

REDBUS CASE STUDY

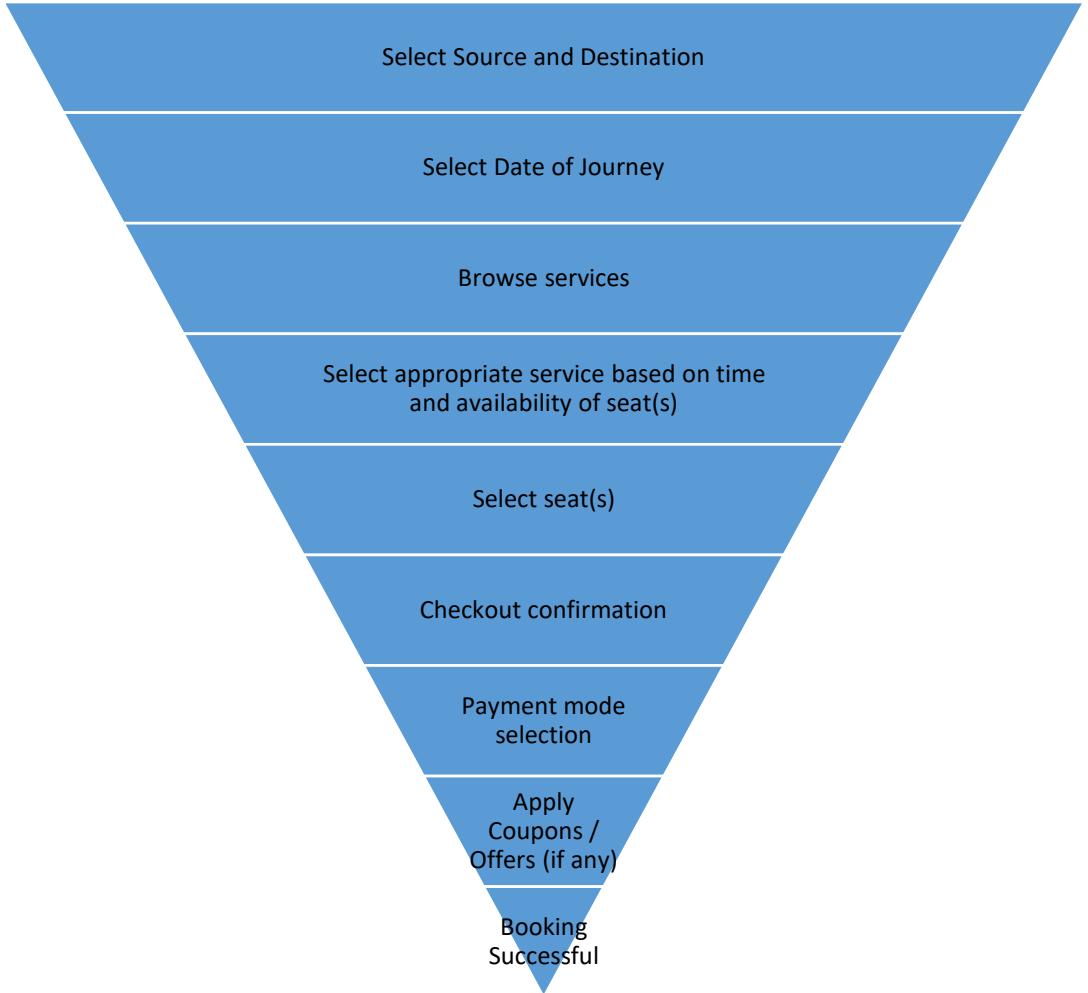
Name: **SAI CHARAN BANDAR**

| | |
|-------------------|--|
| Question 1 | <p>Identify at least 3 key metrics for RedBus that you, as a Growth PM, would monitor actively in order to improve its transactional funnel? Also, provide relevant reasons for considering these metrics.</p> <p>(Instructions: Review their app and website thoroughly to be able to come up with relevant metrics.)</p> |
| Response | <p>Improve Transactional Funnel – Key Metrics</p> <ol style="list-style-type: none"> 1. Session Intervals This metric measures how frequently users are returning to app, also can measure the time between a user's sessions. 2. Average Visit Time Average visit time metric is the average duration of users' sessions. 3. Screen Views per Visit Screen views per visit tracks how many app screens a user interacts with during a session. <p>Metrics 2 & 3 both give a glimpse at how engaged the active users are with the app.</p> <ol style="list-style-type: none"> 4. Payment page user drop-offs The number of users dropping off on the payments page. This helps understand the cause of drop off and possible re-design ideas. |
| Question 2 | <p>Which of the 3 user segments could be the most valuable for achieving your business objective? Explain your reasons behind selecting these segments.</p> <p>(Instructions: Explore the behavioural, demographic and technical segmentation categories, which you learnt about earlier)</p> |
| Response | <p><u>Business Objective:</u> To improve transactional funnel and overall revenue</p> <p>Most valuable user segments</p> <ol style="list-style-type: none"> 1. Inter-City commuters – <i>DEMOGRAPHIC & TECHNICAL</i> 2. Religious / Pilgrimages – <i>BEHAVIOURAL</i> 3. Tier 1 city migrants travelling to Tier 2 and Tier 3 places on weekends/monthly - <i>DEMOGRAPHIC & BEHAVIOURAL</i> |

REDBUS CASE STUDY

| | |
|----------------------|---|
| | <p>1. Inter-City commuters: https://www.redbus.in/rpool - rPool Users (Male/Female) in the age group of 18-50 years - working professionals in tier 1 cities rPool, the carpooling / bikepooling service on its platform. It allows office goers to avail and offer rides in their personal cars for commutes. This segment of users could be our DAU with greater retention rate.</p> <p>2. Religious / Pilgrimages: https://www.redbus.in/pilgrimages/ - Pilgrimages Users (Male/Female) in the age group of 18-60 years who book/use RedBus for pilgrimage or rpool services <i>Redbus: https://medium.com/redbus-in/now-book-pilgrimage-packages-on-redbus-d78f90fd5f56</i> <i>Research suggests that over 75% of leisure travel in India is to pilgrimage places.</i> With the current global pandemic / covid-19 situation and whole world came to a halt as we know. Given the normal conditions, this user segment is highly profitable and can be easily identified based on the seasons / events / occasions Providing with more marketing effort and right conditions this user segment contributes a great margin to the overall profit.</p> <p>3. Tier 1 city migrants travelling to Tier 2 and Tier 3 places on weekends/monthly Users (Male/Female) in the age group of 18-50 years residing in tier 1 cities https://www.redbus.in/ Every year people migrate to Tier 1 cities for their livelihood/jobs and most of them tend to travel back home every weekend / at least monthly once. This user segment looks for an easy to use booking application without any hassle and discounts/coupons to redeem for the travel.</p> |
| Question 3 | <p>A. Write down the steps involved in the checkout funnel for RedBus? B. Which 4-5 cuts or parameters would you use in order to monitor this funnel on a daily basis?</p> <p>(Hint: For instance, you could consider the usage across Android, iOS, web and mobile web. This would be a cut or a parameter by 'platform'. You must identify and mention other such parameters.)</p> |
| Response (3A) | <p><u>Pre-requisites:</u> Download – Install – Open App Login / Register</p> <ol style="list-style-type: none"> 1. Select Source and Destination 2. Select Date of Journey 3. Browse services 4. Select appropriate service based on time and availability of seat(s) 5. Select seat(s) 6. Checkout confirmation 7. Payment mode selection 8. Apply Coupons / Offers (if any) 9. Booking Successful |

REDBUS CASE STUDY

| | |
|----------------------|--|
| |  |
| Response (3B) | <p>Monitoring the above funnel by the following cuts / parameters to help gain the conversion rate and overall revenue growth.</p> <ol style="list-style-type: none"> 1. Active Users / Customers from multiple Platforms (Web, Mobile-web, Android App, iOS App) Monitoring the active users from these channels provide us with clear insights on where to put in our focus and increase the conversions. Also, it will help in understanding the tenderfoot users on other platforms. 2. Payment Gateway Preferences Third-party wallets are playing an important role in terms of online payments and knowing the user preferences could help in more successful payment conversions. Also, to find out the unsuccessful methods to try and solve the issues corresponding to it. 3. Boarding time preferences Users and their preferences matter a lot when it comes to choosing the appropriate boarding time from the available listings. This plays a crucial role in the complete journey and the part of planning the journey. |

REDBUS CASE STUDY

| | |
|----------------------|--|
| | <p>4. User Ratings and reviews Users also are very particular to see the listings or the services available with good ratings and reviews from the services. These help users taking the decision on booking and increases the chance of conversion.</p> <p>5. Updates and Notifications - Preferences Updating users about their journey and the timings, by creating a calendar event and notifying them via WhatsApp messages and/or SMS. This kind of user engagement monitoring helps curate the best experience for the users.</p> |
| Question 4 | <p>A. Suggest at least 2 new features and 2 growth strategies that can help RedBus increase the number of transactions? (Hint: Focus on increasing customer engagement and retention, as the key business objective is to increase the number of transactions without increasing the customer acquisition cost.)</p> <p>B. What are the metrics that you would use in order to measure the success of these features and strategies? Also, provide reasons behind choosing these metrics. (Note: Mention at least 3 key metrics, along with valid reasons for considering them.)</p> |
| Response (4A) | <p>2 New Features to help increase number of transactions</p> <ol style="list-style-type: none"> 1. Improve User Experience for the input. From the design perspective – The input fields are to be placed on the middle / bottom of the screen and the offers, Ads, articles on top. Users tend to use and also feel better when the application can be accessed easily for a single handed use, rather holding and use the other hand to select the fields to enter details of source and destination or any other field for that matter. 2. Improve User Engagement by having a preferences-based Profile Build a default preference in the entire booking process. <ul style="list-style-type: none"> • User preferences on type of buses like <ul style="list-style-type: none"> ○ AC/non-AC, ○ regular/sleeper/semi-sleeper ○ lower berth / upper berth • Default Payment Mode <p>2 Growth Strategies to help increase number of transactions</p> |

REDBUS CASE STUDY

| | |
|----------------------|--|
| | <p>1. Establish connection with service providers to improve the services / offerings Consider a scenario where the bus has some issues with cleanliness & maintenance, this considered as a user pain point but cannot be solved from RedBus alone, unless RedBus has direct interaction with service provider and inform about customer concerns. This will result in better service offerings on redbus that helps increase in customer motivation to comeback and use redbus again and again. This can help increase in overall Customer Lifetime value (LTV)</p> <p>2. Market Expansion For example consider the rBusHire can be integrated into the transport system of corporate companies. This could in turn transform into a full-fledged Transportation Services Marketplace.</p> |
| Response (4B) | <p>1. Successful Transactions Rate The rate of users completing on the app/web and successfully completing their booking process.</p> <p>2. Average Time for Successful Ticket booking With profile data and saved preferences of customer can significantly improve the overall time to book ticket.</p> <p>3. NPS – Net Promotor Score The feedback and ratings & reviews that drive the user growth and help build things that offer customer satisfaction.</p> |
| Question 5 | <p>According to you, what are the major challenges that RedBus could face in the next 12-24 months?</p> <p>(Note: Mention at least 3 major challenges, along with valid reasons)</p> |
| Response | <p>1. Covid-19 concerns and restrictions on travel with the ongoing Global Pandemic, people are scared to travel and in some cases the institutionalised ban of travel is the biggest challenge the Travel Industry is currently facing and the time it takes to flatten the curve and things coming back to normalcy will take at least 12 – 24 months.</p> <p>2. Market Competition – High CAC Other market players are facing the same challenge as redbus given the covid-19 situation so other competitors will try to get the share and acquire users and improve business, with these the Customer Acquisition cost increases for redbus.</p> <p>3. User Demotivation - App elements clutter Too many elements on the mobile app which has limited real estate, this might not be an imminent problem but adding too many components could make the users demotivate from using the app and less conversion rate and less transactions.</p> |

REDBUS CASE STUDY

| Criteria | Parameters | Weightage (%) | Does Not Meet Expectations | Meets Expectations |
|---|--|---------------|--|---|
| Identifying Key Metrics | Identifying key metrics that are in accordance with the business objectives | 20 | Fewer than 3 key metrics have been identified and a relevant explanation to considering these metrics has not been provided | At least 3 key metrics have been identified correctly. Also, a valid explanation for considering these metrics has been provided |
| Defining User Segments | Defining user segments based on different segmentation techniques | 15 | Fewer than 3 user segments have been mentioned, and they are not classified based on demographics, behavioural/psychographic and technical categories | At least 3 user segments have been mentioned, and these user segments have been classified based on demographics, behavioural/psychographic and technical categories |
| Funnel Analysis | Identifying the steps involved in the checkout process | 10 | All the important steps of the checkout process have not been mentioned correctly | All the important steps of the checkout process have been mentioned correctly |
| Listing Parameters for Cuts | Mentioning the parameters for the that cuts you will use to monitor the funnel | 10 | Fewer than 4 cuts have been provided, without any explanation | At least 4 cuts have been provided, along with valid reasons for considering these cuts |
| Suggesting New Features & Growth Strategies | Suggest new features and strategies that can help redBus increase the number of transactions | 20 | Fewer than 2 new features and 2 growth strategies have mentioned, without a relevant explanation | At least 2 new features and 2 growth strategies have been mentioned, along with a relevant explanation |
| Identifying Key Metrics | Mention the key metrics that would you use to measure the success of these features and strategies | 10 | Fewer than 3 metrics to measure the success of the suggested features and growth strategies have been identified | At least 3 metrics to measure the success of the suggested features and growth strategies have been identified |
| Identifying Challenges | List down the major challenges that redBus could face | 15 | Fewer than 3 challenges have been listed, without any relevant explanation | At least 3 major challenges have been listed, along with a relevant explanation |

REDBUS CASE STUDY

Thank You!