G2M Case Study

Virtual Internship

21-Jun-2022

Agenda

Executive Summary

Problem Statement

Approach

EDA

EDA Summary

Recommendations

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:

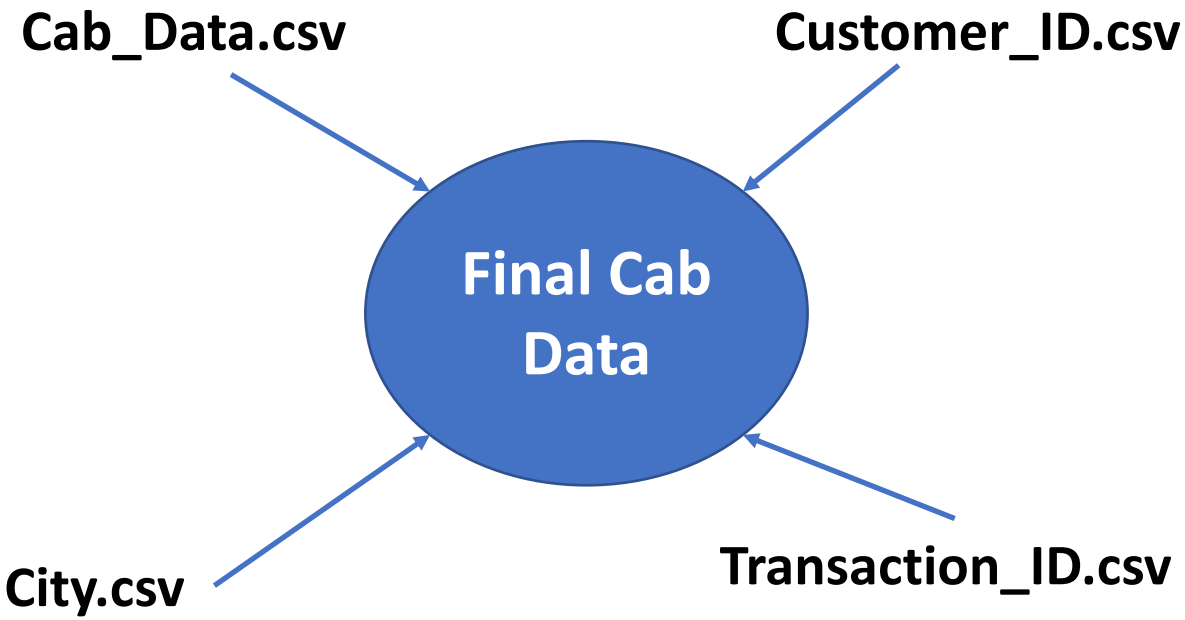
- Data Analysis to get maximum insights from the existing data
- Analyzing the pattern of the two companies and their share in the market
- Finding the most profitable company
- Recommendations for investment in the two companies

Exploring Data

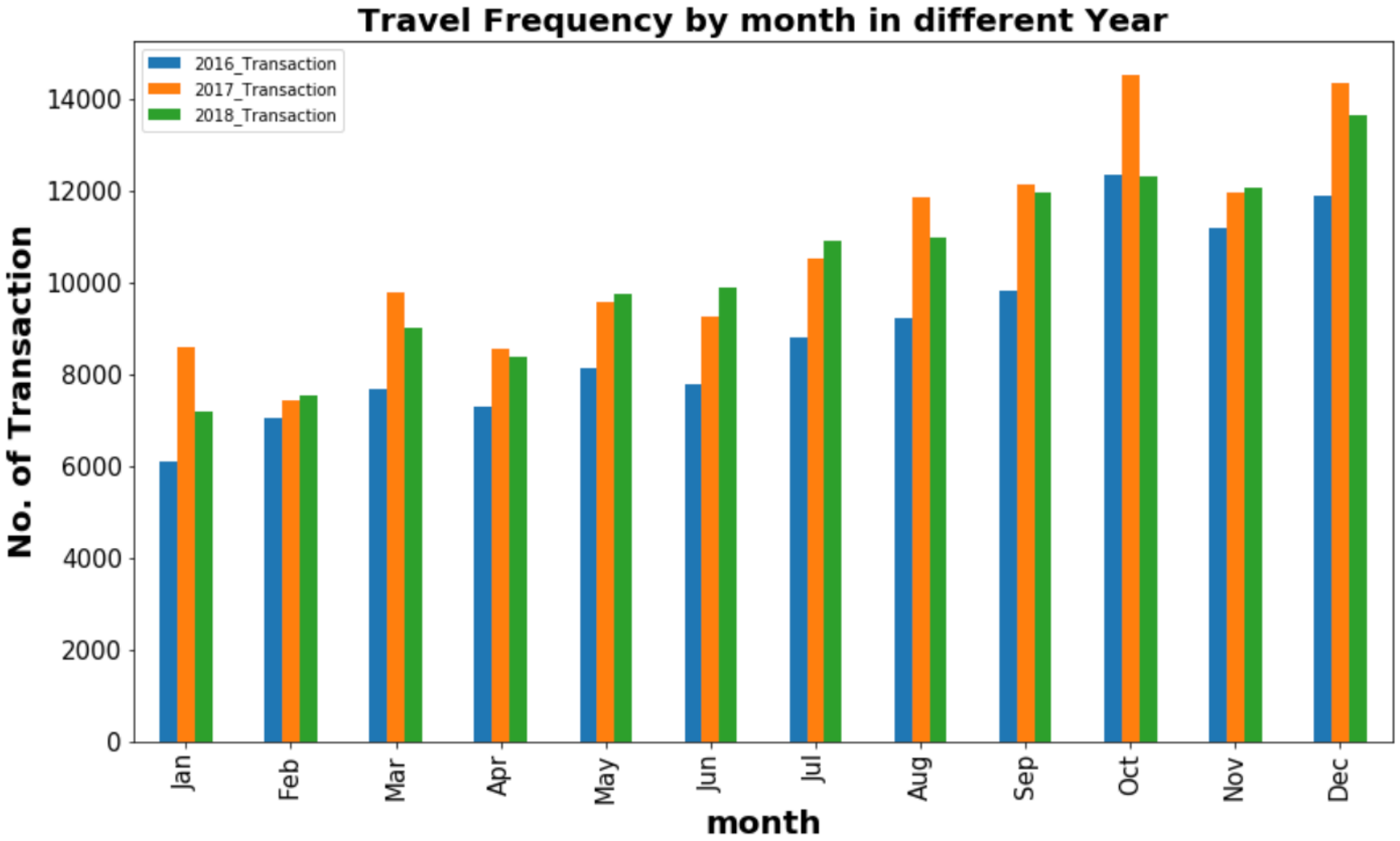
- **Total Features**: 16
- **Timeframe of the data**: 2016-01-31 to 2018-12-31
- **Total data points**: 359392

Assumptions:

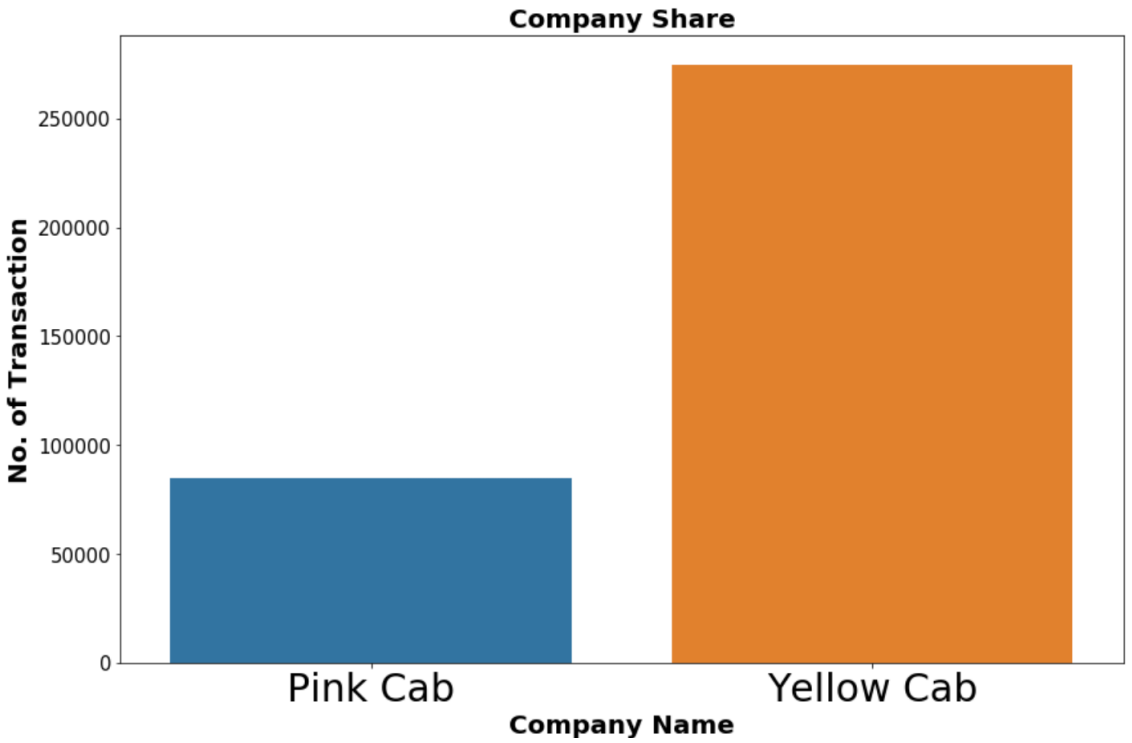
- No Outlier consideration in the data
- Only “Price Charged” and “Cost of Trip” features used to calculate profit.
- Users feature of city dataset is treated as number of cab users in the city.

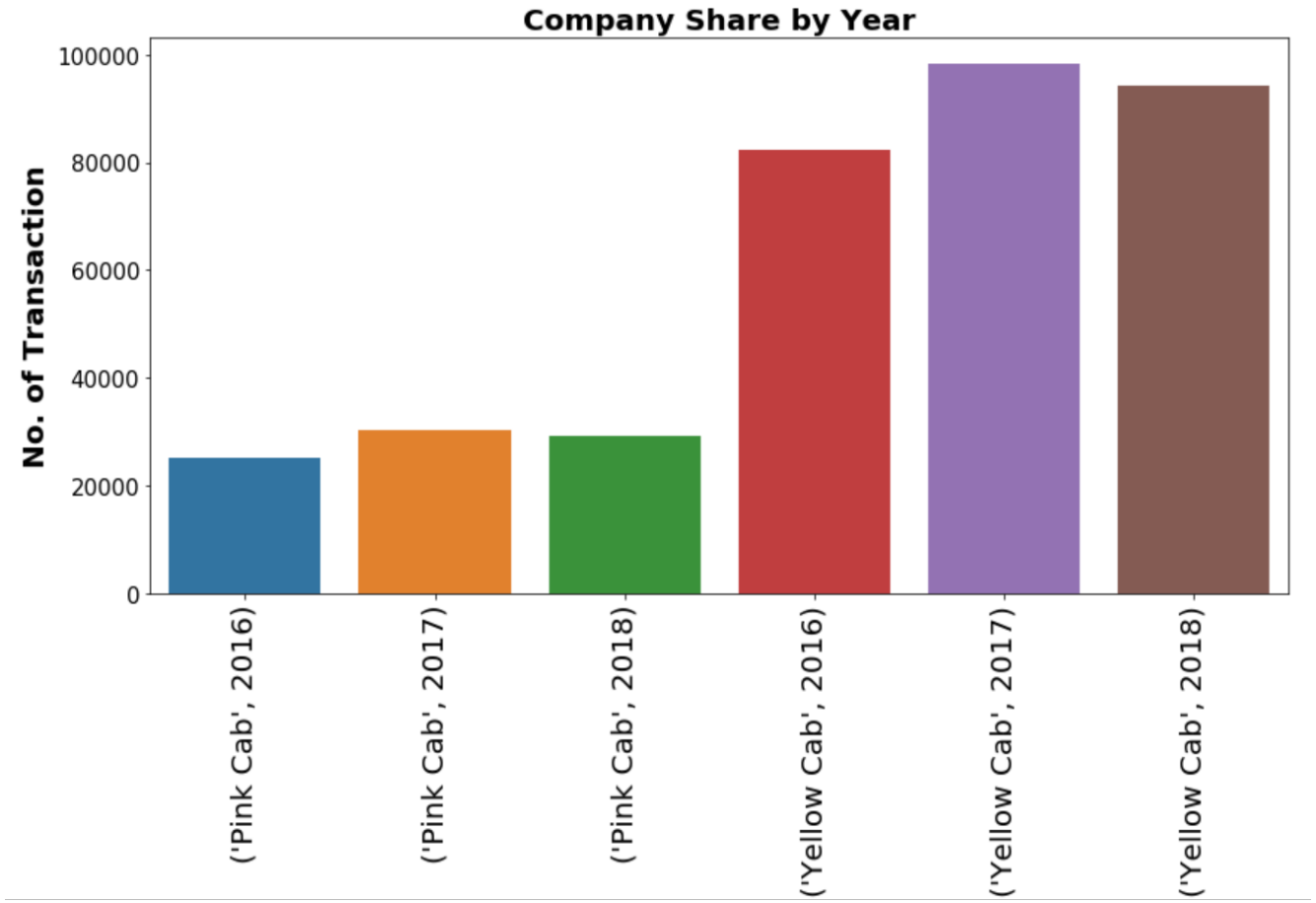


Cab Usage Frequency and Seasonality Pattern

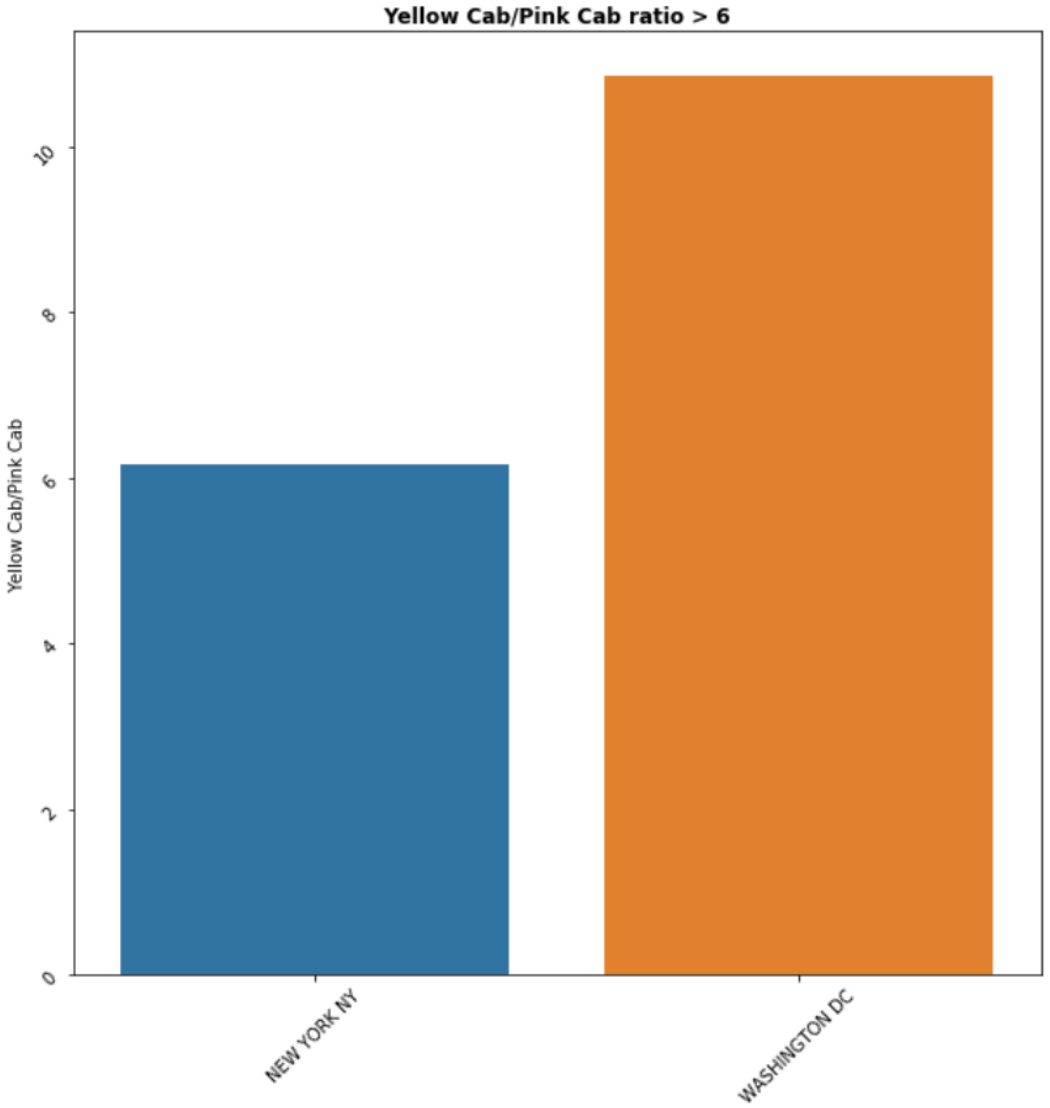


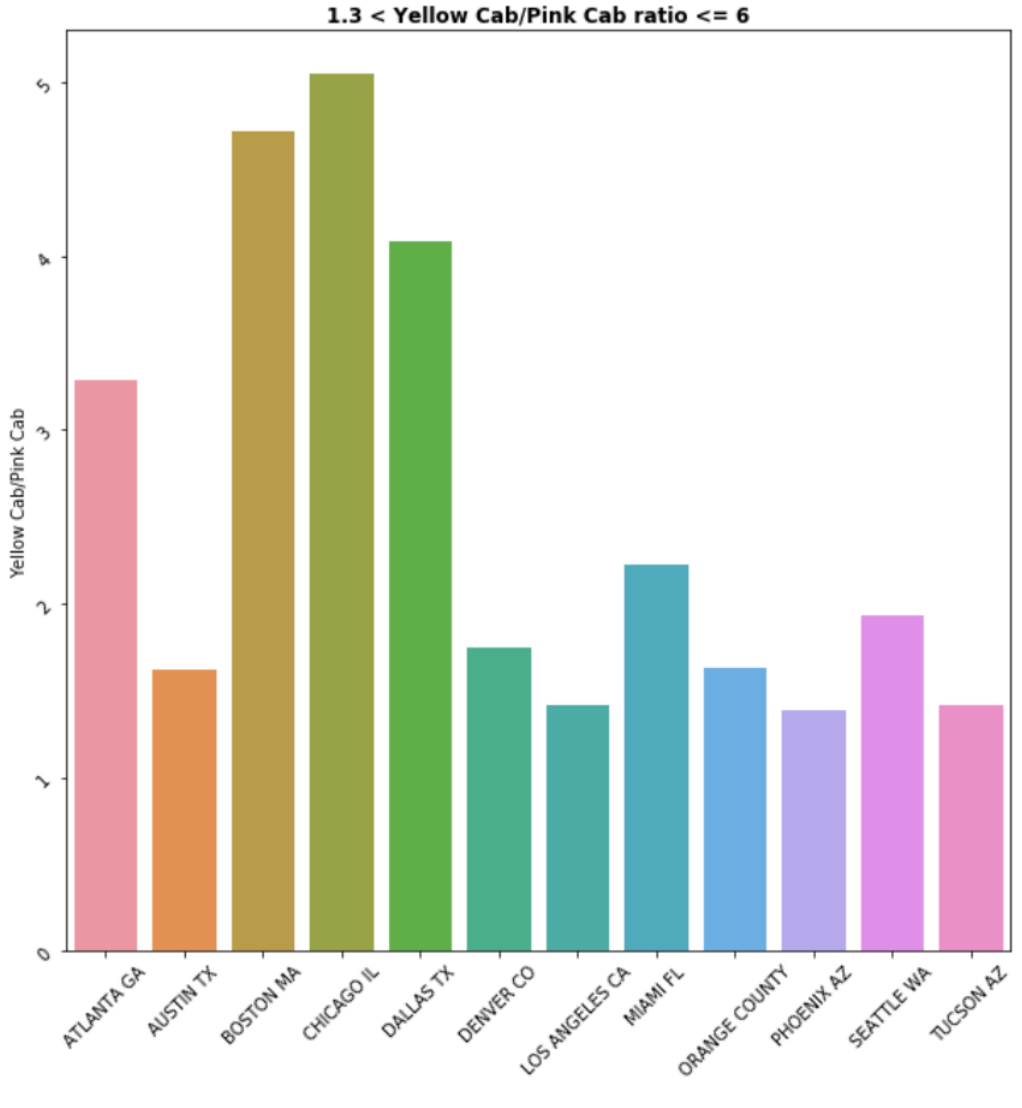
Company Share in Market





Region Wise Company Share in Market





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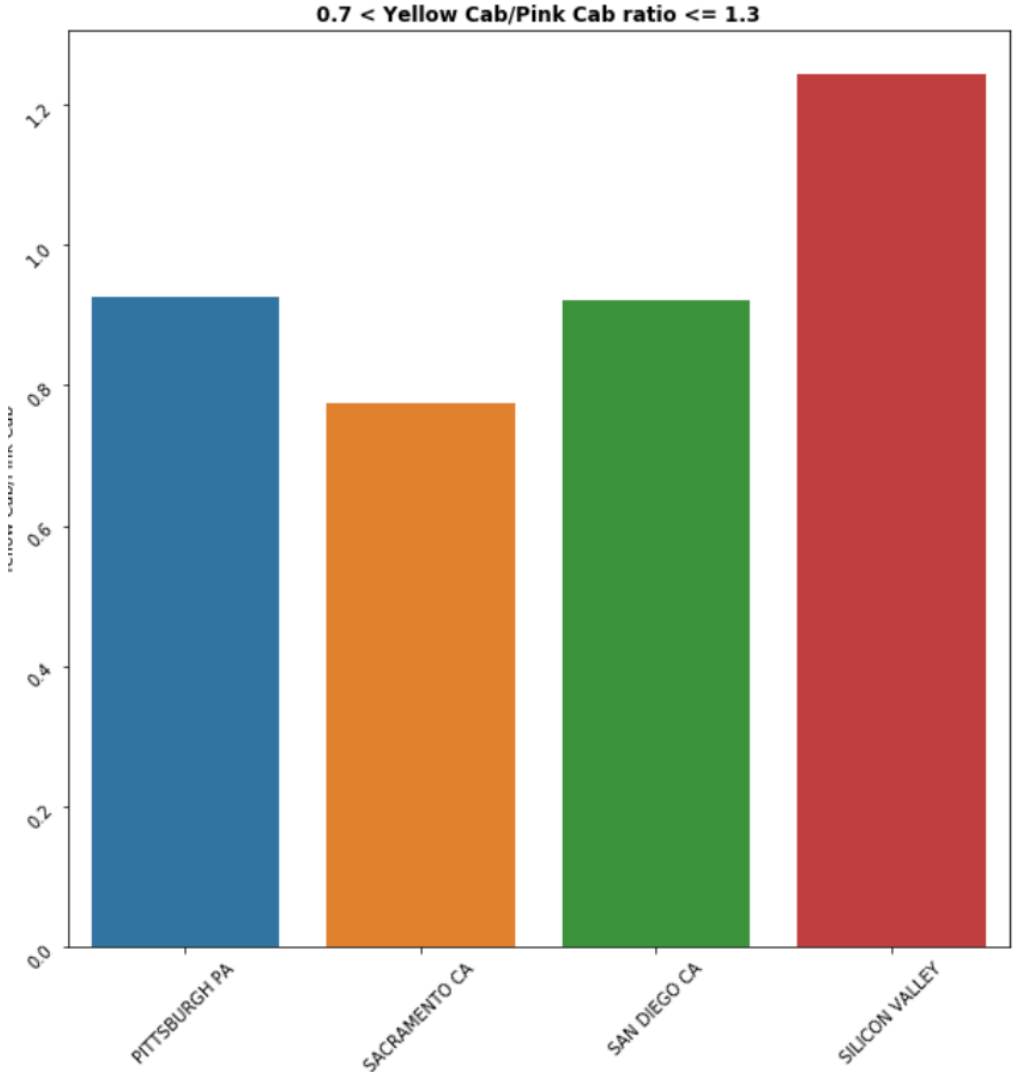
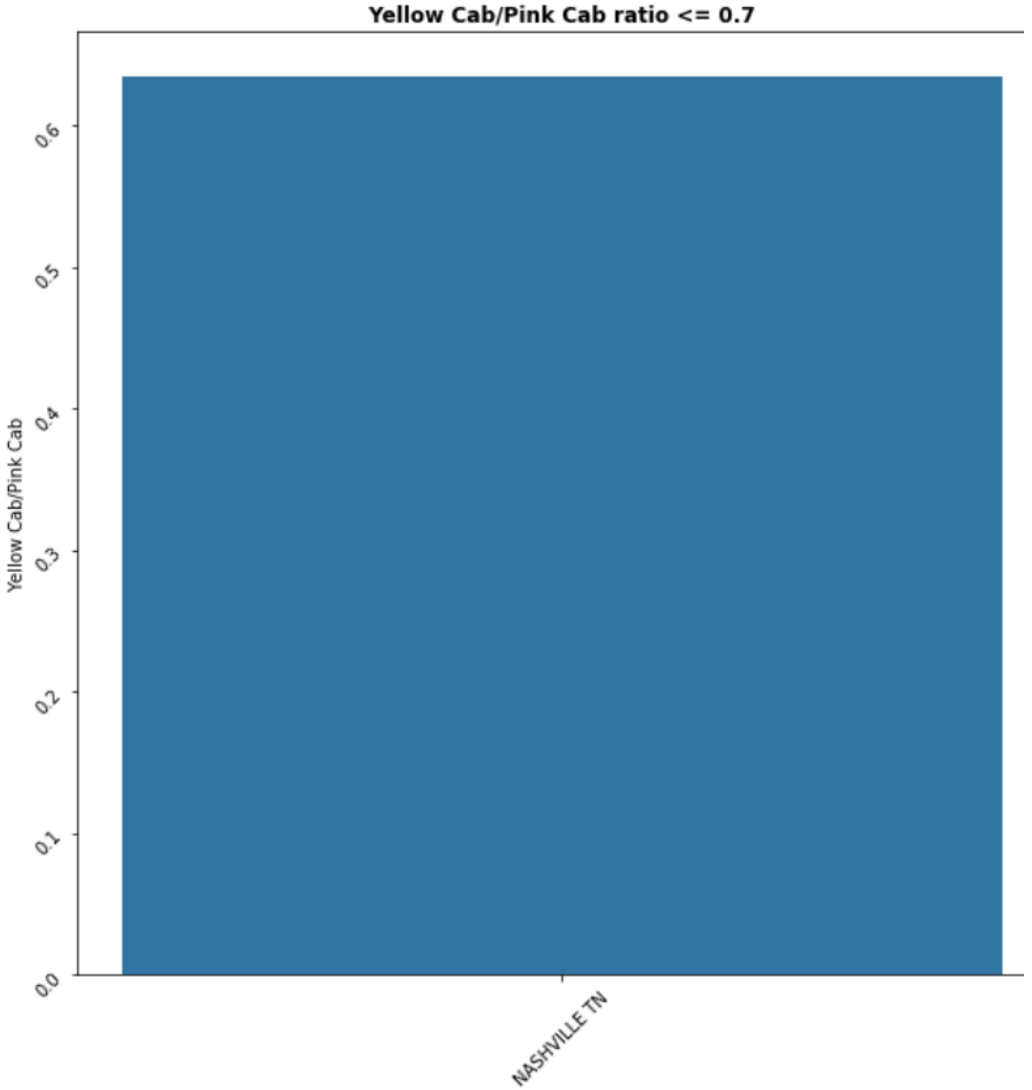
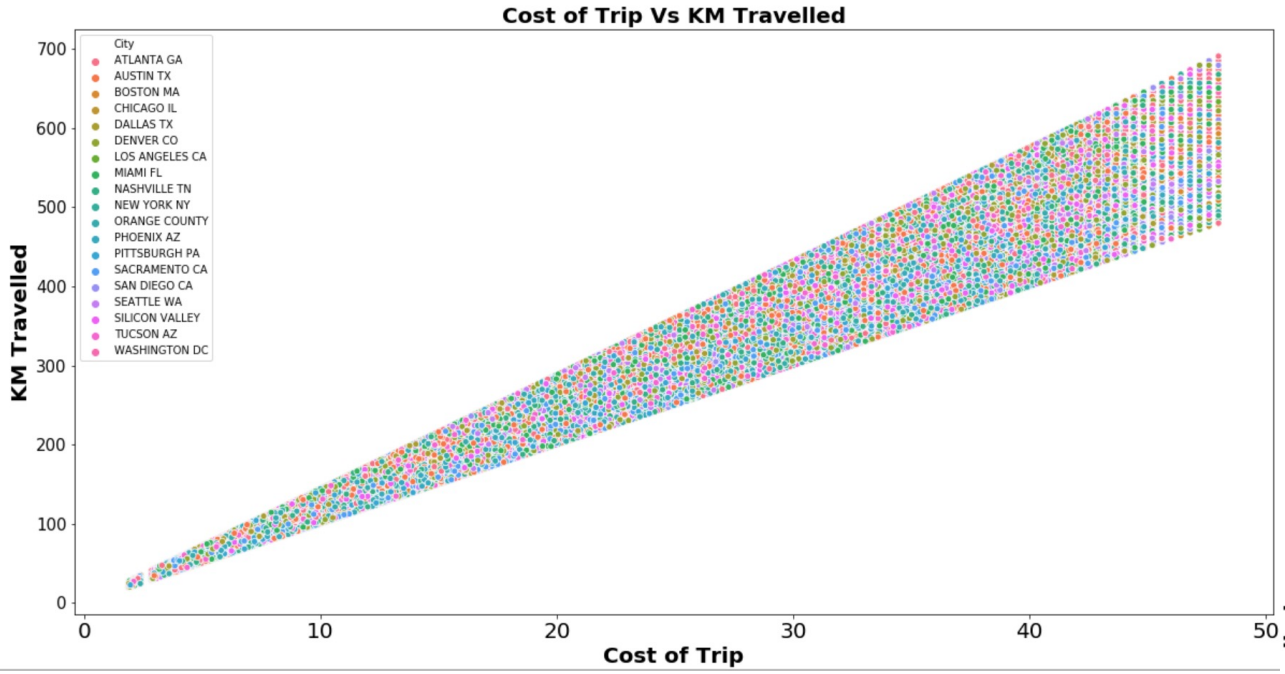


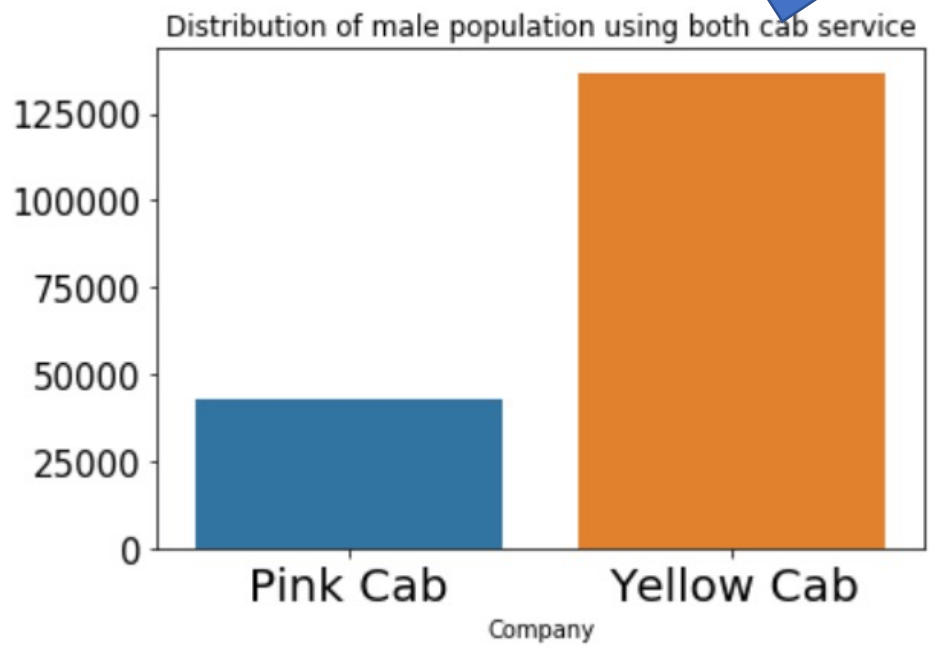


Cost of trip and Price Charged

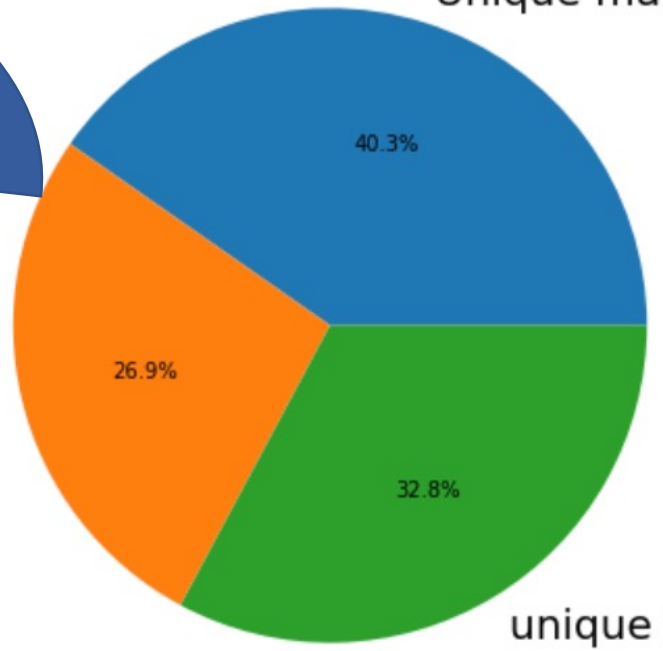


Gender Wise Customer retainment

Male

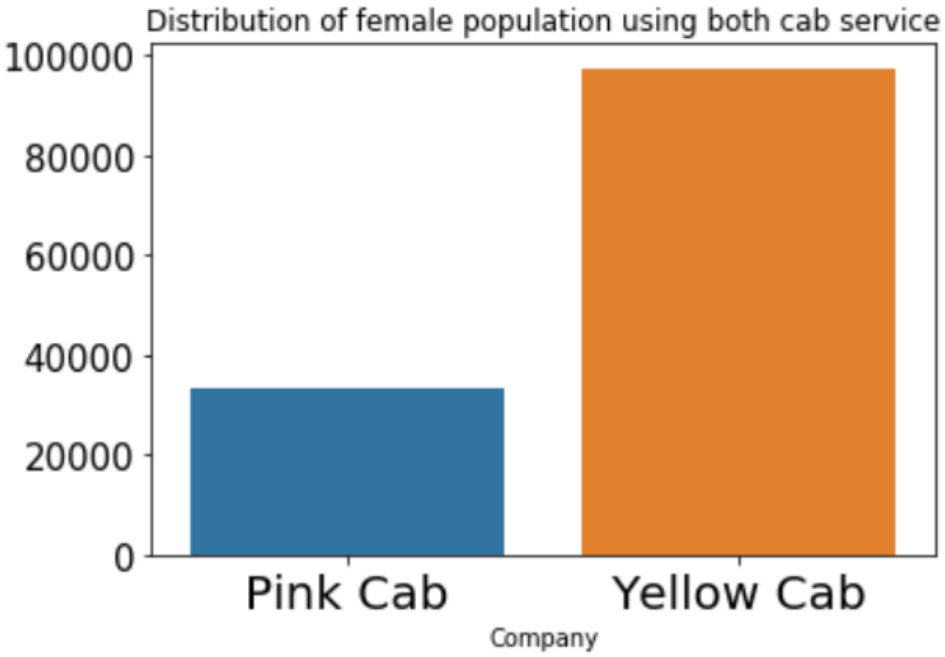


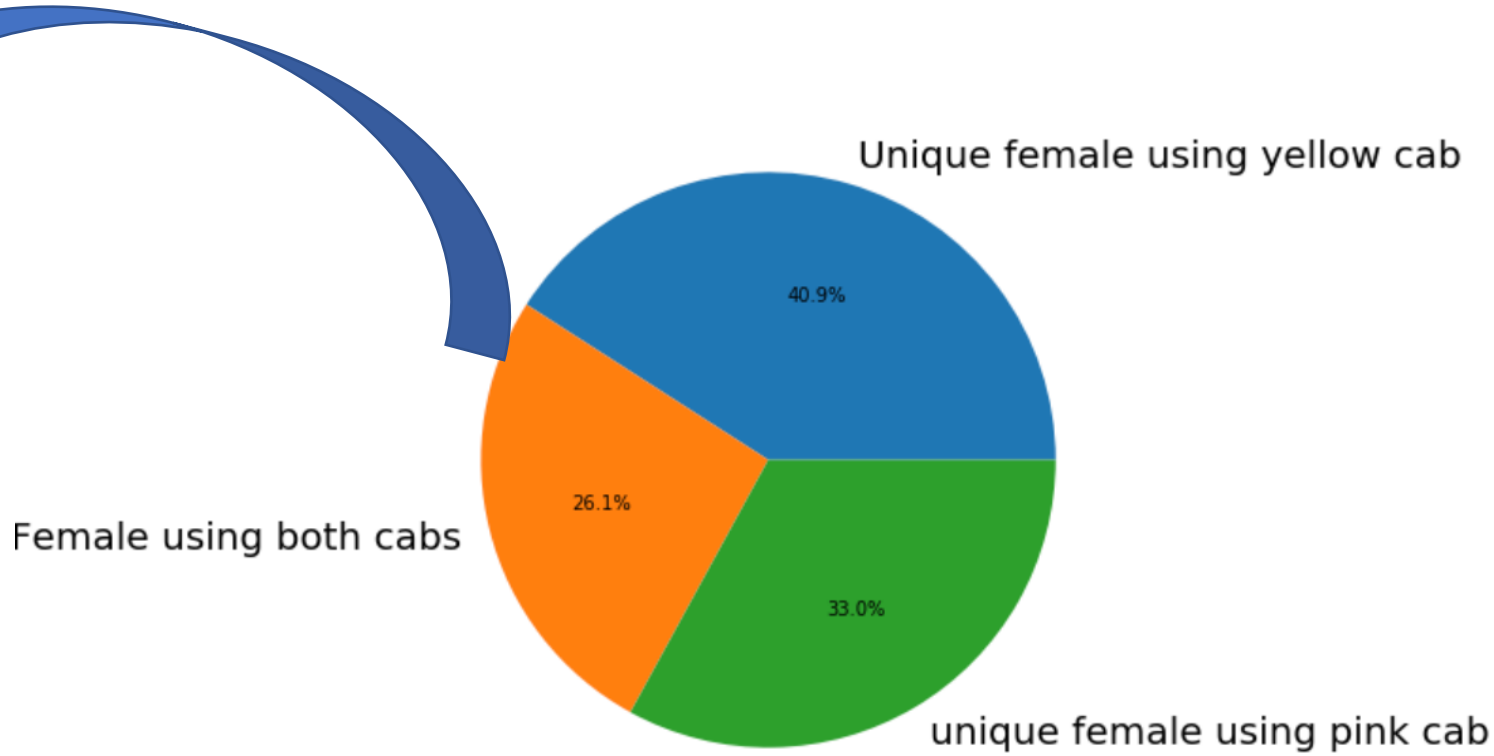
Male using both cabs



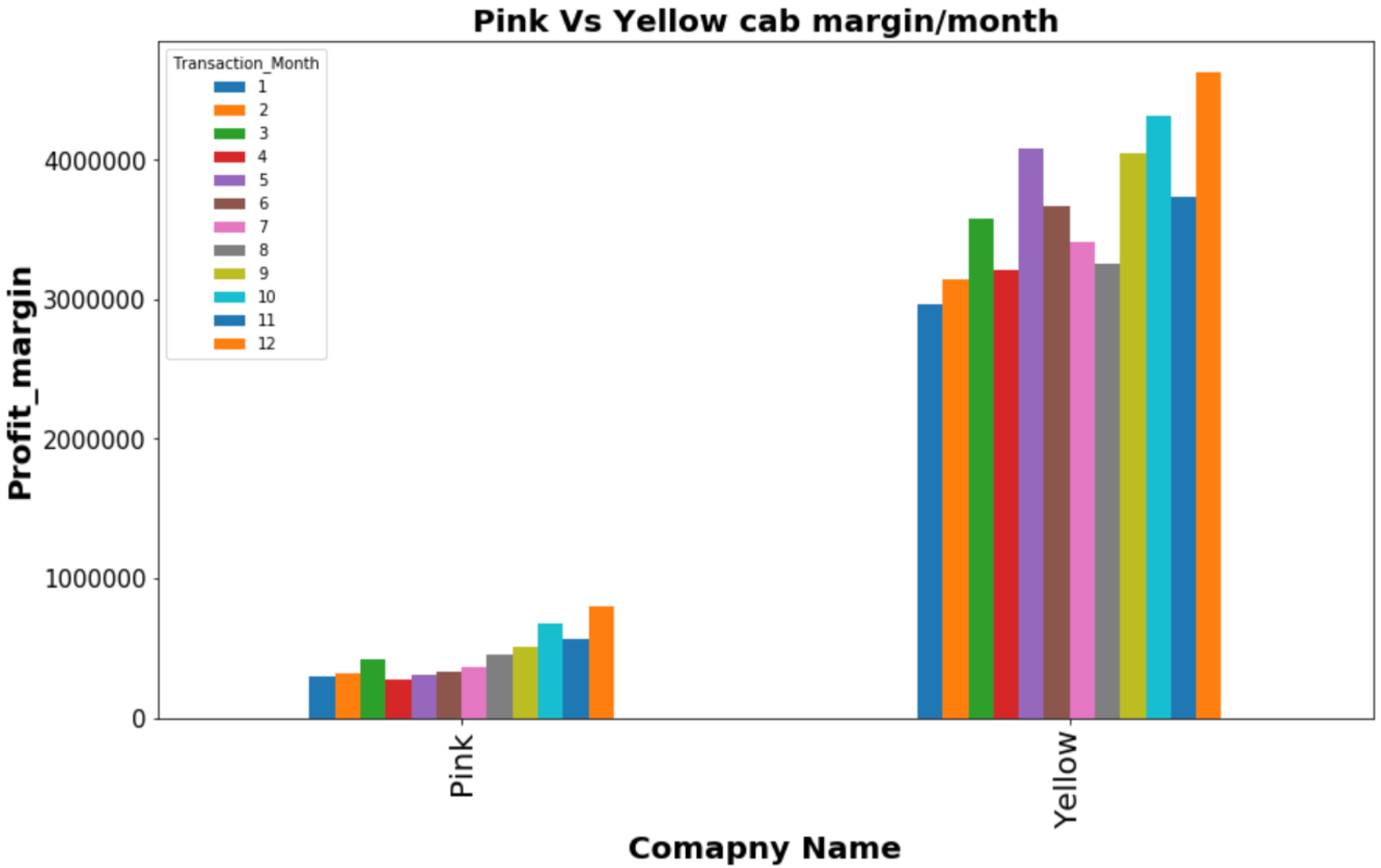
Gender Wise Customer retainment

Female

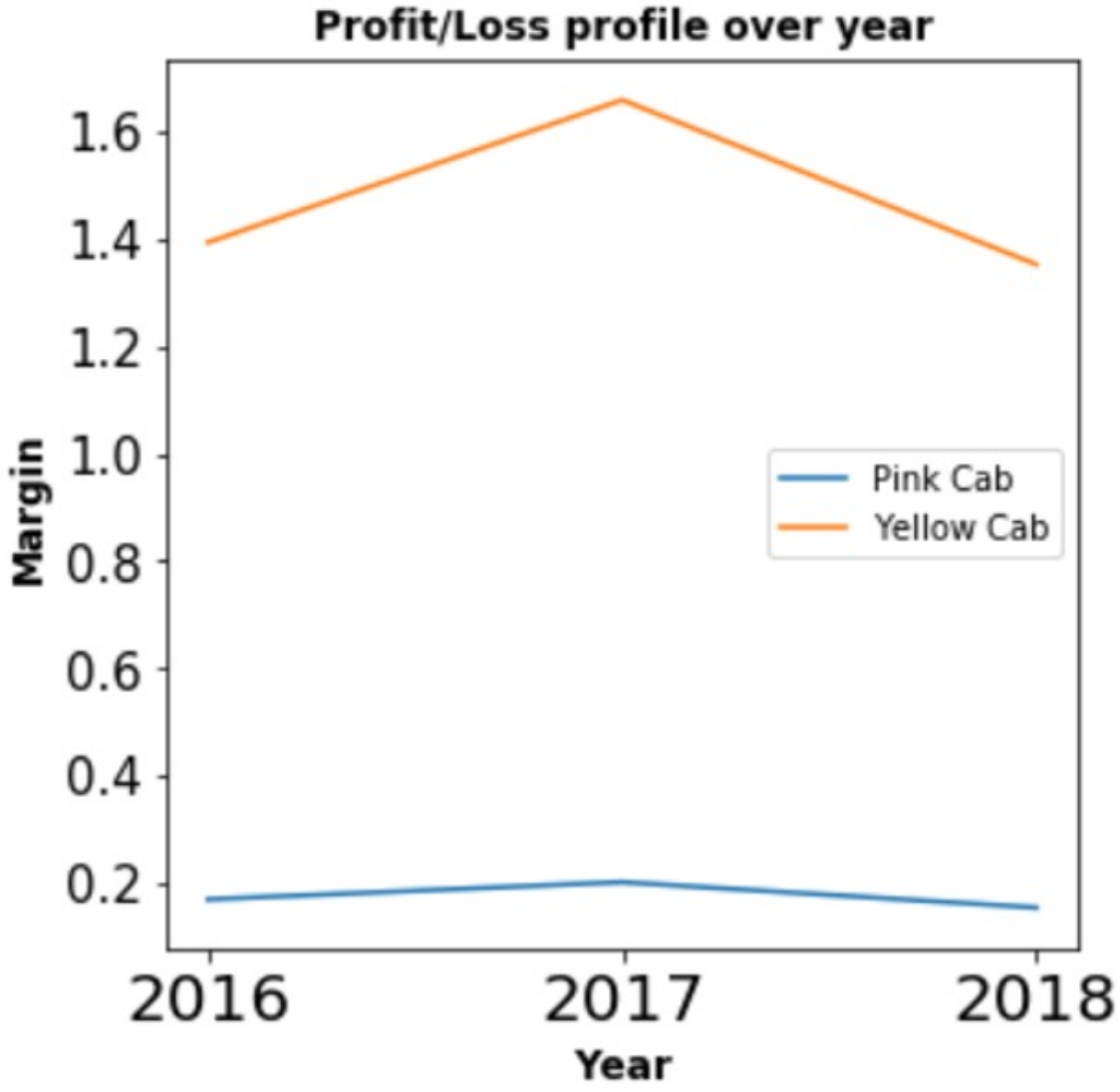




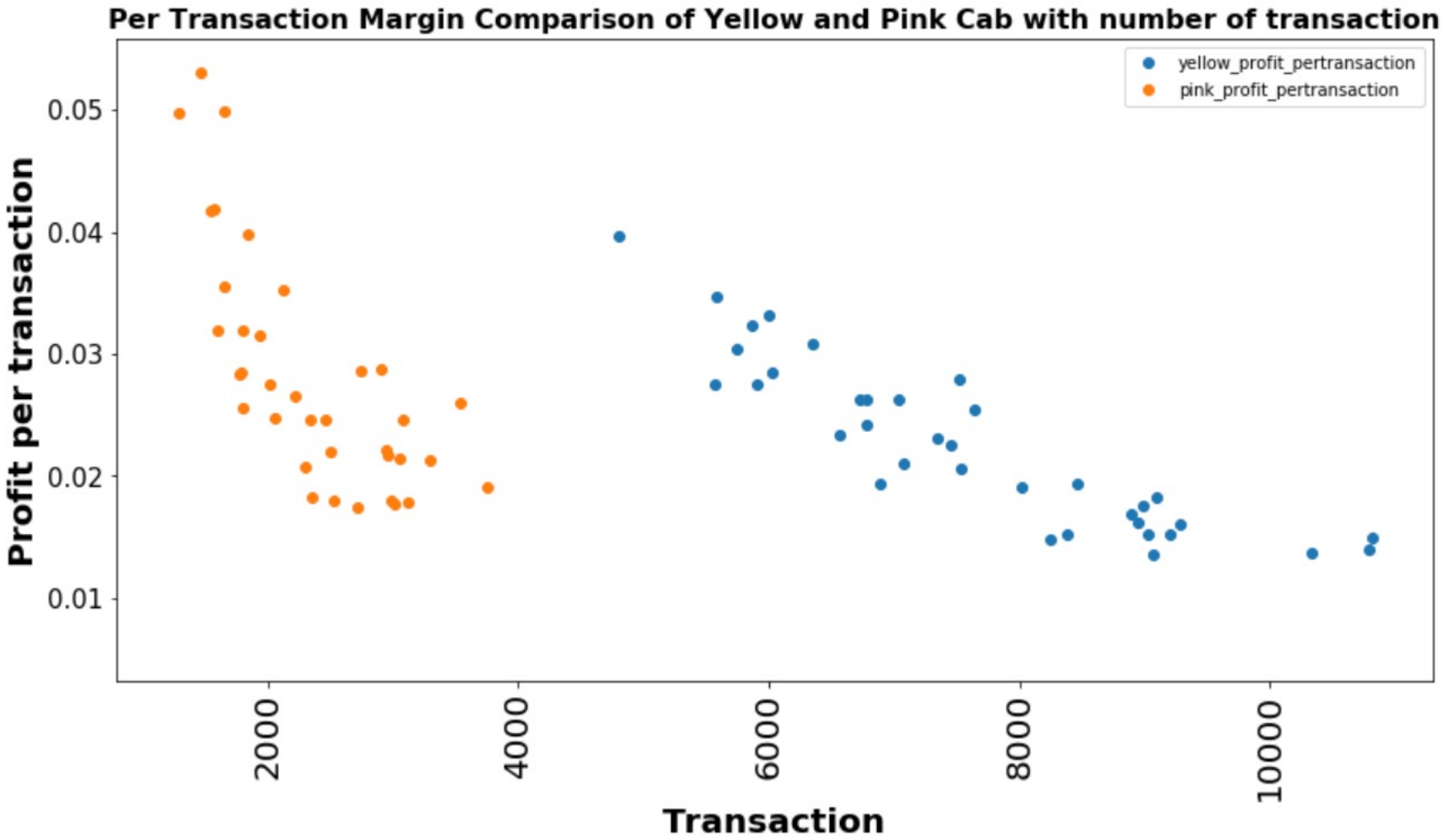
Profit Margin Month Wise



Gain/Loss Profile



Business Model of Yellow Cabs



Recommendations

I have evaluated the two companies and made the following observations:

- **Coverage of Customers :** Yellow cab has higher customer reach consistently for over three years as compared to pink cab.

- **Customer Retention:** Yellow Cab still maintain its monopoly over the market and is performing better at retaining around 85 % of its customer, losing ~10-15% customer to pink cab.

- **Age wise Reach :** Yellow cab has customer in all age group, and it's been observed that it's even popular in 60+ age group as equally as its in 18-25 age group.

- **Business Model:** Yellow Cab has adopted a strong model of increasing its profit by reducing its profit margin when transaction is high and vice-versa.

- **Overall:** Despite "Low-Profit charging" strategy of Pink Cab, It doesn't seem to be a major competitor for Yellow Cab in near future. Pink Cab should give lucrative deal in the cities where it is performing better. However, currently Yellow can is dominating the market with less variance in its market share and profit.

On the basis of above point , I will recommend investment in yellow cabs

Thank You