Aggregator Taxi Services' Car-pooling
Ola Share & Uber Cab-pool

A More Safe, Environmental Friendly & Sustainable Way to Travel in Mumbai

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Abstract

This paper examines the benefits of car-pooling and cab sharing on the commuters and its contribution to sustainable development. Whenever one has to travel by private transport in Mumbai one is at the mercy of auto or taxi drivers. One has to make several attempts to hail a taxi to the desired destination during peak hours. An average commuter is fed up quarrelling with taxi drivers about fares, traffic, waiting without air-condition, congestion, refusal to travel to certain areas and above all rickety taxis that have outlived their age. In this situation, increasing consumer disposable income alongwith poor public transport system in the country has given rise to a new market of aggregator taxi services.

Taxi aggregators don't own any cabs or employ drivers, they connect customers with drivers through a technically supported service of cab pooling or cab share which is safe, environmentally friendly and is a sustainable way to travel. Aggregator taxi service has given a sense of reliability that they will get a taxi for any destination within a city and its outskirts at a reasonable fare. And car pooling and cab sharing with people of the same social group. Aggregators are gaining popularity by efficiently managed mobile app, supported GPS and other updated and sophisticated technology.

Keywords: *Aggregator taxi service providers, Mumbai, Ola and Uber cabs, Ola-share, Uber-pool*

Paper Type: *Sample Survey*

Introduction

The Indian transportation system has changed a lot in the last three or four years. Car-pooling is a solution to the Indian environment as it solves all the major problems related to commuting which are traffic, high

levels of pollution, insufficient transportation options and high transportation cost. Increasing consumer disposable income along with poor public transport system in the country has given rise to a new market of aggregator taxi services.

The market for Taxi services in India has huge untapped potential. There are very few players in the organised taxi service market and these are not able to meet the existing market demand due to fewer number of cabs and lack of efficient, honest, trained quality drivers.

Taxi aggregators don't own any cabs or employ drivers, they connect customers with drivers through a technical platform, technically supported service of cab pooling or cab share which is safe, environmentally friendly and is a sustainable way to travel.

Objective of Study

The prime objective of this study is to understand customer perception and their satisfaction level for Aggregator Taxi service provider's cab pooling and cab sharing model, with special reference to the city of Mumbai and to offer suggestions to improve the performance of the services.

Importance of Research

To gain in depth understanding of Aggregator taxi services cab share market in India and to gain knowledge of leading players in the market like Ola and Uber.

Research Methodology

The Information of this research is based on primary and secondary sources. Respondents (commuters from Mumbai region at various locations) are interviewed. Sample size is 50. Research is descriptive, Secondary sources are newspaper, magazines, company annual reports and websites.

Limitation of the Study

Gathering information from respondents became problematic as one had to interview individuals who were too busy to give proper thought to the questions. Indifferent attitude of some respondents could have affected the findings. Respondents were less cooperative and agreed to give their opinions only if their identities are not revealed. Respondents may be biased.

Issues Related to Excessive Vehicles in Mumbai

Mumbai, the financial capital of India with a population of 2.25 crores and increasing number of vehicles leads to traffic jam, lowering of speed, congestion and increase in pollution, irritation and increasing stress among people has spoiled the quality of life in the city. Mumbai has the highest number of vehicles so mobility in Mumbai is very difficult. With the growing number of vehicles, thousands of disappointed drivers are finding that in peak hours traffic is slowing to a crawl, which leads to higher fuel consumption and emissions that are poisoning the city.

Technological innovation and supportive investment can create intelligent transportation system. It is created by aggregators who provide taxi services. Since 2006 developments took place and in July 2015 taxi aggregators came out with a new product - taxi pool dispatch model. Door to door taxi pooling services can significantly improve the environment and reduce the transportation problems in a city like Mumbai.

Ola's carpooling service is called Ola share, allowing customers to split fares through share cabs. Carpooling could be one technique to reduce traffic congestion. The carpooling service allows commuters with collinear start and end points to share a vehicle, thus reducing the cost of their ride. In India Ola announces carpooling service that matches customers within social groups. Ola is offering an option that

it will match customers with their own defined social groups inside the app by providing email contacts for friends, family, colleagues etc. Once the other party has approved the request to add, they are then included in their specific social group, meaning that one could share a ride with others heading to the same destination or in the same direction.

Integration with social networks such as Facebook would be an obvious way to make things more seamless. That process is hugely important because it is the crux of the offering, and if the users can't find their friends or add them easily, then the whole process fails.

Ola's step forward to create the comfort level when sharing a ride, can encourage people to use this with far greater comfort and a sense of privacy. A maximum of three people can share an Ola cab together via Ola share. Driver - partners get an option to log in to the share platform, getting instant access to increase revenue of upto 50% through continuous fulfilment of booking. Aggregator Ola's goal is to build mobility for a billion of Indians. Share cab will significantly reduce traffic, these companies are even preparing to launch motorcycle taxis and shuttle bus service.

Taxi aggregators car-pooling programme Uber Technologies Inc. is an American international transportation network company. The Company develops the market and operates the Uber mobile app which allows consumers with smart phones to submit a trip request which is then routed to Uber drivers who use their own cars. Uber is operating in 58 countries and 300 cities worldwide introduced its car-pooling programme Uber pool. In its latest move to grow its presence in India started in Bangaluru and soon will start in Mumbai also. Informal car-pooling services are widespread in India at prices incredibly low by Uber's normal standards. Uber pool commuters can reduce the ride cost by upto 50%

Meru Cabs is a taxi aggregator company based in Mumbai, India. It provides cab booking facilities through calls, website or through their mobile app and payment through cash, card or wallet christened Cab Wallet. Meru Cabs integrated their cab service with Google, which will send passengers reminders for cab pickups, alerting them if they wish to book a cab based on their location and other information through Now cards within the Google app. Its products are Meru, MeruFlexi, MeruGenie, Meru Eve and Meru carpool.

Today, the average taxi fare is about Rs. 13 per Km. With the cab pooling feature taxi app can bring the fare down to Rs. 3 - Rs. 4. A large number of two wheeler riders will start using cabs.

The Ola mini cab is priced at Rs. 8 per km. on a base fare of Rs. 100 per ride. The Ola share may halve the pricing per km and the fares for the motorbikes-taxi may be even lower. The taxi charges Rs. 7 per km on a base fare of Rs. 20 per ride. Ride sharing gives one the opportunity to share a ride with people with whom one is comfortable, low fares and cabs too are fully utilised. Using Ola’s ride sharing system customers can choose to book an Ola share cab which will now start appearing on the Ola app as a separate category. On mentioning the drop location Ola will use advanced algorithms to match users from common groups who are also looking for a cab on the same route in real time. Once the additional user's route is identified, the driver's device gets an alert with navigation to their pickup location within minutes to join the ride. A cab can take up to three people which will bring economy, convenience and comfort of travelling. Increase utilisation of vehicles on platform with social grouping, features incorporated in the app. These include the call masking feature, the help button which connects the commuter directly to the police control room and an internal response team as well to ensure passenger safety.

With the fuel price hovering between Rs. 65 to Rs. 75 across India, the average office commuter spends Rs. 75000 to 90000 per annum on fuel. With car-pooling it can be reduced to 20%.Taxi aggregators are currently in a tug of war with the Indian Regulatory Authorities for various reasons and will find this channel less restrictive.

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Observations and interpretation of data

Table 1 : Demographic Profile of Respondents

Sr. No.	Demographic Factor	Details	No. of Respondents	Percentage (%)
1.	Age group	Below 25 years	8	8
		25 –35 years	20	20
		35 –45 years	49	49
		Above 45 years	23	23
2.	Gender	Male	49	49
		Female	51	51
3.	Marital Status	Single	48	48
		Married	52	52
4.	Educational Qualification	School Level	12	12
		UG/PG Level	40	40
		Professional Degree	48	48
5	Occupation	Student & Homemaker	10	10
		Service/Professional (Pvt/Pub)	48	48
		Business	42	42
6.	Income group	Below 2 lakhs	2	2
		2- 4 lakhs	5	5
		4 - 6 lakhs	45	45
		Above 6 lakhs	48	48

Source: Compiled by the Researcher

Table 1 indicates the demographic analysis of the respondents who participated in the study. This includes age, gender, marital status, education qualification, occupation and income group.

Age is a variable determining an individual's physical and mental maturity and life experience. This data shows that 49% are in the age group of 35-45years, 23% belong to above 45 years, 20% below 25-35 years and 8% below 25 years.

Gender wise distribution shows that 51% are females and 49% are males.

Education classification shows that 48% have a professional degree and 40% PG/UG and 12% have studied upto school.

Occupation wise : 48% professionals, 42% business and 10% homemakers.

Income group: 42% belong to income above 4-6 lakhs, 48% above 6 lakhs, 5% between 2-4 lakhs and 2% below 2 lakhs. From these it can be inferred that the income of the respondent is of the highest importance and it can so be denoted that if disposable income increases the demand for better service can be met. Education also play a role in availing these services. Professionals are more likely to avail these services.

Table 2 : Sources of information for respondents

Sr.No.	Sources	No. of Respondent	%
1	Newspaper/Display Advertisement	12	12
2	Friends /Relatives	32	32
3	Social Media	48	48
4	Display on Cab	8	8

Source: Compiled by Researcher

Everyone is exposed to several advertisements through various sources in his daily routine that helps one in selection of services. In order to study consumer perception it is very important to identify the sources of information from which the respondents acquire information about various cab providers. Table 2 displays, the various sources from where the respondents get information. The maximum respondents i.e. 48 % receiving information from the social media, 32% gets information through friends & relatives, 12% from Newspapers / Display advertisement and remaining 8% from outdoor display on cabs.

Table 3 : Factors influencing the selection of service provider

Sr.No.	Sources	No. of Respondent	Percentage
1	Reporting on Time	52	58
2	Fare	24	24
3	Comfort, Available Luggage Space	15	15
4	Driver Behaviour	05	05
5	Easiness in Booking	01	01

Source: Compiled by the Researcher

In the competitive market, it is essential to satisfy the customer needs. Selection of service is influenced by several factors, from the above it can be inferred that in Mumbai availability of cab on time is the most important factor as 52% considered this a very essential factor. Another important factor is fare. It reflects that 24% customers are price sensitive. Whereas 15% consider comfort and available space. 5% consider driver's behaviour and the remaining 1% consider easiness in booking.

Respondents View	% Yes	% No
Mumbai should be less polluted and less congested	99	01
Have you experienced car-pooling	60	40
People who want to cut down on hassle of driving	60	40
Cab pooling will help economic growth by saving fuel & reduce pollution	90	10
No. of people who want cab pooling with women or vice versa	60	40
No. of people who say car pooling will reduce crowd in public transport	80	20
No. of people who feel it will reduce travelling expenses	98	02
No. of people who view that cab pooling will save time with use of app	60	40
No. of people who think travel time will reduce due to reduce no. of vehicles	70	30

Source: Compiled by the Researcher

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Conclusion

From the information collected through the questionnaires it is revealed that the majority of commuters are highly satisfied due to companies' willingness to drop prices and increased incentives to drivers as never before and can only give them success. These aggregators are multinational companies having all the strengths in the form of all kinds of resources. Though today these companies are not making a profit, investors are investing in this industry as they have the vision that India has huge opportunities. In the transportation sector an untapped demand exists which needs to be satisfied. There exists a gap between demand and supply which can be filled strategically. Innovation in the information and communication sector is the reason for this kind of change. The commuters are viewing even the new notifications for new city taxi schemes as though it will create an equal field and will support only 25000 kaali peeli taxi but may not be of much use to the 2.25 crore Mumbaikars. It could be inferred that kaali peeli taxi drivers can connect to taxi aggregators to earn an income and solve the issue to mutually benefit all stakeholders. Promoting and supporting taxi aggregators will benefit our country in the following way.

a) Higher Income group people will gradually be discouraged in keeping several private cars in a single family and will simply hire taxis from aggregators to avoid parking problems, driver issues, car maintenance problems and to save cost etc.
b) Commuters from Mumbai will have great facilities for availing all grades of car at their fingertips.
c) Commuters will enjoy a hassle free ride at a cheap fare.
d) Ideal working hours for private car drivers will be productive and they will be better-off.
e) Gradually the number of private cars will reduce, solving the problem of traffic and pollution.
f) Private cars occupy space in Mumbai which could be used for other productive activities.
g) Free market in the taxi segment will benefit commuters.
h) Idle private cars will be replaced by 24 hour and 365 day productive taxis that will change the financial capital of India i.e Mumbai.
i) Taxi aggregators will generate huge employment.

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