

Demand-driven price changes which enhance bus performance using **Viaje.ai**



Issue faced by company

India's one of the leading luxury bus company wanted a solution that could utilize its seat capacity in an optimum way such that it could help maximize overall occupancy, average seat price, revenue, and revenue per trip of a bus. They wanted a system that could be easily integrated into their system and also with the Global Distribution System (GDS).

Solution by Sciative

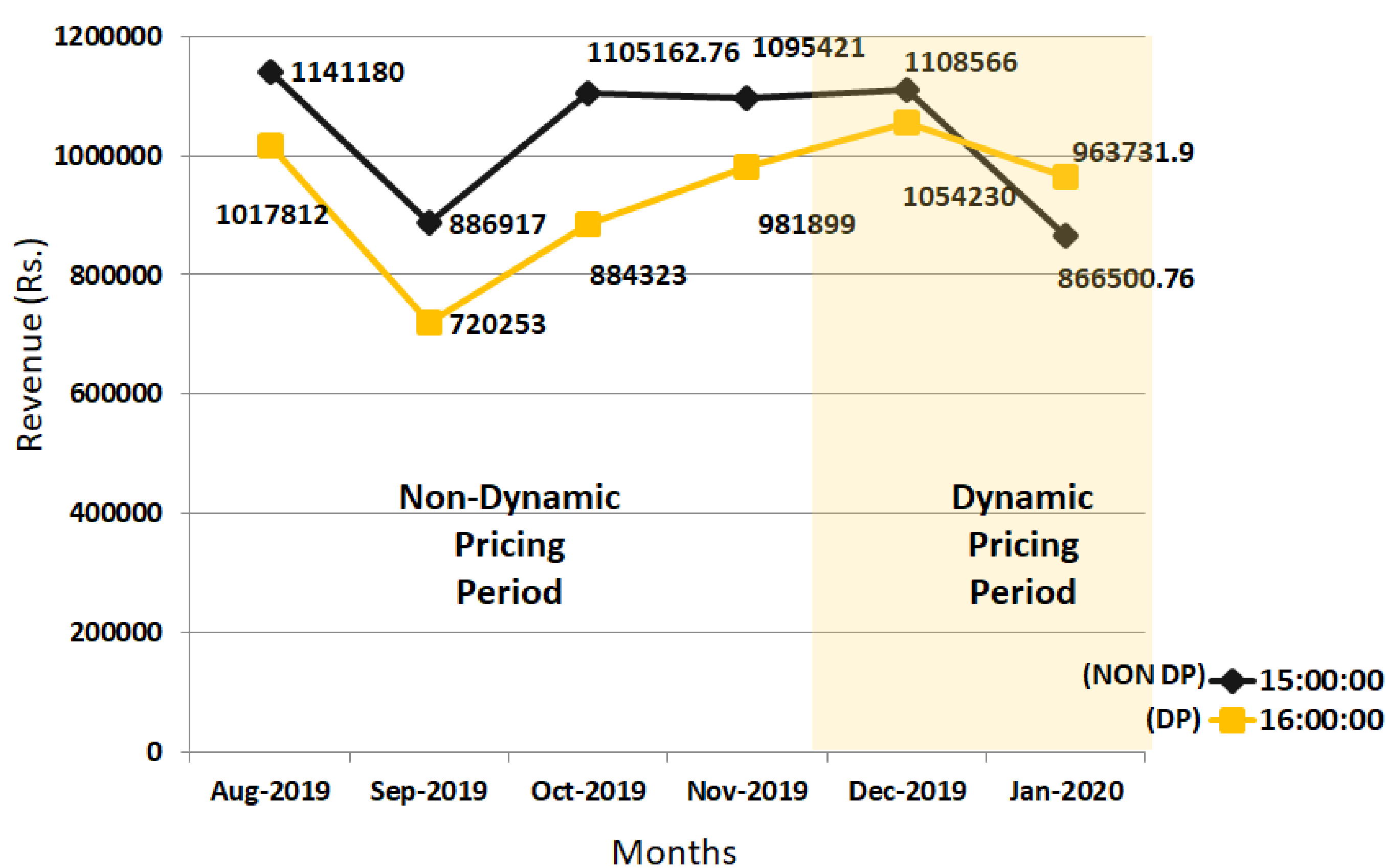
Route: Raipur-Hyderabad

- Dynamic Pricing was applied using Viaje.ai on a 4 PM seater-sleeper bus from December 2019 onwards for a given route.
- A comparison was made with a 3 PM scheduled competition bus with the same bus type for a given route.
- Trends of occupancy, average booking price, overall trip revenue have been compared for the two schedules between August to January 2020.

Results delivered by Viaje.ai

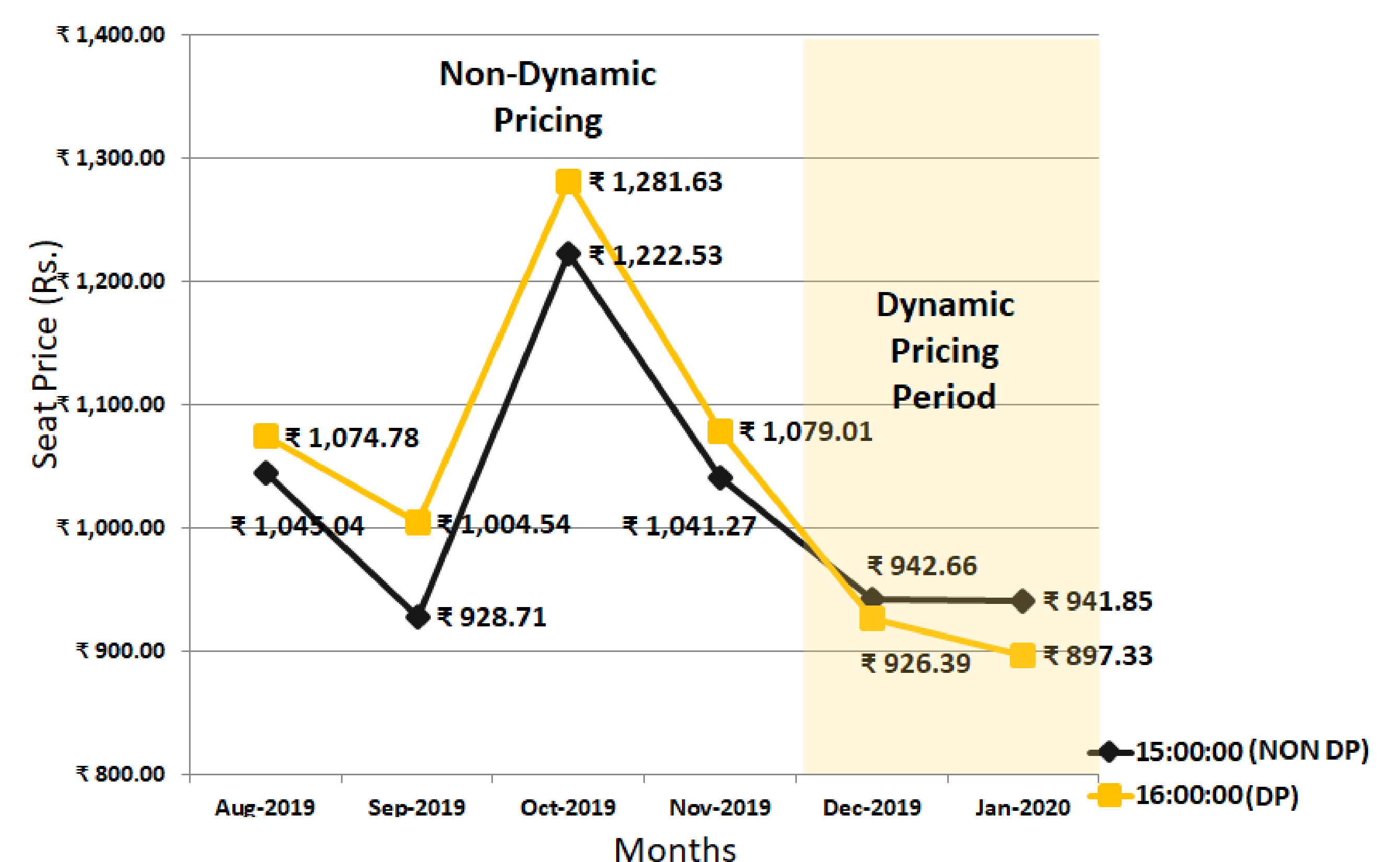
Using **Viaje.ai**, Sciative Solution's team was able to achieve remarkable outcomes in just one month as compared to the focused competition. Along with success on key metrics, Viaje.ai was also able to achieve these results in just **90%** less human capital with **99%** accuracy.

Revenue comparison with competition



- The 4 PM schedule before Dynamic pricing(DP) did not perform very well as compared to 3 PM (competition).
- The Revenues were about 15-25% lower than the competition before DP.
- During the DP period December (Peak month), 4 PM schedule started catching up with the 3 PM schedule
- The actual effect of dynamic pricing can be seen when in January (Lean month), the DP schedule has performed much better than the 3 PM schedule

Seat Price comparison with competition



- The average prices of the 4 PM DP bus were slightly reduced by the AI-driven model
- The model made sure that the reduction in prices actually increased the influx of customers
- This, in turn, boosted revenue as seen in the graph
- DP successfully did accurate demand-based price changes which benefitted both parties: the traveler as well as the bus operator
- Prices varied between 675/- for seater to 1790/- for sleeper (165% price spread) in the same bus, showing successful AI-driven price changes

Occupancy comparison with competition

- A similar trend is observed in occupancy where initially the 4PM schedule was always 20%+ lower than competition
- During DP period, the overall occupancy was boosted

