**Business Analysis Report**

## *Executive Overview:*

THIS REPORT PRESENTS A COMPREHENSIVE ANALYSIS AIMED AT IMPROVING THE UPFRONT PRICING PRECISION IN THE CONTEXT OF RIDE-HAILING SERVICES. THE KEY FOCUS IS ON MINIMIZING DISCREPANCIES BETWEEN PREDICTED UPFRONT PRICES AND ACTUAL METERED PRICES TO ENHANCE TRANSPARENCY AND CUSTOMER SATISFACTION.

- Improving upfront pricing precision will enhance customer trust.
- Opportunities identified in training employees on support functions with a focus on better predictive analysis and more collaboration.
- Implementing a real-time adjustment mechanism that compares metered prices to predicted prices during the ride allows for dynamic corrections. If the deviation exceeds a predefined threshold, the upfront price can be adjusted to reflect the actual cost, reducing surprises for customers.

### Introduction:

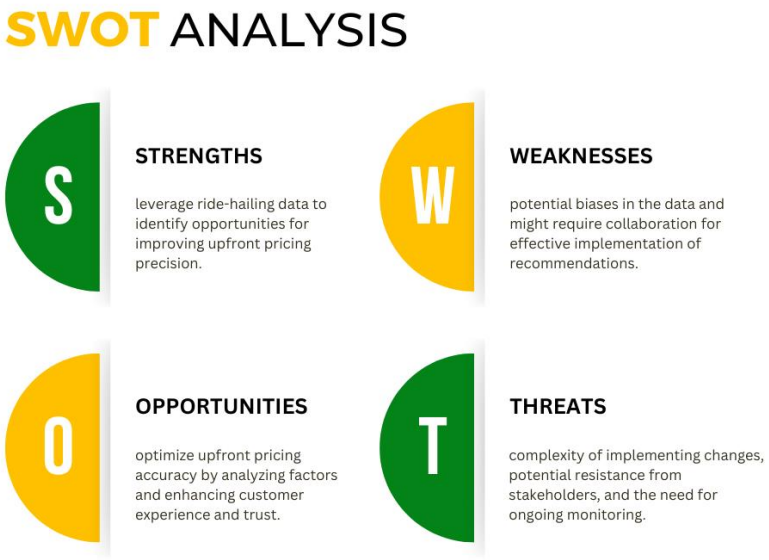
This report identifies opportunities to enhance the upfront pricing precision for a smoother customer experience.

### Background:

- Upfront pricing switches to metered pricing if the difference is more than 20%.
- Improving pricing prediction is important for customer satisfaction, trust, & retention.

### Purpose:

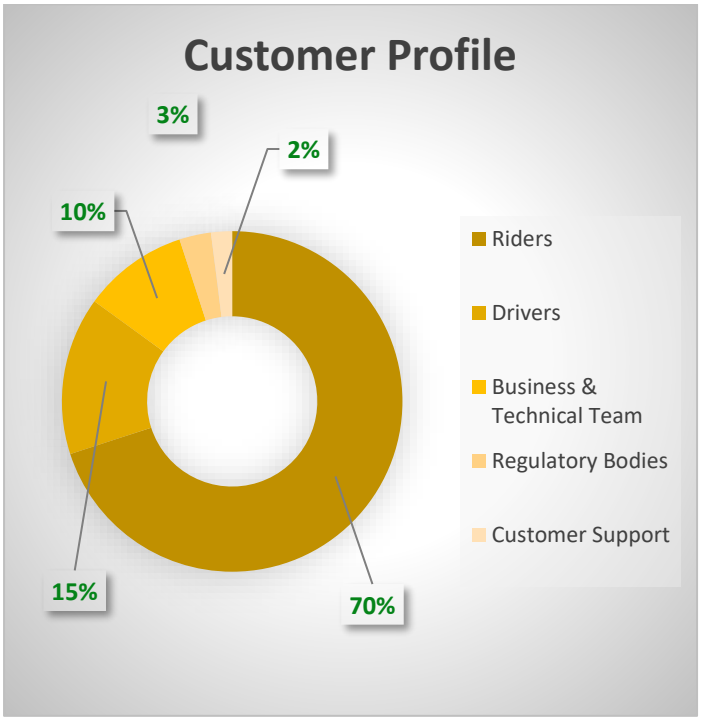
- Analyzing prediction accuracy.
- Investigating the impact of destination changes on upfront pricing.




### Market Profile:

The market for this analysis is the ride-hailing industry, eg: companies such as Uber and Ola. This sector is characterized by intense competition, a focus on technology-driven solutions, and a constant need for improving customer satisfaction. *Key stakeholders include* ride-hailing companies, drivers, and, most importantly, the end users – the riders.

**Customer Profile:**




- **Riders:** Primary customers using ride-hailing services.
- **Drivers:** Participants in the ride-hailing ecosystem providing transportation services.
- **Business and Technical Teams:** Internal stakeholders responsible for strategy, operations, and technical development within ride-hailing companies.
- **Regulatory Bodies:** External entities overseeing and regulating transportation services.
- **Customer Support:** Internal team handling customer inquiries, complaints, and ticket resolutions.

These percentages are very generalized and can change as per specific dynamics of the ride-hailing market in different regions, prices, distances, and destinations. *(Accurate market research and industry data can provide more precise figures for each stakeholder group.)*

**Analysis of Accuracy in Predicted Prices:**

1. **Methodology:**

- Analysis for metered price: If the metered price is more than 20% or less than 80% of the upfront pricing, then the upfront pricing will be metered price.

**=OR(Metered_Price>1.2*Upfront_Price, Metered_Price<0.8*Upfront_Price)**

| Total Values | Count True | Count False |
|---|---|---|
| **4942** | 3069 | 1874 |

- Additionally, also performed predictive analysis for metered price & upfront price values with:

$$y = 0.8792x + 51.882$$
$$R^2 = 0.9213$$

- And derived insights from data with basic Excel formulas, sorting, and filtering.

2. **Tools:**
   - Excel

3. **Insights:**
   - Almost **63% of rides** were on **metered prices** (only 37% as per upfront pricing), indicating issues with predicted prices.
   - Nearly **20%** of the ride's **GPS was not tracked**, indicating problems with the app version, poor network provider, device settings, or app permissions.
   - **209 destinations** were changed by the driver, of which **127 riders had a fraud score** of less than -1.
   - All rides were **finished** by the driver and client even after multiple destination changes.
   - The **difference** in actual distance and the predicted difference is **zero for just 4% of rides** and the time difference is zero for only 4 rides.
   - Of **156 rides**, the pricing was changed due to the driver for 136 rides even when his/her GPS was working. Also, the **device type for many of these is repetitive** raising concerns about the behavior of the driver.
   - For **Predictive Analysis**- Up to 45% of the data had outliers, showing the impact on standard deviation, and thus the mean. Also, a lot of entries were missing.

4. **Recommendation:**

   - **Predicted Prices**: Investigate and address the issues with predicted prices. This could involve **updating the app**, refining **pricing algorithms,** or **improving communication** with drivers and passengers about fare structures.

   - **GPS Tracking Issues:** Address the GPS tracking issues by ensuring drivers that passengers have updated **app versions**, checking **network reliability,** verifying **app permissions** and **device settings.**

   - **Destination Changes**: Look into the high number of **destination changes by drivers**, particularly when fraud scores are low. This may indicate fraudulent behavior or a need for improved security measures.

   - **Consistency in Ride Completion:** Analyze why rides were completed even after multiple destination changes. This could be due to **system limitations** or potential **issues with ride completion** protocols.

   - **Pricing Changes by Drivers:** Investigate the reasons behind **frequent pricing changes** by drivers, especially when GPS is working. Evaluate if there are any **patterns related to specific device types**, and take necessary actions to ensure fair and transparent pricing.

   - **Predictive Analysis:** Address outliers and missing entries in the predictive analysis data to improve the **accuracy of predictions**. This might involve refining

algorithms, cleaning the dataset, or implementing measures to handle missing data effectively.

- **Training & Cost Factor Analysis:** There is a need to **train** and **work collaboratively** according to the yearly people budget. Training could be planned for:

  **a) Drivers**

  - On proper use of the application, including handling destination changes, updating their application regularly, and adhering to upfront pricing.
  - Provide information about ethical practices and the significance of maintaining accurate GPS information.
  - Educate drivers on fraud prevention and security measures to be taken in such a scenario.

  **b) Support team**

  - A lot of data was missing, thus we must train the MIS employees in basic timely data entry.
  - Equip them with knowledge of handling pricing discrepancies, and GPS Tracking.