

5.4 million
drivers are working
with Uber

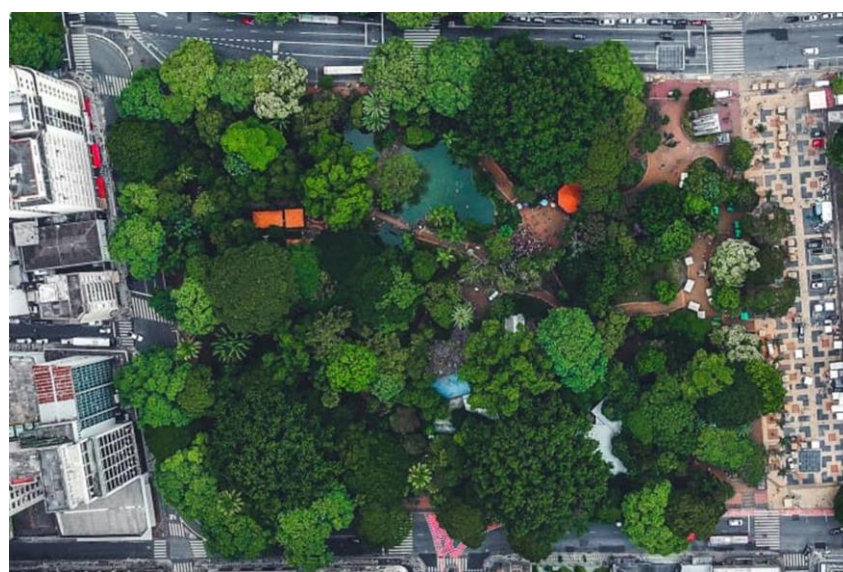
\$ 9.3 billion
Revenue
generated Q3
2023

74%
market
share as of 2024
...

131 million
monthly active
users

Uber is a technology company whose mission is to reimagine the way the world moves for the better. Our technology helps us develop and maintain multisided platforms that match consumers looking for rides and independent providers of ride services, as well as with other forms of transportation, including public transit, bikes, and scooters.

Uber is committing to becoming a fully electric, zero-emission platform by 2040, with 100% of rides taking place in zero-emission vehicles, on public transit, or with micro mobility.



Uber Offerings



Ride options

Access to rides on demand.



Uber Eats

Food delivery on demand.



Earning with Uber

Opportunity is everywhere.

Drive or deliver with Uber



Moving cities forward

Helping to improve public transportation and access to care for those in need.



Helping businesses move ahead

See how Uber Freight and Uber for Business help organizations across the world.



Same-day delivery

An easy delivery solution that allows people to send items the same day.



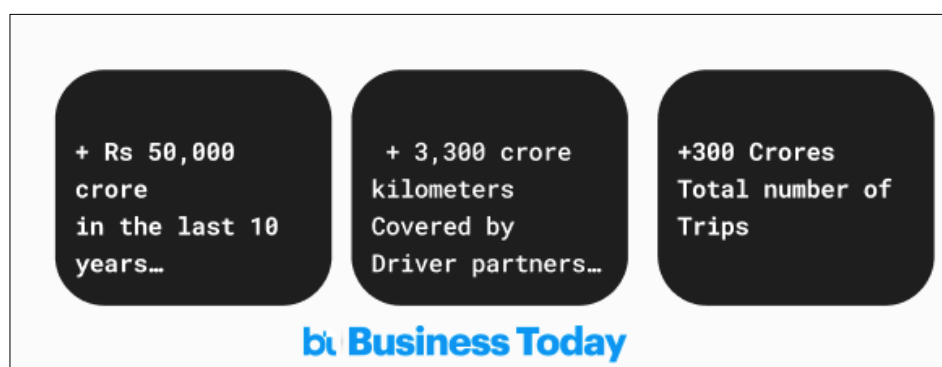
Uber in India: Driving Success and Challenges for Driver-Partners

Considerations: Focused only on Indian Market.

UBER Cab Service: An overview of the UBER cab service working model.



Source: <https://twitter.com/XongoLab/status/1394509658157576195>



An article published on **Business Today** found that **90%** of Indians believe that Uber has **revolutionised** travel in India.

Among the ride-hailing service **Uber emerged as a prime source of income for its drivers** in India

Ride-hailing platforms, including Uber, grapple with notable ride cancellation rates, ranging from **25-35%**, influenced by factors like city, vehicle category, and brand.



This predicament generates frustration for both consumers and drivers. In a supply-constrained market, each moment a driver invests in a cancelled ride signifies a valuable resource lost, leading to dissatisfaction among stakeholders


Addressing this challenge is imperative, as persistent cancellations can disrupt system efficiency, diminish driver earnings, and undermine user trust.


Furthermore, the impact of other competitors in the ride-hailing industry further intensifies this challenge:


- Increased competition adds pressure on platforms to provide a seamless and reliable service to retain both drivers and customers
- Understanding and mitigating factors leading to cancellations become pivotal in navigating the competitive landscape.


Direct Competitors				
	Ola	BlaBlaCar	BluSmart	Rapido
Founded	2010	2006	2019	2015
Features	Emergency button Realtime chat support	Long-distance travel Comfortable rides	Sustainable mobility Zero cancellations	Quick ride Bike taxi
Downloads	10cr+	10cr+	1cr+	10T+
Negative Reviews	30%	25%	13%	20%
Average User Ratings	3.9	4.2	4.8	4.7

Indirect Competitors


Local Taxi


Public Transport


Car rentals


Drivers for hire

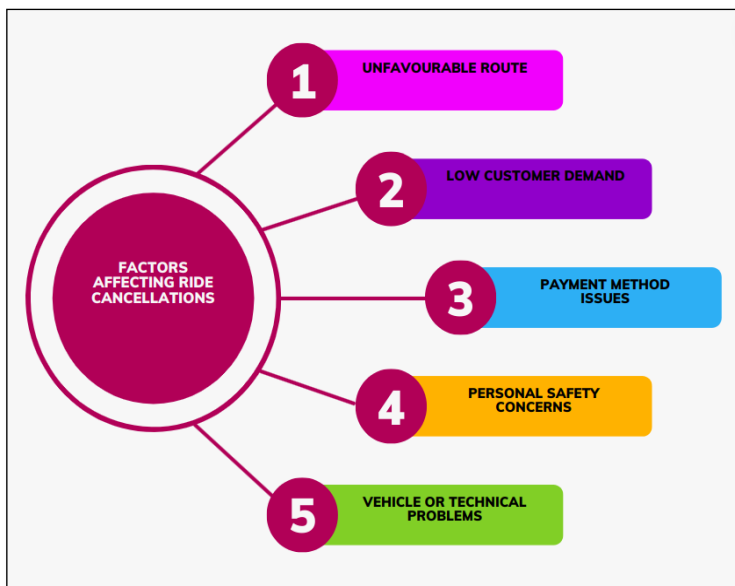
To understand the problem from a wider perspective. We reached out to a wider audience with below approach, to learn from people their thoughts about UBER. Their expectations and pain points while riding UBER cabs.

Secondary Research ---

- Blogs
- YouTube Channels
- X.com
- LinkedIn
- App Store / Play Store



Several factors can influence ride cancellations by Uber drivers



Vehicle or Technical Problems: Survey also shows that drivers also encountered unexpected problems with their vehicle or experienced technical glitches in the Uber app that resulted cancelling the ride to address maintenance or troubleshoot the issues.

Unfavourable Route: Routes which have heavy traffic, or under construction, city areas with narrow roads, are mostly avoided by drivers as it takes time for ride completion.

Low Customer Demand: A trip destination in the city outskirts area or a suburban area where there are low chances to have return journey passenger are avoided by drivers.

Payment Method Issues: Drivers have complaints, that there are delays in receiving the trip amount from UBER if the payment is done through UBER wallet. Mostly prefer UPI / Cash Payments.

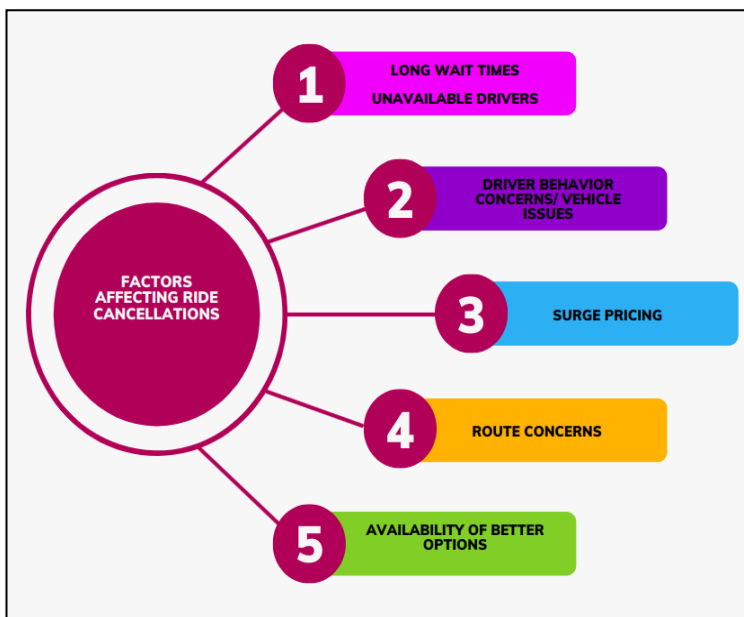
Personal Safety Concerns: Drivers might cancel if they feel uncomfortable or perceive potential safety risks associated with a particular ride or locations.

Sources:

- <https://www.linkedin.com/pulse/what-contributes-ubers-extraordinary-success-yasi-baiani/>
- <https://www.linkedin.com/pulse/fixing-cancellations-cab-market-ankur-agrawal/>
- <https://inc42.com/buzz/uber-rolls-out-rewards-programme-for-drivers-to-rein-in-ride-cancellations/>



Factors influencing ride cancellations by UBER customers



Change in plans: A customer survey showed that some users had to cancel their ride due to some unforeseen changes in plans.

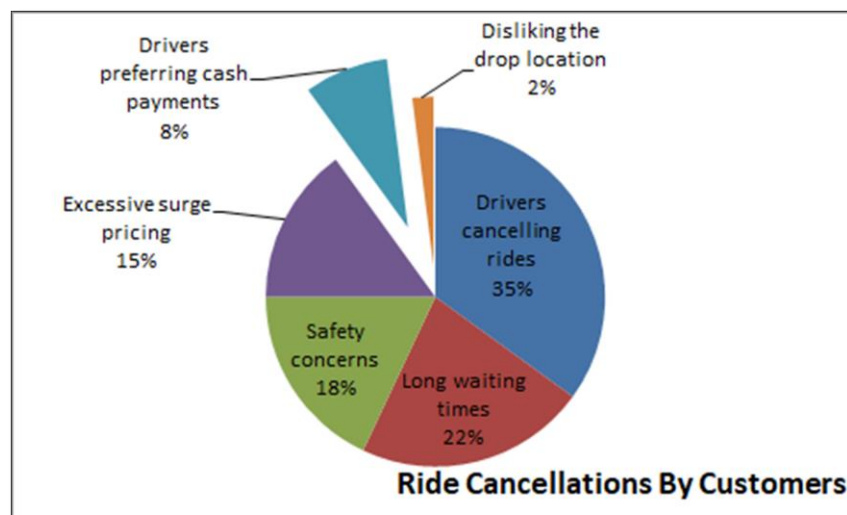
Long Wait Times: According to our survey results, passengers decide on to cancel their ride if they perceive the estimated arrival cab time as excessively long, preferring to utilize an alternative mode of transportation

Driver Behaviour Concerns: Survey also suggests that passengers opted to cancel their ride if they experienced discomfort with the driver's behaviour or if they had any safety concerns.

Route Concerns: Based on our findings, passengers cancelled their ride if they disagree with the chosen route or perceive there to be a more efficient alternative.

Unavailable Drivers: In cases where a driver is unable to promptly reach the pickup location, passengers may opt to cancel their ride

Surge Pricing: Some passengers also decided to cancel their ride when faced with higher-than-usual prices during peak times, opting to wait for lower fares instead.



Sources –

<https://economictimes.indiatimes.com/news/india/cancellations-rise-users-feel-taxi-apps-taking-them-for-a-ride/articleshow/106875385.cms?from=mdr>

<https://www.livemint.com/news/india/79-app-taxi-users-find-driver-cancelling-ride-as-top-issue-survey-finds-11649266306556.html>

<https://theprint.in/india/drivers-cancelling-rides-top-issue-for-79-of-taxi-app-users-survey-finds/905765/>

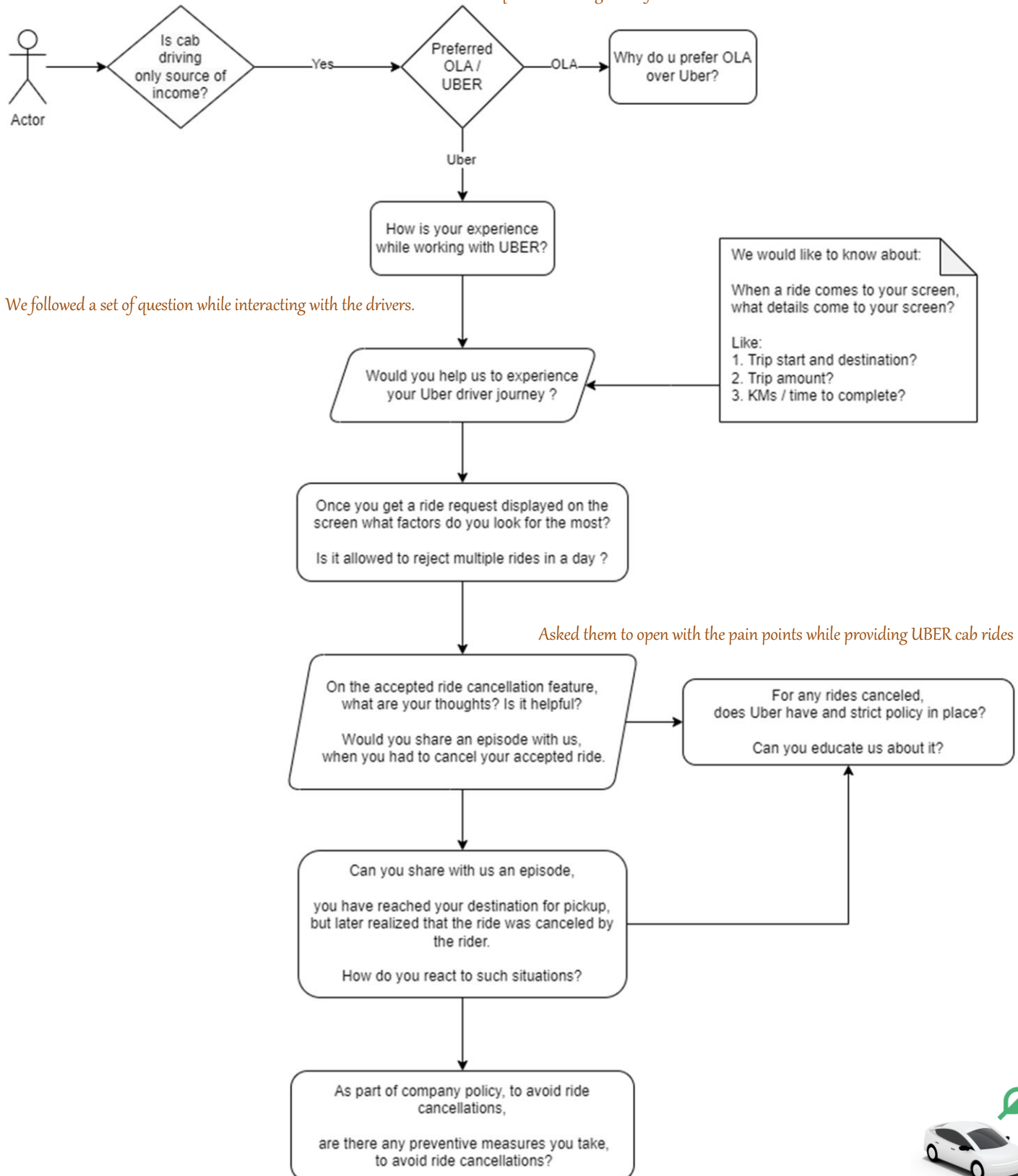
<https://www.ndtvprofit.com/business/three-in-four-app-based-taxi-users-face-cancellation-by-drivers-finds-survey>



Primary Research

Primary Research: We engaged with several Uber drivers to gain insights into their daily routines while providing Uber services and their perceptions of the platform. Additionally, we discreetly monitored their behaviour to discuss the various circumstances that prompt them to cancel rides. Our aim was to understand whether they utilize the ride cancellation feature genuinely or if they exploit it for personal gain.

Our questions changed the flow based on how the



Questions for 1:1 interview with Uber Drivers

Daily Routine and Professional Commitments:

Can you describe the typical routine you follow at the start of your day? Additionally, besides driving for ride-sharing services, are there any other professional commitments you engage in?

Ride-Searching Strategies:

In your approach to finding rides, do you use Uber concurrently with other methods? What motivates you to adopt this strategy?

Experience with Uber and Payment System:

Could you share your overall experience with offering rides through Uber? How reliable is the payment and incentive system as compared to other platforms from your perspective?

Ride Request Notification Details:

When you receive a ride request notification, what specific details about the trip or user are provided to you? How does having this information impact your decision to accept the ride?

Acceptance and Cancellation of Rides:

Regarding the acceptance and cancellation of rides based on trip details, can you explain the options available to you? If you choose not to accept a ride, does it have any implications on your driver's profile?

Ride Cancellation Feature:

Regarding the ride cancellation feature, what is your perspective on its usefulness in your daily routine? How do you find ways to leverage this feature to your advantage?

UBERs Response to Ride Cancellations:

How does the ride-sharing platform respond when you cancel a ride? Is there a mechanism for presenting your case in situations where a ride cancellation was genuine and unavoidable from your end?

Incidents of User-Cancelled Rides:

Have you encountered any incidents where you were either at the pick-up point or on the way, and the ride was suddenly cancelled by the user? Could you share details about such an episode?

Handling Un-Faulty Ride Cancellations:

When faced with a situation where a ride is cancelled without any fault on your part, how do you handle it? Are there features or processes in place for reporting such instances involving users?

Preventing Ride Cancellations:

To prevent ride cancellations, do you take specific measures? Can you share insights into your approach to minimize the likelihood of ride cancellations?

Thoughts on User-Cancelled Rides:

When notified that a ride was cancelled by the user, what thoughts immediately cross your mind? From your perspective, what could be the potential reasons prompting users to cancel ride requests?



Questions for 1:1 interview with Uber Riders

Introduction:

Could you provide some insights into your transportation preferences? How regularly do you engage with ride-hailing services and do you tend to explore various platforms before selecting a ride?

User Persona and Experience:

What factors do you consider when using ride-hailing apps? Any specific features that stand out?

Share a situation when your Uber ride got cancelled. How did it affect your plans?

In your view, what reasons might lead Uber drivers to cancel rides? Any patterns you've noticed?

Communication and Information:

Have you reached out to Uber's support after a cancelled ride? How was the experience?

Decision-Making Process:

How do you decide on alternative transportation when facing frequent Uber ride cancellations?

Suggestions and Improvements:

Any features or incentives you think could improve the Uber experience and reduce ride cancellations?

Any suggestions for Uber to handle ride cancellations and customer concerns better?

Primary Research Analysis

Answer analysis of drivers

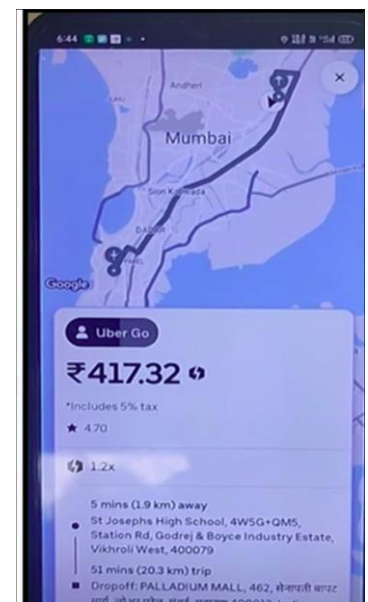
Cancellation Insights:

After reviewing the responses it has been found that most of the Drivers were more inclined to cancel rides due to certain circumstances. However, a subset of drivers who heavily relied on Uber for their income rarely opted cancellations.

Notification System: The majority of drivers have provided positive feedback regarding the effectiveness of the notification system. They emphasized its significance in helping them make more informed decisions about whether to accept a ride or not.

Communication and Transparency - Communication strategies among drivers vary, including sending quick messages to inform about delays. Some drivers go further by calling customers to clarify their location. However, upon discovering that the location is remote, some have mentioned cancelling the ride. This shows there's room to make things clearer, urging Uber to improve how drivers and customers communicate.

Route Planning: It has been mentioned that the built-in navigation system and the usage of third-party applications are usually effective for drivers. However, they become problematic in remote areas where drop locations are not clearly defined. This highlights a need for improvement, prompting Uber to step in.



Incentives and Rewards: Drivers who used multiple apps, and some who used only Uber, highlighted that the pay structure was better than other apps. They expressed dissatisfaction during unfair cancellations as it affects their rating and directly impacts the incentive they would receive.

Answer analysis of Customers:

Cancellation Dynamics: During our conversation, customers highlighted key factors influencing cancellations, such as time, price, driver rating, vehicle type, and availability. This suggests a realistic understanding of customer decision-making, emphasizing practical considerations that impact their choices.

Effective Communication: The majority of customers emphasized the importance of clear and timely communication, particularly through quick messages. This indicates a desire for seamless communication to enhance their overall interaction with the drivers.

Recognition of Rewards: Most customers acknowledged that discounts and perks encourage loyalty and satisfaction. This demonstrates an awareness of the role of rewards in shaping their engagement and loyalty towards the service.

Cancellation Handling: Customers provided a nuanced view of cancellation preferences and frustrations, highlighting the importance of alternative options, transparent policies, and fair treatment regarding cancellation fees. Their emphasis on the prompt resolution of outstanding concerns signals a desire for a hassle-free post-cancellation experience.

PROBLEM DISCOVERY

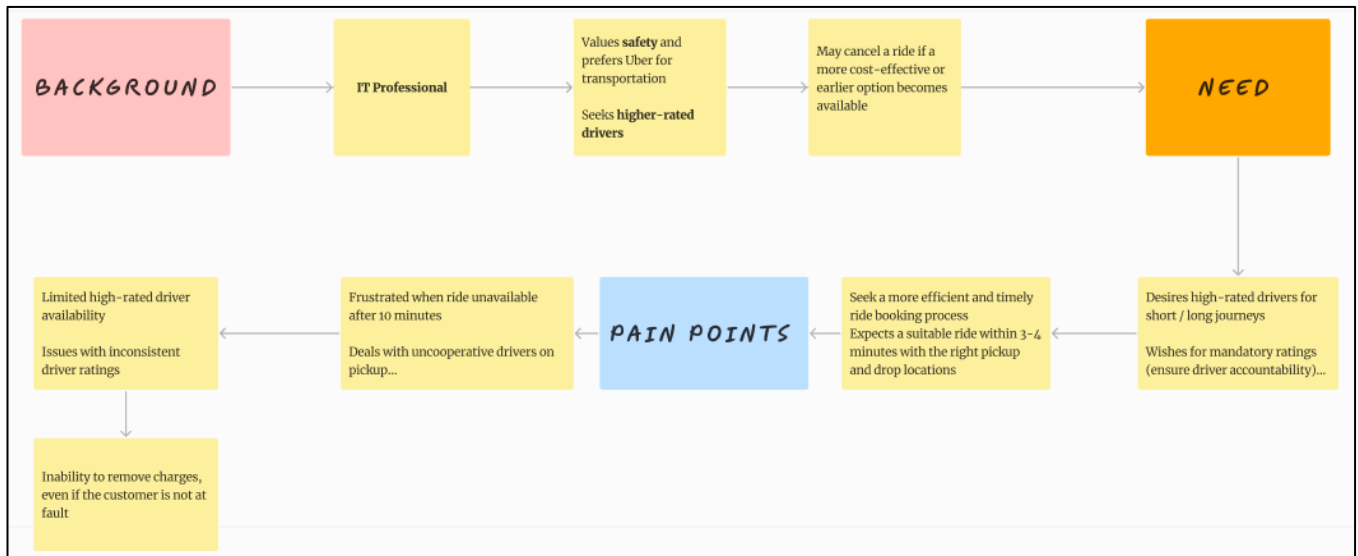
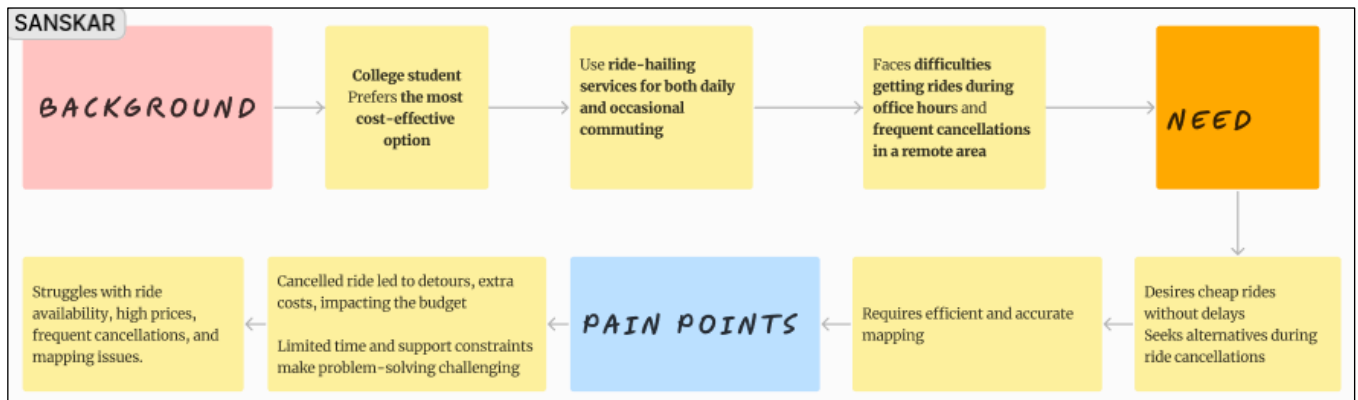
The high incidence of ride cancellations, influenced by factors such as driver dynamics, communication challenges, route planning issues, and dissatisfaction with incentives, poses a significant challenge to the seamless operation of the Uber platform

User Persona of Uber Riders:

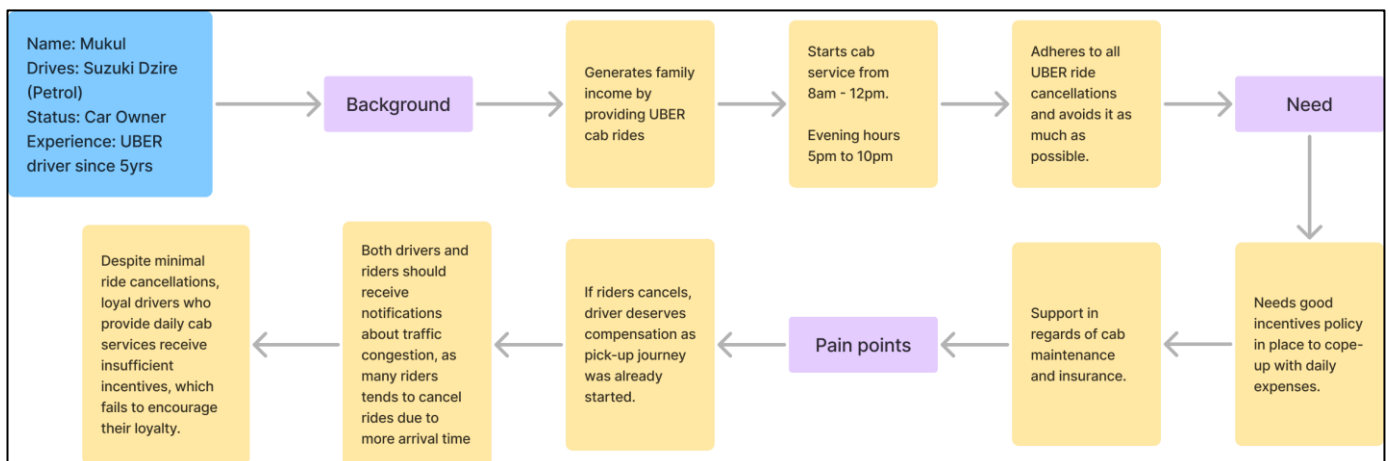
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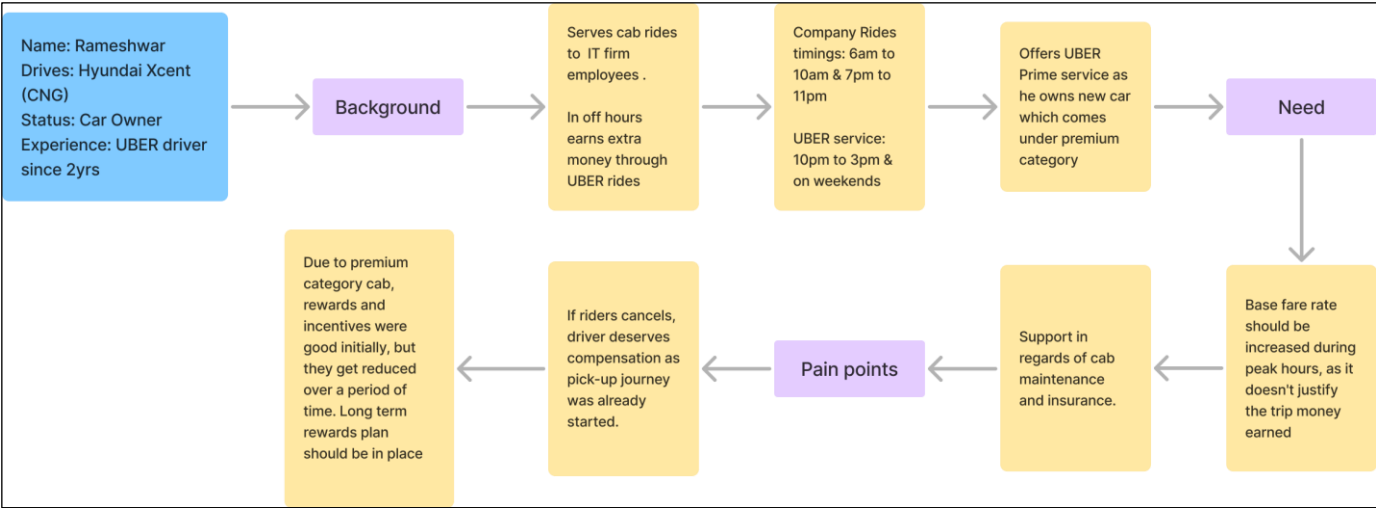


SANSKAR:



User Persona of Uber Drivers:





Addressing these concerns is crucial for improving the overall user experience and ensuring the reliability of the service for both drivers and customers

Observation	Rationale	Solution
<p>Navigation System</p> <p>Despite advanced navigation systems like Uber's, drivers struggle with ride cancellations, particularly in remote areas. GPS may not provide accurate location data, and unreliable network connectivity makes it tough to stay connected. Financially, spending time and fuel in low-demand areas prompt drivers to cancel rides to optimize earnings.</p>	<p>Improved mapping accuracy, offline functionality, and real-time communication features could contribute to mitigating cancellations and ensuring a smoother experience for both drivers and passengers in such areas</p>	<p>Real-Time Directional Prompts (Low Effort)</p> <p>Provide real-time directional prompts to drivers in the form of clear voice instructions</p> <p>Incorporate AI-driven guidance that adapts to the changing landscape, offering precise directions</p> <p>Include visual cues on the driver app to complement voice instructions for a more comprehensive navigation experience.</p>
<p>Communication and Transparency</p> <p>The absence of clear notifications in Uber can result in a range of challenges, from increased uncertainty and misunderstandings to a higher likelihood of ride cancellations.</p>	<p>Clear notifications are super important in ride-sharing. They build trust, improve communication, and help everyone know what to expect. This is a big deal because it reduces the chances of ride cancellations, making the experience smoother and more reliable for both drivers and customers.</p>	<p>Communication and Notification Enhancements (Low Effort)</p> <p>Instant Notifications:</p> <p>Enable instant notifications for users and drivers. Real-time updates on the driver's location and ETA reduce cancellations by keeping everyone informed</p>

<p>It is crucial for Uber to prioritize and implement effective notification systems to ensure a smoother and more reliable experience for both drivers and customers</p>		<p>Real time prompts in case of traffic / route congestion</p> <p>Voice Prompts for Accessibility: Enhance accessibility with voice notifications. Audible prompts ensure users and drivers stay informed, preventing cancellations due to missed messages.</p> <p>Offline Communication via SMS: Address connectivity challenges with offline SMS communication. Sending ETA notifications via SMS</p>
<p>Rewards and benefits</p> <p>Offering rewards and incentives is a clever way for ride-sharing platforms to keep users happy and cut down on ride cancellations.</p> <p>This creates a win-win situation for both users and the platform, making the service more enjoyable for everyone.</p>	<p>By offering rewards, such as points, for various user behaviours, the platform aims to reduce instances of ride cancellations. Users are more likely to follow through with booked rides if they know they can earn rewards for their actions.</p>	<p>Reward Points Categories: (Low Effort)</p> <ul style="list-style-type: none"> • Ride Booking in Surged Pricing • Traveling a Certain Distance • Booking a Certain Number of Rides • Milestones for frequent users, • Rewarding loyalty after a set number of rides. • User Rating <p>Clearly define rewards like discounts, free rides, or partnerships that users can claim using their points.</p> <p>Tailor rewards to individual preferences, offering bonus points or exclusive perks for eco-friendly choices or specific services.</p> <p>Introduce fun elements like leader boards or challenges to create competition, encouraging active participation and more rewards</p> <p>Clearly communicate the rewards</p>

		<p>program through the app, email, or notifications, fostering trust and encouraging user participation.</p>
<p>Payment Preference</p> <p>A key problem leading to drivers cancelling rides on Uber is the effect on their earnings due to the many payment choices.</p> <p>Even though there are various options, drivers really like getting paid in cash. This makes it difficult for drivers who find it hard to handle their money every day</p>	<p>The reason for changing how Uber pays drivers is to make their earnings more stable and easier to manage.</p> <p>By simplifying the way drivers get paid and focusing on what works best for them, like using the Uber wallet, the aim is to make drivers happier, reduce worries about money, and ultimately, have fewer cancelled rides on Uber</p>	<p>Wallet based improvisation (High Effort)</p> <p>Introducing the "Uber Fusion Pay" feature, a centralized payouts system within the Uber app that consolidates all earnings and streamlines daily transactions into the Uber Wallet.</p> <p>This centralized approach simplifies financial management for drivers, eliminating the need to navigate multiple payment options and reducing the risk of miscalculation</p>
<p>Cost Concerns for Short-Distance Rides</p> <p>The primary issue contributing to ride cancellations is the perceived high cost of Uber rides, especially over short distances. Riders often cancel trips due to concerns about the economic viability of short rides, leading to financial inefficiencies for both riders and drivers.</p> <p>This cost-related challenge affects user satisfaction, ride completion rates, and overall user retention within the Uber platform.</p>	<p>Incorporating electric cars into Uber for shorter distances is a user-focused approach. It aims to make rides clear, cost-effective, environmentally friendly, and appealing, with the ultimate goal of minimizing ride cancellations and providing a positive overall experience for users.</p>	<p>Enhanced EV Experience (EV Auto) (High Impact)</p> <p>Real-Time Notifications: Implement real-time notifications for users when an EV is nearby or available for their requested ride. Use push notifications to inform users about the positive impact of choosing an EV, such as reduced carbon footprint.</p> <p>Priority Access for EV Users: Introduce a priority access feature for users who choose EVs, ensuring they get faster and more convenient pickups. Create a sense of privilege for users who prioritize</p>

		<p>sustainability, potentially reducing cancellations due to waiting times.</p> <p>Special Pricing for Short Distances: Introduce special pricing models or discounts specifically for short-distance rides in EVs. Emphasize the cost-effectiveness of choosing an EV for shorter trips, addressing users' concerns about ride affordability.</p> <p>Promotion of EV Availability: Highlight the availability of EVs in the Uber app, making users aware of the eco-friendly option when selecting rides. Use in-app banners, notifications, or pop-ups to promote the benefits of choosing an EV for their ride.</p>
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Prioritization Using RICE Framework:

Following the utilisation of the RICE framework, amongst the strategies mentioned above, below ones can be prioritised:

	Idea	Reach	Impact	Confidence	Effort	RICE score	
	Implementation of Real-Time Directional Prompts	950000	4	50%	2	95	
	Go green adaptation - enhancing EV experience	950000	2	10%	2	10	
	Rewards and benefits	95000000	3	75%	2	10688	
	Wallet based improvisation	95000000	3	50%	4	3563	
	Offline notification and instant communication	95,00,00,000	4	75%	3	95000	
	Scale						
	S	95000	1	10%	1		
	M	950000	2	50%	2		
	L	95000000	3	75%	3		
	XL	950000000	4	100%	4		