

REDBUS CASE STUDY

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Question 1	<p>Identify key metrics for RedBus and share the ones that you as a PM for transactional funnel will actively monitor?</p> <p>(Instructions: Review their app thoroughly to be able to come up with the relevant metrics)</p>
Response	<p>I will actively monitor the following metrics:</p> <ol style="list-style-type: none"> Acquisition: <ol style="list-style-type: none"> Bounce Rate App Store Product Page Visits Downloads, Installs, Site Visits Awareness (as given by the reviews) Activation: <ol style="list-style-type: none"> Registrations/Bookings Retention after 1 day of installation Session Duration Screens visited per session Retention <ol style="list-style-type: none"> Monthly Active Users Retention after n-days Frequency of usage Referral <ol style="list-style-type: none"> App Store/ Google Play Store reviews and ratings Social Media Shares/Likes Referrals Revenue <ol style="list-style-type: none"> ARPU CLV Ad Revenue Transactions carried out through the App Subscriptions
Question 2	<p>Which of the three user segments could be most valuable for achieving your business objective? Give an explanation for your selection.</p> <p>(Instructions: Explore behavioural, demographic, technical segment categories)</p>
Response	<p>The most valuable user segments for me to achieve business objectives would be the Demographic segment category, as the Growth in the Metro Cities is stagnant. Tier-1 and</p>

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	<p>Tier-2 cities need growth spurt, suggesting that Demographic segment would be the most valuable.</p> <p>Also, since RedBus is looking for international expansion, Demographic Segmentation will provide it with the insights required for expansion.</p> <p>Demographic is followed by Behavioural and then by Technical, as we can further segment the results of Demographic Segment by Behavioural and Technical segments, thereby gaining further insights into the behaviours of the users and their technical savviness.</p>
Question 3	<p>Write down the individual steps of a checkout funnel for RedBus? Which 4-5 cuts will you use to monitor this funnel on a daily basis?</p> <p>(Hint: For instance, you can consider the usage across Android, iOS, web & mobile web. So this would be a cut by platform)</p>
Response	<p>The steps of a checkout funnel for redBus are as follows: -</p> <ol style="list-style-type: none"> 1. Navigate to the Landing/Home Page of RedBus 2. Select Onward/Return Journey details like from/to cities, from/to dates and search for buses. 3. This will bring up the search results page (which displays the fare and “View Seats”)– containing search results, with additional filters (like AC/Non-AC, RedBus Deals, Dropping points, Boarding Points, etc) and Sort options (like Fare, Ratings, Departure, etc) 4. “View Seats” is for showing available seats and seat selection. Once this is selected, we can select the boarding and dropping points. 5. Now we proceed to payment. Here, we enter the passenger’s details like his name, contact details, whether he wants insurance. Then we click on “Proceed to pay” 6. In “Proceed to Pay” screen, we can apply a promotional coupon (if we have one), we can select the mode of payment (like Net Banking, Credit Card, Debit Card, etc) and finally check-out (or Pay)

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Response	<p>User Journey is as follows:</p> <p>Step-1: User lands on the homepage</p> <p>Step-2: User selects his travel details like date and place.</p> <p>Step-3: User searches for the results of his input details.</p> <p>Step-4: Results are presented. This would include all results, and the ability to sort according to fare, ratings, departure times, etc. and additional filters like AC/non-AC, discount deals, sleeper/semi-sleeper, etc</p> <p>Step-5: User selects the ride as per his convenience and available parameters, after viewing and selecting his seat(s)</p> <p>Step-6: User proceeds to pay (check-out)</p> <p>Step-7: User pays the fare using available payment options</p> <p>Step-8: Booking is confirmed, and he gets an e-ticket through WhatsApp/SMS.</p> <p>Step-9: If booking is not conformed, User is asked to book again (Step-4) with available options as per criteria selected by him, letting him change his selection if required.</p> <p>The various cuts I would monitor on a daily basis would be:</p> <ol style="list-style-type: none"> 1. Cut by Platform – (like iOS, Android, website) 2. Cut by Psychography – (like motivations, pain points faced, goals, interests, technical abilities, etc) 3. Cut by Demography – (like age, country, within country, city like tier-1, tier-2, etc) 4. Cut by Behaviour – (like spending habits, frequency of usage, etc.)
Question 4	<p>Suggest new features for RedBus to increase customer engagement or retention on its app.</p> <p>What metrics would you use to measure success of these features?</p>
	<p>Last year, redBus introduced many features like dynamic pricing, one-touch booking, bus tracking, zero cancellation fee booking and re-scheduling.</p> <p>To Improve customer retention, I suggest:</p>

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Response	<ul style="list-style-type: none"> a. redBus Monthly Ride Pass, which might offer a discount for people booking 5 or more rides per month. This would ensure that the customer is hooked on to redBus for at least 5 rides. I would pilot this in the Tier-2, Tier-3 cities, and depending on its success, introduce it in Metro cities as well. b. Since redBus is looking to expand in other countries as well, redBus could brainstorm on creating a 1-change or a max of 2-change bus bookings (similar to trains), e.g. A person travelling from Delhi to Mumbai, if he cannot find a direct route by an operator within his budget, redBus could suggest a 1-change booking wherein the passenger can travel from Delhi to Ahmedabad (by one operator), and from Ahmedabad to Mumbai (by another operator). This could also ensure that even remote locations that are not connected directly by some bus operators are also covered, thereby tapping an un-tapped market. c. redBus could also look at providing travel accessories to the passengers (like pillows, blankets, etc.), Wi-Fi for their travel duration in the bus. <p>To Improve Customer Engagement, I would suggest the following:</p> <ul style="list-style-type: none"> a. When the user searches for his ride, in the search results page, we could also show a 'View Details' icon which, on click, would display the average ratings and the number of reviews for the bus operator, the destination (some places like Shirdi, Nashik would have more travellers in a particular time of the year), nearby places to visit, best hotels (as per selected parameters). b. We could also invite the passenger, after his ride is over, to write a review of his journey, and rate the bus operator. c. We could also give him the option of adding himself in a WhatsApp group with his fellow passengers, so that even after the ride, he could keep in touch with them, if required. This would allow him to network and fraternize with other passengers in the same bus, even after the ride, for as long as he wishes to keep in touch. d. We could also keep a guide in the bus who could inform the passengers about the specialities/peculiarities of his destination place, and could upload a recording of this in YouTube for easy reference. <p>The metrics I would track for this are:</p> <ul style="list-style-type: none"> a. Number of viewings for the offers b. Number of referrals for the offers c. Number of bookings for the offers d. Number of transactions per session e. Conversion Rate for the offers f. Increase, if any, in the CLV and ARPU. g. Retention After 5 rides (as offered by the monthly pass)
Question 5	According to you, what are the major challenges that RedBus could face in the next 12-24 months?
	Some of the major challenges that RedBus could face are:

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Response	<ul style="list-style-type: none"> a. A high booking abandonment rate b. Difficulty in cross-selling their hotels to passengers c. Difficulty in targeting customers with personalized offers d. Difficulty in scheduling customer communications based on journey dates e. Difficulty in personalizing return journey offers f. High checkout errors g. rPool aggregators and their price sensitivity h. UX of their website/mobile app could be improved – by showing the Ticket details in the summary/payment page, refund for cancelled tickets could be processed sooner.
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