# A COMPARATIVE STUDY ON UBER TAXIS AND NORMAL TAXIS IN ERNAKULAM DISTRICT

PROJECT REPORT SUBMITTED TO MAHATMA GANDHI UNIVERSITY, KOTTAYAM IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF DEGREE IN BACHELOR OF COMMERCE (2020-2023)

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RESEARCH AND POST GRADUATE DEPARTMENT OF COMMERCE

(Affiliated to Mahatma Gandhi University, Kottayam)

THRIKKAKARA P.O, COCHIN 682-021

# CERTIFICATE

This is to certify that this project titled "A COMPARATIVE STUDY ON UBER TAXIS AND NORMAL TAXIS IN ERNAKULAM DISTRICT" is a bonafide record of work done by SREELAKSHMI KS, VINAY KRISHNAN and VINAY ROY GEORGE in partial fulfillment of requirements for the award of degree of Bachelor of Commerce in Mahatma Gandhi University, Kottayam under the supervision of Asst. Prof. KAVYA ASOK. It is further certified that this project work is not any part thereof has not been submitted elsewhere for any other degree.

Signature of HOD Asst. Prof. JULIE P.J Signature of Guide Asst. Prof. KAVYA ASOK Name and signature of External Examiner

Place : Thrikkakara

Date :

# DECLARATION

We hereby declare that this project entitled "A COMPARATIVE STUDY ON UBER TAXIS AND NORMAL TAXIS IN ERNAKULAM DISTRICT" is our original work and has not been submitted to MG University or any other universities. We have undertaken this project in partial fulfillment of the requirements of B.COM 2020-2023 in Bharata Mata College, Thrikkakara, Ernakulam affiliated to MG University, Kottayam.

SREELAKSHMI KS

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(Date)

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# <u>CHAPTER 1</u> INTRODUCTION

### **INTRODUCTION**

The movement of people, products from one location to another is referred to as transportation. It is essential to society because it makes it possible for people and companies to access resources, opportunities, and services. Among the various modes of transportation the cabs have become an important mode of transportation in metropolitan and urban cities in India. Every aspect of life has undergone innovation as time has passed. The same is true for the transportation sector, where new cab services have simplified travelers' journeys. The Uber taxi service, which has grown tremendously in popularity with the public at a very fast rate, is one of the shining examples of technical advancement. This service is very simple to use. The only thing folks need to do is use an application as aid. The customer will need to specify all the details of his intended destination before ordering a cab. Upon placing an order, the fare and other details will be addressed. The transportation Industry has undergone a significant transformation in recent years, with the rise of ride-hailing services like Uber challenging the dominance of traditional taxis. While both services offer transportation options to customers, they differ in many aspects, including pricing, convenience, and availability. As a result, there has been much debate and discussion regarding the impact of Uber on traditional taxi services and the transportation industry as a whole.

In this comparative study, we want to look at how regular taxis and Uber differ in terms of cost, availability, safety, and customer experience. We will investigate the variables that affect consumer behavior and decision-making while deciding between these two possibilities through a methodical review of the body of existing research and empirical data. We will also look into the legal and political challenges raised by the expansion of ride-hailing services and how they affect traditional taxi drivers and businesses.

Ultimately, this study seeks to provide valuable insights into the transportation industry, consumer preferences, and the impact of technology on market competition. By understanding the differences between Uber and traditional taxis, policymakers and industry stakeholders can make informed decisions and develop policies that promote economic growth and sustainability. A study comparing Uber and traditional taxis can provide valuable insights into the transportation industry, consumer behavior, and the impact of technology on the market.

## **SCOPE OF THE STUDY**

The scope of the study is limited to Ernakulam district. We will conduct a systematic review of existing literature and empirical data to provide a comprehensive analysis of the differences between Uber and traditional taxis.

# **OBJECTIVES**

- To determine the factors that influence the selection of taxi services
- To assess the usage of Uber taxi and Normal taxis in the Ernakulam district
- To assess the Level of Satisfaction towards the Uber taxi and Normal taxis in the Ernakulam district.
- To know the difficulties faced while using the Uber taxi and Normal taxi services in Ernakulam district

# **STATEMENT OF THE PROBLEM**

The problem statement for this comparative study is to analyze the differences between Uber and traditional taxis in terms of their accessibility, comfort, safety and pricing. We assess the usage of Uber and Normal taxis in Ernakulam district and find out the difficulties that is faced by the users. Our study is entitled as "A COMPARATIVE STUDY ON UBER TAXIS AND NORMAL TAXIS IN ERNAKULAM DISTRICT".

# **RESEARCH AND METHODOLOGY**

#### SOURCE OF THE DATA

For the study, both primary and secondary data was collected.

- Primary data is used in the study. It is original data. For the purpose of collection of primary data, e-questionnaire's were filed by the respondents. The e-questionnaire comprises of close ended questions.
- Secondary data was also collected for the study. Books, journal and magazines were referred for this purpose from the library to facilitate proper understanding of the study.

#### **RESEARCH DESIGN**

- A convenient sampling technique was used for the collection for primary data.
- Sampling size was taken as 140 respondents
- The scope of the study is confined to Ernakulam district as Uber is only available here as of now.

#### **TOOLS FOR ANALYSIS**

In this study the various tools used to present facts are:

- ✤ Table representation
- ✤ Bar diagrams
- ✤ Simple percentage analysis

# **LIMITATIONS**

- Only a small response from a 140 commuters are taken for this study. Therefore the influence drawn from the sample is subject to many limitations.
- It's possible that the response is biased in one direction and not always accurate.
- It's possible that the secondary data gathered from various surveys and other sources isn't 100% accurate.
- The scope of the study is limited to Ernakulam district, so it does not give a complete picture of the study.
- Refusal of respondents to submit actual information during data collection.

## **SCHEME OF THE STUDY**

#### Chapter 1: Introduction

It gives a brief introduction of the study and also scope of the study, objective of the study, statement of the problem, research and methodology, limitations and scheme of the study.

#### Chapter 2: Literature Review

It gives a summary of all the literature study for the purpose of this study

#### Chapter 3: Theoretical Framework

It gives a theoretical background to the study like what is traditional taxi and Uber taxi and what are the different types of Uber taxis.

#### Chapter 4: Data Analysis and Interpretation

In this chapter the data collected is analysed and presented in the form tables and bar diagrams.

#### Chapter 5: Findings, Suggestions and Conclusion

In this chapter the findings, suggestions and conclusions of the study is presented.

# <u>CHAPTER 2</u> <u>LITERATURE REVIEW</u>

#### **REVIEW OF LITERATURE**

- Shukla et. al (2017) studies on UBER: India's biggest appeal, according to The Battle of Dominance, is due to the size of its market and growing purchasing power, which have led to better lives. However, Indian consumers lack brand loyalty and are intelligent, demanding, and highly price sensitive, making it difficult to manage this market. To keep clients interested for a long time, businesses must continuously be on the lookout for new packages and deals, which can occasionally lead to significant monetary outlays. Therefore, it would be difficult for both businesses, like Uber, to function in such a setting. They must reduce expenses everywhere, become more customer- and target-focused, extremely inventive, and tolerant of criticism from the regulatory authorities, among other things keep delighting their customers as 'customer is king'.
- Hanif & Sagar (2016) found that Mumbai's cab industry has a lot of room to grow as the city's middle-class and wealthy population, as well as the corporate sector, all have increasing transportation needs. Many Mumbai residents would rather employ a taxi service to travel to a shopping centre, attend a special event, or even go to a late-night party due to the city's severe parking issues. This service is preferable to wasting time looking for parking for one's own car or arguing angrily on a relaxing weekend. According to the report, the company's customers are quite satisfied, which is good news for its growth and expansion.
- Sarvepalli & Prakash (2016) in their study, the authors attempted to describe in detail how the cab aggregation sector in India was affected by the aggregators' creative use of technology to give the answer. Additionally, it discusses the current situation and the problems that businesses and customers are currently facing. Uber altered how the sector looked. It briefly touched on the industry's gradual process of consolidation and focused only on businesses that would benefit from a higher level of service quality in the future. It is suggested that future studies use the RIDE model to clarify why ongoing research is necessary to comprehend the needs of the customer and how technological innovation can be used to creatively address any gaps in expectations. The businesses that adapt as rapidly as feasible to the emerging trends are the ones that will sustain their position in the market.
- Kumar & Kumar (2016) discovered that the organised taxi services market is highly competitive; as a result, businesses must use promotions to entice customers. Consumers'

creative actions encourage them to download mobile apps and further encourage them to use coupons when booking cabs. Because price-conscious consumers are more likely to use coupons, the findings of this study are consistent with those of past studies. The use of coupons helps businesses retain customers because today's consumers are both innovative and price conscious. In addition to providing freebies, the brand's reputation is quite important for client retention.

- Joshi and Mehta (2015) found that setting up call centers, purchasing fleets of new cars, and integrating cutting-edge technology into their vehicles cost a significant amount of money. Government, radio cab businesses, drivers, and most crucially, passengers, have all benefited from it. The biggest driving force for the expansion of the radio cab sector has been a shift in people's perspectives. However, there are several other factors that are acting as barriers to expanding the radio cab business, such as expensive prices, restrictions on SMS imposed by the Telecom Regulatory Authority of India (TRAI), and the lack of parking spaces. To advance, radio taxi firms must find the ideal balance between factors that encourage growth and obstacles.
- Venkatesh, & Easaw (2015) discovered that the cab aggregator business model's success is sufficient evidence of the constantly expanding role of technology in a business's success. In cab aggregator services, technology has a bigger impact on how well demand and supply are aligned. This study emphasised the creative ways that aggregators like Uber have entered the Indian market by utilizing mobile technologies. The issues with urban mobility in Indian metropolises have been identified, and they have been turned into commercial opportunities. Additionally, they were successful in their endeavors. Supply chains for services are still the subject of research. The distinctive character of services makes providing them more difficult. But technology can significantly improve service quality. The cab aggregators must concentrate on performance measurements now that they have found success in order to guarantee the longevity of the business model. Customer expectations will inevitably rise as service quality standards rise in the coming years. Performance metrics allow for service benchmarking and concentrate on ongoing service quality improvement. To expand their businesses, taxi aggregators should also concentrate on innovations.

# <u>CHAPTER 3</u> THEORETICAL FRAMEWORK

#### **UBER TAXIS**

Uber is a technology-based transportation startup that uses a smartphone app to match clients with independent drivers. Since its founding in 2009, it has grown to operate in more than 700 cities worldwide. By offering a convenient and reasonably priced substitute for conventional taxis, Uber's business model upended the traditional taxi sector. Via the Uber app, users may quickly request a ride, and drivers can accept or reject the request depending on their schedule. Many cities have argued that Uber should be subject to the same rules and costs as conventional taxi firms, which has put the corporation in conflict with the law. Uber, on the other hand, has maintained that because it is a technology firm and not a provider of transportation, it should not be governed by the same laws. Some claim that Uber's regulations and practices do not offer drivers enough advantages or safeguards, and the corporation has also come under fire for how it treats its drivers. In response, Uber has made adjustments like providing drivers with access to healthcare and implementing new wage guarantees.

#### • <u>History</u>

In 2009, Garrett Camp, the creator of Stumble Upon, and Travis Kalanick launched Uber as Uber Taxi. In the same year, the business obtained startup capital of \$200,000. 2010 saw an extra \$1.25 million in funding for Uber. Uber's services and mobile app were formally introduced in San Francisco in 2011 after a beta launch in the summer of 2010. At first, Ryan Graves held the position of CEO; but, later that year, Kalanick took over. In order to become the company's CEO, Graves resigned. By the end of 2011, Uber had raised \$44.5 million in funding. That year, the company changed its name from Uber Cab to Uber. The name "Uber" is a reference to the common (and somewhat slangy) word "uber", meaning "super", and having its origins in the German word über. In 2013, Google Ventures made a \$258 million investment. In December 2014, the Chinese search engine Baidu invested in Uber as part of a deal that also includes linking Uber to Baidu's mapping services. In reaction to earlier collaborations between Toyota and Uber's rivals, Toyota made an undisclosed investment in Uber in 2016 and looked at leasing solutions that would help Uber drivers financially. Uber's quick expansion and emergence as a brand-new form of transportation in Metro Manila over the past 12 months have been on full display. Since then, the use of technology in public transportation has spread throughout the world. Uber originally mobilises luxury vehicles, but today a well-known budget-friendly version dubbed UberX serves more drivers and the general public. When it first launched, Uber advertised itself as a ridesharing service, with its drivers typically owning their own cars and working anotherr full-time job. They utilise Uber's flexibility by driving around during their free time. Uber's business model appeared to evolve as it moved to the Philippines, where most drivers now work full-time for Uber without owning a vehicle.

#### <u>Uber as Taxi service</u>

The cab and Uber both offer door-to-door service. In a pre-booked market, Uber most closely resembles a taxicab. Customers call a dispatcher or operator over the phone in a traditional prebooked market. Customers at a pre-booked market are free to select their preferred operator, unlike in a hail market. As a result, business owners are motivated to provide better customer service. Customers can choose the pick-up location with a pre-booked market, which allows for genuine door-to-door service that is not available with street-hailing or waiting in line at a Taxi-Bay.

#### <u>Uber as Ridesharing</u>

In Organized Ridesharing, where Uber is a matching service, the two are closely related. A matching agency locates car sharing offers and links them with preexisting requests; it does not own any vehicles. In order for matching services to be effective, both drivers and passengers must perceive an excess of available drivers. Due to a variety of factors, Uber is not a ridesharing service. First off, conventional ridesharing is not a for-profit enterprise. Those who share a ride with a common origin and destination do so here. The likelihood of having the same itinerary as the driver is higher among passengers. The primary goal of ridesharing is to reduce travel expenses. Uber's primary goal is to make money.

#### • Uber as a Carpool

Ridesharing also includes any kind of carpooling. Family, employer-based, slugging, ridematched, and real-time carpooling are all options. Uber is most comparable to a live carpool. Both utilise a real-time application on a phone or tablet, but a real-time carpool only finds commuters who share a particular route. The same distinctions that apply to ridesharing also apply. Only when the ride request is on his way can the driver accept it. In the case of Uber, a driver may accept a request wherever that the service is available.

#### • Types of Uber

- **Uber X:** Uber X is the cheapest and most common platform offered. Can take up to 4 passengers and the type of vehicle may vary anything from a Toyota Prius to a Ford Explorer and everything in between.
- **Uber XL:** The next level of Uber is XL, which is used when you need more space. To qualify, your car must seat up to 6 people, which is typically a bigger SUV or van. Of course, this is more expensive than an Uber X. used primarily by parties, families travelling together, or just anyone needing more space.
- **Black:** Larger, more expensive automobiles that must be black. Range Rover, Mercedes 500 series or higher, BMW 5-7 Series, Lincoln Towncar, Chevrolet Tahoe, etc. It's for someone who just wishes to ride in style or create an impression. This is the most expensive Uber.

- Uber Select: Nicer, more recent cars with leather seats but no requirement that they be black. cheaper than Black car, but more expensive than Uber X. Pricier than Black Car but less so than Uber X.
- **Uber SUV:** Newer SUVs must be all-black with leather seats, and the drivers must wear business attire. Lincoln Navigator, GMC Yukon, Toyota Sequoia, Cadillac Escalade, etc.
- **Uber Hire:** It allows one to hire a Cab for up to 12 hours. The service had been under pilot in Kochi and now is being gradually rolled out to eight more cities including New Delhi, Bengaluru, Chennai, Mumbai, Pune, Ahmedabad, Vizag and Nagpur.
- **Uber Go:** It is a four-seat hatchback automobile with air conditioning. Although it can accommodate 4, this car is typically small. There is not enough room to transport additional luggage.

## NORMAL TAXIS

Traditional taxis, commonly referred to as "hackney carriages," have been a mode of transportation for more than a century. Taxi drivers often hold professional driving licences issued by local authorities after completing thorough training and background investigations. Taxis normally operate on a metered fare system, which means that the cost of the journey is determined by the distance travelled and the length of the trip, unlike ride-sharing services like Uber. For those without access to a personal automobile, taxis offer a dependable and secure mode of transportation that can be phoned on the street or summoned to a specific area. However, with the emergence of ride-sharing services like Uber and Lyft, traditional taxis have had considerable difficulties recently. Because they provide clients a convenient and frequently less expensive substitute for traditional taxis, these services have disrupted the taxi sector. To compete with ridesharing services, many traditional taxi businesses have embraced technology-based solutions including mobile apps and online booking systems. Also, to level the playing field between taxis and ride-sharing services, some cities have proposed regulatory adjustments. Notwithstanding the difficulties, many people still rely on traditional taxis as a major form of transportation, especially in places where ride-sharing services are nonexistent or where clients prefer the security and dependability of a registered taxi.

The current taxi industry faces issues with an arbitrary taxi distribution, a high load rate, and ineffective dispatching. Smart phones assist in the bidirectional search system for taxi drivers and passengers, which includes taxi route planning, map analysis and hotspot planning. Thus, smart phones help urban taxi services operate more effectively. From the Uber app on the passengers smartphone they can order a ride from a non-commercial driver. The app will provide the passenger with details of the driver and the license plate number of the driver so that the passenger can easily identify their ride and this can be helpful for their safety. The app also provides the driver with the location of the passenger with the help of GPS technology, this is used as pick up location. With this same technology the passenger can also get to know the real time location of the driver. After the trip has been completed a distance variable fare is charged on the passenger

and the passenger also has the option of rating the driver out of 5 stars(5 being the best). A driver which has an average rating below 4.5 stars is not allowed by the company for driving for Uber anymore. Unlike Normal taxi companies, Uber is free from regulatory difficulties. Uber earns 20-25% commission from the drivers on each trip. Due to the Covid-19 pandemic a number of people had lost their jobs and had found Uber to be their helping hand. According to a study in the Financial Express, Uber's taxi hailing services have not only revolutionized society in India but have also caused industry disruption. In order to increase the cab drivers' pay and force them to work hard. According to several research, using Uber services has decreased the amount of drunk driving-related traffic incidents in India. With a market capitalization of over \$50 billion, Uber began operating in India in August 2013 and is now present in 29 cities. When it comes to receiving cash payments in India, Uber has likewise taken a polycentric strategy. In India, the taxi sector is thought to be worth over Rs 11,000 crore and is expanding by double digits. Even highly educated people are choosing to become drivers because the business model has grown so appealing. One of their benefits is the variety of categories and booking methods they offer, as well as flexible payment alternatives. They try to provide a uniform experience, which is particularly challenging in the services industry.

# <u>CHAPTER 4</u> <u>DATA ANALYSIS AND</u> <u>INTERPRETATION</u>

In this chapter we analyse the data collected from a 140 respondents.

#### 1. Age of Respondents.

Age	Number	Percentage (%)
15-30	92	65.71
31-50	47	33.57
51-70	1	0.71
Above 71	0	0
Total	140	100

Table 4.1 - Age

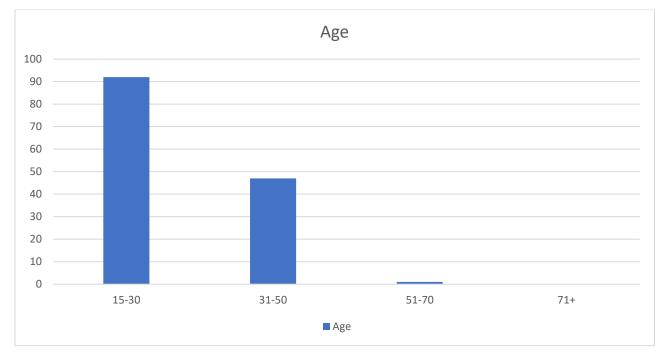


Figure 4.1

#### **Interpretation**

The data shows that of the 140 respondents 92 were aged between 15-30. 47 were between 31-50 and 1 respondent was between 51-70.

#### 2. Gender of Respondents.

Table 4.2	- Gender
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Gender	Number	Percentage (%)
Male	102	72.85
Female	32	22.85
Others	6	4.28
Total	140	100

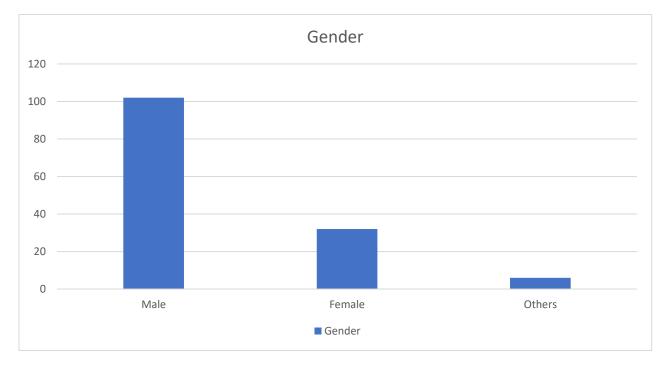


Figure 4.2

## Interpretation

From the above graph we can come to the conclusion that 102 of the respondents were male, 32 were female and 6 are classified as others.

#### 3. Educational Qualification of the Respondents

Educational Qualification	Number	Percentage (%)
SSLC	24	17.14
Plus Two	30	21.42
Degree	63	45
Post graduate	23	16.42
Total	140	100

#### Table 4.3 – Educational Qualification

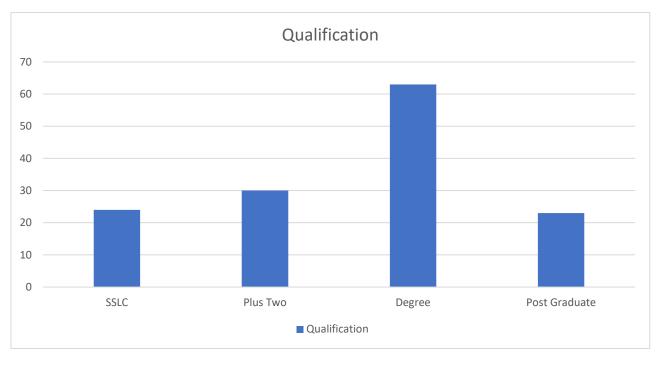


Figure 4.3

#### **Interpretation**

From the above graph we can understand that 24 respondents have SSLC, 30 has plus two, 45 has degree and 23 have post graduate qualification.

#### 4. Occupation of the Respondents

Occupation	Number	Percentage (%)
Student	76	54.28
Professional	19	13.57
Business	12	8.57
Others	33	23.57
Total	140	100

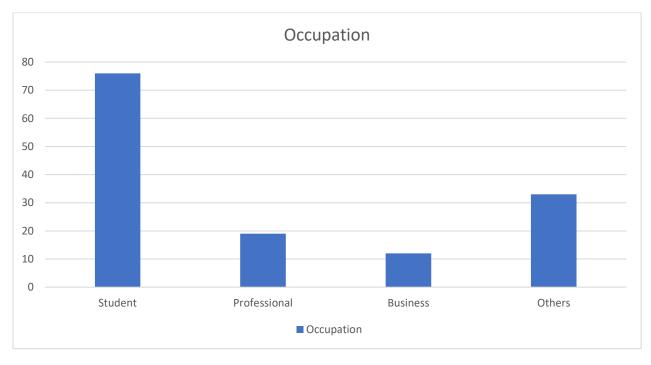


Figure 4.4

#### **Interpretation**

From the above graph it is clear that 76 respondents are students, 19 are employed in professional areas, 12 conduct business, and 33 are in others category

#### 5. Income Classification of the Respondents

Income	Number	Percentage (%)
Below 50000pa	95	67.85
500000-1000000pa	27	19.28
Above 1000000pa	18	12.85
Total	140	100

#### Table 4.5 – Income Classification

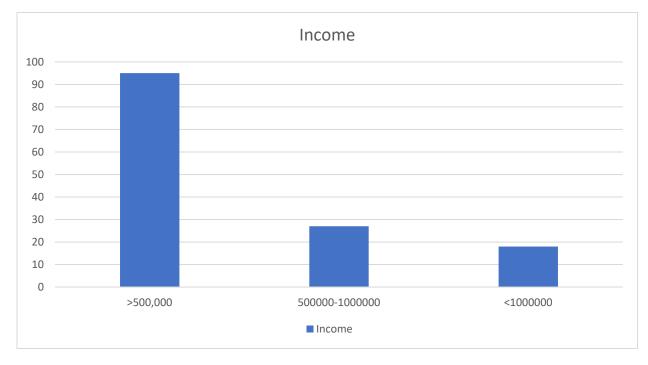


Figure 4.5

#### **Interpretation**

From the data we understand that 95 respondents belong to below 500000, 27 are between 500000-1000000 and 18 respondents have income above 1000000pa.

#### 6. Reasons for Hiring a Taxi

Reasons	Number	Percentage (%)
No parking hassles	47	33.57
Avoid traffic	34	24.28
Travelling comfort	51	36.42
Ease of transport	8	5.71
Total	140	100

#### Table 4.6 – Reasons for Hiring

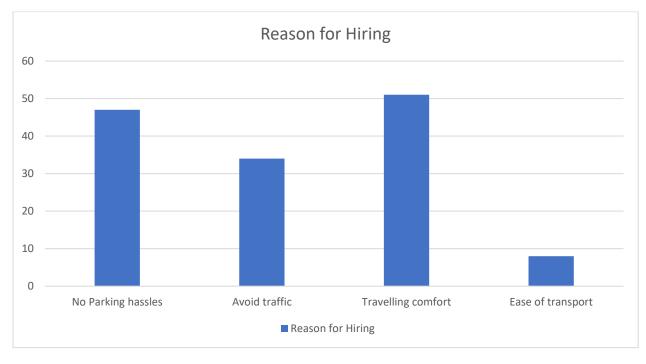


Figure 4.6

#### **Interpretation**

Out of the 140 respondents 47 hire a taxi because there is no parking hassles, 34 hire them to avoid traffic, 51 for traveling comfort and 8 because it is ease of transport.

#### 7. Frequency of Travelling by Uber

Particulars	Number	Percentage (%)
Never	5	3.57
Every week	55	39.28
Every 2-3 weeks	30	21.42
Every month	50	35.71
Total	140	100

#### **Table 4.7 – Frequency of Uber**

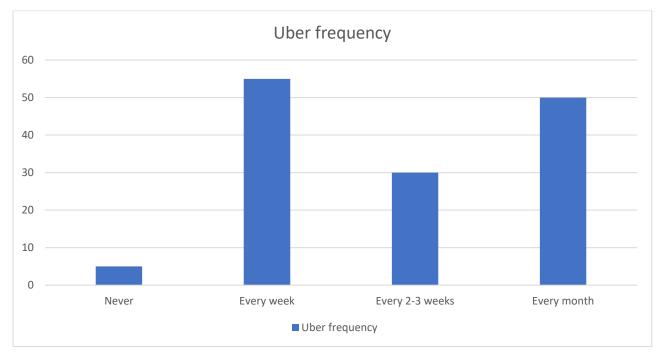


Figure 4.7

#### **Interpretation**

From the 140 respondents 5 never travel by Uber, 55 travel every week, 30 travel every 2-3 weeks and 50 travel every month

#### 8. Frequency of Travelling by Normal Taxis

Particulars	Number	Percentage (%)
Never	8	5.71
Every week	17	12.14
Every 2-3 weeks	66	47.14
Every month	49	35
Total	140	100



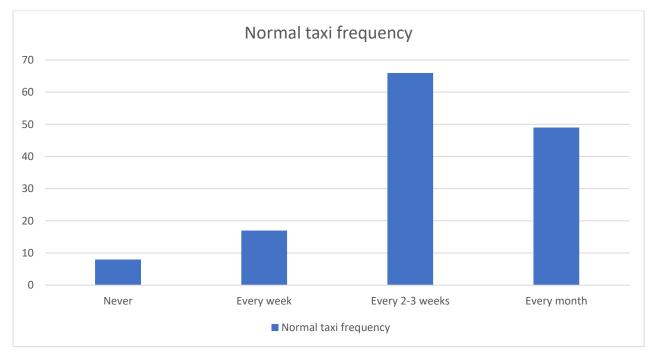


Figure 4.8

#### **Interpretation**

From the 140 respondents, 8 never travel by normal taxis, 17 travel every week, 66 travel every 2-3 weeks and 49 travel every month.

#### 9. Average Journey Time

Avg. time	Number	Percentage (%)
15-29mins	47	33.57
30-44mins	49	35
45-60mins	37	26.42
1 HR or more	7	5
Total	140	100





Figure 4.9

#### **Interpretation**

From the 140 respondents, 47 travel for 15-29 minutes, 49 travel for 30-44 minutes, 37 travel for 45-60 mins, and 7 travel for more than 1 hr.

#### 10. Classification of Opinion Towards Uber Taxi

Factors	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Accessibility	37	22	46	19	16
Comfort	31	25	42	15	27
Safety	29	48	25	35	3
Value for	35	40	32	13	20
money					

#### Table 4.10 – Opinion of Uber Taxis

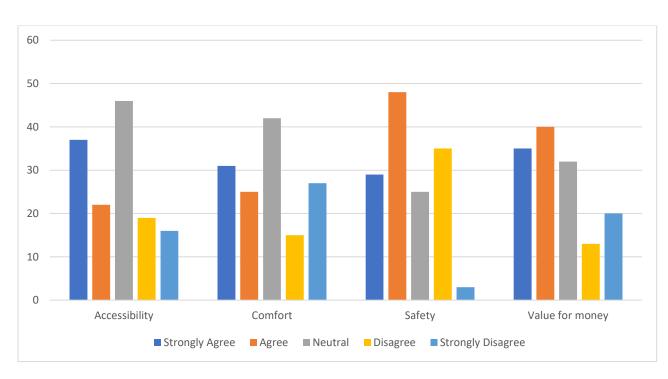


Figure 4.10

#### **Interpretation**

From the data, an average of 42% of the respondents agree that Uber is accessible, 33% have a neutral opinion and 25% disagree that Uber is accessible easily. In terms of comfort 40% agree that Uber is comfortable, 30% have a neutral opinion and another 30% disagree that Uber is comfortable. While taking safety into account 55% claim that Uber is safe, 18% have a neutral opinion and 27% state that Uber is not safe. In terms of value for money 53% agree on that fact, 23% have a neutral opinion and 24% state that Uber is not worth the money.

#### 11. Classification of Opinions Towards Normal Taxis

Factors	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Accessibility	39	39	32	18	12
Comfort	35	42	37	9	17
Safety	45	27	28	33	7
Value for	33	37	26	30	14
money					

#### Table 4.11 – Opinion of Normal Taxis

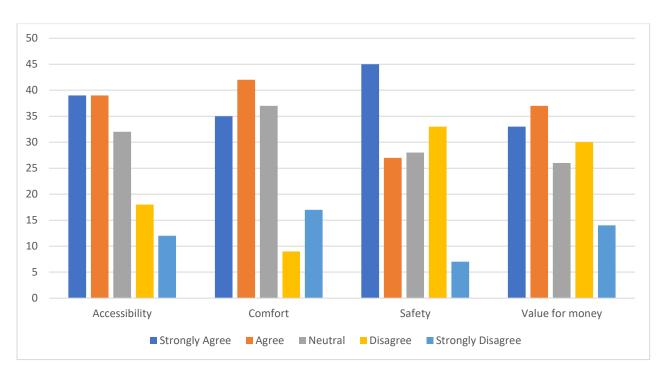


Figure 4.11

#### **Interpretation**

From the data, 55% of the respondents agree that Normal taxis is accessible easier, 23% have a neutral opinion and 22% respondents disagree on that fact. In terms of comfort 55% agree to that fact, 26% have a neutral opinion and 19% disagree that Normal taxis is comfortable. In respect of safety 51% agree that it is safer, 20% have a neutral opinion and 29% disagree that it is safer. In terms of value for money 50% agree that Normal taxis is worth the money, 18% have neutral opinion on this fact and 32% disagree that Normal taxis is value for money.

#### 12. Level of Satisfaction Towards Uber Taxi

Particulars	Number	Percentage (%)	
Highly satisfied	43	30.74	
Satisfied	52	37.14	
Neutral	33 23.57		
Dissatisfied	12 8.57		
Highly dissatisfied	0	0	
Total	140	100	

#### **Table 4.12 – Satisfaction Towards Uber**

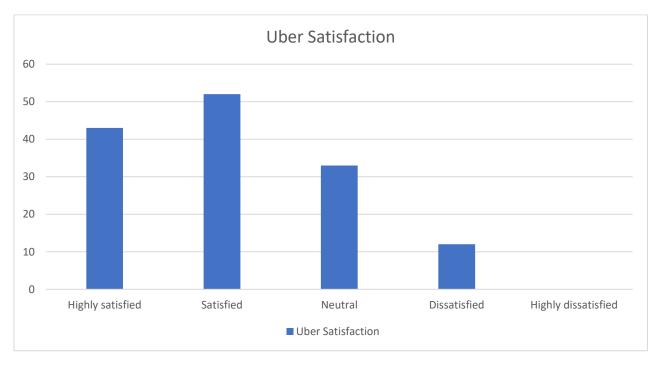


Figure 4.12

#### **Interpretation**

From the 140 respondents 43 find Uber highly satisfied, 52 satisfied, 33 is of neutral opinion and only 12 is dissatisfied.

#### 13. Level of Satisfaction Towards Normal Taxis

Particulars	Number	Percentage (%)	
Highly satisfied	61	43.57	
Satisfied	40	28.57	
Neutral	33	23.57	
Dissatisfied	6 4.28		
Highly dissatisfied	0	0	
Total	140	100	

#### Table 4.13 – Satisfaction Towards Normal Taxis

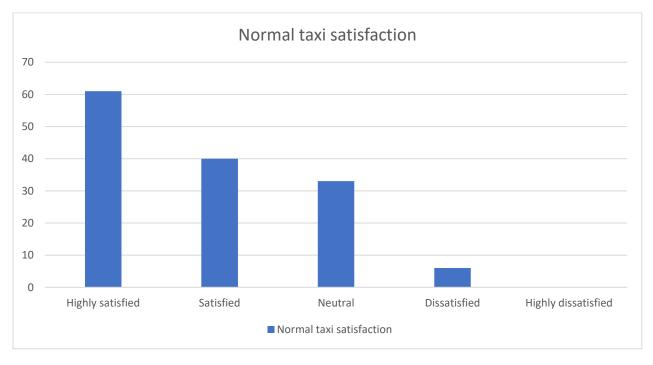


Figure 4.13

#### **Interpretation**

From the 140 respondents, 61 find normal taxis highly satisfied, 40 are satisfied, 33 is in a neutral state and only 6 are dissatisfied.

## 14. Level of Difficulty faced in Uber taxis

Particulars	Not very much	Not much	Neutral	Much	Very much
Driver lack of knowledge	47	13	57	22	1
Drivers' cancel ride	12	25	3	44	56
Extra charge for cancelling	4	29	35	45	27
Inexperienced drivers'	6	12	24	55	43
Extra charge on traffic	1	57	47	22	13
Avoidance of phone call	45	35	4	29	27
Proper time management	15	10	60	12	43
Cleanliness	12	25	56	44	3

## Table 4.14 – Difficulty in Uber Taxis

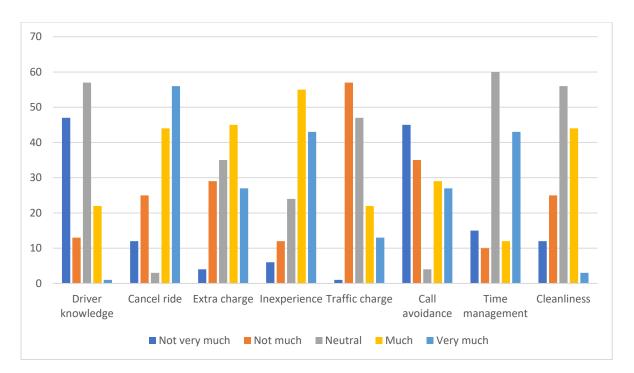


Figure 4.14

#### **Interpretation**

From the responses we find that 16% claim that driver knowledge is a problem and 41% have a neutral opinion on that matter. 71% commuters have a difficulty in drivers cancelling their ride and only 2% have a neutral opinion on that fact. 51% state that cancelling charges is another difficulty and 25% have a neutral opinion. 70% have difficulty with driver inexperience and 17% have a neutral opinion. 25% have difficulty on extra charges on traffic and 33% have a neutral opinion. 40% respondents has a issue of drivers being on call during the ride but only 3% have a neutral opinion on that matter. 39% have Difficulty on drivers time management and 43% have a neutral opinion on this matter. 33% respondents have an issue with cleanliness of the cab and 40% have a neutral opinion on this fact.

## **15. Level of Difficulty faced in Normal Taxis**

Particulars	Not very	Not much	Neutral	Much	Very
	much				much
Drivers lack	3	44	56	15	22
of knowledge					
Drivers'	39	66	12	19	4
cancel ride					
Extra charge	30	37	34	22	17
for cancelling					
Inexperienced	4	66	19	39	12
drivers					
Extra charge	56	22	15	3	44
on traffic					
Avoidance of	20	54	24	30	12
phone calls					
Proper time	41	30	49	10	10
management					
cleanliness	22	47	37	7	27

#### Table 4.15 – Difficulty in Normal Taxis

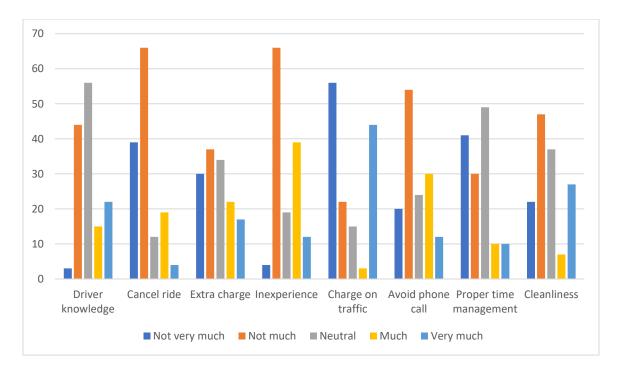


Figure 4.15

#### **Interpretation**

From the responses we find that 26% claim that drivers lack of knowledge is a problem and 40% have a neutral opinion on this matter. Only 16% have a difficulty in drivers cancelling their rides and only 8% have a neutral opinion on this fact. 28% have problems in extra fees for cancelling and 24% have a neutral opinion. 36% have problems in drivers inexperience and 13% have neutral opinion. 33% of commuters have difficulty in drivers charging extra for traffic and only 10% have a neutral opinion on this matter. 30% of commuters have an issue of drivers being on call during a ride and 17% have a neutral opinion. Only 14% have a difficulty on drivers time management and 35% have a neutral opinion on this matter. 24% of the respondents have an issue with cleanliness of the cab and 26% have a neutral opinion on this fact.

# 16. Rating given to Uber.

Particulars	Number	Percentage (%)
Excellent	45	32.14
Very Good	50	35.71
Good	30	21.42
Average	12	8.57
Poor	3	2.14
Total	140	100

#### **Table 4.16 – Uber Ratings**

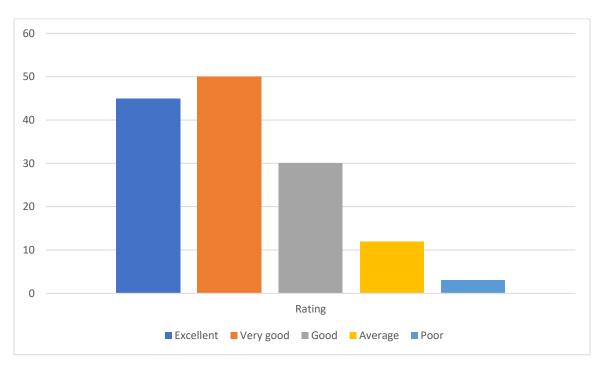


Figure 4.16

## **Interpretation**

45 respondents rated excellent for Uber, 50 very good, 30 good, 12 average and 3 poor.

## 17. Rating given to Normal taxis.

Particulars	Number	Percentage (%)
Excellent	32	22.85
Very Good	54	38.57
Good	35	24
Average	5	3.57
Poor	14	10
Total	140	100

## **Table 4.17 – Normal Taxi Ratings**

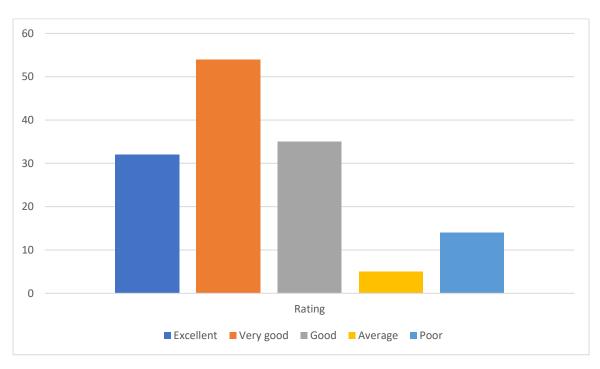


Figure 4.17

## **Interpretation**

32 respondents have rated excellent, 54 very good, 35 good, 5 average and 14 poor.

# <u>CHAPTER 5</u> FINDINGS, SUGGESTIONS AND <u>CONCLUSION</u>

# **Findings**

This project is very helpful to understand lot of details about Uber and Taxi service. This is a comparative study on the perception of customers towards Uber and Taxis in order to answer the question that for why people prefer one over the another. The findings of the study are as follows:

#### **Demographical findings:**

- More than half of the respondents belong to the 15-30 age category.
- Majority of the respondents are male.
- With respect to educational qualification a majority of 45% have a degree.
- More than half of the respondents are students.
- On the basis of income, a majority of 68% of the respondents have incomes below 5 lakhs per annum.

#### Findings related to study:

- From the responses received we find that majority of the commuters that is 36.42% hire a taxi for traveling comfort.
- We find that majority of the people that is 39.28% hire an Uber every week and majority of the commuters that is 47.14% hire the normal taxi every 2-3 weeks.
- 35% of the commuters which is the majority have an average journey time between 30-44 minutes.
- Majority respondents agree that Uber is more accessible. In terms of comfort almost all respondents are of neutral opinion. In the case of safety an average of 55% claim that Uber is safe. 53% of the people also agree that Uber is a value for money option.
- 55% of the respondents state that Normal taxis are easier to access which is more than the number of Uber taxis. 55% also agree that Normal taxis provides more comfort. 51% claim that they are safer which is less than the numbers stated for Uber. 50% respondents also agree that Normal taxis is worth the money.
- In terms of satisfaction, 67% of the commuters are satisfied with the services of Uber taxis, whereas 71% of the respondents are satisfied with the services of Normal taxis.
- For difficulties faced by Uber users the main issue is that drivers cancel their ride all the time.
- With respect to difficulties faced by Normal taxis the main issue is that the drivers charge extra for traffic congestions.
- 67% of the respondents have rated in favour of Uber taxis and 61% have rated in favour of Normal taxis.

## **Suggestions**

The following suggestions can be taken into account:

- Uber drivers can ensure that they give the commuters smooth ride experience and maintain a clean cab to improve their ride comfort.
- Background checks can be done on Uber drivers to make sure the passengers feel safe.
- Normal taxi drivers should make sure they are more accessible by making the commuter aware of their location and making themselves available 24/7.
- Uber should put a penalty for drivers cancelling their rides. This would decrease the ride cancellation from the part of the driver.
- Before Uber hires their drivers they can make sure whether he/she has experience in this field.
- Uber cab also ensure proper time management by calibrating the app to make sure that the correct time is quoted when the commuter will arrive at his/her destination.
- The traditional taxi market can make sure that they don't charge extra for traffic congestions and only charge on distance traveled just like Uber does.
- To improve the commuters satisfaction towards Uber, the drivers must ensure they can provide their best of service. They must make the commuter feel comfortable and safer.

# **Conclusion**

This survey was done to find out how customers felt about Uber taxis and Normal taxis.

Commuters mainly hire a cab because of travelling comfort and a majority of them hire Uber every week whereas the normal taxi is hired from every 2-3 weeks. The average journey time of the commuters is 30-44 minutes per ride. In the respondents opinion normal taxis have more accessibility, safety and comfort whereas Uber provides more value for money. They are satisfied with the services of normal taxis more than that of Uber taxis.

One of the difficulties that Uber users face is that most of the drivers they interact with don't have that much experience driving a taxi. Also, time management is another issue. The commuters don't reach their destination in the time that is mentioned in the Uber app.

The main difficulty that Normal taxi users face is that the drivers charge extra for traffic congestions unlike Uber which only charges for the distance that is travelled.

Thus from the above we find that Uber is preferred by more people when it comes to daily commute and Normal taxis are preferred otherwise. It can be concluded that the normal taxi have provided more satisfaction towards commuters than Uber. But Uber has it's stand alone benefits. They are more cheaper than the conventional taxis and help in employment generation as more and more people are employed in the industry.

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# Appendix

## Questionnaire

Comparative study on Uber Taxis and Normal Taxis

#### 1. Name

- 2. Age
- 15-30
- 31-50
- 51-70
- 71+

## 3. Gender

- Male
- Female
- Others

## 4. Educational Qualification

- SSLC
- Plus Two
- Degree
- Post Graduate

## 5. Occupation

- Student
- Professional
- Business
- Others

#### 6. Income

- Below 500,000PA
- 500,000-10,00,000PA
- 10,00,000+ PA

## 7. What is the main reason you hire a Taxi

- No parking hassles
- To avoid traffic
- For traveling comfort
- Ease of transport

#### 8. How often do you travel by Uber

- Never
- Every week
- Every 2-3 weeks
- Every month

#### 9. How often do you travel by Normal Taxis

- Never
- Every week
- Every 2-3 weeks
- Every month

#### 10. What is your average journey time

- 15-29 mins
- 30-44 mins
- 45-60 mins
- 1 HR or more

**11.** Rate your opinion towards Uber taxis regarding the following factors: Accessibility- Easy access for a ride, Available 24/7, Take me to exact location

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

## Comfort- Friendly driver, Well maintained air conditioning

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

# Safety- Driver obey traffic rules, Feel safe through the ride

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

## Value for money – Affordable/reasonable price

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

12. Rate your opinion towards Normal taxis regarding the following:

Accessibility- Easy access for a ride, Available 24/7, Take me to exact location

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

# Comfort- Friendly driver, Well maintained air conditioning

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

# Safety- Driver obey traffic rules, Feel safe through the ride

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

# Value for money – Affordable/reasonable price

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

# **13.** What is your level satisfaction towards Uber taxis

- Highly satisfied
- Satisfied
- Neutral
- Dissatisfied
- Highly dissatisfied

#### 14. What is your level of satisfaction towards Normal taxis

- Highly satisfied
- Satisfied
- Neutral
- Dissatisfied
- Highly dissatisfied

## 15. Rate your level of difficulty faced on Uber Taxi for each factor:

Factors	Not very much	Not much	Neutral	Much	Very much
	much	much			much
Drivers lack of knowledge					
Drivers cancel ride					
Extra charges for cancelling					
Inexperienced drivers					
Extra charges on traffic					
Avoid phone calls while driving					
Proper time management					
Cleanliness					

## 16. Rate your level of difficulty faced on Normal Taxi for each factor:

Factors	Not very	Not	Neutral	Much	•
	much	much			much
Drivers lack of knowledge					
Drivers cancel ride					
Extra charges for cancelling					
Inexperienced drivers					
Extra charges on traffic					
Avoid phone calls while driving					
Proper time management					
Cleanliness					

## **17.** Give your overall rating for Uber

- Excellent
- Very good
- Good
- Average
- Poor

# **18.** Give your overall rating for Normal Taxis

- Excellent
- Very good
- Good
- Average
- Poor