GCI Investment Presentation

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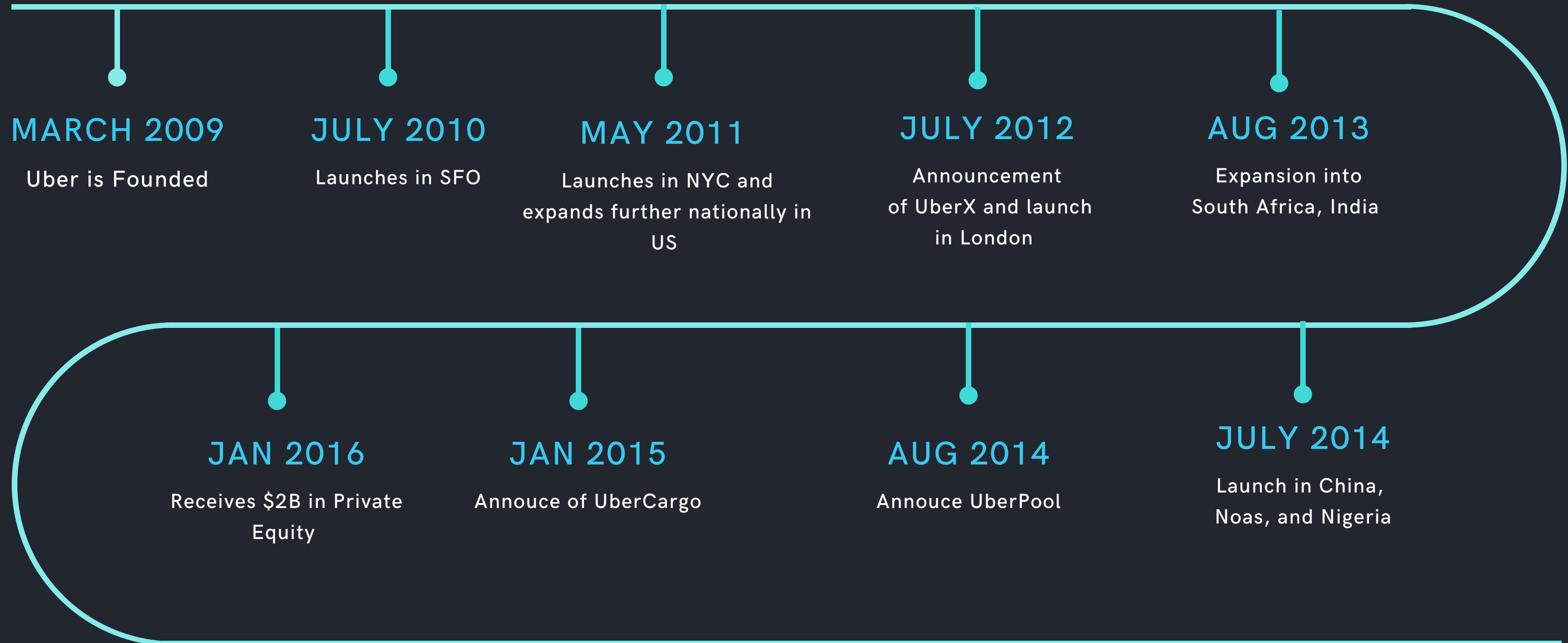Should GCI invest?

YES!

Agenda

- **Business Model**
- **Value proposition**
- **Domestic and international Challenges**
- **Recommendation for Uber**

UBER'S TIMELINE

MARCH 2009
Uber is Founded

JULY 2010
Launches in SFO

MAY 2011
Launches in NYC and expands further nationally in US

JULY 2012
Announcement of UberX and launch in London

AUG 2013
Expansion into South Africa, India

JAN 2016
Receives $2B in Private Equity

JAN 2015
Annouce of UberCargo

AUG 2014
Annouce UberPool

JULY 2014
Launch in China, Noas, and Nigeria

COMPANY

AN E-HAIL RIDE-SHARING COMPANY FOCUS ON PROVIDING COST-EFFICIENT AND CONVENIENT TAXI SERVICE AND DELIVERY SERVICES.

COMPETITION

TRADITIONAL COMPETITORS: TAXI AND LIMOUSINE.

E-HAIL RIDE-SHARING COMPETITORS: LYFT, HAILO AND SIDECAR.

COMPLEMENTOR

DRIVERS, RESTAURANTS, CAPITAL INVESTORS, ETC.

CUSTOMER

NEEDY CUSTOMERS: ANYONE WHO MIGHT HAVE USED A TAXI SERVICE IN THE PAST IS A POTENTIAL UBER USER.

SERVICE PROVIDERS: ANYONE OR ANY ORGANIZATION THAT CAN PROVIDE SERVICE THAT FITS THE NEEDY CUSTOMERS' NEEDS.

CONTEXT

UBER WAS FOUNDED IN 2009, AND BY MARCH 2016, IT IS OPERATING IN 400 CITIES IN 65 COUNTRIES, WITH MORE THAN 162,000 ACTIVE DRIVER PARTNERS.

INFLUENTIAL AND HIGH-PROFILE INVESTORS LIKE ASHTON KUTCHER, JEFF BEZOS, AND GOOGLE'S INVESTMENT DIVISION GAVE UBER $258 MILLION IN CAPITAL IN AUGUST 2013. UBER VALUED AT $62.5 BILLION THREE YEARS LATER.

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PRODUCT

UBERX FOR COST-EFFICIENT UBERBLACK AS A "POOR MAN'S TOWN CAR" IS FOR THOSE WHO COULD NOT AFFORD A FULL-TIME DRIVER BUT WANTED MORE LUXURIOUS TRANSPORTATION.

PRICE

TECHNICAL ALGORITHM, CALCULATE FARES BASED ON MILEAGES, TIME AND LOCATIONS.

PLACE

THE PRODUCTS SHOULD BE THE DIGITAL PLATFORM THAT CUSTOMERS CAN ACCESS EASILY USING ER AN APP OR WEBSITE LINK.

PROMOTION

OBVIOUS LOGO OR SYMBOL OF UBER SHOULD BE CONSIDERED TO LOCATE ON THE PARTNERED DRIVERS' CARS. AND ADVERTISING AT PUBLIC TRANSPORTATION STATION SHOULD ALSO BE IMPLEMENTED.

Business Model Canvas

Business Model Canvas Closer look

🌈 Value Proposition

provide exact ride customer need: on time; accurate

rating system that allowed providing feedback

lower price; multiple service

for passenger

easy to join: without investment or fee

high efficiency: Reasonably recommend nearby passengers according to the distance to reduce the waiting time for both parties

flexible: driver can know passengers' destination in advance

for driver

❤️ Customer Relationships

passengers: safety, on time, lower price

driver: safety, on time, lower price

🚚 Channels

one day promotion event

social media: Twitter, Facebook, YouTube, and its own website

TV and radio

🎯 Customer Segments

passengers: young people, urban dwellers

Service providers: drivers, restaurants, anyone or any organization that can provide service that fits the needy customers' needs.

Value Proposition

Value Proposition Canvas

VALUE MAP

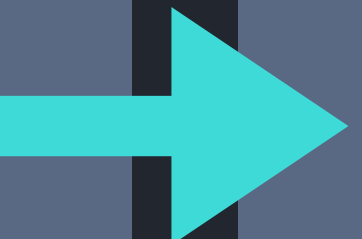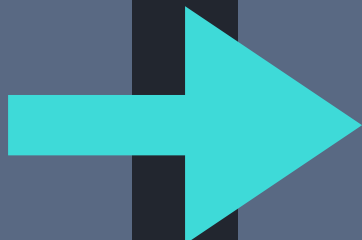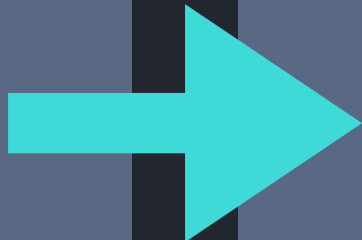### CUSTOMER PROFILE

PRODUCT AND SERVICE
- A SMARTPHONE APP THAT ALLOWED URBAN DWELLERS TO HAIL VEHICLES VIRTUALLY.
- AN ELECTRONIC DISPATCHER AS PASSENGERS AND DRIVERS CONNECTED DIGITALLY THROUGH PROPRIETARY SOFTWARE.

JOBS
- GET AN ON TIME, SAFE, ACCURATE RIDE.
- NEED DIFFERENT LEVEL CARS FOR DIFFERENT SITUATIONS.

PAIN RELIVERS
- PROPRIETARY ALGORITHMS FOR LOCATION.
- DATA AND TECHNOLOGY-DRIVEN FARES CALCULATION ALGORITHM.
- LOWER PRICE THAN TAXI.
- CASHLESS PAYMENT.

PAINS
- SHORTAGE OF TAXI IN BIG CITIES AND AT PEAK HOURS.
- DIFFICULT TO DESCRIBE THE DESTINATION ACCURATELY.
- CAN NOT AFFORD A LUXURY CAR OR A FULL-TIME DRIVER.

GAIN CREATORS
- DIFFERENT SERVICES (UBERX,UBERXL,UBERBLACK)
- PROPRIETARY ALGORITHMS
- MATCH WILLING DRIVERS AND NEEDY CUSTOMERS

GAINS
- CONVENIENCE
- SAFETY
- DO NOT NEED TO AFFORD A CAR
- NEED CHANGE TO PAY FOR THE RIDE

Value Proposition Template

UNLIKE LYFT

OUR MULTIPLE SERVICES

HELPS URBAN DWELLERS, FOODIE, "SLOPPY PEOPLE", ELDER AND DISABLE PEOPLE, KITTENS...

WHO WANT TO GET A RIDE, USE A TOWN CAR, EAT OUT BUT STAY AT HOME, DELIVERY, GO TO HOSPITAL, VET...

BY PROVIDING PRECISE SERVICES AT THE RIGHT TIME AND REDUCING WAITING TIME WITH PRECISE LOCATION

AND ENABLING ON TIME, ACCURATE, AND CASHLESS RIDE.

Competitive Advantage

Cost Advantage

Mature revenue streams

Well-developed cost structure

Differentiation Advantage

Cover a wide income range

18% lower than taxi

Marketing Advantage

First e-hail ride-sharing company

Highly loyalty customers

CORE OFFERING STP

Segment

1. People who don't have a car handy, but want a cost efficient taxi in convenient.
2. People who has a relatively higher income and want a more luxurious transportation services better than yellow cab or public transit, but still could not afford a full time driver.
3. Drivers who are able to provide riding or delivering services.

Target

Uber X as the core offering targets riders who need ride-sharing services and value cost efficient. Uber also target drivers who have qualified cars to provide the services.

Position

Uber positions Uber X as a low-cost taxi service to be their main competitive force to attract riders from a wide demographic, behavioral and psychographic spectrum.

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- Uber branding has become the standard
- Leader in the market
- Ease of use/multiple options Uber eats/assist
- Immediate response
- Rating of driver and occupant
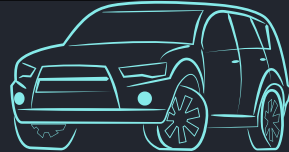- No cash or credit cards needed
- Reservations

W

- Competition/low barrier of entry
- Retention
- Safety of passengers/drivers
- Employees don't have benefits
- Surge pricing
- Drivers adding additional pricing
- Canceled rides
- differing regulations

O

- Request drivers with high ratings
- Reservation of reliable drivers
- Accounts with corporations, airlines, education
- Govt incentives for EV transportation
- Increase delivery options

T

- Scandals assaults
- Increasing competition
- Retention of drivers due to competition
- Accidents
- Privacy issues (drivers do not know who they are picking up)

Porter's 5 forces

THREATS OF NEW ENTRANTS

MODERATE

- SETUP COSTS HIGH
- BRAND EQUITY OF UBER

RIVALRY AMONG EXISTING THREATS

STRONG

- LYFT, CURB, DIDI CHUXING,GRAB, OLA
- IN MIDDLE EAST AND ASIA-CAREEM.
- HIGH MARKET SHARE AND OPERATING PROFIT MARGINS.

THREATS OF SUBSTITUTES

MODERATE

- PUBLIC TRANSPORT LIKE METROS, RAILS, BUSES, AND TRAMPS
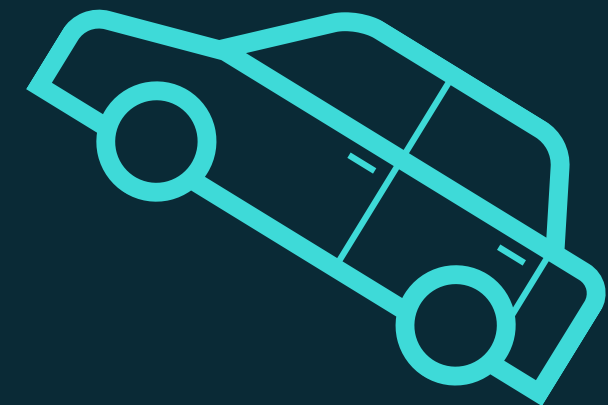- BOOMING SECOND-HAND VEHICLE MARKET.

BARGAINING POWER OF SUPPLIERS

HIGH

- UBER DOES NOT OWN CARS
- HIGH DEPENDENCE ON SUPPLIERS

BARGAINING POWER OF BUYERS

HIGH

- PRICE SENSITIVE BUYERS
- LOW SHIFTING COST

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# Domestic and International Challenges

Challenges

- Uber conflicts with the local taxi and transportation commissions, as it's behaving as a transportation service instead of a platform, connecting riders with drivers.

- Drivers arrested for assaults (physical and sexual), drivers making lewd or racial comments, drunk drivers, or customer complaints about drivers taking longer routes.

- Passengers attacking, harassing and abusing Uber drivers.

- Unlicensed drivers also was a topic of discussion.

Challenges :

Fierce competition in all international markets:

- Throughout Southeast Asia, Grab offered a twist to the usual ride-sharing apps—its technology connected dispatch companies to passengers. It too had a strategic partnership with Lyft by 2016.

- Lyft partnered with Didi Kuaidi, a ride-sharing company in China partnered with Lyft and became a serious competition, with 1.4 billion rides provided annually.
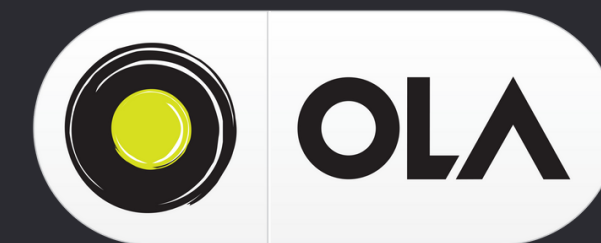
What We Reccomend
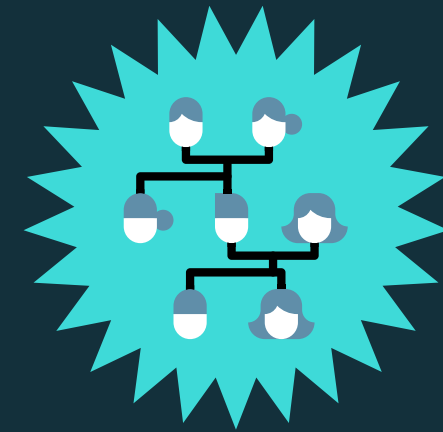
Uber

Should Do!

Here's what we recommend for Uber!

The UberShare - A MaaS move.

Segmentation

Segmenting the customers mainly focusing on the age groups, technical knowledge and ability to spend on everyday commute.

Targeting

We are mainly targeting the student segments in the metropolitan cities like New York, Chicago, Washington, etc.

Positioning

We are offering student packages by collaborating with other student extensively used platforms like Coursera, LinkedIN, etc.

How to implement this?

Targeting the student community mainly by acting as a common platform connecting the drivers and the passengers.

Why should one use this?

- More economic, yet safe.
- Great medium to network and socialize.
- Free access to other student friendly platforms like coursera, LinkedIN upon subscription.

Why should Uber consider this?

- Doesn't require the need of higher amount of capital.
- Greater ROI, which can channelled in providing higher incentives to the Uber drivers.
- Popularity among the younger crowd in turn fetches popularity in the social media.
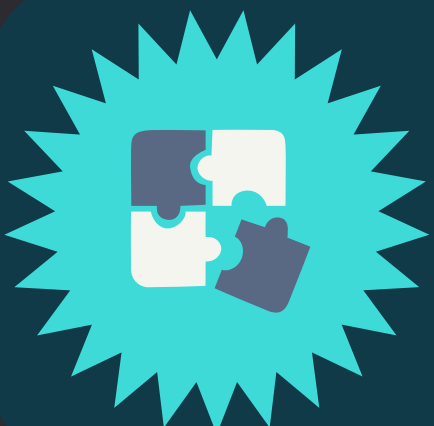
How to face the challenges?

- By keeping security verification means updated.
- Both the driver and the passenger need to submit their phone numbers and link their social media accounts. (LinkedIN)

UBER

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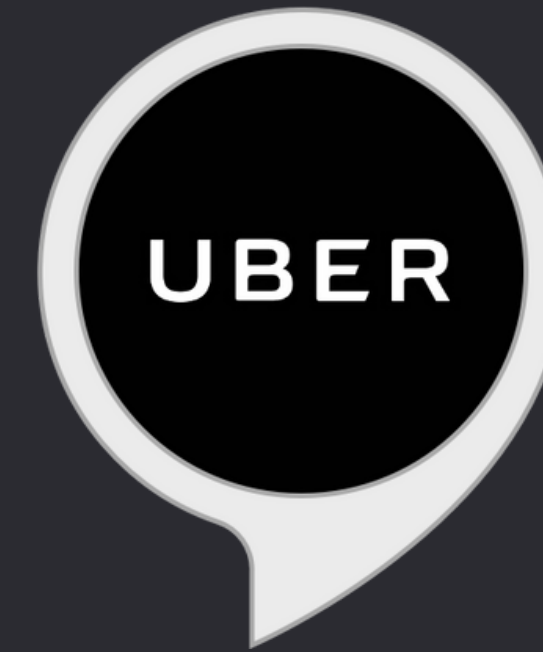
Recommendation for Uber International

- Uber should focus on global expansion by collaborating/investing in the local ride-sharing companies in the respective companies instead of starting its ride-sharing infrastructure from scratch. This will help Uber in not dealing with local taxi or transportation regulations.

- It promotes more EVs on the platform by giving subsidies and tax credits to drivers who want to purchase EVs. This will help us overcome regularities issues and force regulatory bodies to promote Uber.

UberCube for Safety

- Our R&D is currently working on the AI device that will connect to the uber driver's mobile app using Bluetooth, which will be mounted on the rearview mirror.

- UberCube will record facial expressions, navigation, and voices; if it finds any discrepancies, it will immediately alert local and Uber authorities. After completion of the ride, all data will be erased to comply with privacy laws.

- This is a must for every Uber driver; they won't get any rides if they don't activate it while driving.
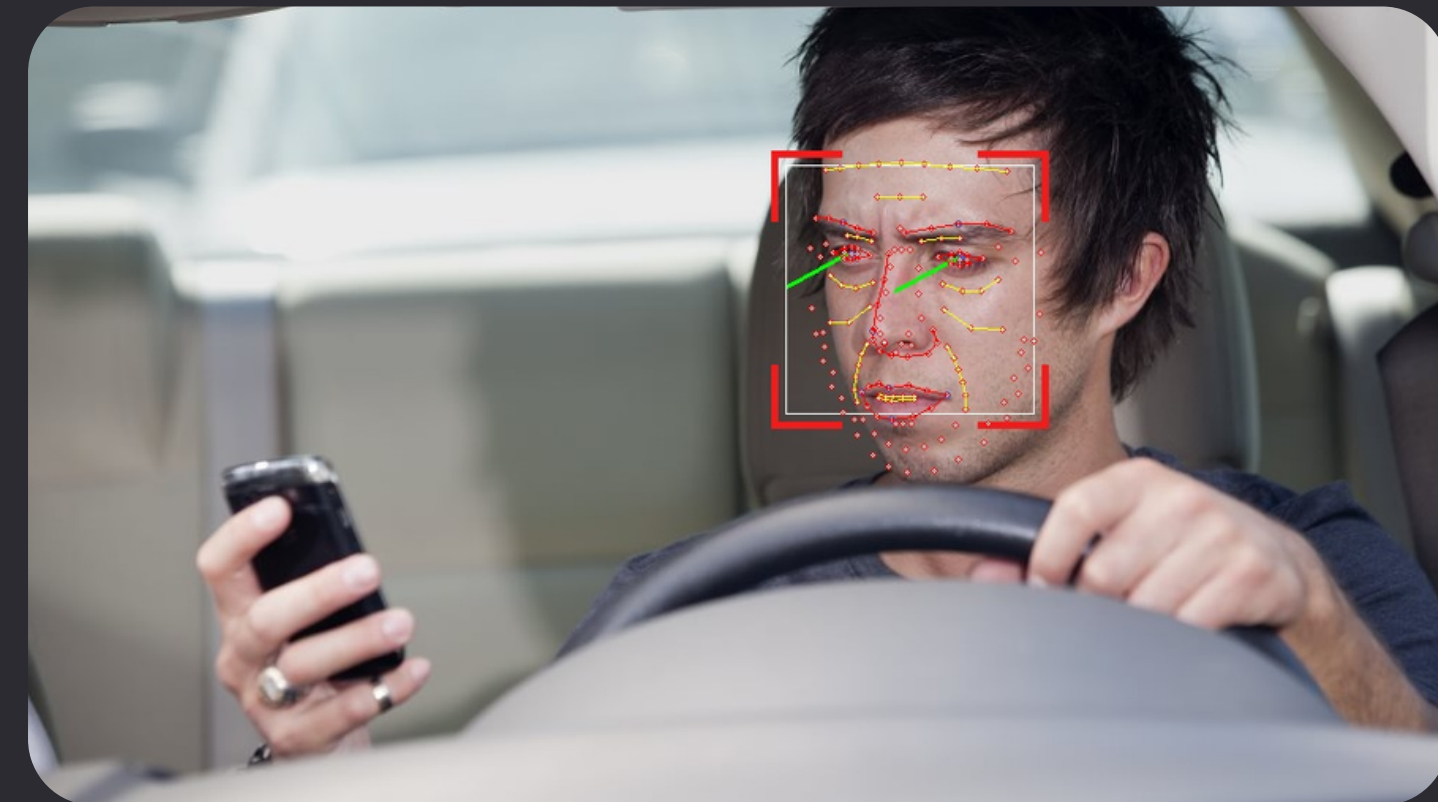
The impact ESG factors on decision making process

- Individual carpoolers may reduce GHG emissions by approximately **4% to 5%.**

- It can potentially decrease **22%-28% of CO_2 emissions.**

- It plans to halve its **absolute emissions by 2030** and lower them to **near zero by 2040.**

- One may also take advantage of the **Clean Air Act** benefits by carpooling.

- Carpooling is a great way to **meet new people**, make friends and **avoid the stressors** of navigating rush hour traffic.

Carpooling for the Climate
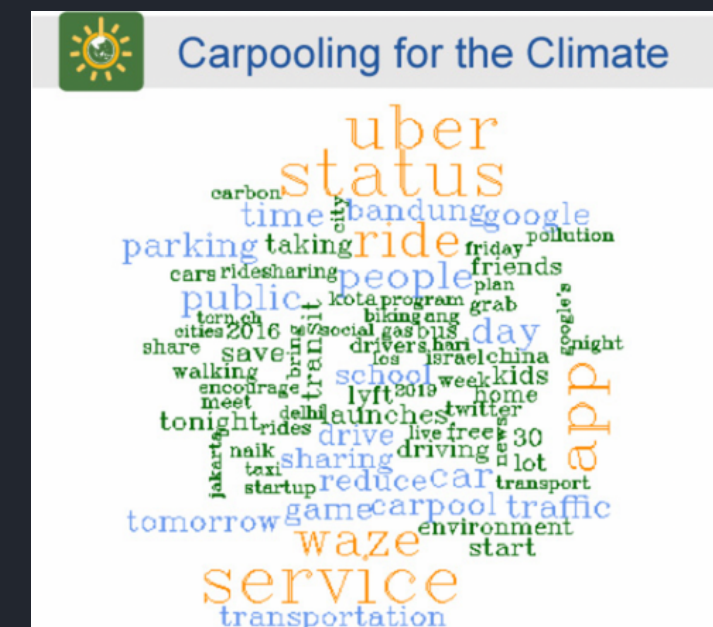
"**Movement is what we power**. It's our lifeblood. It runs through our veins. It's what gets us out of bed each morning. It pushes us to constantly reimagine how we can move better. For you. For all the places you want to go. For all the things you want to get. For all the ways you want to earn. Across the entire world. In real time. **At the incredible speed of now**."

Uber

Our Team

GABE DINETTE

SINCHANA THIPPESWAMY

ANANYA ROY CHOWDHURY

SAI VARAPRASAD

JINGYUN LIU

TYLER ZHANG

THANK YOU!

Q&A