

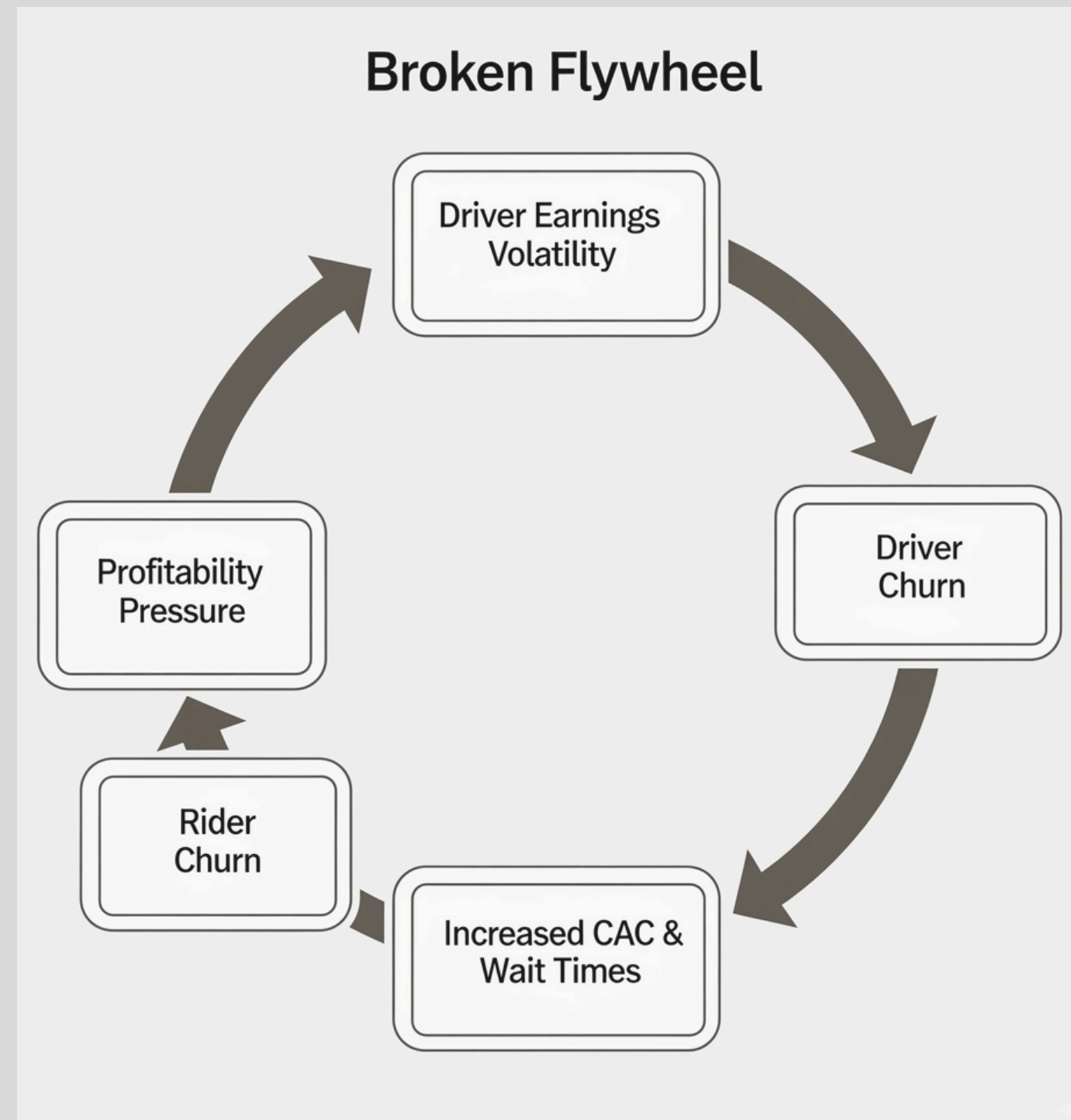
Case Study: Uber

The Silent Killer of Uber's Business Model
Balancing Growth, Profitability & Ecosystem Trust



Problem Statement

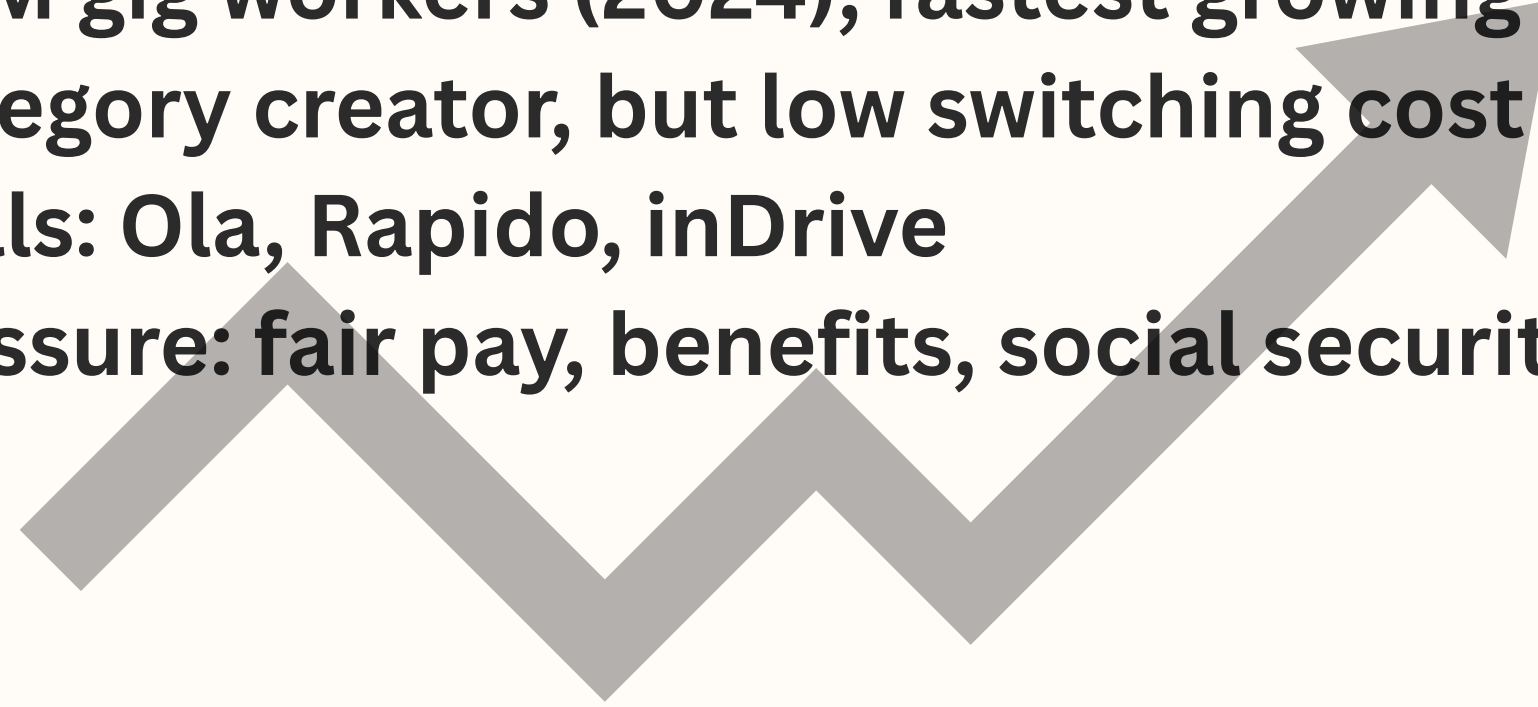
Drivers face unpredictable earnings → income instability



Market Landscape

The Gig Economy Playground

- India → 7.7M gig workers (2024), fastest growing globally
- Uber = category creator, but low switching cost for drivers & riders
- Fierce rivals: Ola, Rapido, inDrive
- Policy pressure: fair pay, benefits, social security rising



Uber at a Crossroads

Keep Riders Happy

Cheap rides, unhappy drivers.

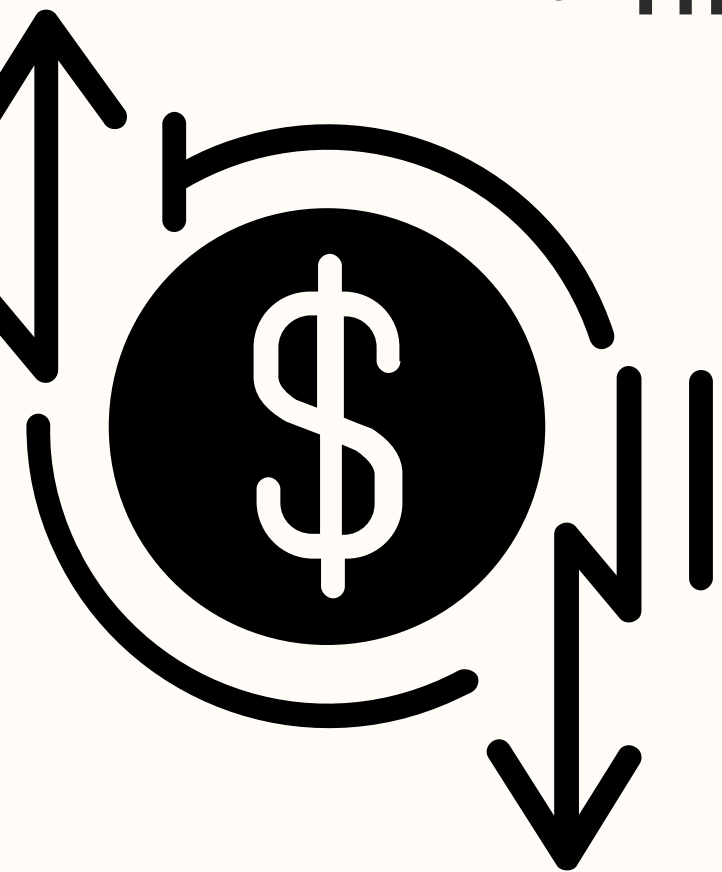
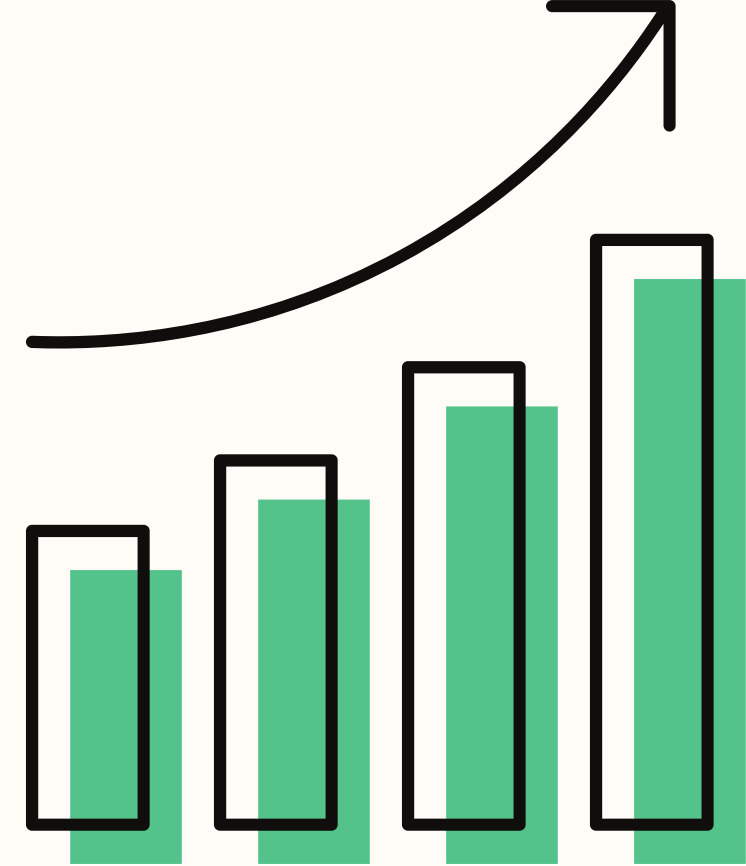
Keep Drivers Happy

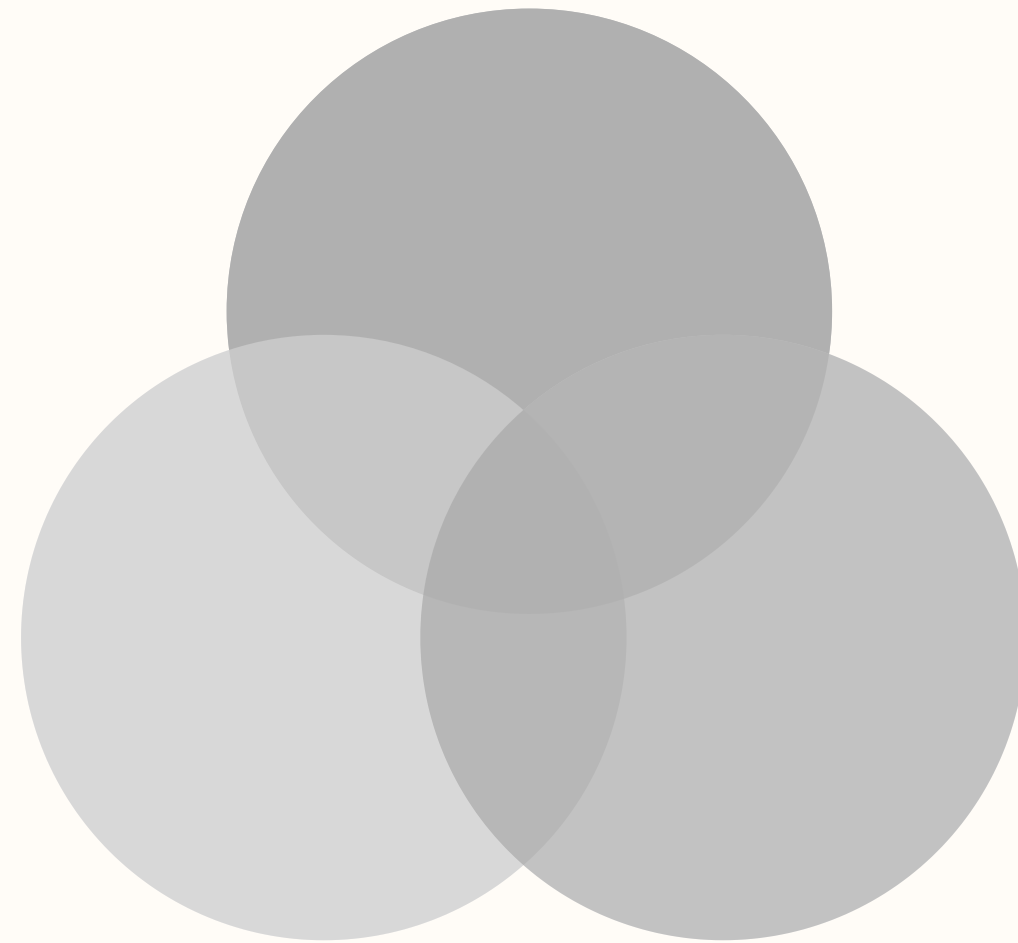
Happy drivers, expensive rides.



SWOT

- **Strengths** : Global scale, brand recall, tech-first platform
- **Weaknesses**: Earnings volatility, low margins, weak loyalty
- **Opportunities**: Subscription models, flexible work innovation
- **Threats**: Local rivals, policy crackdowns, bad social reputation

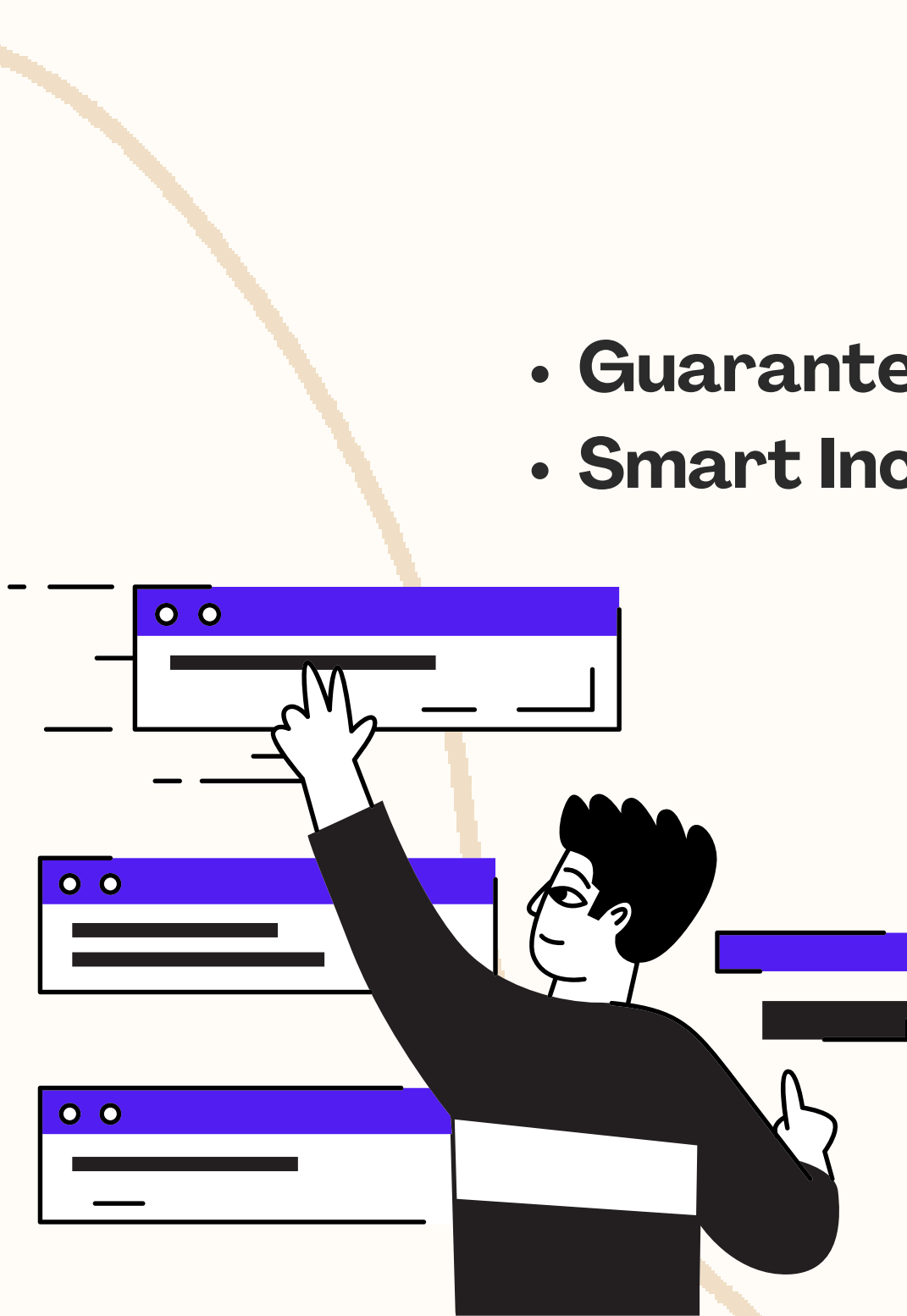




Rewiring the Flywheel

The 2-Part Formula: Happy Drivers → Happy Riders → Healthy Uber

- **Guaranteed Minimum Earnings (GMEH): Stability for drivers**
- **Smart Incentives Dashboard: Transparency + efficiency**



Guaranteed Minimum Earnings (GMEH)

- Ensures drivers never fall below a baseline income
- Builds trust by reducing earnings volatility
- Encourages part-time/casual drivers to stay active
- Drivers must maintain a minimum acceptance rate (e.g., 80%).
- Rejecting too many rides disqualifies them.
- Uber sets a cap (e.g., ₹300/hr max guarantee).
- Ensures it's a safety net, not a passive income stream.

Smart Incentives Dashboard

Transparency

- **Real-time demand heatmaps & surge alerts**
- **Tracks progress toward earnings targets**
- **Reduces frustration by showing clear rules upfront**
- **Real-time demand heatmaps & surge alerts → shows exactly where riders are waiting**
- **Gamification: streaks, badges, and tier progress (Silver → Gold → Platinum drivers)**
- **Upcoming incentives preview → e.g., “Drive 3 more trips today, earn +₹500”**

The Domino Effect



Happy Drivers Happy Riders



The Rider Happiness Formula

- **Fast pickup:** lower wait times because more drivers are online (a result of driver fixes).
- **Fewer cancellations:** drivers don't drop rides since earnings are fairer.
- **Consistent availability:** especially in peak hours or tough geographies.
- **Value for money:** riders perceive Uber as affordable & reliable.

Uber Happiness Formula

1. Stable Supply = Lower Costs

- Fewer driver churn issues hence less money wasted on bonuses and re-acquisition.

2. Satisfied Riders = Sticky Demand

- Higher rider retention .
- Word-of-mouth and trust improve brand reputation.
- Lower CAC

3. Healthy Marketplace = Profitable Uber

- Balanced supply-demand reduces surge drama and cancellations.
- Uber becomes compliant & socially reputable , easier regulatory approvals.

Campaign Landscape

**Uber will run campaigns for
two sides**

**Rider acquisition &
retention**



**Driver recruitment
& engagement**



Campaign Performance Analysis

Rider campaigns measure:

- CTR
- Installs
- Cost per Ride

Driver campaigns measure:

- Sign-ups
- Active drivers
- Cost per Acquisition

Campaign Strategy Recommendations

Add a subheading

- **Optimize spend: shift from low-ROI (FB) → high-ROI (Google/In-App)**
- **Use segmentation (new vs loyal riders, full-time vs part-time drivers)**
- **Introduce real-time campaign dashboards for leadership**
- **Focus on ROI-driven, measurable campaigns → reduce wastage**

Campaigns in the Uber Flywheel

- **Rider campaigns → higher demand inflow**
- **Driver campaigns → stable supply base**
- **Balanced campaigns = fewer cancellations, lower CAC**
- **Campaign strategy + driver incentives → reinforce Uber's marketplace**

“Uber’s journey teaches us a simple truth: fix the driver, and you fix the rider; fix the rider, and you fix Uber. Data Analysis is about solving the root, not the symptom.

