

Exploratory Data Analysis G2M insight for Cab Investment firm 06/20/2024

Agenda

Executive Summary

Problem Statement

Approach

EDA

EDA Summary

Recommendations



Executive Summary

The Client: XYZ

- Private firm in the US
- Interest: Investing in the Cab Industry due to recent growth
- Objective: Understand the market for informed investment decision

Project Delivery

- Data Sets Provided: Information on two cab companies
- Outcome: Presentation to XYZ's Executive team

Evaluation Criteria:

- Visuals
- Quality of analysis
- Value of recommendations and insights

Data Sets

- Cab_Data.csv Transaction details for two cab companies
- Customer_ID.csv Customer demographic details
- Transaction_ID.csv Transaction to customer mapping and payment mode
- City.csv US cities, population, and cab users



Cab_Data.csv

• Observations: 359,392

• Features: 7 (Transaction ID, Date of Travel, Company, City, KM Travelled, Price Charged, Cost of Trip)

• Size: 20.1 MB

Customer_ID.csv

• Observations: 49171

• Features: 4

• Size: 1.3 MB

Transaction_ID.csv

• Observations: 440098

• Features: 3

• Size: 8.7 MB

City.csv

• Observations: 20

• Features: 3

• Size: 1 KB

Problem Statement

- Analyze customer profiles, transaction details, and city-specific information
- Preprocess and merge datasets for comprehensive analysis
- Perform exploratory and hypothesis-driven analyses

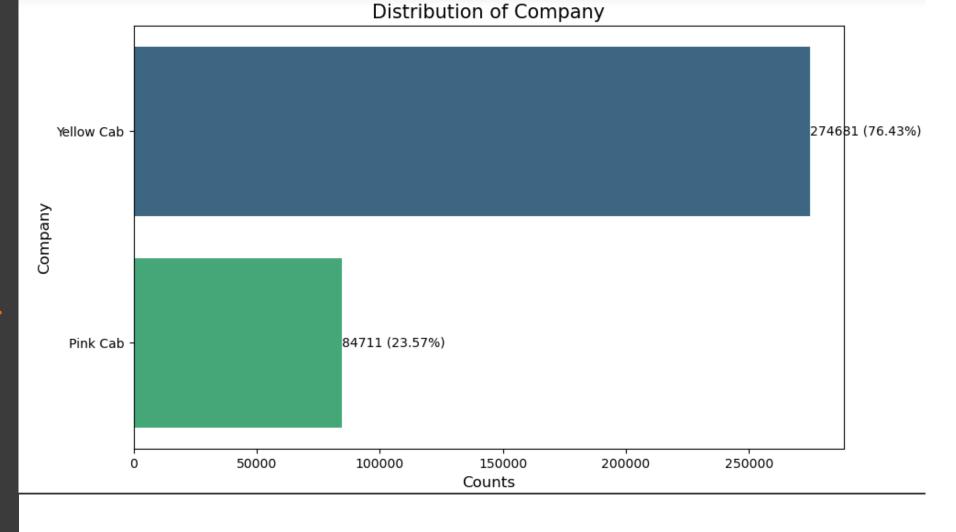


Approach

- Reading the CSV files
- Ensuring column names are consistent
- Renaming Columns
- Converting relevant columns to string
- Inspecting Columns
- Merging the DataFrames
- Displaying the final DataFrame
- Exploratory data analysis on final dataset
- Performed the hypothesis test

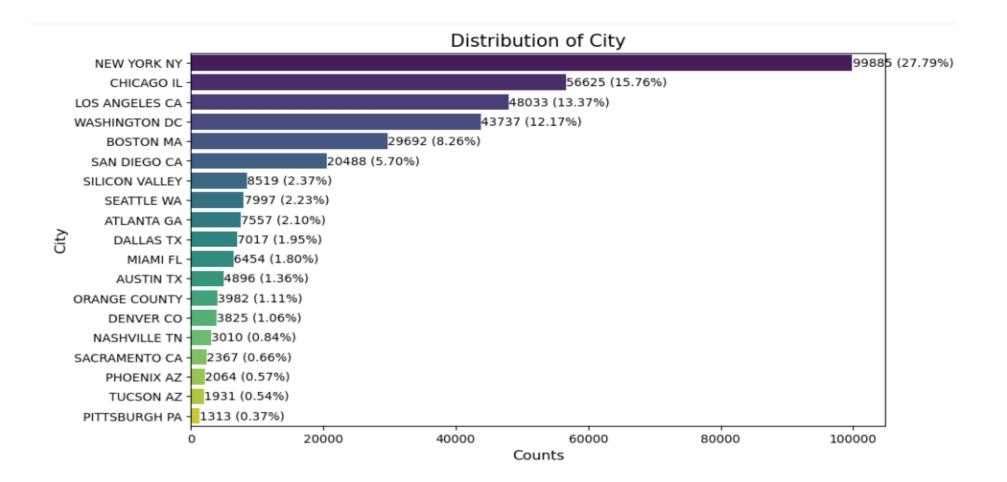


EDA(Cab_ Data)

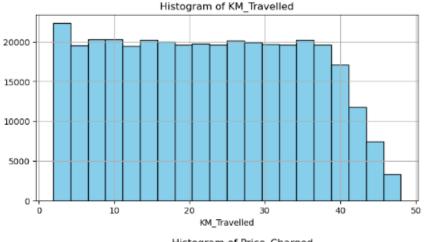


 The Yellow Cab company leads with 76.43% of the operations, while the Pink Cab company represents 23.57%. This clearly shows Yellow Cab's significant advantage.

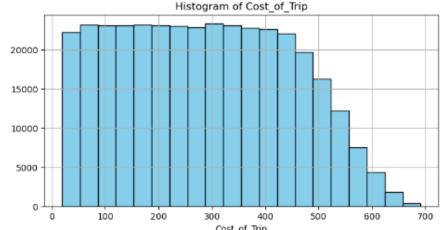




 In terms of cities, NEW YORK, CHICAGO, and LOS ANGELES have the highest number of transactions.





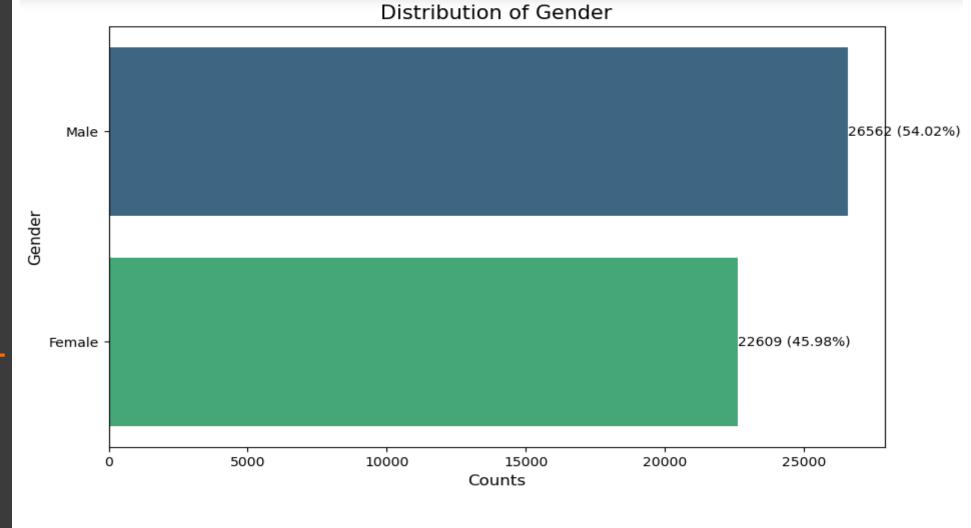


count: 359392.000 mean: 22.567 std: 12.234 min: 1.900 5%: 3.570 10%: 5.800 20%: 9.900 30%: 14.140 40%: 18.240 50%: 22.440 60%: 26.600 70%: 30.780 80%: 34.980 90%: 39.200 95%: 42.000 99%: 45.630 max: 48.000

count: 359392.000 mean: 423.443 std: 274.379 min: 15.600 5%: 63.420 10%: 99.231 20%: 170.970 30%: 242.270 40%: 314.054 50%: 386.360 60%: 460.150 70%: 538.830 80%: 635.680 90%: 792.790 95%: 944.890 99%: 1230.109 max: 2048.030 count: 359392.000 mean: 286.190 std: 157.994 min: 19.000 5%: 46.224 10%: 72.576 20%: 124.762 30%: 177.293 40%: 229.680 50%: 282.480 60%: 334.254 70%: 387.115 80%: 440.429 90%: 502.501 95%: 544.363 99%: 610.560 max: 691.200

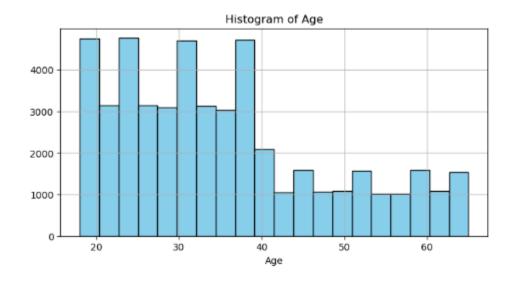
- The graph shows that the shortest distance traveled is 1.9 km, and the longest is 48 km.
- Examining the Price_Charged variable reveals a lack of normal distribution, likely due to outliers, with a maximum value of around 2048 and a median value of about 386.
- The minimum trip cost is 19 dollars, while the maximum is approximately 691 dollars.

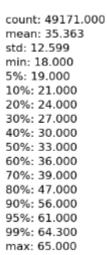
EDA (Customer_ Data)

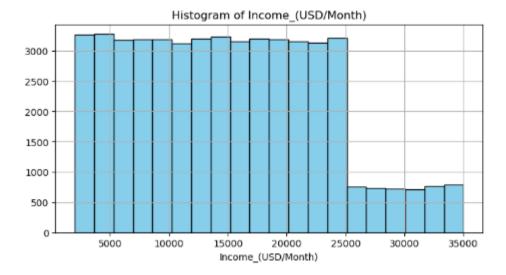


• Upon examining the gender distribution of customers, it is noted that male customers constitute approximately 54%, whereas female customers represent about 46%.





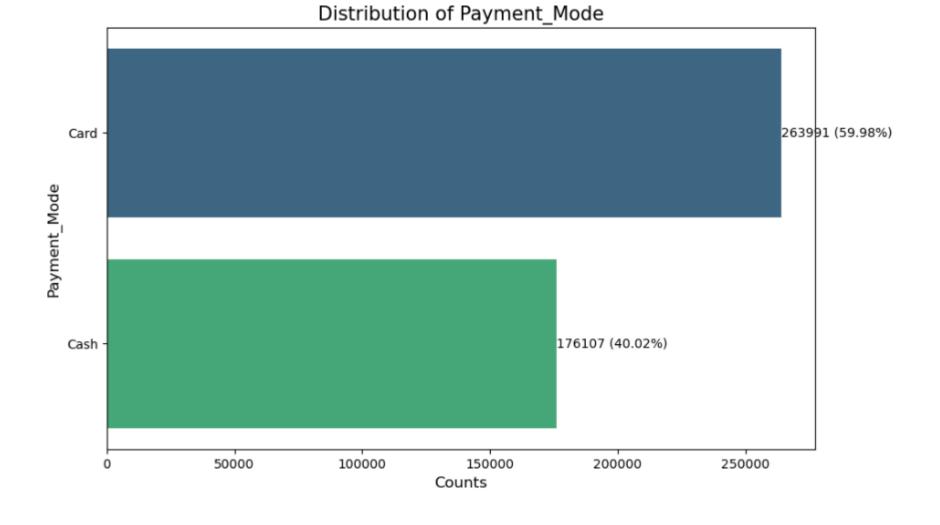




count: 49171.000 mean: 15015.632 std: 8002.208 min: 2000.000 5%: 3235.000 10%: 4496.000 20%: 7022.000 30%: 9547.000 40%: 12137.000 50%: 14656.000 60%: 17194.000 70%: 19754.000 80%: 22314.000 90%: 24798.000 95%: 29645.000 99%: 33956.600 max: 35000.000

- More than 70% of customers are below the age of 40.
- Around 10% of customers have a monthly income exceeding \$25,000.

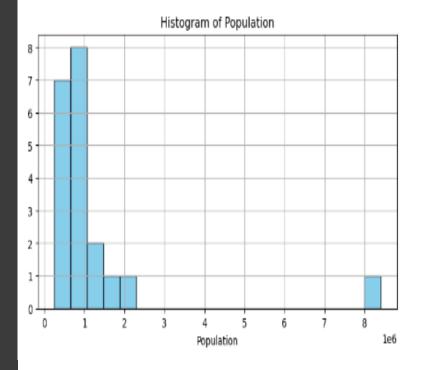
EDA (Tramsactio n_Data)

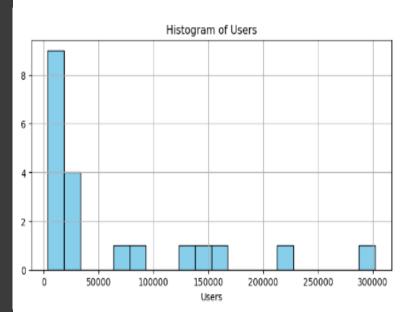


• When we examine the graph, we observe that nearly 60% of the transactions have been made using a card.



EDA (City_Data)





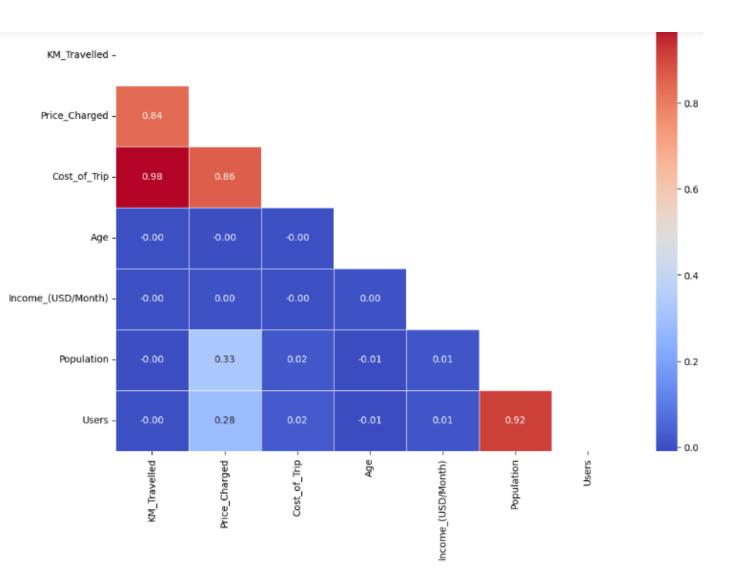
count: 20.000 mean: 1231592.000 std: 1740126.700 min: 248968.000 5%: 323312.150 10%: 409695.600 20%: 545037.800 30%: 630886.700 40%: 687517.800 50%: 784559.000 60%: 943344.400 70%: 980570.400 80%: 1209918.200 90%: 1631046.300 95%: 2277665.350 99%: 7180202.670 max: 8405837.000

count: 20.000 mean: 64520.650 std: 83499.375 min: 3643.000 5%: 5608.550 10%: 6090.900 20%: 8824.800 30%: 12822.100 40%: 16596.200 50%: 23429.000 60%: 25936.600 70%: 73002.800 80%: 130427.200 90%: 169382.100 95%: 218036.000 99%: 285326.400 max: 302149.000

- Observing the graph reveals that the city with the smallest population has about 250,000 residents, while the city with the largest population totals around 8.5 million.
- The number of users across cities where taxi companies operate ranges from a minimum of 3,643 to a maximum of 302,149.
- This dataset includes outlier values in the "Population" data, but I chose not to handle these outliers.



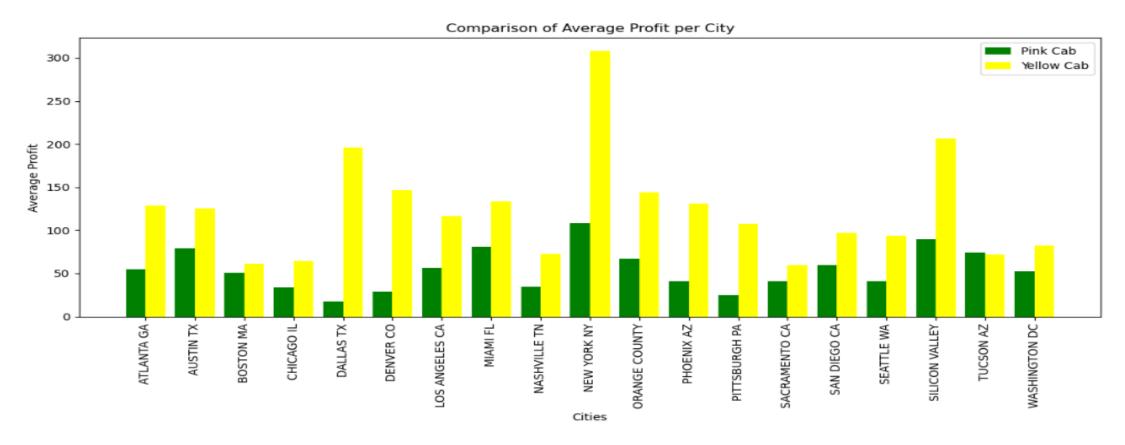
Correlation Analysis



- There is a strong correlation between
 Population and Users based on observations.
- Moreover, there is a significant correlation among Price_Charged, Cost_of_Trip, and KM_Travelled.



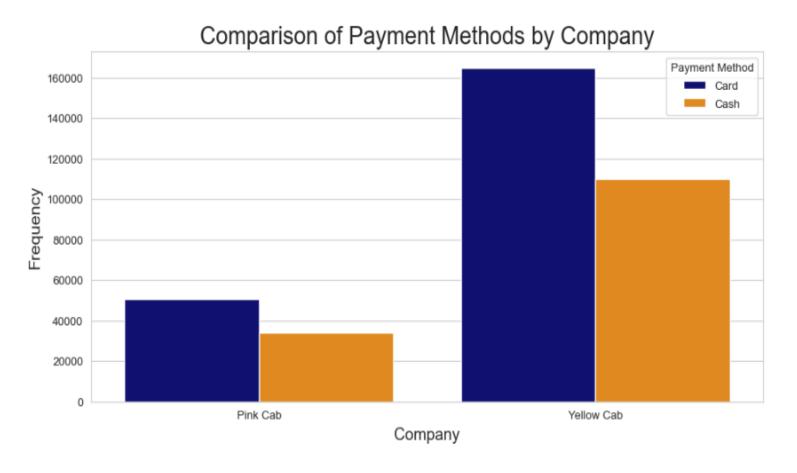
Overall Analysis



• In every city except Tucson, AZ, Yellow Cab's average profit surpasses that of Pink Cab.



Payment Mode Comparison



- Yellow Cab shows a larger overall number of transactions compared to Pink Cab, for both payment methods.
- The frequency of Cash payments is higher for Yellow Cab than Pink Cab, but the difference is less pronounced compared to Card payments.



Overall Profit by year

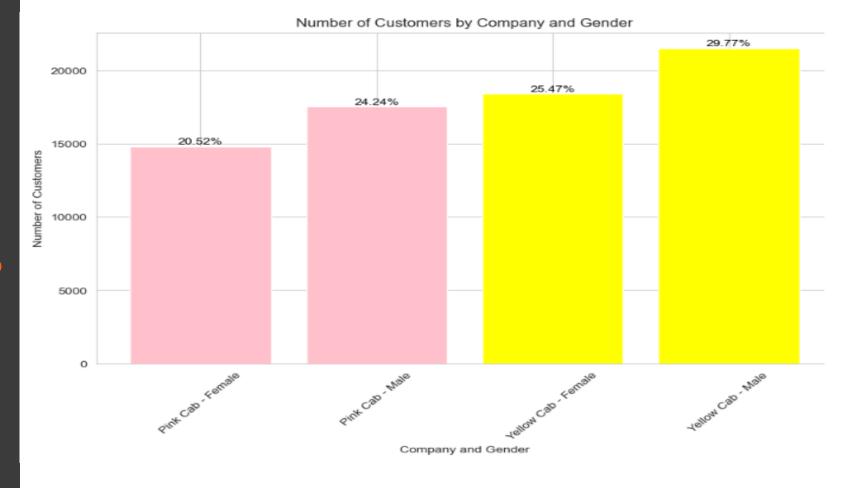
Profit % Year Wise



- Pink Cab shows a small decline in profit percentage over the three years.
- Yellow Cab maintains high profit percentages with a slight increase in 2018.



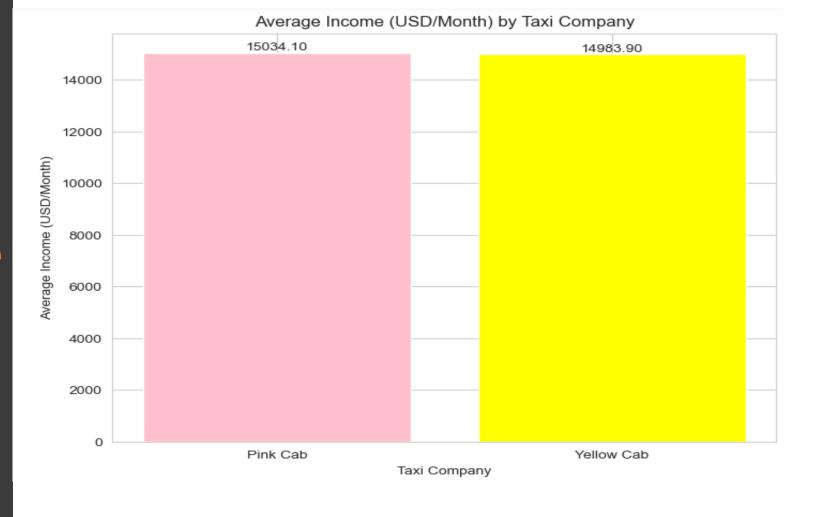
Hypothesis Testing



• When comparing the two cab companies, it is evident that both have a higher number of male users.



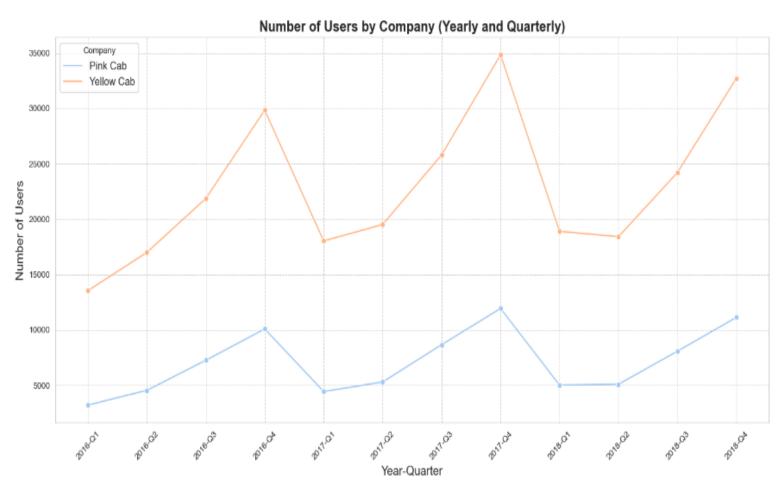
Avg Income of Cab customers



• The average monthly incomes of Pink Cab and Yellow Cab are very similar, with Pink Cab having a marginally higher income. This indicates that both companies have comparable revenue performance on a monthly basis.



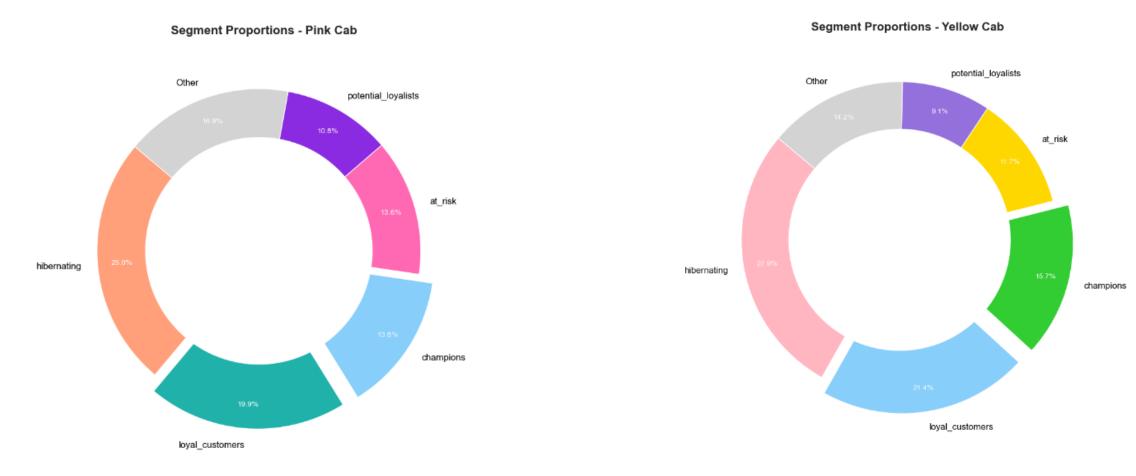
Number of Users by Company (Yearly and Quarterly



- Upon examining the graph, there is a noticeable rise in customer demand for cab usage from the first quarter to the fourth quarter in each of the years 2016, 2017, and 2018.
- The increasing demand for cab usage from the first quarter to the fourth quarter in each of the years 2016, 2017, and 2018 can be influenced by several factors, such as seasonal variations, economic factors, special events, holidays, urban population growth, and a preference for cabs during inclement weather conditions.



The Impact of Loyal Customers and Champions on Profit in Yellow Cab and Pink Cab Companies



• The hypothesis tests revealed that Yellow Cab's loyal customers and top users generate more profit compared to those of Pink Cab.



Recommen dations

- Number of Users: Yellow Cab clearly has a larger user base compared to Pink Cab.
- Average Profit per City: Yellow Cab's average profit surpasses that of Pink Cab in all cities except Tucson, AZ.
- Loyal Customers: The higher number of loyal customers for Yellow Cab suggests a potential for more stable future revenue.
- Gender Preference: Yellow Cab's popularity among male users could play a crucial role in shaping its marketing strategies.



Thank You

