Metrocar Funnel Analysis Report

Introduction

The commissioned analysis of Metrocar's customer funnel has been completed, and the findings, along with actionable recommendations, are presented in this report.

Funnel Per User

A detailed examination of the user funnel revealed three major points of customer drop-off:
1st **Signups**
2nd **Ride Requests**
3rd **Review Submission**
Due to insufficient data, a comprehensive analysis for each stage was not feasible. However, notable insights were drawn:

- **Signups:** 25% of users who downloaded the app did not complete the signup process. Additionally, incomplete profile information was observed among successful signups, suggesting that the registration process may be overly complex, discouraging users from progressing beyond the download stage.
- **Ride Requests:** 22% of signed-up users did not make their first ride request. While data to analyze user actions within the app was unavailable, further investigation is recommended to understand this behavior.

Given that approximately half of the signed-up users did not proceed to request rides, it was decided to delve deeper into this critical stage by generating a "funnel per ride."

Funnel Per Ride

The analysis of the ride funnel highlighted that the most significant drop-offs occurred during the **driver acceptance phase**. This finding aligns with the observation from the user funnel, where a substantial portion of users abandoned the platform at the same stage.

User and Ride Activity Per Day

Daily activity patterns revealed two prominent peaks corresponding to expected rush hours:

- **Morning Peak:** Between 8:00 and 10:00 a.m.
- **Evening Peak:** Between 4:00 and 8:00 p.m.

It was observed that driver refusals were consistently proportional to the number of ride requests, with one-third of requests being declined throughout the day. To address this, it is recommended that additional drivers be deployed during peak hours to manage the high volume of requests effectively. Furthermore, the introduction of **surge pricing** during these times could optimize revenue generation.

Cancellation Policy and Fee

An analysis of user behavior around ride cancellations revealed that most rides were accepted within 10 minutes, with an average of 12 minutes elapsing between a request and a cancellation. This flexibility likely results in lost revenue and user dissatisfaction. To mitigate this:

- A **cancellation fee** should be implemented for users canceling rides within the first 10 minutes.
- A replacement solution should be offered to users waiting longer than 10 minutes for a ride.

Platform Analysis

The distribution of ride requests across platforms was found to be as follows:
- **iOS:** 60%
- **Android:** 30%
- **Web:** 10%

Similar drop-off ratios were observed across all platforms. It is recommended that the marketing budget allocation reflects this proportional usage.

Age Group Analysis

Analysis by age group indicated that the majority of users belonged to the following categories:
- **35–44 years:** 30%
- **25–34 years:** 20%

A significant portion of users fell into an unknown age group. It is strongly recommended to focus marketing efforts on the larger age groups while investigating the unknown demographic to uncover potential opportunities.

Review Sentiment Analysis

A sentiment analysis of user reviews revealed that:
- **45% of reviews** carried a negative sentiment.
- The average rating was **3 out of 5 stars**.

A deeper investigation into negative reviews is essential to identify key areas for improvement and enhance the overall user experience.

Monthly User Trends

A consistent growth in ride requests was noted, but this was accompanied by a proportional lack of driver acceptance. While cancellation rates remained stable, a sharp decline in 2022 warrants further investigation to determine whether the issue stems from data collection errors, structural problems within the app, or a significant drop in user engagement.

Summary and Recommendations

The analysis of Metrocar's customer funnel highlighted several critical insights into user behavior and platform performance. Key recommendations include:

1st Simplifying the signup process to improve retention during the registration phase.

2nd Deploying additional drivers during peak hours and considering surge pricing to balance supply and demand.

3rd Implementing a cancellation fee to reduce lost revenue and offering solutions for prolonged wait times.

4th Refining marketing efforts to target key user demographics, particularly iOS users and age groups 25–44.

5th Investigating negative reviews to address user concerns and improve satisfaction.

6th Conducting further analysis of user actions within the app, reasons for driver refusals, and geographical trends to optimize service delivery.

Conclusion

The exploration of Metrocar's customer data has provided valuable insights and actionable strategies for enhancing the platform's performance. However, gaps in critical data limit the scope of the analysis. Conducting user surveys to gather additional metrics, such as usage preferences, ride details, and driver insights, is highly recommended. By addressing these areas, Metrocar can overcome current challenges and achieve sustained growth.