

# **Business Analyst, Product Operations**

# Homework Assignment

#### **INTRODUCTION**

First, thank you for taking the time to complete the Business Analyst homework! We appreciate your investment in our interview process, and we're excited to review your submission.

In this assignment, we're asking you to <u>use the given data</u> to complete the following presentation. Your presentation will be evaluated based on your technical analysis and interpretation of the data using the .csv files and information provided. **You have 48 hours to complete and submit your assignment.** 

#### **INSTRUCTIONS**

Deliverable: Submit a 20-30 minute presentation that analyzes a driver's Lifetime Value (LTV) using the data provided, and identifies trends and insights of the factors that impact LTV.

# Assumptions to keep in mind when creating your presentation:

- Turn in a presentation that can be read and interpreted without a voiceover. Please include all working materials, assumptions, and supporting analyses in an appendix.
- Keep in mind we'll be assessing your homework based on the structure, organization, technical depth, and business applications/insights.
- Assume this presentation will be delivered to a cross-functional audience.
- The data provided is a snapshot in time and does not encompass all rides data. Drivers may have continued to drive after the snapshot was taken.
- Be sure to state any and all assumptions you make in your assignment.
- Submit as a Google Slides presentation

# Questions to consider when building your presentation:

- Recommend a Driver's Lifetime Value (LTV) (i.e. the value of a driver to Lyft over the entire
  projected lifetime of a driver). State the components of your LTV equation and the assumptions
  made to calculate your final LTV.
- What is the average projected lifetime of a driver? That is, once a driver is onboarded, how long do they typically continue driving with Lyft.
  - Number of Rides and Active Drivers over time (in weekly buckets)
- Explore how drivers churn once they start driving with Lyft.
  - Are there any predictive indicators for driver churn?
  - o % of Active Drivers over time (in weekly buckets, cohorted by onboard week)
- Segment the driver population to identify driving behavior that may lead to churn
- What are the main factors that affect a driver's lifetime value? Please support your answers using your data analysis.
- How does the demand for rides impact the number of drivers?
- What actionable recommendations are there for the business?

#### **DATA DETAILS**

Attached are three CSV files containing the data you will need for this assignment. More information below.

## The three CSV files attached contain the following data:

## data/driver\_ids.csv

driver\_id Unique identifier for a driver

driver\_onboard\_date Date the driver was approved to drive on Lyft

## data/ride\_ids.csv

driver\_id Unique identifier for a driver

ride\_id Unique identifier for a ride that was completed by the driver

ride\_distance Ride distance in meters ride\_duration Ride durations in seconds

ride\_prime\_time PrimeTime multiplier (%) applied on the ride

## data/ride\_timestamps.csv

ride\_id Unique identifier for a ride

event describes the type of event (see below)

timestamp Time of event

#### You can assume that:

- All rides in the data set occurred in San Francisco.
- All timestamps in the data set are in UTC.
- This is a snapshot of onboarding and ride history data for a 3 month period. You may assume the data is complete for these drivers during the given time period; however, additional rides may have occurred before and after the time period included in the data.

# Here's an overview of the event types:

requested\_at passenger requested a ride

accepted\_at driver accepted a passenger request

arrived\_at driver arrived at pickup point picked\_up\_at driver picked up the passenger

dropped\_off\_at driver dropped off a passenger at destination

#### You can make the following assumptions about the Lyft rate card:

Base Fare \$2.00
Cost per Mile \$1.15
Cost per Minute \$0.22
Service Fee \$1.75
Minimum Fare \$5.00
Maximum Fare \$400.00