

Case Competition

Ride-Sharing Marketing Strategy

**Babson Graduate Consulting
Club**



Context & Company History

Founded in 2010 by a Babson MBA alumnus, GORide has rapidly grown to become a key player in the global ride-sharing industry. After securing substantial funding from venture capital firms, GORide successfully went public in 2018.

Since its IPO, the company has focused on expanding its services, innovating its technology, and enhancing the user experience to remain competitive in an increasingly dynamic market.

Despite strong growth, GORide faces challenges in maintaining its revenue growth trajectory. With emerging competitors, shifting consumer preferences, and evolving transportation technologies, the company must strategically identify and target the most lucrative customer segments to drive sustained growth.

Instructions

You will receive a set of slides containing data relevant to the case question. Your task is to analyze and synthesize this information into a well-structured presentation that leads to a clear and coherent recommendation.

Guidelines:

- Your presentation can be as brief as needed but must not exceed **10 slides**.
- While you may modify and re-use the provided slides, **most of your slides should be newly created by your team**.
- You may perform calculations using the given data, but **don't incorporate any external data or research**.
- You will be evaluated on both **the strength of your argument** and **the formatting of your slides** (e.g., clear headlines, visually appealing design, and structured layout).
- Your team is **encouraged to leverage AI tools**. However, creative approaches, unique ideas, and a well-reasoned, authentic rationale will set you apart and increase your chances of winning.



Case Questions

GORide Inc has decided to offer a differentiated service experience to **only two** out of its **six driver segments**. This offering will include **two enhanced service elements** and is a collaborative effort between Marketing, Finance, Operations, Product, and Strategy (your team).

The Marketing team has conducted a **cluster analysis** to segment drivers into six groups. The results of this analysis are provided in the following slides as a **raw data set** without conclusions or recommendations.

Your Team tasks:

- i) To which **2** driver segments should **GORide** offer differentiated service, and why?
- ii) What **2** specific service elements should **GORide** offer to these drivers, and why?
- iii) What are the expected **financial costs and benefits** of implementing this offering?

Data Slides

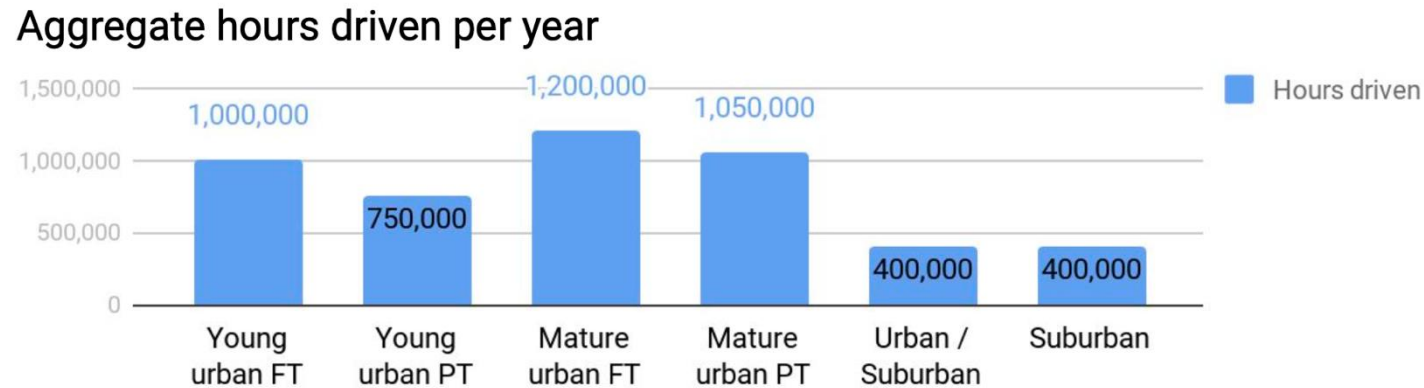
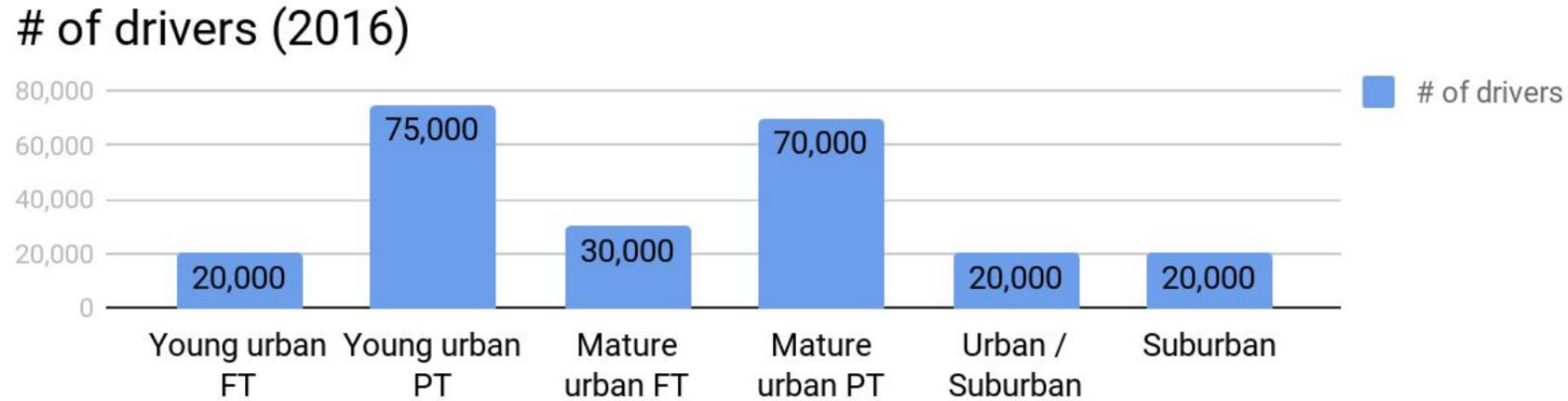
Six Driver Segments



Name	Young urban Full-Time (FT)	Young urban Part-Time (PT)	Mature urban Full-Time (FT)	Mature urban Part-Time (PT)	Urban / Suburban	Suburban
Area preference (based on % of driving time spent in type of area)	Urban (>60% of time)	Urban (>60% of time)	Urban (>60% of time)	Urban (>60% of time)	Urban / Suburban (<60% in both)	Suburban (>60% of time)
Activity level (hours / week)	Full-time (30+ hours)	Part-time (<30 hours)	Full-time (30+ hours)	Part-time (<30 hours)	All activity levels	All activity levels
Age	<35	<35	35+	35+	All ages	All ages
Annual profit per driver	\$12,500	\$2,500	\$10,000	\$3,750	\$4,000	\$3,500

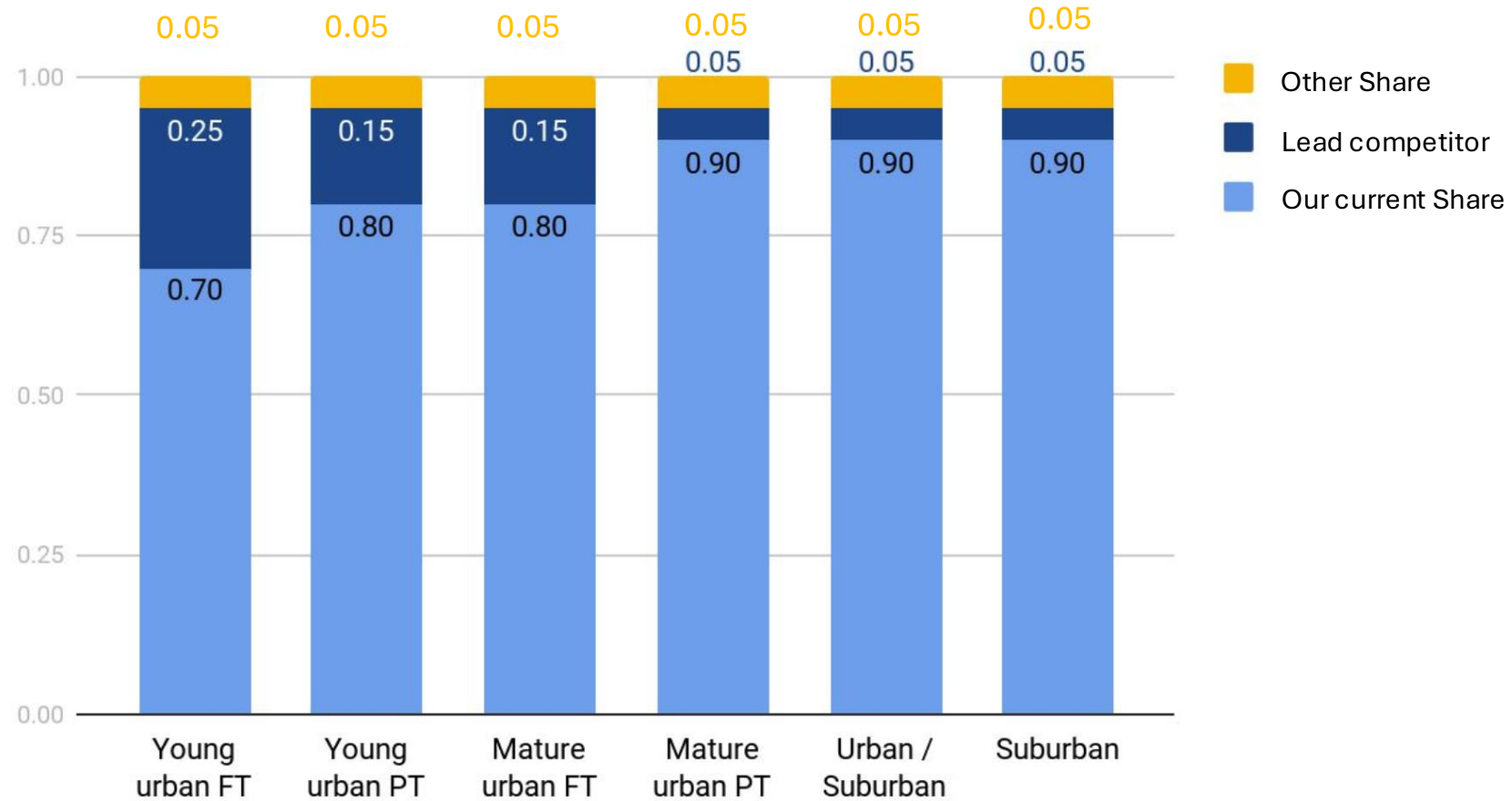
***All drivers across segments can be assumed identical in all respects.

Segment Market Sizes



***All drivers across segments can be assumed identical in all respects.

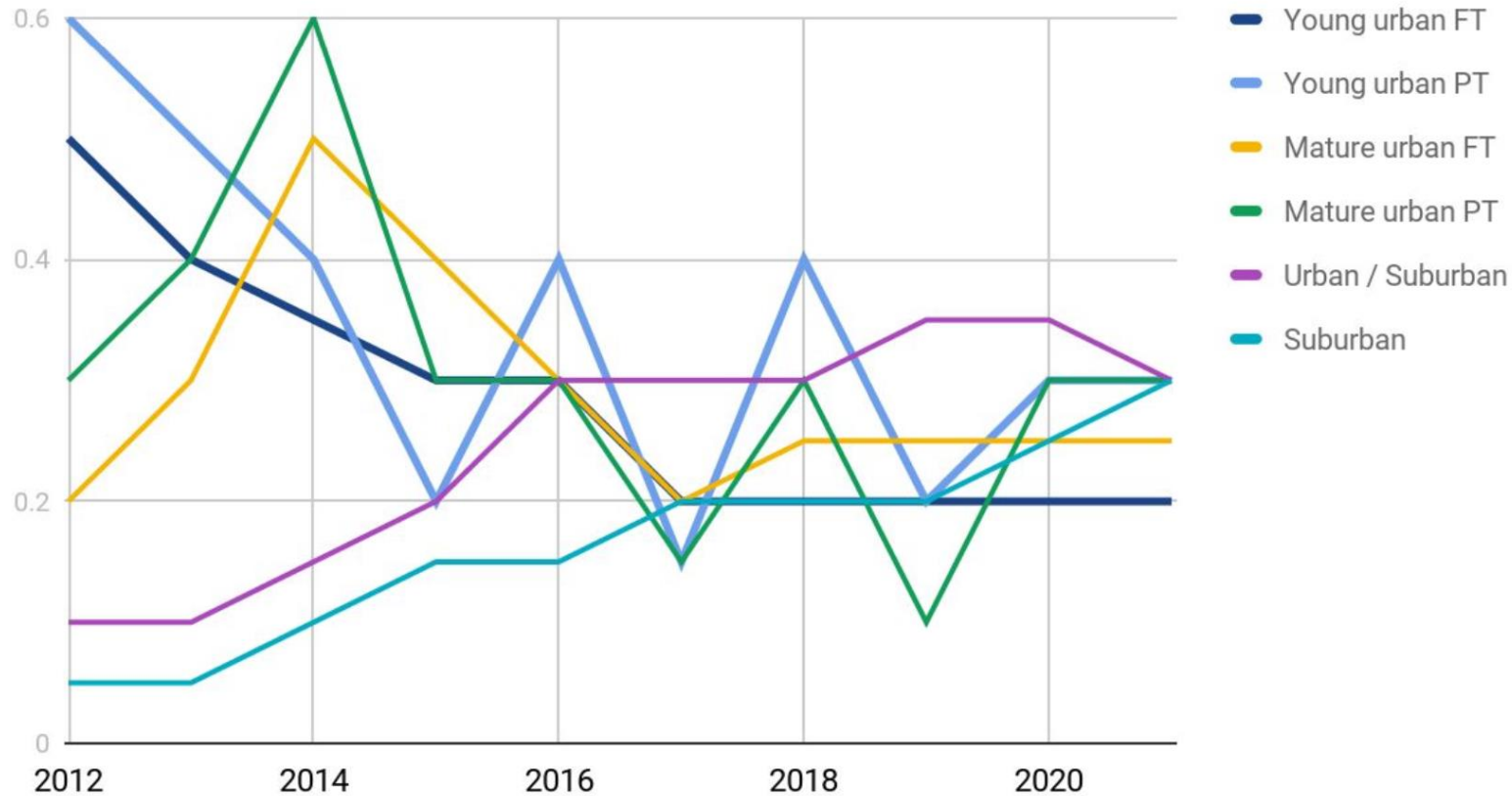
Segment Market Share



***All drivers across segments can be assumed identical in all respects.

Segment Market Growth

YTY growth in aggregate hours driven



***All drivers across segments can be assumed identical in all respects.

Importance of Service Elements to Driver

Importance of potential service elements by segment

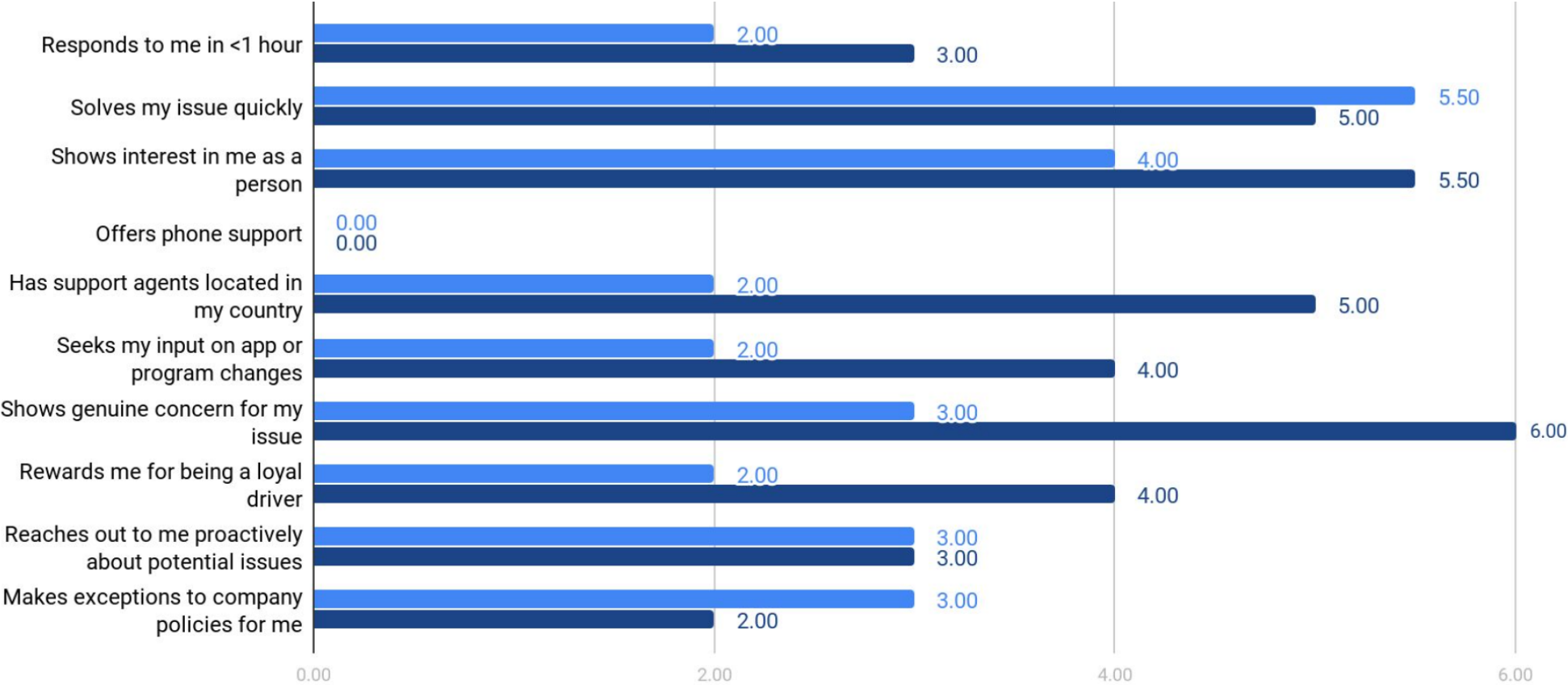
Respondents (or Riders) were asked to rate the importance they place on each service element when choosing a ridesharing company on a scale of 1 (not important) to 7 (very important)

	Young urban Full-Time (FT)	Young urban Part-Time (PT)	Mature urban Full-Time (FT)	Mature urban Part-Time (PT)	Urban / Suburban	Suburban	All Drivers
Responds to me in 1< hours	6.5	6.0	6.5	6.0	5.0	6.0	6.0
Solves my issue quickly	6.5	6.0	6.5	6.5	6.0	6.0	6.3
Shows interest in me as a person	5.0	5.5	4.0	4.0	4.5	4.5	4.7
Offers phone support	5.0	5.0	6.0	6.0	6.0	6.0	5.6
Has support agents located in my country	4.0	4.0	3.0	3.0	4.0	3.0	3.5
Seeks my input on app or program changes	4.0	3.0	2.0	4.0	4.0	4.0	3.4
Shows genuine concern for my issue	3.0	4.0	4.0	4.0	4.5	4.5	4.0
Rewards me for being a loyal driver	6.5	6.5	6.0	6.0	6.0	6.0	6.2
Reaches out to me proactively about potential issues	5.0	5.5	5.5	4.0	5.5	4.0	4.9
Makes exceptions to company policies for me	6.5	6.0	6.5	6.0	5.5	5.5	6.0

***All drivers across segments can be assumed identical in all respects.

GORide vs Competitor Performance on Service Elements

Drivers were asked to rate each company’s performance on key service elements on a scale of 1 (poor) to 7 (excellent) **Note:** Performance ratings are identical for all driver segments.



Impact of offering Service Elements

Market share impact = incremental market share Uber can gain by either offering or improving criteria by the amount Finance and Operation have deemed optimal.

Annual cost per driver = the total incremental cost required to improve criteria and achieve the associated market share impact

Potential service elements	Market share impact	Annual cost per driver
Responds to me in <1 hour	0.60%	\$20
Solves my issue quickly	0.63%	\$55
Shows interest in me as a person	0.46%	\$40
Offers phone support	0.56%	\$35
Has support agents located in my country	0.35%	\$20
Seeks my input on app or program changes	0.34%	\$20
Shows genuine concern for my issue	0.40%	\$30
Rewards me for being a loyal driver	0.62%	\$20
Reaches out to me proactively about potential issues	0.49%	\$30
Makes exceptions to company policies for me	0.60%	\$30

***All drivers across segments can be assumed identical in all respects.

Final Notes & Disclaimers

Although this case represents a fictional situation and is used solely for academic purposes, some of the data has been gathered from real companies and public information. The case material should not be considered a projection of any action taken or to be taken by any company.

The following information can only be used for participation in the Spring 2025 Graduated Consulting Club Case Competition.