

# **G2M Case Study**

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# Background -G2M(cab industry) case study

- XYZ is a private equity 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.
- Objective: Provide actionable insights to help XYZ firm in identifying the right company for making investment.

The analysis has been divided into four parts:

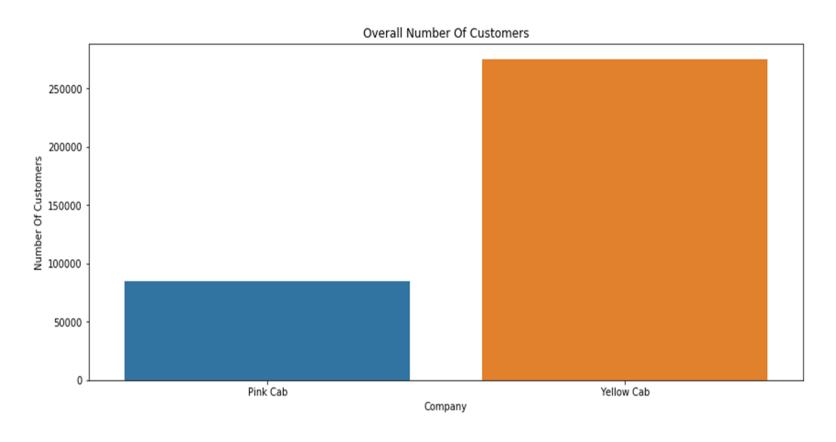
- Data Understanding
- Forecasting profit and number of rides for each cab type
- Finding the most profitable Cab company
- Recommendations for investment.

## **Data Exploration**

- 15 Features.
- 4 derived features (Month, Year, Day, Margins).
- Total data points 355,032.

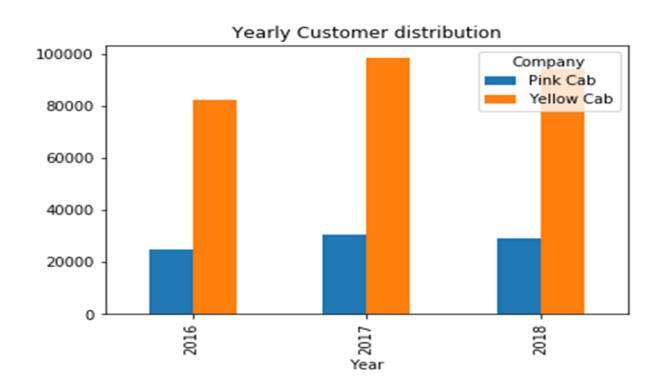
- Assumptions:-
  - Profit of rides are calculated keeping other factors constant and only Price\_Charged and Cost\_of\_Trip features used to calculate profit.

# Data understanding



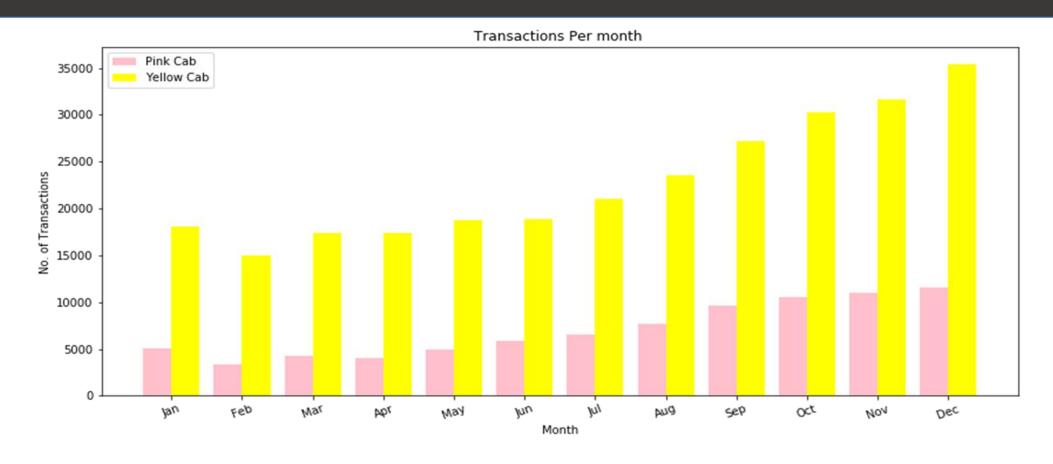
✓ Yellow cab has the majority of transactions between the two cabs.

# Yearly Customer Distribution



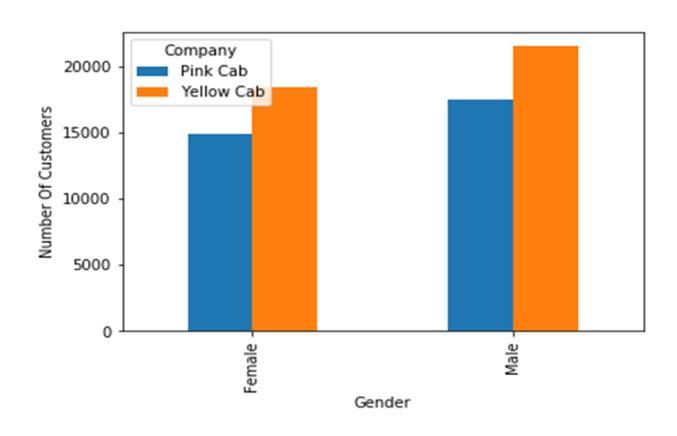
✓ Yellow Cab has had the majority of customers across the three years.

# Monthly Transactions Analysis



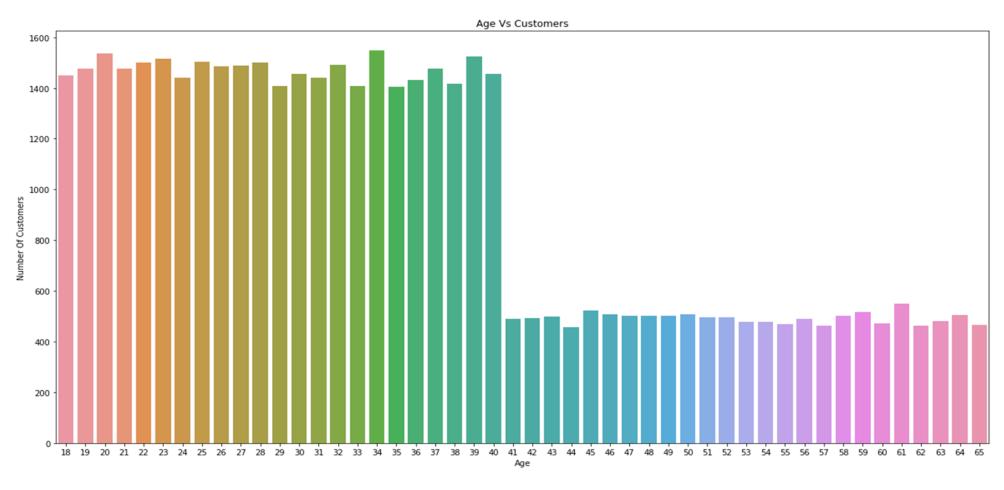
✓ The busiest Months are the holiday months heading towards January for both Cabs with Yellow cab taking the lions share.

# Gender Distribution



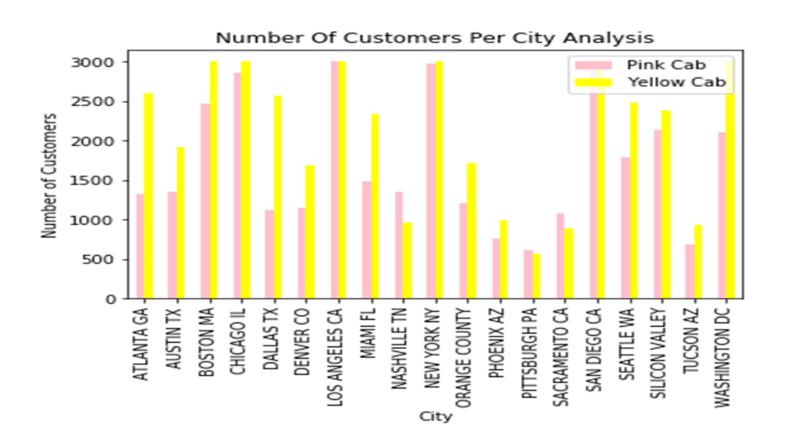
✓ Most of the customers for both Cabs are Male with the Yellow Cab taking the lions share in both.

# General Age Distribution Analysis



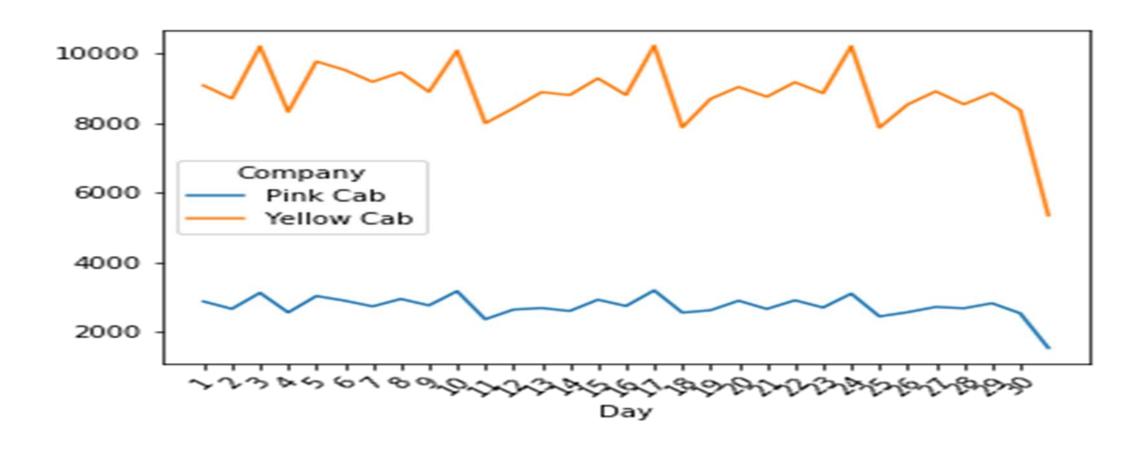
✓ Most of the Customers are Young. i.e below 40 Years of age.

### Customers per City Analysis

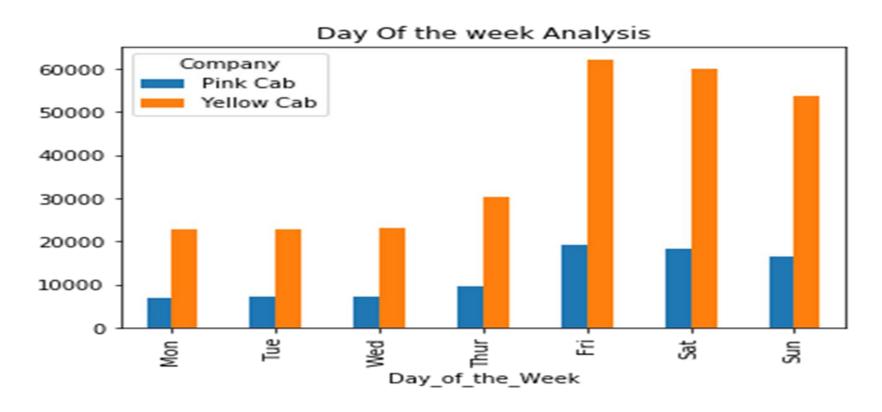


- ✓ Yellow cab leads on most of the cities with Pink Cab only leading in 4 cities:-
  - ✓ San Diego
  - ✓ Nashville
  - ✓ Sacramento
  - ✓ Pittsburgh

# Day Of the Month Analysis



# Day Of the Week Analysis



✓ On average most of the customers use the cabs as from Friday heading into the weekend.

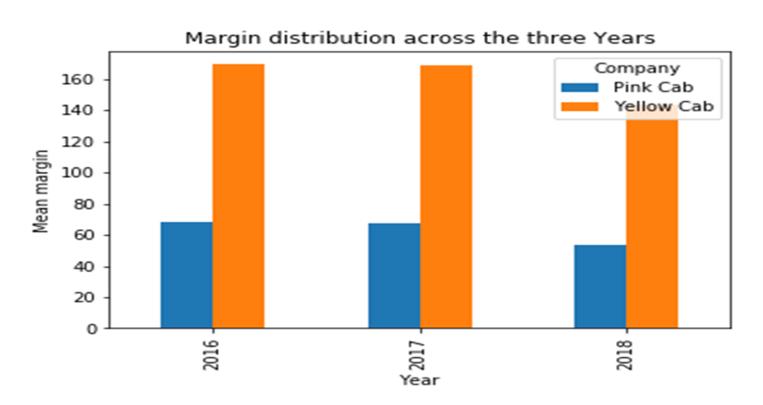
# Most frequent Customers for both Cabs(Customer Retention)

Pink Cab(Customer_ID)	Frequency
8120	18
6159	17
7927	17
8595	17
8915	16

Yellow Cab(Customer_ID)	Frequency
1360	47
1803	47
494	47
636	46
126	45

<sup>✓</sup> Yellow cab customers frequent the cabs more often showing that they have a high customer retainability. Also the most frequent Pink Customers are also Yellow Cab Customers.

# Margin Analysis



✓ Yellow cab has had the most Profit compared to Pink Cab across the three years this very little fluctuations(Decrease in profit).

#### Recommendations and Conclusion

 I believe that Yellow cab is going to maintain its monopoly in the market for a longer period of time because:-

- 1. Yellow cab has a very high customer retainability rate compared to Pink Cab.
- 2. Through the three Years yellow cab has had the most customers and is not showing any signs of letting go off this trend.
- 3. Yellow cab a high customer following in high population cities like New York.
- Most of the young aged customers prefer Yellow Cab. It is to be noted that the young aged customers are the biggest consumers in this cab business.
- 5. Yellow cab seems to be making higher profit margin compared to pink cab.

# Thank You

