

Why do People use Ola and Uber?

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A cab is a type of vehicle facility with a driver, hired by the traveler or group of travelers, mostly for a non-shared ride. A cab passes on travelers between locations of their preference. This varies from different methods of public transport where the pick-up and drop-off locations are dogged by the contractor, not by the traveler. Life style of middle class keeps on changing with the time in India. People started giving more values to their precious time and their comfort. They are ready to pay little extra money, if it is the matter of their safety and comfort. Cab is a facility which demand is increading in the Indian market for making transportation more comfort and reliable. There are lots of reasons behind this. In this paper, the researcher tried to put forward that causes for increasing demand of cabs in India. Besides, the researcher tried to highlight all the advantages of cabs in Indian scenario. For these purpose, 50 samples were collected to support the research interpretation.

I. Introduction

India is a developing country and simultaneously the standard of living especially middle class people in India has raised leading to an increase in the wants and needs. Not all individuals from this working class foundation can purchase individual vehicles for voyaging consequently they exceptionally rely upon public transportation. One of the most significant wellspring of public transport services are the “Taxis” which are utilized by lakhs of Indian consistently to drive to

their office, go to shopping with their family, go for visiting, go to the airport and the rundown proceeds. Concentrating on getting taxis for short separations inside a specific city or for setting off to the air port or from the airport to some specific spot, it was badly arranged until a couple of years back. This Radio taxi advertise has developed so colossally that the quantity of radio taxis has expanded much more than the quantity of open taxi-cabs till today. As indicated by an investigation done by Sunstone Business School, the radio taxi

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showcase has developed with practically in excess of 15,000 taxis with a few other new

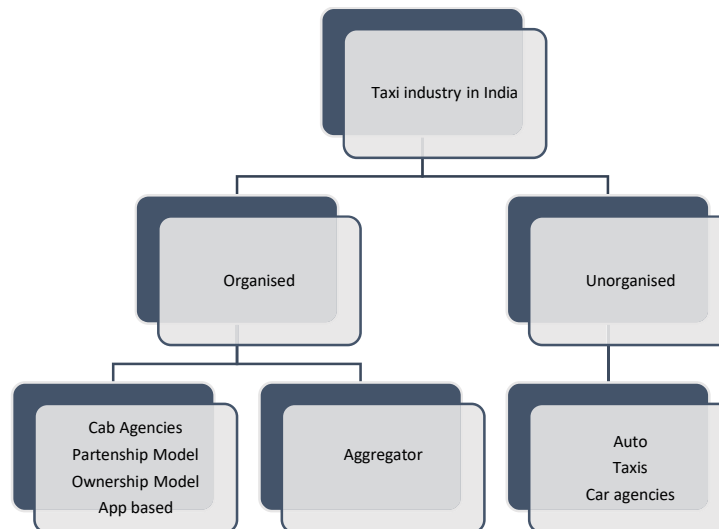
Uber and Ola have entered into the market and resolved all the primitive issues. The increasing digitalization and smart phone uses in India can be the biggest trigger for these cab services. Contingent upon the city/state, taxi-cabs can either be hailed or are procured from taxi-stands. In few cities like Bangalore, taxis should be employed from taxi stands, though in Kolkata and Mumbai, taxi-cabs can be hailed in the city. There are extra additional charges for gear, late-night rides and cost charges are to be paid by the traveler.

Now, the clients can book a taxi with only a finger contact from their device. In light of

administrators in the few urban communities.

the accessibility, the taxi will show up in a couple of moments. Another explanation behind the quick advancement of the taxi business is the development of the IT and IT enabled industries. To facilitate their employees, for transportation between home and workplace, for wellbeing and security point of view, the organizations began providing taxi services to them.

Taxi business is as yet chaotic and the interest is developing. The important aspect is that this taxi industry is still unorganized and at the same time its demand is growing in the Indian market.



The Indian transportation was dominated by the unorganized taxi services, but over the past five years organized radio taxi service market has been growing. The entry of Uber

and OLA taxi services as aggregators provided the app-based taxi services to the Indian passengers in the metro cities in India. Ola and Uber offered passengers AC and non AC taxi services at cheaper prices as per their requirement. These taxi services provide assured facilities at the desired location point through the mobile applications. It provides the much needed comfort with cheap fare. In many cases, the fare charged by Uber and OLA is found to be less by redeeming of coupons and by using provided discounts than the costing of our own vehicles. Even as per the requirement, passenger can book two wheeler, four wheeler and shared vehicles. Besides, the passengers can choose varieties of vehicles such as bike in two-wheeler category and micro or mini cars in four wheeler category. The fare charges also vary with the opted facilities. These are the reasons which made Uber and OLA more successful in the Indian market and brought a big shift from traditional black & yellow taxis. At the other end, this major shift of passengers from traditional taxi/auto services to these app-based services also brought decline in their daily revenues which can be proved as a survival threat in the near future for them.

II. Literature Review

(Velmurugan, 2019) Ola has seen a gigantic development in the taxi showcase area. Income of Ola has expanded just about 10 folds in the course of recent years.

(R, 2019) Uber should enhance their knowledge of new places. He also suggested that due to various services provided to customer, app based taxi services are becoming very popular in metro cities of India.

(Pasharibua, 2018) Service quality and trust essentially influence consumer loyalty, yet cost doesn't display a noteworthy effect on consumer loyalty. Further, value, administration quality, and trust all the while show noteworthy impacts on online change's consumer loyalty.

(Kumar and Kumar 2016) found that there is a tough rivalry in the organized cab services industry therefore they need to propel customers through coupons.

III. Objective Of the study

1. To know the reasons which is triggering the expansion of Ola and Uber in India
2. To understand the reason why people shifted from offline taxi to online taxi.

IV. Data and Research Methodology

The primary data is collected through structured questionnaire. The sample size for this study is 50. The geographical location of the respondents is Jaipur which is located in Rajasthan. The respondents for this research ought to have expended cab benefits over the most recent a half year and they ought to have booked the cabs through versatile application

in their mobile phones. Period of data collection is six months; from Jan 2019 to June 2019. The demographic variables are age group, occupation and gender. The sample for this research is made out of understudy, working experts just as independently employed individuals. The convenience sampling was done for this research. Convenience sampling method was used as it is adequate for an exploratory study and is the quickest way of obtaining information.

V. Triggers for expansion of OLA and UBER

Following are the reasons why the demand of Ola and Uber cab services are growing day by day.

1. Unavailability of the comfortable public transportation forces people to Ola and Uber cab services.
2. These cab services are competitively cheap or equal to autos.
3. The rides are traceable which is good feature for security perspective.
4. These cabs are available for booking through mobile application.
5. Estimated time of arrival is also shown in the application, and it is followed by the drivers thus punctuality is maintained by these cabs services.

6. Feedback is taken after the ride, strict action is taken if there is any complaint related to the behavior of the driver, cleanliness of the vehicle etc.

VI. Findings and Data Interpretation

1. This research shows that eighty seven percent people prefer to hire a cab. Only eight percent people hire taxi.

2. Results shows that thirty four percent people hire Ola and Uber cabs rarely or once in a while. Whereas approx twenty four percent people hire cabs monthly, twenty eight percent people hire cabs weekly and thirteen point two percent people prefer these cabs daily.

3. The **availability** and **security** are the main reason for shifting to online cabs (Ola And Uber) from the offline taxi.

4. Eighty five percent people find Ola and Uber as most reliable cab industry.

5. Research shows that sixty five percent people find cashless transaction more convenient. On the other hand, thirty five percent people find it difficult and prefer cash payment to the drivers after the completion of the ride.

6. Following are the benefits of online cabs as compared to offline taxi:-

- No need to tell directions to the driver, as they follow google maps.

- Tracking of the cabs through app is easy.
- Feedback is given by the passenger for drivers, which increases the responsibility of a driver.
- Cabs can be booked in advance.
- Sharing cabs are available which save money.

VII. Conclusion

Ola and Uber have bright future in India. It has many reasons like- in metro cities where the long distance and parking space are the major issues these cab services will

be the good solution for this. According to the survey response conducted for this research clearly indicates that safety is the biggest reason for availing these cab services. Availability of cab for 24*7, GPS tracking facility are also considered as major benefits of this. AC/Non AC, choice for type of vehicle, application based booking, these are the improved facilities which made Ola and Uber cab operators a competitive edge over the traditional transport facilities.

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