

### PROBLEM STATEMENT





### Fragmentation & Lack of Transparency

India's taxi market fragmentation complicates customer comparisons and regulatory oversight, posing challenges for rule adherence among service providers.



### Rising fuel prices

Squeezing ride-sharing profits, prompting possible fare hikes for customers or reduced earnings for drivers.



#### Unreliable Service

Traditional Indian taxis unreliable. Uber/Ola improved, but recent issues eroded trust—driver cancellations, off-platform payments.



### High Competition and Price Wars

Fierce ride-sharing competition triggers price wars, impacting company profits and potentially compromising service quality for users.



#### Driver dissatisfaction

Ride-share drivers dissatisfied with pay and conditions, causing high turnover and compromising service quality.



### Off-platform payments, revenue leak

Off-platform payments erode ride-sharing revenue, posing profit challenges and potential service quality impacts for users.

### **Market Landscape & Fragmentation**



#### 2014:



Ride-hailing revolution shakes up market with app-based booking and rapid growth.

#### 2024:



Pandemic hits hard, safety focus rises, consolidation occurs, EVs roll in.

#### Pre-2010:

Fragmented taxis, limited reach, prepaid taxis emerge.









### The Rise of Ride-Hailing



Experience a significant change in how people get around in India with the surge of ride-hailing services. Platforms like Uber and Ola have transformed the traditional idea of commuting, making them an essential part of city travel. In a country where yellow and black cabs once ruled the roads, the rise of ride-hailing signifies a big shift in how we move around cities. It brings in a new age of convenience, efficiency, and technology. This introduction explores the growing importance of ride-hailing in India, emphasizing how it affects traditional cabs and provides a wider range of transportation options for people across the country.



### Convenience and Ease of Use

Effortlessly summon a cab with a few taps on your phone, eliminating the inconvenience of street hailing or dispatch calls.

### **Transparency and Trust**

Experience seamless journeys with clear upfront fares. Prioritize safety with emergency buttons and thorough driver background checks.

### Wider Range of **Options**

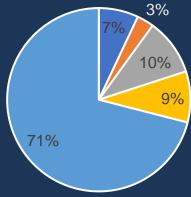
Select from a diverse lineup of cars, catering to both budget-friendly options and luxurious sedans, tailored to your needs.

### Competitive landscape

Fierce competition in online cab services results in frequent discounts and promotions, enhancing accessibility for budget-conscious consumers.



## Cancellation Problem Faced By Customers



- Marginal Improvement
- Significant Improvement
- ■Not faced any cancellation
- Cant say
- Problem still continues

### **40%** Distance Concerns:

Long or congested routes assigned, especially during times with lower demand, can significantly increase a driver's work time and fuel consumption.

### **Ride Cancellation**

- Unremunerated Pickup and Return: Drivers do not receive compensation for the time and distance traveled to reach the customer's pickup location and for empty return from destination.
- Inaccurate Fare Estimation: Poorly estimated fares leading to lower actual payouts compared to initial expectations can trigger cancellations.
- Driver Well-being and Personal Commitments: Extended work hours, fatigue, vehicle breakdowns, or unforeseen personal emergencies may prompt necessary ride cancellations.

# 60% Low Fares and Unprofitable Trips:

During off-peak hours or for certain routes, low fares may not cover drivers' basic expenses, incentivizing them to cancel for potentially more lucrative rides.



### **Revenue Leaks**



#### **Surge pricing:**

Surge pricing implemented during low demand hours might deter users and discourage bookings, leading to lost revenue



#### **Account Sharing:**

Unauthorized sharing of driver accounts can lead to service quality issues, safety concerns, and revenue leaks.



#### **Cash transactions:**

Some drivers negotiate fares directly with passengers outside the platform to avoid commission fees, resulting in revenue leakage from the platform.



# The demand for different rates for AC and non-AC rides:

While the usual fare charges range between Rs 12-13 per km, the drivers expect a minimum of Rs 24-25 per km because of the additional costs involved in turning the AC on.



#### **Driver dissatisfaction**



### Erosion of Trust

Opacity in pricing and fee structures creates suspicion and dissatisfaction among drivers and riders



### Unfair Treatment

Drivers penalized for passenger cancellations outside their control can feel discouraged and unfairly treated.



### Driver discontent



Continuous phone monitoring for ride requests poses safety risks, intensifying competition for prompt acceptance during ongoing rides

### Financial Strain



Difficulty in receiving payments on time or facing unexpected deductions can cause financial stress and frustration.







Soaring fuel prices strain cab industries, impacting operational costs, and drivers' earnings. Companies delicately adjust fares amid fluctuating fuel expenses, aiming for customer affordability and sustained profitability. Operating on narrow profit margins, they risk losing market share to alternative transportation, threatening overall competitiveness. Soaring fuel prices strain cab industries, impacting operational costs, and drivers' earnings. Companies delicately adjust fares amid fluctuating fuel expenses, aiming for customer affordability and sustained profitability. Operating on narrow profit margins, they risk losing market share to alternative transportation, threatening overall competitiveness.







### Efficient Ride Management

Drivers are prevented from directly canceling rides.

Instead, they channel requests and reasons through a dedicated Prime call center, shielding customers from potential disruptions. The call center seamlessly offers the ride to the next available driver, maintaining the premium service quality for customers.



### Priority Membership Program:

Launch/renew Prime Customer options with premium memberships, offering priority rides. Once accepted, drivers receive a non-cancelable ride notification for premium members, ensuring a reliable and seamless ride experience.



### Penalties for Frequent Offenders

Institute penalties for users with a history of frequent cancellations without valid reasons, encouraging accountability and discouraging casual cancellations.



#### **Elevated Earnings for Drivers**

Compensate drivers better with destination-based and time-adjusted fares. Consumers pay a premium for enhanced service during peak demand, ensuring fairness and efficiency





### Targeted promotions and incentives:

Offer discounts or special offers to passengers during low demand hours, encouraging bookings and minimizing the need for excessive surge pricing.



### Clear communication of surge pricing triggers and mechanisms

Educate passengers about how and when surge pricing is applied, fostering understanding and acceptance.



### Offer alternatives and pre-booking options:

Suggest fixed-fare taxis or allow pre-booking of rides with guaranteed prices during off-peak times.



### **Cut Long-Distance Commissions:**

Reduce the commission on long distance trips. This encourages platform loyalty, curbing drivers from diverting customers off-platform, ensuring revenue stability and trust.

### - Driver Dissatisfaction



### Transparent Fare Structures

Enhance transparency by providing a detailed fare breakdown, encompassing base fare, distance, time charges, and additional fees. This ensures both drivers and riders understand the pricing structure, reducing suspicion and dissatisfaction.



### Ensuring Driver Safety and Focus

Implement hands-free ride request notifications and acceptance systems to mitigate safety risks.

Additionally, introduce an auto-allocation feature that

randomly assigns rides to nearby drivers, ensuring equal distribution and prioritizing highly rated riders



#### **Empowering Drivers**

Implement a fair policy recognizing and exempting drivers from penalties for cancellations beyond their control. This fosters morale, addresses concerns of unfair treatment, and promotes a positive driver experience.



#### Seamless Financial Transactions

Implement streamlined payment processes, timely disbursements, and transparent deduction notifications to alleviate financial stress and frustration for drivers.



### Fuel Cost



### Government Advocacy for Fuel Subsidies

Advocate with relevant authorities for fuel subsidies or tax breaks for cab drivers. Government support can alleviate the financial burden caused by escalating fuel costs.



### Fleet Management Optimization

Optimize the cab fleet with fuel-efficient vehicles.

Consider investing in hybrid or electric vehicles, which not only reduce fuel costs but also contribute to environmental sustainability.



### Fuel Efficiency Training

Conduct training programs for drivers on fuel-efficient driving techniques. Educate them on practices such as smooth acceleration, optimal speed, and regular vehicle maintenance to maximize fuel efficiency.

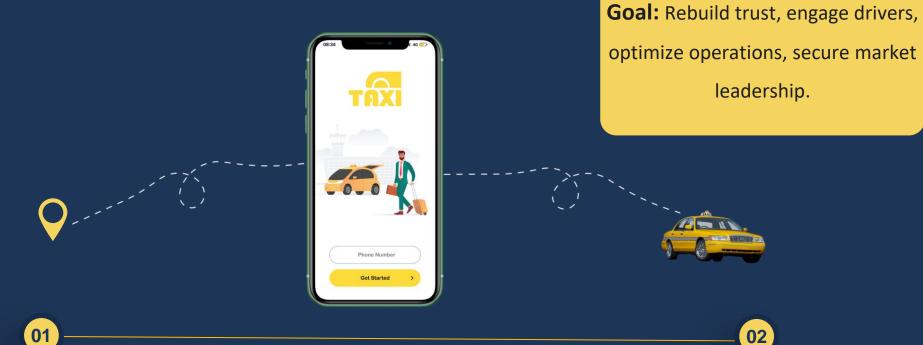


### Predictive Routing Technology

Integrate advanced routing algorithms that consider real-time traffic conditions and fuel prices. This technology optimizes routes, minimizing fuel consumption and costs for drivers.

# Strategic Roadmap





Year 1: Rebuilding trust and transparency

Year 2: Operational efficiency and strategic pivots



Year 1: Trust & Transparency

**Drivers:** Fairer commissions, better communication, benefit programs.

#### Passengers:

Clear fares, enhanced safety, loyalty incentives. **Tech:** Dynamic routing, fraud detection, datadriven decisions.

Year 2: Efficiency & Pivots

### **Operations:**

Automation, cashless payments, fuel partnerships.

**Pivots:** Micromobility, expanded services, subscription models.

#### Stakeholders:

Driver training, community initiatives, strategic marketing.

### **OUR VISION**



Vision 1

Advanced Technology Integration

Cut fuel costs and boost efficiency by investing in Al-driven route optimization for streamlined operations.

Vision 2

Strategic Diversification

Offer carpooling, airport shuttles, package delivery, or subscription-based models for recurring revenue.

Vision 3

Market Expansion

Collaborate with hotels, restaurants, or event organizers to offer exclusive packages and deals, attracting new customer segments.

Vision 4

Embrace transparency and ethical practices

Be open about pricing, policies, and data usage to build trust and attract customers who value ethical business practices.

Vision 5

Hyper-personalized experiences

Go beyond basic ride requests. Offer curated travel options like scenic routes, silent rides, or pet-friendly cabs.

This vision is not just about maximizing profits, but about creating a sustainable and impactful business model that benefits all stakeholders: drivers, passengers, the community, and the environment. By embracing innovation, prioritizing user experience, and integrating social responsibility, your cab company can stand out in the crowded market and pave the way for a profitable and purpose-driven future





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