



Data Glacier

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Go-to-Market Insights for XYZ Cab Investments

August 20, 2023

Company Background & Problem Statement

- XYZ is a private firm in the US. Due to remarkable growth in the Cab Industry in the last few years and multiple key players in the market, it is planning for an investment in the Cab industry. As per their Go-to-Market(G2M) strategy they want to understand the market before taking the final decision.

Objective:

- The aim of this project is to provide insights for XYZ's Executive team which will help them to identify and invest in best performing cab Company

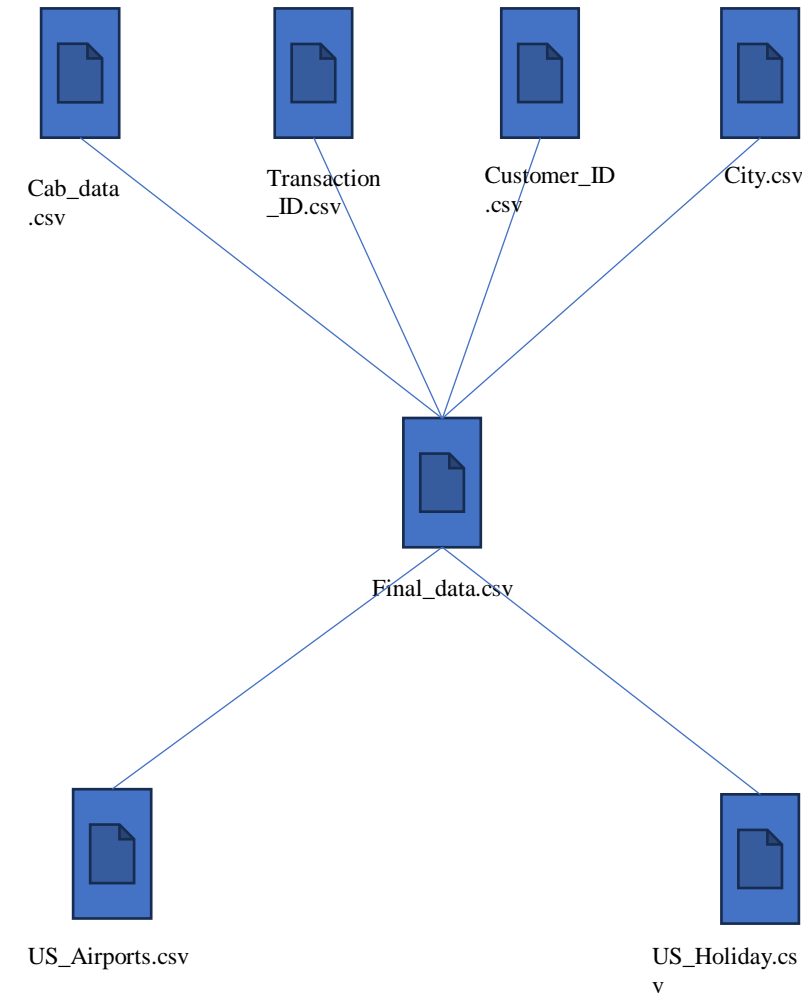
Approach

The project follows the following approach:

1. Data Preparation and Exploration
2. Analysing various attributes to understand their impact on profits
3. Analysed other derived attributes and their impact
4. Determining the best cab company to invest in
5. Recommendations

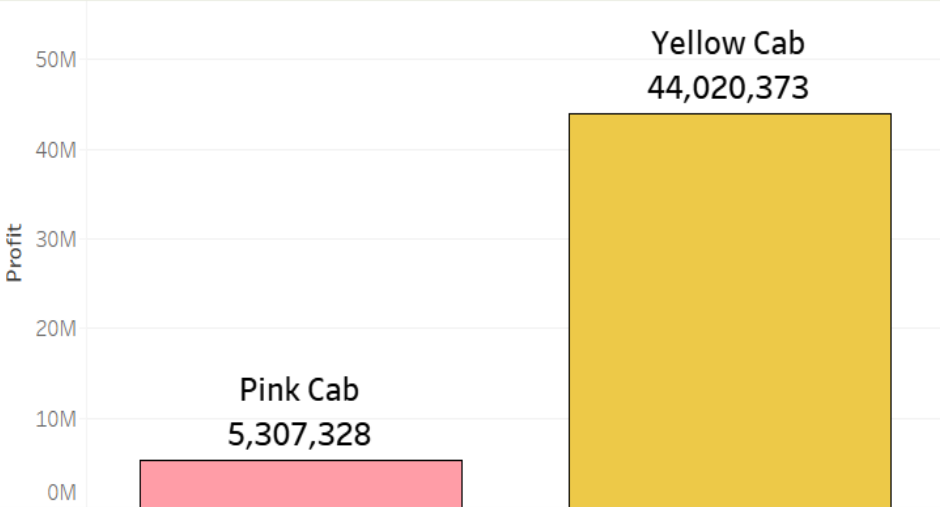
Data Preparation and Exploration

- Initial joined data contains 14 features and 359392 records
- 3 more features have been included later for further analysis
- Time frame 02-01-2016 to 31-12-2018
- No missing values present
- Profit has been calculated by subtracting the cost of trip from the cost charged to the customer
- The outliers have been identified in the price charged and profit, however, they are being considered as outliers due to the fact that charge could depend on various other factors which are not included (peak times, seasonality etc.,)

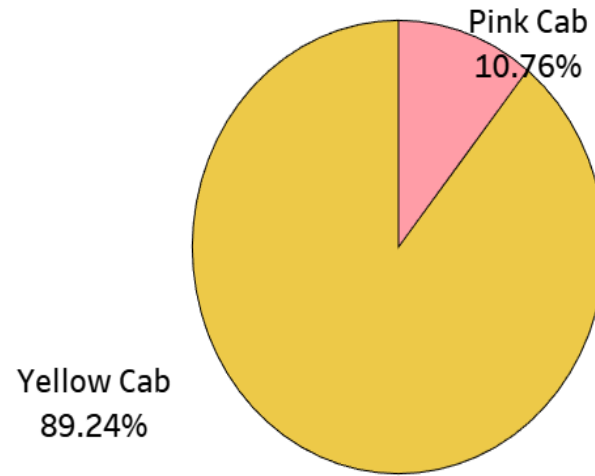


Profit and Rides Distributions

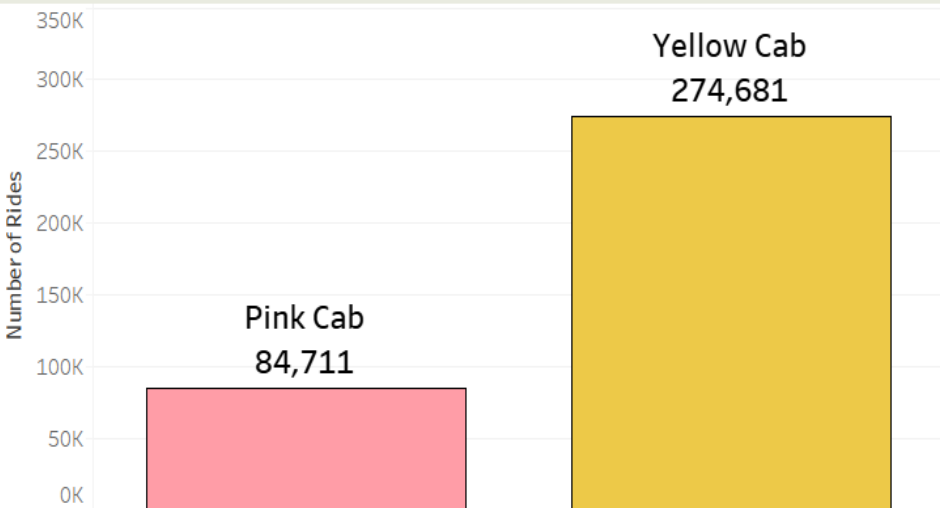
Total Profit by Company



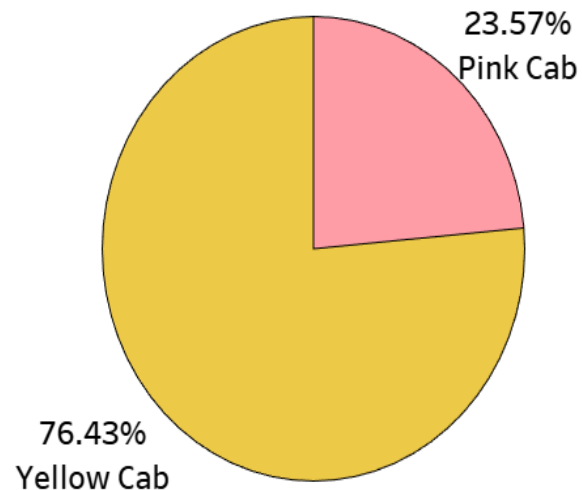
Percentage Share of Profit



Rides per Company



Percentage Share of Rides

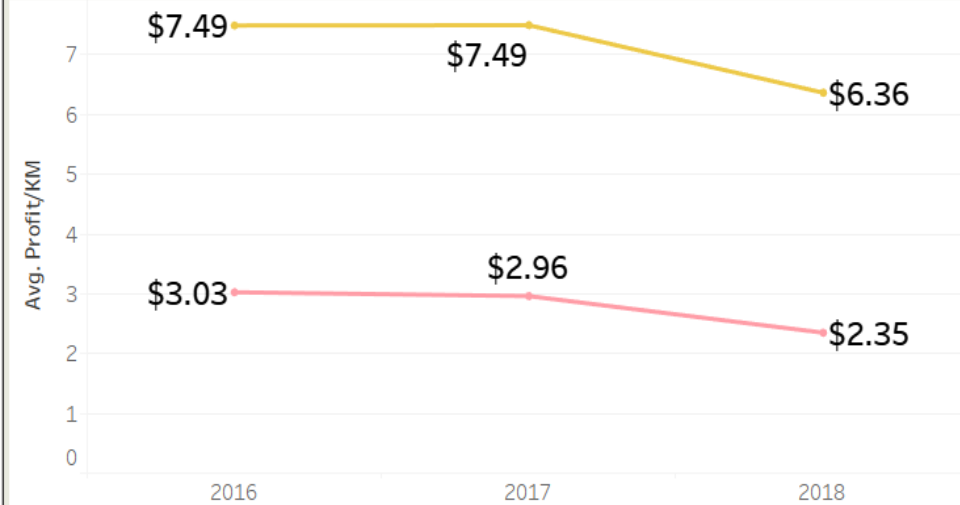


Observations:

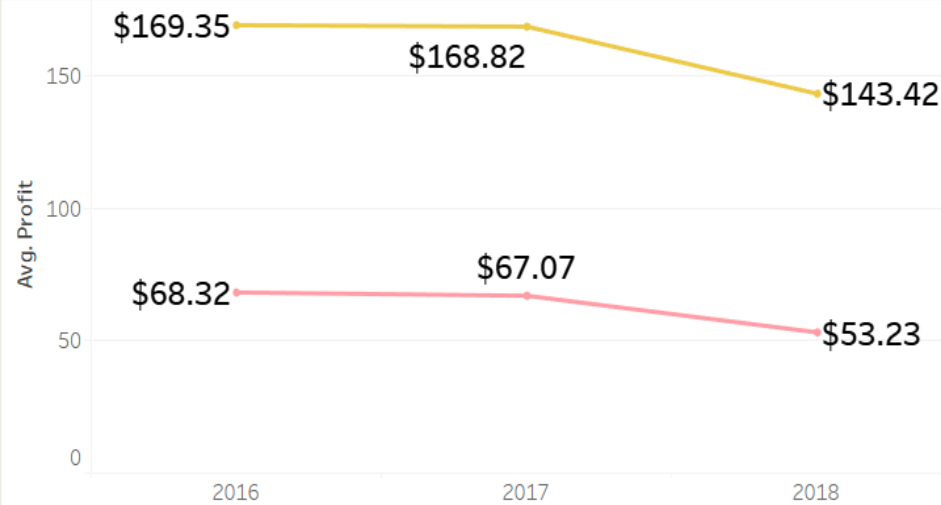
- Yellow Cab has the highest number of rides for the given period; therefore, it is expected to have a higher profit.
- The profit share of Yellow Cab is 89.24% even though the rideshare is 76.43%
- This indicates that the Yellow Cab earns more per ride when compared to Pink Cab

Annual Profit Analysis

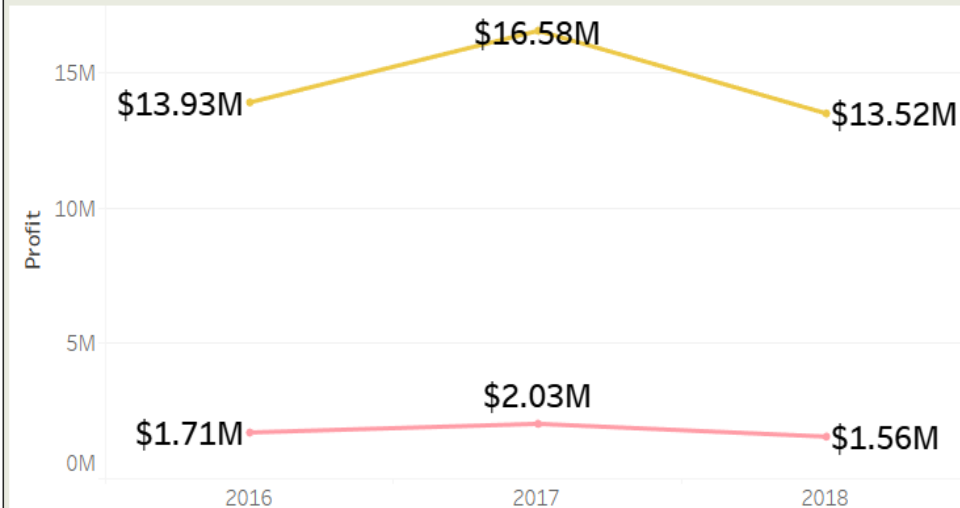
Yearly Average Profit per KM



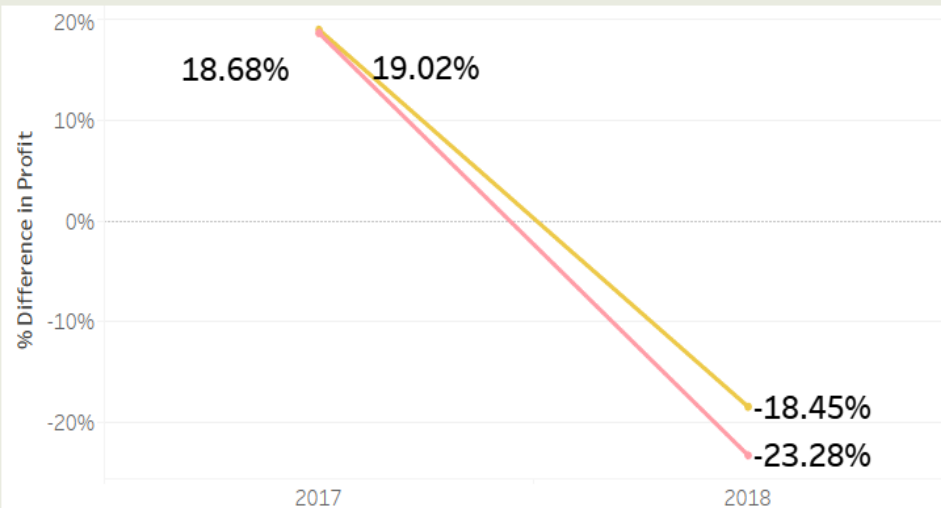
Yearly Average Profit per Ride



Yearly Profit



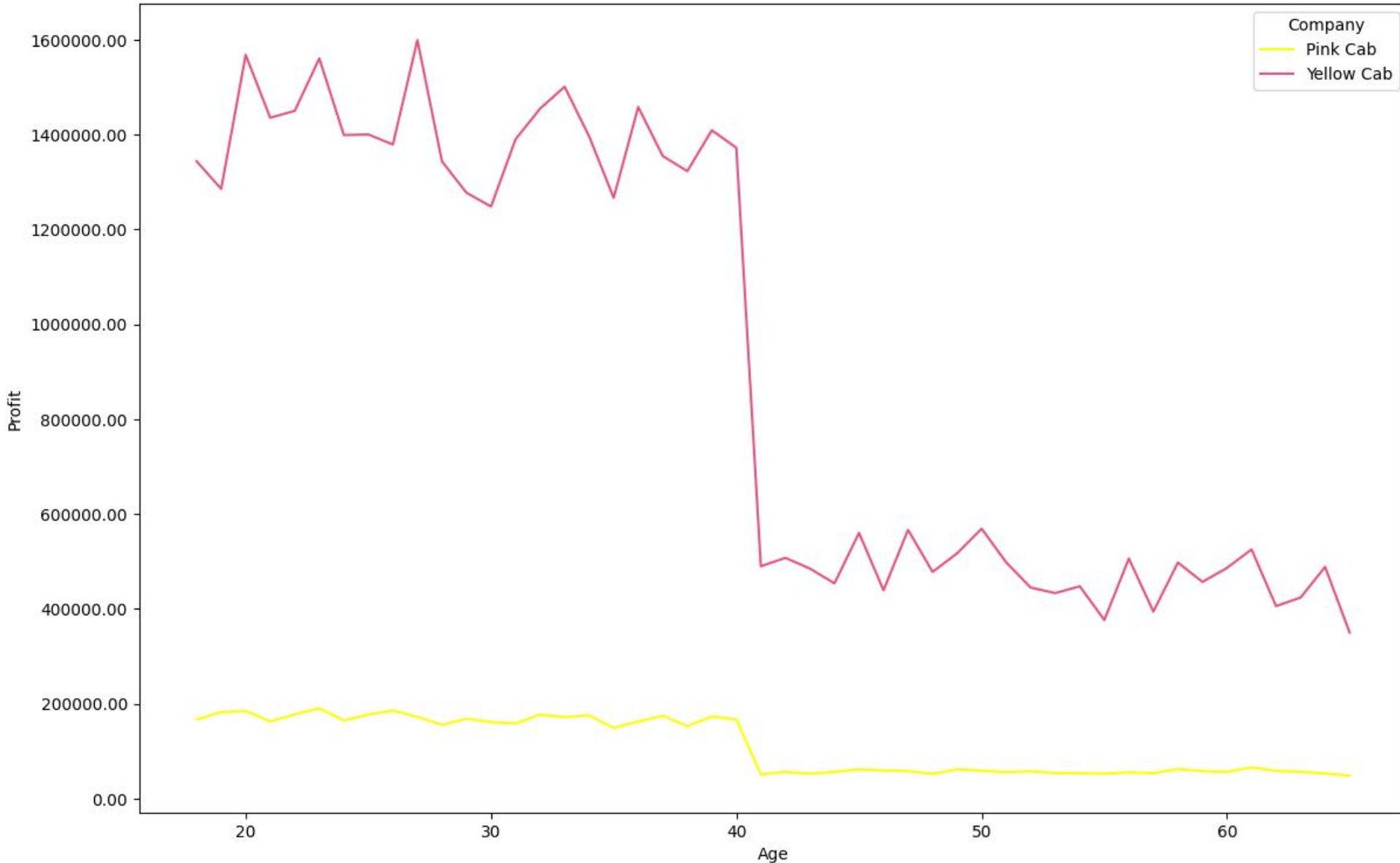
Percentage Difference in Profit



Observations:

- On average, Yellow Cab earns more per Km than Pink Cab, which is 170% more than Pink Cab on average yearly.
- The average yearly profit per ride for Yellow Cab is almost 150% higher than for Pink Cab.
- Profits of both Yellow and Pink Cab went up by 19.02% and 18.68% respectively during 2017 and dipped to -18.45% and -23.28% in 2018 respectively.

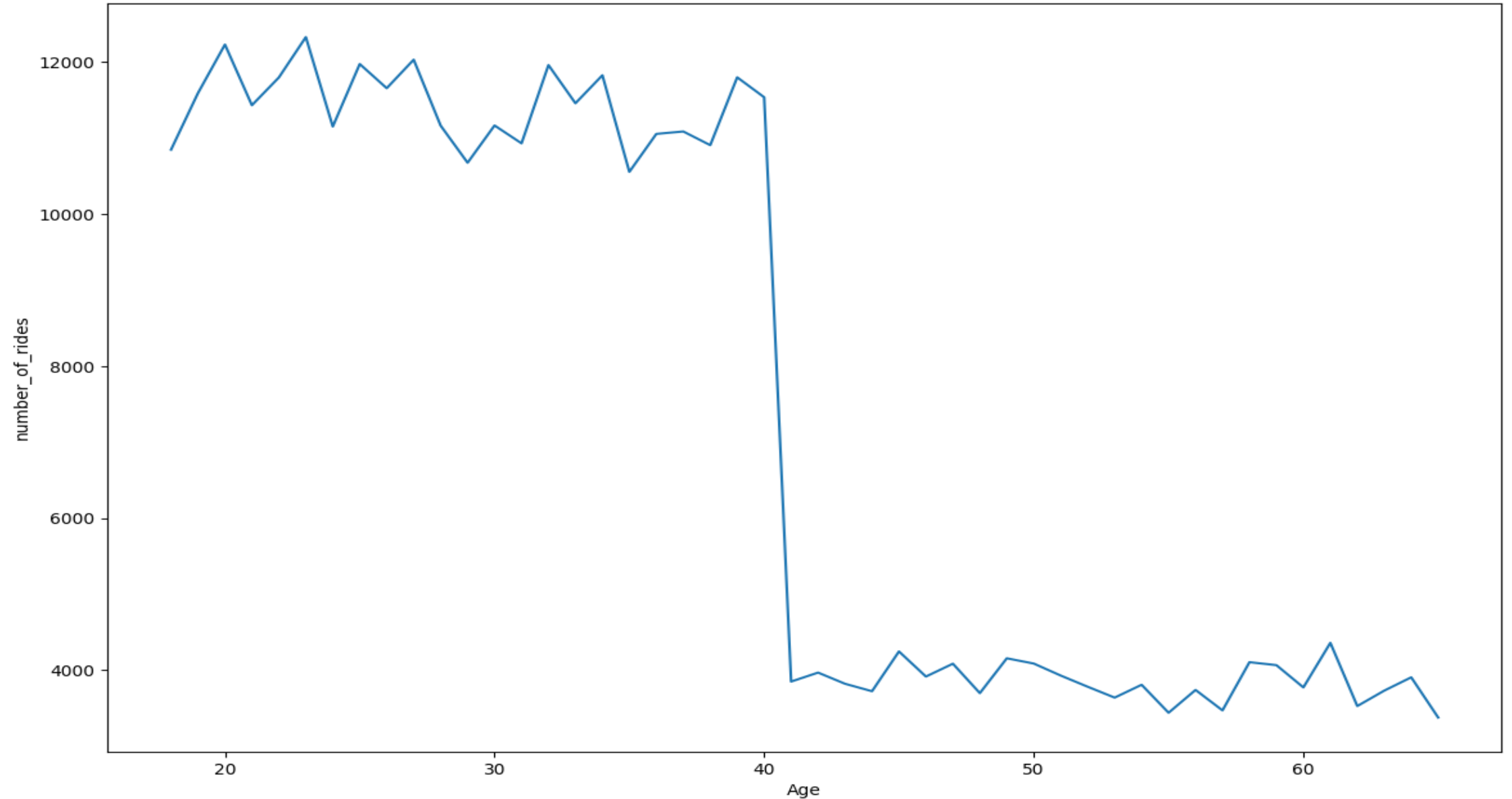
Difference in Profit Based on Age



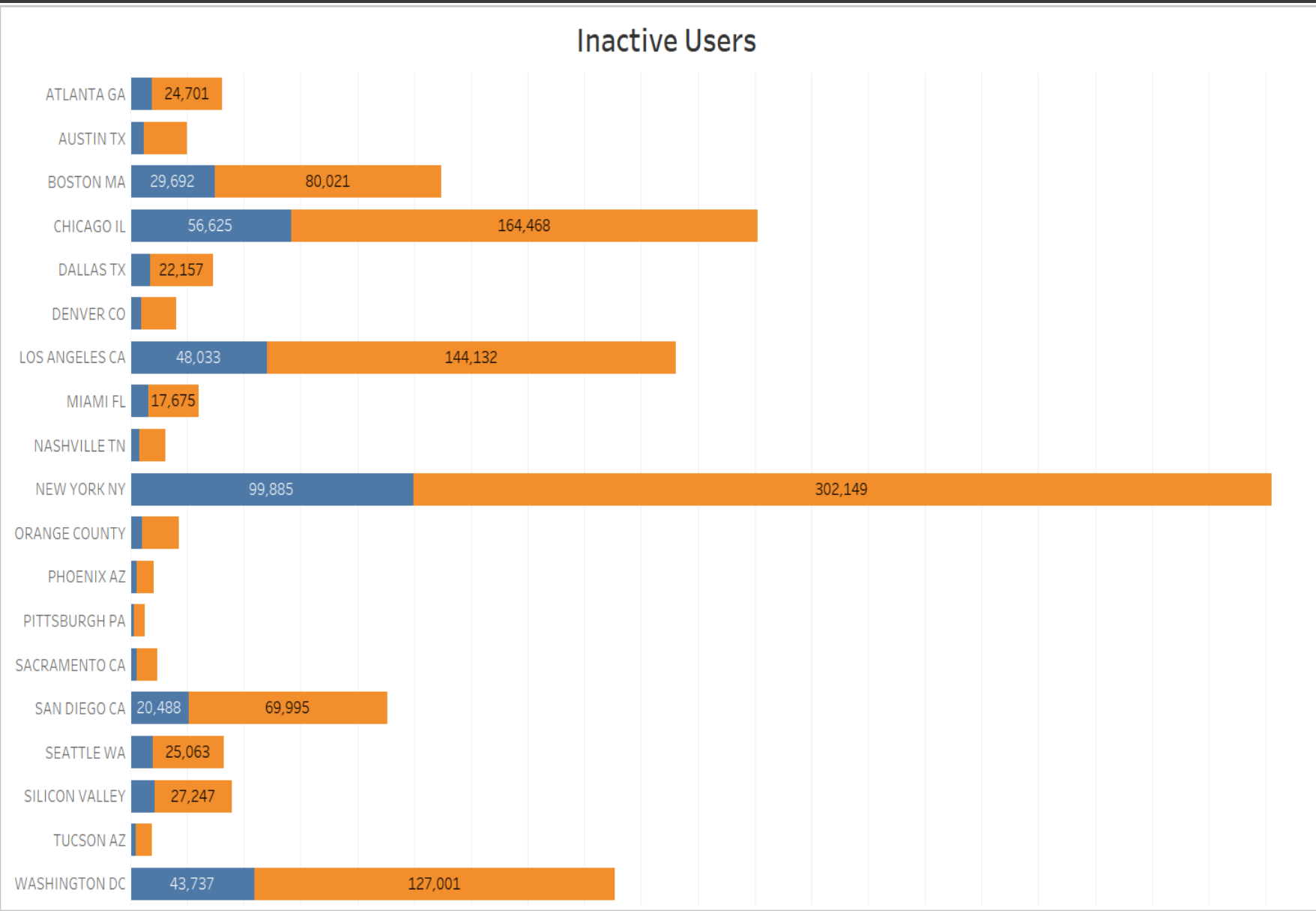
Observations:

- On investigating, it has been observed that there is a significant difference between the profit and age.
- The profit tends to decrease as the age increases. This is mainly because people aged 40+ tend to take a lesser number of rides than their younger counterparts.
- It is important to opt for a Cab Company, which has a stronger presence in cities with younger populations.

Difference in Total Rides Based on Age



Inactive/Redundant Users



Measure Names

Total Users

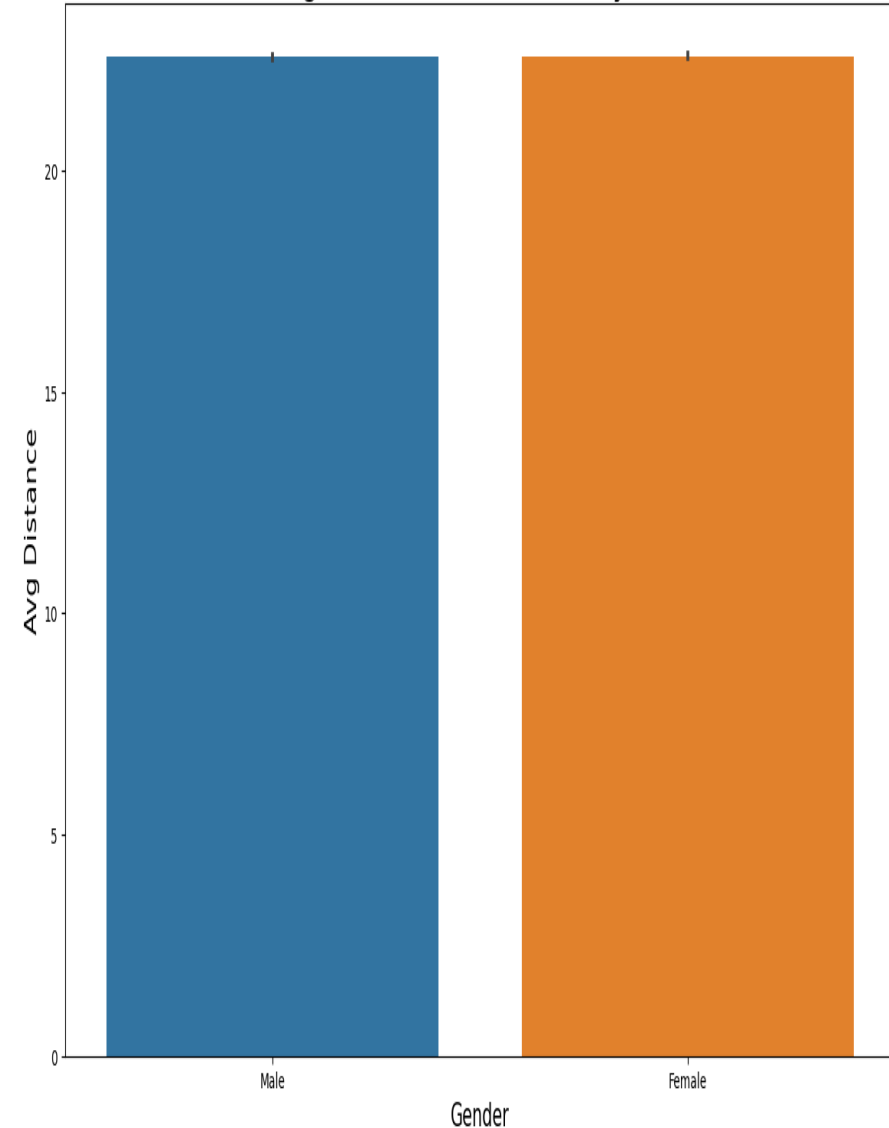
Active Users

Observations:

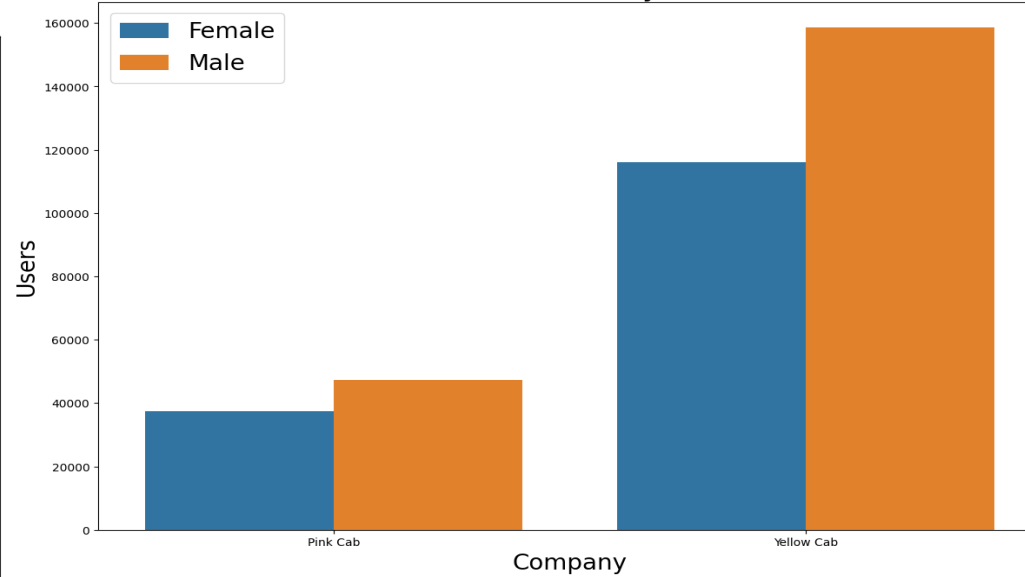
- During the investigation, it was identified that the total number of customers with transactions was not equal to the total number of users in that city.
- Inactive users' percentage was found to be an average of 70% in each city.
- The company-wise inactive user count could not be established as the total user count was consolidated.

Impact of Gender

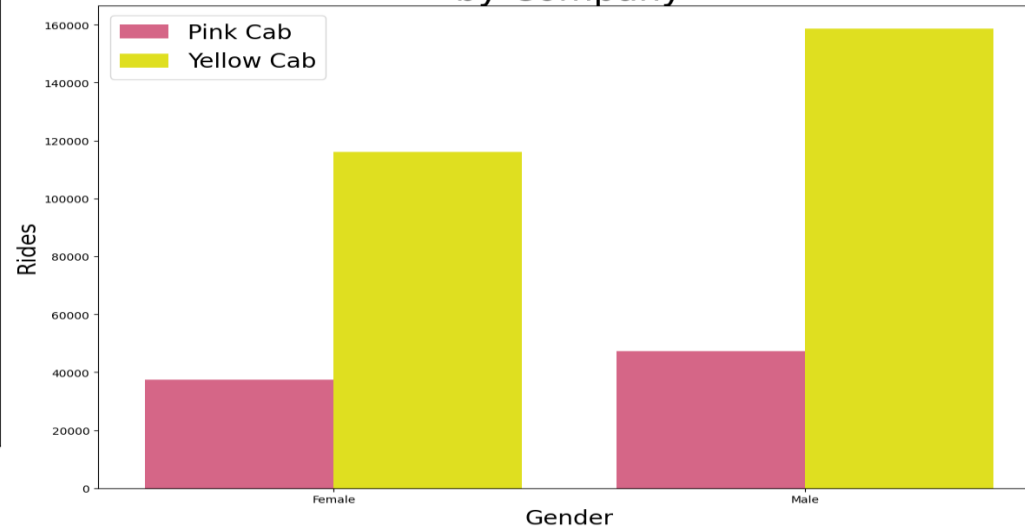
Average Distance Travelled by Gender



User Distribution by Gender



Rides by Gender by Company

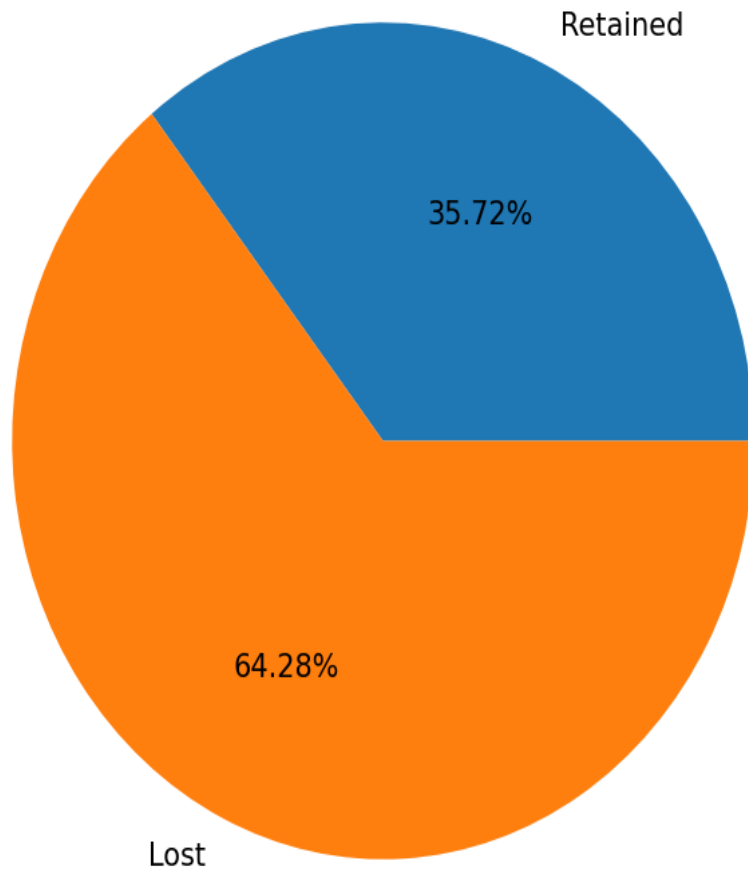


Observations:

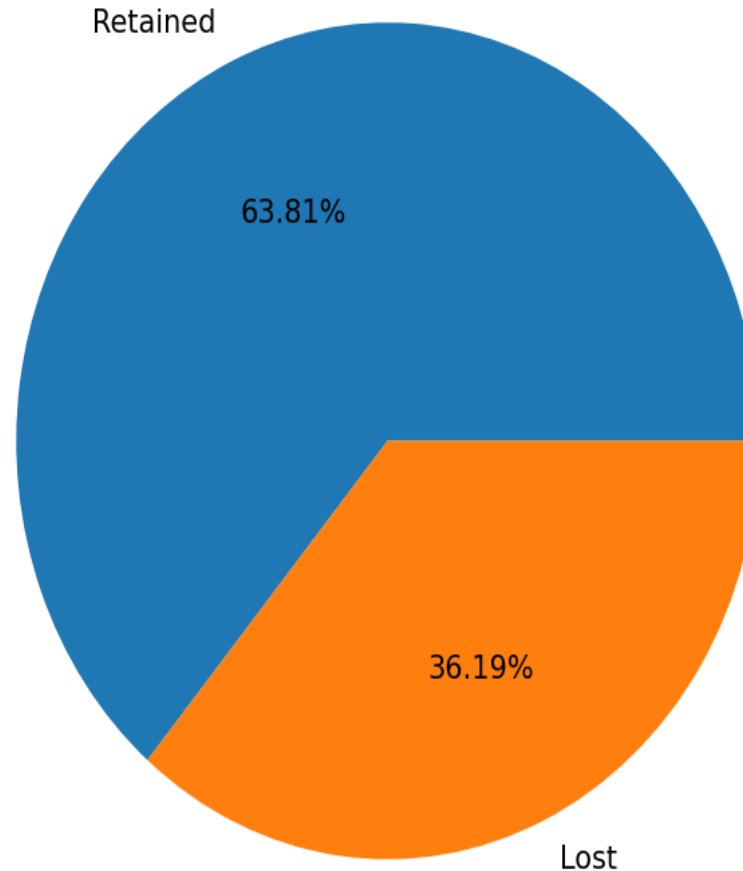
- It was found that there is no significant difference between the gender and the average travel distance.
- The cities with an imbalanced gender distribution will not impact the distance travelled.
- However, males seem to take more rides when compared to females and cities with imbalanced populations will have an impact on the rides and subsequently on the profits.

Retention Analysis

Retention of Pink Cab Users
During 2016-18



Retention of Yellow Cab Users
During 2016-18

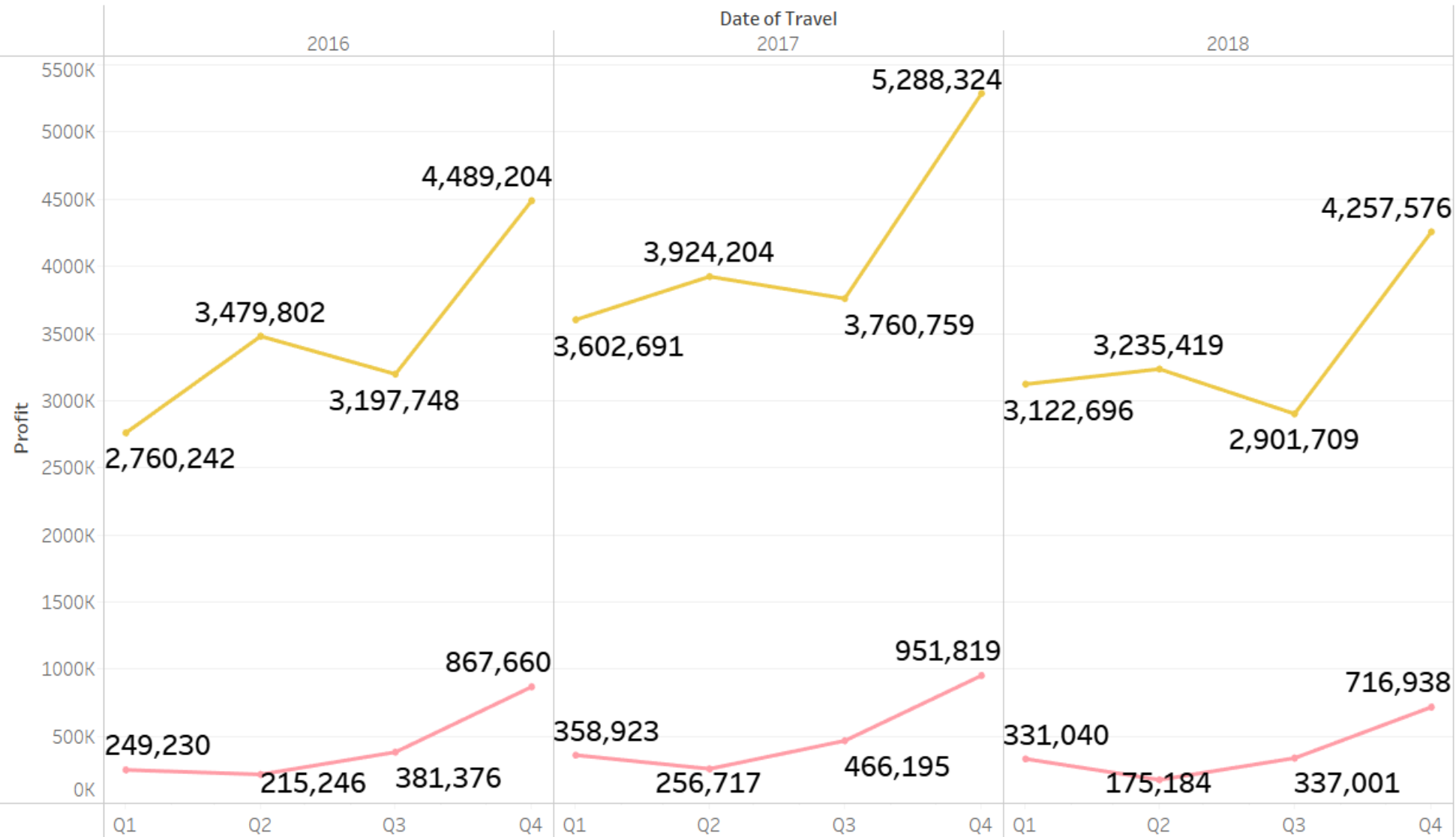


Observations:

- Yellow Cab has the highest retention rate of 63.81% compared to Pink Cab's 35.72%
- Yellow Cab's customers are happy with the services offered and tend to use the service again.

Profit Pattern

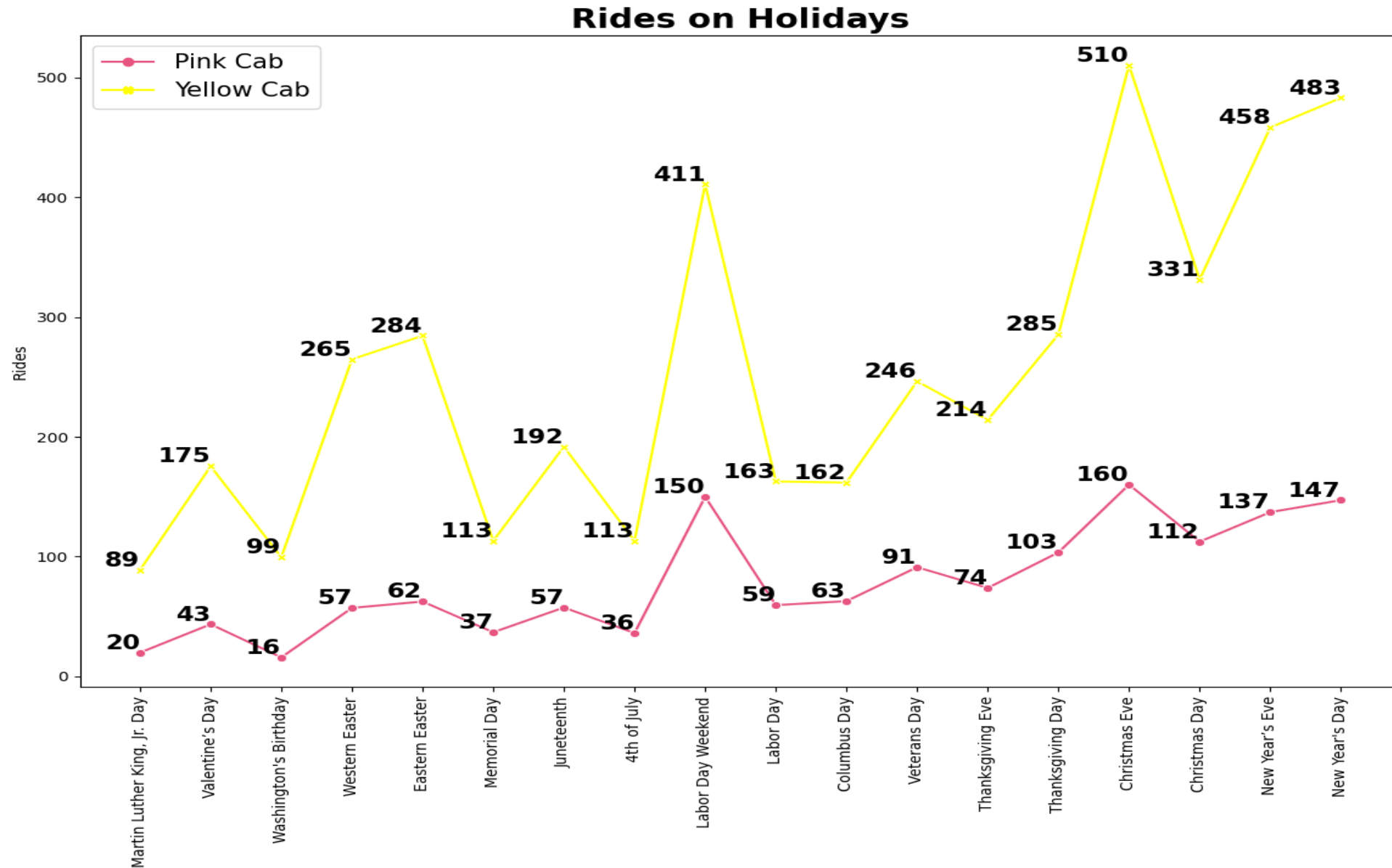
Profit Trend



Observations:

- Both companies tend to earn more profit during the last quarters of the year.
- While Pink Cab's profit tends to dip in Q2 when compared to Q1, Yellow Cab's profits seem to go up.

Number of Rides During Holidays



Observations:

- Yellow Cab does the highest number of rides on holidays as well.
- Considering tourists during holidays, Yellow Cab seems to be a popular choice among the tourists as well as local population.

Observations and Recommendation

- Yellow Cab earns 170% more profit per km than Pink Cab on an average
- The yearly average profit of Yellow Cab is 150% more than Pink Cab
- Yellow Cab is a popular choice among all age groups
- Yellow Cab has the highest ride-share
- With a 63% retention rate, Yellow Cab is a popular choice for returning customers
- Even on holidays, Yellow Cab is a popular choice

Therefore, based on the above observations, I highly recommend XYZ to consider investing in Yellow Cab for higher returns.



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Thank You