

PRODUCT ANALYSIS · REDBUS

From Aggregator to Accountability Partner

Solving last-minute operator cancellations to improve
3-month user retention by 15%

Himanshu Jain · C49

Phase 1: Product Analysis

Phase 2: User Research

Phase 3: PRD + Wireframes

THE PROBLEM — A REAL USER STORY

“

I planned a trip to Manali. My bus got cancelled ONE HOUR before departure. I waited 4 hours for an alternative. The driver was rude. I abandoned the trip midway in Chandigarh and booked an Ola back to Delhi.

And the next day — that same operator was still live on redBus, taking new bookings.

— Tejashvi Dubey, CA · Leisure traveller, 3–4 trips/year

69%

users faced a
major issue

45%

cite operator quality
as #1 frustration

34%

now book directly
from operators

RESEARCH → PRIORITIZATION

Research Conducted

- 3 in-depth user interviews (20–30 min each)
- 29 survey responses across user segments
- Segments: Leisure, Regular Commuter, Urgent

PIF Prioritization Framework

Problem	Pop	Int	Fre q	Score
Last-min cancellations	4	5	3	12 ★
Operator quality uncertainty	5	4	4	13
Poor customer support	4	4	3	11
Slow refund process	3	4	3	10

Why THIS is P0

- Highest impact on retention**
Platform abandonment after cancellation is permanent — users switch to competitors or direct booking.
- Cascading failure effect**
One cancellation = stranded user + forced rebook at 3–4x price + platform distrust + no recourse.
- Within platform's control**
Unlike traffic or weather, operator behavior can be changed through incentives and accountability.
- Solvable & differentiating**
No competitor has an accountability system. First mover wins the 'most reliable' positioning.

THE SOLUTION — redBus GUARANTEE (3-PILLAR SYSTEM)

Goal: Improve 3-month user retention from 45% → 52% in 6 months by eliminating the trust damage caused by cancellations

01 PREVENTION

Transparency before booking

- Reliability score on search results (90-day cancellation rate)
- 'Guaranteed Journey' badge for <1% cancellation rate
- 'Sort by Most Reliable' filter added to search
- Analogous to Airbnb Superhost → 20% higher bookings

02 DETERRENCE

Accountability for operators

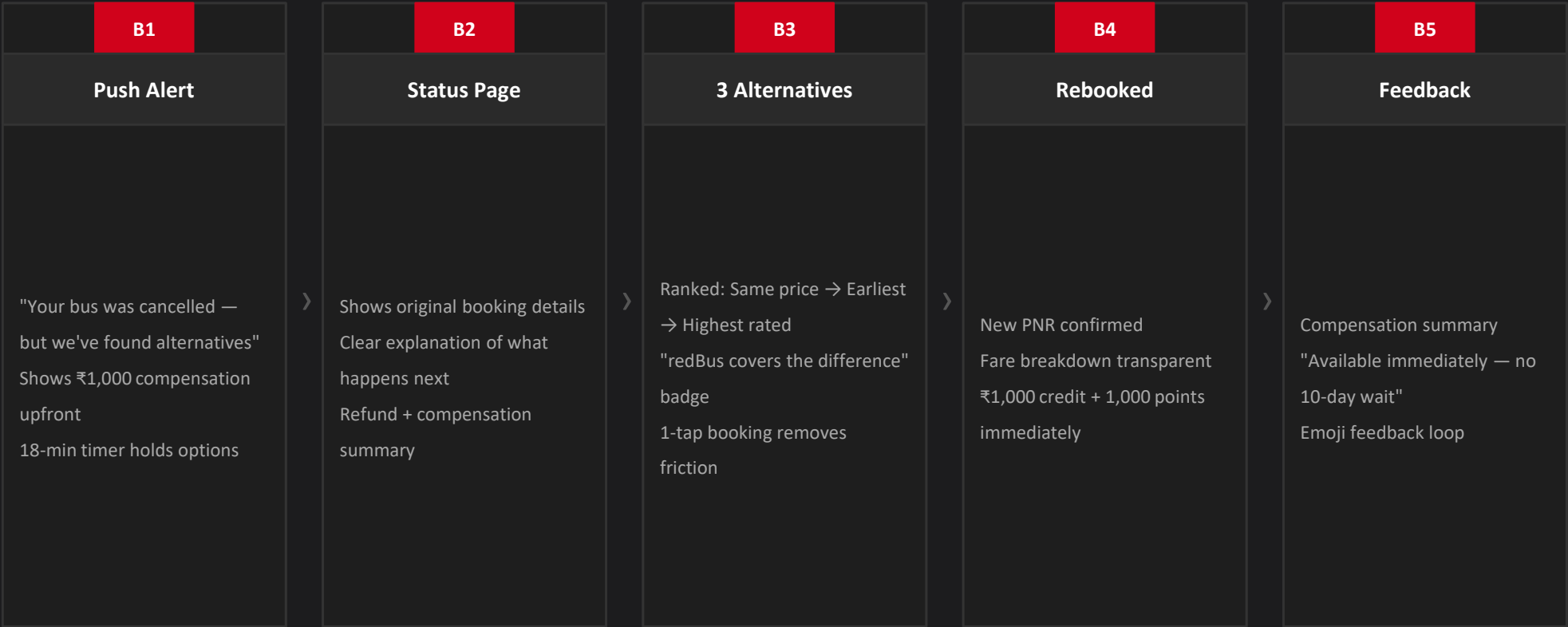
- 20–50% financial penalty based on time-to-departure
- Calendar blocking — prevent resale of cancelled seats
- Progressive suspension: warn at 5%, suspend at 7%
- Reason verification with proof for extraordinary cases

03 PROTECTION

User rescue when things go wrong

- Alternative bus found within 2 hours — redBus covers difference
- Instant auto-refund triggered — no user action, no 10-day wait
- Compensation: ₹500–₹2,000 + loyalty points by user tier
- Meal/hotel vouchers for extended waits

CANCELLATION RESCUE FLOW — THE CRITICAL UX MOMENT



✓ Lead with solution, not bad news

✓ Show compensation upfront to reduce panic

✓ 1-tap rebook — minimal friction in stressful moment

✓ Instant wallet credit — not 10-15 day refund

SUCCESS METRICS + 6-MONTH ROLLOUT

NORTH STAR

3-Month User Retention

45% → 52%

+15% relative · ~50,000 additional retained users/quarter

Operator cancellation
rate

8% → 4%

Rebooking SLA
achievement

— → 85%+

Post-cancellation CSAT

2.1/5 → 3.8/5

Guardrails:

Operator churn <10% · Avg ticket price no decline >5% · Support tickets per 1k bookings: 45 → 25

6-Month Phased Rollout

Phase 1

Months 1–2

Foundation

- Operator performance tracking system
- Reliability score on search (A/B test 20% traffic)
- Operator communication & grace period

Phase 2

Months 3–4

Deterrence

- Activate financial penalties
- Progressive suspension system
- Calendar blocking + reason verification

Phase 3

Months 5–6

User Protection

- Alternative bus guarantee (pilot 2 routes)
- Auto-refund + compensation system
- Full rollout + 'redBus Guarantee' campaign

THE REPOSITIONING

From aggregator → to accountability partner

BEFORE

- ✗ Operators cancel with zero consequences
- ✗ Users stranded, scramble for alternatives
- ✗ 10–15 day refund — no compensation
- ✗ Platform takes no action on complaints

AFTER

- ✓ Penalties + suspension create real deterrence
- ✓ Alternative bus found within 2 hours
- ✓ Instant refund + ₹1,000 compensation
- ✓ Accountability is automatic and visible

"redBus Guarantee — If your bus cancels, we find you another within 2 hours. That's our promise."