



**Data Glacier**

Your Deep Learning Partner

# G2M Case Study

Virtual Internship

20-Jan-2021

# 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:

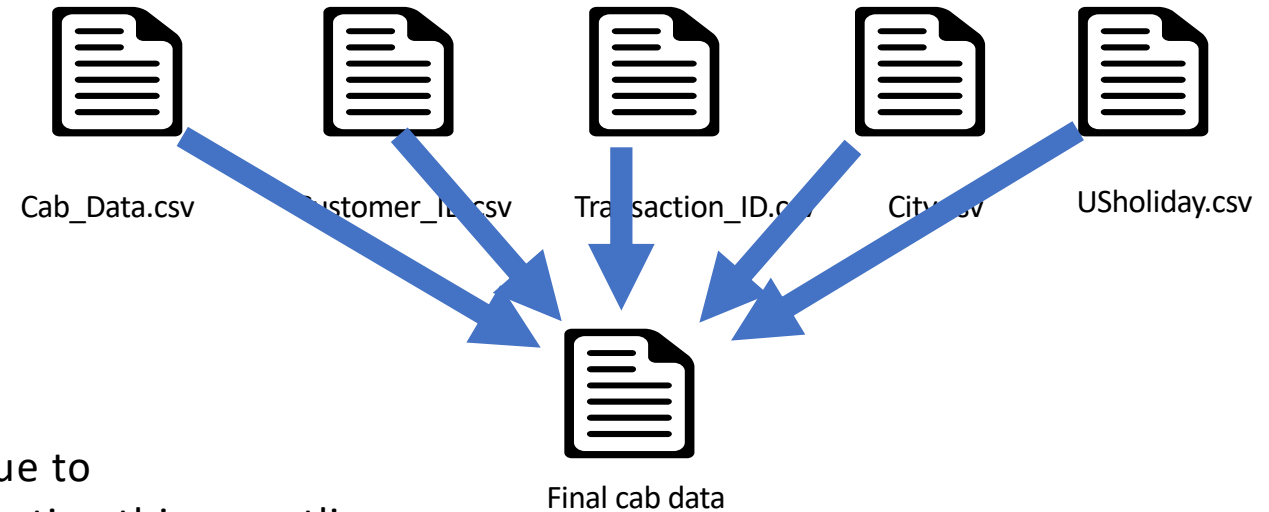
- Data Understanding
- Forecasting profit and number of rides for each cab type
- Finding the most profitable Cab company
- Recommendations for investment

# Data Exploration

- 24 Features( including 9 derived features)
- Timeframe of the data: 2016-01-31 to 2018-12-31
- Total data points :355,032

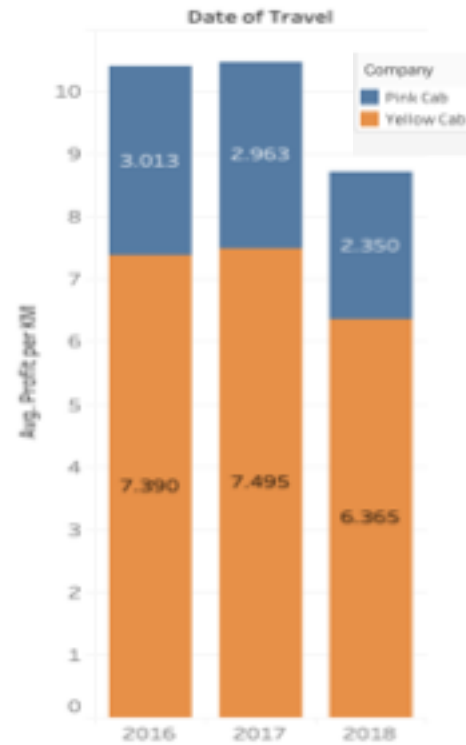
## Assumptions:

- Outliers are present in Price\_Charged feature but due to unavailability of trip duration details ,we are not treating this as outlier.
- Profit of rides are calculated keeping other factors constant and 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. we have assumed that this can be other cab users as well(including Yellow and Pink cab)

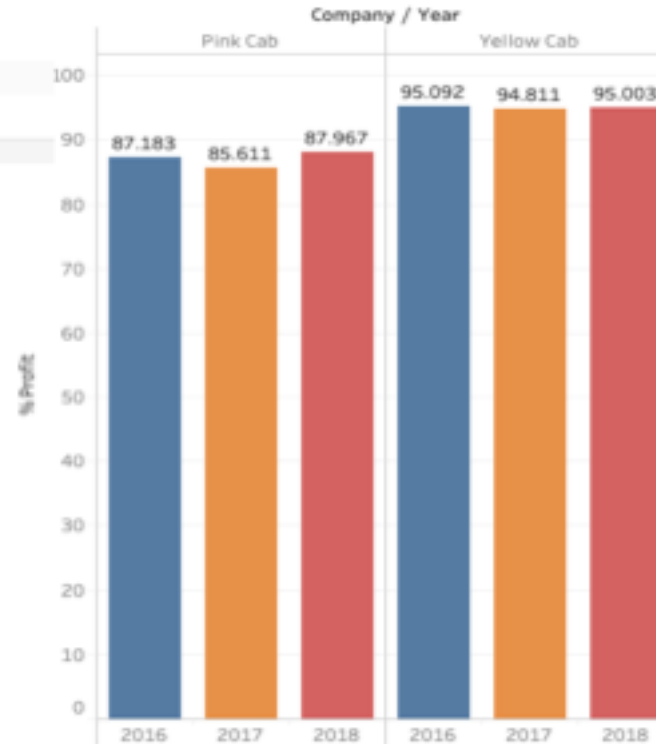


# Profit Analysis

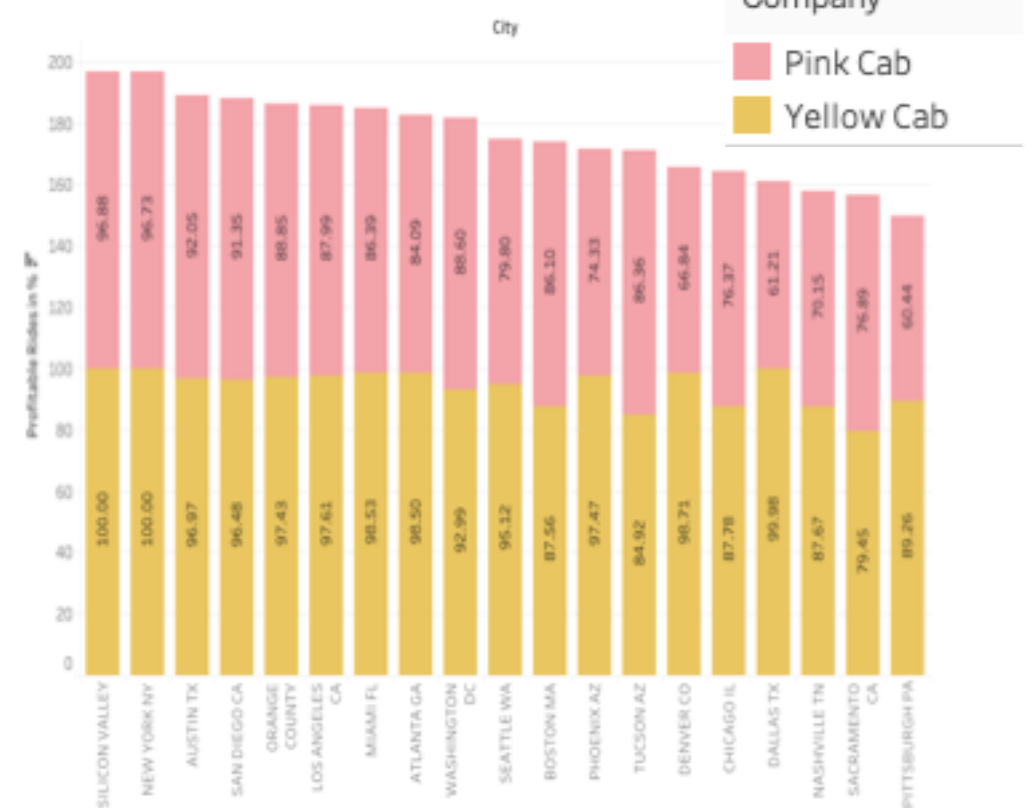
Average Profit Per KM



Profit % Yearwise



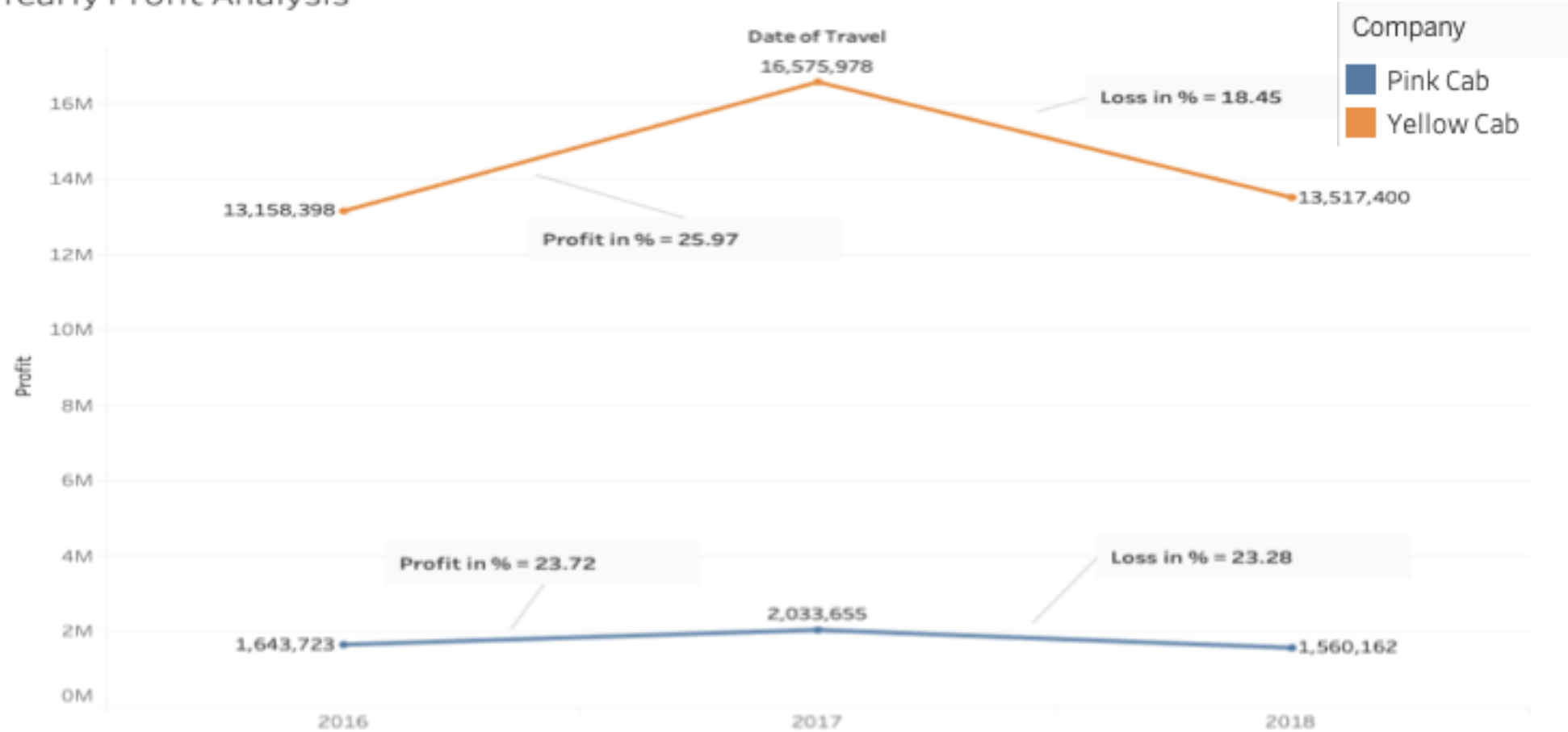
Citywise Profitable rides Percentage



Company	Profit	Total Rides	Profit Per Ride
Pink Cab	5,237,540	83,825	62.48183716
Yellow Cab	43,251,775	271,207	159.4788298

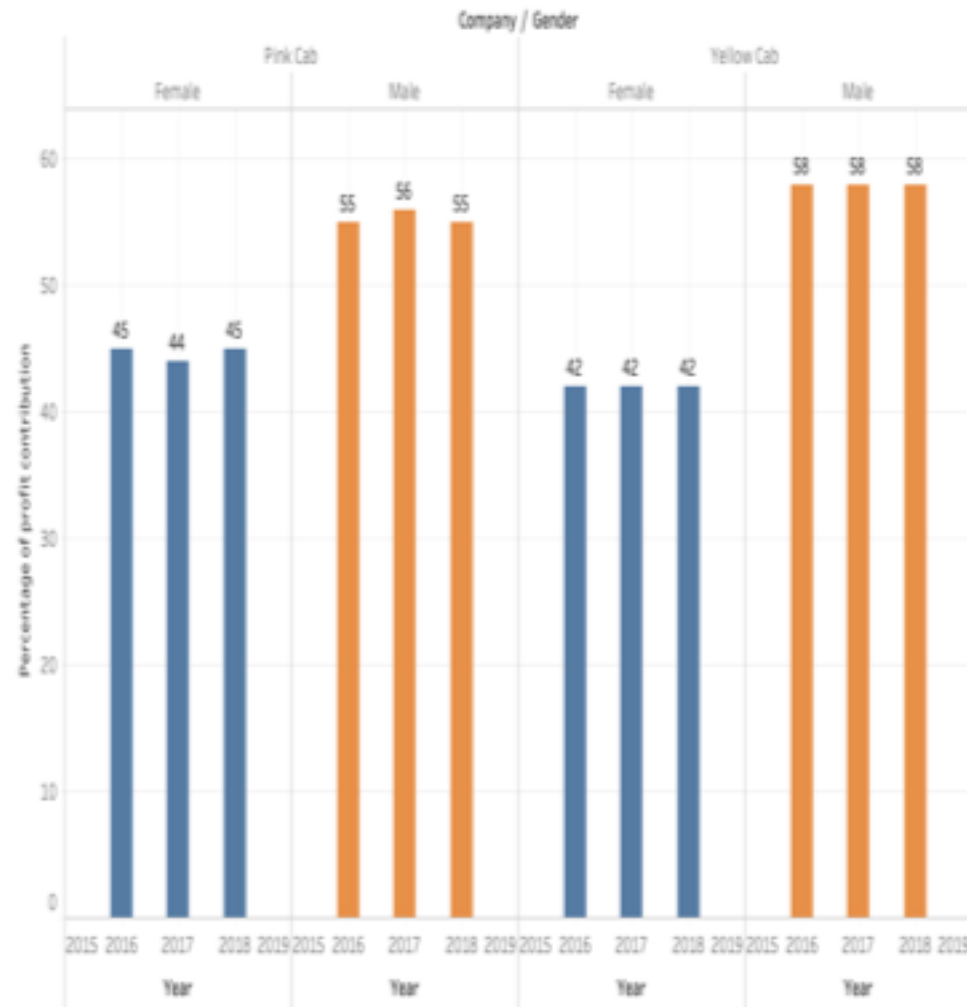
# Yearly Profit Analysis

Yearly Profit Analysis

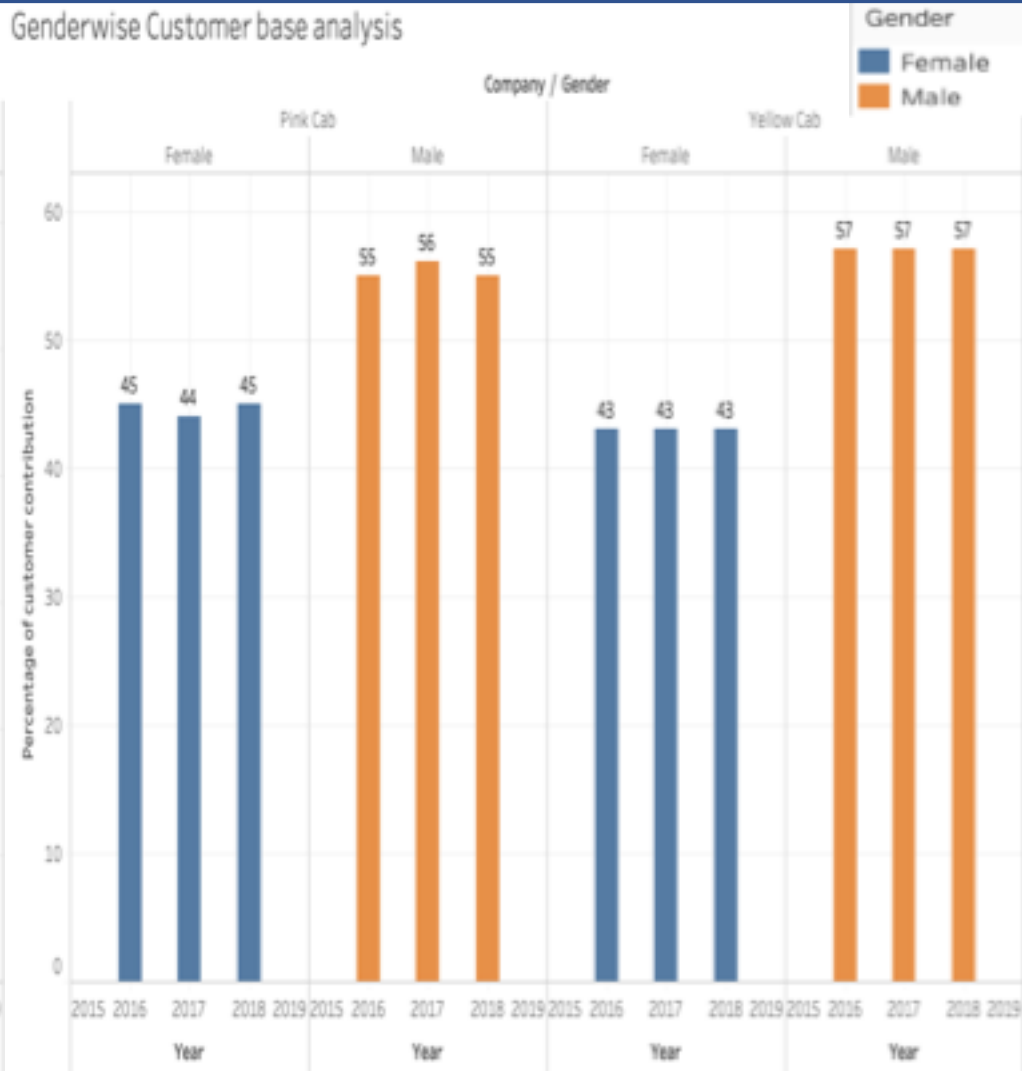


# Profit and customer base Analysis Gender wise

Gender wise contribution in profit



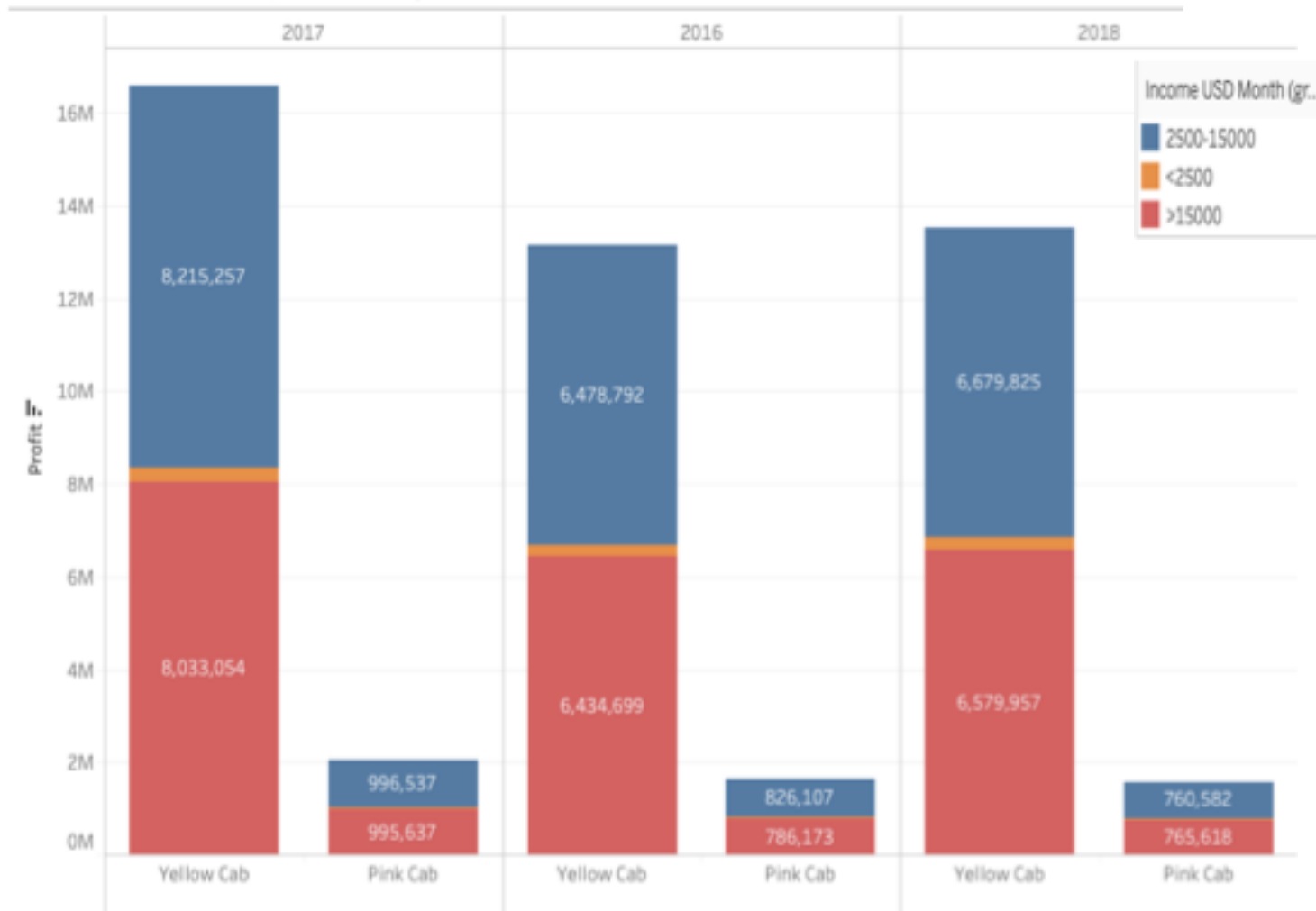
Genderwise Customer base analysis



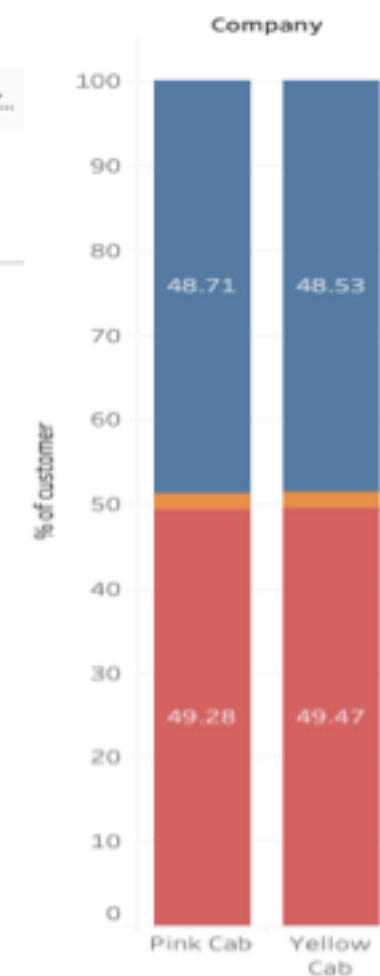
There is almost equal distribution of gender in the Profit and customer base of both the cabs.

# Income Class wise Profit and customer base Analysis

Income class-wise profit analysis

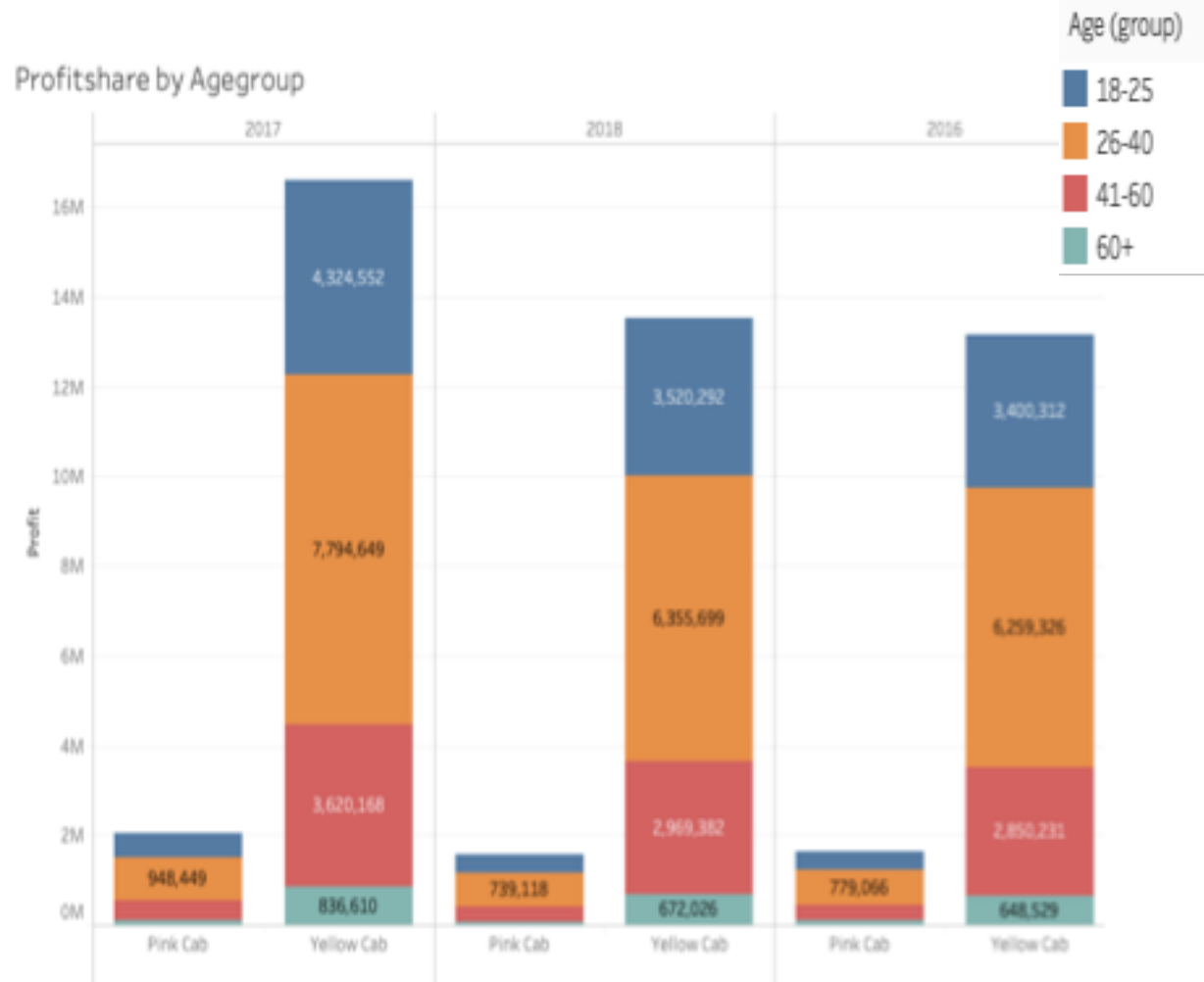


Customer share income classwise

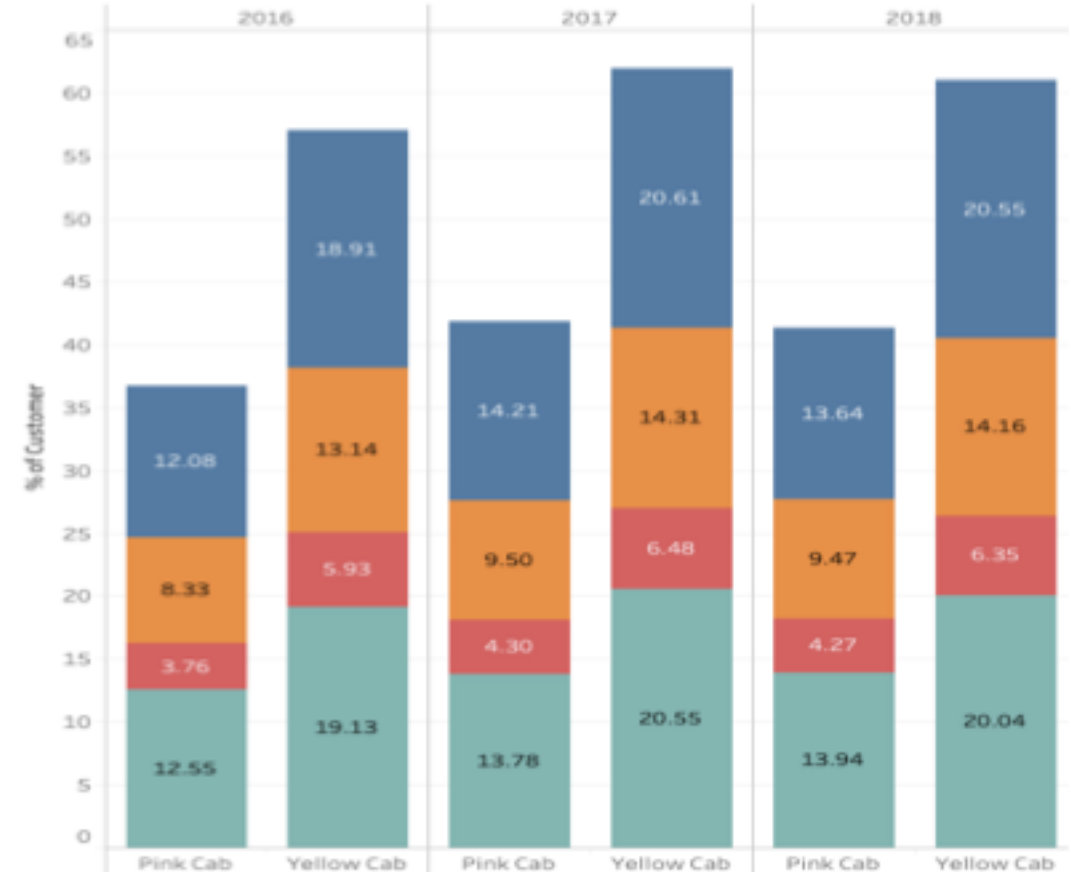


Middle class and high class contributes more in the profit as well as in the customer base of both the cabs

# Age GroupWise Profit And Customer Base Analysis



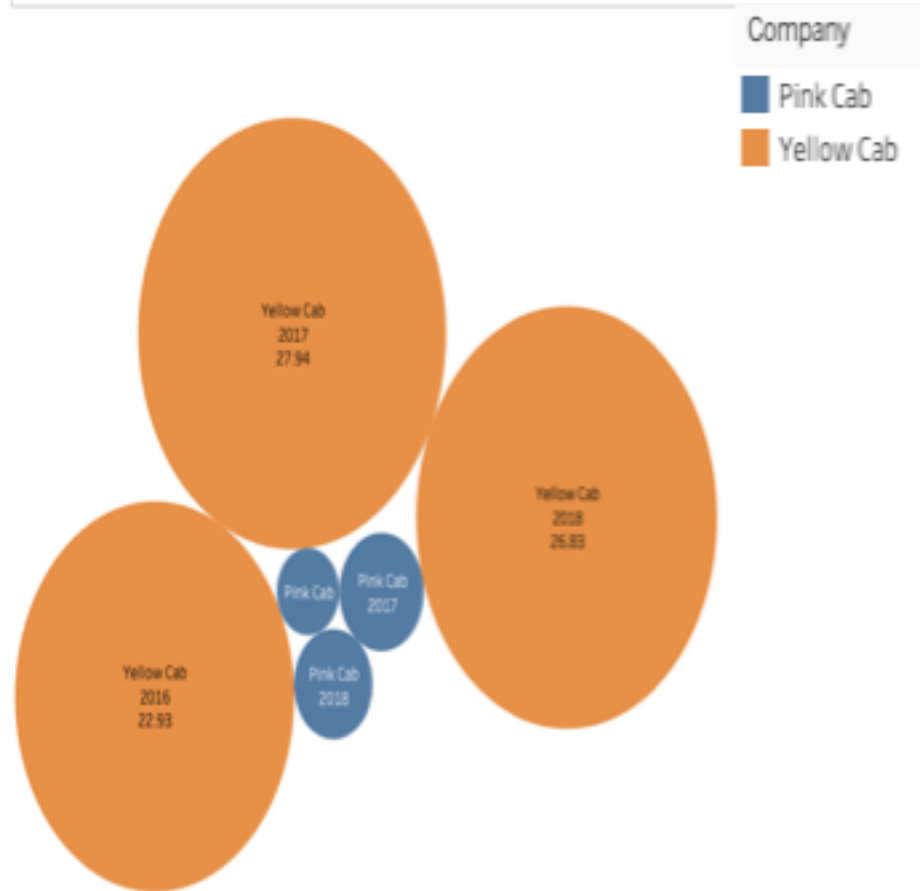
Customer segmentation by agegroup





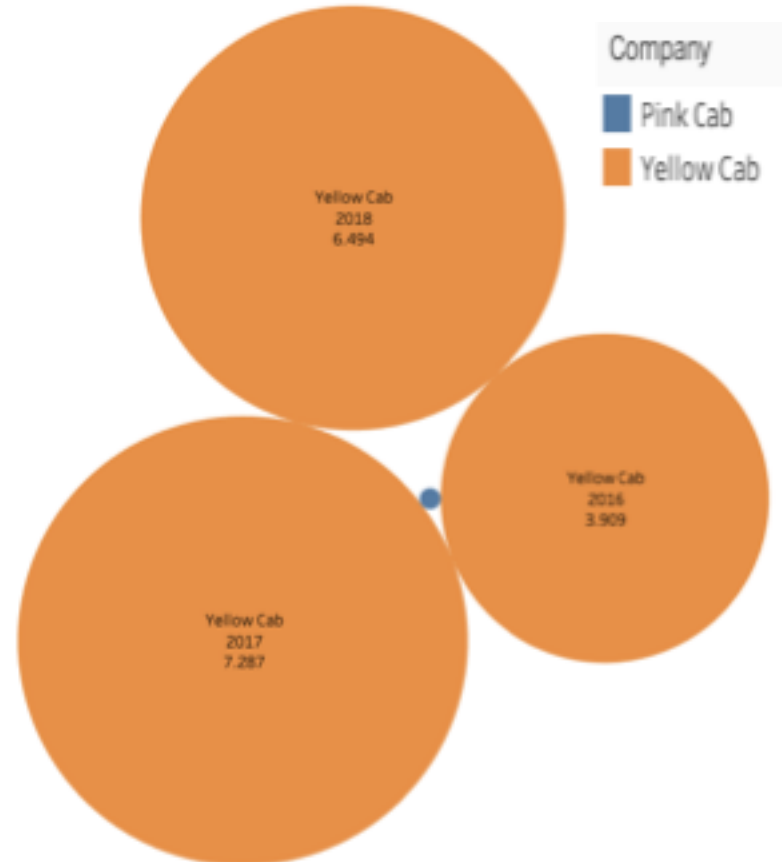
# Customer Retention

Customer retention (atleast 5 Rides)



Viz 1

\* Customer retention(atleast 10 rides)

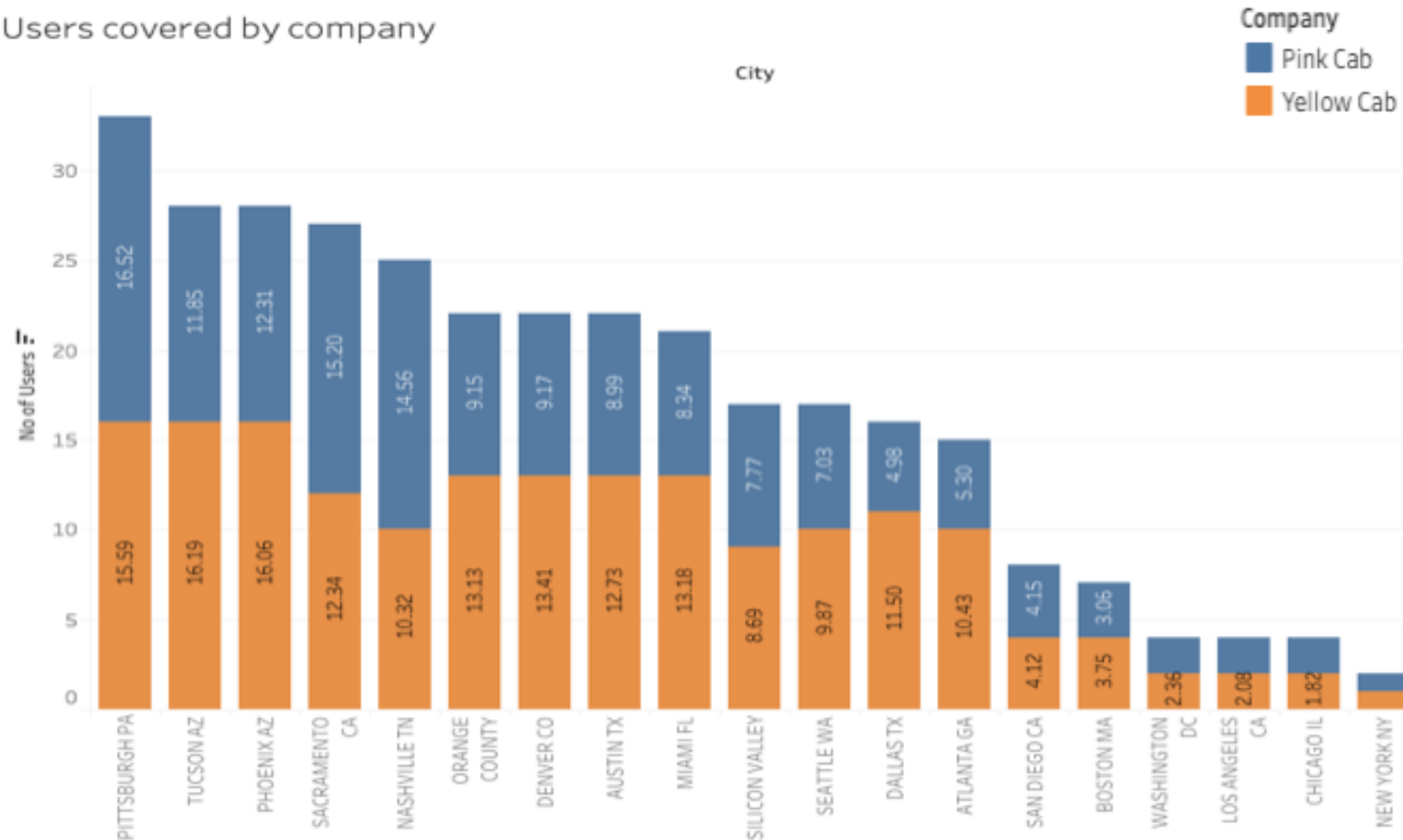


Viz 2

- Customers who have taken at least 5 rides of the same cab company is considered for the viz1
- In Viz 2, only those customers considered who have taken at least 10 rides of the same cab company
- Clearly in both the segments Yellow cab is far better than Pink cab. Which shows Yellow cab is able to retain their customers well as compared to Pink cab.

# City Wise Cab Users Covered By Company

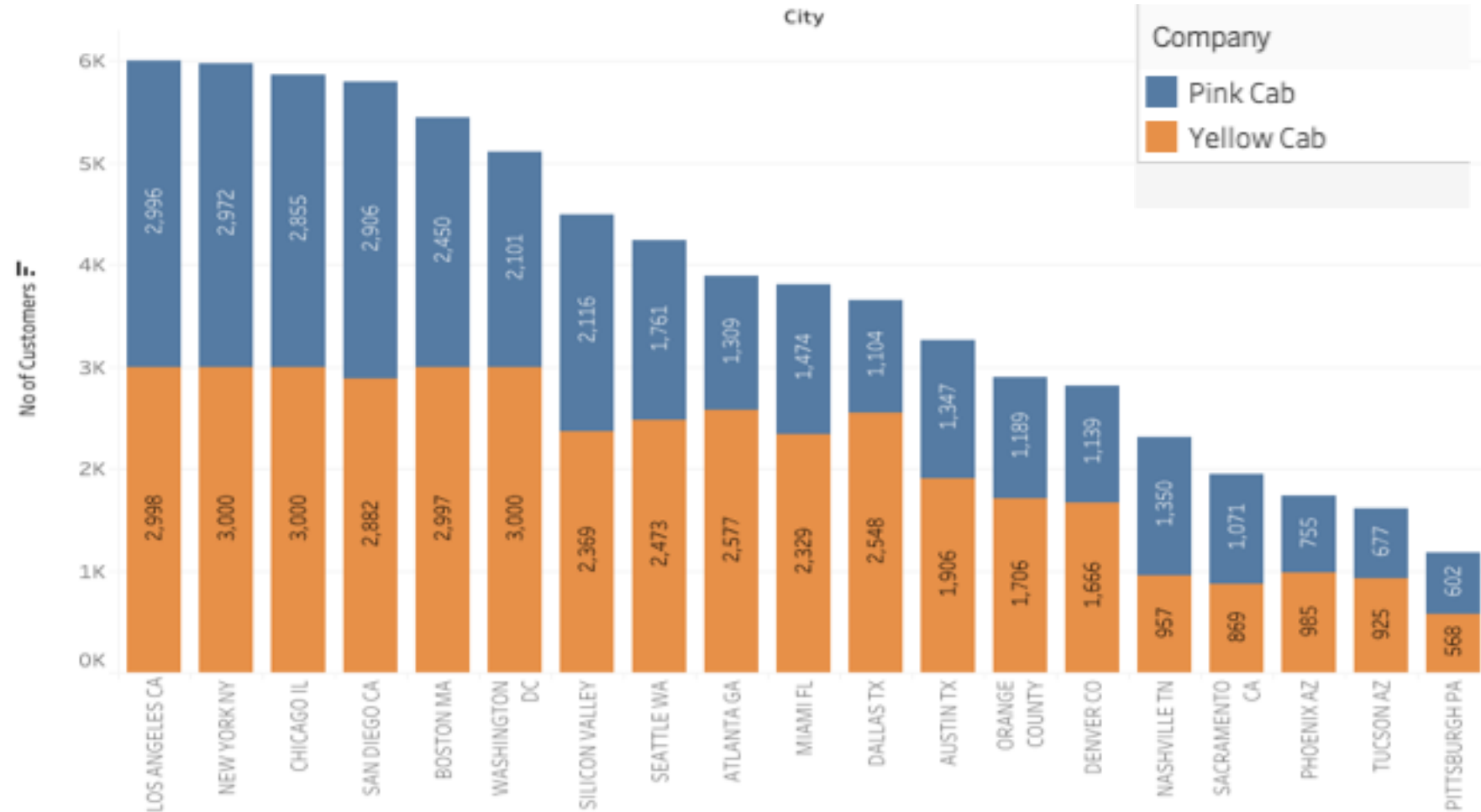
Users covered by company



- This is the number of users covered by Yellow and Pink cab In the city against **all cab users** present In the city

# Customer Presence of Yellow and Pink cab city wise

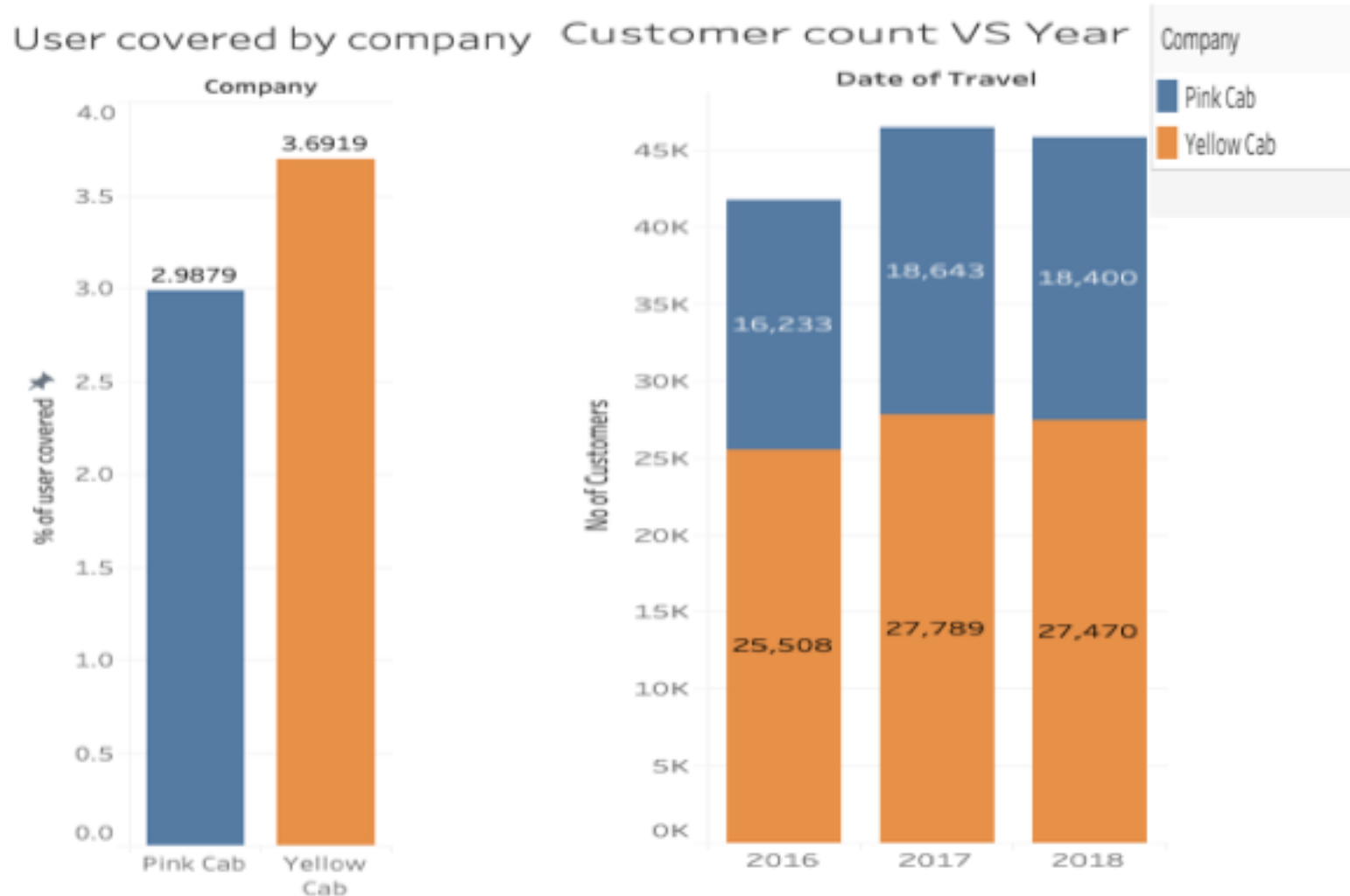
Customer presence citywise



Out of 19 Cities  
Pink cab have  
higher customer  
reach as compared  
to Yellow cab ,in  
following 4 cities:

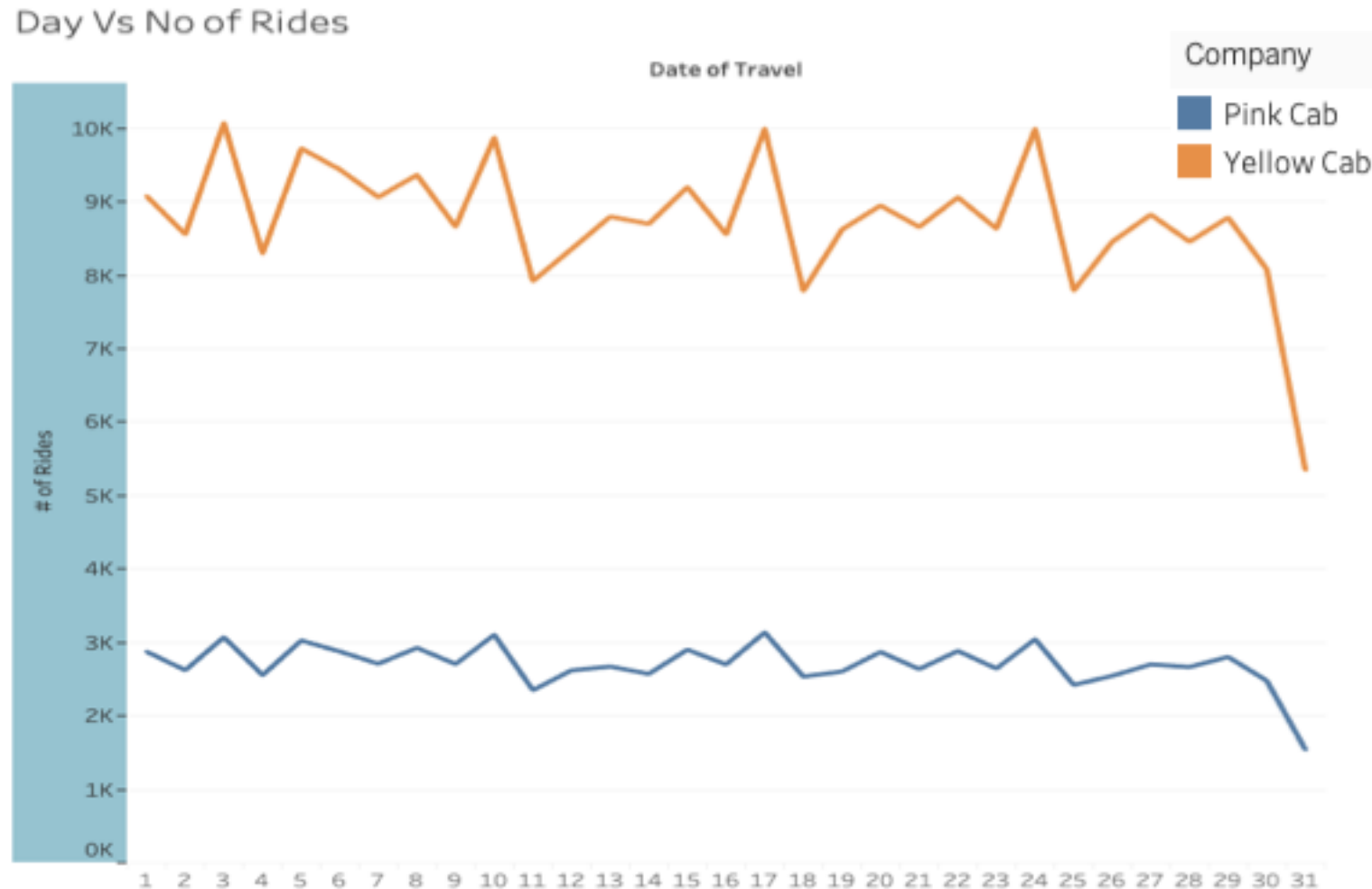
- SanDiego
- Nashville
- Sacramento
- Pittsburgh

# User Covered by Company and Customer base Year wise



- Yellow cab has reach of around 3.7% cab users while Pink cab has 2.9% reach.
- We have considered all cab users present in 19 cities to calculate Yellow and Pink cabs coverage.
- Yellow cab higher customer base as compared to Pink cab.
- There is 1.3% loss in customer count of Pink cab from 2017-2018 and for the same period Yellow cab lost 1.14%

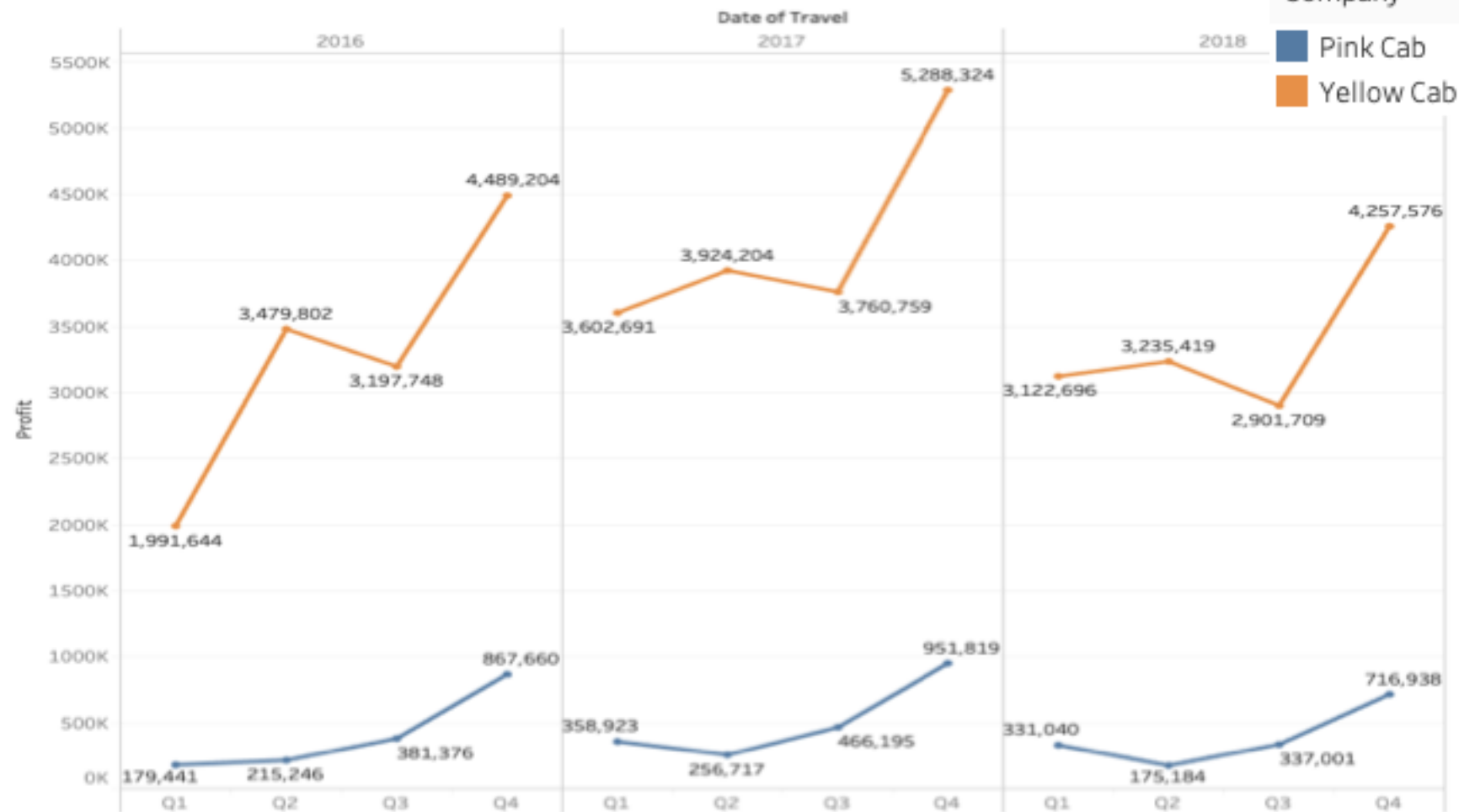
# Seasonality in the demand



- Seasonal component is present in both the cabs.
- Demand is high on 3<sup>rd</sup> day of the month and it repeats similar pattern every 7 days

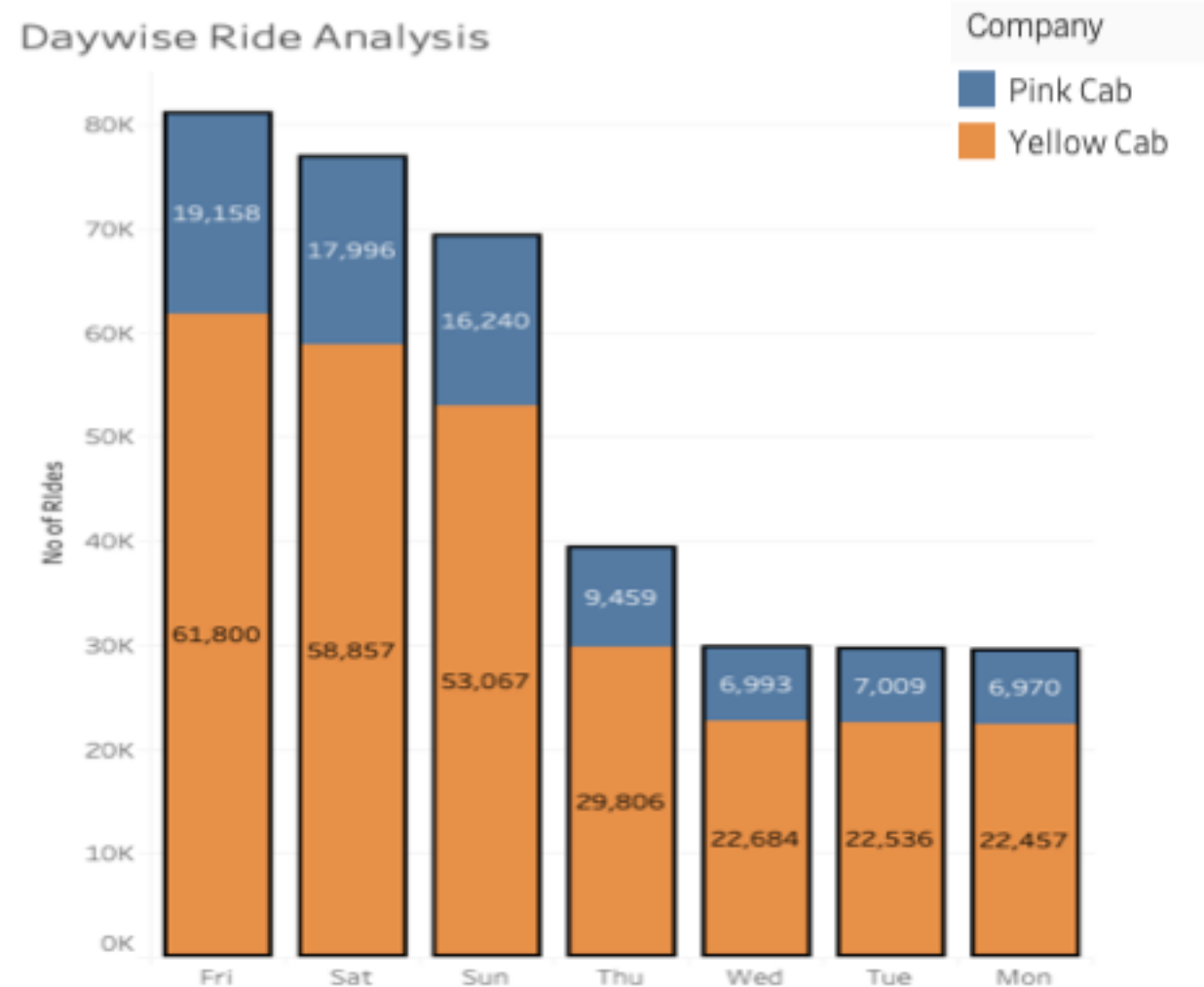
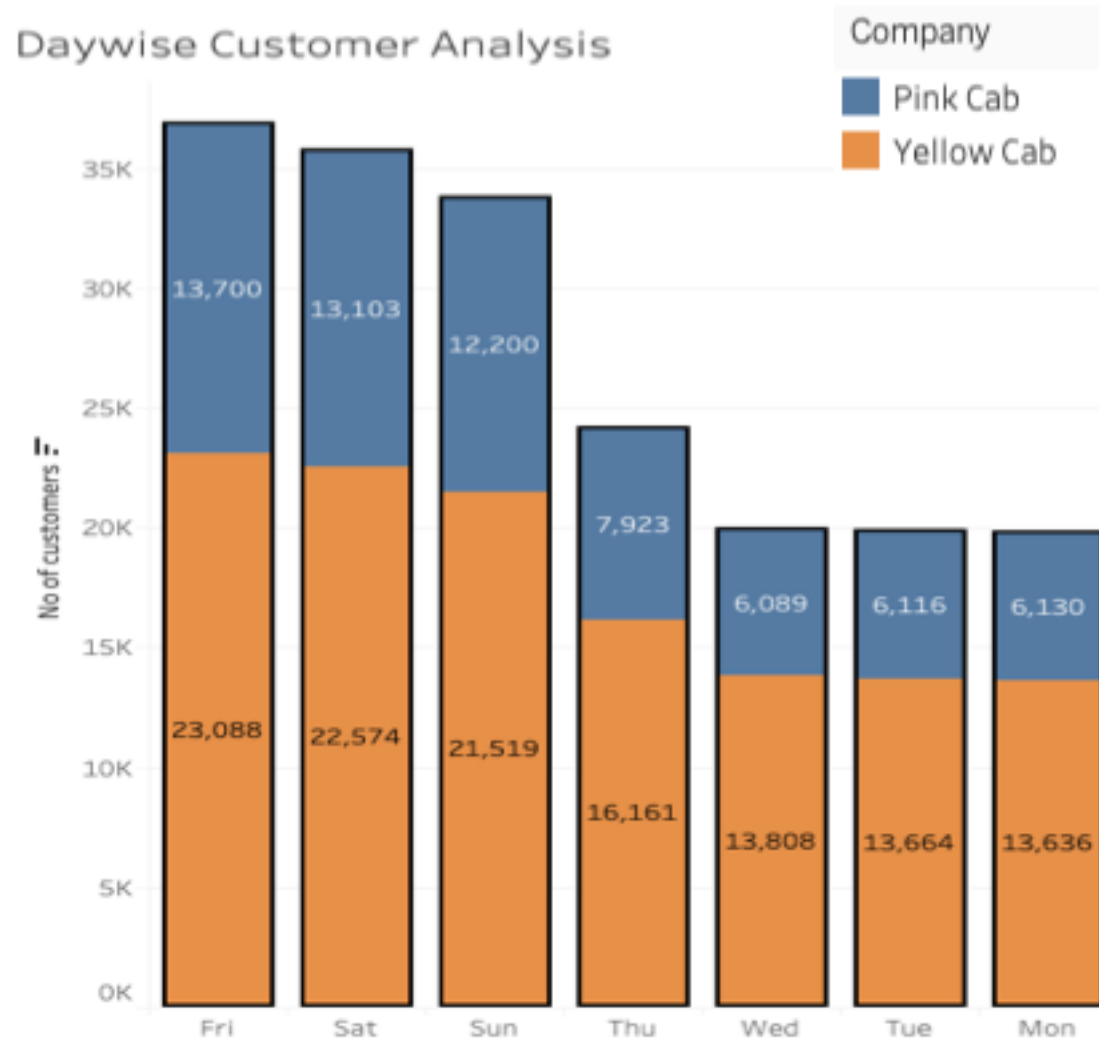
# Seasonality in the Profit

Seasonality pattern in Profit

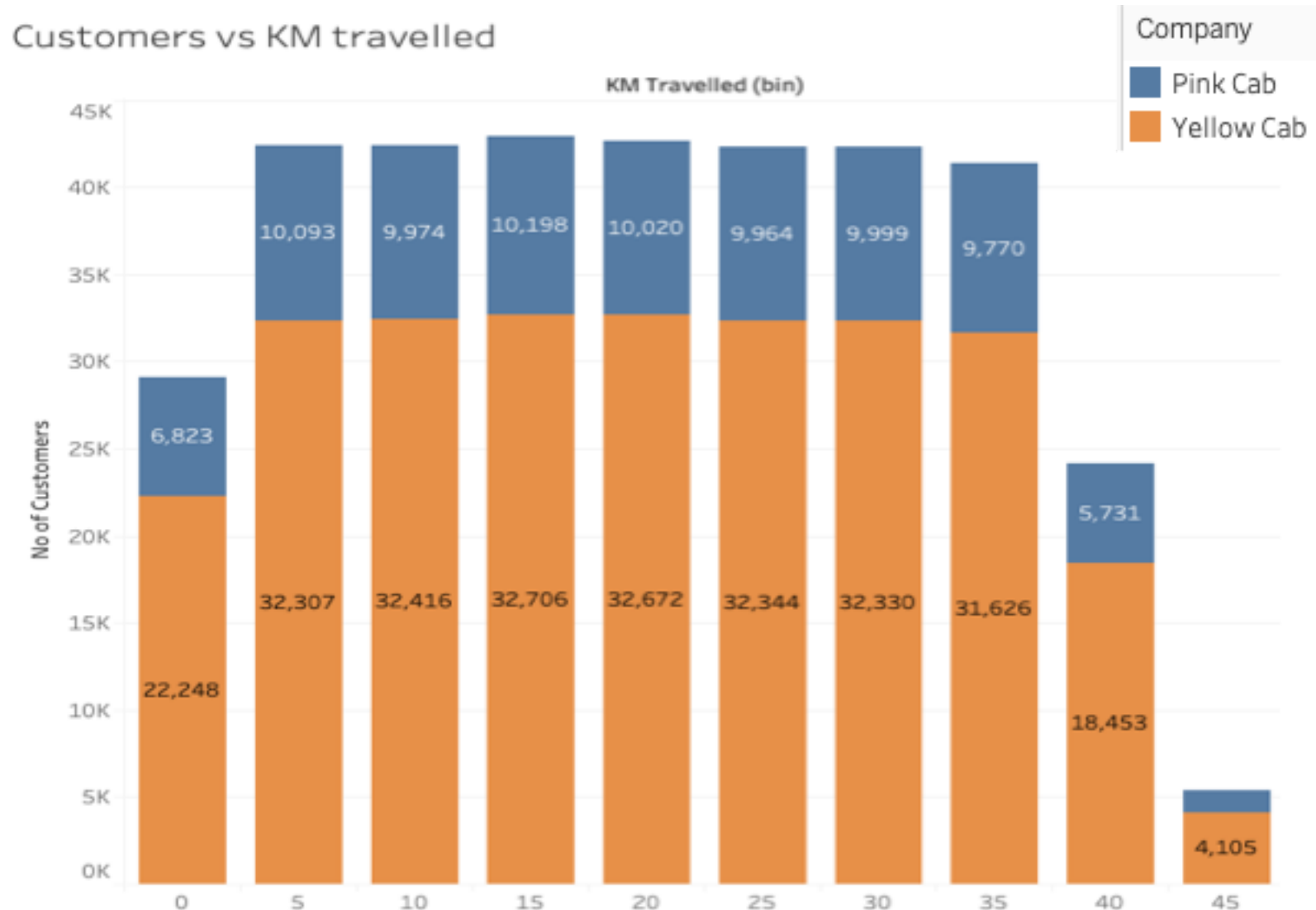


- Seasonal pattern 4 quarter cycle.

# Customer And Ride Analysis Day Wise



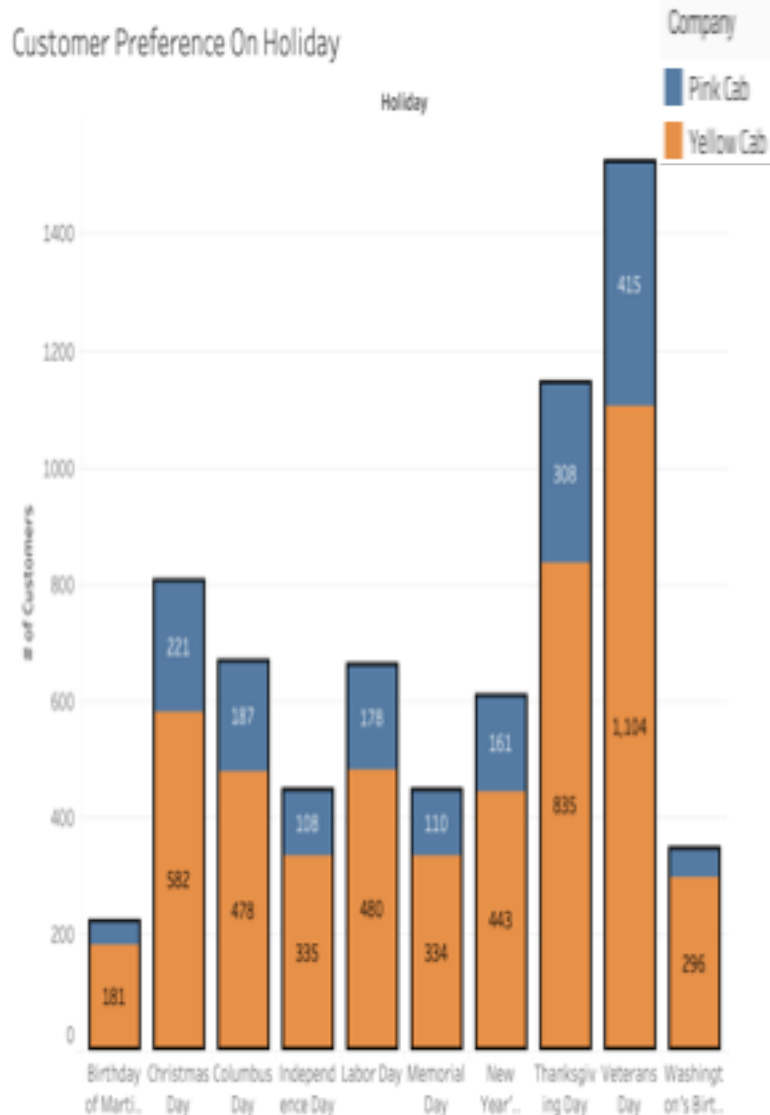
# Customer analysis based on ride distance



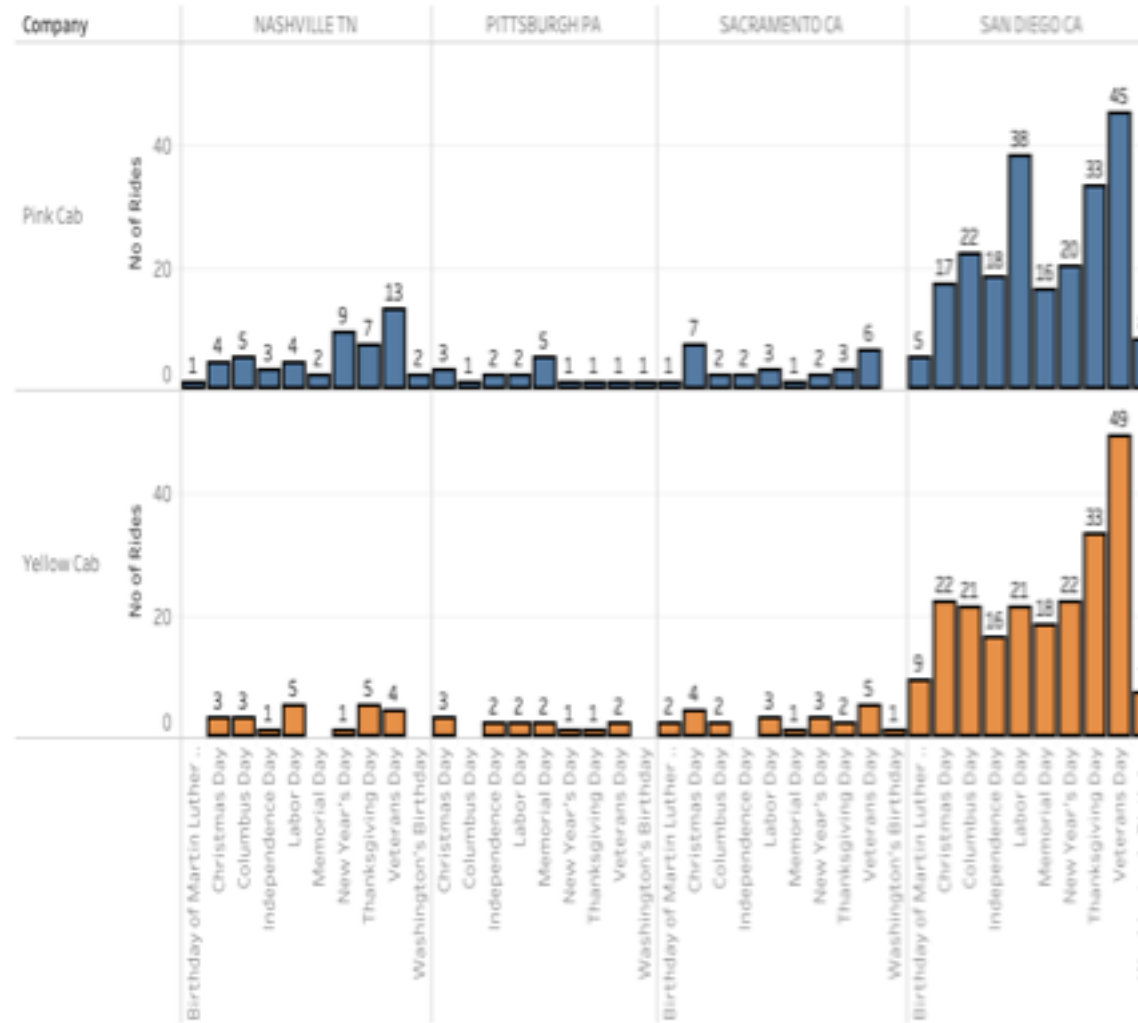
- Yellow cab has customers almost uniform for short, medium and long Trip. Which shows yellow cab is offering better customer plan for short, medium and long Trip.
- 5-35 KM trips are contributing more in both the cabs profit
- There is a huge difference between yellow and pink cab in customer reach for short and long trip. Yellow cab has very good customer reach in this segment as well



# Customer Preference on Holiday



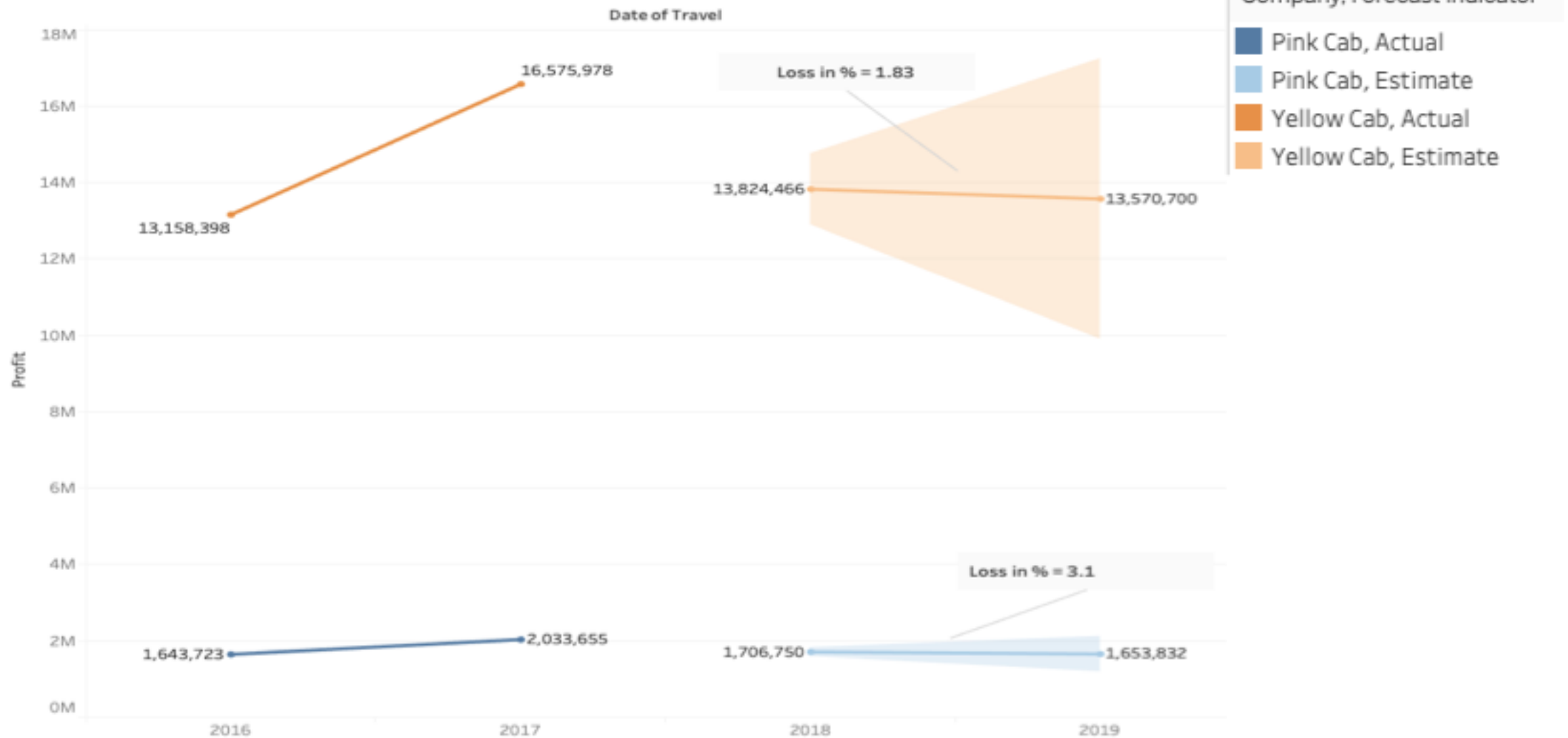
Ride analysis on Holiday in Pink cab dominant cities



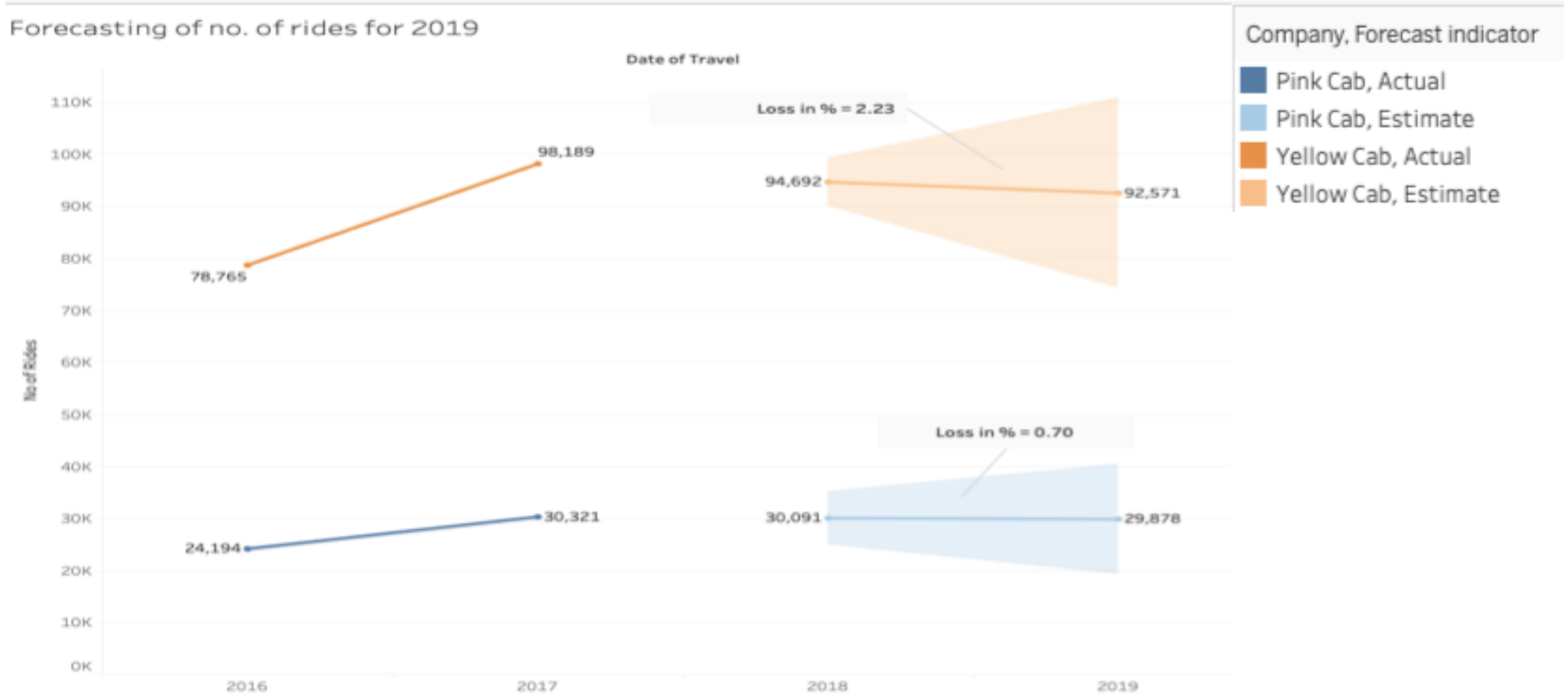
- Yellow cab is performing well as compared to Pink cab on Holidays.
- Yellow cab is even Performing well In the cities where Pink cab's customer is more.
- Sandiego has more rides on weekend as compare to cities where Pink cab dominates and here also Yellow cab is giving tough competition to Pink cab

# Profit Forecasting for 2019

Profit forecasting for 2019



# Forecasting of no. of rides for 2019



# Recommendations

We have evaluated both the cab companies on following points and found Yellow cab better than Pink cab:

- **Customer Reach** : Yellow cab has higher customer reach in 25 cities while Pink cab has higher customer reach in 4 cities. We have also observed that Yellow cab is doing good in covering other cab users as compared to Pink cab.
- **Customer Retention:** We have analyzed this in two segments : at least 5 drive and at least 10 drive with the same cab company. And we found that Yellow cab is doing far better than Pink cab in both these segments.
- **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.
- **Average Profit per KM:** Yellow cab's average profit per KM is almost three times the average profit per KM of the Pink cab.
- **Income wise Reach** :Both the cabs are very popular in high and medium income class but here also Yellow cab is performing better than Pink cab in offering their services to all the three income class group (low, medium and high)
- **Ride count and Profit Forecasting** : Both the companies are facing loss in the profit and no. of ride. Yellow cab's forecasted profit loss is around 1.83% while Pink cab's loss in 3.1%.Pink cab is facing more loss even when its forecasted no of ride loss is lesser than Yellow cab.

**On the basis of above point , we will recommend Yellow cab for investment.**

# Thank You