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Metrocar Funnel Analysis Results And Recommendation Report

Executive Summary

Objective:

The primary objective of this funnel analysis is to understand the Metrocar user journey across platforms, identify conversion bottlenecks, and uncover opportunities to enhance user conversion rates and overall engagement, segmented by age and platform.

Key Findings:

- There is a high volume of app downloads but low follow-through on sign-ups, especially on **iOS.**
- A significant **drop-off** is observed from ride requests to ride acceptances, suggesting issues like long wait times or lack of drivers.
- **Android** users show the highest download-to-sign-up conversion rate, while **iOS** dominates in ride completions.
- The most active users fall within the **35-44** age range, indicating a primary target demographic for marketing efforts.
- Surge pricing during peak demand hours could optimise driver availability and user satisfaction.

- Review rates post-ride could be higher, indicating a missed opportunity for user engagement and feedback.

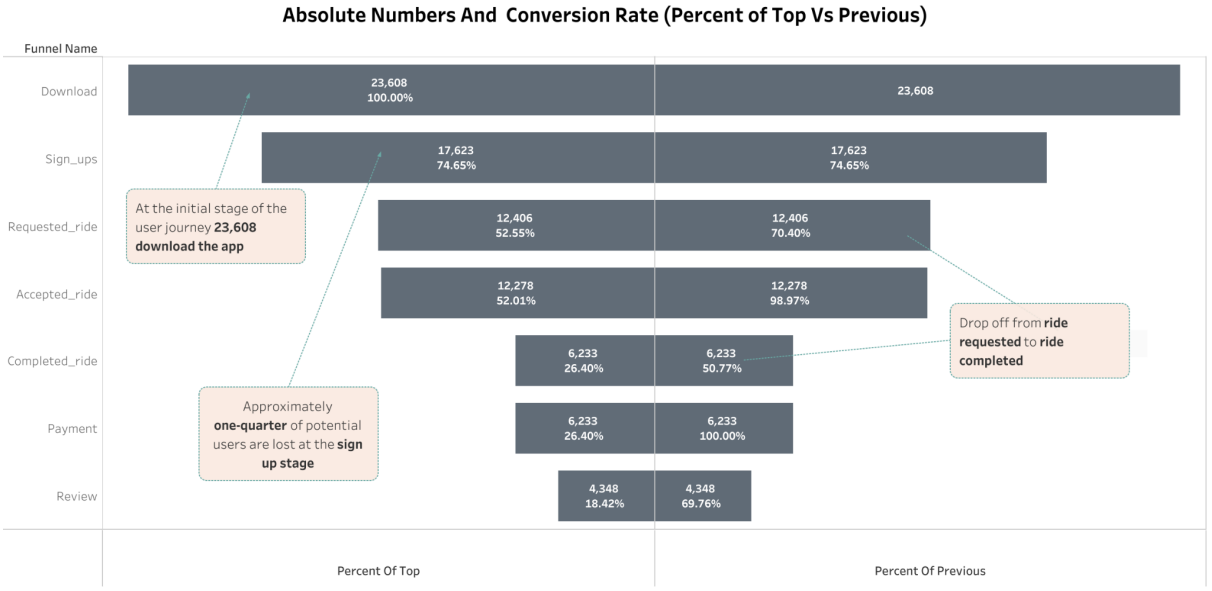
Methodology:

The data was extracted using SQL and visualised via Tableau. The analysis serves as the foundation for Metrocar's data-driven strategies.

Results

What steps of the funnel should we research and improve? Are there any specific drop-off points preventing users from completing their first ride?

- Despite a high approval rate of **98.97%**, the analysis reveals a substantial conversion difficulty in the app's user funnel, specifically from ride requests to ride fulfilment, where just **50.77%** of requests convert to completed trips. This sharp decline from **70.40%** of sign-ups to ride requests to just **50.77%** of rides completed points to a crucial area that needs further research and development.



- Two key issues are identified: the conversion from ride requests to acceptance is notably low, and post-acceptance, many rides are either cancelled or not started. This affects the overall ride completion rate, which stands at **90.04%** for accepted rides, translating to **223,652** completed out of **248,379** accepted rides.
- The analysis makes the case that various user funnel stages require in-depth examination. The differences in conversion rates—**74.65%** for app download to sign-up, **70.40%** for sign-up to ride request, and then a sharp decline to

50.77% for the request to fulfilment—indicate systemic problems that need to be fixed in order to increase user satisfaction from the start and over time.

Conclusion

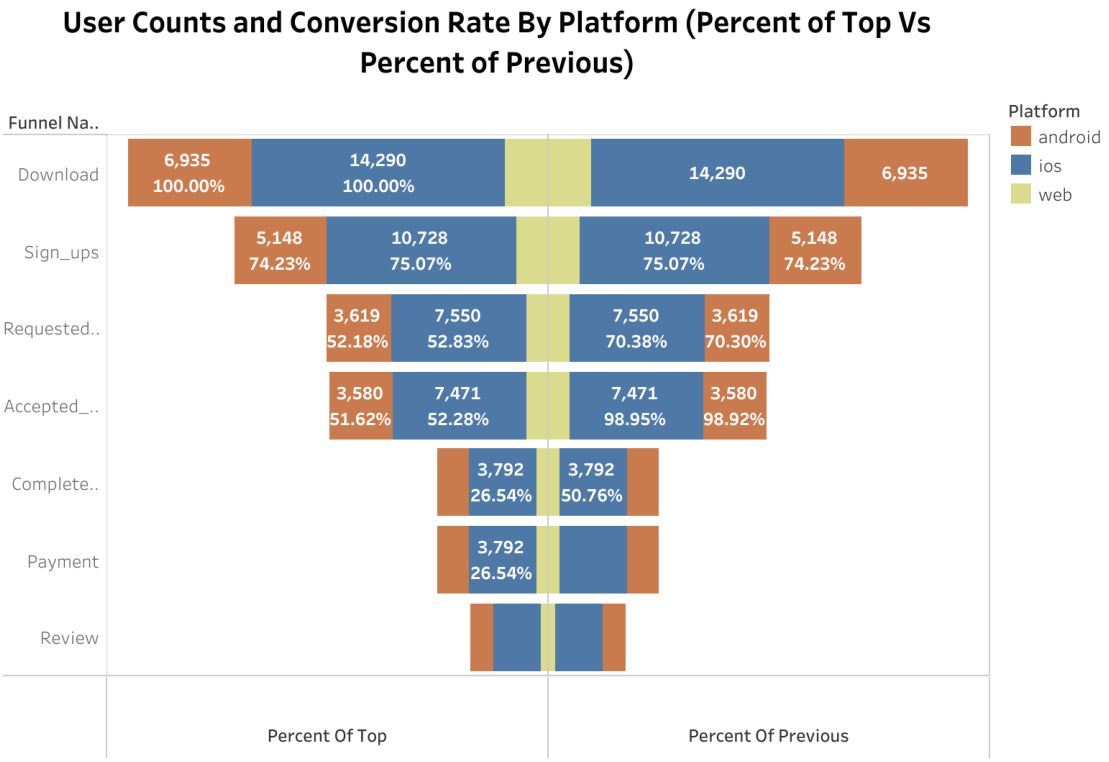
The most pressing stages for immediate research and optimisation are the transitions from sign-ups to ride requests and from ride acceptance to ride completion. These stages have the most significant drop-off rates and present barriers to users completing their first ride. By addressing these issues, Metrocar can significantly improve the user experience and, in turn, its bottom line.

Recommendations

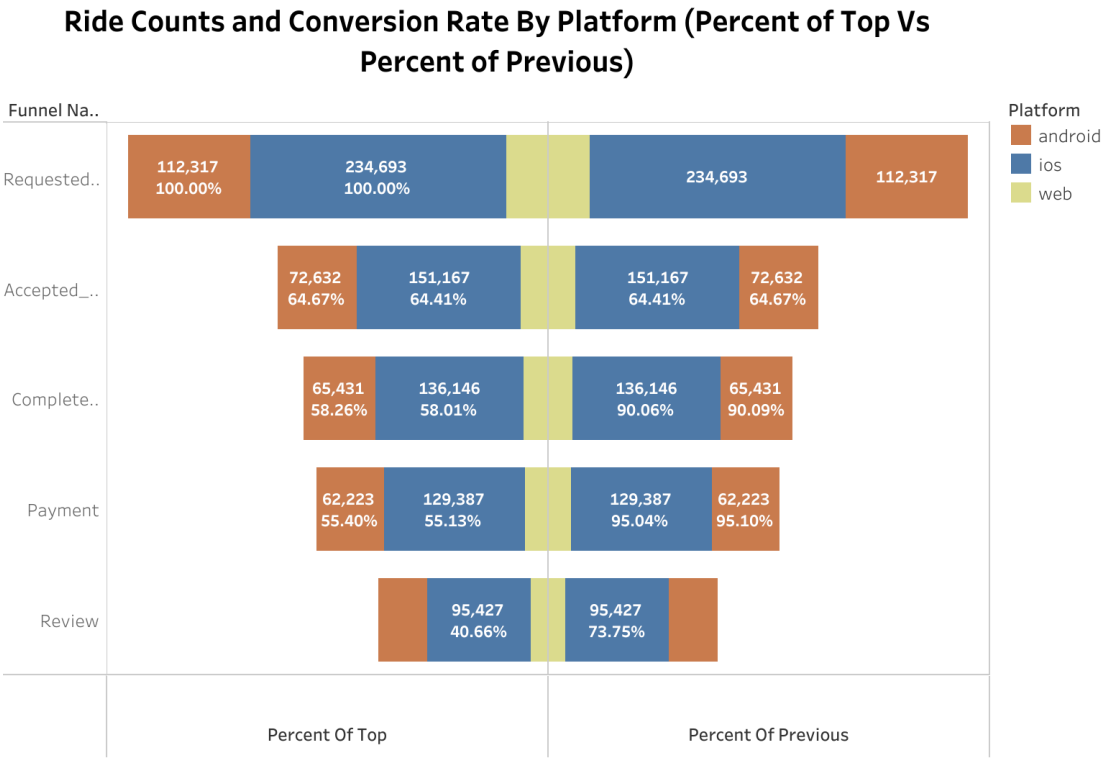
- **Enhance Driver-Rider Matching:** Investigate the reasons for the gap between ride requests and ride acceptances. This could involve improving the app's algorithm for matching riders and drivers.
- **Investigate Ride Completion Barriers:** While the conversion rate from 'Ride Acceptance' to 'Ride Completion' is strong, knowing the remaining **10%** can provide insights into how to improve this measure even further. A more thorough investigation is required to establish why more than half of the accepted rides are not completed.
- **Encourage Reviews:** Implement a strategy to encourage users to leave reviews, perhaps by offering incentives or making the review process more straightforward and less time-consuming.

Metrocar currently supports three different platforms: iOS, Android, and Web. To recommend where to focus our marketing budget for the upcoming year, what insights can we make based on the platform?

- **iOS User Performance**: iOS users do better than other users throughout the board, especially from "Ride Acceptance to Ride Completion," where they have a high conversion rate of **90.06%.** A **73.75%** conversion rate from payment to reviews shows that they are more involved in the review process and lead in ride requests, acceptances, and completions.



- **Android User Trends:** Although they are the most popular platform for downloading apps initially, Android users exhibit sharp declines in subsequent phases, particularly in "Ride Requests to Ride Acceptance" and "Ride Acceptance to Ride Completion." With a conversion rate of **73.09%**, their involvement in the review process is lower than that of iOS users.



- **Web User Engagement:** Web users are the least active across all funnel stages, recording the fewest ride requests and completions. Similar to Android, they experience large drop-offs in later funnel stages and have the lowest review conversion rate at **72.82%.**

Conclusion

- **User Experience and Interface Differences**: iOS, Android, and web platforms offer different user experiences and interfaces. These differences can significantly impact how users interact with the app. For instance, iOS apps often have a different design and flow compared to Android or web apps. Understanding these differences can help in tailoring the app to better suit the preferences and behaviours of users on each platform.
- **Demographic and Psychographic Variations:** Users of different devices might have varying demographic and psychographic profiles. iOS users, for example, might have different spending habits or preferences compared to Android users. These distinctions can influence how users engage with the app, including their likelihood of completing rides or leaving reviews.

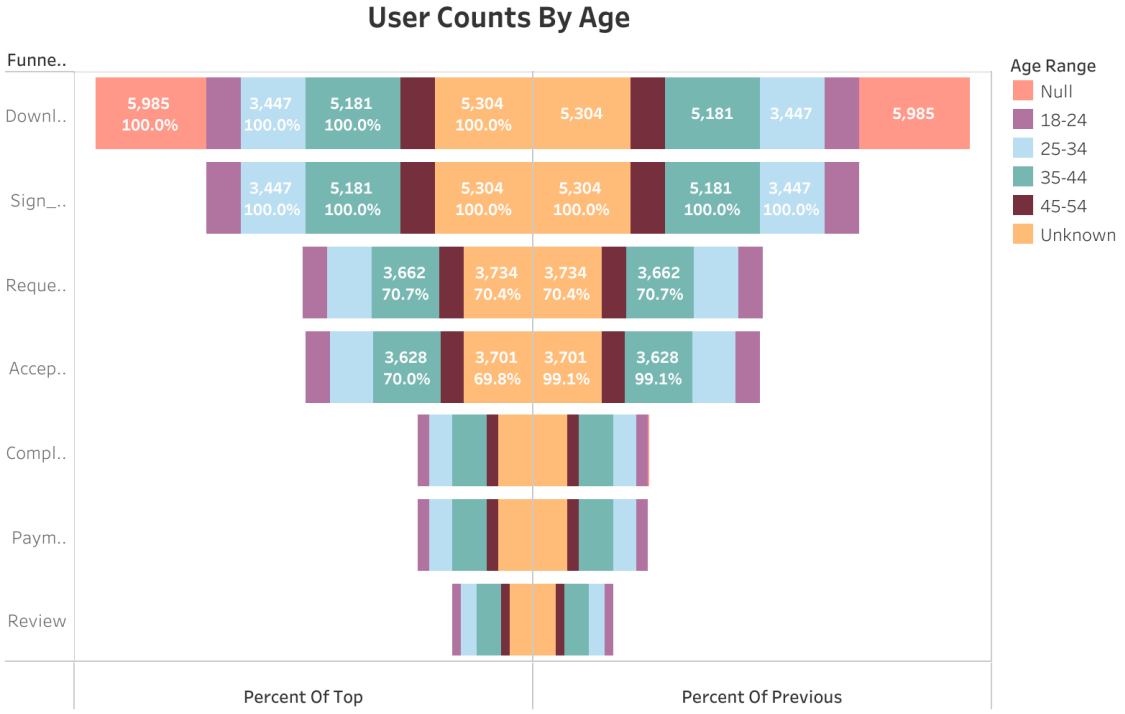
- **Technical Performance and Capabilities:** The technical performance of the app can vary across platforms. Issues like app speed, responsiveness, or crash rates can differ between iOS, Android, and web versions, affecting user satisfaction and engagement rates at different stages of the funnel.

Recommendations

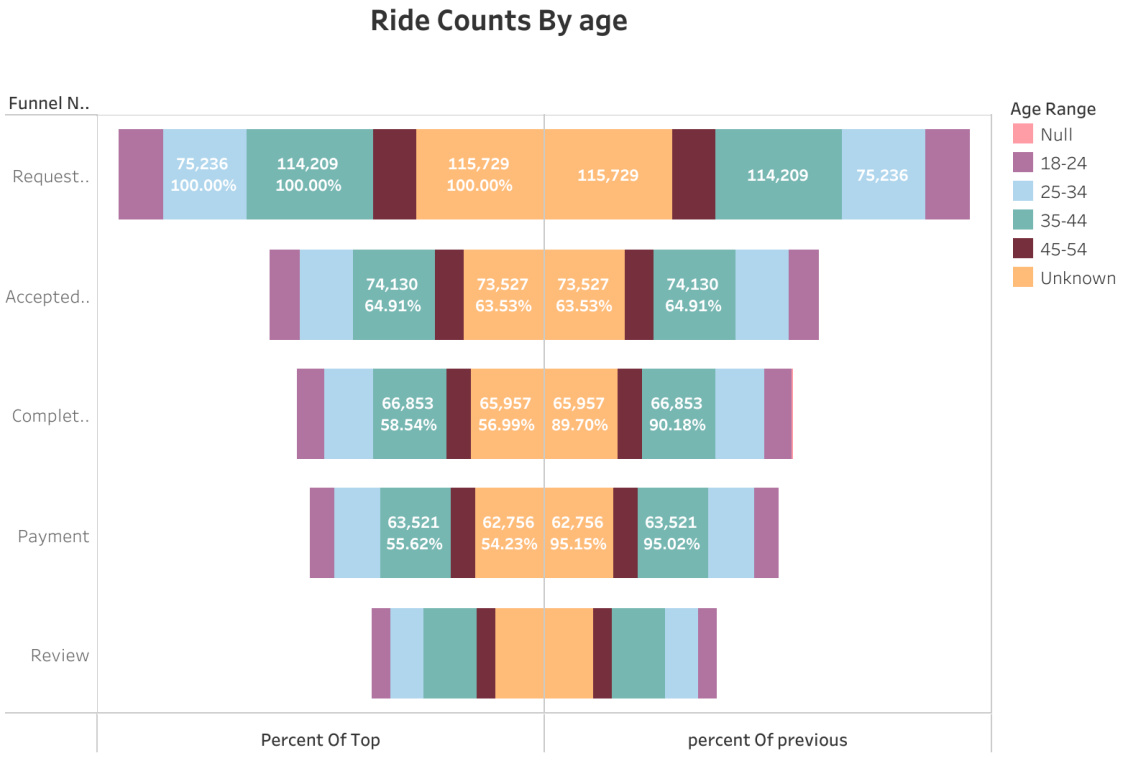
- Marketing and Targeting Strategies: Metrocar may more efficiently plan its marketing initiatives if it knows which platform generates higher engagement and conversion rates. Given that iOS users are more involved, it might be advantageous to devote additional resources to this market.
- Customization for Improvement: Understanding device-specific engagement can aid in customising features and functionalities to enhance user experience. For instance, if Android users are dropping off at a particular stage, targeted improvements or features for the Android app could be developed to address these issues.

What age groups perform best at each stage of our funnel? Which age group(s) likely contain our target customers?

- Ride Request Stage: All age groups show a **100%** conversion rate at the ride request stage. The **35-44** age group dominates in the number of ride requests, with **114,200** requests.



- Ride Acceptance and Completion: The age group of **35–44** leads in terms of absolute numbers, with **74,130** accepted and **66,853** completed rides, despite the **18–24** age group having the greatest conversion rates (**65.50%** for ride acceptance and **59.20%** for ride completion).



- Payments and Reviews: The **18-24** age group maintains the highest conversion rate to payments **(56.43%)**, yet the **35-44** age group has the highest actual number of payments **(63,521).** For reviews, the **35-44** age group leads both in conversion rate **(41.92%)** and total number of reviews **(47,881)**.

Conclusion

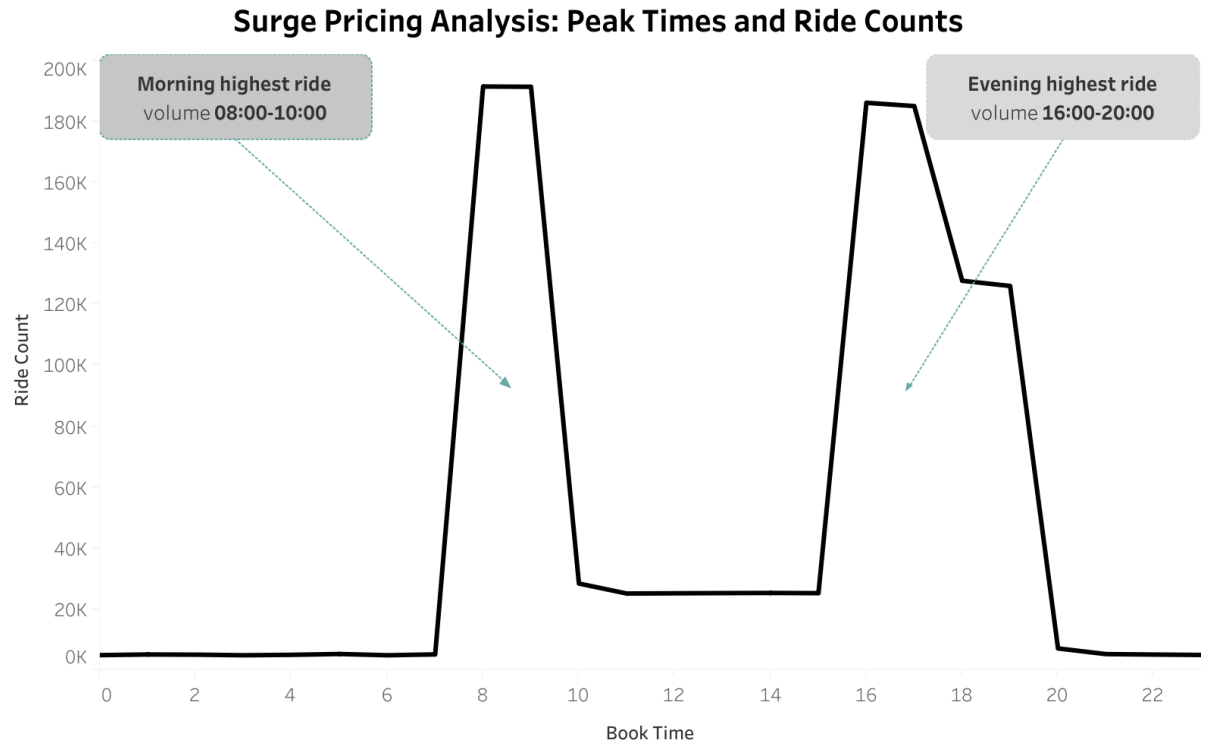
The **35-44** age group outperforms at all phases of the funnel and should be prioritised for urgent revenue-generating measures. With its strong conversion rates, the **18-24** age group offers long-term promise and should not be disregarded in brand-building projects.

Recommendations

- For immediate revenue growth, focus marketing and operational strategies on the **35-44** age group.
- For long-term brand engagement and loyalty, develop targeted campaigns for the **18-24** age group.

Surge pricing is the practice of increasing the price of goods or services when there is the greatest demand for them. If we want to adopt a price-surging

strategy, what does the distribution of ride requests look like throughout the day?



- **Morning Rush:** The largest demand is found between **8 a.m.** and **9 a.m.**, with **191,601** and **191,515** rides, respectively. This most likely coincides with when individuals commute to work or school.
- **Evening Rush:** The second-highest peak is between **4 p.m.** and **5 p.m**., with **186,267** and **185,181** rides, respectively, coinciding with individuals returning from work or school.
- **Early Evening:** A lower but still substantial surge occurs between **6 p.m**. and **7 p.m.,** with **127,833** and **126,130** rides, which might be attributed to social or leisure activities.
- **Low Demand Hours**: Early mornings from **12 a.m**. to **7 a.m**. and late evenings from **8 p.m. to 11 p.m.** experience the lowest demand, with rides ranging between **4,902** and **7,142**.

Conclusion

The distribution of ride requests throughout the day gives useful information on when Metrocar may use a surge pricing scheme. Morning and afternoon peaks are the best times for increased pricing, while promotional prices might be useful during times of low demand. A well-executed surge pricing scheme might boost revenue dramatically while guaranteeing effective resource allocation.

Recommendations

- **Morning and Afternoon Peaks**: Because of the large number of ride requests during these times, introducing surge pricing might maximise revenue while also ensuring that drivers are available to satisfy demand.
- **Evening Opportunities:** The demand in the early evening suggests potential for moderate surge pricing, especially if Metrocar wants to incentivize drivers to be available during this period.
- **Off-Peak Incentives:** During periods of low demand, Metrocar may consider offering discounted rates or incentives to promote ride bookings, balancing the demand-supply balance.
- **Flexibility:** The surge pricing strategy should be adaptable to shifting demand patterns, holidays, events, and even weather circumstances that may impact ride requests.

What part of our funnel has the lowest conversion rate? What can we do to improve this part of the funnel?

This analysis aims to identify the part of the Metrocar funnel with the lowest conversion rate. Recognising this weak point will allow for targeted interventions to improve the overall efficiency of the funnel.
The Review step of the **User Funnel** has the lowest conversion rate of **18.42%** from the top and **69.76%** from the prior stage.
The lowest conversion rate for the Ride Count Funnel is **40.52%** from the top and **73.47%** from the previous stage.

Conclusion

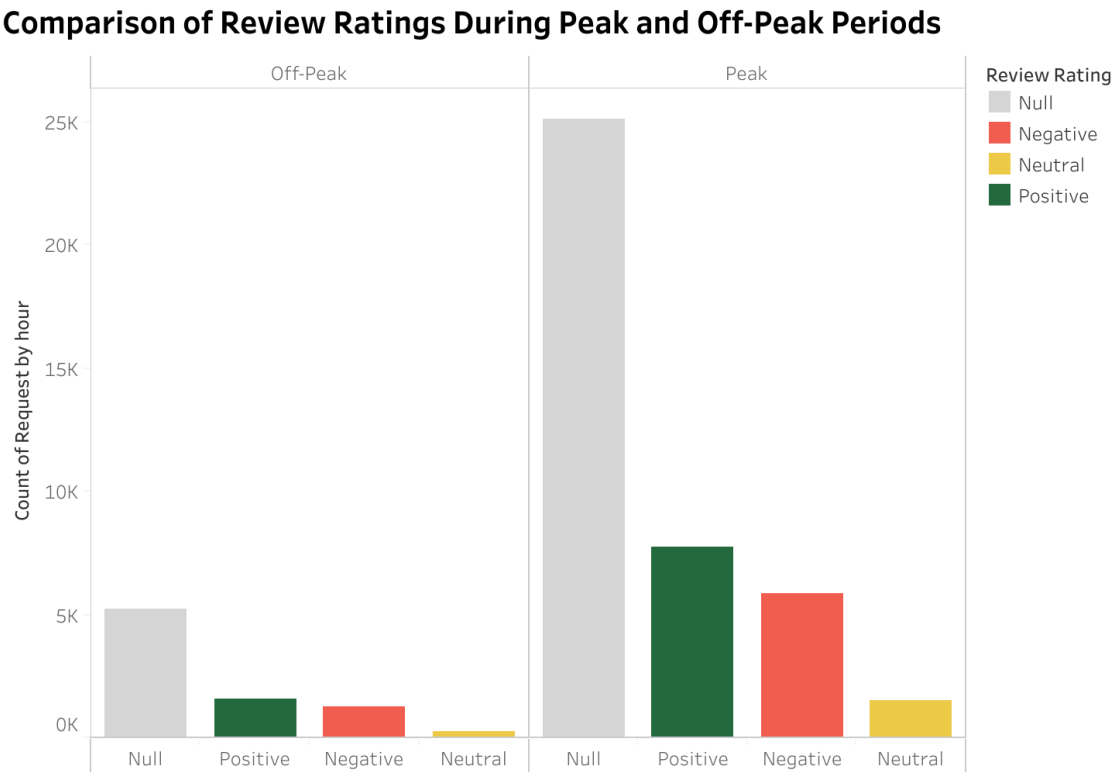
The Review step is the most significant bottleneck in the funnel, having the lowest conversion rates in both the user and ride count funnels. Immediate action is essential to enhancing this stage, and the actions indicated above provide a multi-pronged strategy to address this issue. Metrocar can boost overall customer engagement and collect vital feedback for the continued improvement of services by concentrating on raising the conversion rate at this stage.

Recommendations

- Provide tiny incentives, like discounts or loyalty points, in exchange for submitting a review. This also has the benefit of enhancing overall user engagement.
- Make the reviewing process as simple as possible. To encourage more users to engage, consider rapid star ratings or one-click reviews.
- Send push notifications or emails to remind users to leave a review after their ride is completed. Ensure that the timing is optimised to capture them when they are most likely to take action.

- Personalise the review requests to make them more engaging. Use the customer's first name and details about the ride to make the message resonate.

Review ratings during off-peak and peak times.



There is a notable difference in response patterns between peak and off-peak hours when review ratings are analysed. When compared to off-peak hours **(10.82%)**, the number of null ratings during peak hours **(51.72%)** is higher, suggesting a possible problem with data collection or user involvement at peak times. Peak hours see a rise in positive ratings, while the percentage of negative and neutral ratings stays constant, indicating a consistent user experience throughout the day. However, the significant rise in null ratings during peak hours suggests that further investigation is necessary to identify the root causes, which might include potential user disengagement or technical difficulties with the review-gathering process. Resolving these concerns is essential to gaining a more precise and thorough comprehension of customer satisfaction and enabling well-informed decision-making to enhance service quality.