

# Business Model Canvas UBER



## Key partners

- Drivers
- Leading technology
- Investors
- Lobbyists / supporters

### Other partners:

- Specialised technology providers
  - Maps, GPS
  - Payment
  - Analytics
  - Specialised APIs
- Financing driver cars
- Insurances
- many other

## Key activities

- Remove friction from transactions
- Scale beyond critical mass
- Engage the participants
- Refine value proposal
- Analyse data & improve

## Key resources

- Network effects
- Data & analytics
- Skilled staff
- Apps, architecture
- Venture capital
- Brand

## Value proposition

### For drivers:

- Income generation
- Flexible work hours
- No boss
- Ease of joining
- Low idle times
- Issue resolution

### For customers/riders:

- Fast pick-up
- Lower cost
- Fare estimate
- Convenience
- Easy transactions
- Rating system

## Customer relationships

### - To drivers & riders:

- safe, secure, fair
- **Public:** communal / social footprint
- **Regulator:** compliance, taxation, transparency

## Channels

- Social media channels
- Word of mouth
- Local campaigns
- Media
- Apps / app stores
- Comms channels

## Customer segments

*Traditional vs micro segmentation*

### Drivers:

- Demographic
- Socio-economic
- Micro-geographic
- Behavioural
- Situational

### Customers/riders:

- Usage patterns
- Type of usage
- Demographic
- Socio-economic
- Micro-geographic

## Cost structure

- Customer acquisition cost, CAC
- Weighted average cost of capital, WACC

- UberPool driver costs, no other drivers are a "cost"(!)
- Legal and settlement
- Lobbying
- Technology development, R&D

## Revenues

- Total booking fares FY 16: ~\$20b
- Net revenue Q4 '16: ~\$3b (28% QoQ growth)
- Net loss Q4 '16: \$991m (ex China)

- Revenue model: transaction fees
- Cost saving to taxis:
- Asset capital cost
- No license fees
- Employee entitlements