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Consumer Behaviour On Online Ride Hailing Apps In India

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ABSTRACT:

India's taxi industry has changed drastically from street-hail, unorganised taxi format to app-based rides being used in all walks of life. Today, the taxi industry is extremely modern, with a variety of advantages in convenience, travel time, details on the real time, economy and protection to its consumers. Cab e-hailing is now a key component of metropolitan cities, offering a higher client value than most traditional taxi services. For this paper, data has been collected from 120 respondents with the help of structured questionnaire. The aim of this paper is to examine different factors that affect the behaviour of drivers while hiring an app-based cabs.

INTRODUCTION:

The transportation system is the foundation of the economic infrastructure. India's transport sector is large and diverse. Transport system is known as the key symbol of civilization. Because of the big people and the changing way people live and grow, they prefer luxurious well-being and the comfort, pace and protection of their travel needs is maintained. Good transport links have direct advantages to individuals, companies, the environment and the economy in general. Amongst the available transportation types, Road transport holds a primary position in today's world as it has a distance unparalleled by any other contemporary form of transport.

The transport mechanism avoids the barriers of time and location and leads to the growth of commerce, commerce and business. Depending on the city / state, taxis can either be hailed or are hired from taxi-stands. It helps people to provide taxi services. Taxis must be bought and hailed on the road in metropolitan cities. Extra surcharges are applicable for baggage and the passenger must pay late-night rides and the toll taxes.

The term "price" implies "bill," "payment," "taxes" or "payment scales." "taxes" implies German. The word "taxa" in mediaeval Latin also refers to taxes. As India is moving towards urbanisation so is urban transportation sector. There is inevitable an rise in demand for transport services as half a billion trips per day by the year 2031 are expected in urban India that will contribute to the reduction of the public and private traffic divide. By using smartphones and Internet, commuters can call a taxi or auto-rickshaw, messages, whatever-sapp or e-hail For-hire vehicles (FHV). FHV began to negotiate fares, to refuse to travel and low drivers income in 1959 as black and yellow taxis and auto rickshaws. Then formalised fleet managers from Central Control Range or Call Center were sent vehicles.

Following this, on-demand drivers were connected to smartphones using crowd-sourcing technology using 'aggregators.' Now, the environment is further changing with number of applications utilising real-time details giving customers more options in terms of payment and comfort. Presently , India has millennial dividend who can quickly respond to disruptive technologies. More enthusiasts therefore have to use the spirit of healthy competition on this market.

The covid-19 pandemic could dramatically alter mobility related preferences of Indians, with auto industry executives anticipating some customers to shift towards purchasing their own vehicles rather than availing ride-haling services due to hygiene and health related concerns.

Therefore, in the long run, acquisitions of cost-effective hatchbacks and compact SPVs can see a boost. Some often opt for cost-effective bikes.

Ride-hailing services like Ola Cab and Uber have been the first to stop in some cities as the viral outbreak has occurred throughout Canada. The two have now entirely shut down their operations.

"Some customers may not be comfortable in shared cabs and the transport of public vehicles since people will take hygiene concerns," said Rajeev Chaba, Managing Director, MG Motor India Pvt Ltd. "Some customers might buy individual cars after pandemics.

MG Motor, operated by China's SAIC Motor Corp, is one of Indian's latest entrants, and its mid-size Hector utility vehicle has become an outstanding performance.

"The customers who used Ola or Uber are going to wonder of purchasing a car for themselves. It's hard to destroy the virus and its effects should be mitigated.

According to a study conducted in China, by Ipsos, a global market and opinion research firm, 66% of respondents are now thinking of buying a car as opposed just 34% before the outbreak. Just 15 % of respondents are still planning to choose taxi services compared with 21% earlier.

In addition, 77% of respondents expressed their intention to buy a vehicle because it can reduce infection opportunities. The study also found that most purchases will be done by buyers who currently don't own a vehicle.

While conditions and buyer behaviour in India might not be comparable to those in China, given low income levels here, but some of shift in customer psyche is anticipated. Industry

analysts claim that those who availed cab services but had the opportunity to buy a car would now be drawn towards making a purchase.

According to Rakesh Srivastava, managing director, Nissan Motor India, in the aftermath of the pandemic, auto industry as a value-up industry will face the challenge of creating customer demand for its channel's sustainability, while also addressing the challenges of multi-layered supply chain for a streamlined production.

"As a result, Indian consumers will place high importance, as well as the safety of vehicles, on hygiene and health in vehicles and will cause changes in vehicle uses during vehicle hiring as they will not be able to carpool. They would choose to purchase their own vehicles and with India being a price sensitive region, hatchbacks and below 4-metre SUVs would be their preferred option," Srivastava.

The economic slowdown following the epidemic may not help car factories regain their losses, but will somehow benefit in the coming years if this pattern continues to be valid.

The Indian middle class definitely intends a car for safety travel in cases like this, not because of the automakers' positive strokes, but totally because all public mobility solutions, including Ola and Uber, have shown a diminishing level of service, says Avik Chattopadhyay, founder, brand consulting company Expereal.

"But then, a small and frugal, low-cost 4-wheeler emergency vehicle is the world's most common Marutis, Hyunais and Tatas. And that is pure contemplation that takes 8-10 months for any significant conversion to be undertaken," added Chattopadhyay.

The clear winner is the company that identifies demand for the right customer segments, and provides post covid-19 financing services, says Rajeev Singh, Deloitte India partner.

"There was a increasing demand for entry levels and cars up to 10 lakhs as people are hygiene more than ever anticipated. Secondly, the cash crisis would persist, rendering lucrative funding schemes crucial for every carmaker," added Singh.

TAXI SERVICES IN INDIA:

The geographical coverage of indigenous cities expands with rapid urbanisation and migration of people from rural to urban areas. Usage of modern accessories helps people to get updated with the available taxi facilities in the market. The middle class population in India grew from 15 million in 1991 to 160 million and more in 2016. This segment, whose disposable income increased, started to be demanding and was prepared to pay for better services in all sectors, including public and private transport. Fast economic growth and the enormous development of infrastructure have given the car leasing industry a big boost to the Indian tourism ministry's strenuous efforts to project India as a tourism destination and the emergence of the BPO industry. Until 2010, India's major metropolitan cities had completely unorganised point-to - point taxi market.

TAXI SERVICES IN METROPOLITAN CITIES:

A metropolitan region blends an urban agglomeration (the adjacent, built-up area) with zones not inherently urban in character, but tightly connected to the core by jobs or other trade. So people migrate within the intra cities so they prefer cab services with gives them comfort and a luxuries journey and seek for quick means of transportation. These outskirts are sometimes referred to as a commuter belt and can reach other political entities well across the urban area.

E-CAB HAILING:

E-hailing refers to the ordering process, by computer or mobile device, of a car, taxi or any other means of transport. 'E' here corresponds to 'electronic' and 'hail' implies the conventional method of signalling an incoming taxi cab to halt. To book an electronic ride customer's pick up location is required which can be provided either by entering his address or his current location via GPS connectivity. This apps are developed for both car service providers and technology start-up providers together. Ola, Uber, Taxi For Sure, Meru Cabs, etc, are the most common e-cab hailing services. With the growing usage of mobile phones and strong internet access, it is now simpler for the Taxi Aggregators to reach out to larger markets thus growing the consumer base.

HOW E-CAB HAILING MADE OUR LIVES EASIER?

GPS-based innovations have had a significant impact on Indian transport, and ecab hailing is one of the best technological innovations in recent years. Applications for E-Cab hailing have led to an increase in taxi competition. In recent years , the amount of individuals who enrol for these programmes has risen faster. The aim of sophisticated apps is for operators and passengers to reduce costs and increase profits. Here are some of the advantages of utilising e-hailing apps

- High cabs accessible (how many people choose to ride) and supply (how many cabins are accessible) at a certain time and location.
- Low waiting time and accuracy at beginning and ending sites.
- Customers can track taxi progress and can connect quickly with cab drivers as the driver's name and phone number are visible after the cab has been reserved.
- Driver and passenger recognition and tracking of the position.
- Road operations flexibility.
- The Ehailing apps SOS (emergency) button guarantees rider trust, protection and safety.
- There is versatility in making payment through any form, be it cash or non-cash (e-wallets, plastic currency, payment via e-hail app, UPI connect, Internet banking, etc.)
- Rating of Driver 's output by passengers and regularly low rating will root out unprofessional drivers. Similarly, passengers can score drivers, which may remove rude and offensive passengers since low ratings and inappropriate behaviour towards the driver may contribute to the deactivation of their accounts from the application.

- A driver would not need to think over overdue fares when transfers are cashless.
- No operating expense and no driving necessity for consumer loyalty.
- Social mobility, environmental security and cost reduction are the inspiration of cab pooling.
- For all Govt, it will be helpful. And as a govt, the customer. Parking room may not be accessible so traffic is less and the individual will expend this sum on some short-term expenditure.
- Working families with only one vehicle will use this service with evolving lifestyle since it is already discussed in their budget with other benefits.

REVIEW OF LITERATURE:

Sarvepalli,&Prakash (2016) suggested a model RIDE where 'R' stands for 'study' implying hence that the business ought to do study constantly to fulfil the needs that the consumer is looking forward. This helps hold the client base consistently growing loyalty. 'I' stands for 'innovate'. This checks the feasibility of the research solution. Next there is 'D,' meaning 'deploy,' after which the mobile app is modified after a thorough test of the functionality built after the last level. Finally, 'E' means 'rolling' which means that the organisation must conduct this procedure efficiently so that it can contend among its rivals. Moving software do not create undue discomfort/hardship for users by downloading and uninstalling them. They indicated that the future study would benefit from the RIDE model. They suggested that drivers undergo adequate instruction and that the idea of riding sharing should be advertised.

Kumar,& Kumar (2016) analysed the actions of customers by reflecting in the booking process on such factors as voucher redemption, novelty and price adjustments. The study reveals that customers are involved in and happy selling vouchers when booking a cab using mobile apps. Further analysis on consumer loyalty with chosen cab-aggregators was also recommended.

Chen (2014), in the sense of the mobile app-based taxi dispatching framework, has suggested many changes to address problems linked to honesty, consistency and equity. They studied that mobile applications in cab-hailing help both the driver and passengers to contact and find each other. At present, the smartphone applications allow consumers to locate cabs, track the driver and call or contact him to know his location. They have concentrated on more development relevant to path, taximeter and carpooling.

Khupse (2017) surveyed 150 taxi consumers using a standardised questionnaire and selected only those who have at least 3 times used taxi app services and who already have smartphone apps on their tablets. It has been found, that the most common and important reasons for using app-based taxi services are reasons such as timely and rapid cab availability, security, cheaper than the conventional taxi, cabpooling, attractive cash back, coupons and reductions. They suggested that these service providers must focus on cashless system, wifi-connectivity, negotiations and bargaining while improving their services.

Venkatesh and Easaw (2015) find that technology plays a large part in the services of cab-aggregators. They researched the way Ola and Uber have tapped the Indian market using the smart phone technologies and turned the loopholes in conventional transportation into their business opportunities.

(Sagar, 2016) had stated that there was demand for Call-a-Cab service offered by Meru Cab. Cab services maintain protection through the GPS system and female taxi drivers, especially at night, for woman passengers.

The auto rickshaws (three-wheelers) are more popular in urban transport prior to the arrival of automobiles and cabs according to Harding et al (2016).

(Yeboah, 2015) argued that driver conduct in Ghana has detrimental implications for Ghana's consumer satisfaction. The variables like continuous service, comfort, reliability and affordability have an impact on customer satisfaction with regard to minicab taxi.

According to (al, 2015) the self-service mobile technology allows the commuters to access tonne of data regarding cab services and such technology have changed the position of both consumers and businesses. The adoption of the Call Taxi App (CTA) has an impact on perceived utility, ease of use and subjective standards (Peng, Wang, (He 2014).

Chen (2014) clarified that smartphone devices can be used to locate drivers as well as travellers. Mobile apps are currently used to help customers find their cabins. In the recent years the car rental industry is growing constantly especially in metropolitan cities in India (Rahman, 2014).

GeetaKesavaraj (2013) points to the fact that "As global competition grows, communication and technology channels are opening up new markets and products and services are being translated into an array of choices for our audiences.

(A, (2016)) notes that " Call taxi have a greater importance in the community, in the taxi industry is governed in different ways by the state Governments by their respective Departments of Transport. This legislation allows the government to exercise more oversight over business operations, with the overall goal of ensuring a better degree of operation to the public (a complicated building itself).

"A new start is every other day in India, providing effective cab service to urban and rural lifestyle citizens," said RuchiShukla, Ashish Chandra &Himanschi Jain (20176). This raises a question of the possibility of a "taxi revolution" in India.

RESEARCH METHODOLOGY

Design of Study

The study is both qualitative and quantitative in nature. A structured survey was conducted on 100 respondents for the purpose of this research.

Data Collection

Primary Data: It was collected from a structured survey of 100 respondents.

Secondary Data: Extensive data was collected from various books, published national and international journals, various websites, etc. **Statistical Tools:** For the purpose of findings and interpretation of this paper, we used different statistical measures i.e. Mean , Median , Mode, standard deviation, variance, range and standard error using SPSS software v.23. Data has been summarised using Pie chart, graph wherever suitable using excel facility.

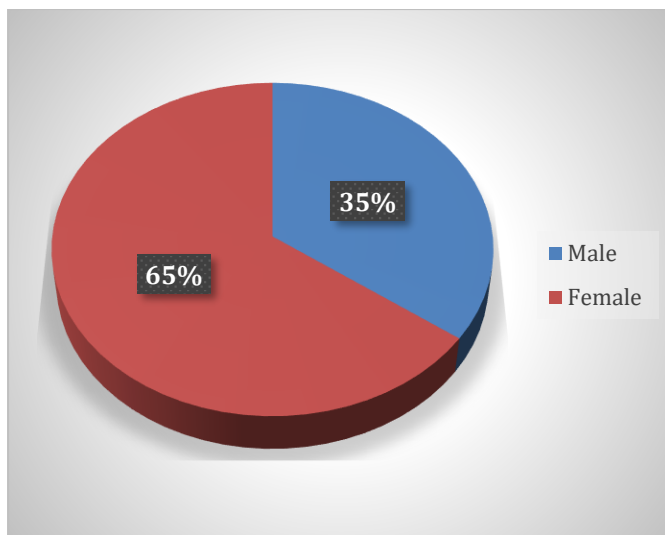
DATA ANALYSIS

Questionnaire

Name

Sex

Responses	Number of respondents
Male	35
Female	65

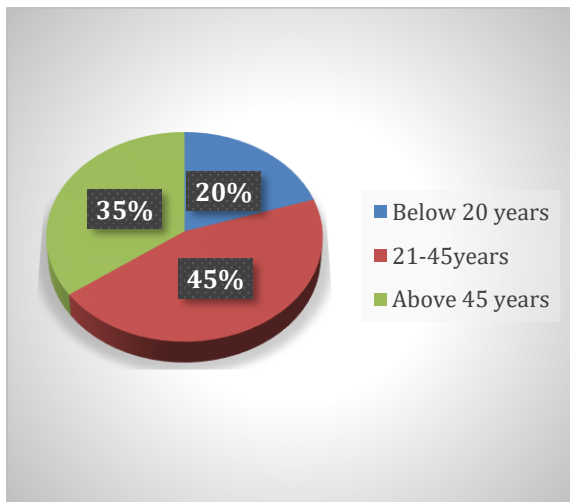


Data interpretation

The survey was conducted with the help of a questionnaire to carry out research and there were 100 respondents who took part in the survey. Out of all the respondents, 35 respondents were male while remaining 65 respondents were female.

Age group

Responses	Number of respondents
Below 20 years	20
21-45years	45
Above 45 years	35

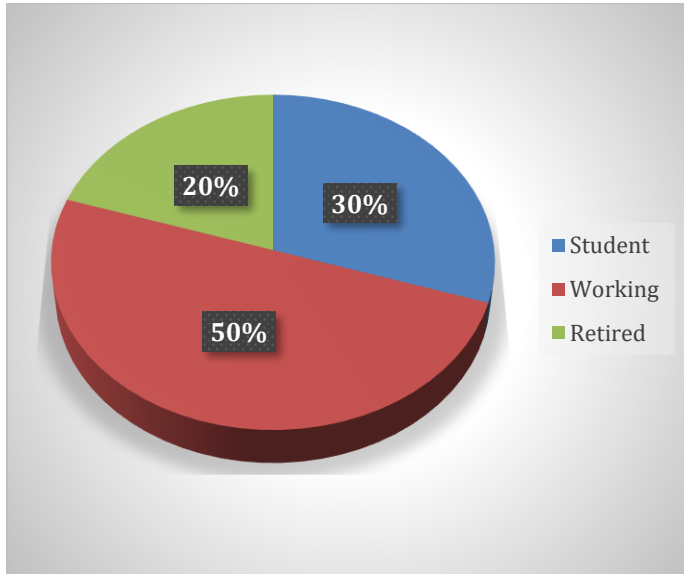


Data interpretation'

The survey was conducted with the help of a questionnaire to carry out research and there were 100 respondents who took part in the survey. Out of all the respondents, 20 respondents responded that they are of age below 20 years while 45 respondents are of age group between 21-45 years and the remaining 35 respondents are of age above 45 years.

Occupation

Responses	Number of respondents
Student	30
Working	50
Retired	20

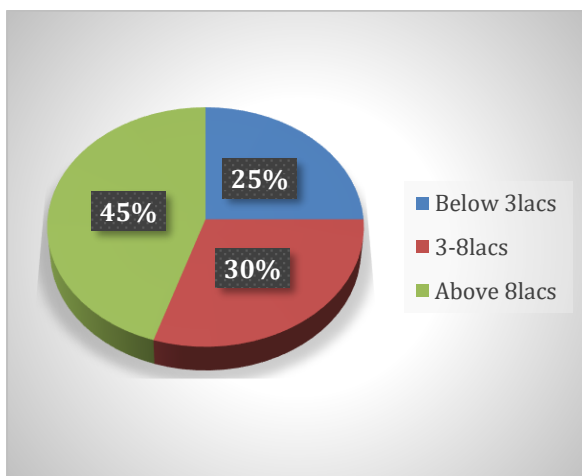


Data interpretation

The survey was conducted with the help of a questionnaire to carry out research and there were 100 respondents who took part in the survey. Out of all the respondents, 20 respondents responded that they are students while 50 respondents responded that they are working and the remaining 20 respondents responded that they are retired.

Annual income

Responses	Number of respondents
Below 3lacs	25
3-8lacs	30
Above 8lacs	45

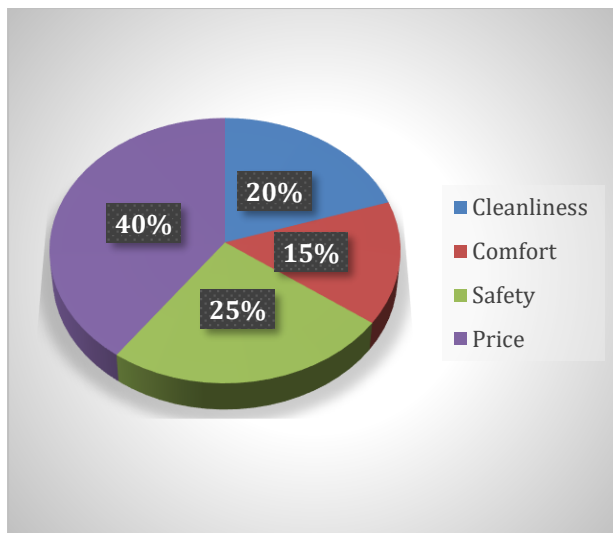


Data interpretation

The survey was conducted with the help of a questionnaire to carry out research and there were 100 respondents who took part in the survey. Out of all the respondents, 25 respondents responded that they have an annual income below 3 lacs while 30 respondents responded that they have an annual income between 3-8lacs and the remaining 45 respondents responded that they have annual income above 8 lacs.

Q5. What are the factors that a consumer looks for while looking for app based cabs?

Responses	Number of respondents
Cleanliness	20
Comfort	15
Safety	25
Price	40



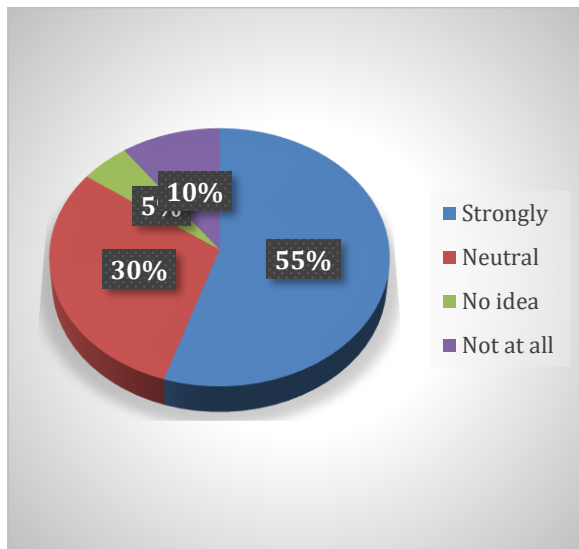
Data interpretation

The survey was conducted with the help of a questionnaire to carry out research and there were 100 respondents who took part in the survey. Out of all the respondents, 20 respondents responded that they look for the cleanliness that a consumer looks for while looking for app based cabs while 15 responded with comfort and another 25 respondents responded with safety. The remaining 40 respondents responded with price being major concern.

Q6. How satisfied are you with the E-cab app services?

Responses	Number of respondents
Strongly	55
Neutral	30

No idea	5
Not at all	10



Data interpretation

The survey was conducted with the help of a questionnaire to carry out research and there were 100 respondents who took part in the survey. Out of all the respondents, 55 respondents responded that they are strongly satisfied with the cab app services while 30 respondents are neutral with this. There are 5 respondents who have no idea about this and remaining 10 respondents responded with not at all.

SUGGESTIONS

- To educate the cab drivers for mobile application use.
- To ensure proper management of time
- Should it be mentioned whether there are any adjustments to the cab number.
- Free calls during driver connexions
- Tariff charges, particularly during peak hours, should be correctly fixed.
- Adequate servicing of equipment.
- Sticker can be shown on the business badge.
- In the immediate term card transfers have to be open.
- Growing automobile networks.
- Sales and promotions are accessible during festival seasons.

CONCLUSION :

In this paper we tried to research the behaviour of customers in e-cab hailing. Market decision-making was seen to be affected by various variables, including price, incentives, cab brand add-ons, preference of riding sharing, environmental awareness, driving efficiency quality service (smartness, timeliness, strong driving skills), physical protection, privacy, etc.

In this new age, the introduction of e-wallets has substituted taxi metres resulting in a win-win-win scenario for passengers, drivers and cab aggregators. The study shows that e-cab greetings for young generation are appealing due to lower waiting time, point-to - point service, parking and beverage disadvantage. It improves mobility choice for citizens dwelling in towns. Ride sharing seems to be complementary to public transportation system. Besides that there are certain problems faced when travelling including-

- Rider may be subjected to sexual harassment.
- Incidents of misbehaving by passengers.
- Navigation issues due to low GPS communication.
- As India is heading into digital economy, internet access need to be worked out and data charges need to be taken down so as to make it accessible to any future user.
- A driver's ranking is not a trustworthy cab booking mechanism on this base.

Following are some of the steps to tackle these issues:

- The driver 's training is hour-needed. The condition test and driver instruction should be carried out. Only once will preparation not accomplish our target. Trained staff need to be retrained occasionally as learning is an ongoing process.
- Service is a process and can not be effectively and efficiently managed if there is no standard measure for evaluating its performance.
- There is also a need for a sound and futuristic regulatory system that contributes to stronger cab hiring economic growth. There are currently no clear guidelines for consumers to approach in the event of fraud. If there are proper laws and regulations in effect, that would allow more users to use e-hailing apps.

Cab aggregators may partner with insurers to take care of the drivers' insurance issues. Both life insurance and general insurance may be sold as per the need and preference of the customers.

- It is our country's richness that renders the global map visible. Travel and tourism can help us gain foreign exchanges that can be promoted by selling the tourist 's experience to build the reputation of our country. Another layer of e-cab greeting is this unstapped tourism market. In this way, it will add to our country's GDP and thereby lead to its growth and development, which will lead to changes in the quality of living of local citizens, both digitally and physically.

According to our survey, we found that 95 percent of the respondents usually book cab using e-hailing cab application, rest either call a taxi company or book using taxi company website. 95.8% and 60% of respondents felt comfortable as they get a taxi for themselves at everyday and at night. 40 percent of the respondents also felt insecure when hiring a taxi at night and the explanations may be many including fear of eve-teasing, sexual assault, loot, burglary, and fear of life. 30 percent of respondents felt relaxed with female drivers, so that more female drivers will take their profession as an opportunity. The police should check and educate taxi drivers to promote moral and ethical conduct, with positive long-term implications on the e-cab hailing industry.

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