

## A STUDY ON CUSTOMER PREFERENCE TOWARDS APP BASED CAB SERVICES IN COIMBATORE CITY

S Monisha<sup>1</sup>, MS Swathy<sup>2</sup>

<sup>1</sup>VLB Janakiammal College of Arts and Science, Coimbatore, Tamil Nadu, India

<sup>2</sup>Assistant Professor, Department of Commerce,  
VLB Janakiammal College of Arts and Science, Coimbatore, Tamil Nadu, India

### Abstract

The growth of passenger vehicle market is major role backed by the domestic taxi segment. In Indian passenger vehicle industry is expected to have a strong growth potential. In Coimbatore city lot of employees are working in different district, State, country so there is no possibility to being with their own vehicle. The cheap and best option will be the CAB services. In this study we have focused on how far the customer prefers on App based CAB services booking facility and also to know the customer opinion on tariff rate and promptness of their service.

Keywords: CAB service, Taxi segment, App based.

### Introduction

In the Modern era, everyone is busy with their work schedule and no one is ready to spend their time in waiting for bus in road side. For that instance, App based CAB services has been specialized in hiring CABs to customers. It is the process takes place in Internet. Online CAB Booking System helps the customers to view available CABs in and around them and they can register their respective CAB and they can view profile of the CAB and finally they can book the CAB in which they feel comfortable while they are in travel. App based CAB service is a vital transport services provided by the various transport operators in a Coimbatore city.

### Objective of the study

- ❖ To find the customers preference of App based CAB services.
- ❖ To understand the mindset of the customer towards App based CAB services.
- ❖ To analyses customer needs and comforts.

**Scope of the study** A study covers factors like safety, availability, innovativeness, price consciousness, and coupon redemption behaviour of the customer and also the tariff rate fixed on various hours and to know their service level.

### Limitation of the study

- ❖ The study is restricted to 50 respondents only.
- ❖ The study is limited to Coimbatore city.

### Review of Literature

Hanif and Sagar (2016) had stated that there was demand for Call-a-Cab service offered by Cab service. 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 behaviour have negative impact on customer satisfaction in Ghana. The variables like continuous service, comfort, reliability and affordability have an impact on customer preference with regard to minicab taxi.

Rex A. (2016) states that “App based Cab taxi service have a greater value in the community, in the taxi industry is regulated in various ways by the state Government through their respective Departments of Transport. Through this regulation the Government is able to exert some control over the activities of the industry, with the ultimate objective of providing a higher level of services (a complex construct in itself) to the public. In the current scenario the best and convenient way to travel to and from bus stands, railway stations, airports and to other places of internet in Coimbatore is by App based CAB service. There are as many as 40 to 50 call taxi service providers available in the Coimbatore city and its suburbs App based CAB service is mostly available 4 hours within the day. And people regard it as the most convenient way to travel. This study is mainly used to identify the awareness towards App based CAB service, factors influencing the choice of App based CAB service, preference towards the App based CAB services, and the problem faced by people while using App based CAB services.

### Research Methodology

Descriptive and analytical research includes surveys and different types of surveys. The main purpose is to describe current state affairs.

**Sampling Area**

Surveys are conducted in the Coimbatore city it was done.

**Sample Size**

The sample size considered in the survey is 50 respondents.

**Data Collection and Collection methods**

Survey data sources are both primary and secondary data.

**Primary Data**

The Structure survey questionnaire is given for data collection.

**Secondary Data**

In this paper, magazine, journals, internet, website are used.

**Analysis Tools**

Analyses collected data using percentage analysis and Chi-square test.

**Analysis and Interpretation**

Demographic profile of the respondents.

Table.1

Demographic		No of respondents	Percentage
1. Gender	a. Male	11	22%
	b. Female	39	78%
2. Location	a. Urban	35	70%
	b. Rural	15	30%
3. Are you a regular customer of App/ net based taxi Booking ?	a. Yes	28	56%
	b. No	22	44%
4. Which cab services you preferfor?	a. OLA Cabs	17	34%
	b. UBER Cabs	5	10%
	c. RED Taxi	28	56%
5. What is the most important aspect you look for when you select a cab services?	a. Car Availability	24	50%
	b. Quality car being provided	5	10%
	c. Extra service to customer	3	6%
	d. Cost of travelling	17	34%
6. How long do you think ideally a cab should take in reaching you after you hire it online ?	a. 5-10 minutes	32	64%
	b. More than 10 minutes	16	32%
	c. Not more than 30 minutes.	2	4%
7. How do you normally book Taxi ?	a. Taxi Company website	5	10%
	b. Taxi App	29	58%
	c. Phone Call	16	32%
8. Why would you rate the services of cabs of your choice ?	a. Safety and Security	41	82%
	b. Driver Interaction	3	6%
	c. Convenience of Booking	6	12%

$$= 3*1$$

=3 The table value is 7.815 Calculate value is 2.6

Chi-Square analysis formula:

O=Observed Frequency  
 E=Expected Frequency  
 V=Degree of freedom  
 R=Row  
 C=Column

$$X^2 = \sum (O_i - E_i)^2 / E_i$$

$$\text{Degree of freedom} = (r-1), (c-1)$$

$$= (4-1), (2-1)$$

EXPECTED VALUE

Table.2

	DAILY	WEEKLY	MONTHLY	YEARLY	GRAND TOTAL
MALE	0.88	1.32	4.84	3.96	11
FEMALE	3.12	4.68	17.16	14.04	39
TOTAL	4	6	22	18	50

Chi-square

Table.3

Observed value	Expect value	(O-E)	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
1	0.88	0.12	0.01	0.0
1	1.32	-0.32	0.1	0.1
7	4.84	2.16	4.7	1.0
2	3.96	-1.96	3.8	1.0
3	3.12	-0.12	0.01	0.0
5	4.68	0.32	0.1	0.0
15	17.16	-2.16	4.7	0.3
16	14.04	1.96	3.8	0.3

$$\text{Total} = 2.6$$

**Result** As the calculate value is less than the table value. So, H0 is accepted and H1 is rejected hence it is concluded that there is significant association between the opinions of the respondents towards gender vs usage of CAB services.

**Result and Discussion**

- Majority 78% of the respondents are female.
- Majority 58% of the respondents are between 20-30 years.
- Majority 76% of the respondents are unmarried.
- Majority 70% of the respondents are urban.
- Majority 60% of the respondents are graduates.
- Majority 56% of the respondents are regular customer of App based cab services.

- Majority 56% of the respondents are prefer of RED taxi cab services.
- Majority 42% of the respondents are often use cab services for monthly.
- Majority 50% of the respondents are using cab services for most important aspect car Availability.
- Majority 64% of the respondents average ideally cab should reaching minutes between 5-10 minutes.
- Majority 58% of the respondents is book through taxi App.
- Majority 82% of the respondents are rate the services of cabs by safety and security.
- Majority 50% of the respondents primarily use cabs services for emergency.
- Majority 64% of the respondents rank overall capital region taxi experiences good.
- Majority 56% of the respondents rank the safety of cab services good.

- Majority 36% of the respondents choose distance for 20km and above.
- Majority 76% of the respondents prefer to travel with family.

**Suggestion** Respondents have collected from valuable comments in questionnaire.

- May cabs can avoid high prices for short rides and avoid peak time over charge.
- Cab provides to improve availability of cabs in rural areas and improve customer services.
- While riding in cabs, passengers should have the opportunity to turn off the engine in an emergency situation.

**Conclusion** Nowadays, the App based cab service is a growing sector in the Coimbatore city. This facility provides better facilities than auto-rickshaws and buses. People consider the App based CAB service as a luxurious necessity and feel justified for the tariff charged. On the whole, nowadays everyone prefers App based CAB booking services.

### **Reference**

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