



# Driving growth in multi-sided markets

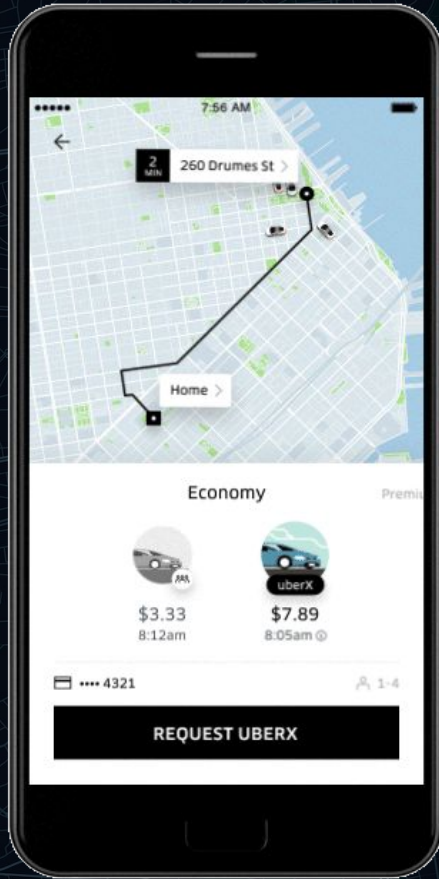


Irfan Ganchi



Ahmad Anvari

UBER



**Reliable transportation  
everywhere, for everyone.**

**UBER**

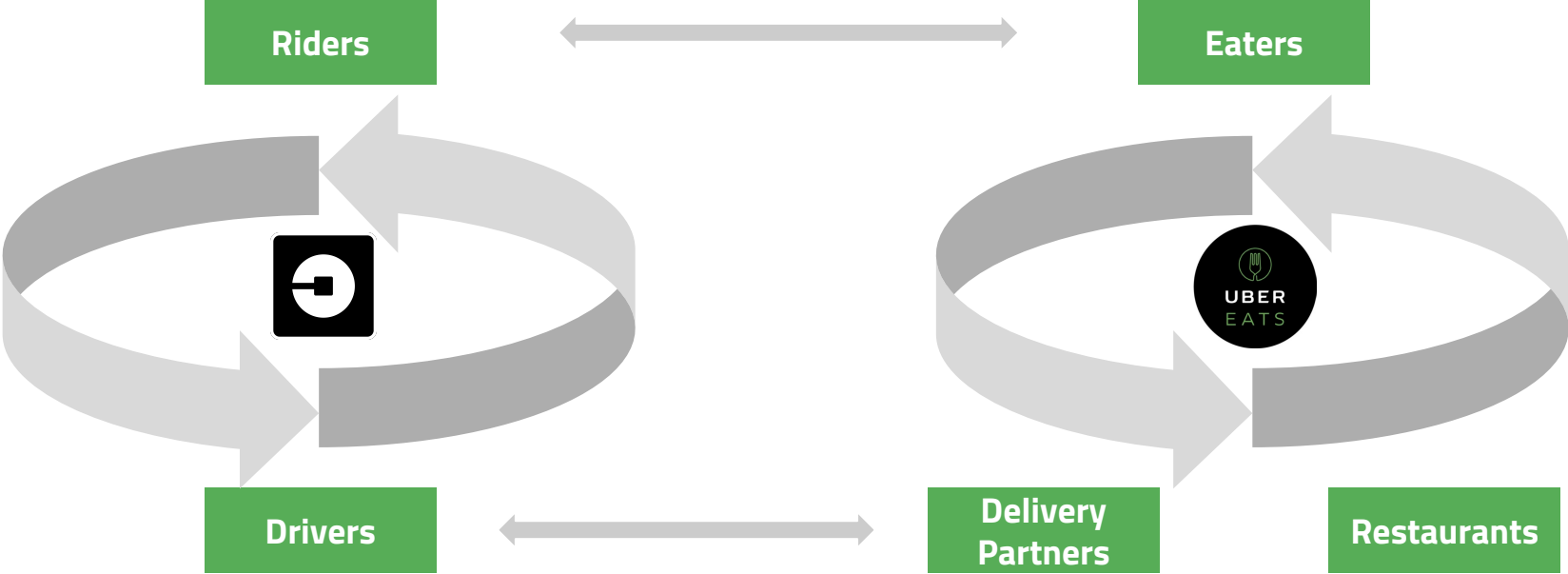


**It started with connecting drivers and riders...  
inspired by customer needs**



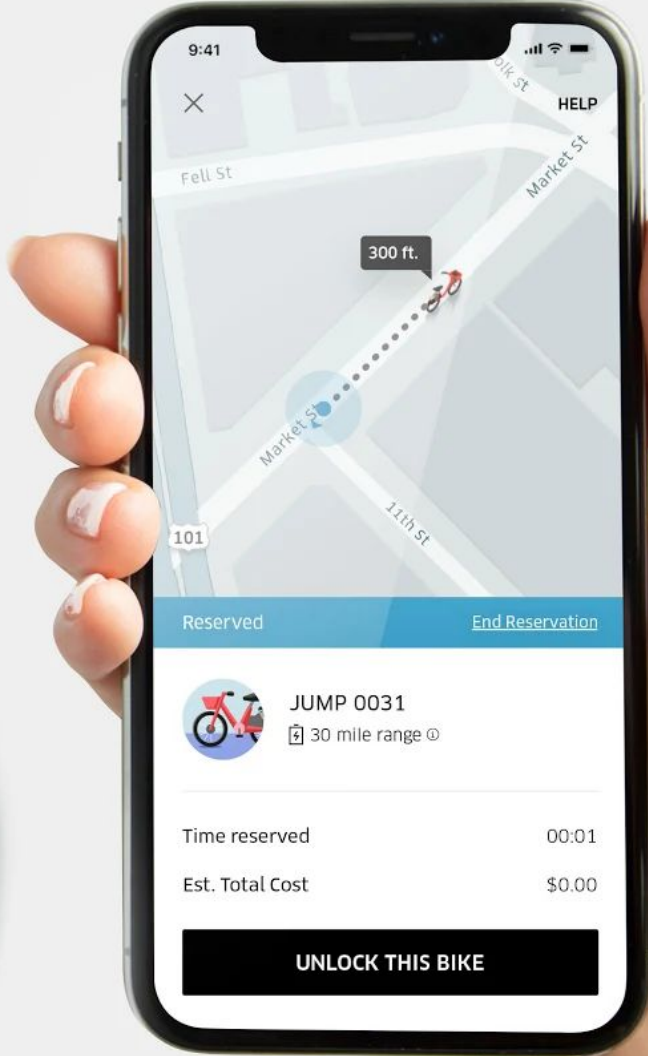
**...followed by Uber Eats to connect restaurants with delivery partners and customers.**

# Uber customers are on all sides of the marketplace



**2-sided platform**

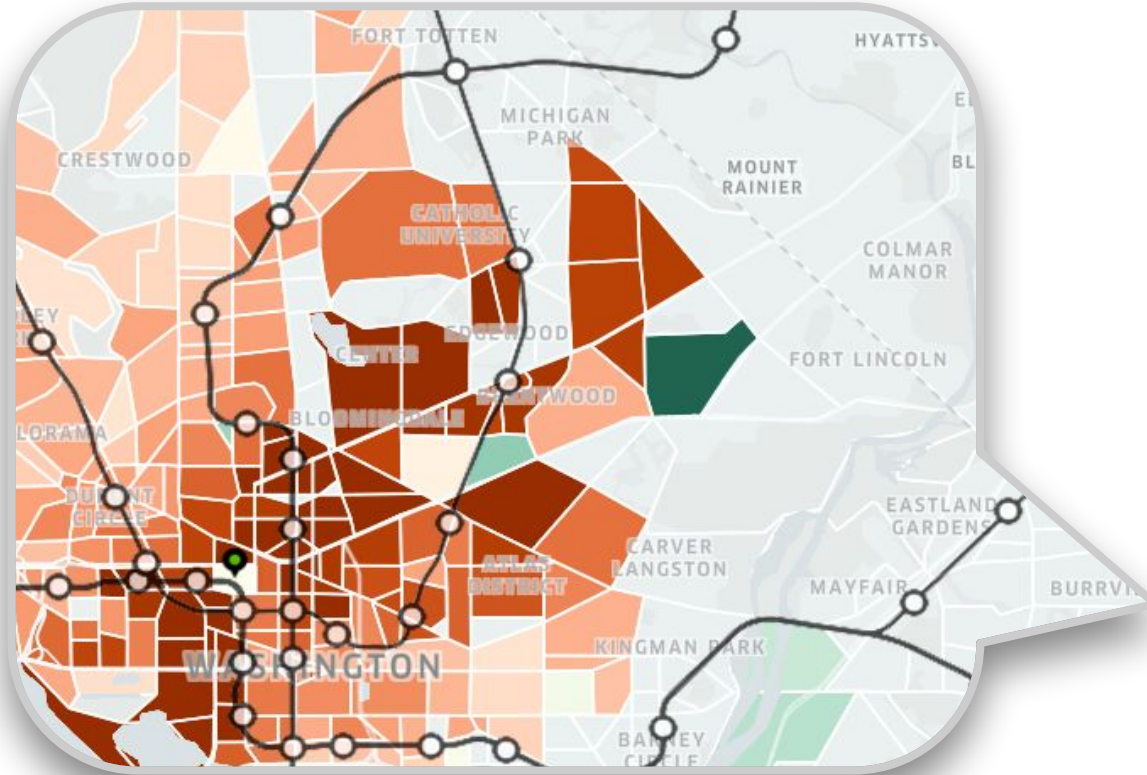
**3-sided platform**



**...and we're  
adding new  
modalities to  
an already  
complex  
platform**

**UBER**

# Uber is not just a local platform, but a HYPER-LOCAL one...



Global Platforms  
**amazon**

Local Platforms  
 **TaskRabbit**

Hyper-local Platforms  
 **UBER**

UBER

...and not just a temporal platform business,  
but a ***HYPER-TEMPORAL*** one



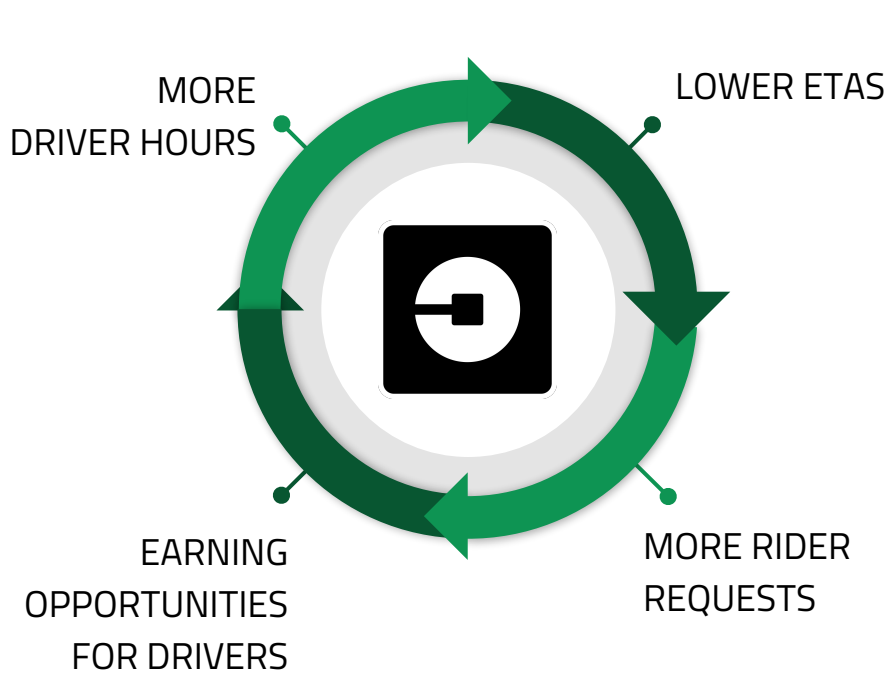
**6:38 AM**

LONDON 04/09/2016



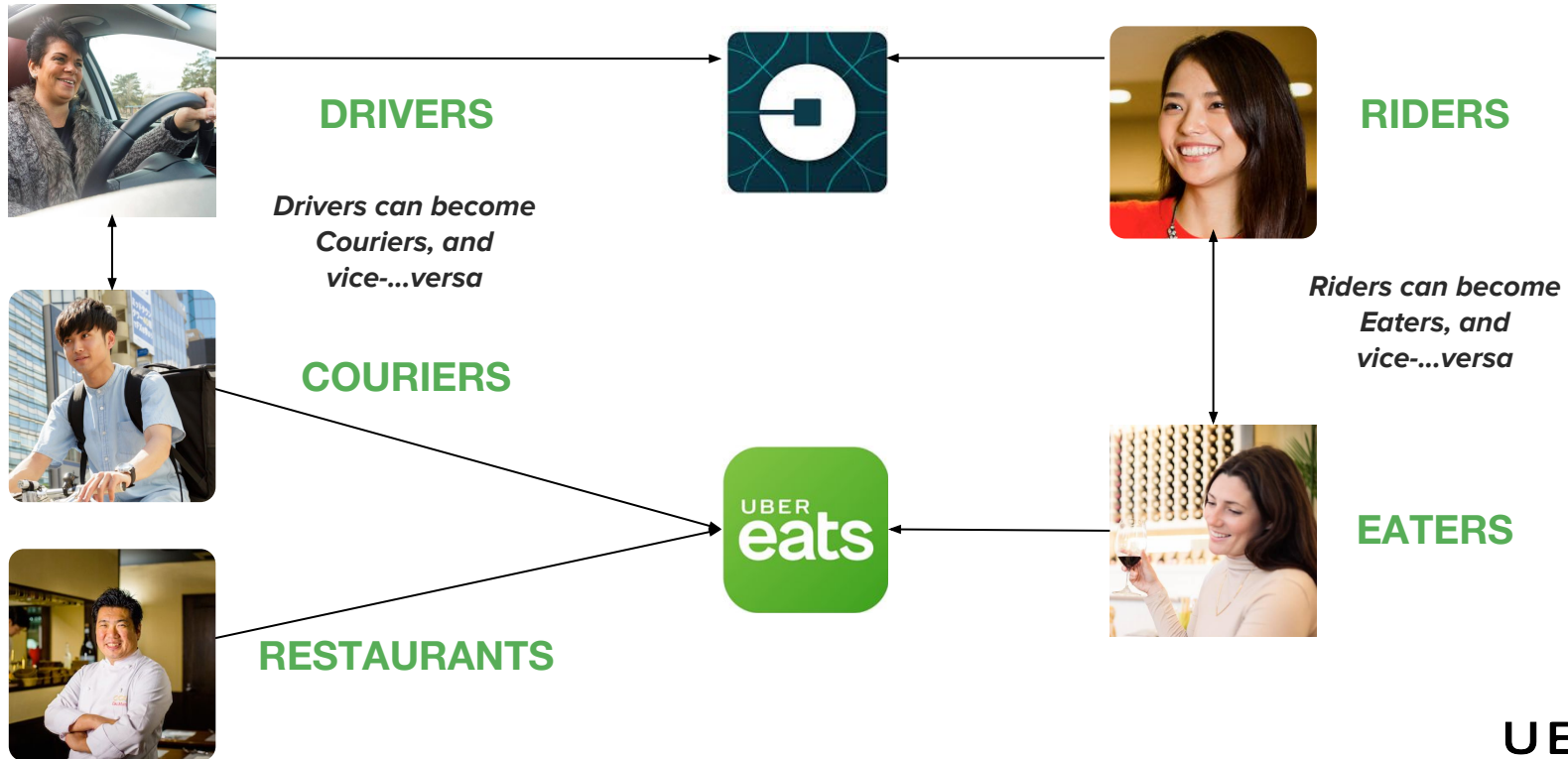


# Uber leverages network effect to stimulate a growth flywheel...



**UBER**

# ...and leverages Uber's Family of Platforms: the cross-platform network effect





## Minimum requirements

Anybody can drive with Uber, although there are a few minimum requirements:

- Be at least 21 years of age
- Have at least one year of licensed driving experience in the U.S. (3 years if you are under 23 years old)
- Have a valid U.S. driver's license
- Use an eligible 4-door vehicle



## Required documents

Before hitting the road, share the following documentation:

- A valid U.S. driver's license
- Proof of vehicle insurance
- A driver profile photo
  - Must be a forward-facing, centered photo including the driver's full face and top of shoulders, with no sunglasses
  - Must be a photo only of the driver with no other subject in the frame, well-lit and in-focus and cannot be a driver's license photo or other printed photograph



## Driver screening

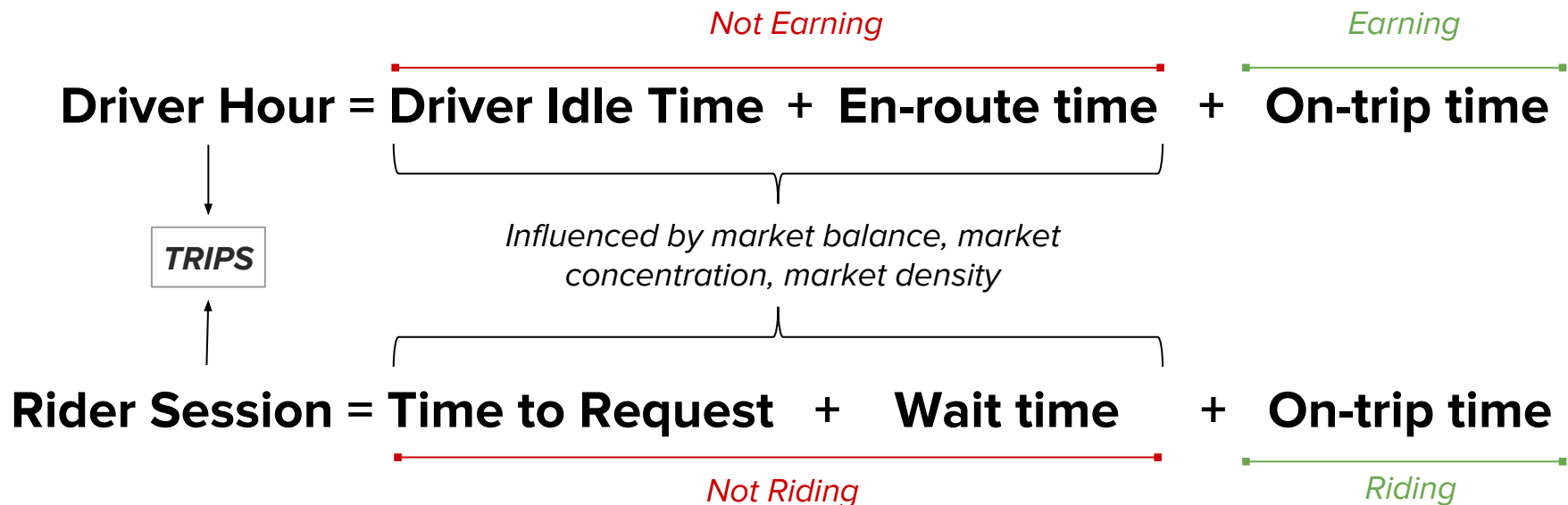
After signing up, you can complete a screening online. It will review your driving record and criminal history.

[READ MORE ABOUT SAFETY >](#)

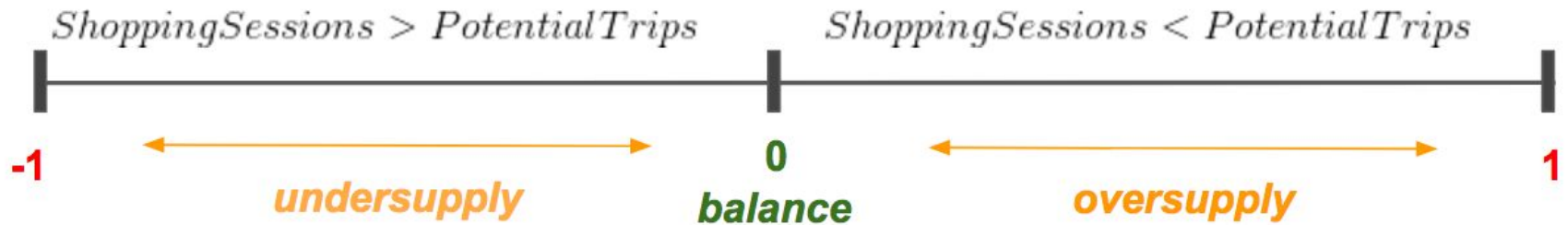
**...but acquiring  
driver and  
courier hours  
takes time and  
investment...**

**UBER**

...and balancing utilization of hours and customer satisfaction while driving growth is incredibly hard.



**Achieving this balance is critically important to our platform's reliability and growth.**



# How we drive growth and address marketplace balance

# The Uber Marketplace is a complex ecosystem - we use a number of methods to try to manage it...



Driver Positioning  
Forecasting



Dynamic Pricing  
Fares



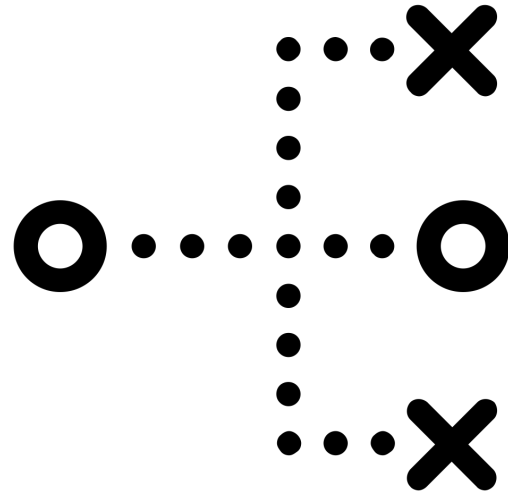
Intelligent Dispatch  
Driver / Rider Pricing



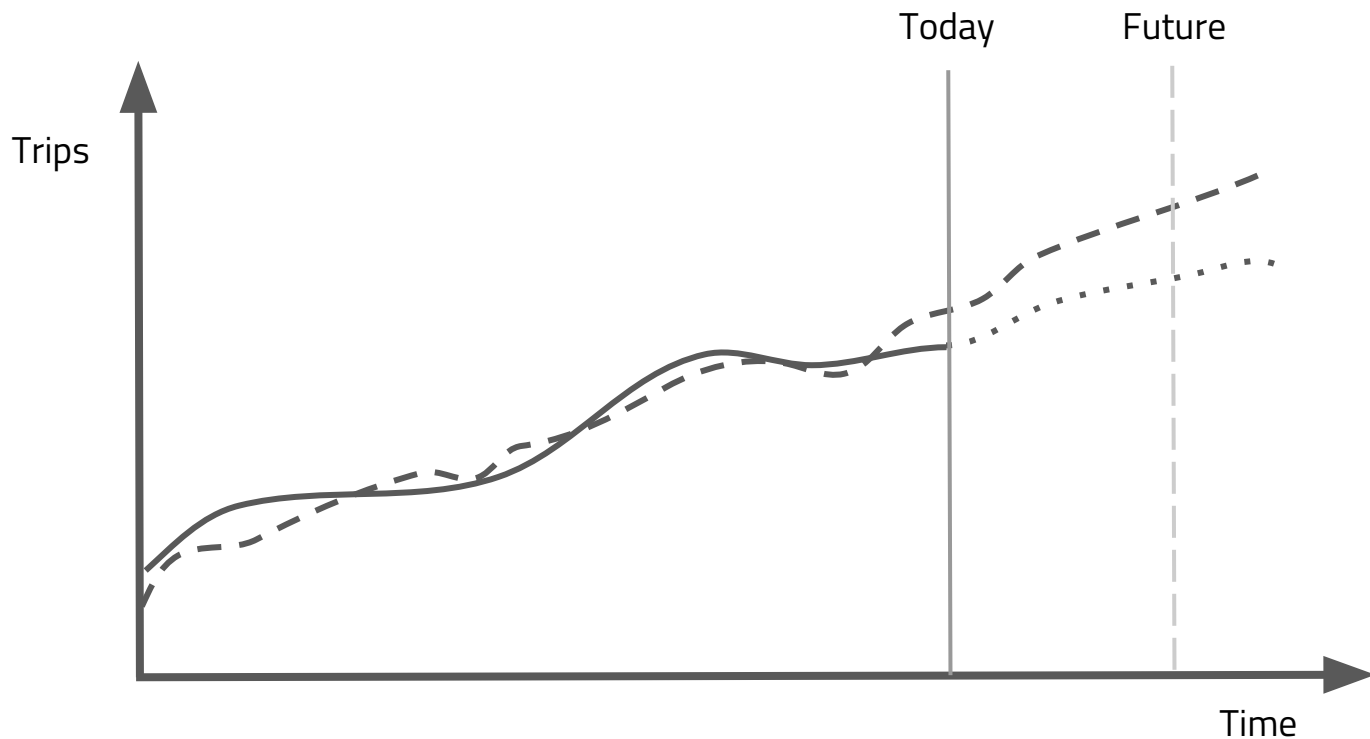
Marketplace Health  
Marketplace Platform & Data



**In our Marketplace, there are the models that describe the world and the decision engines that act on those models**



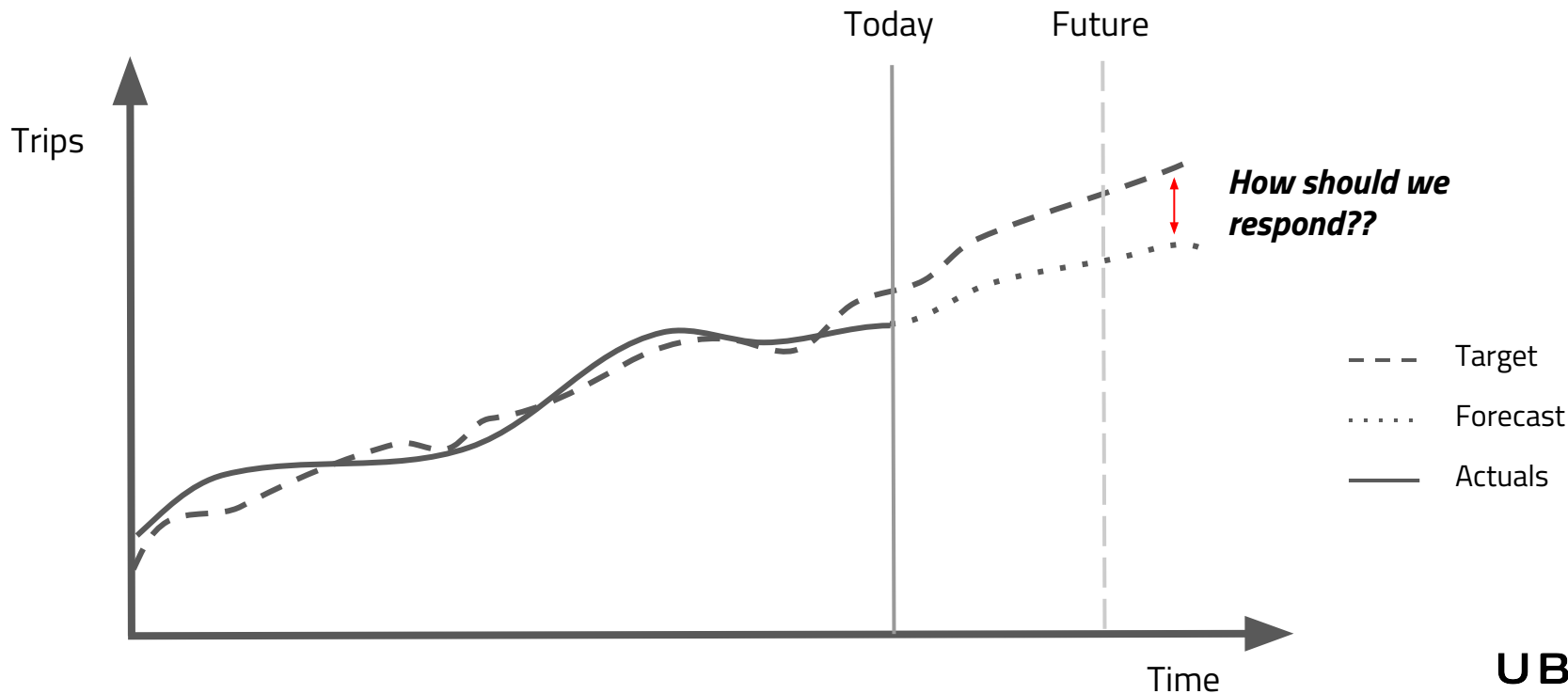
# Forecasting across time in a multi-sided marketplace is difficult...



- **Driver hours are unpredictable but less volatile**
- **Rider sessions are more volatile**
- **Balancing the two across time is the challenge**

--- Target  
..... Forecast  
—— Actuals

...and even if we forecast well, it is not easy to know how to respond to a future imbalance.



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# We also continually forecast at a very granular level.

Supply

Open Cars / Available Drivers

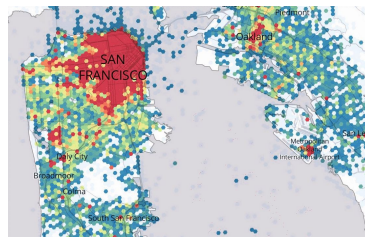
Demand

App Views / Sessions

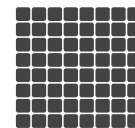
Other quantities

Request times, Arrival Times, Airport Demand, etc.

for a given space

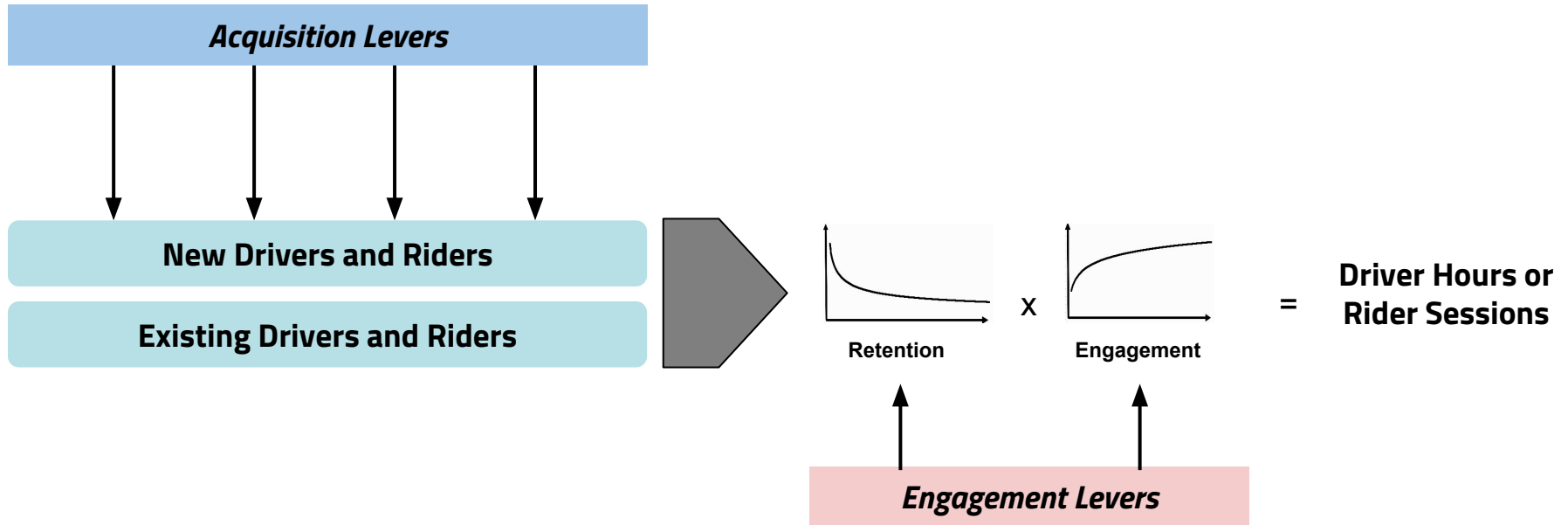


and time horizon.

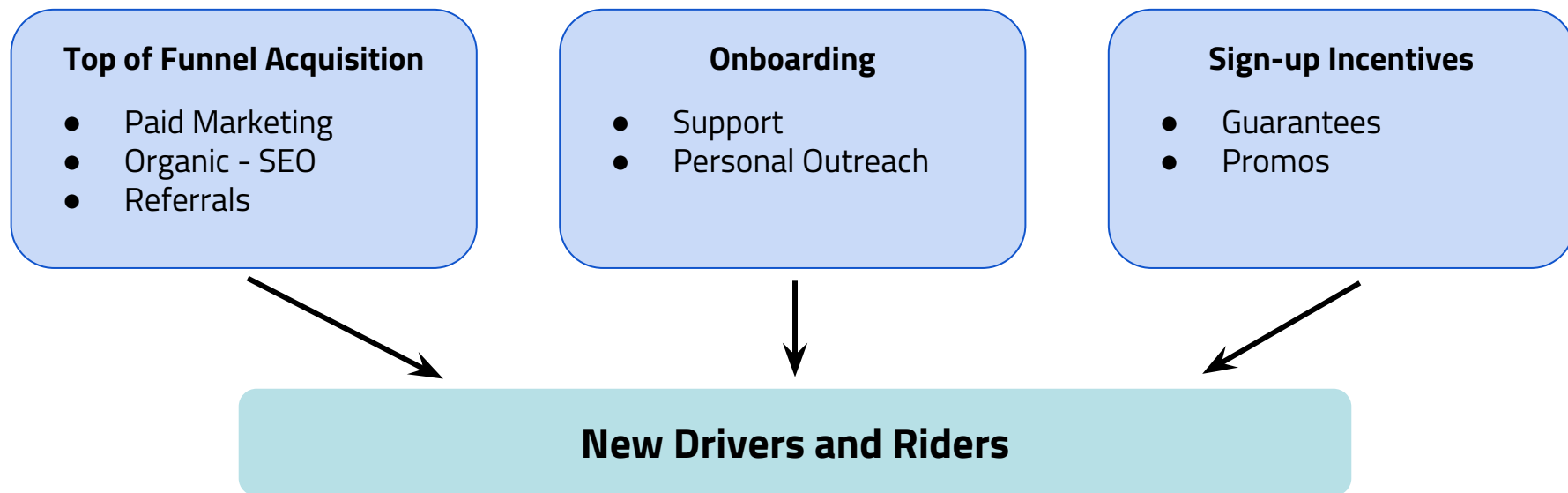


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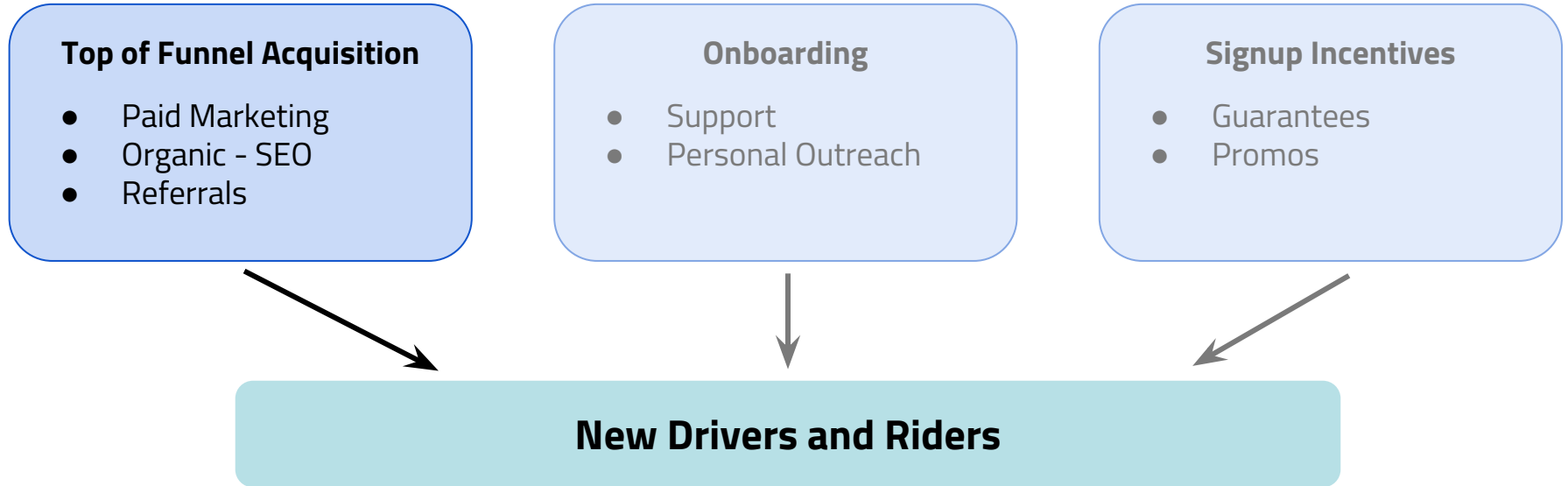
# We use a set of acquisition and engagement levers to address current and future market imbalance...



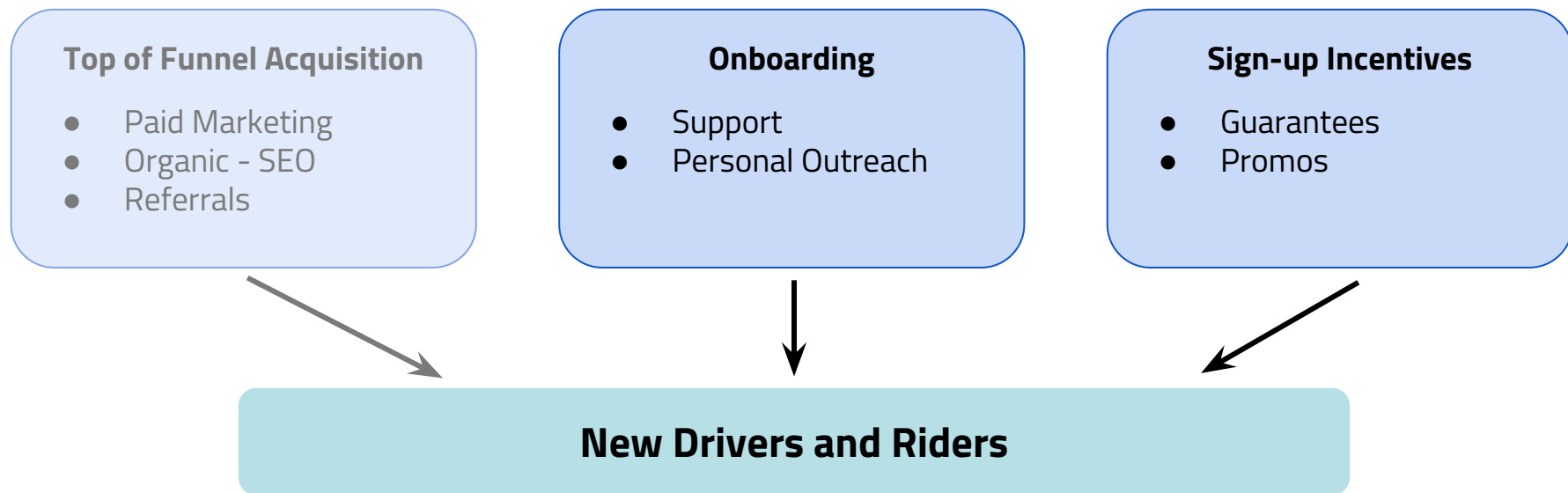
# ...our acquisition levers drive growth and add new customers to our platform



# ...some of our acquisition levers focus on acquiring new, high value sign-ups...

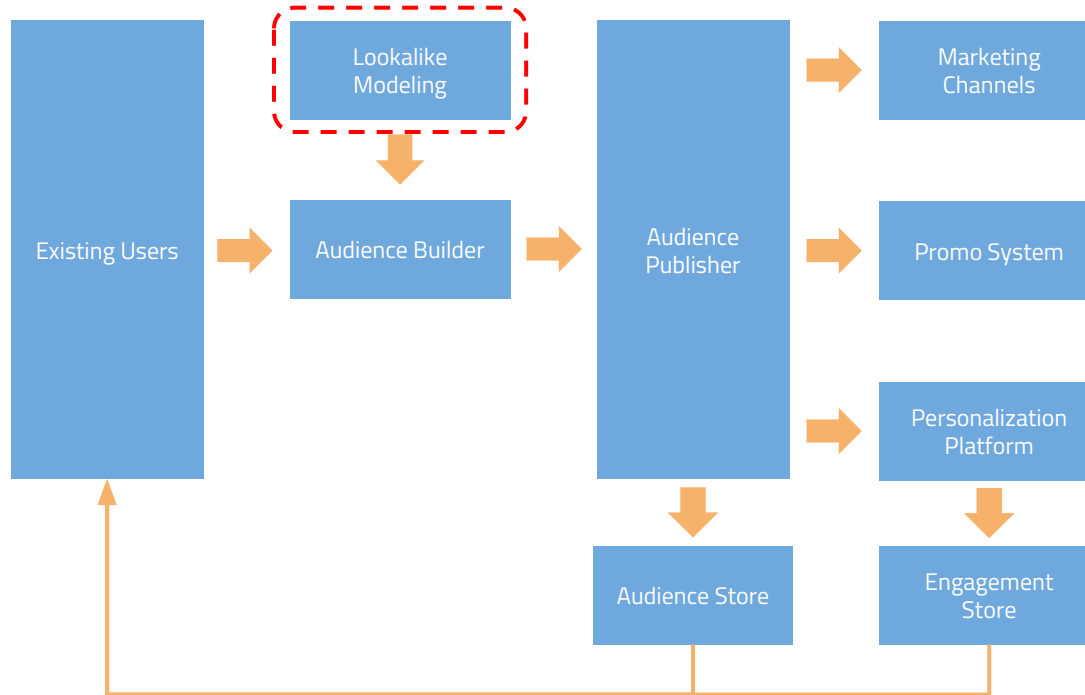


# ...while others focus on converting those sign-ups into high value customers





# Targeting the right high value customers for our top of funnel acquisition is critical...

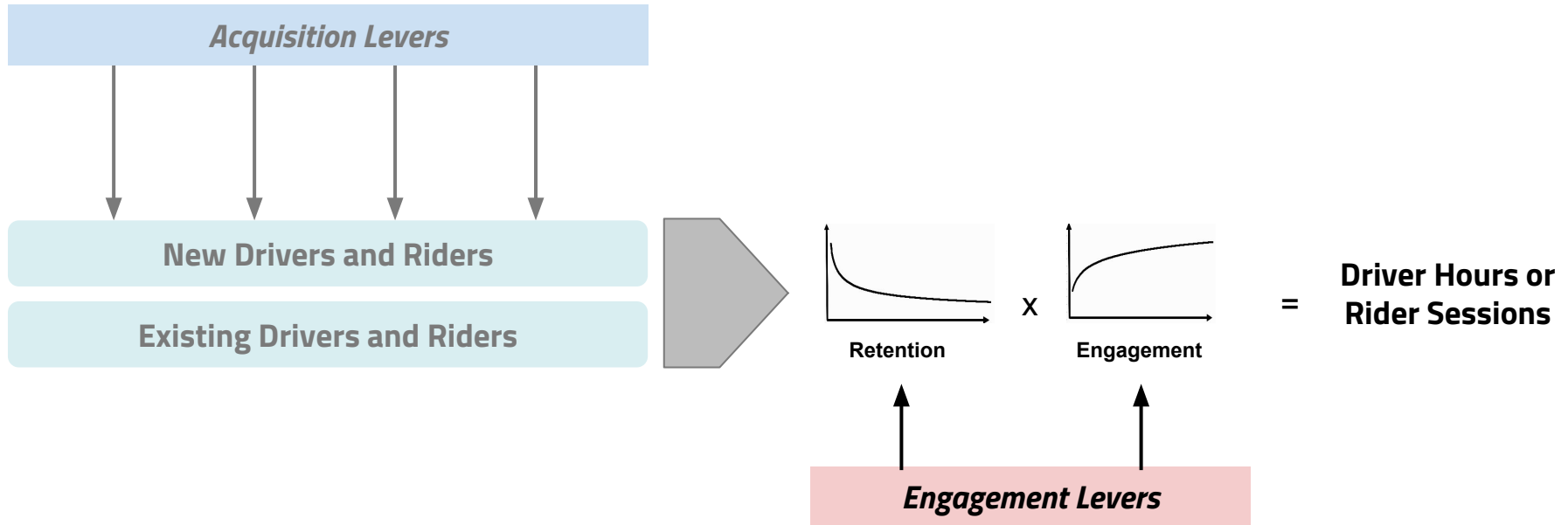


**...while predicting high lifetime value in our two-sided marketplace is very hard**

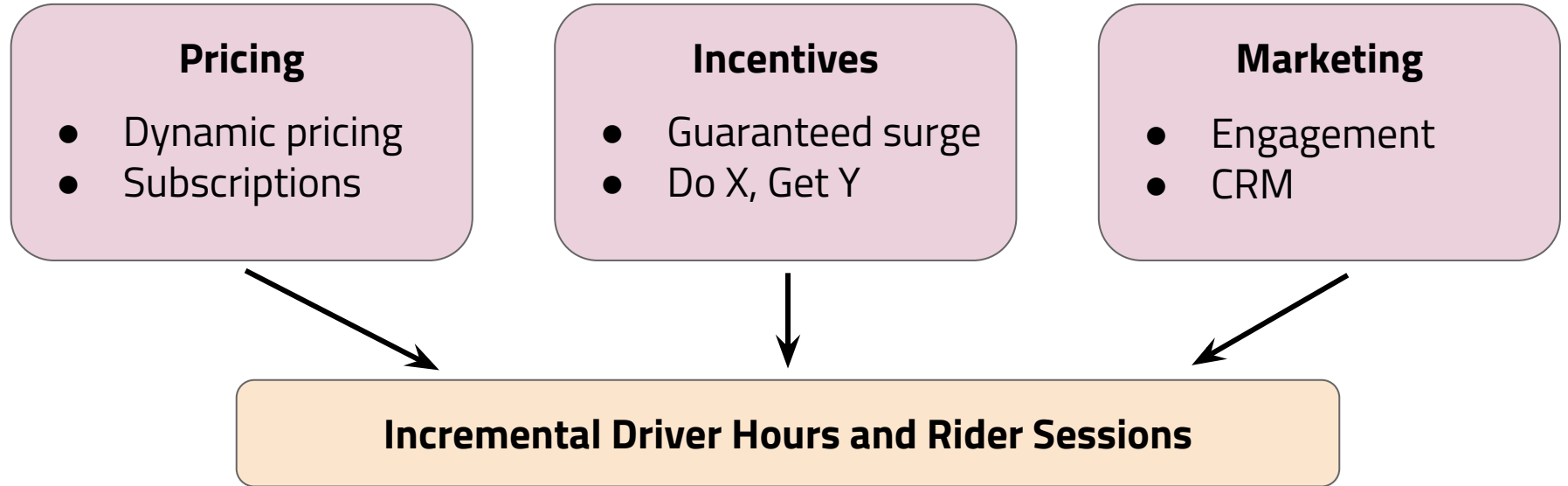
### LTV Definition at Uber

$$\text{LTV} = \text{24-Month Gross Bookings Projection} \times \text{Marginal Contribution Margin} \times \text{Market Balance}$$

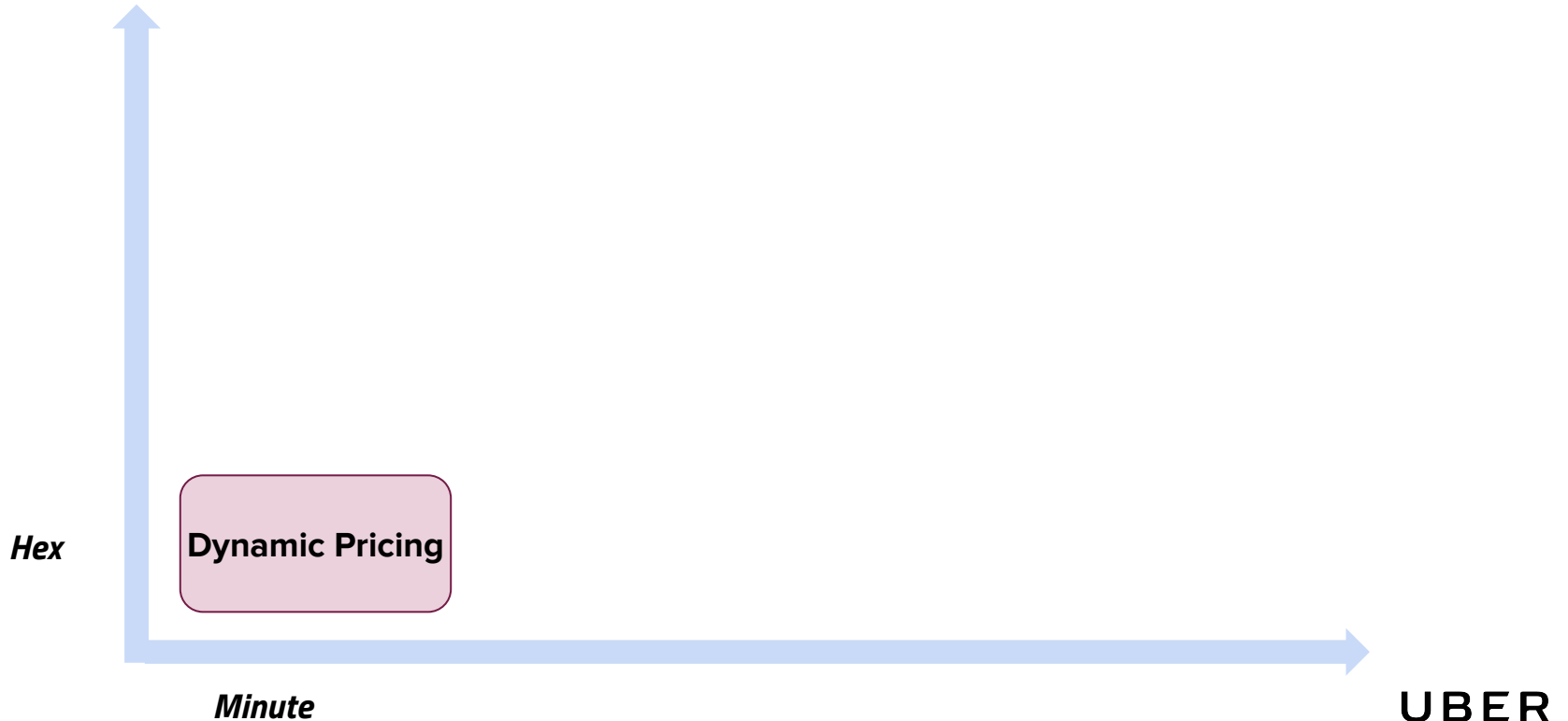
# We also use certain levers to engage our existing customers to drive marketplace balance...



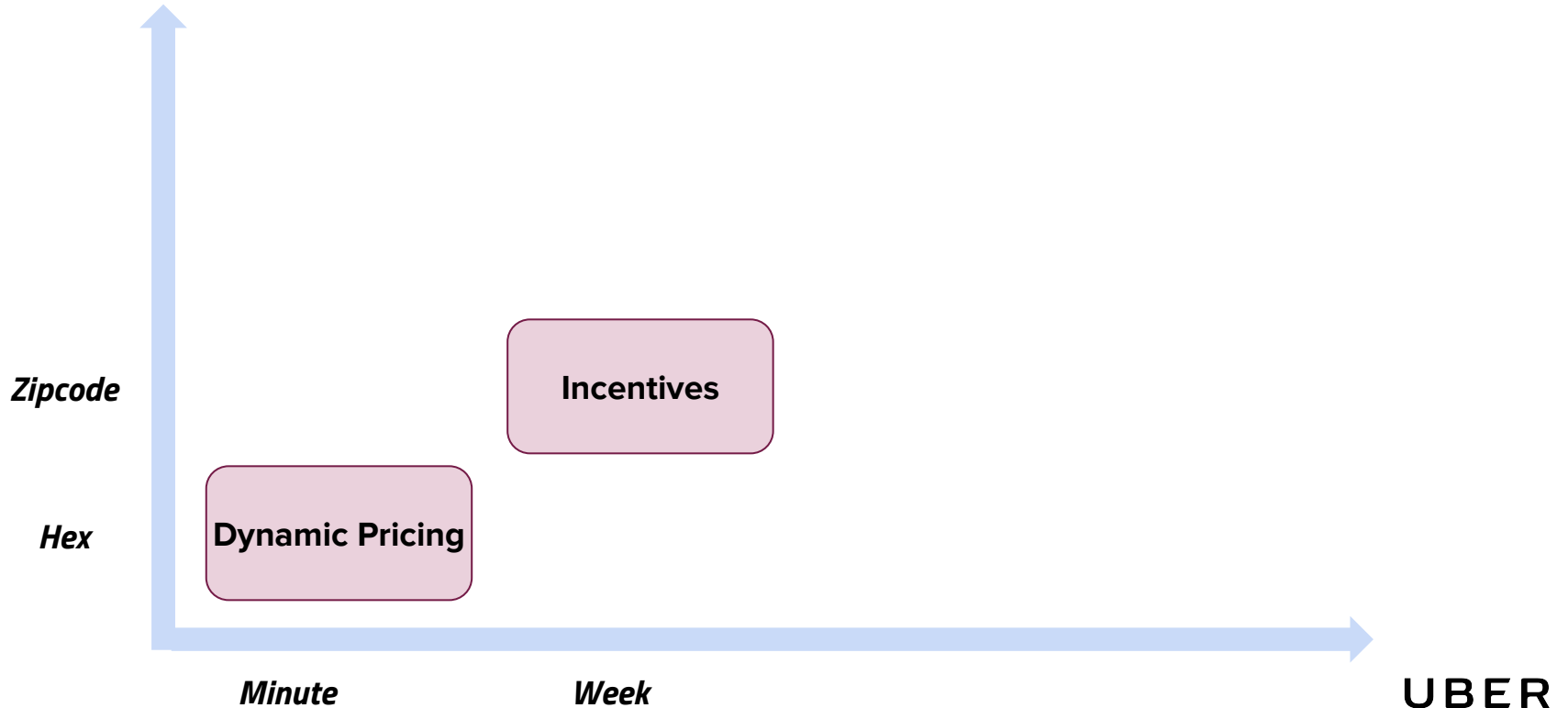
**...these levers come in many different shapes and sizes...**



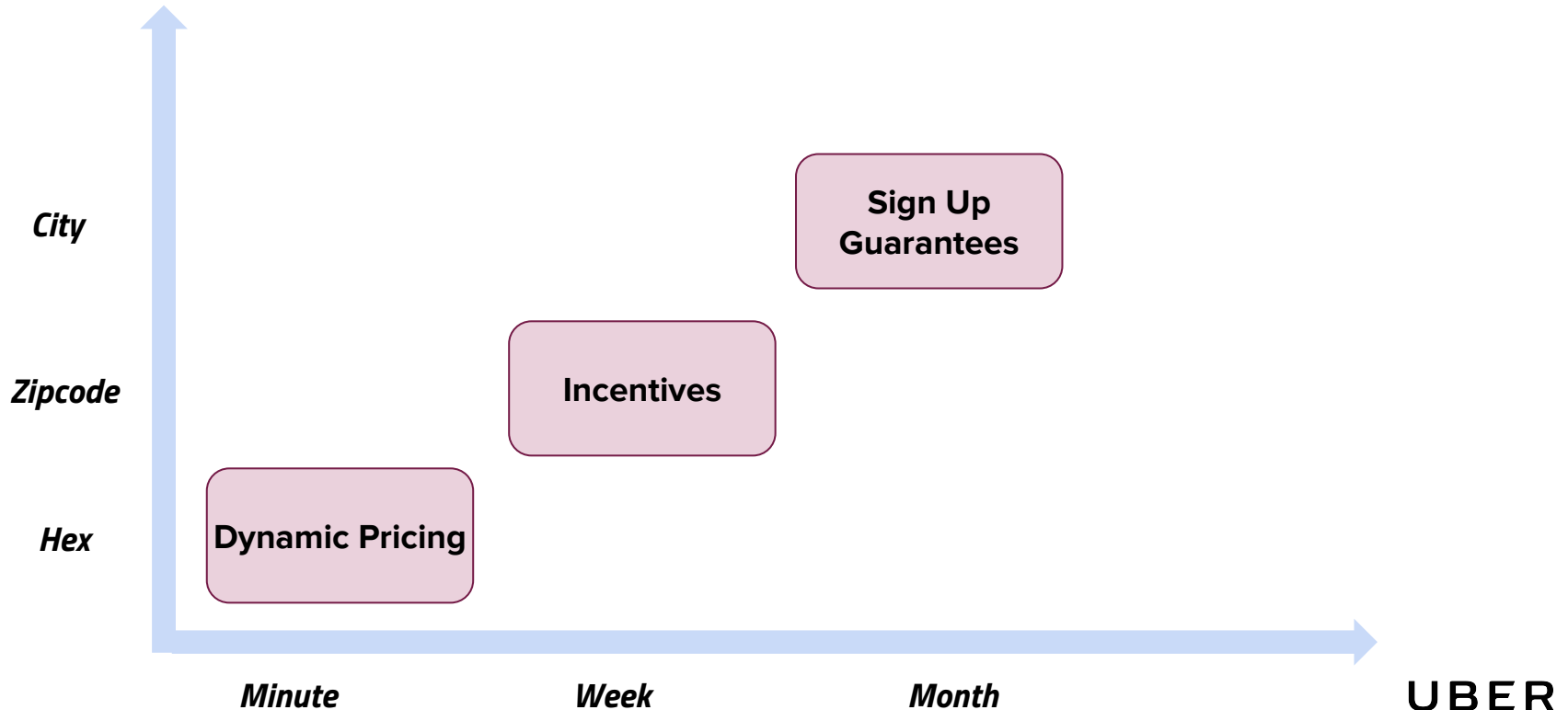
**...and are deployed across a number of geo  
and temporal levels.**



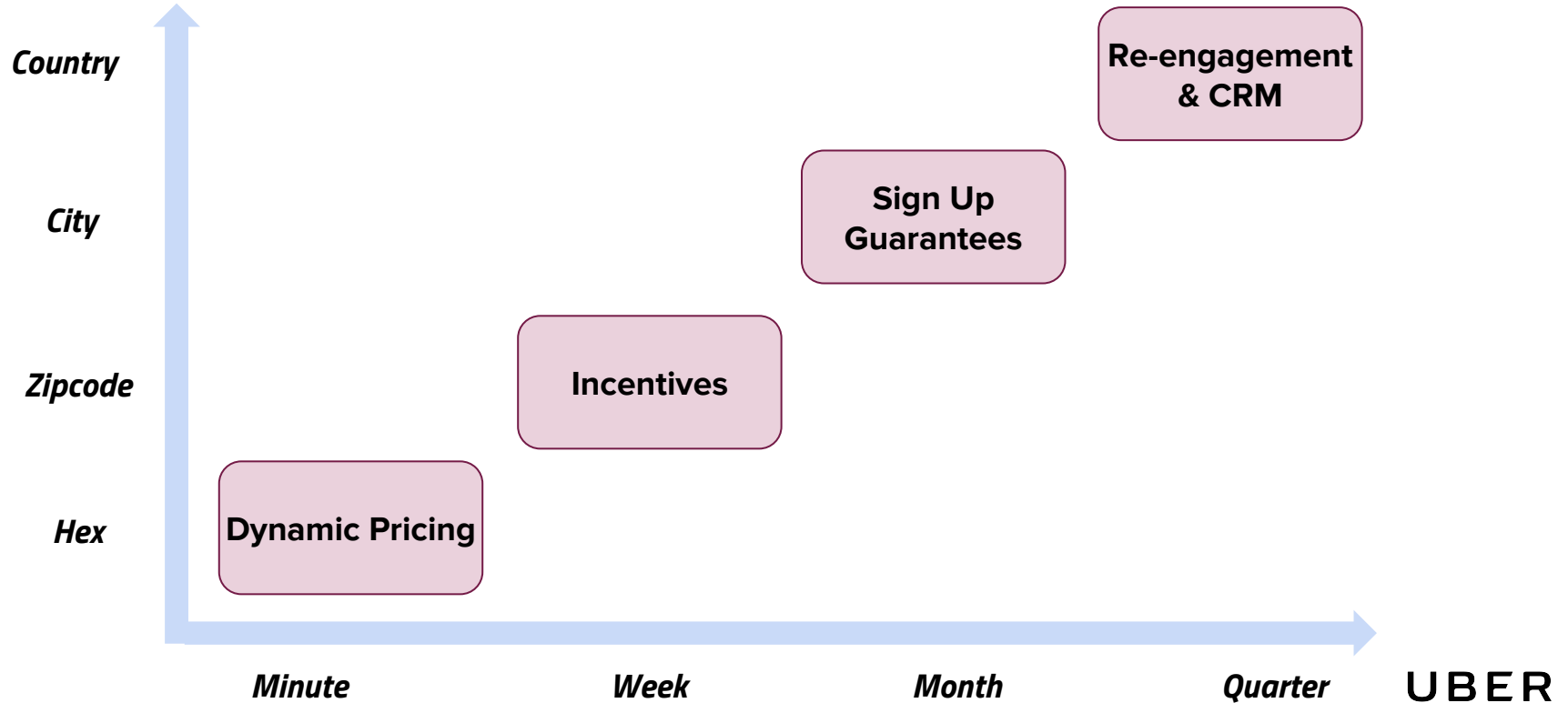
**...and are deployed across a number of geo and temporal levels.**



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**...and are deployed across a number of geo and temporal levels.**





# Long-Term Sustainable Differentiation

# In addition to our acquisition and engagement levers, we differentiate our product by...

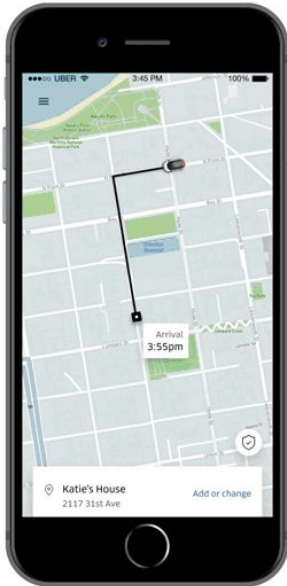
...standing for  
Safety

...innovating to  
deliver the  
lowest cost  
offering

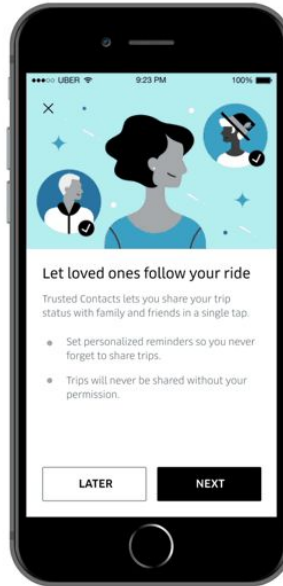
...and earning our  
customers' love

# Standing For Safety

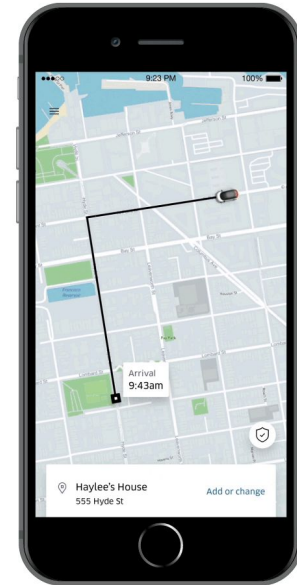
Safety Center



Trusted Contacts

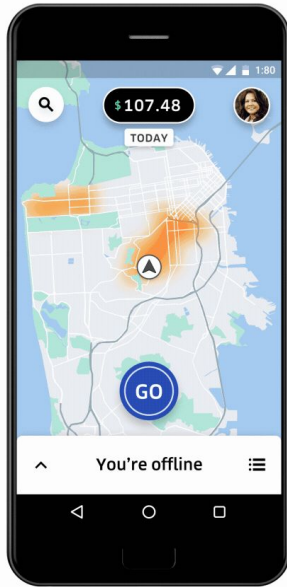


911 Assistance

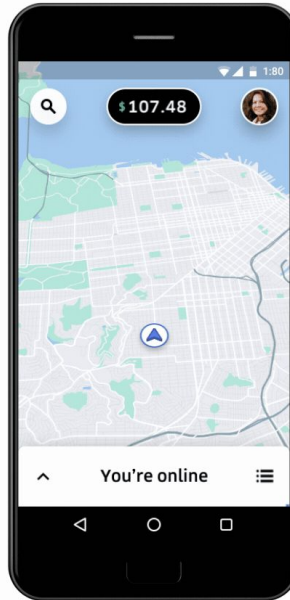


# Earning our Drivers' Love

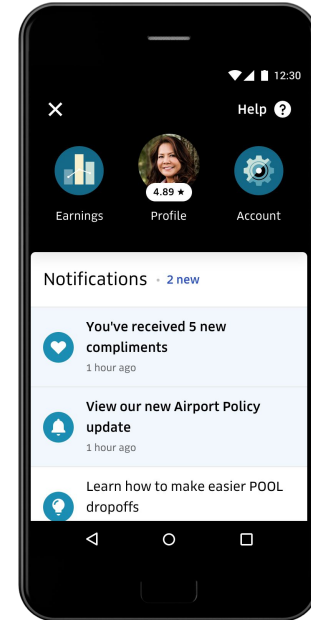
Real-time  
Earnings Tracker



More Trips  
Nearby



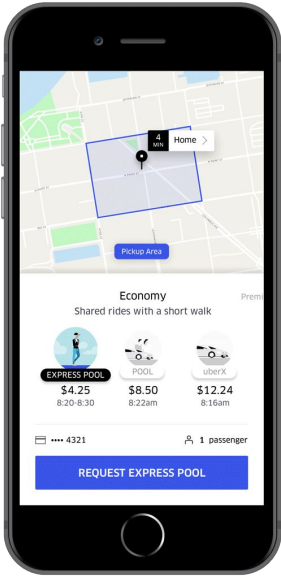
Showcase Yourself!



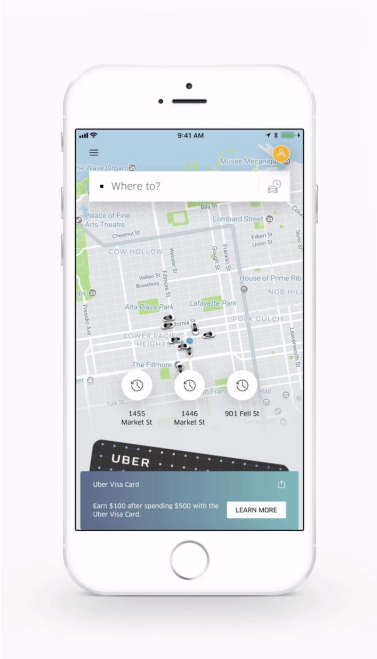
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# Earning our Riders' Love

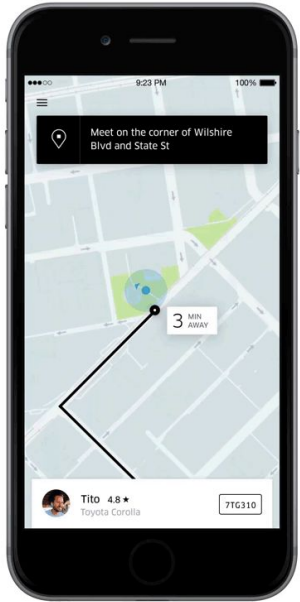
Save a Lot!  
Express Pool



More Transportation  
Options - Bikes



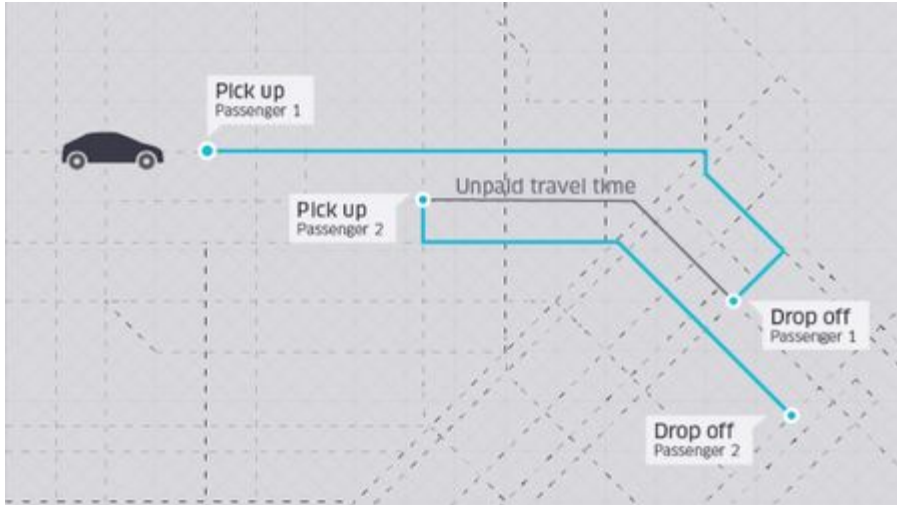
Seamless Pickup  
Chat Ahead



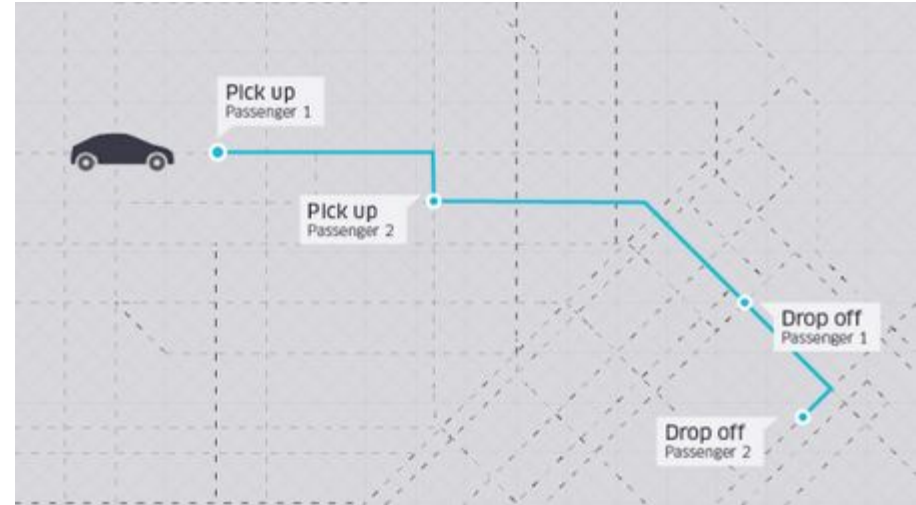
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# Innovating to deliver the lowest cost offering

uberX includes down time where drivers could be earning while reducing riders ETA.



uberPOOL matches riders heading in the same direction, so the ride and cost are shared.



# Questions?