

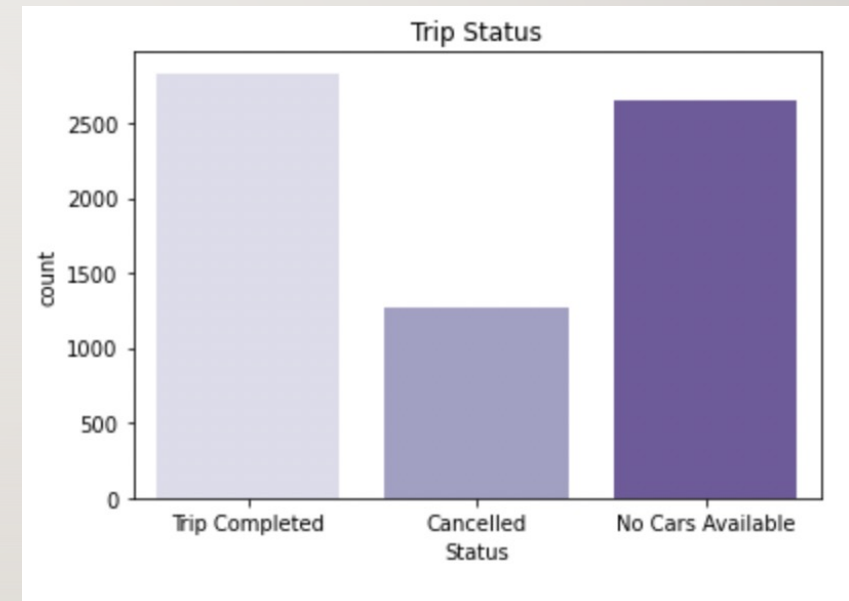
UBER SUPPLY – DEMAND GAP



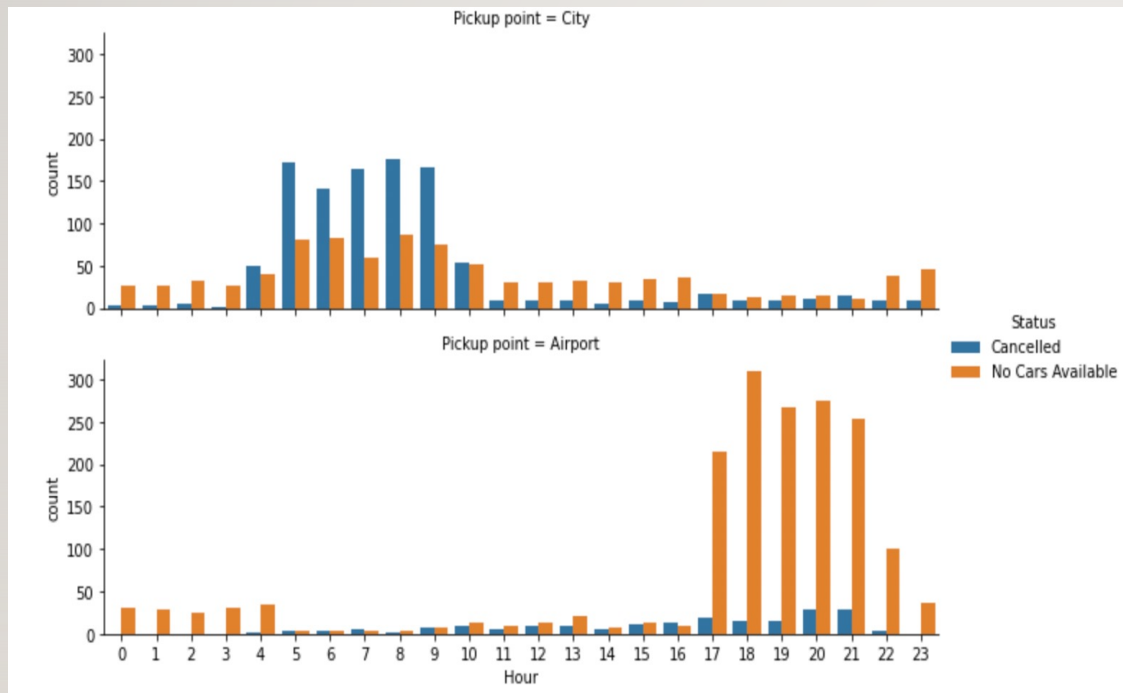
PROBLEM STATEMENT

Uber is facing the following problems for travel from Airport to City and vice-versa –

- Driver cancellation
- Non – availability of cabs

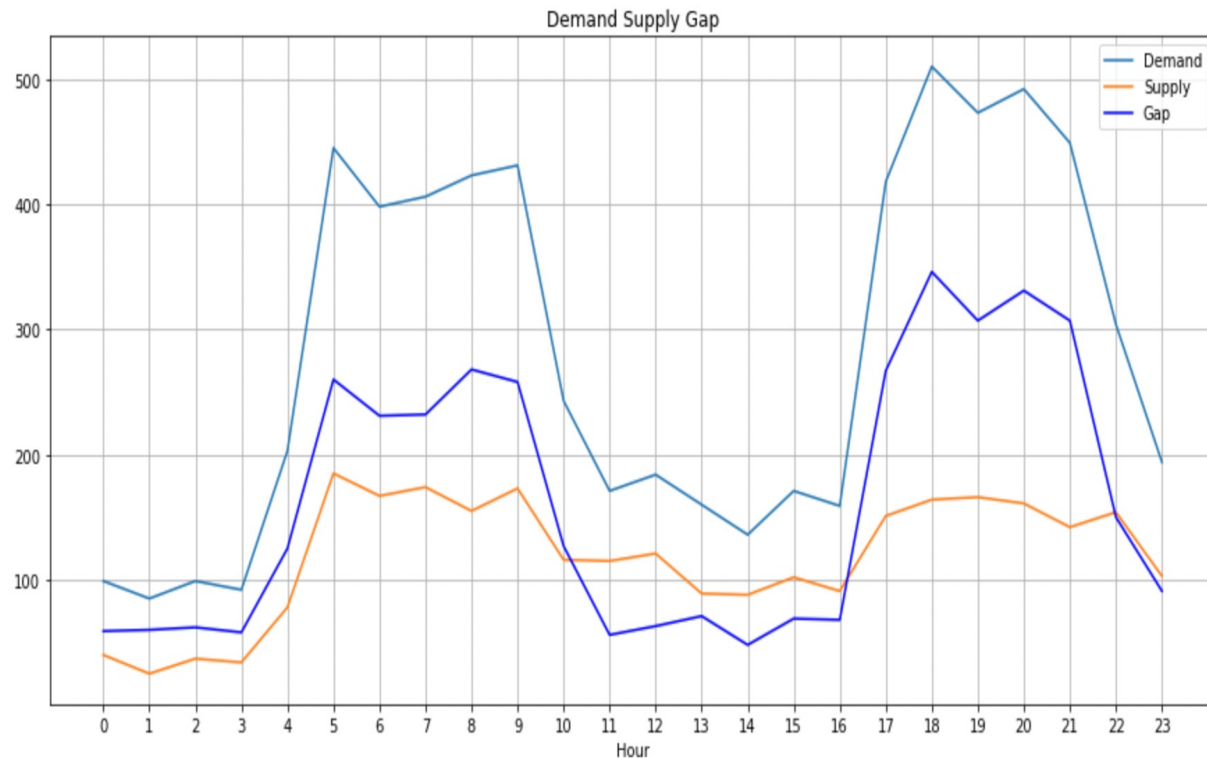


PROBLEM STATEMENT



- **From City to the Airport:**
 - Maximum Cab Cancellation issues are being faced in the Morning i.e. 5 AM – 10 AM
 - Similarly, Non-availability of cabs also exists during the same time slot
- **From Airport to the City**
 - Non Availability of cabs is a major issue in this case in comparison the cab cancellations
 - During the Evening, people traveling from the airport face the issue of the non availability of cabs

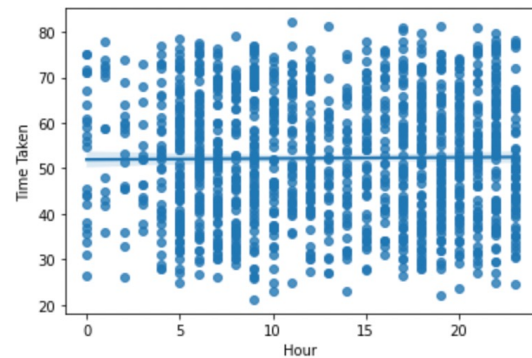
IDENTIFYING THE DEMAND SUPPLY GAP



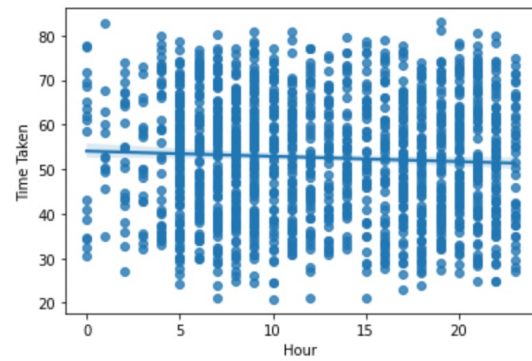
- The demand is highest during the Evening i.e. 5 PM – 9 PM and then gradually starts to decrease.
- The demand is also high during the Morning i.e. 5 AM – 9 AM.
- However, the supply is very low during the time when demand is the highest.
- Hence, the gap between the Supply and Demand is maximum during the peak hours of demand i.e. Morning 5 AM – 10 AM and Evening 5 PM – 10 PM.

ROOT CAUSE ANALYSIS

Airport



City



Traffic Congestion?

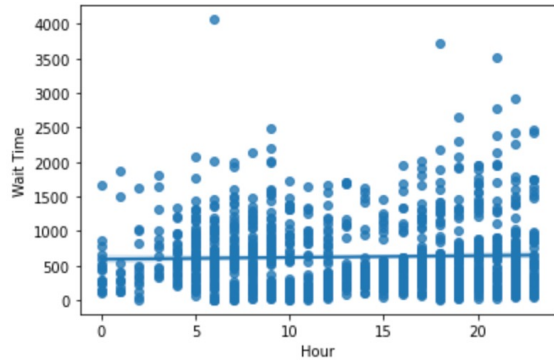
- From Airport, it can be observed that even though the Trip Frequency is varying, but the Time Duration does not vary much during the day.
- From City, the duration is varying very slightly during the peak hours, i.e. Morning and Evening. Still, the change is not very significant to affect the supply.

Conclusion:

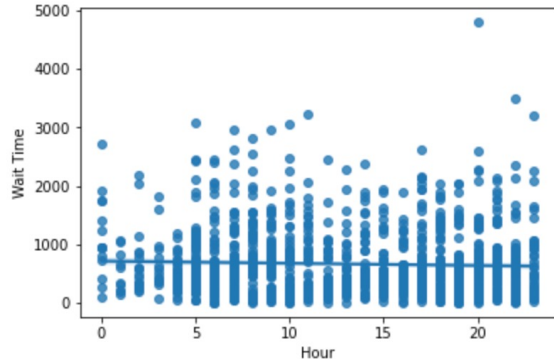
- Traffic congestion cannot be identified as the root cause for cancellation of cabs or the non availability of cabs.

ROOT CAUSE ANALYSIS

Airport



City



Waiting Time of Driver?

- The waiting time of driver is comparatively high in the morning, i.e. 5 AM – 10 AM and also during the night 5 PM – 10 PM for Airport
- From City, the waiting time for driver is maximum in the morning, i.e 5 AM – 10 AM and in the evening as well.

Conclusion:

- It can be observed, that the no. of cancellations or the non availability of cabs is maximum during the time when the wait time for drivers is high.
- Thus, we can say that the increased waiting time of drivers is the root cause of the issue faced by Uber.

REASONS LEADING TO THE ISSUE

- Demand from cities is higher in the morning, due to the office/ college rush.
- Driver may cancel on one customer and choose to travel with another representing high fare
- From Airports, usually a large no. of people travel during the night after finishing off their work during the day, thus increasing the demand
- However, the time span between landing and coming out of the airport could vary due to many factors, thus increasing the driver's waiting time

SOLUTION

- For early morning/ evening Cancelled Rides:
- Provide incentives to the drivers on their increased waiting time, such as –
Gift voucher
Extra Pay depending upon the waiting time
- For No Cabs Availability Issue at airport during morning and evening:
- Increase the fare to 1.5x times the original fare
- Create a permanent cab stand nearby Airport, so that cabs are available at all times
- For No Cabs Availability Issue in the City
Provide incentives to the drivers for the increased waiting times