



On this new launch, we're focusing on the route from the airport to downtown (in either direction, one way). The prevailing rate that people are used to paying on this route is \$25. The prevailing wage that drivers are used to earning for this trip is \$19. It turns out only 60 or so of every 100 rides requested are finding a driver at this price.

**Our goal is to maximize net revenue for the next 12 months on this route.**

Luis Antonio Garza  
Pricing Product Manager





## DRIVERS



CAC is sensitive to the rate of acquisition since channels are only so deep.

**CAC OF NEW DRIVER: \$400-\$600**

At the prevailing wage

**5% MONTHLY CHURN RATE**

At the prevailing wage

**COMPLETE 100 RIDES / MONTH**

## RIDERS



CAC is sensitive to the rate of acquisition since existing marketing channels are only so deep

**CAC OF NEW RIDER: \$10-\$20**

- Failed to Find Driver: NO – 10% MONTHLY CHURN
- Failed to Find Driver: YES – 33% MONTHLY CHURN

**EACH RIDER REQUEST 1 RIDE /  
MONTH ON AVERAGE**



## Experiment with prices

### DRIVERS



**LYFTS REVENUE**  
\$6 /ride to \$3 /ride

### DURATION



**FEW WEEKS**

## Results

### RIDERS



**MATCH RATE**  
FROM 60% TO 93%

### DURATION



**NEARLY INSTANTLY**

For price analysis and limited data, we established the following linear conditions to generate the proposal.

PROPORTIONALITY	
RIDES	MATCH RATE
100	60%
<b>X</b>	100%
RESULT	
<b>X =</b>	166
TOTAL POSSIBLE TRIPS PER DRIVER	

We establish a relationship between the ranges of CAC for drivers and passengers with the match rate, linking these variables.

MATCH RATE				
60%	70%	80%	90%	100%
CAC DRIVERS				
\$ 600.00	\$ 550.00	\$ 500.00	\$ 450.00	\$ 400.00
CAC PASSENGERS				
\$ 20.00	\$ 17.50	\$ 15.00	\$ 12.50	\$ 10.00

## MATCH RATE


A line graph titled 'MATCH RATE' showing a steady increase from 60% to 100%. The y-axis is labeled from 0% to 120% in 20% increments. The x-axis has five vertical grid lines corresponding to the data points. A blue line connects five diamond-shaped markers, with each marker labeled with its percentage value: 60%, 70%, 80%, 90%, and 100%.


Match Rate
60%
70%
80%
90%
100%


Year	Number of Employees
2017	600
2018	550
2019	500
2020	450
2021	400

Year	Value of Dollar
1913	\$20.00
1929	\$17.50
1945	\$15.00
1971	\$12.50
2008	\$10.00

RESULTS OF PRICING EXPERIMENT			
MATCH RATE	DOLLAR RATE	SPACE MATCH RATE	DIFFERENCE DOLLARS
93%	\$ 3.00	33%	\$ 3.00
80%	\$ 4.00		
70%	\$ 5.00	33/3 = \$1 USD =	11%
60%	\$ 6.00	This result means that each dollar corresponds to an 11% increase in the Match Rate.	







60%	71%	82%	93%
-----	-----	-----	-----



# ACTUAL PRICE AND PROPOSAL PRICE

 TOLEDO, OHIO

## ACTUAL

LYFTS 

LYFTS REVENUE  
\$6 / RIDE

DRIVERS 

DRIVERS WAGE  
\$19 / RIDE

MATCH RATE 

MATCH RATE  
60%

## PROPOSAL

LYFTS 

LYFTS REVENUE  
\$3.26 / RIDE

DRIVERS 

DRIVERS WAGE  
\$21.74 / RIDE

MATCH RATE 

MATCH RATE  
90.14%



ACTUAL REVENUE

\$-78,720.00

ACTUAL									
MONTH	PRICE PER TRIP	LYFTS COMMISSION	DRIVER WAGE	MATCH RATE	TOTAL POSSIBLE TRIPS COMPLETED PER RIDER	TOTAL TRIPS COMPLETED PER RIDER	NUMBER OF DRIVERS	TOTAL TRIPS COMPLETED	NUMBER OF PASSENGERS
JANUARY	\$ 25.00	\$ 6.00	\$ 19.00	60%	166	100	100	10000	10000
FEBRUARY	\$ 25.00	\$ 6.00	\$ 19.00	60%	166	100	100	10000	10000
MARCH	\$ 25.00	\$ 6.00	\$ 19.00	60%	166	100	100	10000	10000
APRIL	\$ 25.00	\$ 6.00	\$ 19.00	60%	166	100	100	10000	10000
MAY	\$ 25.00	\$ 6.00	\$ 19.00	60%	166	100	100	10000	10000
JUNE	\$ 25.00	\$ 6.00	\$ 19.00	60%	166	100	100	10000	10000
JULY	\$ 25.00	\$ 6.00	\$ 19.00	60%	166	100	100	10000	10000
AUGUST	\$ 25.00	\$ 6.00	\$ 19.00	60%	166	100	100	10000	10000
SEPTEMBER	\$ 25.00	\$ 6.00	\$ 19.00	60%	166	100	100	10000	10000
OCTOBER	\$ 25.00	\$ 6.00	\$ 19.00	60%	166	100	100	10000	10000
NOVEMBER	\$ 25.00	\$ 6.00	\$ 19.00	60%	166	100	100	10000	10000
DECEMBER	\$ 25.00	\$ 6.00	\$ 19.00	60%	166	100	100	10000	10000

C DRIVER	# DRIVER CHURN RATE	COST CAC DRIVER	CAC PASSENGER	# PASSENGER CHURN RATE 10%	COST PASSENGER CHURN RATE 10%	# PASSENGERS FAILED TO FIND DRIVER	# PASSENGER CHURN RATE 33%	COST PASSENGER CHURN RATE 33%	DRIVER PAYOUT	COST OTHERS	MONTHLY INCOME	NET INCOME
\$ 600.00	5	\$ 3,000.00	\$ 20.00	1000	\$ 20,000.00	6600	2178	\$ 43,560.00	\$ 190,000.00	\$ 66,560.00	\$ 250,000.00	-\$ 6,560.00
\$ 600.00	5	\$ 3,000.00	\$ 20.00	1000	\$ 20,000.00	6600	2178	\$ 43,560.00	\$ 190,000.00	\$ 66,560.00	\$ 250,000.00	-\$ 6,560.00
\$ 600.00	5	\$ 3,000.00	\$ 20.00	1000	\$ 20,000.00	6600	2178	\$ 43,560.00	\$ 190,000.00	\$ 66,560.00	\$ 250,000.00	-\$ 6,560.00
\$ 600.00	5	\$ 3,000.00	\$ 20.00	1000	\$ 20,000.00	6600	2178	\$ 43,560.00	\$ 190,000.00	\$ 66,560.00	\$ 250,000.00	-\$ 6,560.00
\$ 600.00	5	\$ 3,000.00	\$ 20.00	1000	\$ 20,000.00	6600	2178	\$ 43,560.00	\$ 190,000.00	\$ 66,560.00	\$ 250,000.00	-\$ 6,560.00
\$ 600.00	5	\$ 3,000.00	\$ 20.00	1000	\$ 20,000.00	6600	2178	\$ 43,560.00	\$ 190,000.00	\$ 66,560.00	\$ 250,000.00	-\$ 6,560.00
\$ 600.00	5	\$ 3,000.00	\$ 20.00	1000	\$ 20,000.00	6600	2178	\$ 43,560.00	\$ 190,000.00	\$ 66,560.00	\$ 250,000.00	-\$ 6,560.00
\$ 600.00	5	\$ 3,000.00	\$ 20.00	1000	\$ 20,000.00	6600	2178	\$ 43,560.00	\$ 190,000.00	\$ 66,560.00	\$ 250,000.00	-\$ 6,560.00
\$ 600.00	5	\$ 3,000.00	\$ 20.00	1000	\$ 20,000.00	6600	2178	\$ 43,560.00	\$ 190,000.00	\$ 66,560.00	\$ 250,000.00	-\$ 6,560.00
\$ 600.00	5	\$ 3,000.00	\$ 20.00	1000	\$ 20,000.00	6600	2178	\$ 43,560.00	\$ 190,000.00	\$ 66,560.00	\$ 250,000.00	-\$ 6,560.00
\$ 600.00	5	\$ 3,000.00	\$ 20.00	1000	\$ 20,000.00	6600	2178	\$ 43,560.00	\$ 190,000.00	\$ 66,560.00	\$ 250,000.00	-\$ 6,560.00
\$ 600.00	5	\$ 3,000.00	\$ 20.00	1000	\$ 20,000.00	6600	2178	\$ 43,560.00	\$ 190,000.00	\$ 66,560.00	\$ 250,000.00	-\$ 6,560.00
\$ 600.00	5	\$ 3,000.00	\$ 20.00	1000	\$ 20,000.00	6600	2178	\$ 43,560.00	\$ 190,000.00	\$ 66,560.00	\$ 250,000.00	-\$ 6,560.00
											TOTAL	-\$ 78,720.00



## PRICE PROPOSAL – FUTURE REVENUE

**\$255,600.00**

PROPOSAL									
MONTH	PRICE PER TRIP	LYFTS COMMISSION	DRIVER WAGE	MATCH RATE	TOTAL POSSIBLE TRIPS COMPLETED PER RIDER	TOTAL TRIPS COMPLETED PER RIDER	NUMBER OF DRIVERS	TOTAL TRIPS COMPLETED	NUMBER OF PASSENGERS
JANUARY	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000
FEBRUARY	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000
MARCH	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000
APRIL	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000
MAY	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000
JUNE	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000
JULY	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000
AUGUST	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000
SEPTEMBER	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000
OCTOBER	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000
NOVEMBER	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000
DECEMBER	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000

[illegible]

# CORRELATION ANALYSIS

## ↑ DRIVER WAGE CORRELATION

1	
MONTH	1.000000
NET INCOME LYFTS	1.000000
MATCH RATE ↑	1.000000
MATCH RATE INCREASE	1.000000
DRIVER WAGE	1.000000
TOTAL TRIPS COMPLETED PER RIDER	0.999951
# PASSENGER CHURN RATE 10%	0.999951
MONTHLY EARNINGS TOTAL	0.999951
MONTHLY EARNINGS PER RIDER	0.999951
TOTAL TRIPS COMPLETED	0.999951
# PASSENGERS ↑	0.999951
MONTHLY COST (Driver Payout)	0.998842
MONTHLY COST (Driver Payout)	0.998842
TOTAL NET INCOME	0.371740
COST PASSENGER CHURN RATE 10%	-0.682231
NET INCOME 2	-0.961210
TOTAL NET INCOME B	-0.961210
NET INCOME 1	-0.961210
CAC PASSENGER ↓	-0.966661
CAC DRIVER ↓	-0.966661
COST CAC DRIVER	-0.966661
COST TOTAL	-0.980742
COST PASSENGER CHURN RATE 33%	-0.981538
# PASSENGERS FAILED TO FIND DRIVER ↓	-0.999951
# PASSENGER CHURN RATE 33%	-0.999951

## CONCLUSIONS

By calculating the correlation of DRIVER WAGE with other variables, we can conclude that as Driver Wage increases, so does the MATCH RATE and the number of PASSENGERS.

Additionally, we can conclude that as DRIVER WAGE increases, the CAC of both drivers and passengers decreases, as well as the number of passengers failed to find driver.



# CORRELATION ANALYSIS

↑ # PASSENGERS CORRELATION	
1	
TOTAL TRIPS COMPLETED PER RIDER	1.000000
# PASSENGER CHURN RATE 10%	1.000000
TOTAL TRIPS COMPLETED	1.000000
MONTHLY EARNINGS PER RIDER ↑	1.000000
# PASSENGERS	1.000000
MONTHLY EARNINGS TOTAL	1.000000
MATCH RATE INCREASE	0.999951
MONTH	0.999951
MATCH RATE	0.999951
DRIVER WAGE	0.999951
NET INCOME LYFTS	0.999951
MONTHLY COST (Driver Payout)	0.998864
MONTHLY COST (Driver Payout)	0.998864
TOTAL NET INCOME	0.371958
COST PASSENGER CHURN RATE 10%	-0.681978
NET INCOME 2	-0.961101
TOTAL NET INCOME B	-0.961101
NET INCOME 1	-0.961101
COST CAC DRIVER	-0.966618
CAC PASSENGER ↓	-0.966618
CAC DRIVER ↓	-0.966618
COST TOTAL ↓	-0.980748
COST PASSENGER CHURN RATE 33%	-0.981571
NEW INCOME LYFTS	-0.999951
# PASSENGERS FAILED TO FIND DRIVER ↓	-1.000000

## CONCLUSIONS

By calculating the correlation of # Passengers with other variables, we can conclude that as the number of passengers increases, so does the MONTHLY EARNINGS PER RIDER.

Additionally, we can conclude that as the number of PASSENGERS increases, the CAC of both drivers and passengers decreases, as well as the number of passengers failed to find driver, and the TOTAL COST.

According to our previous analysis of price and the correlations found, with the goal of maximizing our presence in the market with the highest number of passengers, the proposal includes creating the **"Driver's Month" program**. This program will be active during the months of highest tourism demand in the city of Toledo, with the intention of achieving a **match rate of 100%**.

Drivers who wish to enter the program must meet a requirement, which is to complete a **minimum of 300 rides in total** during any of the months that are not part of the program. Those who meet the requirement will be eligible to participate and receive additional benefits.

PROPOSAL DURING THE MONTHS OF HIGHEST TOURISM – MARCH, JUNE, JULY

LYFTS 

LYFTS REVENUE  
\$2.36 / RIDE

DRIVERS 

DRIVERS WAGE  
\$22.64 / RIDE

MATCH RATE 

MATCH RATE  
100%

METRICS WE WILL IMPACT

CHURN RATE DRIVERS 

CHURN RATE PASSENGERS 

CAC of DRIVERS & PASSENGERS 

\*We expect that with the requirement, we will incentivize drivers to work during low-demand months, increasing the match rate. In addition, we will generate publicity among drivers by offering higher earnings than the competition. We aim to reduce CAC and churn rate with this strategy.



## PRICE PROPOSAL – Business Strategy - Tourism

**\$253,428.00**

PROPOSAL + TOURISM										
MONTH	PRICE PER TRIP	LYFTS COMMISSION	DRIVER WAGE	MATCH RATE	TOTAL POSSIBLE TRIPS COMPLETED PER RIDER	TOTAL TRIPS COMPLETED PER RIDER	NUMBER OF DRIVERS	TOTAL TRIPS COMPLETED	NUMBER OF PASSENGERS	
JANUARY	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000	
FEBRUARY	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000	
MARCH	\$ 25.00	\$ 2.36	\$ 22.64	100.00%	166	166	100	16600	16600	
APRIL	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000	
MAY	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000	
JUNE	\$ 25.00	\$ 2.36	\$ 22.64	100.00%	166	166	100	16600	16600	
JULY	\$ 25.00	\$ 2.36	\$ 22.64	100.00%	166	166	100	16600	16600	
AUGUST	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000	
SEPTEMBER	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000	
OCTOBER	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000	
NOVEMBER	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000	
DECEMBER	\$ 25.00	\$ 3.26	\$ 21.74	90.14%	166	150	100	15000	15000	

[illegible]

## TOLEDO'S AIRPORTS METRICS

**Eugene F. Kranz Toledo Express Airport(TOL)**

**Owned by:** City of Toledo.

**Managed by:** Toledo-Lucas Country Port Authority.

TOL	TDZ
2,900+ JOBS	44 JOBS
\$581+ MILLION IN ECONOMIC OUTPUT	\$6.6+ MILLION IN ECONOMIC OUTPUT

Sources: toledoport.org

**Toledo Executive Airport (TDZ)**

**Owned by:** City of Toledo.

**Used by:** For corporate aviation, premium air freight services, flight training and privately owned aircraft.

## TOTAL PASSENGERS TRAVELING THROUGH TOL IN 2019

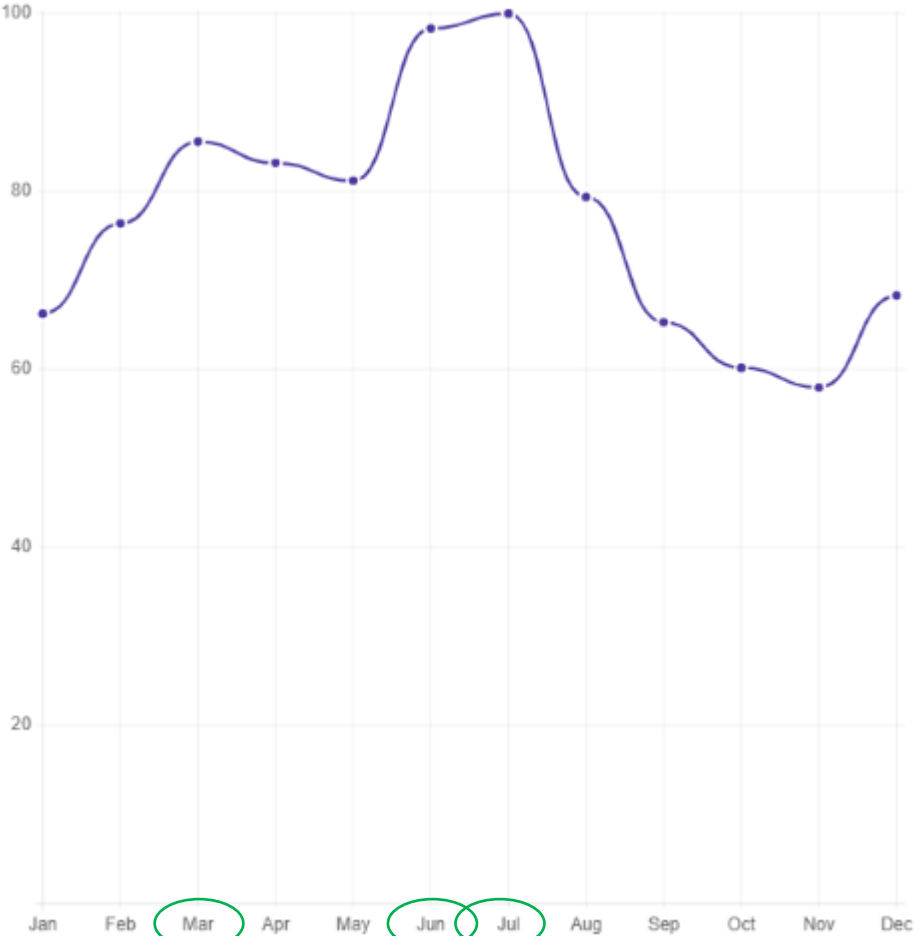
**245,389**  
**Passengers**

## ALLEGiant(Airlines) sets a new record in 2022

- 120,944 Passengers traveling through the airport of TOL.
- 32% increase over 2021
- March 2022 is the highest month on record with a total of nearly 19,000 Passengers flying through TOL in a single month.

# TOURISM IN TOLEDO

Most Popular Months to Visit



## Popular Months to Visit Toledo

March

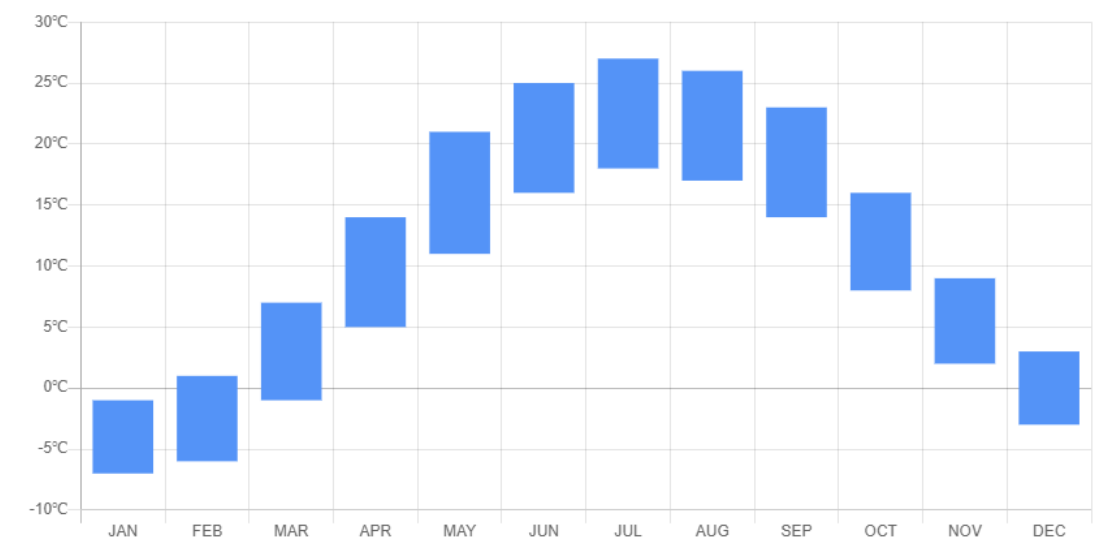
June

July

## Toledo Seasons

Season	Months
Summer	June to August <span>→</span> <b>Busiest season for tourism</b>
Autumn/fall	September to November
Winter	December to February
Spring	March to May

## Average temperatures in Toledo



Sources: timetravella.com & championtraveler.com



# DETAILED ANALYSIS IN EXCEL AND PYTHON

- This report was generated by conducting detailed and comprehensive analyses using Microsoft Excel and Python.
- Due to space limitations and to maintain clarity in the report, not all the details were included in the previous slides.
- To access the full Excel file with detailed analysis and the Python notebook, links will be provided for download and viewing.
  - **Excel File:**  
<https://github.com/luisgarzac/Data-Analysis-of-Lyft-Toledo-Ohio-Problem>
  - **Notebook Python:**  
<https://colab.research.google.com/drive/1O3WEieu8CNy51pFgjL4diMGztPel0VwX?usp=sharing>
- It is important to mention that we recommend reviewing the complete analysis to obtain a comprehensive understanding of the results and how we arrived at the appropriate prices for the generated proposal. You will be able to identify the results as they are highlighted with colors. In the "**GENERAL ANALYSIS**" tab, Table **A** is where we performed the run to find the appropriate LYFTS INCOME to achieve the desired match rate. We conducted a test case with 100 contracted drivers in Table **B**, and based on that, calculations for all costs such as CAC and Churn Rate were performed in Table **C** to find the TOTAL NET INCOME. In Excel, you will find the proposed row highlighted in light blue in row **276**. In Excel, you will find the proposed row for the "DRIVERS MONTH" program highlighted in a lighter shade of blue in row **366**.
- In the case of the Google Colab Notebook with Python, you will find the code used to analyze the Excel dataset and perform calculations for correlation and covariance that led us to the solution.