Data Glacier
Your Deep Learning Partner

Exploratory Data Analysis

G2M insight for Cab Investment firm

2024-02-20

Agenda

Problem Statement

EDA

EDA Summary

Recommendations

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Problem Statement

The Client

XYZ is a private firm in US. Due to remarkable growth in the Cab Industry in last few years and multiple key players in the market, it is planning for an investment in Cab industry and as per their Go-to-Market(G2M) strategy they want to understand the market before taking final decision.
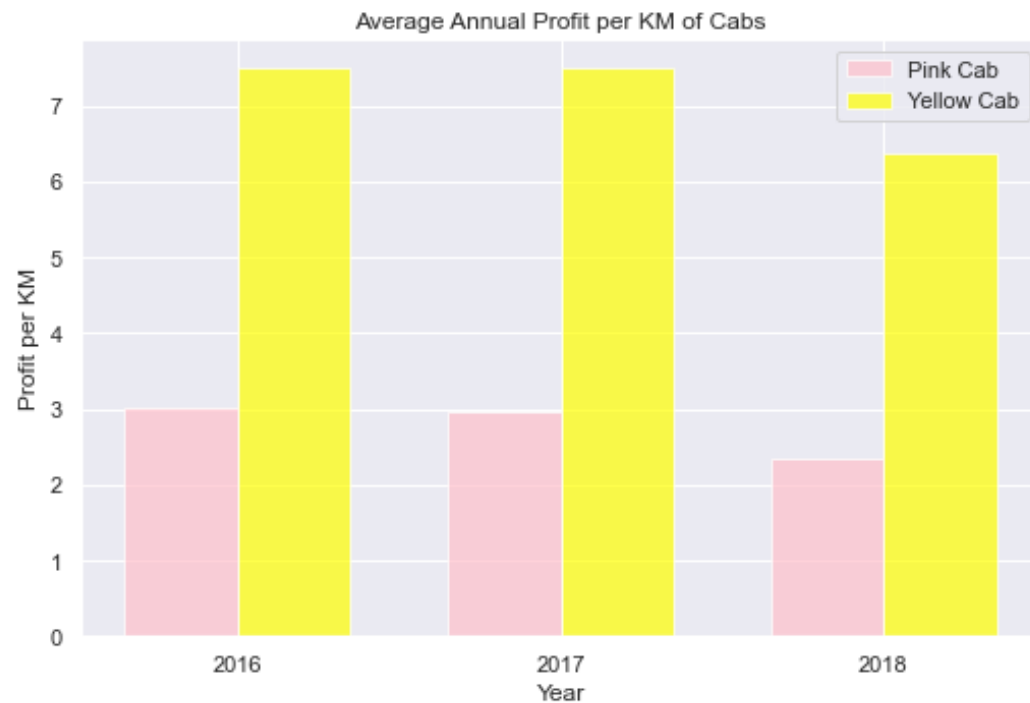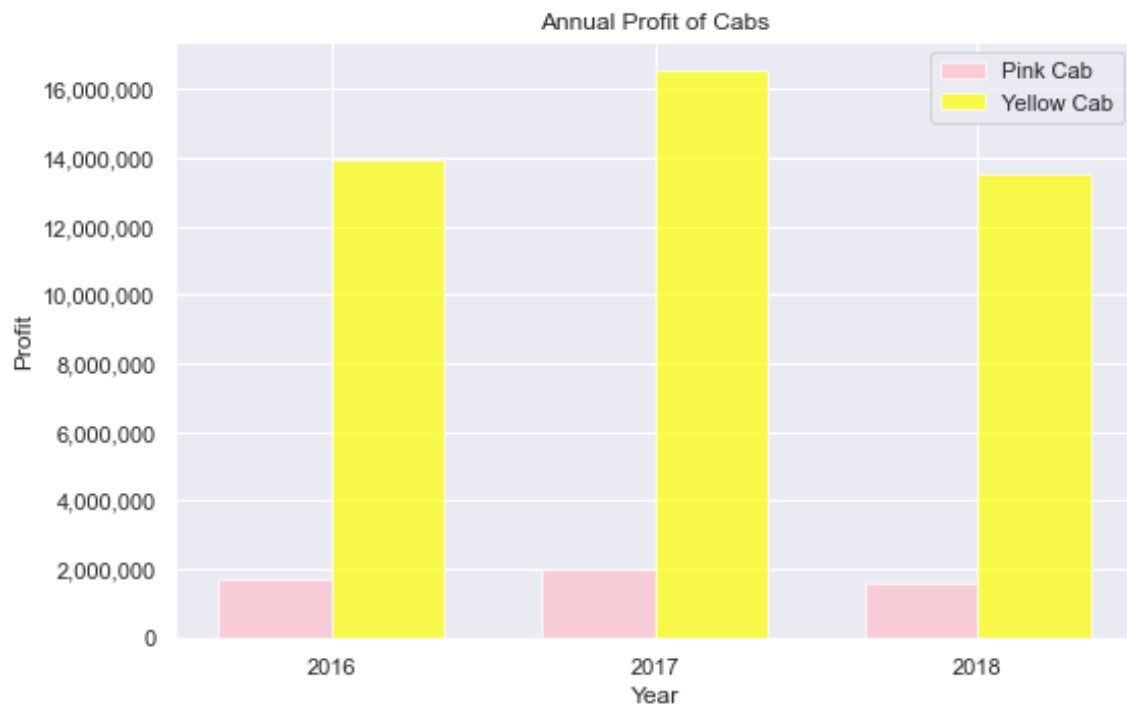
Objective

Provide actionable insights to help XYZ firm in identifying the right company for making investment.

EDA

Investigate Yellow Cab and Pink Cab relations based on:

- Profitability

- Quantitative geographical coverage

- Customer Retention
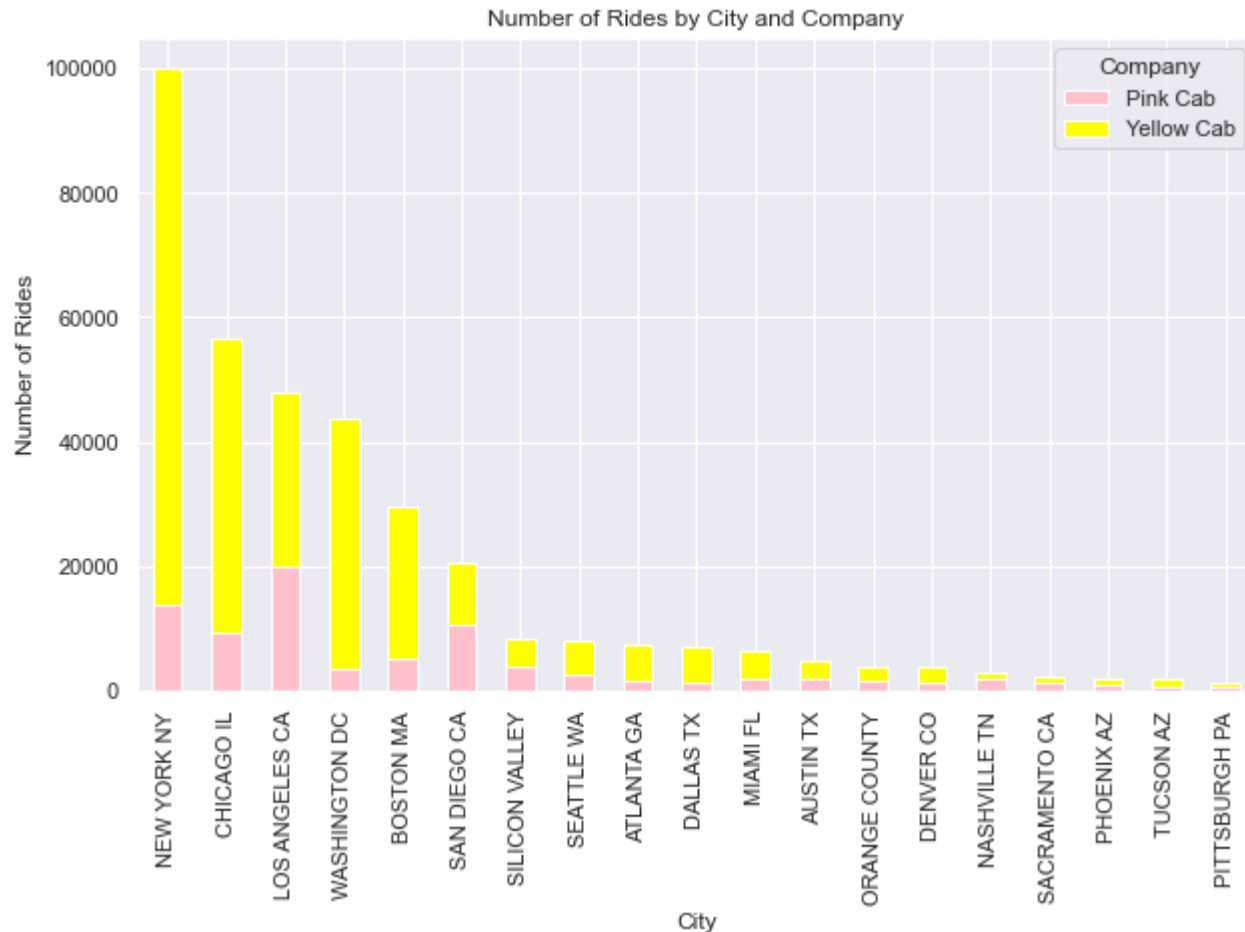
- Seasonality

- Customer Portrait

Profit Analysis

Conclusion:

- Yellow Cab's annual profit is about 8 times Pink Cab's annual profit.

- Yellow Cab's average profit per KM is about 2.5 times Pink Cab's profit per KM.

Coverage

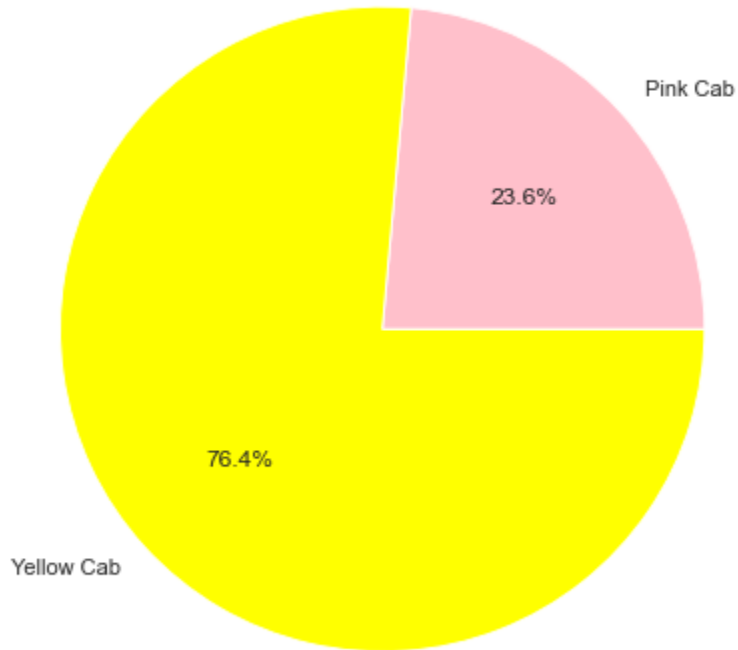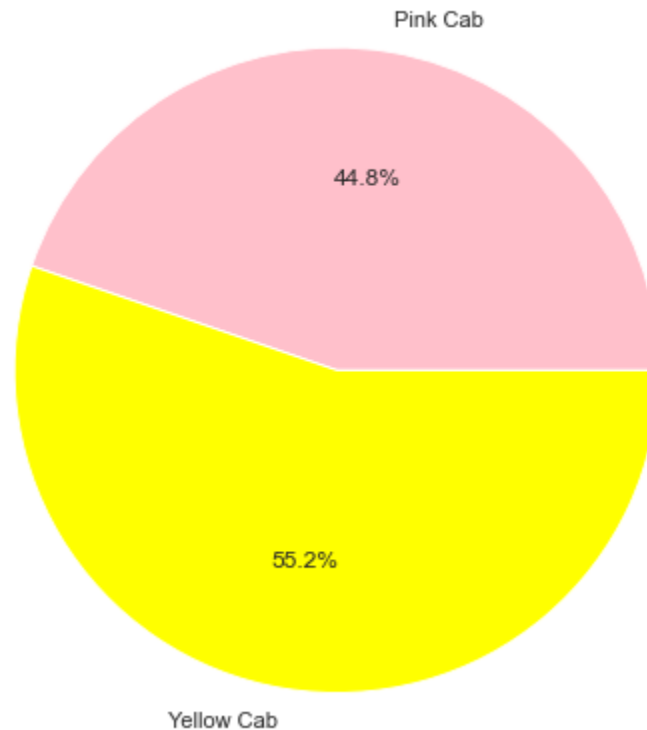Number of Rides by City and Company

Conclusion:

- The ratio of total number of rides varies across cities, but Yellow Cab dominates in most.

Coverage

Percentage Ratio of Total Transactions for Each Company

Pink Cab
23.6%

76.4%

Yellow Cab

Percentage Ratio of Users for Each Company

Pink Cab

44.8%

55.2%

Yellow Cab

Conclusion:

- There is a clear difference between the ratio of transactions and the ratio of users. Although the total number of customers is not significantly different between the Yellow Cab and Pink Cab, the first one had a much higher number of transactions. This could be due to the fact that the Yellow Cab company had more repeat customers.

Customer Retention

Conclusion:

• Yellow Cab customers exhibit higher levels of loyalty towards the company when compared to Pink Cab customers. This difference in loyalty is particularly noticeable when analyzing the trends depicted in both graphs. The data indicates that Yellow Cab customers are significantly more likely to book another ride with the company than Pink Cab's customers.

Seasonality

Transaction and Profit Distribution throughout the Year
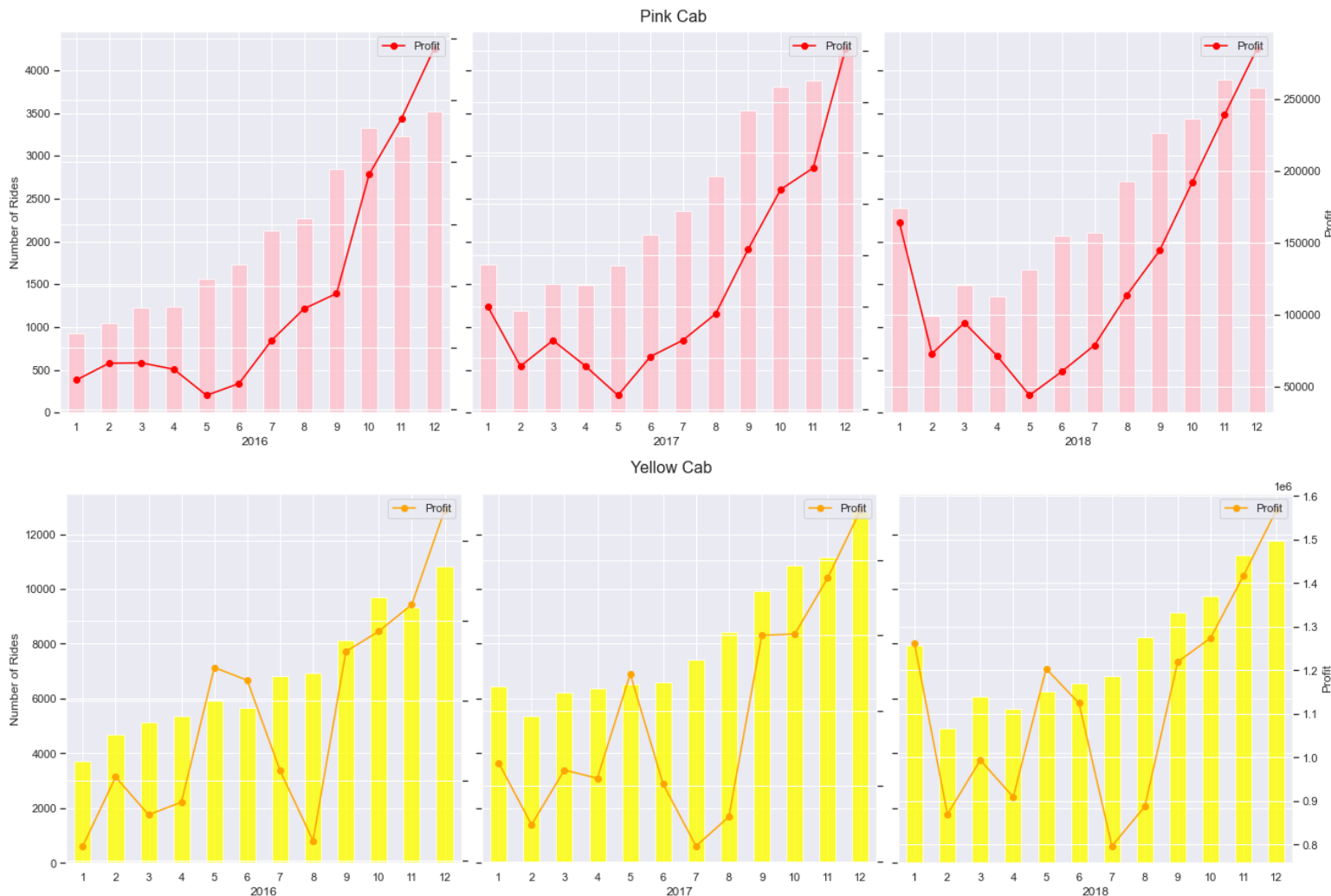
Conclusion:
- The number of rides for both companies increases throughout the year, with a peak in December and a rise in January, likely due to holidays.

- Pink Cab likely maintains a consistent profit margin year-round, while Yellow Cab sets a higher margin in the May-June period and a lower margin in the July-August period.

Customer Portrait
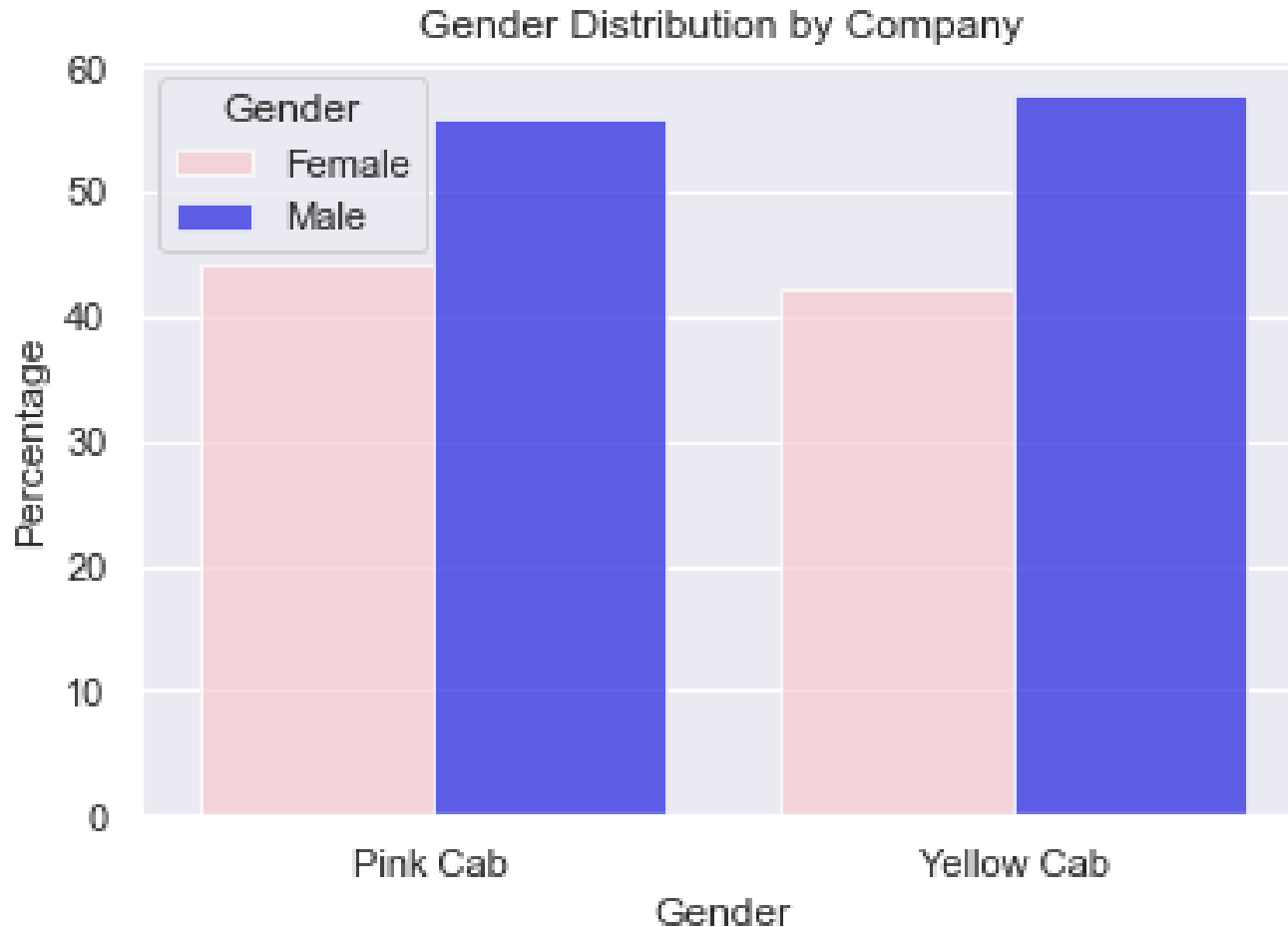
Conclusion:

- Insignificant difference between Yellow Cab and Pink Cab customers.

EDA Summary

- Yellow Cab's annual profit is about 8 times Pink Cab's annual profit.
- Yellow Cab's average profit per KM is about 2.5 times Pink Cab's profit per KM.
- Yellow Cab quantitatively dominates in most of cities.
- Yellow Cab customers exhibit higher levels of loyalty towards the company.

Recommendations

Based on such factors as:

- Profitability
- City coverage
- Customer base
- Customer retention

The recommendation is to invest in Yellow Cab.

Thank You

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