A STUDY ON CONSUMER PREFERENCE ON ONLINE CAB SERVICES

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Abstract: *India is a developing country with more than 1.38 billion people. Majority of them are working and belong to middle class or upper middle class. It is also well-known fact that majority of the Indian women living in cities are working and contributing to the GDP of the country. In Chennai city lot of employees are working in different districts, State, country so there is no possibility to being with their own vehicle. So the cheap & best option will be the cab services. For this purpose of study data has been collected from various respondents and the demographical profile of respondents has been collected considering their age category, occupation, gender etc., the objective of the study is understanding the preference of customers towards the various facilities of cab services and their preference for various brands of online cabs. The findings of the study could be useful to the cab service providers to give a better service in the future.*

Key Words: *Cabs, cab service, Rental cabs, transportation, public transport.*

1. INTRODUCTION:

Concept of organized rental cab was introduced to Indian consumer in 2004 when Meru cab service was launched in major metro cities of India and then almost after six years App based rental cab service was introduced in Indian market. Among various transportation mode cab service gained popularity because of its advantage of door to door service and now because of technological advancement customers were able to book cabs at competitive price in just one click using their smart phones. These App based cab services were having tremendous potential for growth in densely populated countries like India   where parking is major problem because of space crunch as well as public transports are over cowered during peak hours. Slowly this convenient mode of travel started gaining popularity and competition became dense after Uber's launch in 2013.

As customers have become more demanding it's a challenging job for rental cab industry to meet the customer's expectations. Now a days not just the price but quality service also plays an important role in customer satisfaction. Now using a smart phone consumer can access, compare, evaluate and purchase. In this situations App based services such as Ola or Uber Cabs offered solution by offering various services ranging from the economic to ultimate luxury. As per a current report in the financial express introduction of App based pre-paid taxi services like Uber and Ola taxi not only grabbed customers' attention but also contributed in increasing employability by providing opportunity to drivers. Ola cabs service was started in 2010 in Mumbai by ANI Technologies Pvt. Ltd. based on online cab aggregator concept.

Ola offers range of affordable transportation service staring from superior luxury cars to Ola auto. Currently it is available on 102 cities and approximately 450,000 vehicles are available with them1. While Uber Technologies Inc. is an American worldwide online transportation Network Company founded as Uber Cabby Garrett Camp in 2009. In August 2013 Uber expanded to Indian market by launching its services in Bangalore 2.
Both Uber and OLA entered the taxi services market in India having many similarities, such as concept of taxi aggregators, air conditioned taxi services, cheap price and app-based taxi services, luring passengers of major metropolitan cities.

2. REVIEW OF LITERATURE:

Mona Bhalla Et Al (2018) attempted to find the difference between the perception and the expectation of the customers towards app-based cab services using the SERVIQUAL GAP MODEL. They suggested measures to improve the services to meet expectations, in cases where the expectations exceed the perception. In areas where the perception of the service provided exceeds the expectations, suggestions are given to tone down the service provided, thereby reducing cost and efforts.

Geeta Kesavaraj (2013), reveals that "As global competition grows, communication and technology channels open up new markets, and products and services are translated into a wide array of choices for our audiences, companies must work harder than ever to gain and keep customers at a competitive cost. In this new age, companies must focus their strategy, energy, processes and budgets to improve their knowledge and commitment to customers. It is imperative that companies make it their priority to use innovative Customer Relationship Management methodologies and to know how to implement customer centric strategies, together with the use of adequate technologies to aid in this process".

Rexi A. (2016) states that "Call taxi have a greater value in the community, in the taxi industry is regulated in various ways by the state Governments through their respective Departments of Transport. Through this regulation the Government is able to exert some control over the activities of the industry, with the ultimate objective of providing a higher level of service (a complex construct in itself) to the public. In the current scenario the best and convenient way to travel to and from bus stands, railway stations, airports and to other places of interest in Coimbatore is by call taxi. There are as many as 40 to 50 call taxi service providers available in the Coimbatore city and its suburbs call taxi service is mostly available 4 hours within the day. And people regard it as the most convenient way to travel. This study is mainly used to identify the awareness towards call taxi services, factors influencing the choice of call taxi services, satisfaction towards the call taxi services, and the problem faced by people while using call taxi services.

Ruchi Shukla, Ashish Chandra & Himanshi Jain (2017) states that "Every other day in India, there is a new start up offering efficient cab service to the citizens operating in urban and rural lifestyles. This raises a question that is India going through a possible 'Taxi Revolution' In this paper, an attempt has been made to do comparative study of two of such taxi aggregators that have radically changed the way "the great Indian middle class" commutes daily- Ola and Uber. Currently, both Ola and Uber cabs are following the strategy of expanding their operations and building customer base in key metropolitan cities across India. The motive is to increase market share and achieve economies of scale and at the same time providing customer satisfaction. This article seeks to understand the
dynamics of India's taxi market by studying various factors like the pricing, market share, revenue models etc. The paper is qualitative in nature and based on secondary data collected from different sources.

Rashi Goel, (2018) Uber and Ola both are one of the most quickest developing firms in the taxi aggregator industry. Be that as it may, both go through altogether different tasks and working coordinations regarding driver and rides, course improvement, region network, and accessibility. With this paper, we mean to draw an examination between day by day working and coordinations streamlining of both Uber and Ola, in order to comprehend the activities and the weaknesses of both the organisations on entirety. For this reason, we have utilised numerical and diagnostic apparatuses of activities inquire about.

3. ABOUT THE TOPIC :

Online cab services are becoming increasingly popular in today's world. With the emergence of new technologies and the growth of the digital economy, customers are more likely to look for cab services online. This study aims to understand the customer preferences and behaviors when it comes to choosing an online cab service.

- This paper helps to understand the consumer behaviour and mindset which is essential to the long run success of any marketing.
- It ensures businesses in regulating smooth flow of consumer needs.
- To provide higher level of customer satisfaction by providing them what they need and gaining their trust.
- To know which cab service is highly preferred and what influences them to go towards it.

4. RESEARCH OBJECTIVE:

- ❖ To find the customers preference towards online cab services.

❖   To understand the mindset of the customer towards online cab services.
❖   To know the customers preference.
❖   To compare the reasons and to make customers to prefer OLA cab service.

5. RESEARCH METHODOLOGY:

Research methodology is applied on two important types of research process which involves basic research and applied research. Basic research includes the work or research that has not been done before. On the other hand, applied research involves the work that has already been done. There are so many types of research that can be performed. Some of them are descriptive, explanatory, exploratory, applied, pure, qualitative, quantitative and so on. Based of the topic and the comfort the research method can be chosen. The type of research performed here is **Descriptive Research.**

MODE OF DATA COLLECTION:

Data Collection begins after a research problem has been defined and research design is chalked out.
The Data source: Primary and Secondary Data
The Research approach: Survey Method
The Research Instrument: Questionnaire Method
The Respondents: People of Chennai.
Data was collected manually by the way of distributing questionnaires to the residents of Chennai City.

DATA ANALYSIS AND INTERPRETATION:

Interpretation:
The Pearson's chi-square value is 14.314a and it's significant at .074with the degree of freedom 5. In SPSS, if the significant value is greater than 0.05, Null hypothesis is accepted and Alternate Hypothesis is rejected. As the value is greater than 0.05 H0 is accepted.

Inference:
There is no significant difference between age of the respondent Covid-19 affected the travelling through cabs.

Interpretation:
The Pearson correlation value is -.174 which is less than significance value 0.001 If the significant value is +0.05 to 1 then it is strong positive correlation. And if it is 0.05 to 0 then it is weak positive correlation. So, the Null Hypothesis is rejected.
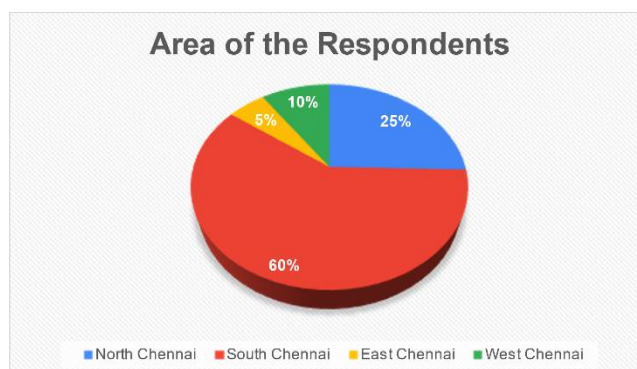Inference:
There is significant correlation between Age of the respondents and service preferred by respondents.

Percentage analysis
Inference:
This represents Income of the respondents. The above table shows majority of the income lies below 55%, 19% of the respondents income is Rs.10,000-RS.25,000, 7% of the respondents income is Rs.26,000-RS.35,000, 5% of the respondents income is Rs.36,000-RS.50,000, 14% of the respondents income is above Rs. 50,000.
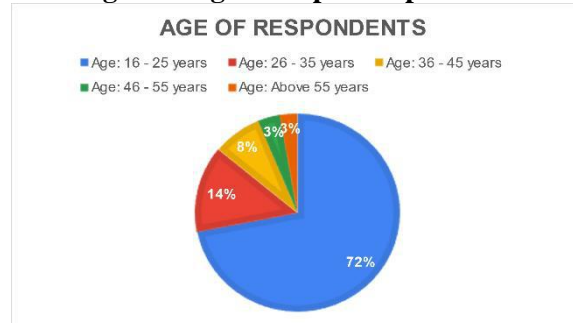
Figure 1 Area of the respondents

Inference:
This represents area of the respondents. The above table shows that majority of people are in South Chennai, 25% of the respondents are in North Chennai, 10% of the respondents are in East Chennai, 10% of the respondents are in West Chennai.

Figure 2 Age Group of respondents

Inference:
This represents the age variation of the respondents. The above table shows that majority of the respondents are in the age group of between 16-25 years with 72%, 14% of the respondents are in the age group of 26-35 years, 8% of the respondents are in the age group of 36-45 years, 3% of the respondents are in the age group between 46-55 years and ,and 3% of the respondents are in the age group above 55 years.

Figure 3 Gender of respondents:
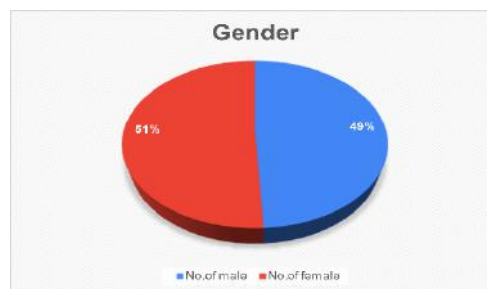
Inference:
This represents the gender of the respondents. The above chart shows that the majority of the respondents are female - 51% and the rest 49% are male. This clearly chows that female are using the cabs more frequently.

6. FINDINGS:
- From this survey we can able to see which age group of people use online cab services the most
- The survey shows that there is a significant difference between age and covid -19 affected travelling through cabs
- In this survey we can see that
  - 19% of the respondent's income is between 10,000 – 25,000
  - 7% of the respondent's income is between 26,000 – 35,000
  - 5% of the respondent's income is between 36,000 – 50,000
  - 14% of the respondent's income is above 50,000
- From this finding we can see that the people who fall under the income group between 10,000 – 25,000 prefer online cab services.
- The age group
  - The age group between 16 – 25 years with 72%
  - The age group between 26 – 35 years with 14%
  - The age group between 36 – 45 years with 8%
  - The age group between 46 – 55 years with 3%
  - The age group above 55 years with 3%
- The age group between 16 – 25 years prefer online cab services the most
- Gender

- o Number of Male respondents who prefers online cab services is 49%
  - o Number of Female respondents who prefers online cab services is 51%
- Female respondents prefer to use the online cab services the most

7. SUGGESTIONS:

The online cab services as the maturity of the respondents said the cab services are useful to their day-day. Their life but in the fare of cab charge to being higher of day-day so they will manage to employee, students, homemakers. After the corona the cab services are not follow the rules & regulation of the government (Zero contact with driver, Cashless transaction).

8. CONCLUSION:

This study shows that there are significant differences in usage of cab service among the age of the respondents. During the covid -19 which affected the travelling through cabs the age of respondents between 26 years to 35 years considerably high compared to other age groups . As different studies show, it's mostly the youngsters who are fuelling the amazing growth story of ola cab service in India.

OLA is a popular mobile app for personal transportation in India. OLA started as an online cab . On July 21st 2015, OLA has formally launched "OLA Store" for groceries and daily needs. The Catalog of products available looks extensive. Apart from the general needs like vegetables, fruits, Dairy products, frozen foods, grocery and staples etc, interesting additions are sexual wellness, Electrical products and health supplements and medicines.

To conclude, the market for OLA Cabs depends on the customer preference, creating awareness and Customer satisfaction. The factors like convenient, brand, low cost, quick and safe, easy to book and Timely pick and drop facility etc which influence the customer decision to opt for OLA cabs. In Addition to this, brand positioning and customer satisfaction will take place when personal Transportation services (Cab services) differentiate in terms of financial feasibility, time management, Easy accessibility and other services. To conclude, OLA cabs has positioned its brand and has created a Good brand image in the minds of customers concerned to personal transportation services compare to Uber throughout Chennai.

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