KPMG

Case Analysis

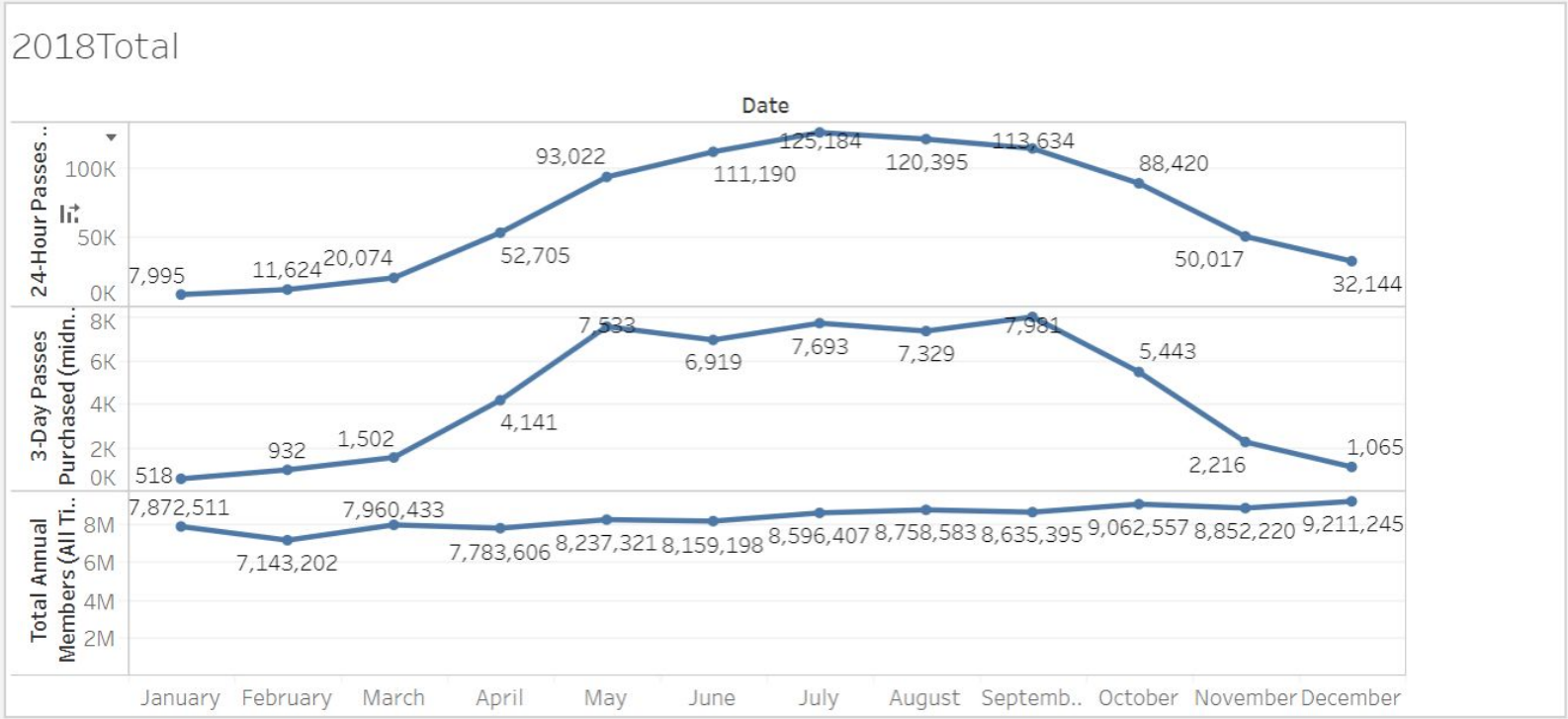
Looking at the Data...

- Utilize existing bike user data in order to optimize station/bike allocation based on location usage volume (decreased rebalancing time)
- Analysis of current revenue model to identify potential opportunities for increased sales

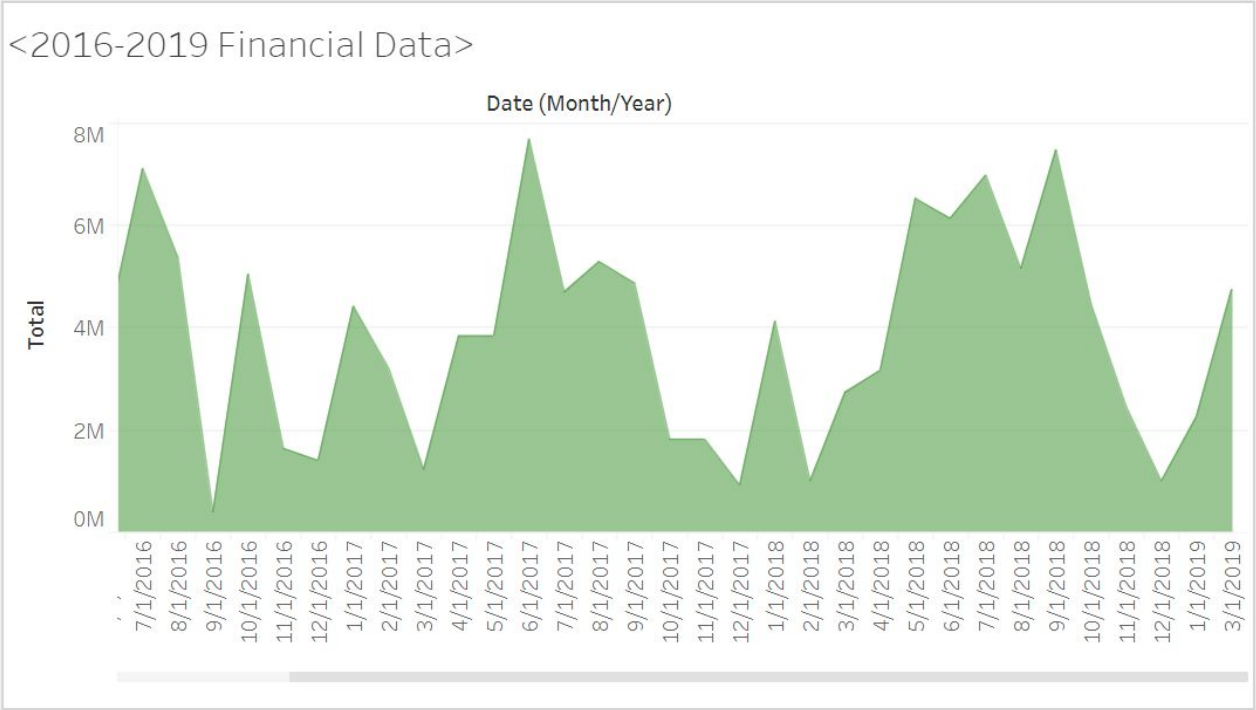
SWOT Analysis on Citi Bike

Strengths	• Environmentally friendly • Affordable yearly subscription • Convenient in certain city sectors
Weaknesses	• Bike repair & widespread availability • Immutability a big issue if there's a mistake • Maintenance costs
Opportunities	• Optimization of rebalancing strategy • New technology in terms of electric bike breaking mechanism
Threats	• "Lime" bike partnership with city • Increased demand leading to bike shortages in "hotspots" • City intervention/regulation

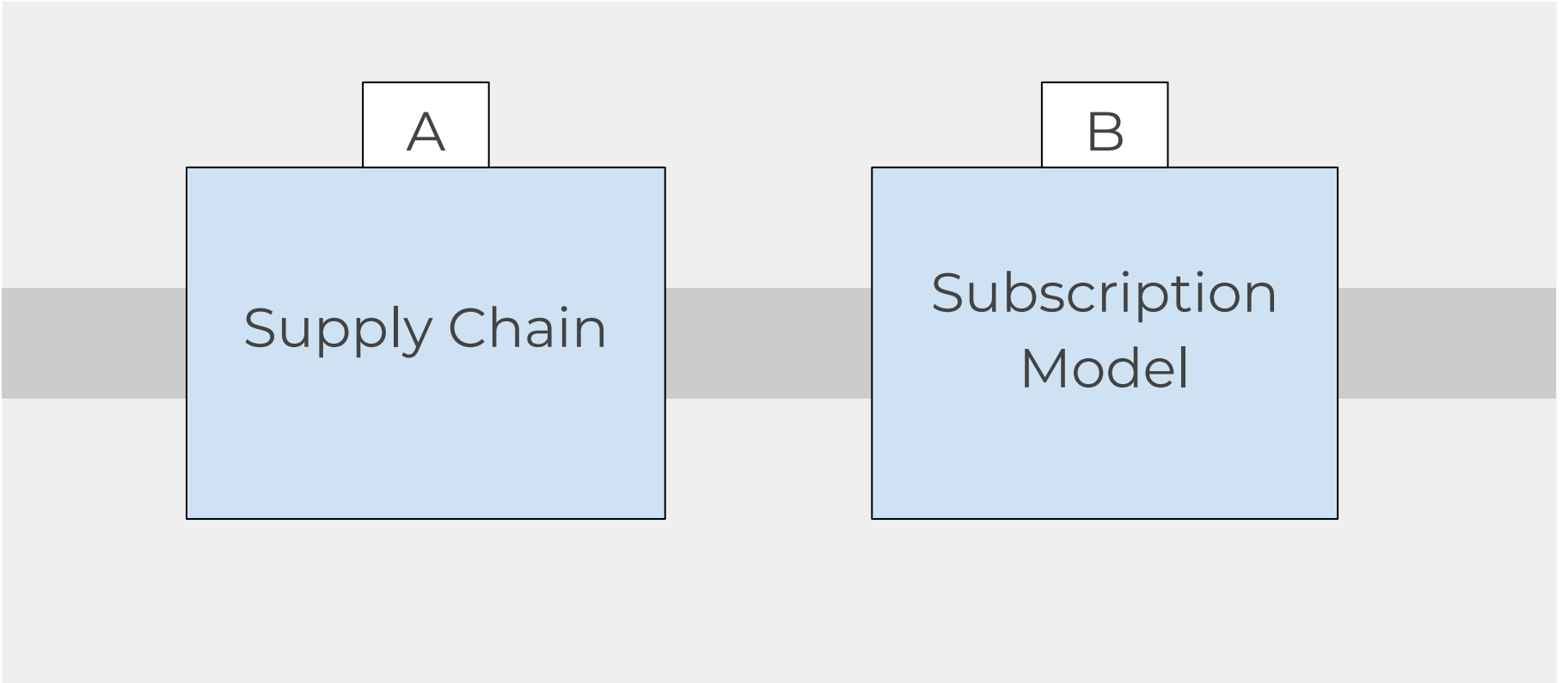
Membership Data



Monthly Revenue Trends

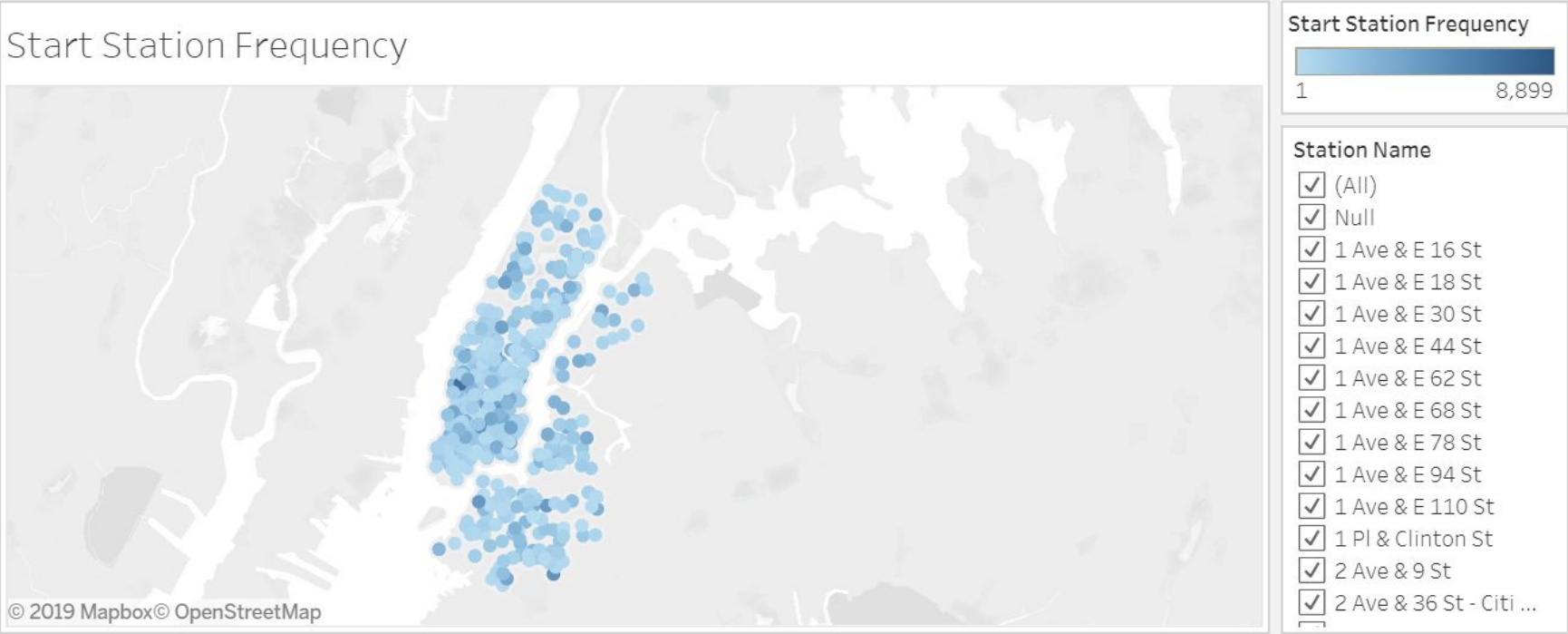


Business Recommendations

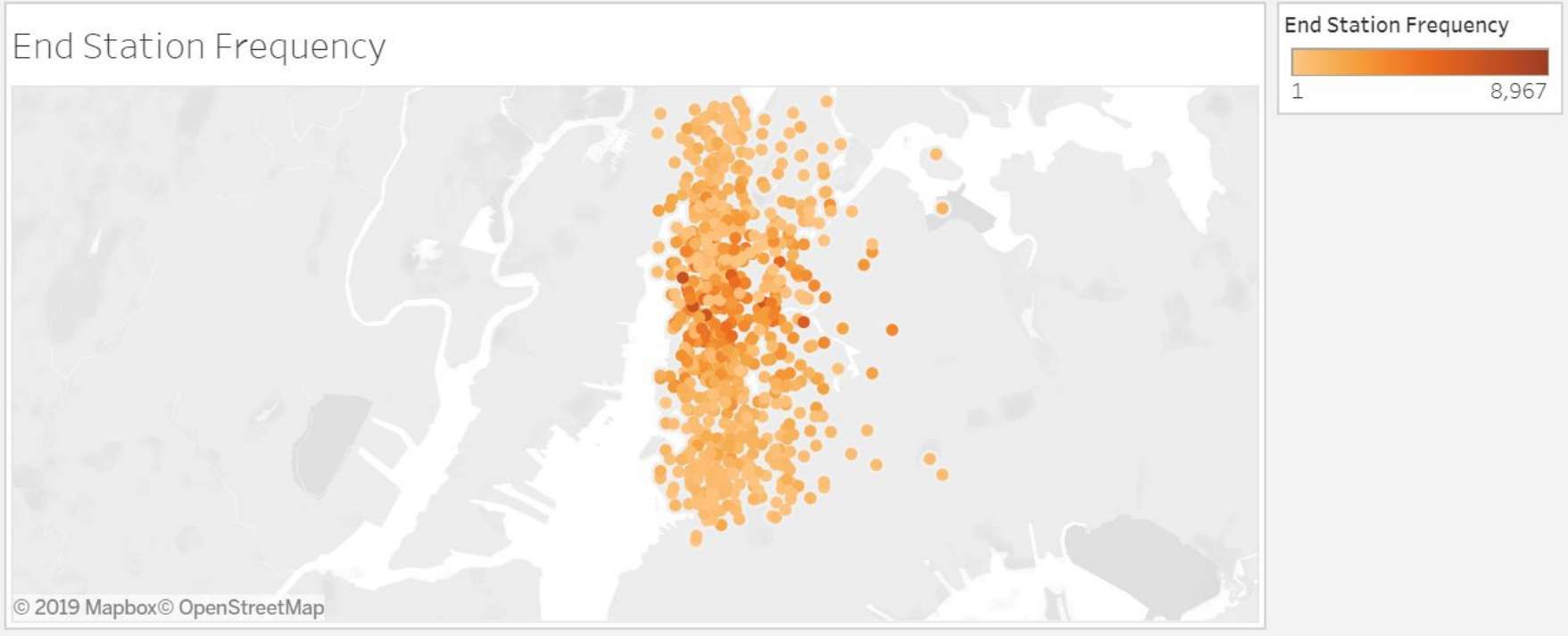


Bike Station Optimization

Start Station Usage Frequency



End Station Usage Frequency



Supply Chain Improvement

Target Problem: High volume areas are experiencing a shortage of bikes on a consistent basis

Solution

Data Driven Reallocation

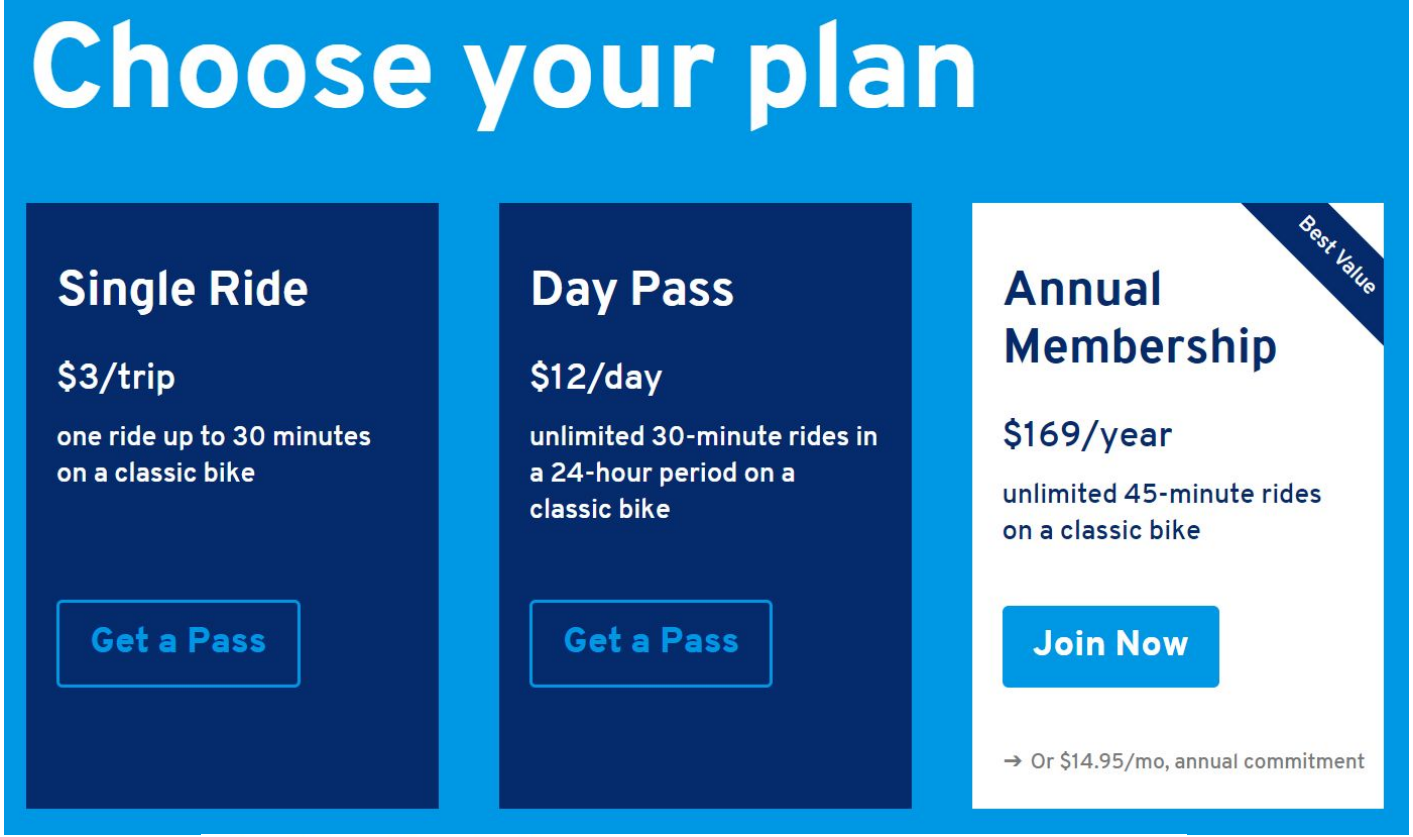
- Utilize existing ride data in order to more efficiently allocate bikes to high frequency locations
- Identify high-risk structures

Company Enhancements

→ Higher customer satisfaction

→ Optimization of “Rebalancing” strategy

Subscription Model



Short-Term Pass Options

PASS TYPE	COST
Day Pass (24 hours of Citi Bike access)	$12
3-Day Pass (72 hours of Citi Bike access)	$24

<u>Additional costs</u>:
Extra time fees!

Subscription Model Adjustments

Target Problem: season cyclicality of revenues, lost revenues through current subscription model

Solution

6 Month Subscription

- Marketed & sold prior to the winter months
- Priced with slightly higher monthly costs than annual sub

Alignment with Citi Bike's Priorities

→ Captures "lost" revenues

→ Reduces extreme seasonality of revenues

Thank You!

Questions?