

UBER SOUTH AFRICA

“SAFETY AND PHILANTHROPY”

FIA CONSULTING GROUP

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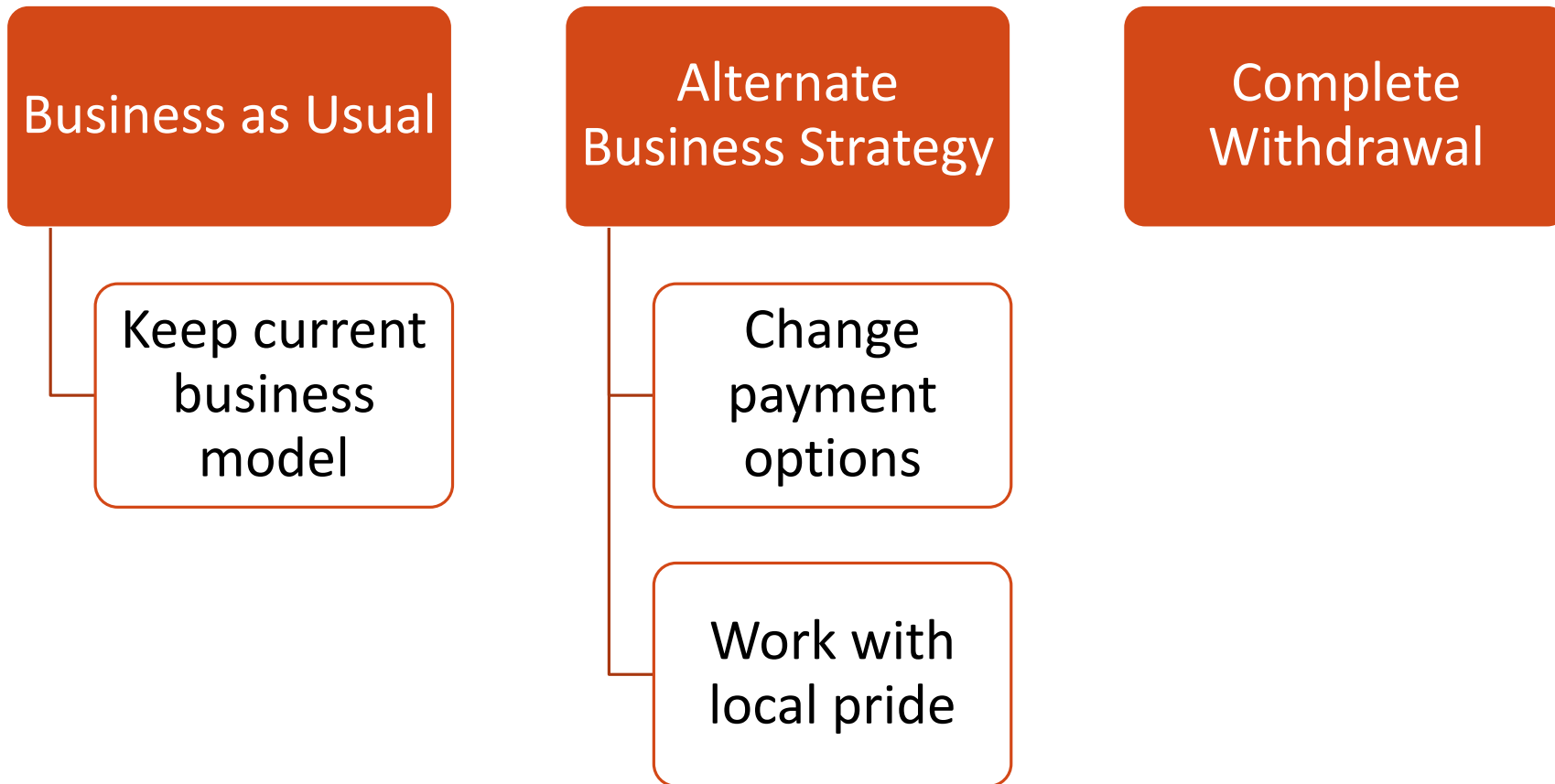
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The Challenge

1. How can Uber operate in the competitive public transportation space in South Africa where undercutting is not welcome?
2. Is there an alternative way that Uber could have catered to the needs of customers without putting the drivers at risk with the introduction of cash payments?
3. Is there a strategic approach that would have supported the new cash system plan whilst safeguarding the Uber driver?
4. What can Uber do to reassure drivers and passengers of their safety?
5. What can be done in the wake of competition from Zebra Cabs?
6. What is the recommended overall strategy for Uber going forward in the South African market, i.e., business as usual, an alternate business strategy or complete withdrawal?

The Options

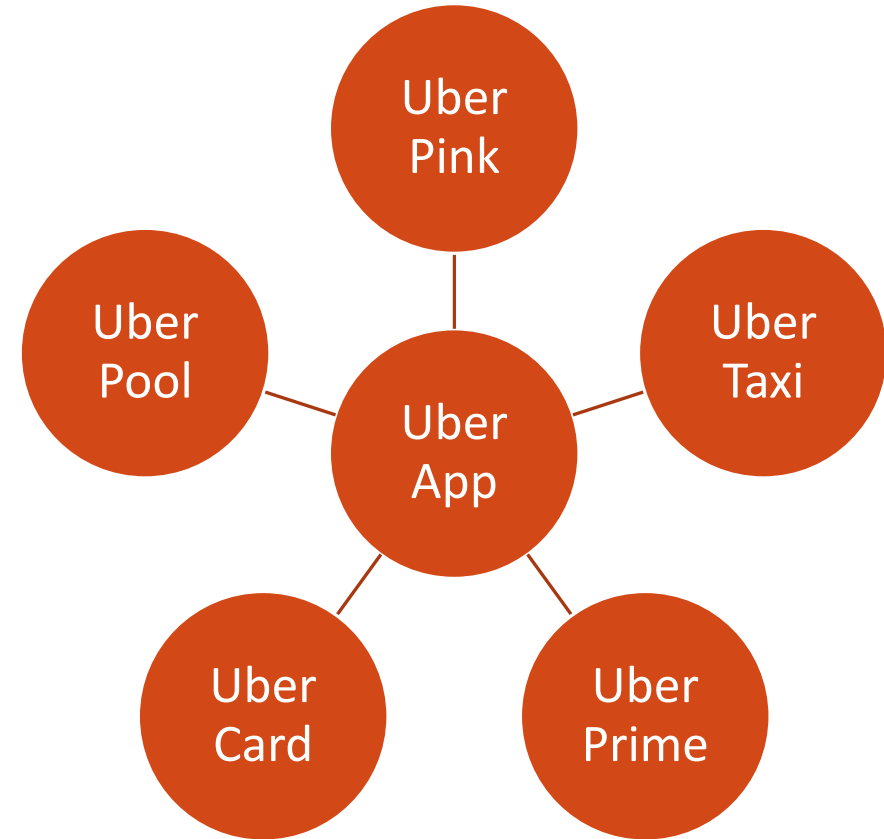


The Proposed Solution

1. Adding-on of extra services to include more potential Uber drivers;
2. All-new virtually cashless payment solutions for the service;
3. Cooperation with local businesses and non-governmental agencies to promote the sense of nationality for a foreign company;
4. UberTaxi – an all-new service!

New Services

1. Uber Pink: female drivers for added safety to female riders;
2. Uber Taxi: ability to register taxi cabs into the Uber system;
3. Uber Prime: upscale cars for higher-income clients and/or for special occasions;
4. Uber Pool: ability to share a ride with other people headed in similar directions for a reduced fare;
5. Uber Card: cashless payments



Local Pride

Partnership with local institutions to include 2% of the Uber Rate paid as donations.

- Rider will choose the institution upon ride request;
- Ability to include Uber as a “South African-friendly” company.

Uber Taxi is an answer for the Zebra Cabs competition, since any registered cab driver will be able to include themselves in Uber’s systems.

UBERCARD CASHLESS PAYMENTS

CARD TYPE	WHERE TO BUY / RATES
Prepaid Card	Local supermarkets, available in prepaid fixed rates
Mobile Credit Transfer	Local telecom companies, available in pay-as-you-go

Assumptions

Uber South Africa only offers the services mentioned in the case;

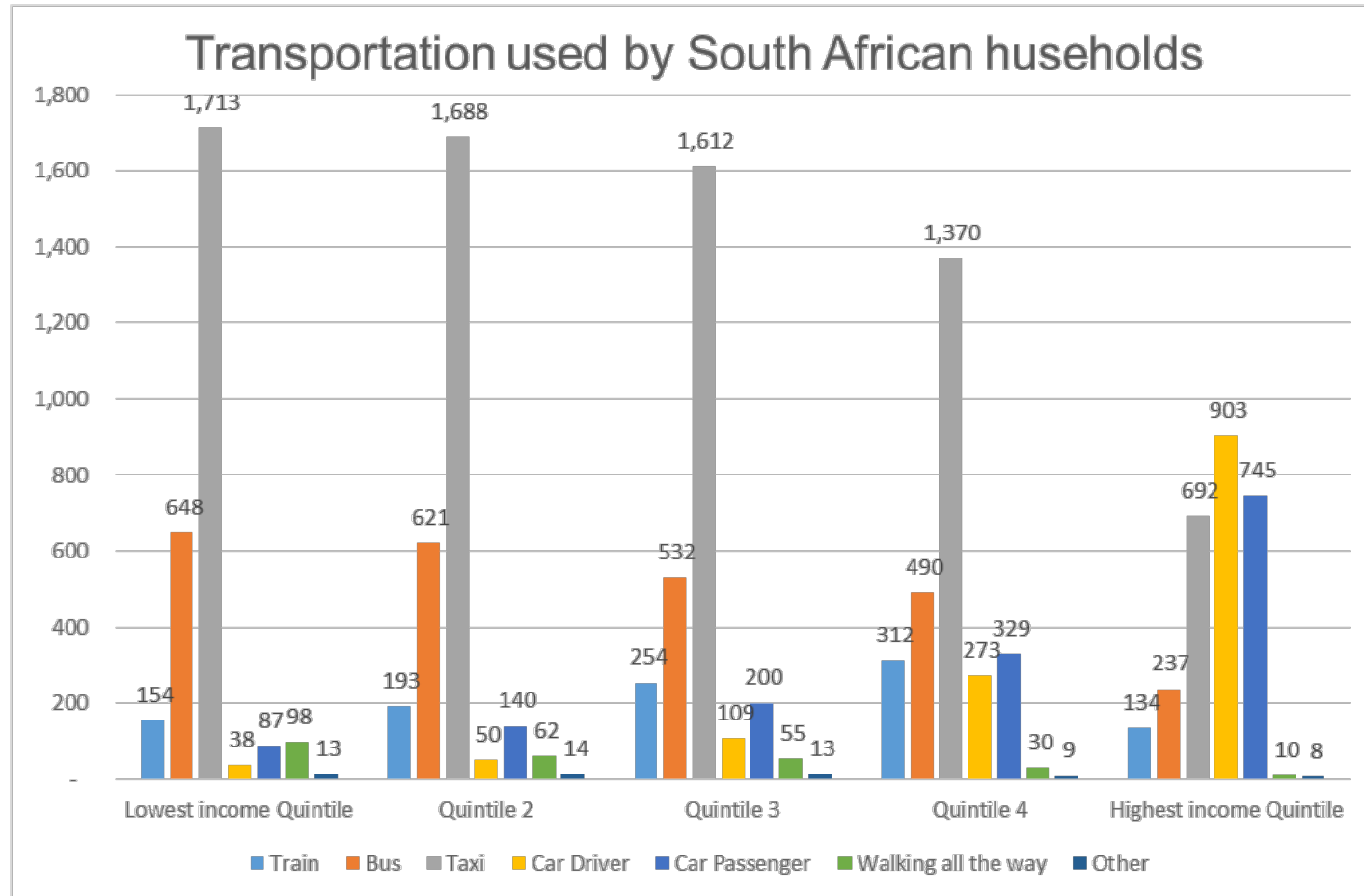
Partnership with an established supermarket chain and telecom company will happen;

Experience from Uber's operations in other emerging countries was used to make rate calculations and other financial statements;

Regular users make an average of 2 rides per week;

Uber company fee will be 23%.

Financials



Market Share Goal in 2 Years

House income quintile		Main Mode							Total
		Public Transportation			Private Transportation		Walking all the way	Other	
		Train	Bus	Taxi	Car Driver	Car Passenger			
Uber	Number	26	126	708	-	150	-	-	1,010
	Percent	2.5%	5.0%	10.0%		10.0%			28%
Uber Taxi	Number	-	-	1,415	-	-	-	-	1,415
	Percent			20.0%					20%
Uber Black	Number	-	-	708	206	75	-	-	988
	Percent			10.0%	15.0%	5.0%			30%
Uber Pink	Number	-	-	354	-	-	-	-	354
	Percent			5.0%					5%
Uber Pool	Number	79	379	-	-	75	26	-	558
	Percent	7.5%	15.0%			5.0%	10.0%		38%
Total	Number	105	506	3,184	206	300	26	-	4,326
	Percent	10.0%	20.0%	45.0%	15.0%	20.0%	10.0%	0.0%	31.3%

Revenue Projection in 2 Years

	Average value per ride (US\$)	Uber Fee	Rides per week	Week	Year
Uber	5	23%	2	2,323	120,808
Uber Taxi	5	23%	2	3,255	169,234
Uber Black	7	23%	2	3,183	165,506
Uber Pink	5	23%	2	814	42,309
Uber Pool	3.5	23%	2	899	46,749
Total	-	-	-	10,473	544,606

Implementation Plan

SERVICE	ACTION PLAN
Uber Taxi	Contact taxi driver associations to enroll contracts and to create strategic partnerships
Uber Card	<ul style="list-style-type: none">• Contact telecom companies to create mobile payment system• Create Uber Card to be sold in a supermarket partnership
Uber Pink	Make social media efforts to stimulate female drivers to enroll in Uber and communicate this to female riders
Uber Prime	Open registration for specialized cars for this Uber category
Uber Pool	Insert system into current Uber app

Risks and Mitigation

Cultural acceptance to female drivers

- Uber Pink – social media to empower women

Security of female drivers and riders

- Uber Pink – allow only female riders to request an Uber Pink

Security of drivers

- Remove cash payments and include Uber Taxi system

Government intervention

- Work with social media to raise awareness of the benefits

Summary

CHALLENGE	RESPONSE
Competitive public transportation	Uber Taxi and Uber Pool
Driver Safety	Uber Card
Passenger Safety	Background check of driver and Uber Pink
Zebra Cabs and Local Pride	Local institution support through Uber ride request

Merci! Thank You!

WE ARE NOW OPEN TO ALL QUESTIONS.

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