

A study on factors influencing the consumers in selection of cab services

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ABSTRACT

The purpose of this paper is to study the factors influencing the consumers while selecting cab services. The dependent variable is 'coupon redemption behavior' and independent variables are innovativeness and price consciousness. The relationship between dependent and independent variables are empirically verified through statistical methods. The statistical tools like correlation, regression and descriptive statistics are used for data analysis. It is found from the study that consumers are interested to redeem coupons while selecting cab services. It is also revealed from the study that consumers are comfortable to redeem coupons through mobile apps while booking cab services.

I INTRODUCTION

In the past decade the transportation facilities in urban areas have undergone tremendous changes. Among various modes of transportation the cabs have become important mode of transportation in metropolitan and urban cities in India. The growth of organized car rental industry is continuously growing with support of technology. The customers in the present era are using mobile apps to book a cab at anytime and from any place in urban areas. The pricing strategy of cab operators had been positively influencing customers to book a cab instead of traditional mode of transportation like auto sand local buses etc. Like most of the industries the car rental industry had underwent lot of transformation with internet

technology. The consumers are able to access book cabs at competitive prices because of tough competition among the organized cab operators. In this regard the present paper briefs about the behavior of consumers while booking cabs. The variables like coupon redemption, innovativeness and price consciousness.

II OBJECTIVE

- To ascertain the role of innovativeness of the consumers in the selection of cab services.

III SCOPE OF THE STUDY

- The present study covers factors like price consciousness, and coupon redemption behavior.

IV LIMITATIONS OF THE STUDY

- The consumer behavior is dynamic in nature and it tough to make robust conclusions from the study.
- These limitations can be addressed through future studies in the field of consumer behavior.

V REVIEW OF LITERATURE

LITERATURE REVIEW

Hanif and Sagar (2016) had stated that there was demand for Call-a-Cab service offered by Meru Cab. The cab services are proving security through global positioning system (GPS) and women taxi

drivers for women passengers especially during night times. According to Harding et al (2016) the auto-rickshaws (three wheelers) are more popular in urban transport before the advent of cars and cabs. Horsu and Yeboah (2015) had argued that driver behavior have negative impact on consumer satisfaction in Ghana. The variables like continuous service, comfort, reliability and affordability have an impact on customer satisfaction with regard to minicab taxi.

According to Lu et al (2015) the self- service mobile technologies helps the commuters to access lot of data about cab services and such technologies had changed the role of both consumers and companies. The adoption of call taxi app (CTA) is impacted perceived usefulness, perceived ease of use, subjective norms and perceived playfulness (Peng, Wang, He, Guo, & Lin, 2014). Chen (2014) had explained that mobile apps help both drivers and passengers to find each other. At present the mobile apps are helps the consumers to find cabs. In the recent years the car rental industry is growing constantly especially in metropolitan cities in India (Rahman, 2014).

VI RESERCH METHODOLOGY

RESEARCH DESIGN

- A Master plan that specifies the method and procedures for collecting and analyzing needed information.
- A research design is a framework or blueprint for conducting the marketing research project.

DATA COLLECTION METHOD

PRIMARY DATA

These are data which are collected for the first time directly by the Researcher for the Specific study undertaken by him. In this research primary data are collected directly from the Respondent by using Questionnaire.

SECONDARY DATA

These are data which are already collected and used by someone preciously. In this research review of Literature, Details of the industry are collected from the Internet.

SAMPLING SIZE AND TECHNIQUE

SIZE OF THE SAMPLE

- Sample size is 100

SAMPLE DESIGN

Sampling is the process of selecting a sufficient number of elements from the population. A Sample Design is a definite plan for obtaining a sample from the sampling frame. It refers to the technique or the procedure the researcher would adopt in selecting

some sampling units from which inferences about the population is drawn.

QUESTIONNAIRE

The questions are arranged logical sequence. The questionnaire consists of a variety of questions presented to the employees for the response. Multiple choice questions, rating scale questions were used in constructing the questionnaire.

STATISTICAL TOOLS USED

To analyze and interpret collected data the following statistical tools were used.

HENRY GARRETT RANKING

Garrett's ranking technique to find out the most significant factor which influences the respondent, Garrett's ranking technique was used. As per this method, respondents have been asked to assign the rank for all factors and the outcomes of such ranking have been converted into score value with the help of the following formula:

$$\text{Percent position} = 100 (R_{ij} - 0.5) / N_j$$

Where R_{ij} = Rank given for the i th variable by j th respondents

N_j = Number of variable ranked by j th respondents.

VII DATA ANALYSIS

TABLE NO:1

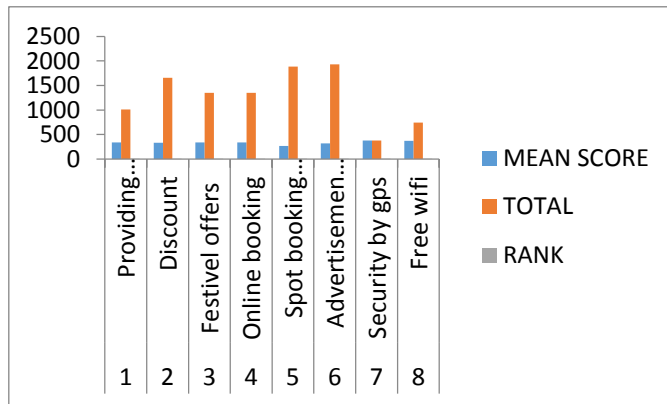
DEMOGRAPHIC PROFILE OF RESPONDENTS**INTERPRETATION:**

From this table, it is evident that respondents of male 74% and the female are 26%. 22% of the respondents are below 20 years, 56% of the respondents are 20-25 years, 16% of the respondents are 25-30 years, 4% of the respondents are 30-35 years and 2% of the respondents are above 35 years. 8% of the educational qualification is SSLC, 28% of the educational qualification is HSC, 34% of the educational qualification is UG and 24% of the educational qualification is PG and 6% of the educational qualification is none of these. 32% of the respondents' occupation is employed, 22% of the respondents' occupation is business, 10% of the respondents' occupation is agriculture, 12% of the respondents' occupation is house wife, 12% of the respondents' occupation is student, 12% of the respondents' occupation is retired. 24% income level of the respondents is below 10000, 46% income level of the respondents is 10000-20000, 10% income level of the respondents is 20000-30000, 8% income level of the respondents is 30000-40000, 12% income level of the respondents is above 40000.

RANK THE FACTORS OF INNOVATIVENESS OF CAB SERVICE**TABLE NO:2**

S.N O	FACTORS	MEAN SCORE	TOTAL	RANK
1	Providing coupons	338	1014	6
2	Discount	331	1655	3
3	Festival offers	337	1348	4
4	Online booking	337	1348	4
5	Spot booking on app	269	1883	2
6	Advertisement on social network	322	1932	1
7	Security by gps	380	380	8
8	Free wifi	373	746	7

Details of the Consumer		No. of Respondents	Percentage
Gender	Male	74	74%
	Female	26	26%
	Total	100	100%
Age Group (in Years)	Below 20	22	22%
	20 – 25	56	56%
	25 – 30	16	16%
	30 - 35	04	04%
	Above 35	02	02%
	Total	100	100%
Education	SSLC	08	08%
	HSC	28	28%
	UG	34	34%
	PG	24	24%
	None of these	06	06%
	Total	100	100%
Occupation	Employed	32	32%
	Business	22	22%
	Agriculture	10	10%
	House wife	12	12%
	Student	12	12%
	Retired	12	12%
	Total	100	100%
Income Level	Below 10000	24	24%
	10000 - 20000	46	46%
	20000 - 30000	10	10%
	30000 - 40000	08	08%
	Above 40000	12	12%
	Total	100	100%



INTERPRETATION

From the above table it is evident that “Advertisement on social network” ranked as no.1 with a total score of 1932, “Spot booking on app” is ranked as no.2 with a total score of 1883, “Discount” is ranked as no.3 with a total score of 1655, “Festival offers” and “Online booking” ranked as no.4 with a total score of 1348, “Providing coupons” ranked as no.6 with a total score of 1014, “Free wifi” ranked as no.7 with a total score of 746 and “Security by gps” ranked as no.8 with a total score of 380.

VIII FINDINGS

- 74% of the respondents are Male.
- 56 Percent of the respondents are in the category 20 – 25 years.
- 34 percent of the respondents were studying UG.
- 32 percent of the Respondents were employed.

46 percent of the respondents were getting 10000 – 20000 income level

IX SUGGESTIONS

- The innovative consumers are interested to adopt for new technology like use apps for booking cabs and other services.
- The redemption of coupons is motivating factor for consumption of cab services.
- The consumers have got habituated for mobile apps to book cabs and they are also feeling safe with regard to organized services.
- It is also observed from the study that middle aged adults are consuming cab services compared to other age groups.

X CONCLUSION

There is stringent competition in the organized cab services industry therefore organization need to motivate consumers through coupons. The innovative behavior of consumers helps to download mobile apps and further motivates them to redeem coupons while booking cabs. The results of this study are consistent with earlier research studies because it is found that price conscious consumers are likely to redeem coupons. The modern consumers are innovative and at the same time they are price sensitive therefore coupon redemption helps for customer retention. The brand image also plays a vital role in customer retention apart from offering coupons.

XI REFERENCES

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