CASE STUDY ANALYSIS: UBER

by

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Overview

This report will assess Uber, a multinational rideshare and delivery service. The competition in and around this area will be examined in the overall macro environment. Based on an in-depth analysis of the case study, recommendations for the company will be proposed.

Uber was founded in 2009 by Garrett Camp and Travis Kalanick. After spending on a private driver, Camp and his friends realized a need for reducing the cost of transportation. The app originally launched in San Francisco in 2011. The subcategories of Uber include Black, X, and Pool. In 2014, the company launched UberEats, a food delivery service.

Situation

Uber has been focusing on establishing a strong brand image and visibility in the market, thereby helping the company's further development. Because the emergence of negative news and social controversy has caused damage to the brand image to some extent. Taking this fact into account, the threat gives the brand a vision for the problems that the brand may face in the future and therefore serves as the main reason for analyzing the company.

1. The emergence of pressure from peer competitors as one of the threats facing the company.
2. Government regulations are also a major obstacle to company work.
3. Negative PR and disputes of brand image.
4. Adjusting the business model to become profitable.

Internal Assessment

<u>**Vision, Mission, and Values**</u>

The mission statement of the Uber brand, representing the market orientation, is as follows: "we ignite opportunity by setting the world in motion." With regards to the development of Uber, CEO Dara Khosrowshahi said, "making Uber the culture and method of today do not take us to a new height. As we transition from a growth era to a responsible growth era at all costs, our culture needs development." Expectations for the future express the hope that the value of a company can become a sustainable development direction and treat its industrial culture in the same way.

<u>**Leadership**</u>

When the company first started, Kalanick took an aggressive approach when dealing with obstacles and developed a "win at all costs" strategy that consisted of "hustling," "toe-stepping," and "principled confrontation". This permeated throughout the entire company, from the internal workplace to drivers. There were numerous sexual assault allegations internally within the

company and management was reportedly aware of these issues and did not take any action. Some members of the c-suite executives were also accused.

As of 2017, Dara Khosrowshahi became CEO of Uber and published a new set of core values that the company represents, while moving them forward as an accountable entity. Their culture norms are as follows:
- We build globally, we live locally
- We are customer-obsessed
- We celebrate differences
- We do the right thing
- We act like owners
- We persevere
- We value ideas over hierarchy
- We make big bold bets

Cultural Competence

Most recently, Uber has placed a focus on safety to address problems that its customers and drivers were uncomfortable with. In specific countries, they have started issuing six-month bans to riders with ratings below four out of five stars. Uber has said that the bans are intended to encourage respectful behavior toward drivers, like leaving their cars clean, being at their pick-up spot, and being friendly. So far, according to statistics, the ban only affects around ten percent of users. Furthermore, another check that Uber performs is a real-time ID check. This feature protects riders from unverified drivers, and also prevents fraud by ensuring drivers' accounts are not compromised. The company doesn't just consider safety measures but also features that make the app much more inclusive, such as an update targeted toward drivers. For example, it includes a flashing light for new pickups. While these are positive developments toward the company's cultural competence, Uber still has a way to go to make their customers feel that the company is aware of their impact in regards to the topic of sexual assault.

Model

Product

Uber is a platform with a focus on convenient transportation for its users. They combine Uber Rides, Uber Eats, and Uber Freights into a single app. Uber operates in over 10,000 cities in 69 countries, with 111 million monthly active platform users.

Target Market

The target market is people from ages 16 to 64 years old living in urban and suburban areas, who want to get from point a to b conveniently without driving. For drivers, the target market is

people from ages 18-60 who have a vehicle and would like to earn some extra money part-time or full time. Uber's market share is large, covering most of their consumer base. However, it has slowly been declining, falling from 74% in September 2017 to 69% in February 2020. This loss has been to the benefit of Lyft, whose market share stood at 30% in that same month.

Revenue

It is generated substantially from revenue from fees paid by Drivers and Restaurants for use of the Uber platform.

Financing and Investments

Investments were $8.9 billion for the year ended December 31, 2019, primarily consisting of $8.0 billion of proceeds from the issuance of common stock from an IPO.

Promotions and Discounts

Targeted end-user discounts and promotions: These discounts and promotions are offered to specific end-users in a market to acquire, re-engage, or generally increase end-users' use of the Uber platform.

Market-Wide Promotions

These promotions are pricing actions in the form of discounts that reduce the end-user fare charged by Drivers to end-users for all or substantially all rides or meal deliveries in a specific market.

End-User Referrals

These referrals are earned when an existing end-user to the platform and the new end-user takes his or her first ride on the platform. These referrals are typically paid in the form of a credit given to the referring end-user when earned.

Expenses

Cost of Revenue: Consists primarily of insurance costs, credit card processing fees, hosting and co-located data center expenses, mobile device and service expenses, amounts related to fare chargebacks and other credit card losses, excess Driver incentives, and costs incurred with carriers for Freight transportation. Insurance expenses include coverage for auto liability, general liability, uninsured and underinsured motorist liability, and auto physical damage related to our Rides products and Eats offering.

Operations and Support: Consists primarily of compensation expenses, including stock-based compensation to employees who support operations in cities, Driver operations employees,

community management employees, and platform user support representatives, as well as costs for allocated overhead and those associated with Driver background checks.

Sales and Marketing: Consists primarily of compensation expenses, including stock-based compensation to sales and marketing employees, advertising expenses, expenses related to consumer acquisition and retention, including consumer discounts, rider facing loyalty programs, promotions, refunds, and credits, Driver referrals, and allocated overhead.

Research and Development: Consists primarily of compensation expenses for engineering, product development, and design employees, including stock-based compensation, expenses associated with ongoing improvements to, and maintenance of, our platform offerings, and ATG and Other Technology Programs development expenses, as well as allocated overhead.

General and Administrative: Consists primarily of compensation expenses, including stock-based compensation, for executive management and administrative employees, including finance and accounting, human resources, and legal, as well as facilities and general corporate, and director and officer insurance expenses.

Uber Business

Uber Rides: Connects consumers with rides drivers who provide rides in a variety of vehicles, such as cars, auto-rickshaws, motorbikes, minibuses, or taxis.

Uber Eats: Allows consumers to search for and discover local restaurants, order a meal, and either pick-up at the restaurant or have the meal delivered.

Uber Freights: Connects carriers with shippers on the Uber platform, and gives carriers upfront, transparent pricing and the ability to book a shipment.

Other Bets（Uber Jump): Consists of multiple investment stage offerings. The largest investment within the segment are products that provide consumers with access to rides through a variety of modes, including dockless e-bikes and e-scooters.

Advanced technologies group and other technology programs: Is used for the development and commercialization of autonomous vehicles and ridesharing technologies, as well as Uber Elevate.

Strengths
- It is a recognized world brand within a strong brand image
  - Industry disruptor

- It has a high level of service and a verified driver and car guarantee
- Uber's operating system does not exist in hiring drivers, so there is no necessary responsibility for employees
- Operating costs are relatively low because it relies on customer interaction with the driver
- Use a cashless payment system to effectively track and select drivers with a higher evaluation to improve the ride quality
- Dual rating system to improve trust and safety
- It is very convenient for drivers, they can freely choose working hours and regular, and also have the right to choose
- Based on the market value, many investors appeared
- Uber involves multiple operating models including UberEats, Uber Freight, Uber Health, and Uber Bike

Weaknesses

- The operation model and ideas are easy to imitate, and there is no strategy to block competitors (Imitation business model)
- The lack of real contact and understanding between Uber and the driver leads to low loyalty between Uber and the driver
- The cost of operating a vehicle is high, but the driver's income is not high
- There are hidden privacy risks, Uber will record the customer's on-board and destination, and publicize the customer's phone and other information
- Passenger safety hazards (female passenger suffered sexual assault)
- Dependence on the Internet

External Assessment

Industry

Ecosystem

One important stakeholder is the government. They influenced Uber's business by creating regulations that the company must comply with including those related to Internet activities, privacy, data protection, intellectual property, competition, consumer protection, payments, transportation services, transportation network companies, licensing regulations, and taxation.

In the last few years, large cities abroad in Spain, Britain, Germany, and Italy have denied applications, suspended the service, or increased regulations. However, in the United States, only New York City approved a cap on the number of new vehicle licenses issued to drivers who offer for-hire services. That same year, they established a standard for time and distance

designed to target minimum hourly earnings for drivers providing for-hire services in New York City and surrounding areas.

Five Forces Analysis

New Market Entrants

Various problems have popped up in Uber operations; legal issues, negative press around several areas and even fines by government authorities such as Germany, France, India, Thailand, Netherlands and United Kingdom have made the market to be under controversies thereby making new entrants very cautious stepping into the business. This has at least for a short period, reducing the threat of new entrants into the market who must work in overcoming all these challenges.

Setting itself in the technological arena, Uber aims to provide a linking bridge between customers and transport providers. This market requires a higher amount of initial capital to start up, and though Uber's founders parted with a substantial amount of capital, upcoming rivals are utilizing lesser initial capital to jump-start their operations thereby quickly penetrating the market.

As a technology-based company, it is not easy for Uber to stop any form of imitation by any other transportation firm. This means that it is easy for the concept to be copied by new ride-sharing companies and other competitors thereby not only operating in the same way as Uber but also charging less for the same distance.

Substitutions

In the transportation industry, numerous member organizations can quickly provide a replacement for Uber services. With the service quality that Uber provides, taxi services, for instance, is the closest opponent and a potential substitute emerging from the traditional transportation industry. Taxi service is traditional to towns with ride-sharing operations because of both its lower-cost and efficiency, and user-friendly design. As such, their abundance is enough to curb Uber from elevating the service fees.

Supplier Bargaining Power

One of the leading suppliers of the transportation industry is the availability of drivers. Uber does not own vehicles among its fleets. As such, the company's business model is mostly dependent on drivers owning cars. Regrettably, the concentration of this group of suppliers to work for Uber is not very high due to the stringent requirements needed to be hired by Uber.

This results in drivers negotiating for better attention to the company's expense. Therefore, it is undeniable that the suppliers have a stronger power in impacting Uber's performance.

Oil and gas suppliers are another major provider. The oil price has been plunged since 2015, and the lowest level has reached less than $30 in the year 2017. The high fluctuation of the price of such an essential component to a company's transportation industry brings a high risk to the market because of the level of uncertainty and unpredictability of oil to power vehicles. Suppliers of these components thereby have high bargaining power in the operations of Uber.

Threat of Buyers

Uber's clients are sensitive to price variations due to the existence of alternative rivals. As the market grows bigger, the number of opponents that bring more choices to customers becomes larger and makes the switching costs to customers low. It is free to download and register on the Uber app and therefore makes it easier for consumers to switch between software and pick other ride-sharing apps such as Lyft, Curb, Via, etc.

Existing Competitors

The strength of the competition in the ridesharing industry appears to be higher than in previous years. Existing companies in the market compete with both suppliers (car drivers) and customers. Though there are other competitors such as Via or Curb, Lyft is considered the principal competitor.

Lyft has almost indistinguishable business ideas and procedures to that of Uber. Not only are the two firms contending for market share but also the suppliers. A modern business setting demands organizations to target a customer base within a given geographical location to cut on the operation cost. This is the incident for Lyft and Uber. Uber has a deep-rooted business system and massive capital investment.

Value Chain / Industry Structure

Uber's value chain starts with the "raw materials," or building blocks of the company. The logistics of the company starts with the Uber Drivers, who are individuals who own or rent their own cars and who make up the bulk of the services completed by Uber. Drivers sign up to drive riders, who are the main "customers" of Uber- those who hail rides directly from the Uber App.

The Uber app is regulated by a team of technologists on Uber's end, and who connect riders to drivers. Since the company's inception in 2009, the ride-sharing company has seen an

exponential amount of growth, with the number of riders and drivers connecting all over the world to get riders to destinations safely. Despite the growth, Uber is not a profitable company, due to the lack of profit that is available when riding and driving.

Inbound Logistics: Drivers and riders sign up through the app. The ridesharing, as well as delivery (UberEats), is all completed through the app, where a tap-to-request action is done to call a car for a ride or to order food through UberEats.
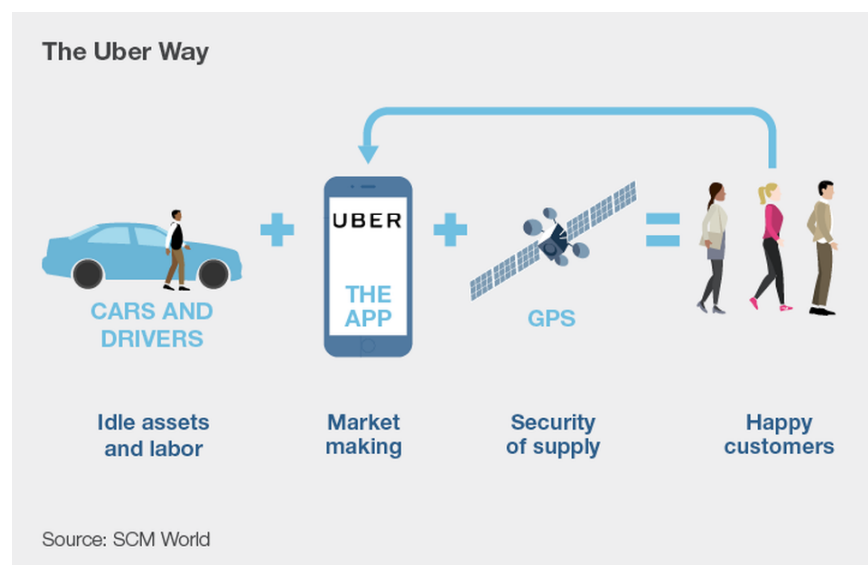1. Riding: A rider can see the profile of the driver that is given to them through the application. This includes license plate, name, and car type.
2. Payment: A driver is paid when they get their rider to their location, and the rider has the option to tip their driver directly.

Outbound Logistics:
Because Uber does not have a warehouse or distribution of any particular product, it does not have many glaring outbound logistics. The outbound logistics may include partnering with Map or GPS services on the drivers' end, any insurance that Uber includes for the drivers (rideshare insurance) and any commercial or advertising costs within the app, including the UberEats segment of the company.

Uber allows for multiple channels of technology to exist within the value chain. This includes the production of and the constant updating of the main app, the back-end development of other technologies for optimization and software development. This also includes the usage of data of GPS services for drivers and riders.
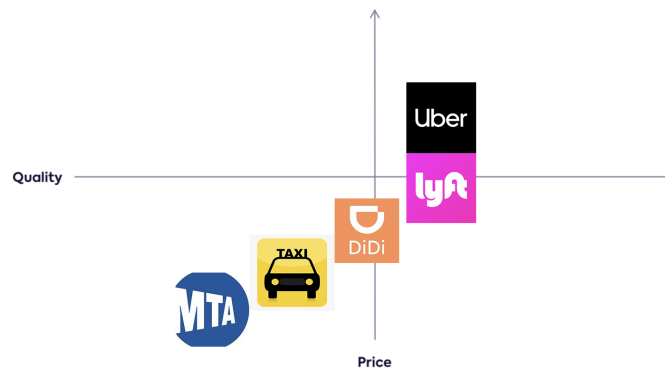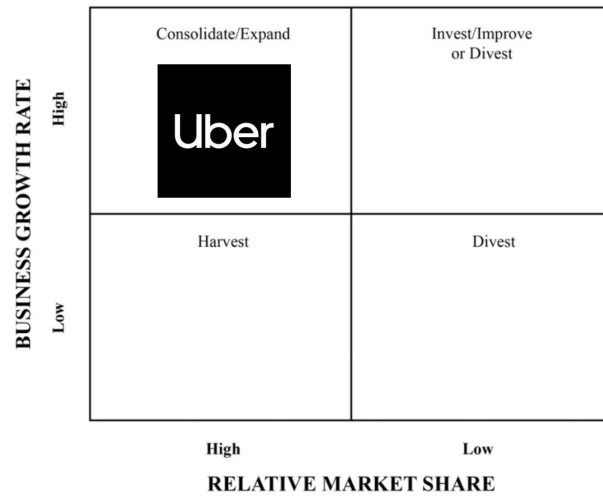
Uber also sees value from investments and company partnerships, including basic marketing strategies and promotional packets. They also have a card-on-file system.

The Uber Way

CARS AND DRIVERS + THE APP + GPS = (customers)

Idle assets and labor   Market making   Security of supply   Happy customers

Source: SCM World
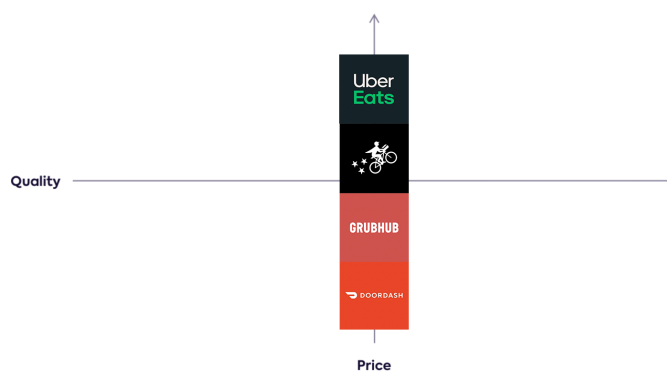
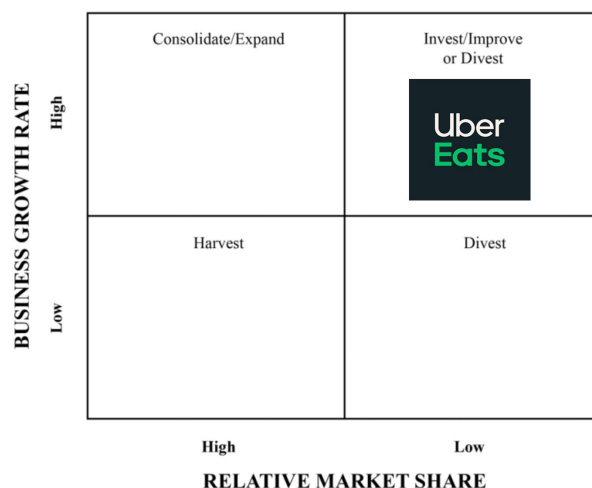<u>Competition</u>

Uber Ride

This sector of the company specifically has a competitive advantage that they are the biggest company that has a worldwide distribution, highest brand awareness low price as compared to taxis and other commute apps.

	Uber	Lyft	DIDI ChuXing	Local Taxi	Public Transportation
Distribution	Uber is in over 60 countries and 400 cities worldwide and growing month by month.	U.S.A. Only	China Only	Every country	Every country
Price	"Higher the Demand; Higher the Price" policy has proven to be beneficial to its drivers and industry. Its drivers earn a substantial amount at night time and during bad weather and holiday nights.	Varies depending on the city, taking NYC as an example, Price per minute: $0.67. Price per mile: $1.48. Minimum fare: $7.30. Maximum fare: $700. Cancellation fee: $5.39.	The initial price of using a car through Didi's platform has been increased to 13 yuan from 10 yuan, and the mileage fee during normal times decreased from 0.2 yuan to 0.5 yuan per minute,	Different varies in location. $2.50 initial charge. Plus 50 cents per 1/5 mile when traveling above 12mph or per 60 seconds in slow traffic or when the vehicle is stopped. Plus 50 cents MTA State Surcharge for all trips that end in New York City or Nassau, Suffolk, Westchester, Rockland, Dutchess, Orange or Putnam Counties.	Possbily the lowest price among all the transportation, taking NYC as an example, $2.75 per ride
Safety	Drivers background check. Emergency call avaliable. Rdecheck detects is a trip goes unusually off-course or possible crash. Insurance provider partnership. Uber Support avaliable 24/7.	Contact protection, in ride 911, predicting when someone need help, share your trip info feature.	Emergency Contact, ID verification, Real-Time Location Sharing, Privacy Numbers, DIDI Care Plan	No tracking system at all, "We don't keep specific data with relation to passengers being assaulted," said Lee Jones, a spokesman for the New York Police Department.	Local police department takes charge of it, making sure public transportation goes smooth and safe.
Share-ride	Yes. Uber is the first company introduced the ride-sharing app phenomenon.	Yes	Yes	No share-ride	Yes
Online Booking	Yes, APP avaliable	Yes, APP avaliable	Yes, APP avaliable	Possible choice to some countries, but not in majority of U.S.A.	No
Cancel Policy	No cancellation fee if is the driver's problem. If you cancel more than 2 minutes after your request has been accepted. In some cases, your cancellation fees will be based on how far your driver has already driven. If your driver cancels after waiting at least 5 minutes at your pickup location, there is cancellation fee. For Uber Pools, you will be charge fees iflf you cancel more than 1 minute after your POOL request has been accepted. In some cases, your cancellation fees will be based on how far your driver has already driven. If your driver cancels after waiting at least 2 minutes at your pickup location.	No-show fees may be charged under these circumstances:1.Your driver arrived to pick you up 2.Your driver waited 5 minutes or more 3.Your driver attempts to contact you, or you contact your driver. You may be charged a fee for cancelling a ride when both of the following occur: 1.The cancellation window has passed after a driver accepts your ride request. 2.Your driver is on time to arrive within 5 minutes of the original estimated arrival time.For Shared rides, we may charge a cancellation fee should you cancel any time after a driver accepts your ride request.	Cancellation fee charged if cancel the trip more than 5 mins after driver has accepted the request, no show or the driver calcels the reip after the expiry of 2mins (shared rides) 3mins (express rides)	No cancel policy	No cancel policy
Payment	Credit Card or Debit Card, Paypal, Venmo, Gift Card, Commuter Benefits	Credit Card od Debit Card, Paypal, Business profile	Credit Card od Debit Card, Wechat Pay, Alipay, All-in-one net bank cards Payment, Apple Pay, Didi Pay	Credit or Debit Card, Apple Pay, Cash	Ticket purchase at stationary, Credit or Debit Card, Cash
Rating Systems	Uber has created a rating system that helps customers rate their traveling experience as well as the driver. This rating system helps identify the best drivers and monitors the performance of the drivers.	Lyft uses a 5 star rating system for both passengers and drivers. Passengers are encouraged to rate their drivers from 1 to 5 stars after each ride. A drivers rating is the cumulative average from their last 100 rated rides. If drivers fall below a 4.7 rating they risk deactivation.	DIDI uses a 5 star rating system for both passengers and drivers	No digtal and direct rating to the driver and customers at all.	No digtal and direct rating to the driver and customers at all.

UberEats

This sector of the company specifically has the competitive advantage that they are exclusive restaurants only available on UberEats, access in more than 220,000 restaurants in over 500 cities globally.
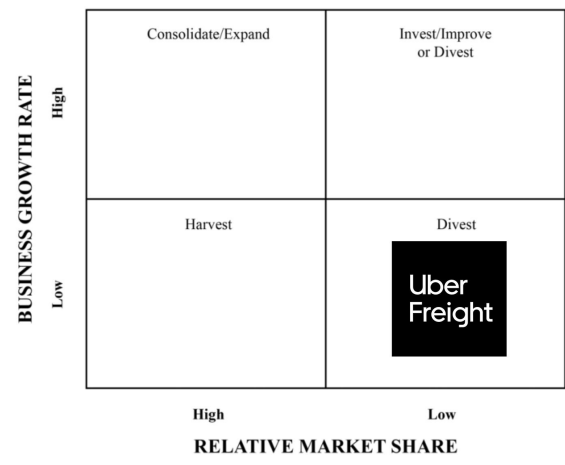
	Uber Eats	DoorDash	Grubhub	Postmates
Distribution	Available in 71 cities across 24 countries. In 2016, Uber announced that its delivery service UberEats has passed 46,100.	As of May 2019, had expanded to more than 4,000 cities and offers a selection of 340,000 stores across the U.S. and Canada.	Grubhub features over 300,000 restaurants and is proud to partner with more than 155,000 of these restaurants in over 3,200 U.S. cities and London	As of February 2019, Postmates operates in 2,940 U.S. cities.On-demand delivery from more than 500,000 restaurants, grocery and convenience stores, and traditional retailers, making us the leader in choice and options.
Take-out Order	Yes	Yes	Yes	Yes
Pickup Service	Yes	Yes	Yes	Yes
Grocery Order	No	No	No	No
Service Fee	$7.07	$2-$10, around 10%	$4.71	Variable percentage based fee
Delivery Fee	$4.99, Eats Pass $9.99 / month + 5% off	Typically ranges from $1.99 – $4.99.DashPass $9.99/month	$1.49, Grubhub+ $9.99/month +10% cashback	The Postmates delivery fee is $0.99–$3.99 for Partner Merchants and $5.99–$9.99 for all other merchants. Postmates Unlimited priced $9.99/month, $99.99/year
Payment	Credit ior Debit Card, Paypal, Venmo	Credit or Debit Card	Credit Card, Payal, Venmo	Apple Pay or Credit/Debit Card
Market Share	19%	33%	32%	10%

UberFreight

This sector of the company specifically has the competitive advantage that they have high brand awareness, and an on-demand marketplace that seamlessly connects shippers and carriers. Features include real-time tracking, dynamic scheduling, and transparent pricing.
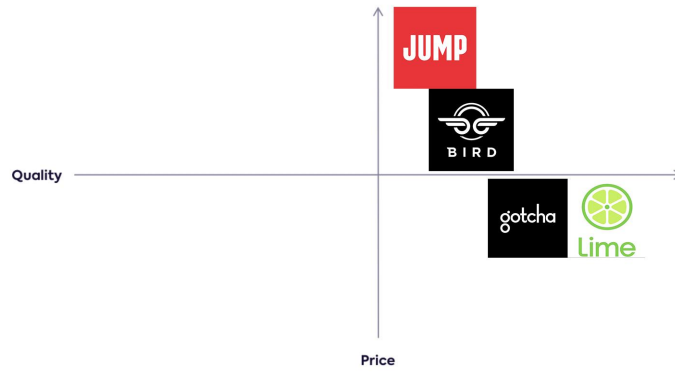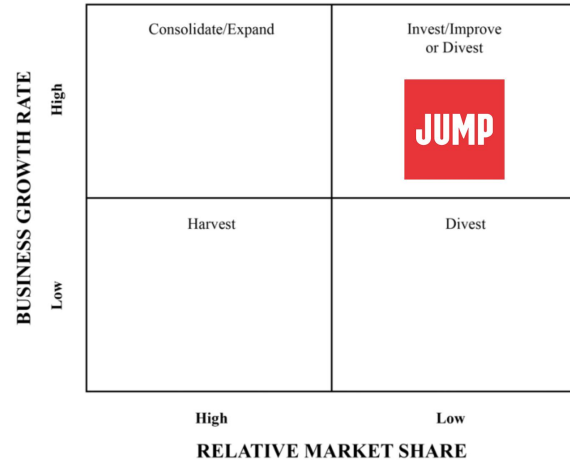
The freight offering competes with global and North American freight brokers such as C.H. Robinson, Total Quality Logistics, XPO Logistics, Convoy, Echo Global Logistics, Coyote, Transfix, DHL, and NEXT Trucking.

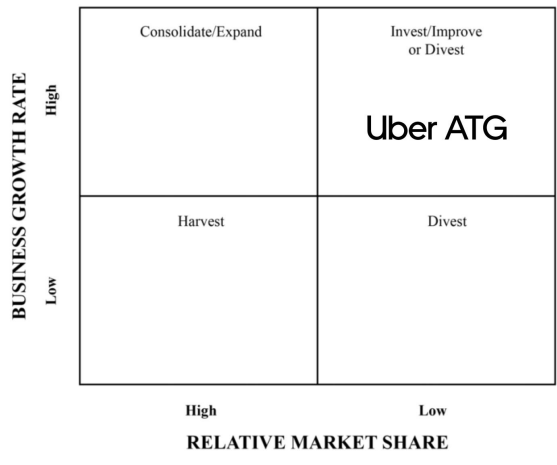|	Uber Freight	DHL	C.H. Robinson	Total Quality Logistics
Distribution	U.S. and Europe	Worldwide	U.S. A.Only	Canada, Mexico, U.S.A.
Feature	Facility ratings, a feature enabling carriers and drivers to leave feedback directly in the Uber Freight app on the locations they visit.Shippers also have access to freight insights, a dashboard displaying key performance metrics around facility ratings—data points that are valuable tools that can impact improvement. Dock Management: Moved drop trailers from outbound dock doors with less capacity and high variability to receiving docks. Staffing: Created a swing shift to minimize the effect of staffing transitions during peak periods in the day. Appointment flexibility: Instituted flexible appointments to decrease dwell time.For **Carriers:** Transparent pricing Smart load suggestions.24/7 customer support Mobile POD submission. Upfront facility details Return load booking.Access to power-only loads avaliable in California, Oklahoma, and Texas. For **Shippers:** Instant capacity.Live shipment tracking.24/7 access and customer support.Price guarantee.Manage your upcoming, in-progress, and delivered shipments online without needing to pick up the phone.	Freight transport services include international and domestic shipping, end-to-end visibility to track shipment, and flexible delivery times. DHL provides plenty of choices to match your budget, delivery requirements, and the size and weight of your freight. Mission critical door-to-door delivery.Request pickup and book online. Economic green solution.	SERVICES: Next Flight Out (NFO) Priority (1-2 days) Premium (2-4 days) Standard (4-7 days) Consolidation Charter/hand carry Heavyweight Cargo insurance. CAPABILITIES PO management (POM) Customs brokerage Trade compliance/classification consulting Hazmat & temp control International & domestic air freight services	Direct access to their national and regional LTL carriers.A dedicated representative to guide you along the way. Audits to reduce your chance of a rebill due to inaccurate or insufficient information.Receiver location verification to make sure your shipping destination doesn't require any special considerations.Proactive communication with LTL carriers. Leverage high volume for competitive prices.LTL carriers provide more accessorial services for pick-up and delivery than traditional full truckload carriers.Consolidating various LTL loads onto a single truck reduces emissions.In addition to tracking on your shipment, our integrations with our LTL carriers provides quick turn around on load documents and processing.Expedited, guaranteed delivery, standard, or economy, pick the service that's right for your business & budget.Pooling loads from multiple shippers means paying for only the space you use on a truck.

Other Bets

This sector of the company specifically has the competitive advantage that it can be accessed directly on Uber Ride app, it has distribution worldwide.

BUSINESS GROWTH RATE

	Consolidate/Expand	Invest/Improve or Divest
High		JUMP
Low	Harvest	Divest
	High	Low

RELATIVE MARKET SHARE

Quality

Price

	Uber Jump Scooter	Lime	Bird	Gotcha
Distribution	Accessible in 15 countries and 37 cities worldwide,	As of September 2019, Lime operated in more than 120 cities across more than 30 countries. In January 2020, Lime announced that it was pulling away from 11 locations, including several US metropolitan areas such as Atlanta.	Bird operates its electric scooters in 100 cities across the globe.	Gotcha currently operates 30+ systems on college campuses across the U.S. and in cities such as Burlington (VT), Sarasota (FL), and Toledo (OH).
Price	Free to unlock, but users have to pay $0.30 a minute.The "Boost Plan" gives members 60 minutes of daily ride time for $5 a month. To enroll, riders must provide documentation to prove their eligibility.	initial dollar plus 15 cents a minute	$1 plus 25 cents a minute	initial dollar plus 15 cents a minute
Safety and design	A new model of its JUMP electric scooters, featuring a bigger frame and hand brakes. "Uber is innovating new mobility hardware to make it safer and easier for people to choose bikes and scooters over cars," Uber Head of New Mobility Rachel Holt said in a statement.	"It has a wide platform and the app is very intuitive," Lime scooters are sturdy enough to ride over railroad tracks or up a small hill. Lime's newest design, the "3.0" scooter, which won awards at the 2018 Computer Electronics Show in Las Vegas. The new scooter has 10-inch diameter wheels and features a screen for Google Maps directions.	The Bird Zero new model is designed to be sturdier	Gotcha touts its scooter's wide foot-pad and 10-inch wheels — compared with 6- to 8-inch wheels on some models. The Gotcha app also is different from other scooter rental companies in that consumers can request a scooter, car ride share, or bike share. The scooter automatically reduce the speed in a high-traffic area
Payment	Credit Card or Debit Card, Paypal, Venmo, Gift Card, Commuter Benefits	Credit Card od Debit Card, Paypal, Business profile	Credit Card od Debit Card, Wechat Pay, Alipay, All-in-one net bank cards Payment, Apple Pay, Didi Pay	Credit or Debit Card, Apple Pay, Cash
Parking	Anywhere legal	Anywhere legal	Anywhere legal	Designated parking spaces for scooters, local shops so renters can pick up or drop off the scooter at those locations, which are found on its app

ATG and Other Technology Programs

This sector of the company specifically has the competitive advantage that they have high brand recognition, as well as a cheaper, better and safer automated option for consumers using Uber's ride-hailing service. A luxurious experience while reducing customer wait times.

	Uber ATG	Tesla	Zoox	Waymo
Safety and Design	System Safety, Operational Design Domain, and Object and Event Detection and Response.Minimal Risk Condition. Fault- Tolerant System. The Self-Driving Software. The Hardware on the Vehicle etc.	Autopilot enables your car to steer, accelerate and brake automatically within its lane.When active, Navigate on Autopilot will also automatically steer your vehicle toward highway interchanges and exits based on your destination.With Smart Summon, your car will navigate more complex environments and parking spaces, maneuvering around objects as necessary to come find you in a parking lot.Full Self-Driving Capability.Side Collision Warning. Automatic Emergency Braking. Front Collision Warning. Auto High Beams.Standard Safety Features.	Completely autonomous in complex environments. Automotive, robotics and renewable energy to design a symmetrical, bidirectional, zero-emissions vehicle from the ground up to solve the unique challenges of autonomous mobility.	Sensors and software scan constantly for objects around the vehicle. Software determines the exact trajectory, speed, lane, and steering maneuvers needed to progress along this route safely. Our vehicles can see up to three football fields away in every direction.
Models	Volvo , Tyota	Tesla Model S, Model 3, Model X	Zoox own model	Class 8 trucks, self-driving ride hailing service--Waymo One

Strategy

Recommendations

The main focus, that the analysis has proven to be most important, is to make Uber profitable. They can do that in a few ways.

First, the costs that they can cut down on:
1. Uber pays for insurance for all drivers even when:
   - The drivers have their own
   - The drivers aren't driving

Uber already partners with insurance companies. Our team proposes a prorated insurance for Uber drivers, where one company would receive Uber's customer loyalty. They can use the metrics of the rating system for the insurance companies as well so as to show proof.

2. Driver loyalties are the next highest expense. They can cut back on these incentives, especially if the drivers are going to be part of multiple platforms regardless of the perks.

3. Their marketing budget is extremely high. They need a unique value proposition that will set them apart from their ride-sharing competitors. This will strengthen the relationship with customers they already have and the Uber brand name since it is already so recognized.

Uber spent 7,208 million dollars in 2019 on driver insurance and incentives combined, up 11.2% in relation to the revenue, from 2018 to 2019. They spent 4,626 million dollars on marketing in 2019, up 10.4% in relation to revenue from 2018 to 2019. Insurance and incentives, and marketing attributed to an increase of 59.6% in costs and expenses from 2018 to 2019 in relation to revenue.

Second, Uber can make changes that address key issues:
1. One of the largest issues that have come to light is safety. Cities have tightened regulations and banned the app entirely because of this. Our team proposes:
   ● A camera in all cars recording the ride (a regulation that has already been implemented in some countries)
   ● An option for the rider to choose specifically if they want a male or female driver for an extra sense of security

Third, we propose new markets for their ride-sharing company sector:
1. UberKids
   ● This is an option like Black, X, and Pool
   ● Extra safety screening, with complete transparency
     ○ Explicitly detail what safety screening (checks per month) entails to their consumer
     ○ "Meet the driver"
     ○ Connected accounts between child and parent to track
   ● Arrange a "carpool" every day, at the same time, of a few kids in the same neighborhood with a weekly rotation assigned
   ● Priced higher
   ● Transport in cities is especially difficult
2. City tours
   ● Those who live and drive in a city, know the city better

Note that UberEats is already successful. The company has the advantage of the trust that the Uber name brings. They are also very receptive to new sectors of the business. So, by

introducing new markets, Uber Ride can increase its rider users. Combined with cutting costs, we predict that the company in this sector can turn profitable.

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Assigned Roles

Maya Kapur (team manager): Overview, Leadership, Cultural Competence, Ecosystem, Strategy+Recommendations (primary), Pitch

Jiayu Duan (member): Situation, Vision+Mission+Values, Uber Business, Strategy+Recommendations (secondary), Pitch

Shawn Fletcher (member): Model, Expenses, Strategy+Recommendations (secondary), Pitch

Andrea Makhlouf (member): Five Forces, Strategy+Recommendations (secondary), Pitch

Charis Tang (member): Competition, Strategy+Recommendations (secondary), Pitch

Jordyn Paskinoff (member): Value Chain+Industry Structure, Strategy+Recommendations (secondary), Pitch