

# Chicago Market Overview

Is Chicago worth entering?

Month

Year

Daily Trips (Avg)

52.6K

↓ -6.2% YoY

Average Fare

\$15.8

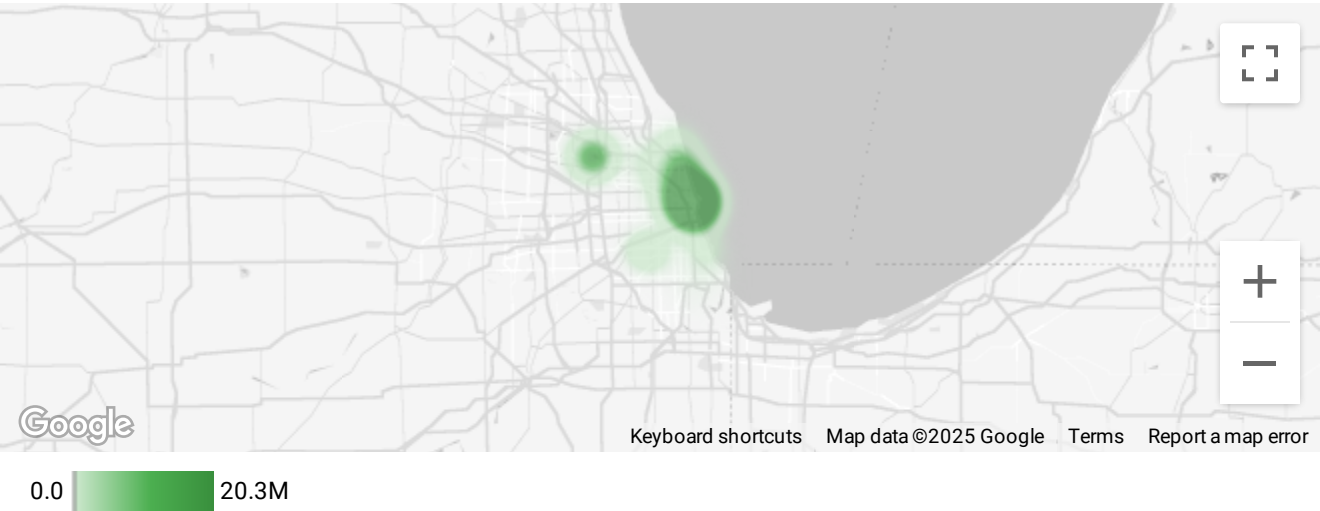
↑ 4.2% YoY

Market Size

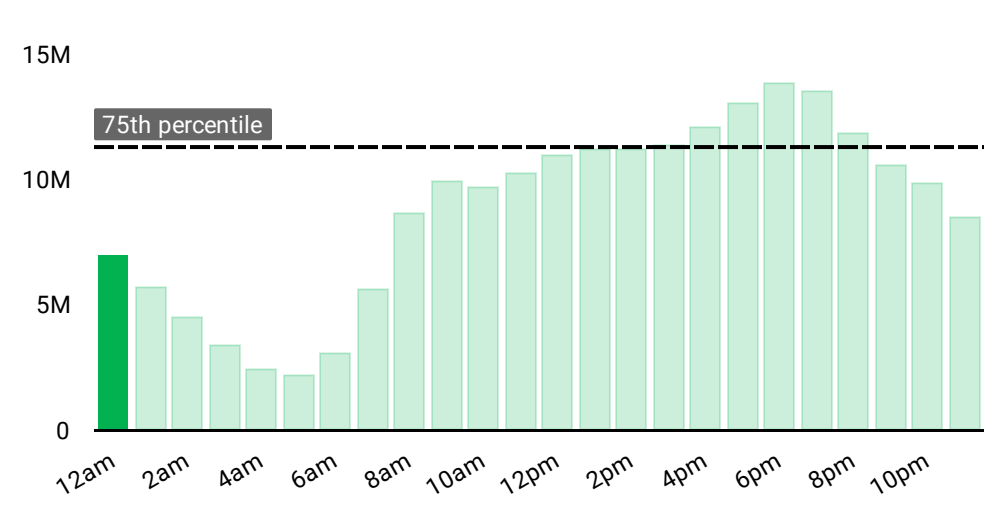
\$3B

↑ 5.2% YoY

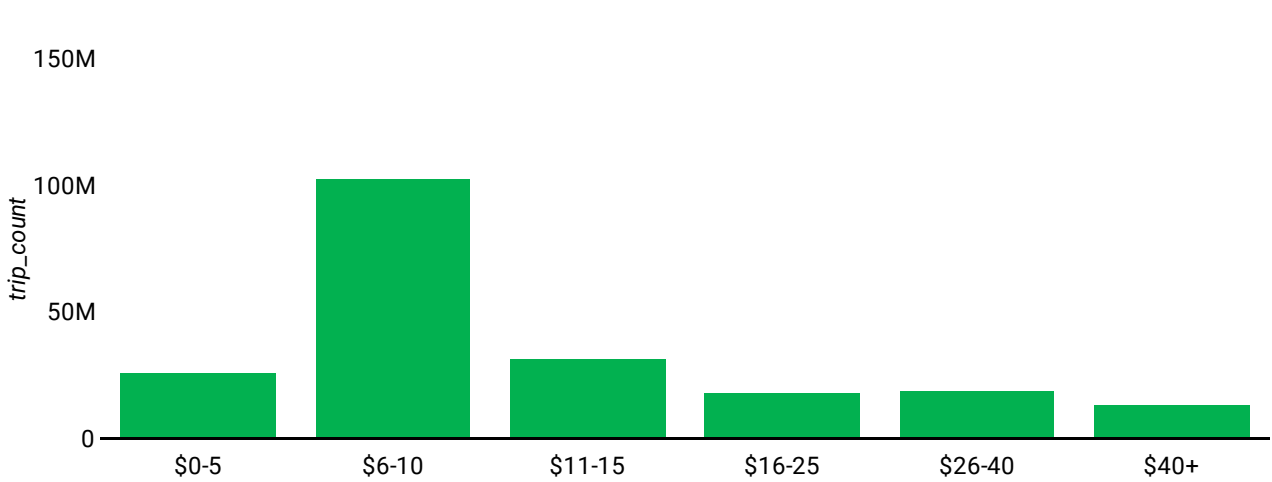
Pickup Hotspots (Trip Count)



Trip Count by Hour



Fare Distribution



## Market Entry Insights

### Peak Opportunity

- Rider demand peaks between 1 PM and 6 PM, placing this as prime time for driver deployment (75th percentile of demand).

### Pricing Sweet Spot

- Majority of trips fall within the \$6–10 (short trips) and \$26–40 ranges, suggesting strong opportunities in these fare bands.

### Geographic Focus

- Highest trip densities observed in:
  - Near North Side (8), Loop (32), O'Hare International Airport (76)
- These zones are recommended as initial trial markets.

# Competitor Analysis

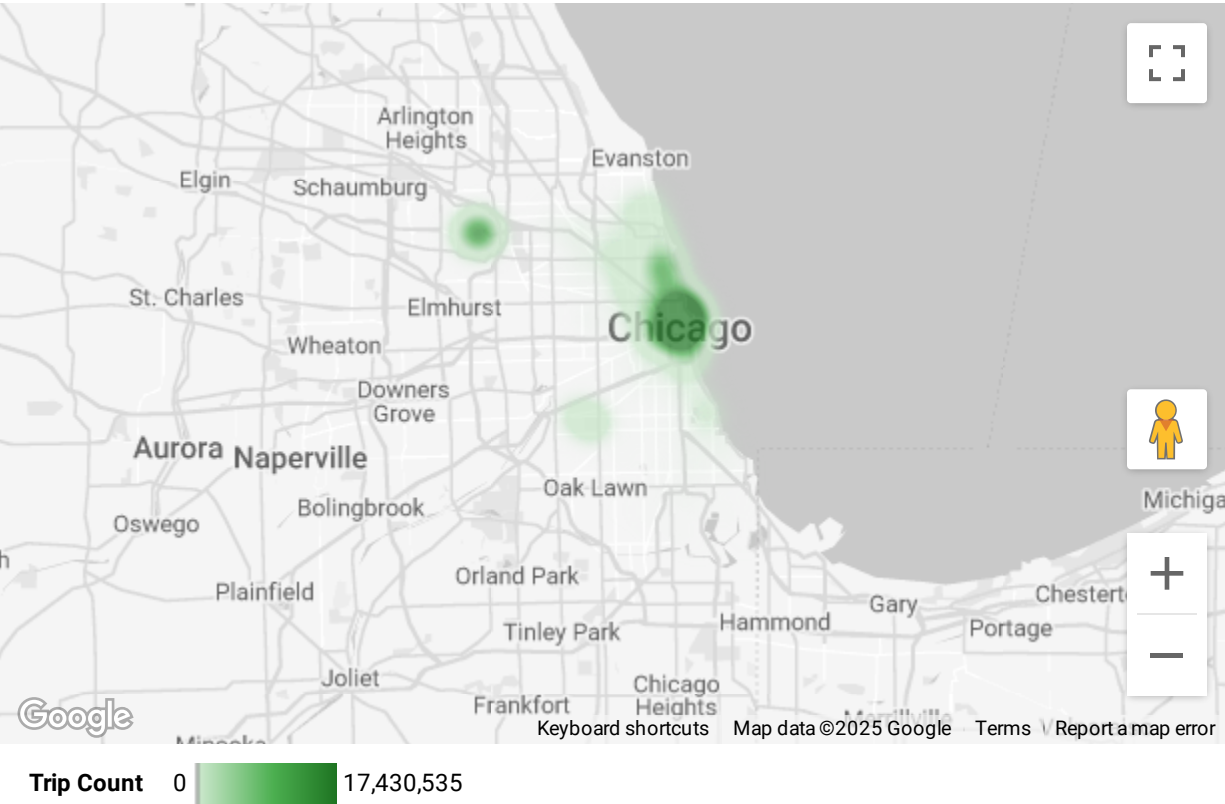
Who are the existing players in the market?

Company Name

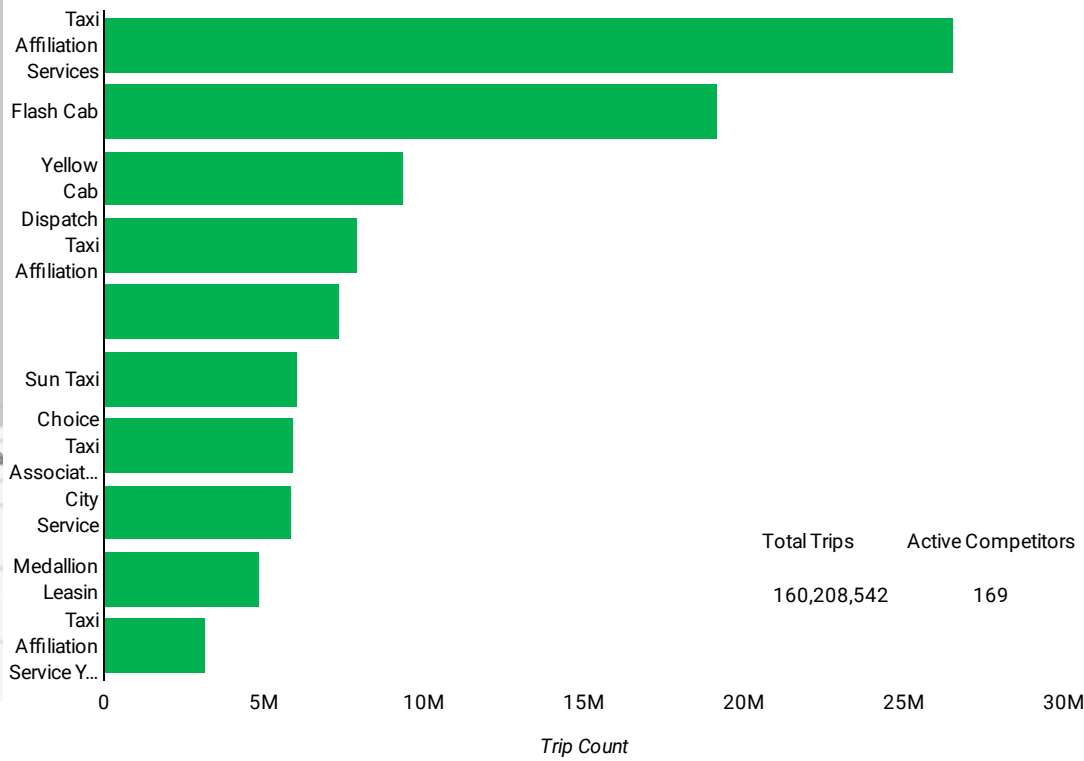
Month

Year

Pickup Intensity Heatmap



Market Share by Trip Count



Company	Total Trips	Total Fare Collected	Fleet Size	Avg Fare	Avg Miles	Avg Fare/Mile	Top Pickup Community	Total Trips in Top Pickup Community	Concentration
Taxi Affiliation S...	26.5M	\$398.02M	81,752	\$16.9	4.2	\$4.38	1,668	13.2M	6312.4%
Flash Cab	19.2M	\$291.02M	57,090	\$16.58	5.27	\$3.16	928	5.7M	3083.7%
Yellow Cab	9.4M	\$119.86M	21,065	\$12.98	4.02	\$3.25	540	3.2M	2077.1%
Dispatch Taxi A...	7.9M	\$95.47M	19,165	\$12.26	3.93	\$3.13	496	3.4M	2690.8%
Chicago Carriag...	7.3M	\$104.56M	24,485	\$13.93	5.98	\$3.33	846	2.4M	1614.9%
Sun Taxi	6M	\$98.23M	23,378	\$17.44	5.55	\$3.18	1,756	2M	3020.1%
Choice Taxi Ass...	5.9M	\$81.81M	20,397	\$16.66	5.69	\$3.04	2,460	2.7M	6233.2%
City Service	5.9M	\$93.04M	21,765	\$17.28	5.45	\$3.23	1,684	2M	3052.4%

# Demand Patterns & Time Analysis

Year ▾

When does Chicago need us most?

Peak Month

Jun

Peak Day

Sat

Peak Hour

6pm

Peak Community

8

Total Trip Count

211.3M

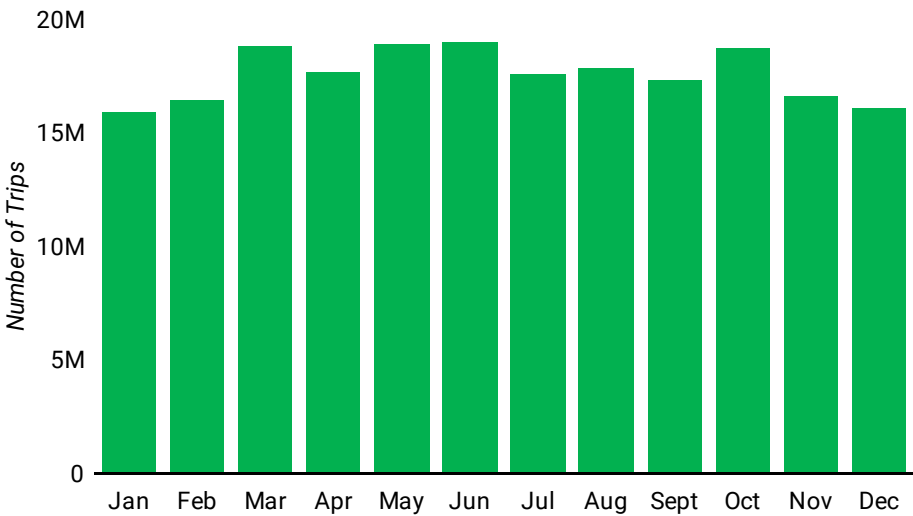
↑ 3.2% vs Prior Year

Average Number of Taxis

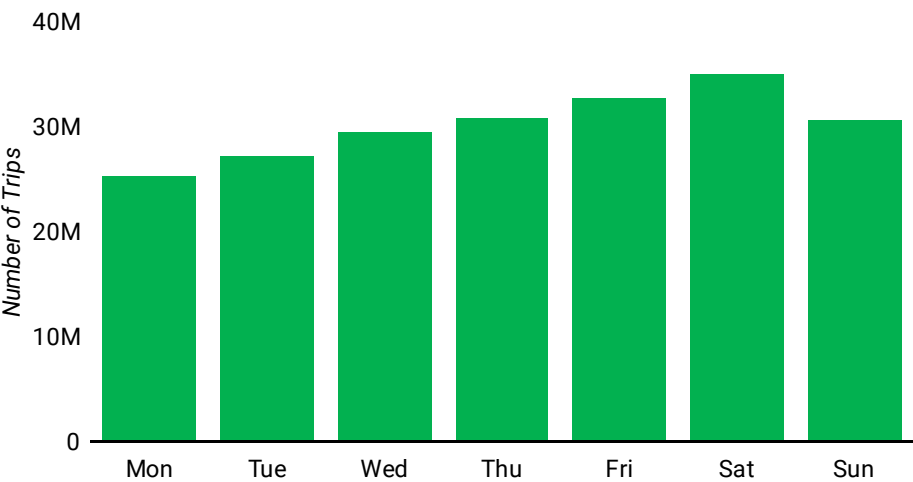
4.5K

↓ -3.9% YoY

Monthly Demand Patterns



Daily Demand Patterns



Demand Intensity by Day & Hour

Time / Number of Trips										
Day of Week	12am	1am	2am	3am	4am	5am	6am	7am	8am	9am
Sun	1.7M	1.6M	1.4M	981.4K	574.3K	312.4K	273.5K	377.9K	558.2K	784.7K
Sat	956.8K	688K	478.3K	328.4K	260.4K	282.9K	474.6K	934.3K	1.5M	1.6M
Fri	703.3K	471.1K	313.6K	222K	196.3K	257.6K	481.6K	1M	1.6M	1.8M
Thu	599.5K	384.1K	250.7K	177.8K	169.7K	244.9K	472.6K	1M	1.6M	1.8M
Wed	530.6K	348.5K	228.1K	161.7K	163.1K	246.3K	468.7K	987.3K	1.6M	1.8M
Tue	612.6K	440.8K	311.5K	234.8K	248.9K	351.9K	542.8K	933.9K	1.4M	1.6M
Mon	1.9M	1.9M	1.6M	1.3M	853.1K	530.3K	366.4K	374.5K	468.1K	657.2K

## Operational Recommendations

### Launch Strategy

- Launch in May-June to capture peak season.
- Avoid winter launch (Nov-Feb) due to lower demand.
- Partner with employers in high-demand areas for gain initial momentum
- Schedule new services or promotions during off-peak hours (avoid Friday 5pm launches)

### Peak Capacity Management

- Implement dynamic pricing during high-demand periods (Friday evenings, Community 8 area) to balance supply and demand
- Create driver incentive programs for peak hours (5-7pm) to ensure adequate coverage

### Demand Smoothing Initiatives

- Offer discounted rates during off-peak hours (especially weekday mornings)

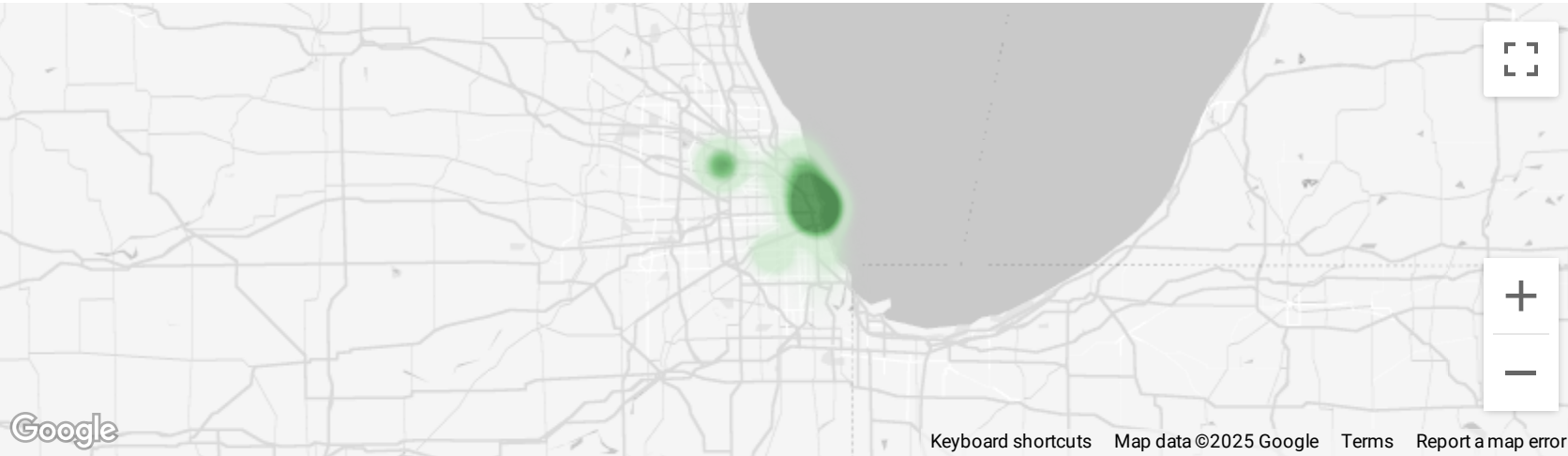
# Geographic Penetration Strategy

Where do we launch first to capture market share?

Month

Year

Trip Count Heatmap



Top Pickup Areas by Trip Count

Pickup Community Area	Number of Trips
77	2,023,848
76	14,755,694
75	44,079
74	5,274
73	52,421
72	21,382
71	64,534
70	36,461
69	120,691

Top 5 Taxi Routes by Trip Count

Pickup Area Code	Dropoff Area Code	Number of Trips	Average Fare
8	8	22,141,204	\$6.85
32	8	14,315,351	\$7.69
8	32	13,547,596	\$7.86
32	32	10,885,327	\$6.72
32	28	6,316,351	\$7.50

## Market Penetration Recommendations

### Targeting Underserved Areas

- Focus on high trips-per-taxi zones (Near North Side, O’Hare, Loop) where demand is high and during hours demand exceeds supply.
- Prioritise daytime coverage in Near North Side and evening coverage at O’Hare Airport.
- Use rider discounts in these pickup areas to build quick adoption and loyalty.

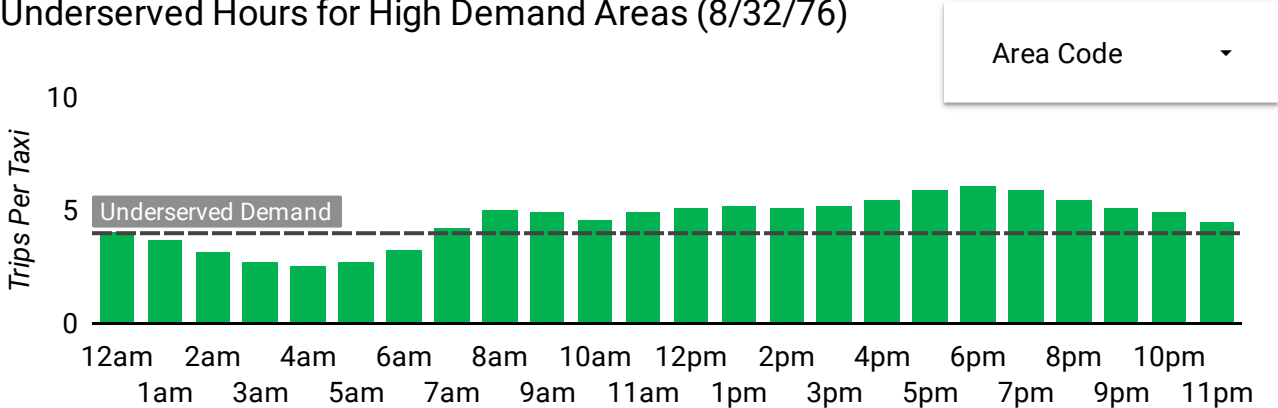
### Driver Deployment for Penetration

- Incentivize drivers with peak-hour bonuses in underserved zones.
- Offer short-term guarantees to ensure coverage and reduce rider wait times.
- Use real-time nudges to reallocate drivers from oversupplied to high-demand areas.

### Impact

Aligning rider promotions with driver incentives accelerates adoption, builds loyalty, and secures a competitive foothold in priority zones.

Underserved Hours for High Demand Areas (8/32/76)



# Pricing Intelligence

How do we price ourselves?

Month

Year

Average Trip Fare

\$16

4.2% YoY

Average Trip Miles

4.13

6.1% YoY

Average Fare Per Mile

\$3.99

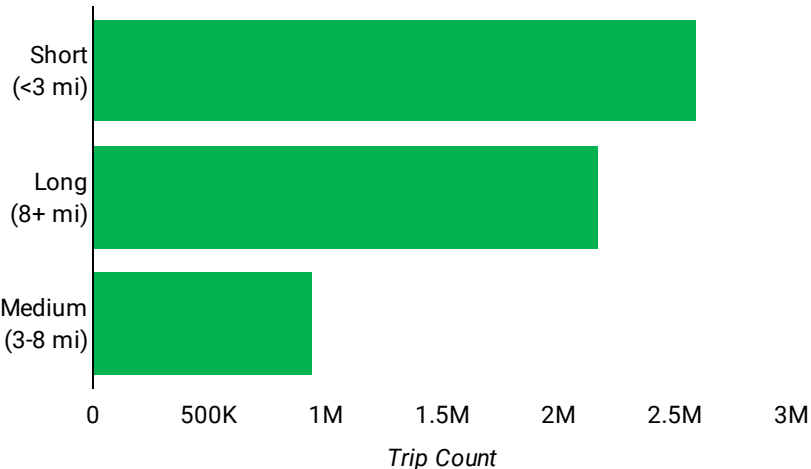
-1.4% YoY

Average Trip Duration (min)

15.23

3.7% YoY

Trip Type Distribution



Fare Metrics by Trip Type

Trip Type	Average Total Fare	Median Total Fare	Distance (miles)	Fare Per Mile
Short (<3 mi)	\$10.43	\$8.25	1.31	\$8.16
Medium (3-8 mi)	\$17.31	\$16	5.05	\$3.54
Long (8+ mi)	\$38.20	\$38	14.44	\$2.68

## Market Entry Pricing Recommendations

\$3.39/mile

15% below market rate to rapidly build customer base and market share

- Fast customer acquisition
- Creates price pressure on competitors
- Builds brand recognition quickly
- Capture market share

## Route-Specific Penetration Strategy

### Airport Route Dominance:

- Tactic: Flat-rate airport pricing at \$35-40 (vs competitors' \$45-50)
- Volume Opportunity: Airport trips are typically 8+ miles (your 20% segment) with premium pricing
- Customer Acquisition: Business travelers = high lifetime value customers

### Short Trip Campaign:

- Tactic: \$5 flat rate for trips under 2 miles (vs \$8-12 market rate)
- Data Support: 45% of market is <3 miles - massive volume opportunity
- Rationale: Hook customers with convenience, build habit formation