REDBUS CASE STUDY

Name: Guru Prasath Ragavendran

Question 1	Identify key metrics for RedBus and share the ones that you as a PM for transactional funnel will actively monitor? (Instructions: Review their app thoroughly to be able to come up with the relevant metrics)
Response	If I were a PM with RedBus below are the identified top metrics that I will be tracking and actively monitoring. 1) Average Time taken to book a ticket 2) Conversion ratio - How many users buy tickets? 3) Session time - Time spent by the user per session 4) Ratio of suggested destination vs manual selection 5) Choice of payment method 6) Bounce Rate 7) Number of sessions per user 8) Source of traffic - organic/paid 9) Net Promoter Score
Question 2	Which of the three user segments could be most valuable for achieving your business objective? Give an explanation for your selection. (Instructions: Explore behavioural, demographic, technical segment categories)

REDBUS CASE STUDY

Response	For achieving the business objective, I feel the below three user segments will be most valuable
	
	1) Tech Segment -
	    1) Mobile User segment - OS & other details - This is primarily important because more than 70% of transaction happens from mobile and opportunities is out open for integration with other platforms. For example - GooglePay app can have integrated ticket booking option to quick book.
	2) Demographic -
	    1) Geography - Since the business involves the travel within and outside of cities, it is important to observe their geography primarily to identify areas of business expansion.
	    2) Age - Identifying their age factor can contribute and help our business to provide the appropriate comfort level during their journey and help us to decide technical acceptance for new features.
	3) Behaviour Segment -
	    1) Frequency of booking — How frequently a user book a ticket? What is the pattern? Help us understand and plan with our partners in expansion and combined growth
	    2) Expectations - What does a user expect during their pre-booking and post booking process? Comfort level during their journey? Amenities expected?
	    3) Purchase Constrains — What are the users purchase constrains? Do they expect more payment gateways? Or pay later options or more integrations with existing apps?

Question 3	Write down the individual steps of a checkout funnel for RedBus? Which 4-5 cuts will you use to monitor this funnel on a daily basis? (Hint: For instance, you can consider the usage across Android, iOS, web & mobile web. So this would be a cut by platform)

Response	Checkout Funnel steps for RedBus 1) Open RedBus 2) Sign In 3) Search for/select a bus 4) Enter Passenger details 5) Payment page 6) Confirmation Page - Print Ticket On a daily basis the following cuts will be monitored. 1. Platform - Track the usage across different tech platforms and source of traffic - web, mobile, etc 2. Conversion - To track the conversion rate. How many users successfully complete the booking process 3. Search - To track the efficiency of search criteria and its results. 4. Payment - to track the time taken for payment to complete. This cut ensure we tie up with correct payment vendor which provides shorter payment processing along with wider payment options.
Question 4	Suggest new features for RedBus to increase customer engagement or retention on its app. What metrics would you use to measure success of these features?
Response	New feature suggestion for RedBus to increase customer engagement & retention - Cross Selling - RedBus can introduce AirTravel & Hotel booking to complete the travel cycle. - Loyalty program - Discount coupons for every three or four bookings per month in a row - CSR - Corporate Social Responsibility (CSR) program that pursues a moral goal. Being a travel booking company to make its product more environmentally-friendly RedBus can tie-up with partners who run eco-friendly buses. Getting involved with customers' communities and personal goals is a great way to demonstrate commitment to their needs. - Push Notification - A push notification is a simple and cost-effective way of retaining customers. RedBus can use automation to send updates on safety or offers to all of customers at once. Even though it's simple, push notifications remind customers the brand every time they open their notification on their phone. - Get Destination Alerts - Overnight travel can become a nightmare if the user mis their destination. To make it more pleasurable journey the app can notify the user or alert the user using the phone alarm before 30 min of reaching the user destination. This can be achieved using the GPS real time location tracking. Metrics to be used for measuring the success NPS - Net promoter score Conversion Rate - For push notification & loyalty programs Partner code and campaign codes tracking for cross selling
Question 5	According to you, what are the major challenges that RedBus could face in the next 12-24 months?

REDBUS CASE STUDY

Response	1) Revenue - Given the current economic slowdown which RedBus has already sensed, RedBus had to look for avenues on expanding their geographic boundaries. RedBus currently operates in India, Singapore, Malaysia, Indonesia, Peru & Colombia. To make this expansion happen RedBus has to do either of two things below to enter a new market. 1) Inorganic way — through local players or 2) Organic way by directly entering the market Currently 7% of revenue comes from international market and expansion is inevitable in this economic slowdown otherwise generating revenues will be a major challenge. 2) Threat from competitors - RedBus has direct and indirect competitors like RailYatri, Ola, Uber & ZoomCar. Currently RedBus on a trial basis has introduced ride sharing service in few cities but at the same time, RailYatri has introduced intercity bus service whereas Ola & Uber introduced Outstation and rental car services. The major challenge for RedBus in the next one year will be to compete with their competitors on these services and retain its customers. 3) Customer Retention - Customer retention is another challenge in the upcoming year for RedBus because of direct competition from AbhiBus, etc. To increase customer retention RedBus has to think of introducing new features like new range of amenities like food delivery, CCTV for safety, Washrooms etc. 4) Partner acquisitions — Apart from the direct competition, local players for inter city operations are a major threat. Though 70% of this sector is now acquired by RedBus rest of 30% is still unorganised by local players. The partner acquisitions has to happen pretty fast in the next coming years.

REDBUS CASE STUDY

Disclaimer

All content and material on the UpGrad website is copyrighted material, either belonging to UpGrad or its bonafide contributors and is purely for the dissemination of education. You are permitted to access print and download extracts from this site purely for you own education only and on the following basis:-

- You can download this document from the website for self use only.
- Any copies of this document, in part or full, saved to disc or to any other storage medium may only be used for subsequent, self viewing purposes or to print an individual extract or copy for non commercial personal use only.
- Any further dissemination, distribution, reproduction, copying of the content of the document herein or the uploading thereof on other websites or use of content for any other commercial/unauthorized purposes in any way which could infringe the intellectual property rights of UpGrad or its contributors, is strictly prohibited.
- No graphics, images or photographs from any accompanying text in this document will be used separately for unauthorised purposes.
- No material in this document will be modified, adapted or altered in any way.
- No part of this document or UpGrad content may be reproduced or stored in any other web site or included in any public or private electronic retrieval system or service without UpGrad's prior written permission.
- Any rights not expressly granted in these terms are reserved.