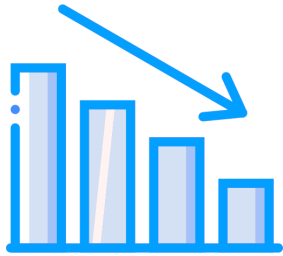


A series of five vertical white bars of varying heights, arranged in a descending staircase pattern from left to right.

Divvy Bikes Performance Report

Charly Moreno
February 21st, 2023



Divvy Bikes...

.. is a **public service transportation company** that has **\$3.2M of losses in its business operation** per year (Y-AVG).

1



The increase in the demand...

.. has been the main reason for this, because **annual trips are 57% higher** since 2020.

2



Casual users are...

.. the ones driving rising demand, **comming from 23% of trips's share in 2018 to 42% in 2022**, showing non-concentrated increases by Stations.

3

4

To tackle this...

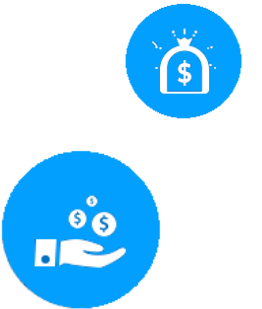
...it is required to make an **adjustment** in the **current pricing of the service**.



5

Financially, it will...

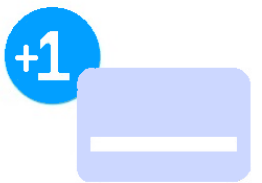
..improve operating incomes to meet operating costs and stop losses.



6

And in the business...

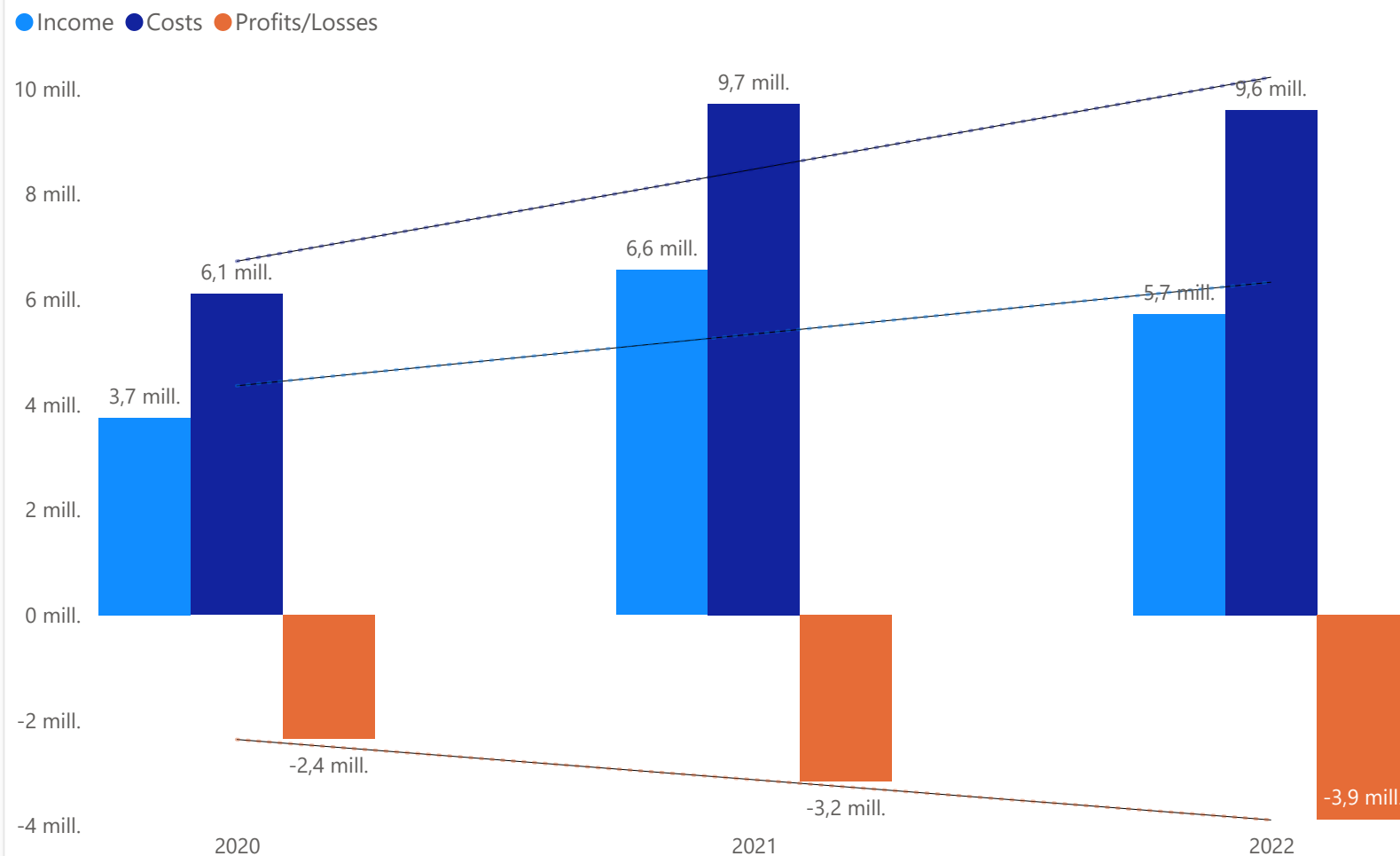
..it will diminish the demand incentivating membership subscriptions (which also should be revised).



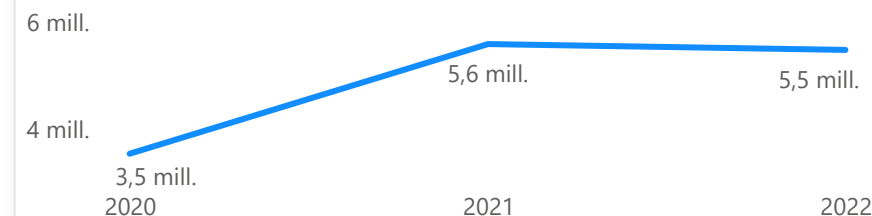


With \$3.2M of average losses per year, caused by increased demand and low prices, an **adjustment in the pricing strategy is required** to increase operating income, diminish high demand and incentivate annual subscriptions.

Total Operating Income, Costs and Profit (Loss) per Year (2020-2022)



Total Trips per Year (2020-2022)



Premises for Profit calculations

Costs:

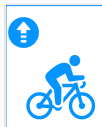
1. Maintenance: **\$75 per 50h** use (n-bikes and e-bikes)
2. Replace: **\$750 per 350h** use (n-bikes)
3. Battery replacement: **\$600 per 160.000km** use (e-bikes)
4. Battery charge: **\$48 per 160km** use

Income:

1. **Casual users** (non-member)
 - Unlock ride price: **\$1/ride**
 - Minute: **\$0.16/min** (n-bike) and **\$0.39/min** (e-bike)
 - Single pass ticket: **\$15/day** (3 hours, minute after it)
2. **Members**
 - Annual membership: **\$10/month**
 - Minute (after 45min): **\$0.16/min** (n-bike and e-bike)

Operational premises:

1. Average subscriber does **1 trip per day** (6 trips per week)
2. **66%** of casual users buy a **single pass ticket** per day



The increase in demand since 2020 (+57%) has been caused primordially by casual users (+64%) rather than members (+45%), representing 42% of total trips in 2022. **Control casual users' demand is key.**

Total Trips by Month (2018-2022)

1,0 mill.

0,5 mill.

0,0 mill.

2018

2019

2020

2021

2022

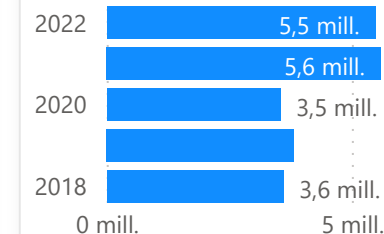
373.622,76

2018

2022



Trips by Year (2018-2022)



% Share of Type of Users in Total Trips by Year (2018-2022)

MEMBER_CASUAL ● casual ● member

100%

50%

0%

2018

2019

2020

2021

2022

81,21%

18,79%

76,93%

23,07%

61,41%

38,59%

54,80%

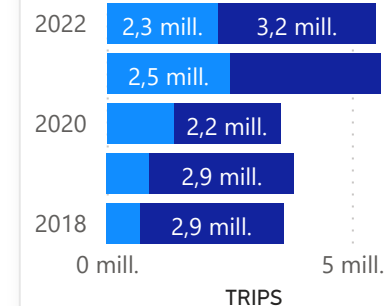
45,20%

58,49%

41,51%

Trips by Year and Type of User (2018-2022)

ME... ● casual ● member





Users' Trips (averages)



An average trip lasts 0.56h (34min.) and have a distance of 2.1km, with Casual users going above average (0.84h, 50min., and 2.15km.), and members under average for diminish costs (0.23h, 14min., 2.04km.). This implies that **members' pricing should be reviewed as well.**

2018

2022



Type of User

member

14.309.300,00
TRIPS

casual

7.729.660,00
TRIPS

Type of Bike

classic_bike

5.846.704,00
TRIPS

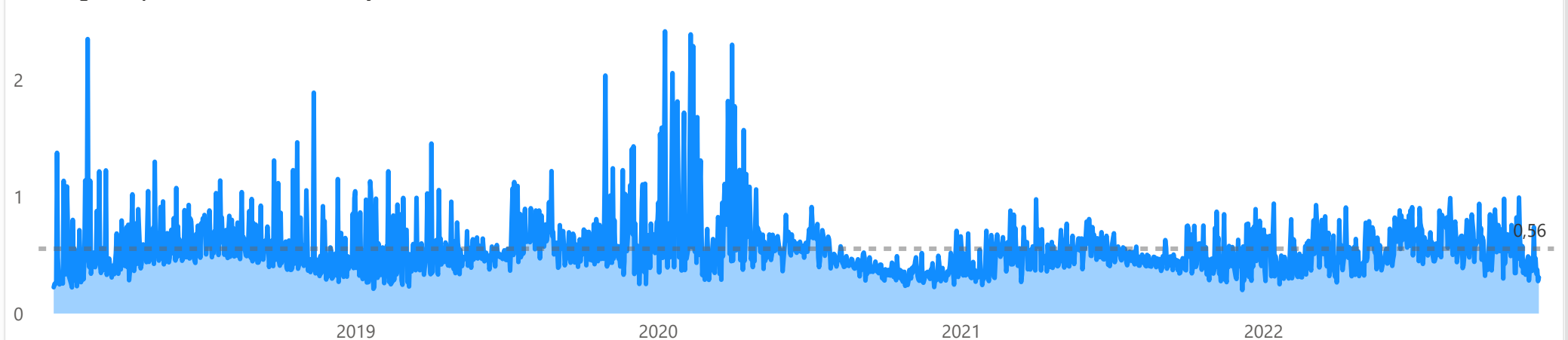
electric_bike

5.317.235,00
TRIPS

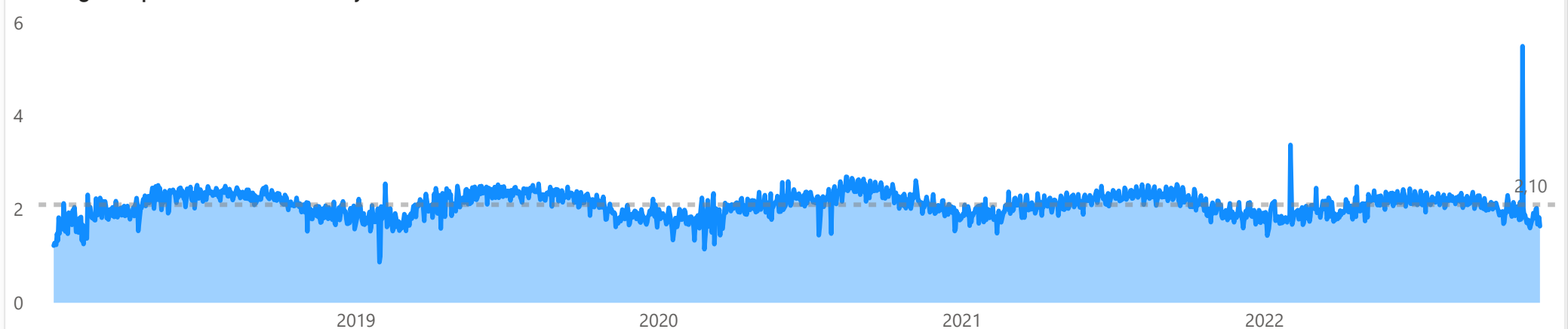
docked_bike

3.453.935,00
TRIPS

Average Trip Duration (Hours) by Year (2018-2022)



Average Trip Duration (Kms.) by Year (2018-2022)





The increase in the demand is not concentrated in top-10 Stations, because its share have been decreasing over since January 2020 (13.4% to 4.7%). Casual, non-concentrated users are increasing the demand, so, **there is space to adjust price**.

Year, Month

✓ ☐ 2018

✓ ☐ 2019

✓ ☐ 2020

✓ ☐ 2021

^ ☒ 2022

☐ January

☐ February

☐ March

☐ April

☐ May

☐ June

☐ July

☐ August

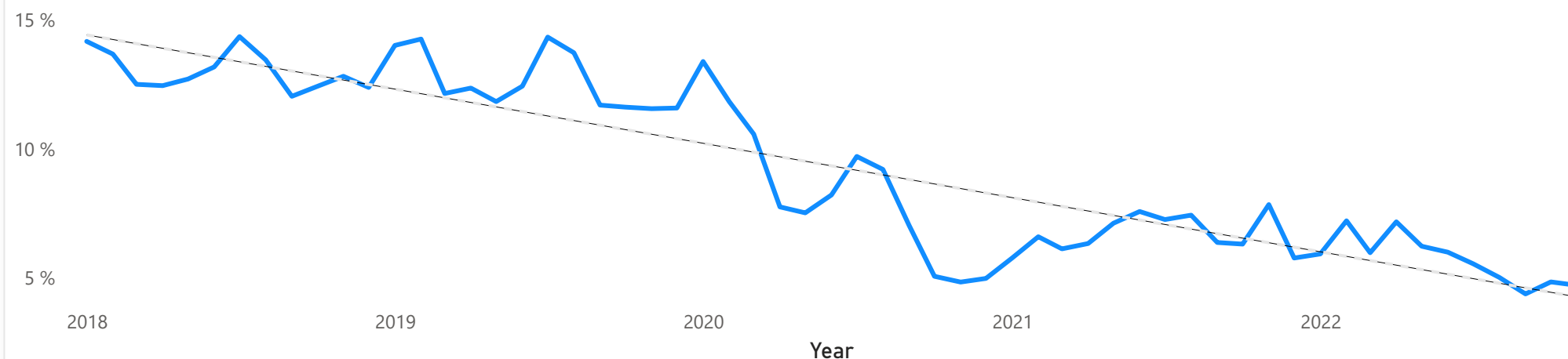
☐ September

☐ October

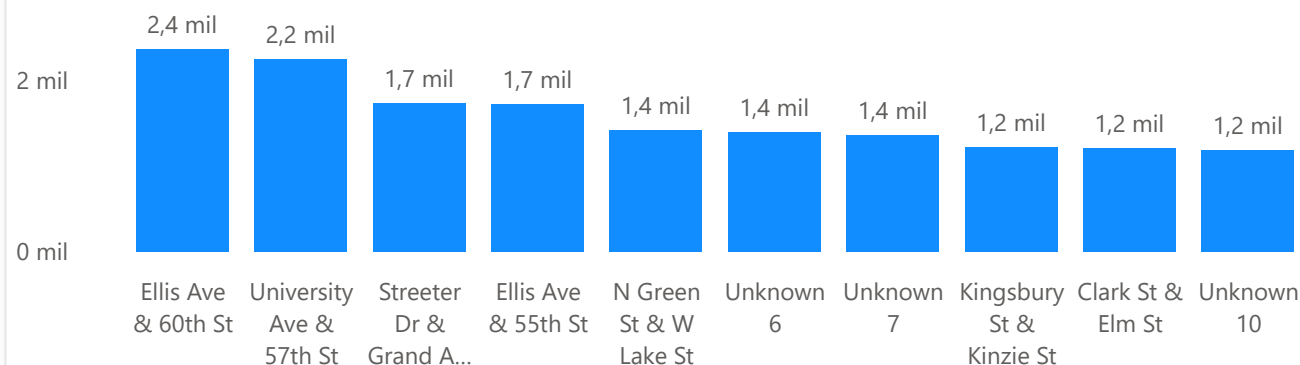
☒ November

☐ December

% Share of Top 10 Stations in Monthly Trips (2018-2022)



Top 10 Stations in the selected Month (by Trips)



Total Trips in the selected Month

337,74 mil

Top 10 Stations Trips of the selected Month

16 mil

% Share of Top 10 Stations in Total Trips

4,70 %



Se está preparando Preguntas y respuestas.

Thank you!

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