

Uber: Smoothing the Bumps

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The Situation

Update

Metered Taxi Drivers are unhappy at Uber's presence in the Johannesburg

Since Uber has allowed for cash payments, our drivers are concerned about potential car hijackings

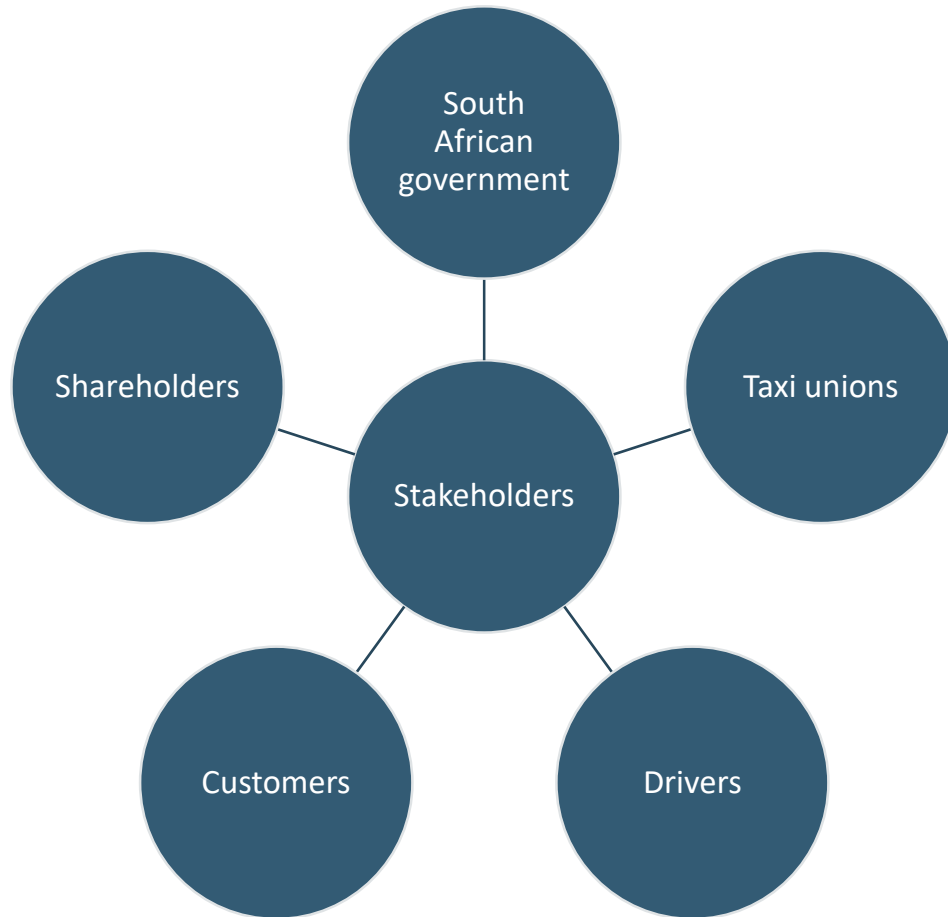
Drivers and customers are nervous about their own personal safety since an Uber driver was shot and killed.

We are facing strong competition from a local competitor, Zebra.

How could this have been avoided?

- Market evaluation conducted before entry into market to identify resistance to non-local companies
- Marketing campaign during initial roll-out
- Partner with government to discuss current social and economic problems and how Uber would assist in high unemployment

Stakeholders



Could be hindered by taxi unions distrust and dislike of foreign company.

Could be helped by government partnership to promote benefits of Uber for South Africans.

Customers see value of Uber, need to make the transportation sector and government see value of Uber.

Our Customer

- Women and Men
- Working age (16+)
- Low and middle income

- Looking for low cost transportation to get to work
- Concerned with safety
- Prefer to pay with cash

Discussion of Options

Alternatives

Do nothing

- Pro: no additional investment costs
- Con: continue facing challenges in market and safety issues

Completely withdraw

- Pro: No risk associated with investment costs
- Con: potential loss of additional African markets

Change business model

- Pro: potential to replicate this model for successful entry into additional African countries and cities
- Con: Investment costs in new payment logistics

Looking at the Timeframe

Timeframe

- Within:
 - 2 Days
 - We must have an external PR & Marketing Company to take on this situation
 - Local team to consult on current issues
 - 1 week
 - Develop capability for Uber for Women
 - Collect Data on economic impact of Uber in South Africa to present to government
 - 1 Month
 - Establish local government contact
 - Launch marketing campaign
 - Contact Local businesses

Über Jozi

Uber Jozi Outline



Uber Jozi Marketing Campaign

- Our Message:
 - Consumer – “Uber Jozi, where your driver is your neighbor”
 - Government – “Uber Jozi, Providing Safe and Rewarding Jobs.”
- Channels – Informing them of our restructuring in South Africa
 - Blog
 - Uber Website
 - Interviews
 - Local News

Partner with Johannesburg Government

- Step 1: Establish a local liaison to work with city government on what they want and expect from Uber
- Step 2: Roll Out Women Ride Only Service
- Step 3: Partner with Local Groceries and Convenience Stores

Step 2: Roll Out Women Ride Only Service

Allow women to register accounts under “safe rides”



When women request a safe ride they will be sent a female driver



Drivers will be selected based on proximity and rating



No new driver with a poor rating will be sent to pick up this customer

Create and Roll Out Prepaid Cards

Uber Jozi Card allows for cash paying customers to still use Uber the conventional way because :

1. The Card can be purchased at convenience or grocery store using cash
2. Card can be uploaded to Uber account just like a credit card would
3. Card can be credited more money if it runs out at point of contact stores

Create Uber Pre-paid Cards

- Step 1: Establish Relationship with local print shop to create cards
 - Low Cost Production
- Step 2: Use Local Company Partnerships to implement sale of prepaid cards
 - Establish a Local Liaison
 - Work with gas stations & convenience stores a percentage for selling these cards in store
 - They will deal with customers face to face and will be in charge of crediting the cards more money when needed

Timeline

0-3 months

Marketing campaign
Establish positive government relationship

3-6 months

Roll out Uber for women
Establish partnership with local card production company to develop prepaid card.
Establish partnership with stores to provide prepaid cards.

- Large discount retail stores
- Gas stations
- Grocery stores

6-12 months

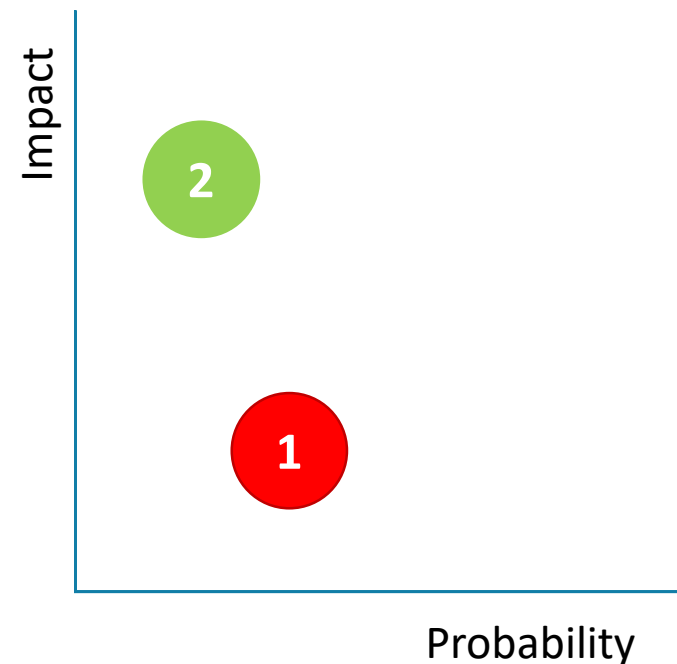
Roll out of prepaid payment cards

Budget

- Initial budget of \$50 million US
 - \$30 million for technology implementation
 - \$10 million for Government, Legal, and other Tariff fees
 - \$10 million for initial Uber card distribution
- 2% Fee to new merchant partners
- Increase fares for Uber riders
- Price point between Bus & Taxis
- Bus and Taxi market are 70% of total transportation market
- Target 20% of that existing market plus affluent population

Risks and Mitigations

	Risks	Mitigation
1	Persisting negative reputation of Uber in Johannesburg	Continue to create positive relationships with stakeholders
2	South African Government does not want to partner	
3	Local Competitors adopt our pre-paid card ideas	Differentiate ourselves in another way



Additional Considerations

- Expand Uber operations to other cities in South Africa
- Expand Uber operations to other countries in Africa
- Partner with schools and provide rides for children who would otherwise walk to school to promote Uber image

Slide Appendix

- The Situation
- Update
- Could this have been avoided?
- Looking at the Timeframe
- Timeframe
- Financial Implication
- Financial Impact
- Uber Jozi
- Uber Jozi Outline
- Uber Jozi Marketing Campaign
- Partner with Johannesburg Government
- Step 2: Roll Out Women Ride Only Service

Contingency Plan

- After 1 year, we will re-evaluate our standing
 - Consider our profitability and possibly remove business temporarily or permanently from South Africa