

A Review- Research Paper on Increasing Preference to “Ola Cab Service”

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ABSTRACT

Marketing plays the most important role for any product to create awareness and for selling the products, marketing help to branding the product and brand recognition creates value for the product. There are lots of options available for consumers regarding transport which can be booked online within seconds. The main objective of this paper to focus on understanding how effectively OLA has implemented its strategies in the market and to understand the brand position in the minds of consumers.

Keywords: - Ola Cabs, Cab Service, Competitors, Online Apps, Traveling.

INTRODUCTION

Ola was the first taxi aggregator service to offer Android, iPhone and Windows application in India that not only helped in booking a cab but also helped customers track their cab on their mobile phone till it reached them. Ola's offerings on its platform currently range from affordable air-conditioned cabs in the Ola Micro range to the superior luxury offering in Ola Lux range as well as localised offerings like the ubiquitous Auto-rickshaws to Shuttle buses for daily commute. The total funding received by Ola amounts to \$1.3 billion by the end of 2015 (see Exhibit-II), making it the third most valued venture backed company in e-commerce sector after Flipkart and Snapdeal. They introduced technology in the taxi rental business where the customer could book cars within a short notice either over the telephone through their call centres or through the mobile-based application.

LITERATURE REVIEW

Prof. manjunath g (2015) explores the brand awareness and customer satisfaction toward OlaCabs in Bengaluru region (South and North regions). Olacabs has created a good brand image in the minds of customers concerned with personal transportation services compare to Uber and Merucabs in Bengaluru. He concluded that market for OLA Cabs depends on the customer preference, creating awareness and customer satisfaction. The factors such as convenience, brand, low cost, quick and safe, easy to book and timely pick and drop facility etc. influences the customer decision to opt for OLA cabs.

Ashim Gupta & vivek singh tomar (2018) explored reasons for which people use application-based taxi services. The reasons, such as, safety, price, easy availability of taxis, cashless option and transparent charges are the main reasons to use app-based taxis (OLA). Ola and Uber must take care of the aspects above while improving their services. Customer may get disconnected due to Increasing prices or removing service quality parameters. Safety assurance is also equally important.

Mr. Ashish Awasthi (2019) explained intangible dimension of services offered by OLA cabs & impact of this on consumer's satisfaction in Delhi NCR. 'Intangible factors' (Responsiveness, Assurance, Empathy etc.) should serve even better in order to gain satisfaction of consumers. Focusing on the satisfaction of the consumer through enhanced service quality enables to survive the stifling competition in market

Dr. Ashok Kumar Panigrahi, Shambhavi Shahi, Amarsingh Rathore (February. 2018) In their paper explain Ola now has shifted its focus on target markets and is focused on providing desired service to the people in the target market. The key element in making Ola a successful brand is the efficient and quick accessibility which is offered by the firm. On one hand Ola promotes its brand by traditional methods and on the other hand it also uses the modern techniques of promotion. At the same time, it does not forget to highlight its name in social safety, creating social awareness and promoting acts of humanity.

Neelam Kalla, Hemaprabha Purohit (2017) in their research explain how the model portrays the service offering of an e-service company and the way it designs the service elements, where instances from the marketing moves of Ola have been cited to support the framework. Making an allowance for e-marketing, it has been able to establish a good connect with its target market by means of a well-designed service offering. Thus, the paper contributes towards the development of a conceptual framework for gaining insights on development of a service offering for an enhanced service quality in the e-marketing era.

Amit Tripathy, N.M. Leepsa in their research paper discussed a series of questions for which they might seek the answers to would be: Has acquisition by Ola turned out favourable or finding a niche market to head on guerrillalike Uber is appropriate in the current situation? Will the expansion strategy adopted by Ola turn out to be successful? Will the synergies expected from the deals be realised? Is Ola ready to face the market crunch of rival Uber? The carpooling/rental market had been experiencing unprecedented growth globally.

OBJECTIVES

- To understand Ola's business model
- Identify who are major competitors for ola cabs
- Analyse customers increasing preference to Ola cab service
- Do a SWOT analysis for Ola cabs?
- How Ola defer themselves by using unique marketing Strategy

RESEARCH METHODOLOGY

Research methodology is the specific procedures or techniques used to identify, select, process, and analyse information about a topic. In a research papers, the methodology section allows the reader to critically evaluate a study's overall validity and reliability. The methodology section answers two main question: How was the data collected or generated? How was it analysed?

In this paper the adopted methodology of research is extensive literature review of the facts and figure with respect to buying behaviour of consumers, perception when they buy, factors influencing buying decision and the satisfaction after buying etc. Then data collection was made to analyse, interpret, reviewing and draw the conclusion.

SOURCES OF DATA

Secondary data are used in this study, which were collected from the various data base available on the internet, journal and magazines report presented by scholars, universities.

OLA BUSINESS MODEL

- Ola has a focused approach on planned growth by providing customers with customised services according to the needs of the local market.
- Cab owners benefit from the Ola cabs network and technology platform that helps them service customers and improve their income through better inventory utilisation.
- Ola also works with leading car manufacturers and financial institutions to help drivers buy their own cars at huge discounts and access to affordable repayment schemes, thereby nurturing micro entrepreneurship.
- Ola cabs envision providing hassle free, reliable and technology efficient car rental service to the public.
- Ola does not operate its own fleet of cars but provides technologically enhanced services over the licensed car owners.
- They target a specific audience and provide services that suit the needs of the public.
- Here the firms only provide the market for buyers and sellers to exchange services for a cost.
- Ola partners with any licensed cab owner to provide cab service at the customer's doorsteps.
- Ola's business model is a similar to Snapdeal and Flipkart.

COMPETITORS

Uber- Uber is a provider of a mobile application connecting passengers with drivers for hire.

Meru Cabs- Meru Cabs is an India-based cab service.

Careem-Careem, a private car booking service, allows customers to order online, track rides in real-time, and pay with credit cards.

Grab-Grab is a company that operates a ride-hailing platform that offers car booking service.

HOW OLA DEFER THEMSELVES FROM COMPETITORS IN MARKET

- The attractive price package and variety in the fleet of cars target the moderate-income segment which increases their customer base.
- Also, the ride later option available with Ola makes it more customer friendly service.
- Ola also takes into account the safety of the customer and thus has a 24*7 customer care service.
- This leads to price transparency and enables them to achieve customer trust.
- The GPs tracker in all the cabs to monitor the activity of the vehicle and high visibility in terms of logo contribute in the success of the cab company.
- Ola is different from other aggregator service provider or other segments in the way that they themselves are the marketplace.

SWOT ANALYSIS

A brief idea about the position of the company in the market can be estimated from the SWOT analysis which indicates the respective strengths, weaknesses, opportunities and threats faced by the company.

Strengths:

- Ola is first of its kind taxi aggregator service provider in the country.
- It achieved the no.1 rank in the sector after acquiring Taxi for sure.
- The services offered by ola are well appreciated by the public
- TV, online and print media marketing has helped to create awareness about the company.
- Increase in customer base due to strong network effect.
- Financial condition of the company has improved after investments by various firms.

Weaknesses:

- Brand image can be easily influenced by the misbehaviour of the drivers as they are the one in direct contact with the customers.
- Monetization becomes difficult due to the demand.

Opportunities:

- There is a huge potential for the company to penetrate deep into the market as the unorganized market hold almost 85% of the segment.
- As Ola coordinates through the smart phone app, increase in number of smart phone users provides them with a great platform to increase their customer base.
- Disposable income can be increased.
- Convenient services create huge demand among customers.
- Acquisition of smaller company of the market.

Threats:

- Increasing competition.
- Heavy usage of cash to attract customer due to strong financial root of Uber.
- Presence of competitors at the national level.
- No specific regulatory body of the government.
- Customer loyalty is rare in this segment.

CONCLUSION

The study concluded that consumer preferences is influenced by factors such as service quality, pricing policies and ease of use. Most of the people prefer OLA cars because of the affordability factor i.e. price, service etc. and consumers are satisfied from the services provided by OLA. People believe that the service cost of OLA Cars is less expensive as compared to other options available such as Uber. Majority of the customers are using the specific brand for a very long period of time because of good quality, reputation, availabilities etc. OLA provides all this thing to their consumers and due to this consumer also trust the reliability of the OLA Cars. Technically the

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