Hooray! End of Section 1.

You will complete Section 2 at the end of this course.

Please submit this file for review for Section 1.

Section 2: Proposal Synthesis

Identify a product objective for Flyber's launch. Your product objective will guide your KPIs, so identify what Flyber should optimize for. Your objective should be centered around one the following focus areas:

- User Acquisition
- User Engagement
- User Retention
- Profitability

Explain your reasoning. Include both why you feel your focus area is more relevant than the others for Flyber at this time of the product development cycle.

Answer Slide

Before digging into the answer, I would like to highlight 2 main types of users for Flyber which are the rider(customer) and the driver.

I. User Acquisition

1. Brand Awareness: creating a “brand” that will last long is the number 1 drive for any customer to try something new.
2. Brand Edge: there might be some other indirect competitors with edges like being cheaper but what needs to be capitalized on here is simply the short time it will take for any trip to be completed by flyber so it creates a good value for money concept at the customers’ minds.

II. User Retention

1. Customer Journey: this will focus on user experience and beyond. It should include 2 main parts which are the experience of the rider through the app and during the ride itself.
2. Customer Happiness: this is as important as the customer journey since it includes the type of support the customer will need off the ride. This should include any customer support they might need after the ride, when requesting a ride or even sometimes during the ride. This should be the main drive to customer satisfaction.

Formulate 3-5 Key Performance Indicators (KPIs), to measure if the product is heading towards the right direction based on your objective

Answer Slide

1. Number of riders: this should measure the increase in the number of riders per time. It should show the number of riders increasing over time, month over month and quarter over quarter

2. Number of drivers: similar to number of riders but only for the drivers. This should measure the increase in the number of drivers per time. It should show the number of riders increasing over time, month over month and quarter over quarter

3. Retention Rates: this includes a lot of different variables, however a retention rate measured in a 30 days window.

4. Number of referrals: referrals always indicate a high NPS and there should be a referral system to encourage current users to refer more people whether as rider or driver

Create hypotheses around what thresholds your KPIs would need to hit in order to determine success

Answer Slide

1. Number of riders: A good indicator would be 7K riders in the first 6 months.

2. Number of drivers: There should be a balance of supply and demand where 1 driver is in respective to 7 riders so there should be around 1K drivers by the end of the first 6 months.

3. Retention Rates: a retention rate measured in a 30 days window should be around 10% for riders and 5% for drivers as per Uber's retention rates.

4. Number of referrals: 2 referrals per user should start as an average for a good hypothesis for users for the first 6 months.

As the product manager, you make decisions based on the insights you extract, we'll need to know the feature set we'll include in the MVP to measure viability, while keeping operational expenditure under control:

- What times/days of operation should the service run for?
- How many pick-up / drop-off nodes should we have?
- Where should the nodes be located?
- Should we initially use copters or homegrown hardware?
- Should the pricing be fixed or dynamic? At what rates?

Answer Slide

1. What times/days of operation should the service run for?
Based on the previous analysis, there is huge demand on the weekends (Fridays and Saturdays) from 1800 to 2000 hours. This should be a good start but not to limit our service time to.

2. How many pick-up / drop-off nodes should we have?
Based on the previous heat map created, I would recommend 6 important nodes which are the extremes of the city, midtown and the airports.

3. Where should the nodes be located?
They should be: Upper east side, upper west side, midtown Manhattan, Tribeca besides JFK and LGA airports.

4. Should we initially use copters or homegrown hardware?
Unfortunately there is no previous data to help but I would recommend homegrown hardware as they would require less space, less noise and less regulations of course.

5. Should the pricing be fixed or dynamic? At what rates?
This should be a fixed pricing at first to start with to help build the brand awareness. So it should start with an opening rate followed by kilometer price and waiting time. We can use the NYC cab price at first so it can be basic fee $2.5, KM price $1.56 and waiting time $30 per hour

Determine the MVP sample size & time period allotted estimated to come to a conclusion on your hypotheses.

Answer Slide

Since we based our KPIs on 6 months so we should have our first 2 weeks to be the time allotted for the MVP. This is considered a reasonable time to determine our first launch of the service.

Moreover, since our target is 7k in 6 months so considering a linear incremental increase in our customers so 2 weeks from 26 weeks (6 months) is around 8%. And 8% from the 7k is about 583 customers so we can round it up to 600 users as our sample size. This is also considerably close to the number of the user survey that we took.

Create an instrumentation plan for the events you need collected and logged, in order to be able to physically measure your KPIs.

Answer Slide

Instrumentation plan consists of events with specific properties triggered when a certain incident occurs.

1. Ride_Request
This event should be triggered once a user makes a ride request through the app. This should include the following properties: User_ID, Ride_ID, Request_Timestamp, Pickup_location, Time_To_Get_Connected, Time_To_Reach_Customer

2. Ride_Status
This event should be triggered once the ride is completed and it should include the following properties: Number_Of_Customers, Time_Took_To_Complete_Ride, Dropoff_Timestamp, Dropoff_Location, Ride_Status(Completed or Cancelled)

3. Fees_Status
This event should include the monetary part where it shows the total fare and it includes the following properties: Total_Fare, Fees_Source(Cash or Visa), Fees_Status (Fully_Paid, Partially_Paid, Refunded), Promocode (if any)

Create a qualitative feedback survey questions for users after their ride, to further understand and optimize the product for future iterations.

Answer Slide

I do believe the survey should be a rating survey with precise info we are looking for in our metrics. So all the below questions will be a rating from 1(lowest) to 5(highest), From 1 to 5:

1. How safe did you feel before your ride?
2. How safe did you feel after taking your ride?
3. How likely are you to take another ride?
4. How likely are you to recommend the service to your family and friends?
5. How satisfied are you with the app?
6. How satisfied are you with the pricing?
7. How satisfied are you with the whole experience?

These should be divided into campaigns where each campaign includes 2-3 questions at max. It should be rotated on different areas and different customer profiles if we have them

Summarize everything you have learned into your final proposal

1. Identify the target population. Why did you select that target population? What are their pain points?
2. Create a product proposal containing claim, evidence, estimated impact, and risks.
   Claims should be backed by quantitative evidence, impact should assess market needs/benefits
3. Risks involve any known unknowns that we'll still need to monitor post-launch
4. State cross-functional stakeholder teams that will need to be involved

Answer Slide

1. Identify the target population. Why did you select that target population? What are their pain points?

The survey showed great diversity in the customer profiles but below are some interesting findings:
1. Most of our survey participants were females with where 307 where females and 192 were males where females were 62%. This might be a coincidence of the targeted campaign and might be a key result where females are more interested and should be targeted with another campaign to make sure.
2. Target audience age groups of survey participants were highest between 40-50 and then 20-30.
3. Their income is highly within 40k and 120K USD.
4. Highest neighborhood participants were from Midtown followed by Battery Park City.
5. Most participants uses taxis were 406 answered yes with a percentage of 81%.
6. Majority of participants uses ridesharing services were 295 answered yes with a percentage of 59%.
7. Most participants were interested in flying taxi services where 400 answered yes with a percentage of 80%.
8. Highest concerns highlighted were as following: 1. They think it would be unsafe specially compared to Taxis. 2. They think it would be more expensive. 3. They think it would be untrustworthy specifically with the driver.
9. More Females tend to reject the idea than males as a percentage.

Answer Slide

2. Create a product proposal containing claim, evidence, estimated impact, and risks. (this is answered in this slide and the following 2 slides as well)
Claims should be backed by quantitative evidence, impact should assess market needs/benefits

NYC is well known of transportation problems. Therefore, finding innovative solutions to overcome such a problem would be highly appreciated and accepted by the daily commuters. Some of these problems are:
1. Time delays
2. Road Hazards
3. Heavy traffic specially during rush hours
4. Traffic congestion
5. Traffic accidents

Based on this link which shows evidence on the traffic index of the NYC, there is some slight improvements from a year to year but it is still not enough and some of these findings are:
1. Morning rush is considered to be 42% while evening rush is higher with 64%.
2. Time lost in traffic were considered to be 123 hours = 5 days 3 hours
3. Highest season to avoid is April to June while weekends and specially Friday afternoons (1600-1800) are considered horrible.
4. One can lose 13-19 mins in a 30 mins trip due to high traffic.

Answer Slide

3. Risks involve any known unknowns that we'll still need to monitor post-launch

These risks are hypothetical where some are based on the inputs of the survey participants. Some of these might be overcome while some others might just pop along the way.
1. Air Traffic regulations (w/ coordination with the government)
2. Pickup and drop-off spots
3. Ride sharing services acts like a platform where a driver who owns a car is connected with the rider who wants a ride. This model might be slightly different since flyber will be owning the cars so they will bare the money to purchase and maintain a car.
4. Moreover, there will be cost of training the drivers and issuing their special license.
5. Safety when it comes to something mechanical flying along with the drivers themselves.
6. Maximum number of passengers per ride.
7. I am afraid that we are thinking here that this is an alternative to ride sharing services and cabs while it is not a must that this will replace it since there are other factors including the fare fees along with the safety mentioned above.

4. State cross-functional stakeholder teams that will need to be involved

Answer Slide

4. State cross-functional stakeholder teams that will need to be involved

1. Finance team
2. Legalities team
3. HR team
4. Supply and demand team (Customer Acquisition)
5. Customer support team
6. Engineering team (Mechanical and electrical)
7. Technical team (development)
8. Performance Team
9. Growth and Marketing Team
10. Data Science and Data Engineering Team
11. Data Analytics Team
12. Operations Team
13. Logistics and Purchasing Team