

UBER CASE STUDY SUBMISSION

By

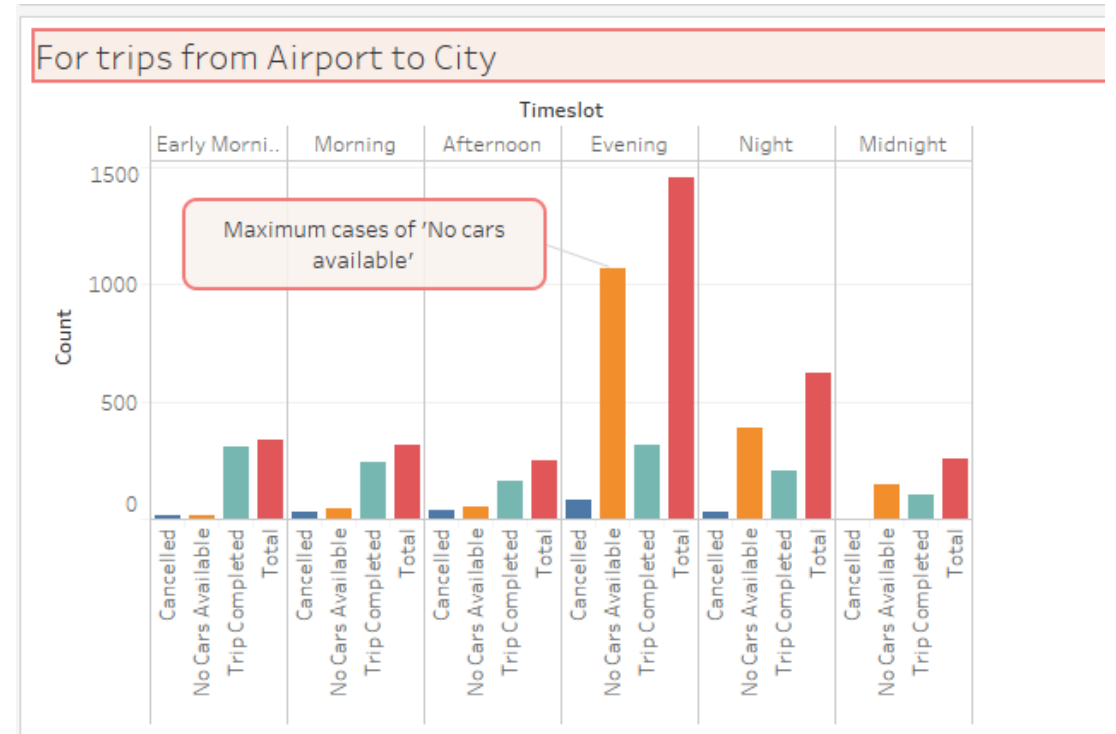
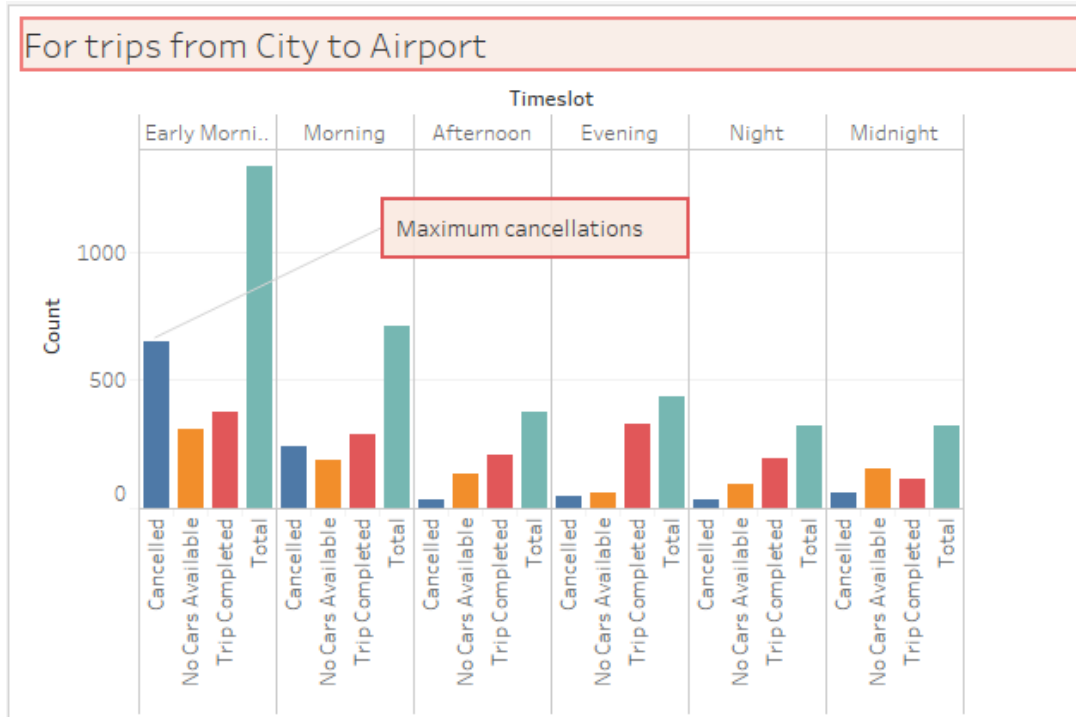
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Problem

- On travelling to and from the airport by Uber, many a times the Users have faced the problem of cancellation by the driver or non-availability of cars.
- Well, if these are the problems faced by customers, these very issues also impact the business of Uber. If drivers cancel the request of riders or if cars are unavailable, Uber loses out on its revenue.
- The aim of analysis is to identify the root cause of the problem (i.e. cancellation and non-availability of cars) so that Uber can increase its profitability.

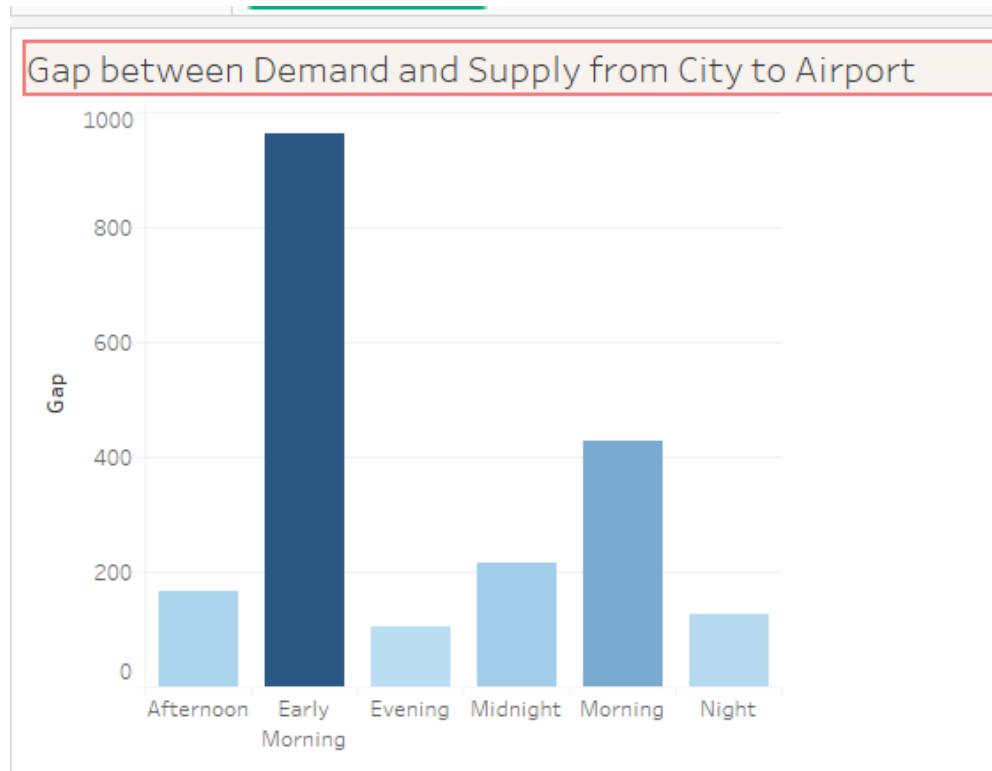
Analysis

As we can see from the plots, there are maximum cancellations at Early Morning (4-8am) for the requests from the City to Airport. In case of Requests from Airport to the city, the problem lies in the Evening (4-8pm) where there are maximum instances of 'no cars available'.

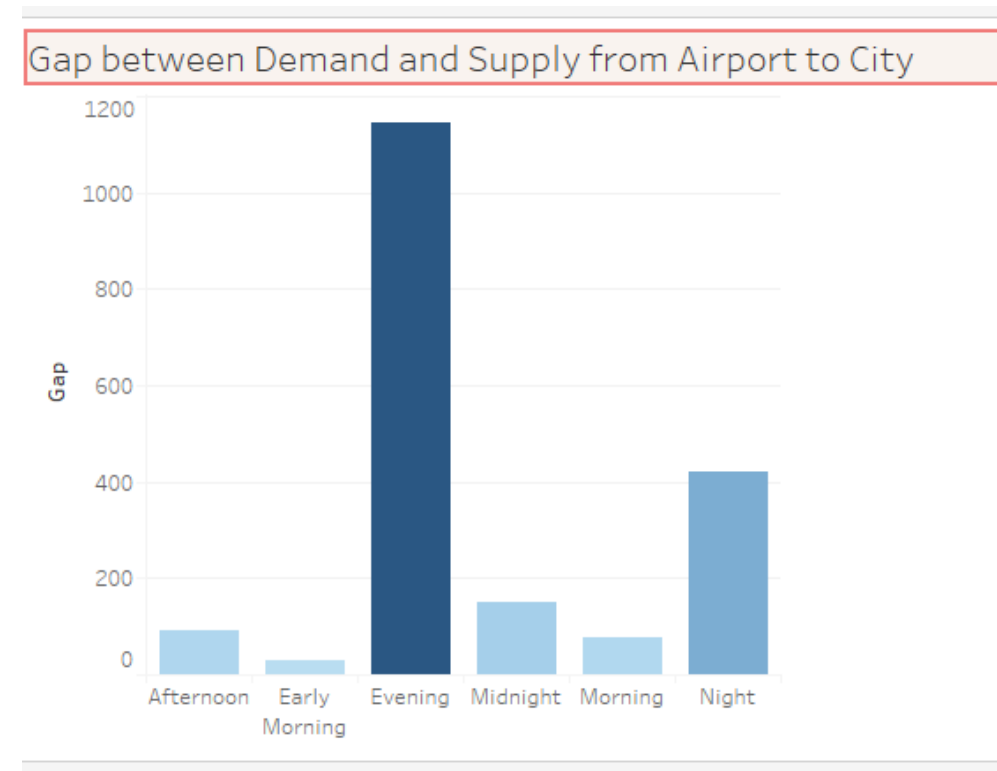


Analysis (cont..)

From City to the Airport, the maximum gap in the demand and supply occurs in Early Morning.



From Airport to City, the maximum gap in the demand and supply occurs in the Evening



Analysis (cont...)

- There is a low demand of Uber cars in the Morning/Afternoon at the Airport so the Drivers who drive to the Airport in the morning will have to remain idle till the Evening. And hence their idle time will be around 8 hours which is highly uneconomical to them. This is the reason why they Cancel the request to the Airport in the Mornings. Hence maximum cancellations are seen around this time.
- Whereas there is a huge demand of Uber cars at the Airport in the Evening. But since the inflow is less than the Demand, the requests are rejected with Status 'Cars not Available'.

Recommendations

- Uber can reduce the gap of demand and supply at the airport in the evening by implementing **surge pricing** so that any requests which are made in the evening from the Airport will be priced at 2X or 3X of the normal Price depending on the gap.
- This information of implementing surge pricing has to be **communicated** to all the drivers periodically so that the drivers who generally cancel the requests from city to the Airport in the morning do not cancel the requests under the assurance of receiving more money in the evening. And the drivers who are not too far from the airport around that time can rush to the airport.
- Also some **extra incentive** can be given to the drivers for taking trips to the Airport in the morning and so their idle time is compensated. This will enable the inflow to the airport to be adequate to meet the demand.