CUSTOMERS' SATISFACTION TOWARDS OLA CAB

Dr. P.Jayanthi,Assistant Professor, PG Department of Commerce-CA, Nallamuthu Gounder Mahalingam College, Pollachi, Tamil Nadu, India,
Dr. S.Poongodi, Assistant Professor, PG Department of Commerce-CA, Nallamuthu Gounder Mahalingam College, Pollachi, Tamil Nadu, India,
Ms. P.Divya Bharathi, Assistant Professor, PG Department of Commerce-CA, Nallamuthu Gounder Mahalingam College, Pollachi, Tamil Nadu, India

Abstract

Taxi market in India is growing rapidly with a lot of new entry. In the technological era it is easy to book a cab by mobile app. Accordingly an attempt has been made in this study to know the reasons for preferring Ola cab and the variables that influence the level of satisfaction of customers on Ola cab. Data for the study have been collected from 104 customers through issue of structured questionnaire by adopting convenience sampling method. Satisfaction of Ola cab customers have been measured by giving scores to questions relating to variables influencing satisfaction namely, comfortable, ease of booking cab, waiting cost, customer service, value for money, discounts and so on. Weighted Average Ranking and Chi-square test have been used to analyze the data. It is found from the study that, area of residence, gender and educational qualification are significantly associated with the level of satisfaction.

Keywords: Ola Cab–Customer–Reason–Satisfaction.

Introduction

In India taxi market is growing rapidly with new start up contributing efficient and economical cab service to customers. Among different modes of transportation the cabs have become the essential one in all cities. With latest equipment and technology trends it is easy to penetrate into the cab services. In the present era customers use mobile apps to book a cab at anytime and from any place. The taxi market in India is divided in to two major segments as organized and unorganized markets. The unorganized market has a market value of $8.5 billion and the organized markets hold a market value of almost $500 million (Ashok Kumar Panigrahi et al. 2018). Every cab service company's mission is to provide reliable, timely and safe cab services to passengers with cost of efficiency.

In India Ola Cab is famous one as it is available for customer 24*7. Ola Cab is developed by ANI Technologies Pvt.Ltd an Indian origin online transportation network company. Ola was valued at about $6.2 billion as on may 2019. The Indian taxi market is forecast to grow at a CAGR of 13.7% during 2017-2022. In this regard the present study brief about satisfaction of consumers while booking cabs.

Review of Literature

Kishore Kumar and Ramesh Kumar (2016) in their research entitled "A study on factors influencing the consumers in selection of cab services" to identify the role of innovativeness of the consumers in the selection of cab. The result of this study indicates that consumers are influenced by price consciousness and coupon redemption while selecting cab services. **Mano Bhalla et al. (2018)** in their study entitled "An empirical study of the India taxi market" to find the role of taxi aggregators in the taxi market along with the factors contributing to their growth. The research highlights that the taxi market in India is primarily an unorganized sector. The growth of taxi aggregators in the organized transport sector have been significant one. **Manju Singhania and Vinita Pimpale (2017)** have made an attempt to study the opportunities and challenges for App based taxi service in Mumbai. The result of the study reveals drivers' incentives have dropped and

they find difficult to survive and this can be solved by Government policy for the operation of app based taxi.

Statement of the Problem

The transportation facilities in India have undergone tremendous changes. Ola cabs have completely changed the way India travels and also it is favourite to all. Lu et al. (2015) observed that self-service mobile technologies helps the customers to access lot of data about cab services and such technologies has made changes in both companies and customers. Ashish Avinash Khade and Vaibhav Patil (2018) observed that maximum number of respondents are satisfied with fare/price charged and comfort level provided by OLA/UBER. Kishore Kumar and Ramesh Kumar (2016) found that global positioning system, mobile apps and internet technology drastically influenced the car rental industry. In this context, is imperative to find out the reason to preferring Ola cab and the variables that influence the level of satisfaction towards Ola cab.

Objectives of the Study

The following are the main objectives of the study

- To know the reasons for preferring Ola cab.
- To ascertain the variables that associate with satisfaction level of Ola cab customers.

Research Methodology

The study is based on primary data and well-structured questionnaire has been used to collect the data. It contains questions relating to the socio-economic profile, reasons and satisfaction level of customers. A sample of 104 Ola cab users in Coimbatore district has been selected by adopting convenience sampling method. To analyze the data Weighted Average Ranking method and Chi-square test have been employed.

Reasons for Preferring Ola Cab

An attempt has been made to know the various reasons for preferring Ola cab. Weighted Average Ranking has been used to know the reason for using Ola cab.

Table: 1

Reasons for Preferring Ola Cab - Weighted Average Ranking

Reasons	Rank
Security	**I**
Behaviour of Driver	**II**
Service Quality	**III**
Cost	**IV**
Booking Process	**V**
Response	**VI**
Payment	**VII**

It is observed from the above analysis that among the various reasons available for preferring Ola cab service, the respondents ranked security as the highest reason for preferring Ola cab service followed by drivers behaviour, service quality, cost per kilometre, booking process, response time and payment.

Variables Influencing Level of Satisfaction of Ola cab customers

Customers satisfaction on Ola cab have been measured by giving scores to questions relating to variables influencing satisfaction namely comfortable, ease of booking cab, reasonable waiting cost, better customer service, value for money, more discounts, availability and punctuality. Customers have been asked to express their influence on these selected ten questions, the answer to which are rated on a three-point scale as ‘highly satisfied’, ‘satisfied’ and ‘not satisfied’. Thus, the maximum score a customer would get is 30. Taking this value as the base, the actual score obtained

by each of the customer has been divided by 30 and multiplied by 100. The resultant value has been designated as 'Satisfaction Index'.

Standard deviation has been calculated for 104 customers to classify them based on the level of satisfaction. The value of standard deviation is 10.38. Customers are classified into low, medium and high level of satisfaction as explained below:

- Standard deviation has been deducted from group average (i.e.) 78.26 – 10.38 = 67.88. Customers with satisfaction index ranging up to 67.88 are termed as those with 'low' level of satisfaction.
- Standard deviation is then, added with the group average. (i.e.) 78.26 + 10.38 = 88.64. Customers with satisfaction index above 88.64 are called as those with 'high' level of satisfaction.
- Customers with satisfaction index ranging between 67.89 and 88.64 are called as those with 'medium' level of satisfaction.

Customers classified based on the above procedure, fall into the following categories:

- Low Satisfaction = 17 Customers
- Medium Satisfaction = 69 Customers
- High Satisfaction = 18 Customers

Table: 2 Variables Influencing Level of Satisfaction of Customers

Variables	Level of Satisfaction			Total	Calculated Chi-Square Value
	Low	Medium	High		
Age (Years)					
Up to 20	3 (14.3%)	14 (66.7%)	4 (19.0%)	21 (100.0%)	**4.092**
21 to 35	12 (20.0%)	41 (68.3%)	7 (11.7%)	60 (100.0%)	
35 to 50	2 (11.1%)	11 (61.1%)	5 (27.8%)	18 (100.0%)	
Above 50	0 (.0%)	3 (60.0%)	2 (40.0%)	5 (100.0%)	
Area of Residence					
Rural	7 (20.6%)	22 (64.7%)	5 (14.7%)	34 (100.0%)	**12.09 ***
Semi urban	9 (20.0%)	29 (64.4%)	7 (15.6%)	45 (100.0%)	
Urban	1 (4.0%)	18 (72.0%)	6 (24.0%)	25 (100.0%)	
Gender					
Male	9 (24.3%)	21 (56.8%)	7 (18.9%)	37 (100.0%)	**6.24***
Female	8 (11.9%)	48 (71.6%)	11 (16.4%)	67 (100.0%)	
Educational Qualification					
Up to SSLC	4 (50.0%)	3 (37.5%)	1 (12.5%)	8 (100.0%)	**18.429***
HSC	1 (16.7%)	3 (50.0%)	2 (33.3%)	6 (100.0%)	
Under graduate	4 (12.1%)	23 (69.7%)	6 (18.2%)	33 (100.0%)	

Post graduate	8 (14.0%)	40 (70.2%)	9 (15.8%)	57 (100.0%)	
Occupation					
Employee	7 (23.3%)	17 (56.7%)	6 (20.0%)	30 (100.0%)	**7.534**
Business	2 (7.1%)	19 (67.9%)	7 (25.0%)	28 (100.0%)	
Profession	5 (25.0%)	12 (60.0%)	3 (15.0%)	20 (100.0%)	
Student	3 (11.5%)	21 (80.8%)	2 (7.7%)	26 (100.0%)	
Marital status					
Married	6 (11.8%)	36 (70.6%)	9 (17.6%)	51 (100.0%)	**1.563**
Unmarried	11 (20.8%)	33 (62.3%)	9 (17.0%)	53 (100.0%)	
Type of Family					
Joint	10 (22.2%)	27 (60.0%)	8 (17.8%)	45 (100.0%)	**2.167**
Nuclear	7 (11.9%)	42 (71.2%)	10 (16.9%)	59 (100.0%)	
Number of Members in the Family					
Up to 2 members	3 (17.6%)	13 (76.5%)	1 (5.9%)	17 (100.0%)	**6.659**
3-4members	7 (11.7%)	43 (71.7%)	10 (16.7%)	60 (100.0%)	
Above 4 members	7 (25.9%)	13 (48.1%)	7 (25.9%)	27 (100.0%)	
Monthly Income (Self)					
Up to Rs.15,000	6 (14.6%)	29 (70.7%)	6 (14.6%)	41 (100.0%)	**3.819**
Rs.15,001 to Rs.30,000	6 (20.7%)	19 (65.5%)	4 (13.8%)	29 (100.0%)	
Rs.30,001 to Rs.50,000	4 (17.4%)	15 (65.2%)	4 (17.4%)	23 (100.0%)	
Above Rs.50,000	1 (9.1%)	6 (54.5%)	4 (36.4%)	11 (100.0%)	
Frequency of Usage					
Very frequently	6 (17.6%)	24 (70.6%)	4 (11.8%)	34 (100.0%)	**1.862**
Frequently	8 (17.4%)	30 (65.2%)	8 (17.4%)	46 (100.0%)	
Occasionally	3 (12.5%)	15 (62.5%)	6 (25.0%)	24 (100.0%)	
Total	**17**	**69**	**18**	**104**	

***** Value significant at 5% level

Factors like age, occupation, marital status, type of family, number of members in the family, monthly income and frequency of usage are not associated with level of satisfaction. The other variables that are associated with the level of satisfaction are discussed below:

- **Area of residence:** Area of residence is found to be significantly associated with the level of satisfaction. Customers residing in semi-urban area have high level of satisfaction on Ola cab.
- **Gender:** Gender is found to be significantly associated with the level of satisfaction. Female customers have high level of satisfaction on Ola cab.
- **Educational Qualification:** Educational qualification is found to be significantly associated with the level of satisfaction. Customers who are post graduate have high level of satisfaction on Ola cab.

Conclusion

It is found that Area of Residence, Gender and Educational Qualification have significantly associated with the level of satisfaction. The innovative behaviour of customers helps to download mobile apps and also motivate them to redeem coupons while booking cabs. To increase the booking they can provide more discounts, cancellation charges can be reduced, security can be improved and also awareness and availability of Ola cab in rural areas may be increased.

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