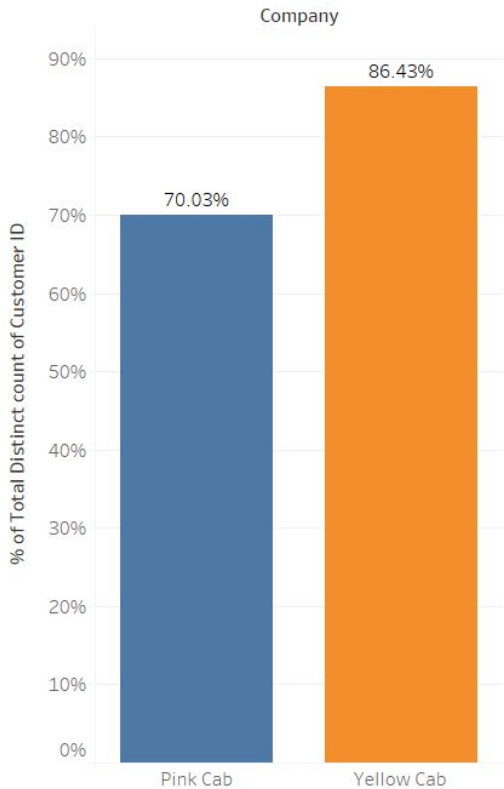
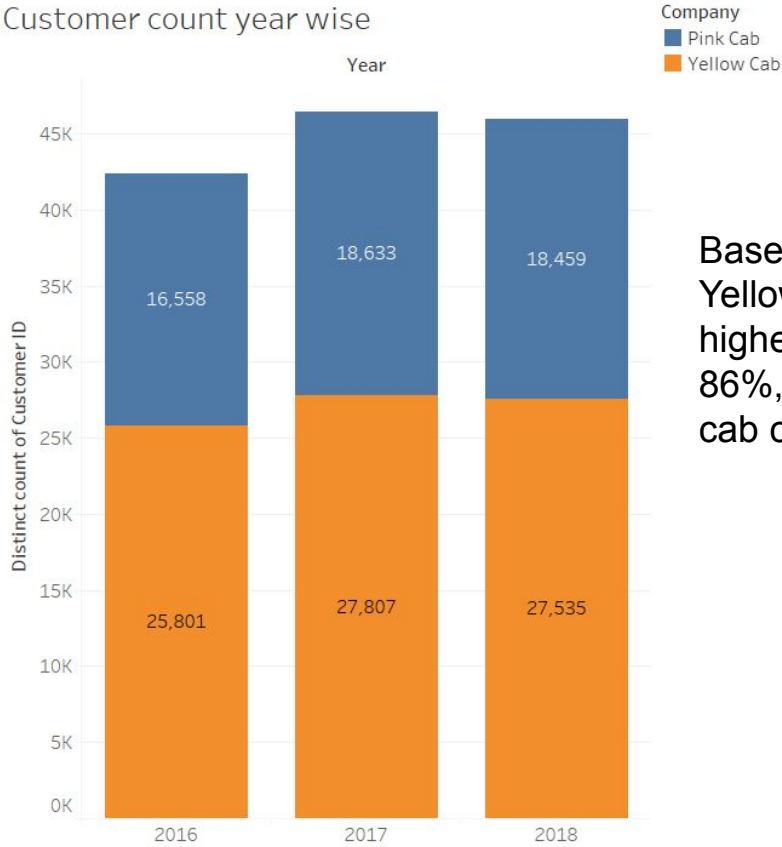# City Wise Cab Users Covered By Company

City wise Users
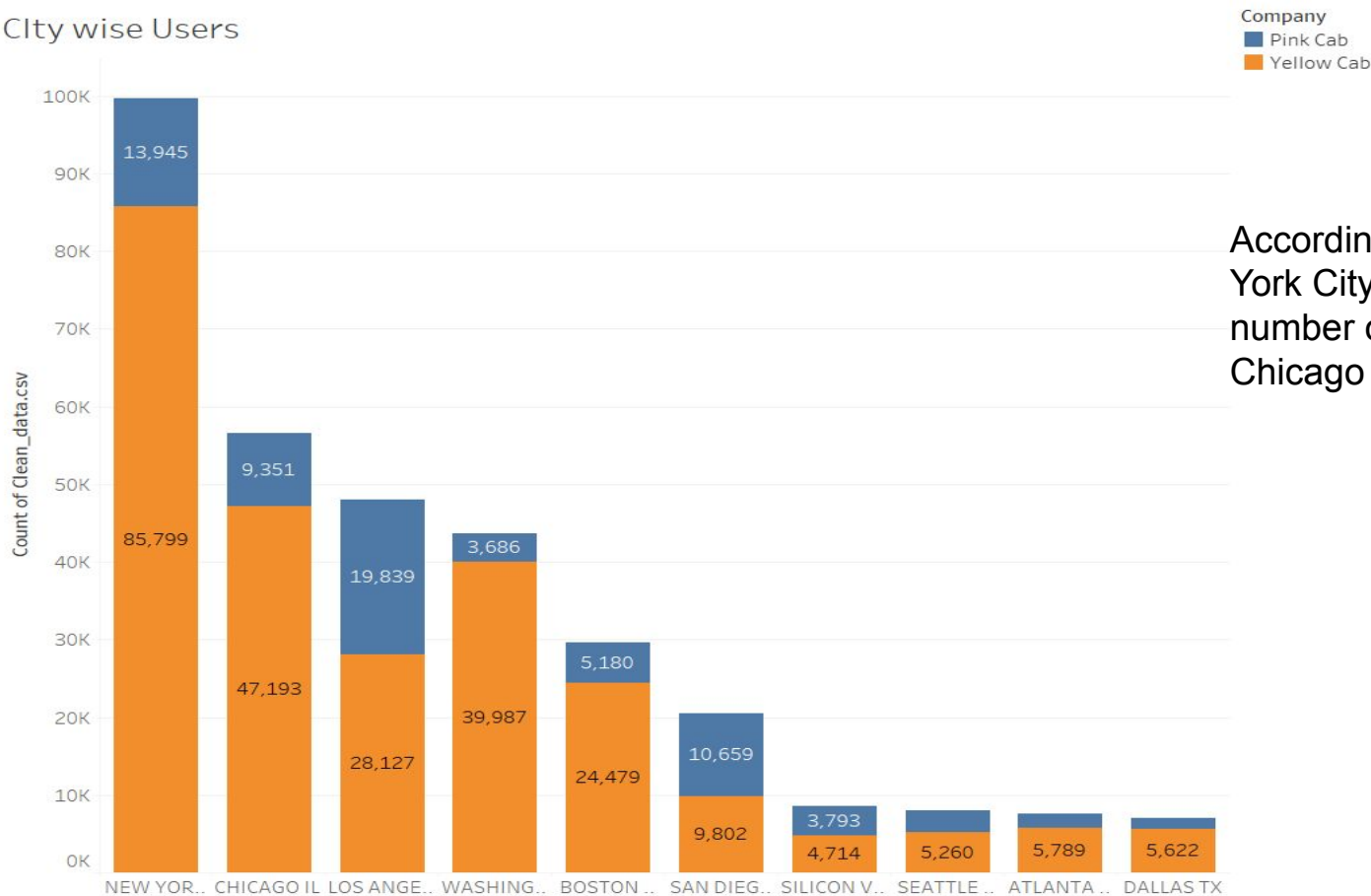
According to the analysis, New York City had the highest number of rides, followed by Chicago and Los Angeles.

City Wise Cab Users Covered By Company
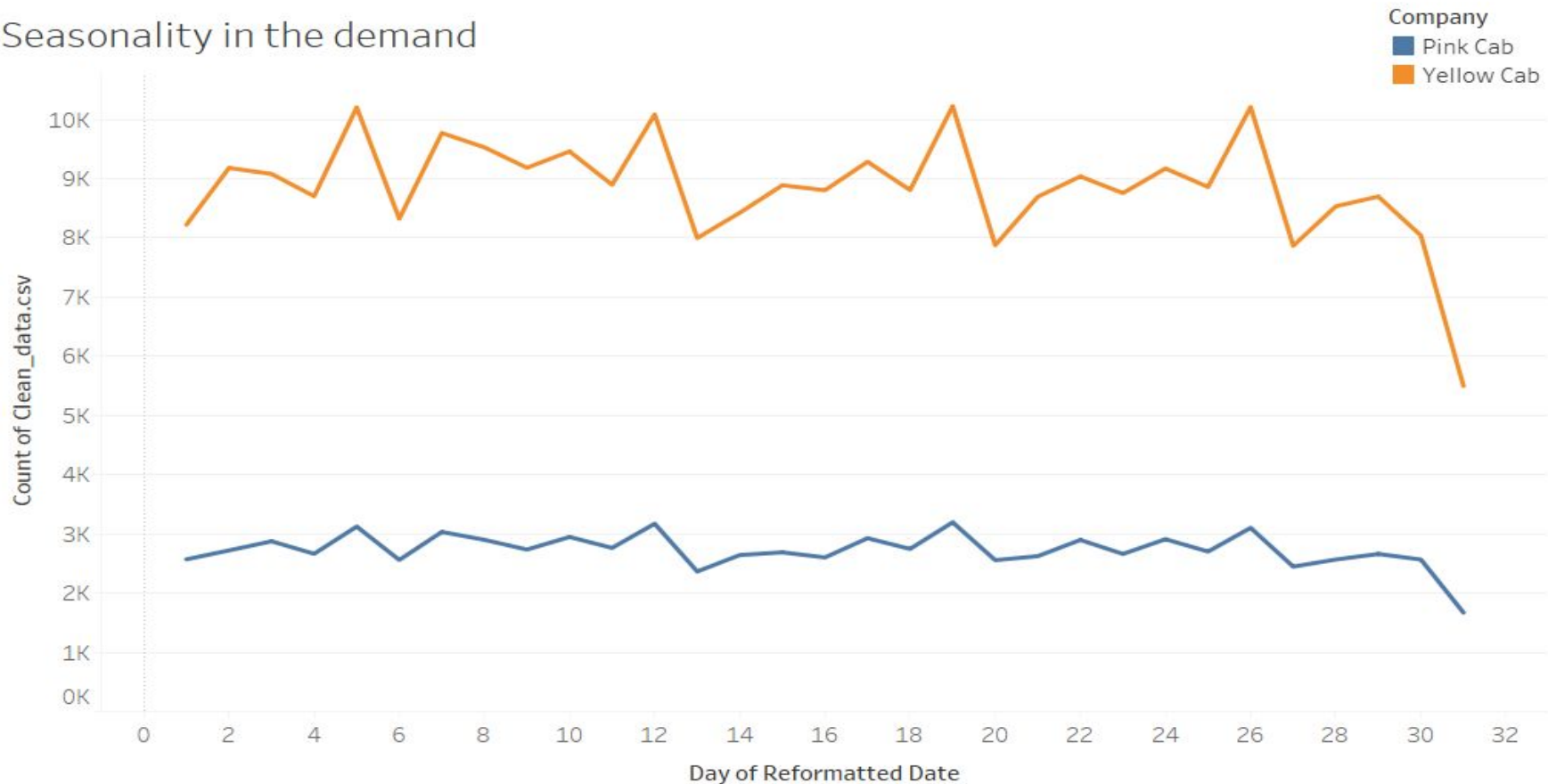

Users Coverd by Company

Customer count year wise

Based on the analysis, the Yellow cab company had a higher percentage of rides at 86%, compared to the Pink cab company at 70%.
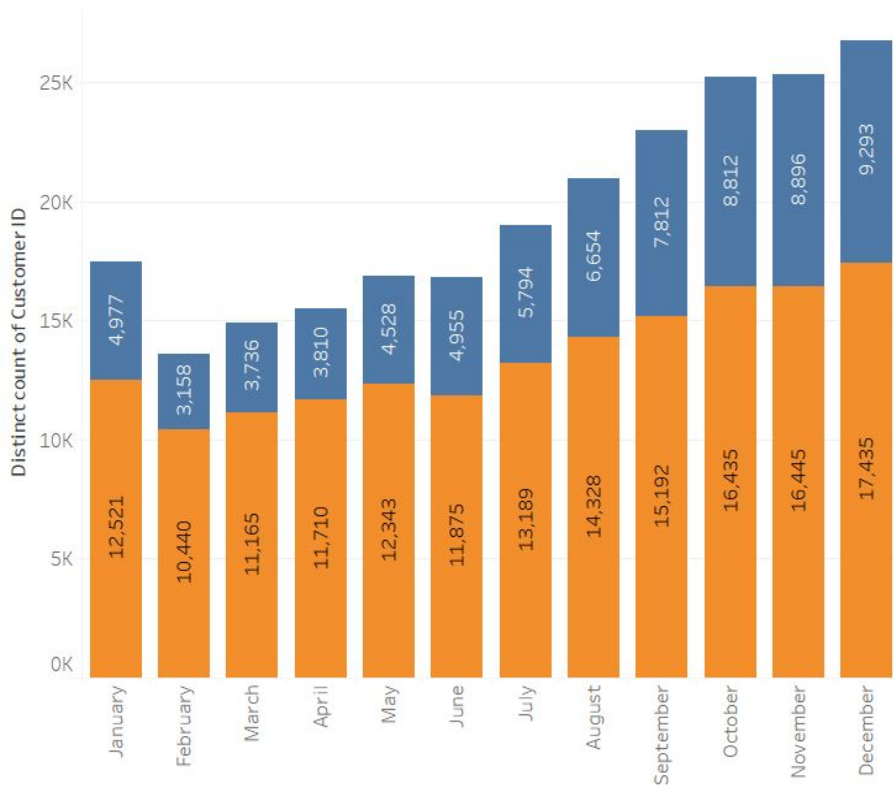
Seasonality in the demand
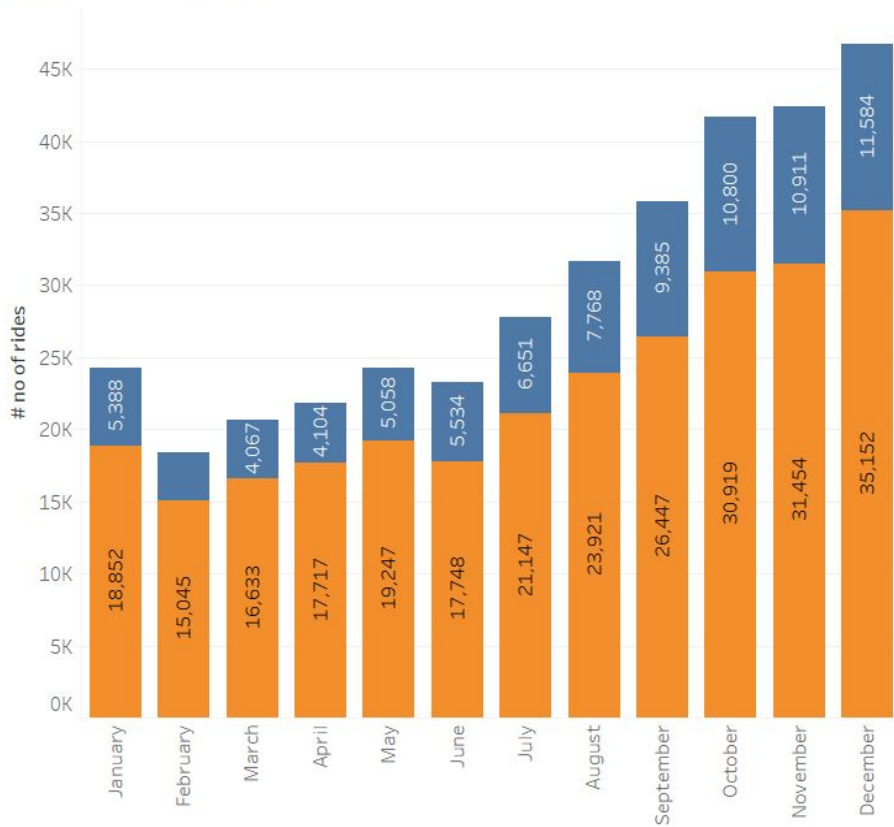

Seasonality in the demand

Customer And Ride Analysis Month Wise

Customers month wise

Distinct count of Customer ID

Month	Blue	Orange
January	4,977	12,521
February	3,158	10,440
March	3,736	11,165
April	3,810	11,710
May	4,528	12,343
June	4,955	11,875
July	5,794	13,189
August	6,654	14,328
September	7,812	15,192
October	8,812	16,435
November	8,896	16,445
December	9,293	17,435

Rides month wise

no of rides

Month	Blue	Orange
January	5,388	18,852
February		15,045
March	4,067	16,633
April	4,104	17,717
May	5,058	19,247
June	5,534	17,748
July	6,651	21,147
August	7,768	23,921
September	9,385	26,447
October	10,800	30,919
November	10,911	31,454
December	11,584	35,152

Customer Preference on Holiday

Holidays Profit Analysis

Revenue

$0.00M — $0.22M
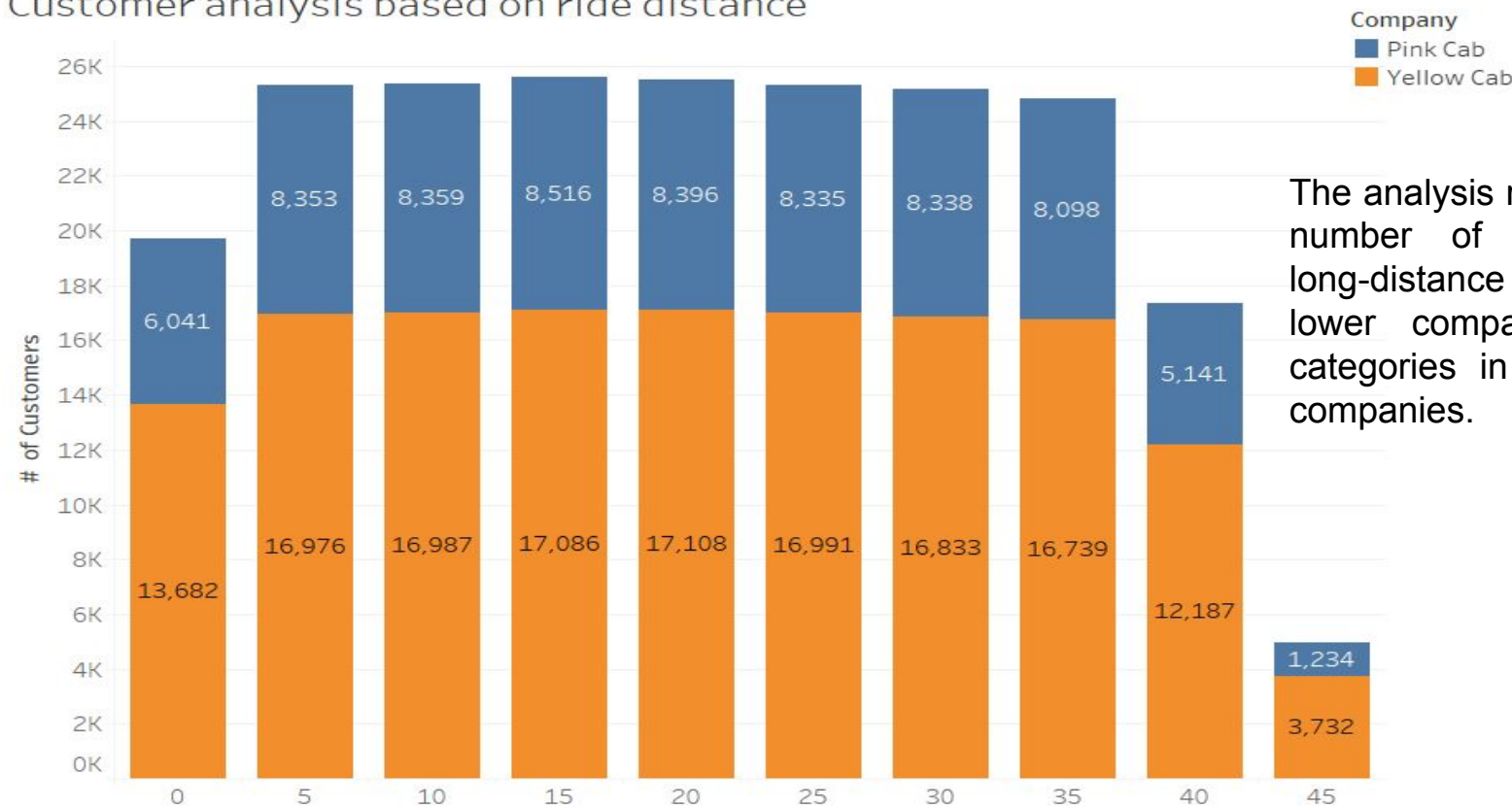
According to the analysis, the number of rides peaked during Memorial Day followed by Columbus Day and Washington's Birthday.

Customer analysis based on ride distance

Customer analysis based on ride distance

Company
- Pink Cab
- Yellow Cab

The analysis reveals that the number of rides in the long-distance category is lower compared to other categories in both the cab companies.

Seasonality in the Profit

monthly Profit

Company
- Pink Cab
- Yellow Cab

2016
- $2.73M
- $3.46M
- $3.18M
- $4.41M
- $0.25M
- $0.21M
- $0.38M
- $0.85M

2017
- $3.61M
- $3.95M
- $3.68M
- $5.35M
- $0.37M
- $0.26M
- $0.46M
- $0.95M

2018
- $3.13M
- $3.22M
- $2.92M
- $4.33M
- $0.34M
- $0.18M
- $0.33M
- $0.72M

Profit Forecasting for 2019

Profit Forecasting for 2019

Reformatted Date

Company, Forecast indi..
- Pink Cab, Actual
- Pink Cab, Estimate
- Yellow Cab, Actual
- Yellow Cab, Estimate

Revenue

$16.6M

$13.8M

$13.7M $13.7M

$1.7M $2.0M

$1.6M $1.6M

2016   2017   2018   2019
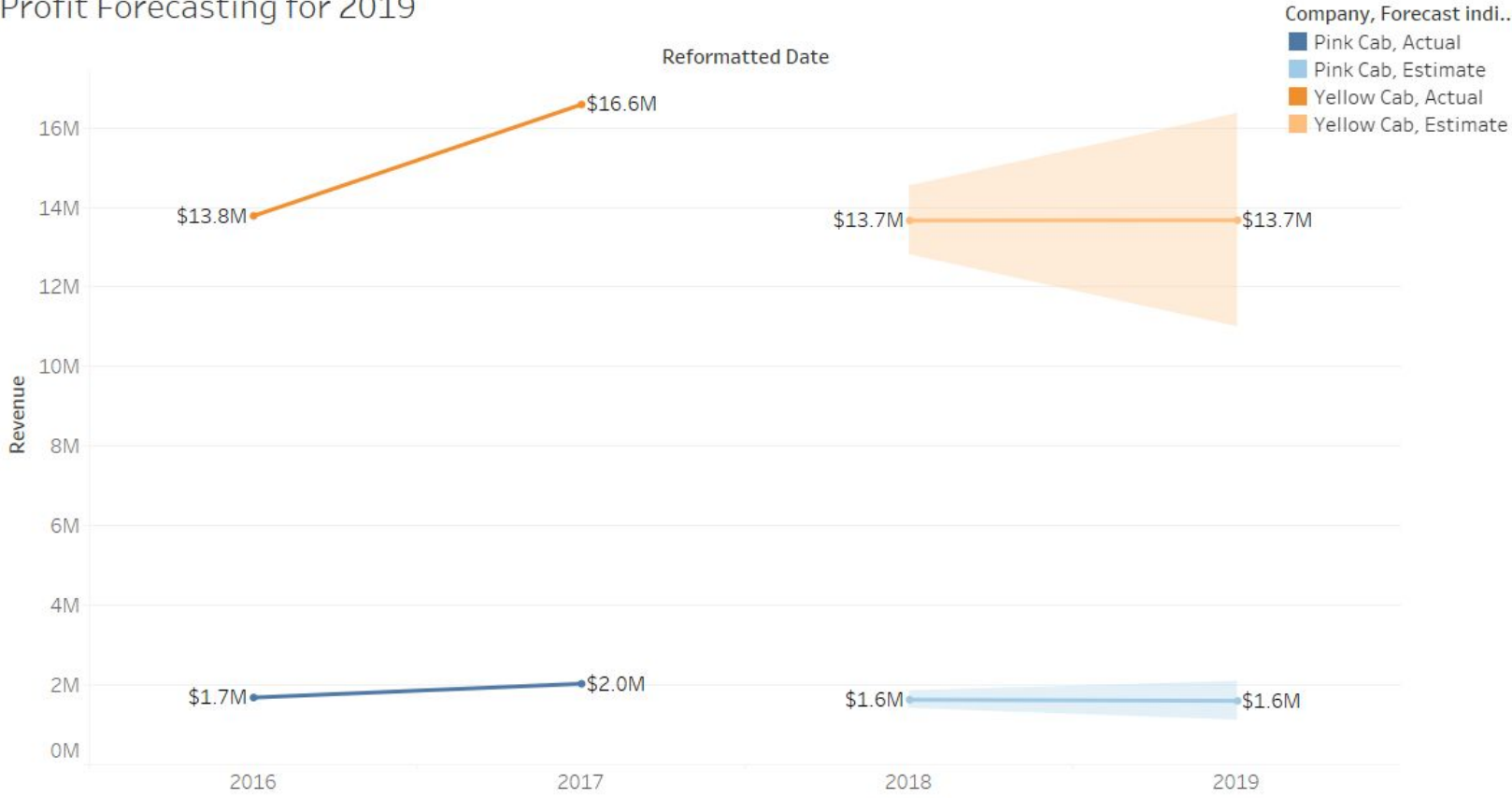
Forecasting of no. of rides for 2019

Forecasting of no. of rides for 2019

Company, Forecast indi..
- Pink Cab, Actual
- Pink Cab, Estimate
- Yellow Cab, Actual
- Yellow Cab, Estimate

98,212
81,399
94,835
93,693

30,301
24,840
29,674
29,132

# of Users

2016   2017   2018   2019
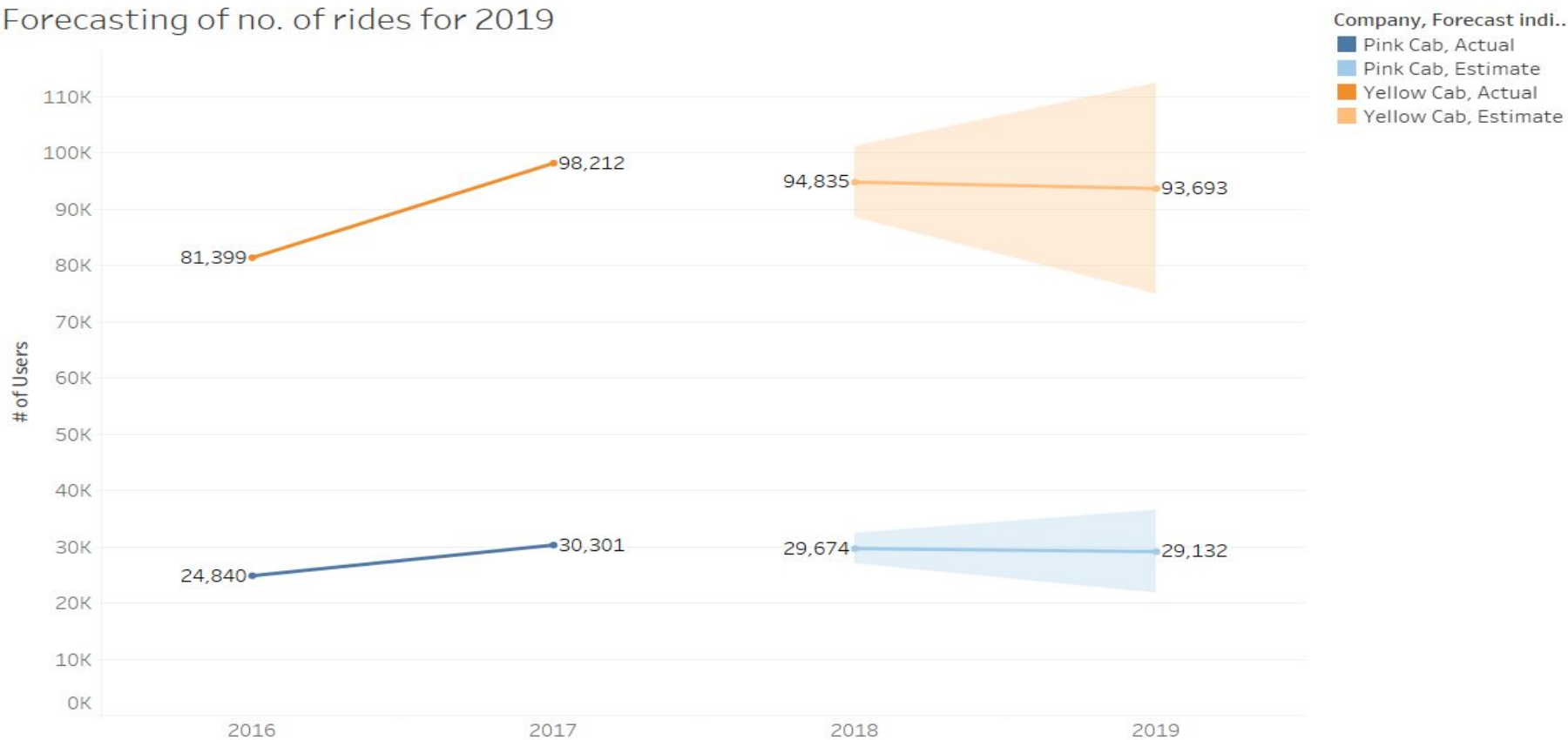
Recommendation

- Based on the evaluation criteria and analysis performed, it appears that Yellow cab is a better investment option than Pink cab. Yellow cab has a wider customer reach across 25 cities, and also has better customer retention rates in both short-term and long-term segments. Furthermore, Yellow cab has a more diverse customer base, covering all age groups and income classes, and generates almost three times the profit per kilometer as compared to Pink cab.

- Despite both companies facing losses in profit and ride count, Yellow cab has a lower forecasted profit loss of 1.83% compared to Pink cab's 3.1% loss. This indicates that Yellow cab is better equipped to handle the current market conditions and challenges, and is likely to perform better in the future.

- Overall, based on the above findings, we would highly recommend investing in Yellow cab over Pink cab for better returns on investment