Customer Satisfaction Towards Online Cab-Hailing Services: Comparative Study Between Ola and Uber

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ABSTRACT

The rapid growth of online transport services has transformed urban mobility, offering consumers greater convenience, affordability, and accessibility. This study explores customer satisfaction with online transport services, focusing on key factors such as service quality, pricing, safety, reliability, and ease of use. By analysing consumer preferences and experiences, this research aims to identify the strengths and weaknesses of major transportation services platforms. Data is collected through surveys and structured questionnaires to assess customer perceptions and expectations. The findings highlight the significance of driver behaviour, app functionality, fare transparency, and customer support in shaping overall satisfaction. Additionally, the study examines the impact of surge pricing, ride availability, and safety measures on user trust and loyalty. The results provide insights for service providers to enhance their offerings, improve customer retention, and develop strategies to address consumer concerns. The study also emphasises the role of technological advancements and regulatory policies in influencing the quality of online transport services. By understanding customer satisfaction levels, Transportation companies can optimise their services to meet evolving consumer demands and remain competitive in the growing online transportation market.

KEYWORDS Cab hailing services, Ola, Uber, consumers, customer satisfaction, transport services.

INTRODUCTION

The research project "A Customer satisfaction towards online cab hailing services: comparative study between Ola and uber in" is carried out to find out the satisfaction provided to customers by the cab-hailing services of OLA and UBER and the factors affecting the preferences over both the cab-hailing services.

In the past decade, cab-hailing facilities have changed drastically in urban areas, there are now government transportation facilities as well like metro and local trains, and cabs/bikes have become important modes of transportation in urban cities, people are using Ola and Uber more often than the government transport facilities. The major reason for the high demand for Ola and Uber is technology. Customers in the present era are using the technology of mobile apps to book a cab/bike/auto at any time to travel from one place to another.

As the customers have become more demanding it is a challenging job for cab-hailing companies to meet the customer expectations. Nowadays not just a price but quality service also plays a vital role in customer satisfaction. For customer satisfaction companies like Ola and Uber offer solutions by offering various services ranging from the economic to ultimate luxury.

Ola and Uber has grown tremendously over a period of time by objective of solving commuting problems of customers. Ola and uber has spent huge funds in marketing sectors as well rapid growth of services globally has revolutionised transportation providing commuters with convenient, affordable and easily accessible options. Among these service providers Ola and Uber have become one of the largest players in the market who have made a remarkable impact in the industry by providing services all around India. Both platforms work on a similar business model, Uber being a global player has its own international standards and seamless app service and Ola being founded in India has an advantage of a wider reach and business strategies in India.

The customer satisfaction in ride hailing services is influenced a lot of factors like accessibility, affordability, reliability, safety measures, app usability and much more companies must cater to every single need of the customer to be outshined by their competitor especially in these times of extreme competition. As competition between these two brands arise the need to analyse the consumer satisfaction level intensifies. There are a lot of challenges they face like surge pricing, driver cancellations, longer wait times all of which decides the ultimate preference, loyalty and satisfaction of the consumer. This research paper mainly aims to compare the customer satisfaction levels between Ola and Uber in Hyderabad. It covers the most interesting areas such as reliability, affordability, driver behaviour, accessibility, safety measures, and app usability. Through the evaluation of customer comments and the provision of suggestions on the areas that need to be improved, this study landscape valuable insights for Uber and Ola in

the face of intense competition in the urban transportation market. The expectation of customers has shifted, and riders want not just low prices, but also affordable and convenient services that are safe and reliable. User satisfaction is heavily influenced by how the app works, the time taken to respond to booking requests, and the overall customer service support. Areas of concern like driver cancellations, surge pricing, and safety issues can stir dissatisfaction and affect loyalty. Evaluation of these elements will show how both services are perceived in general.

To sum up, the purpose of the research is to evaluate and contrast satisfaction of users of Ola and Uber in respect of different services offered. This research will aid in determining the strengths and weaknesses of both platforms through understanding user preferences, problems, and expectations. Given how fast the ride-hailing sector develops, it is essential for every company to listen to customers to fine-tune their services for better experience during travel. These outcomes will assist Ola and Uber in formulating policies about customer satisfaction and in turn increase customer retention and business expansion.

LITERATURE REVIEW

Gutala Akhilesh Rao, wrote a case study on assessing Uber's customer service, crucial for its success as a customer-centric company. Findings indicate that Uber excels in customer satisfaction and service quality but needs to enhance advertising efforts to increase public awareness of its offerings. Uber remains a top ride-hailing service in the industry.

Samira Mahapatra, wrote a case study which examines the challenges Uber drivers face in delivering services and evaluates consumer satisfaction post-ride. The findings highlight Uber's success in redefining transportation and maintaining customer satisfaction despite challenges faced by drivers. Ashish Avinash Khade examined the growing "Taxi Revolution" in India, focusing on customer satisfaction with OLA and Uber cab services in Pune city. It explores factors driving preferences for these services over traditional transport modes like buses and autos, including pricing, app convenience, and revenue models. The findings reveal that nearly 100% of respondents in Pune rely on paid taxi services, with OLA and Uber dominating the market. The study highlights the dynamics of Pune's taxi market and identifies the leading players based on customer preferences and market share analysis.

Ali Salim Salman, focussed on identifying Uber's customer base by collecting data from working professionals in Hyderabad using a structured questionnaire. The findings provide valuable insights to help the taxi service industry shape future marketing strategies.

Dr. R. Mayilsamy & Karthic. R.S, studied the potential "Cab Revolution" in India, focusing on customer satisfaction with Uber services in Coimbatore city. It analyzes key factors such as convenience, service quality, and market pricing to understand consumer preferences. The findings provide insights into customer satisfaction levels and highlight the dynamics influencing Uber's success in Coimbatore's competitive cab market. Kaif Iliyas Bepari, Mrunal Patil, Shreyash Kharkar, Vrushali Rampariya & Prof. Dhananjay Bhavsar, investigated passenger satisfaction with Ola and Uber in India, comparing consumer expectations and perceptions. The study highlights each company's strategy to gain market share, enhance customer satisfaction, and increase earnings. The findings reveal which taxi service best meets consumer expectations and attracts specific customer segments, providing insights for improving services and targeting consumers effectively.

Maulika Chandra, Harwinder Singh, Tushar Gupta & Dr. O P Pathak, explored the potential "Taxi Revolution" in India, focusing on customer satisfaction with OLA and Uber services in Mumbai city. The findings reveal the leading service provider and provide insights into customer preferences and market trends in the city. Ashutosh Zunju & Nitpal Singh Chug and Kiran Patil evaluated the service quality of UBER cabs and its impact on customer satisfaction. The findings reveal a significant relationship between demographics and perceived service quality, and that overall service quality is strongly influenced by the identified dimensions.

Rashima Banu A, compared customer perception and satisfaction levels between Ola and Uber cabs in Chennai, focusing on factors such as convenience, pricing, safety, and overall satisfaction. Using data from customers of both services, the research provides a comparative analysis of their service experiences. The findings reveal notable differences in customer perceptions and satisfaction, offering valuable insights into the strengths and weaknesses of each service. These insights can guide both companies in improving their service quality and better addressing customer needs in Chennai's competitive taxi market.

Sivarama Krishna and Dr. M S Narayana explained how the Indian cab market witnessed a major shift with the introduction of organised services like Meru in 2004 and the rise of app-based services like Ola in 2010 and Uber in 2013. This created a competitive market where consumer demands increased, leading to innovations like Ola's acquisition of TaxiForSure in 2015. The "taxi revolution" has transformed urban and rural commuting, addressing challenges like congestion in cities such as Delhi, Mumbai, and Bangalore. This study focuses on understanding the motivational factors driving consumers in Vijayawada to use Ola and Uber services and examines the role of price consciousness in their decision- making.

Dr. Rupali Rajesh & Snehal Chincholkar examined the differences in preferences between Ola and Uber customers, focusing on data collected from working professionals in Mumbai through a structured questionnaire. Statistical analysis revealed that females prefer Uber, while Ola is perceived as safer. Snehal Nikam, Surbhi Deshmukh & Dr. Priyanka focused on evaluating how effectively Ola has implemented its marketing strategies and examines its brand positioning in the minds of consumers. By analysing Ola's approach, the paper provides insights into its success in creating value and standing out in a crowded marketplace.

OBJECTIVES AND METHODOLOGY

Research is the systematic process of gathering, analysing and interpreting data to gain knowledge and address specific questions. To research and understand a particular topic or issue it makes use of a range of techniques and materials. On the other hand, methodology refers to strategies and processes used in conducting research, including techniques for analysing and interpreting data. The objectives of the study are to identify the factors affecting the choice of Ola and uber and to measure the customer satisfaction level towards Ola and uber. Primary Data is collected for the purpose of research through a structured questionnaire designed after forming the objectives of the research. To get accurate information, data was gathered from respondents who had previously tried Ola and Uber with reference to travelling. Convenience sampling, a non-probability sampling method where data is collected from readily available respondents, was used for this research study. Google forms were used for the purpose of data collection. A total of 162 responses were collected by respondents all over Hyderabad. The participants accessed and answered the questions using a 5-point Likert scale. Secondary data was collected through existing papers and various web sources.

DISCUSSION AND FINDINGS

The study finds that customer satisfaction with Ola and Uber depends on service quality, pricing, ride availability, and app usability. While Uber excels in metro areas with better reliability, Ola is favoured for affordability in smaller cities. Surge pricing, driver behaviour, and customer support are major concerns for users. Payment options, discounts, and safety features also influence preferences. Additionally, driver satisfaction affects service quality, as low earnings lead to cancellations. As competition grows, addressing these issues will be key to improving customer loyalty and overall experience. Few of the findings are as follows:

Pricing Influences Preference: Ola is often preferred for its affordability, while Uber is favoured for its premium service and international reach.

App Usability and Features: Both platforms offer user-friendly apps, but Uber's app is often considered more stable and feature-rich.

Ride Availability and Timeliness: Uber generally has better ride availability in metropolitan areas, whereas Ola performs well in smaller cities.

Driver Behaviour Affects Satisfaction: Complaints about driver cancellations, ride refusals, and attitude significantly impact customer trust.

Sustainability Awareness is Growing: While not yet a top priority, an increasing number of customers appreciate eco-friendly transport options like electric and shared rides.

Safety and Security Are Key Considerations: Features like ride tracking, SOS buttons, and driver verification influence customer trust and satisfaction

Ola frequently provides ride passes and subscription-based discounts for frequent travelers. Uber offers occasional ride bundles and discounts for repeat users but lacks a dedicated loyalty program in some regions Many drivers struggle with English, leading to miscommunication, especially with non-local riders. Drivers occasionally struggle to understand GPS navigation, especially when language barriers exist.

CONCLUSION

The study highlights the key factors influencing customer satisfaction in online cab-hailing services, with a comparative analysis of Uber and Ola. Based on the survey responses, it is evident that cost-effectiveness, driver communication skills, ride availability, safety, and overall service quality play a crucial role in shaping customer perceptions. The findings indicate that Uber generally receives positive ratings, with most respondents rating its services as "Good" or "Very Good" in terms of cost-effectiveness and driver communication. However, a small percentage of users still express dissatisfaction, primarily concerning fare surges, driver cancellations, and service inconsistencies. To enhance overall customer satisfaction, both companies need to address ongoing issues such as surge pricing, ride availability during peak hours, driver cancellations, and safety measures. As the online cab-hailing industry continues to evolve, customer expectations will remain dynamic. Companies that successfully balance affordability, service quality, technological advancements, and safety will secure long-term customer loyalty and strengthen their market position. The competition between Uber and Ola will ultimately drive innovation, benefiting consumers through better services and enhanced user experiences.

LIMITATIONS OF THE STUDY

The study is limited to respondents only in and around Hyderabad. The study may not represent all demographics due to its narrow scope. Time constraints have also let to the impact of the findings. Due to constant development in technology and a dynamic environment, the preferences of people might change with time. With the latest app innovations, the customers will have a wider range of choices, which would in turn impact the findings, Self-Reported Data bias study relies on responses from participants, which may be influenced by personal biases, inaccurate recollections, or social desirability, potentially affecting the reliability of the findings. Limited sample size number of respondents surveyed may not be large enough to provide a comprehensive understanding of broader consumer preferences, limiting the generalisability of the results.

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