PROBLEM1:

- Daily travellers struggle with drivers accepting the ride request and later cancelling / not reaching the pick-up location > Resulting in travellers getting frustrated and switching to another applications / mode of transports > Resulting in more cancellations & complaints on the platform.
- Goal: Improve ride completion (out of total rides booked) by 15% in next 6 months for frequent travellers by reducing driver cancellations and wait time. Eventually increasing the revenue for Uber.

Why this problem exists?

- Incentive mismatch for drivers
    - Drivers sometimes accept rides that later appear low-value (short distance, traffic-heavy, or non-preferred payment type), leading them to cancel in search of better earnings.
- Pickup friction & operational constraints
    - Traffic congestion, hard-to-reach pickup locations, parking restrictions, or delays from previous rides make reaching the rider inefficient, causing drivers to cancel or not arrive.
- Weak deterrents for cancellations
    - If cancellation penalties or accountability mechanisms are low, drivers can strategically accept and cancel without significant downside.
- Rider side factors (Indirect contributors)
    - Drivers may struggle to find riders and cancel out of frustration.
    - Delayed rider response

Brainstorm solutions:

P0 Problem: Drivers sometimes accept rides that later appear low-value (short distance, traffic-heavy, or non-preferred payment type), leading them to cancel in search of better earnings.

Goal: Improve ride completion (out of total rides booked) by 15% in next 6 months for frequent travellers by reducing driver cancellations and wait time. Eventually increasing the revenue for Uber.

Problem	Solution	Short Description	Key Assumption	Category
Incentive mismatch for drivers	Mode of payment preference match b/w rider and driver	If a rider choses cash mode of payment, match them with drivers who prefer to accept cash first	No matching happens today based on mode of payment preference | Uber pays drivers after certain duration	High
	Registered Uber-only drivers matching with riders	Platform should prioritize drivers who are registered with uber-only	Possibility of signing a contract with drivers and keeping them accountable	Medium

	Make driver evaluation of rider pick up and drop more detailed	Driver should have upfront details – Time to pick-up, Location, Mode of payment, Margin on trip so they are able to better evaluate	It wouldn't result in low acceptance rates	High
Pickup friction & operational constraints	Driver can revert to rider with an enhanced price if there are additional constraints in pickup	Drivers should be able to quote a price, and rider should be able to accept / deny the updated price	The price regulation will still be managed by Uber; they can't quote an unreasonable price	Low
Weak deterrents for cancellation	Defining levels based on post acceptance - cancellations they do	Based on a rule engine – categorise drivers based on the post acceptance reliability and prioritize drivers who have good scores	Overall ride acceptance rate will not reduce | matching time should not increase much	High
	Offer incentives to drivers with better post acceptance-less cancellation rate	Incentive model should go beyond number of trips drivers complete. Build some incentive model around above rule engine	Additional incentives won't kill into existing revenues	High

Step2: Prioritization of solutions

Solutions	Impact	Confidence	Effort	Overall score
Make driver evaluation of rider pick up and drop more detailed + payment	**3**	**3**	**2**	**4.5**
Registered uber only driver matching algorithm	3	2	3	2
Defining levels based on post acceptance - cancellations they do	**4**	**4**	**3**	**5.33**
Offer incentives to drivers with better	**5**	**4**	**4**	**5**

post acceptance-less cancellation rate				
Driver can revert to rider with an enhanced price if there are additional constraints in pickup	3	2	4	1.5

Step3: Define success metrics

P0 Problem: Drivers sometimes accept rides that later appear low-value (short distance, traffic-heavy, or non-preferred payment type), leading them to cancel in search of better earnings.

Goal: Improve ride completion (out of total rides booked) by 15% in next 6 months for frequent travellers by reducing driver cancellations and wait time. Eventually increasing the revenue for Uber.

Metric type	**Metric Name**	**Definition**	**Why it matters**
Key metric	Ride completion	% of rides completed after acceptance with the new driver – rider matching logic	Drivers with high acceptance-trip completed score are high on matching list
Secondary metric	Trip cancellation-post acceptance rate	% of rides cancelled after driver acceptance	This metric should reduce post the refined matching algorithm
Guardrail metric	Overall driver-rider matching algorithm	% of trips acceptance should not be dropped	

Pitfalls and Mitigations

Assumption at risk	**Failure mode**	**impact**	**likelihood**	**mitigation**	**Detection signal**	**Rollback**
New matching algorithm will result in a greater number of trip completions post acceptance	Riders get assigned a driver as per new matching algo but still cancels	H	M	Auditing of trips completion % post new matching algo for a month	Post acceptance cancellation	Enhance the matching algorithm further

Product Requirements Document (PRD)

Feature / Initiative

Reducing Post-Acceptance Driver Cancellations for Frequent Uber Riders

1. Problem Statement

Urban ride-hailing users frequently experience drivers accepting rides and later cancelling or failing to arrive. This increases wait time, creates frustration, and causes riders to switch to competing platforms, reducing ride completion and revenue.

Target Segment

Frequent / Daily travellers

- Local commuting
- Peak office hours and evening travel
- High dependence on ride reliability

2. Business Goal

Primary Goal

Improve ride completion rate by **15% within 6 months** for frequent travellers by reducing post-acceptance cancellations and wait time.

Expected Business Impact

- Higher completed trips
- Reduced rider churn and platform switching
- Increased revenue per active rider
- Improved platform trust

3. User Insights & Research Summary

Key Findings from Interviews

From interviews (Nishi Dhingra, Aakriti Sood):

- Drivers often accept and cancel after learning:
    - destination
    - payment mode
    - trip value
- Long-distance rides show significantly higher cancellation rates.
- Drivers sometimes:
    - ask riders to cancel

    - move in wrong direction
    - delay pickup while using multiple apps.
- Riders experience:
    - frustration
    - wasted time
    - loss of trust.
- Some users switch to competitors immediately.

Survey Insights

- 61.5% reported driver cancellation as a frequent issue.
- 70% switch platforms when issues occur.

4. Why This Problem Exists (Root Causes)

1️⃣ Incentive mismatch for drivers

Drivers accept rides that later appear low value due to:

- short trips
- traffic
- payment type
- low expected margin.

2️⃣ Pickup friction & operational constraints

- Traffic congestion
- Hard pickup locations
- Delays from previous rides
- Parking restrictions.

3️⃣ Weak deterrents for cancellation

Low accountability allows strategic cancellations with minimal downside.

4️⃣ Rider-side contributors

- Delayed rider response
- Hard-to-find pickup points
- Communication gaps.

5. User Persona (Primary)

Nishi Dhingra — Frequent Rider

- 33 years old, Gurgaon
- Uses Uber for local daily travel
- Occasionally long-distance trips (airport/station)

Goals

- Safe, timely rides
- Comfortable vehicle condition

Frustrations

- High cancellation rates on long trips
- Drivers avoiding online payments
- Driver delays due to multi-app usage

6. Product Strategy

Core Principle

Reduce *post-accept surprises* for drivers and increase accountability after acceptance.

7. Proposed Solutions

P0 Solution Cluster (High Priority)

A. Enhanced Trip Transparency (High Impact)

Drivers see detailed trip info before accepting:

- Time to pickup
- Estimated trip duration
- Payment mode
- Destination zone
- Estimated margin

Key assumption: Better upfront clarity reduces regret cancellations.

B. Post-Acceptance Reliability Score

Rule engine categorizing drivers by:

- acceptance → completion ratio
- cancellation frequency.

System behaviour:

- Reliable drivers prioritized in matching.
- Poor reliability lowers dispatch priority.

C. Incentive Model Redesign

Add incentives tied to:

- low post-acceptance cancellation rate
- ride completion consistency.

Moves incentives beyond simple trip count.

P1 / Experimental Solutions

D. Uber-Only Driver Priority (Exploratory)

- Prioritize drivers committed to Uber to reduce multi-app conflicts.

P2 (Low Priority / Risky)

F. Driver Price Adjustment Proposal

Drivers propose revised price if pickup complexity is high.

Risk:

- Pricing complexity
- Potential marketplace imbalance.

8. Solution Prioritization (ICE)

Solutions	Impact	Confidence	Effort	Overall score
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Defining levels based on post acceptance - cancellations they do	**4**	**4**	**3**	**5.33**
Offer incentives to drivers with better post acceptance-less cancellation rate	**5**	**4**	**4**	**5**
Driver can revert to rider with an	3	2	4	1.5

enhanced price if there are additional constraints in pickup				

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9. Success Metrics

Metric type	Metric Name	Definition	Why it matters
Key metric	Ride completion	% of rides completed after acceptance with the new driver – rider matching logic	Drivers with high acceptance-trip completed score are high on matching list
Secondary metric	Trip cancellation-post acceptance rate	% of rides cancelled after driver acceptance	This metric should reduce post the refined matching algorithm
Guardrail metric	Overall driver-rider matching algorithm	% of trips acceptance should not be dropped	

10. Risks & Mitigations

Pitfalls and Mitigations

Assumption at risk	Failure mode	impact	likelihood	mitigation	Detection signal	Rollback
New matching algorithm will result in a greater number of trip completions post acceptance	Riders get assigned a driver as per new matching algo but still cancels	H	M	Auditing of trips completion % post new matching algo for a month	Post acceptance cancellation	Enhance the matching algorithm further

11. Rollout Plan (Recommended)

Phase 1 — Pilot (1 city)

- Enable trip transparency + reliability score.
- Monitor cancellation reduction.

Phase 2 — Incentive Experiment

- Introduce reliability bonuses.
- A/B test vs control group.

Phase 3 — Scale

- Expand to major metros.
- Optimize scoring model.

12. Expected Outcomes

If successful:

- 15% increase in ride completion.
- Reduced rider churn.
- Improved platform trust.
- More predictable earnings for drivers.