IMPROVING OLA'S UX IN TIER 2/3 CITIES

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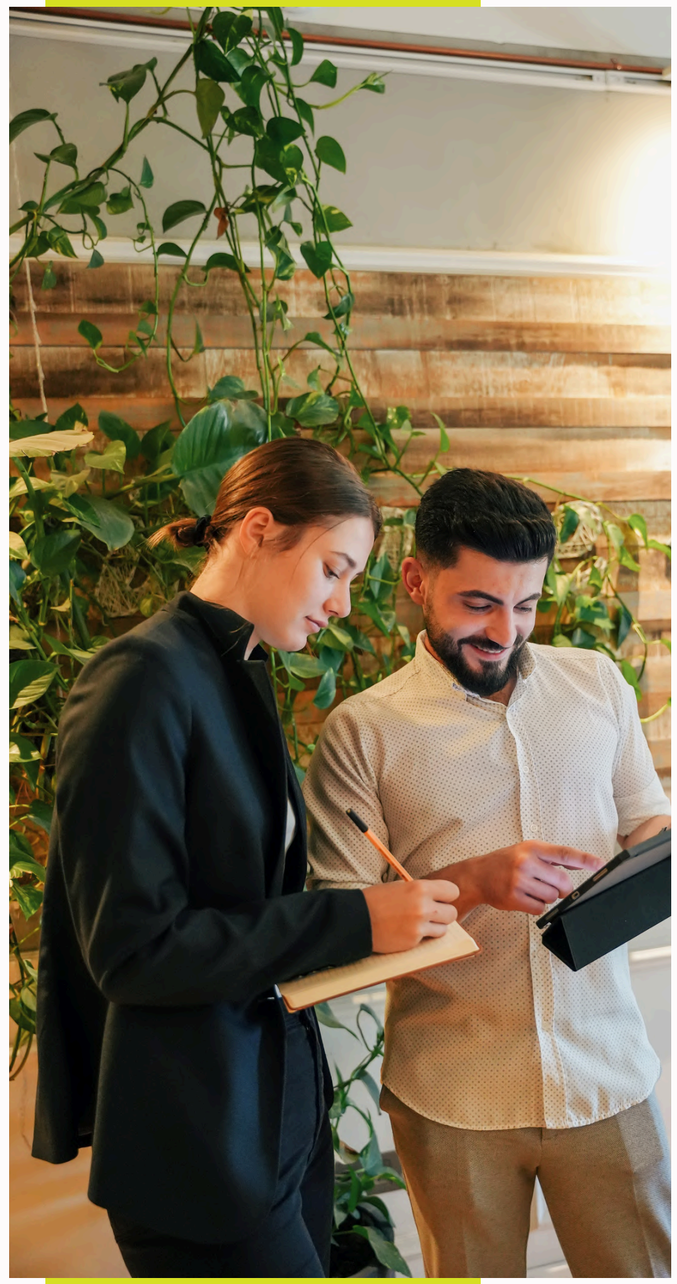


About Ola

- Spanning over 250 cities, Ola delivers transport options ranging from cabs to auto-rickshaws, tailored to different journey needs, and is attempting to enter the developing cities across states.

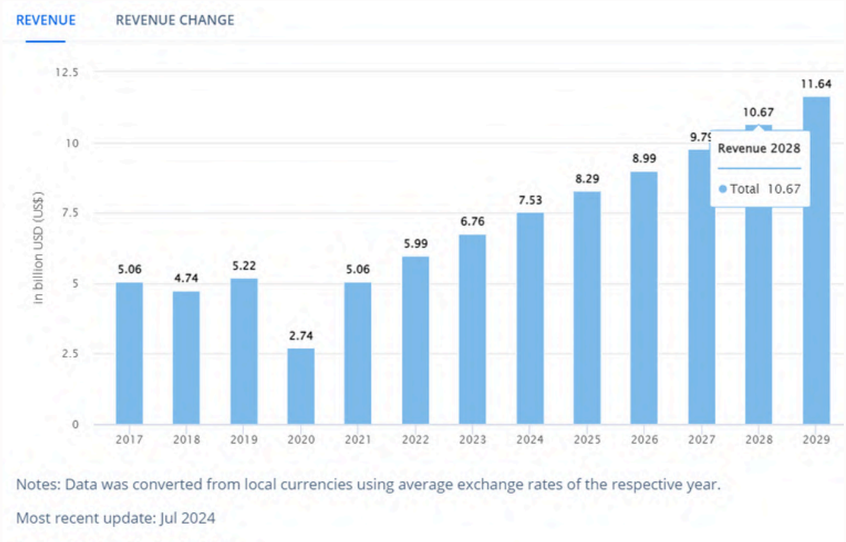
- Ola's growth in India is driven by three distinct strategies, each targeting different facets of its operations – **Premiumization, Penetration through electrification, Advancing through innovation**.

Ride-hailing Market Size - India

- The volume of this online-only market is expected to reach US$11.64bn by 2029, with CAGR of 9.10% during 2024-2029.

- As of 2029, the #users in the Ride-hailing market is predicted to be 380.60m users.

- Projected ARPU US$28.09



- While 75-90Bn rides are annually on public transport even now, user penetration rate is expected to increase from 18.6% to 25.3% in 2029.

Tier II & Tier III Cities

Tier 2 cities
~50,000 to ~99,999
(Jaipur, Bhopal etc).

Tier 3 cities
~20,000 to ~49,999
(Salem, Roorkee etc)

- Short distance (upto 35km) travel is commuted daily/ weekly. Frequent travelers commute alone.

- Customer destinations (markets, industries, residential areas etc.) often cluster within 3 km of one another. It common for passengers to have similar routes.

- Substitutes are widely available, affordable, have higher reach.

User Persona - Adopter Profile

Mehul, 21
College Student
Kanpur

- **Bio: O**ccasionally uses Ola to attend early morning or late evening classes. Opts for bike-sharing when his scooter isn't available due to a limited budget.
- **Challenges**: Struggles with ride availability, cancellations, especially during odd hours. Surge pricing makes it expensive on weekends.
- **Needs**: Transparent pricing and affordable, quick ride options.
- **Pain Points: Lack of affordable ride options for short distances, especially during odd hours.**

Sakshi, 32
School Teacher
Jodhpur

- **Bio**: Commutes daily to a school in a nearby village. Public transport options are limited, inconsistent and time bound, so she relies on ride-hailing apps.
- **Challenges**: Faces delays when booking a ride due to Ola's limited presence in her rural area, often forcing her to take other options.
- **Needs**: More ride availability during school hours and cost-effective options for her daily commute.
- **Pain Points: Poor driver willingness for waiting or return trips, and unsafe in the semi-rural route she takes to work.**

Rajesh, 40
Farmer
Community Leader
Rajahmundry

- **Bio**: Travels with fellow farmers to sell produce. Commuting with luggage in public transport is inconvenient, so they prefer a spacious vehicle and share as a group to split costs.
- **Challenges**: Rarely uses the Ola app -patchy internet, with long wait times and few available autos/cabs willing to travel to rural areas.
- **Needs**: Affordable **group-friendly ride options**, a way to negotiate waiting times for completing errands without incurring high additional costs.
- **Pain Points**: Unreliable availability, high fares, and occasional refusals by drivers to take long-distance rural routes

Key Pain Points: Demand side

- **Weak internet connectivity. (P1)**
- **Arbitrary ride cancellations. (P3)**
- **Inconsistent and Surge pricing. (P3)**
- No quick ride options.
- **No ride sharing options. (P2)**

Key Pain Points: Supply side

- Lack of availability of vehicle.
- Long waiting time before vehicle arrives.

Scoping solving for enhanced UX for demand side problems. Priority Order of Pain Points: P1 > P2> P3

Searching for the Aha moment (colour coordinated with personas)

Power Users:

Definition: These are individuals who use the Ola app frequently, possibly multiple times a week, and are heavily reliant on it for daily or regular commutes.

Personas
(Early Adopters, More Tech-Savvy):

Product Adoption Criteria: Availability of rides, consistent pricing, safety feature, ease of booking.

Activation Criteria: First ride experience, promo /discounts in early use, seamless payment options.

Aha Moments: Ability to consistently book rides during peak hours without delays, save time compared to local transport, enjoy discounts for frequent or affordable shared rides.

Occasional Users:

Definition: Users who book rides less frequently, only when needed for special occasions, errands, or long-distance travel.

Personas
(Need-based Users, Less Tech-Savvy):

Product Adoption Criteria: Occasional convenience, affordability, availability of different vehicle types.

Activation Criteria: First interaction with app post-installation in vernacular, completing their first ride after a discount or offer.

Aha Moments: Discovering they can easily book a ride without having to rely on local transport or save money on shared rides, or the availability of rides in late hours or remote locations without haggling.

Feature 1 - Optimised maps (P1)

Objective

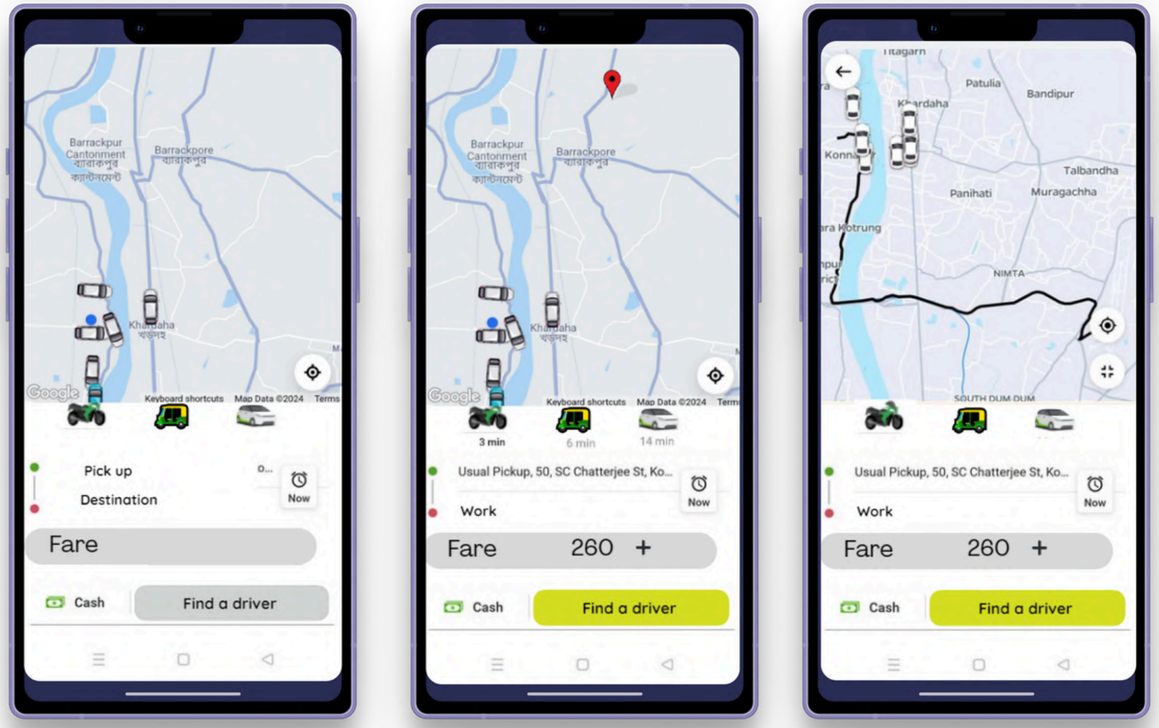
Displaying optimized maps in areas with patchy internet connectivity.

Description

The app will automatically detect weak network signals and switch to displaying optimized maps, ensuring smooth user experience without manual toggling. Geographic data will be compressed to show necessary data like the user's current location, driver location, and basic routes, allowing faster load times.

How it works

Users can quickly select saved locations. Based on common routes, past trips, or patterns (e.g., regular commute times), the app can suggest likely destinations. Pre-processed data, lightweight icons of vehicles in close proximity, keeps data usage low and speeds up interactions. Post booking, driver can be tracked by in-app text updates.



In low connectivity areas, optimized maps for faster load times and smoother performance are displayed. (Left Screen)
Shows only necessary data such as traffic or directions and omits secondary details like small roads or satellite views. (Middle Screen)
In areas with strong signals, detailed maps are displayed to access full features like precise navigation and landmarks. (Right Screen)

Impact:

- **Personalized Experience**- Using saved addresses and suggested destinations on optimised maps reduces friction in the booking process, leading to a smoother and more efficient user experience.
- **Reliability** – Allows users in areas with poor connectivity or limited data plans to benefit by using fewer resources while still being able to book rides.

Challenges:

- **Transition Handling -** The switch between optimized and detailed maps needs to be smooth, or users may experience visual disruptions or delays. A/B testing to be done for mitigation.
- **Inconsistent Display -** Users might feel confused or disoriented by the changing level of map detail during travel if not managed smoothly.

Solves for weak internet connectivity.

Feature 2 - Share rides (P2)

Objective

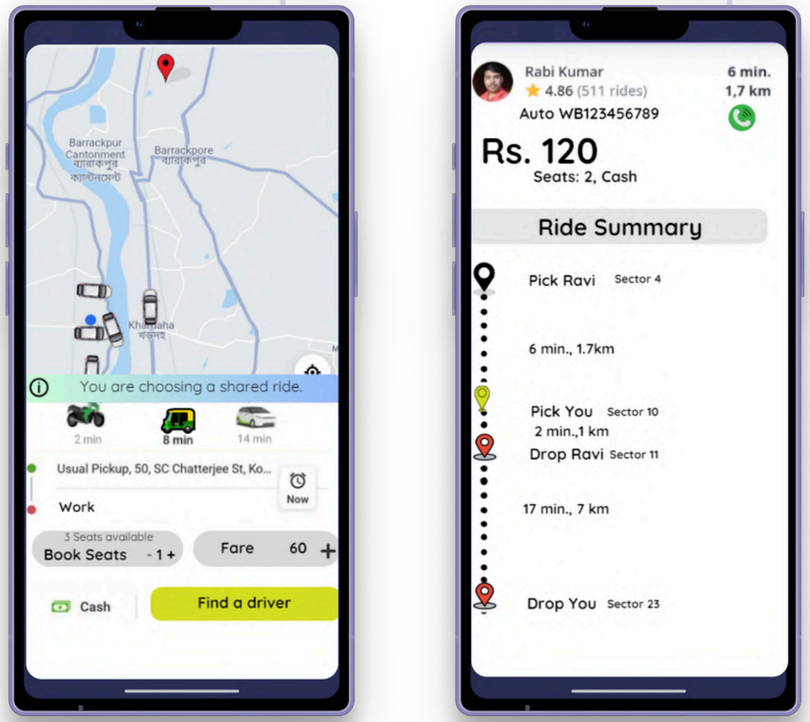
Shared rides - a budget-friendly alternative to customers.

Description

Offers an affordable, efficient, and environmentally friendly transportation solution by optimizing route-sharing among passengers with similar destinations, increasing ride utilization while reducing individual costs and traffic congestion.

How it works

Advanced algorithms match riders with similar routes to minimize detours, offering transparency in travel time and delays for better planning and control. Shared ride pricing adjusts based on time of day, demand, and flexibility, allowing users to choose lower fares if they are open to flexible pickups or more passengers, improving affordability.



Once ride is booked, ride summary of confirmed rider displays the number of stops and estimated drop-off time upfront.

Impact

- **Affordability**: Shared autos or cabs significantly reduce the cost per passenger by splitting the fare among multiple riders or group travel.
- **Increased Availability**: By pooling multiple riders along a similar route, shared rides can guarantee that more people get access to rides even during times of lower demand, increasing their utilization.

Challenges

- **Privacy**: "Premium" shared options can ensure better privacy for those concerned about being in close proximity to strangers.
- **Safety**: Use of real-time route tracking, verifying drivers, and providing emergency features like SOS buttons. Customers can also share ride details with others, enhancing the sense of security during shared trips. In some cases, apps can offer gender-specific shared rides to ensure comfort and safety, particularly for women.

Solves for group travel with affordable options and scarcity of riders.

Feature 3 - Flex Pricing (P3)

Profitability

Objective

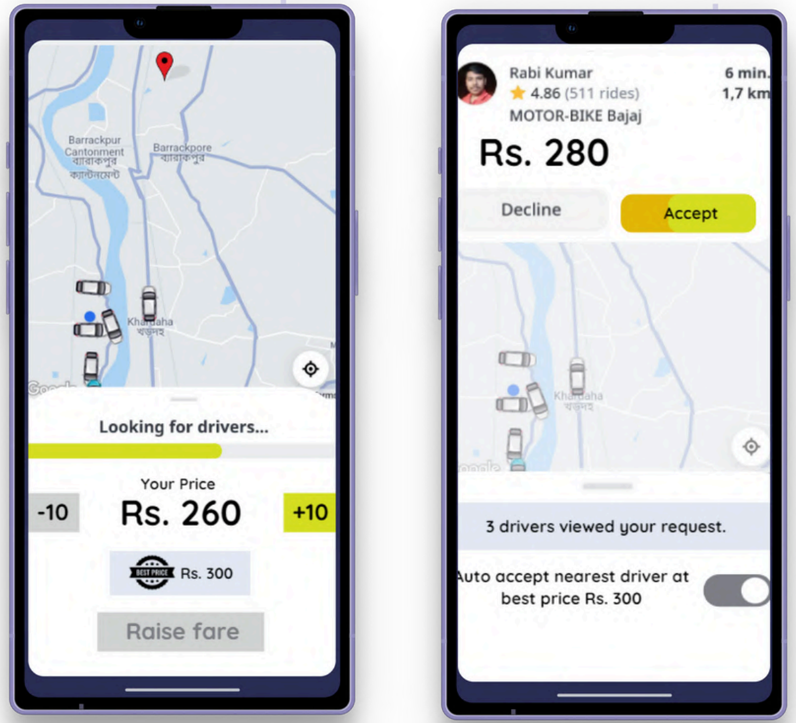
Enable users and drivers to negotiate fare price.

Description

This will empower users and drivers to negotiate fare within a predefined range offering cost flexibility based on factors such as distance, traffic conditions, and demand. This feature addresses the price sensitivity of budget-conscious customers.

How it works

The app will facilitate quick negotiations with predefined options to maintain efficiency. Drivers can accept user-proposed price or offer counterbid with desired fare or reject ride request, while both parties will be notified the recommended agreeable price and exclusions like toll, parking charges. Zero surge price and minimum cancellation fee charged after 3 consecutive cancellations from customer.



Nearest drivers send counterbids consecutively. The system builds a transparent pricing model, allowing both users and drivers to arrive at mutually agreeable rates, creating a more tailored and satisfying ride experience.

Impact:

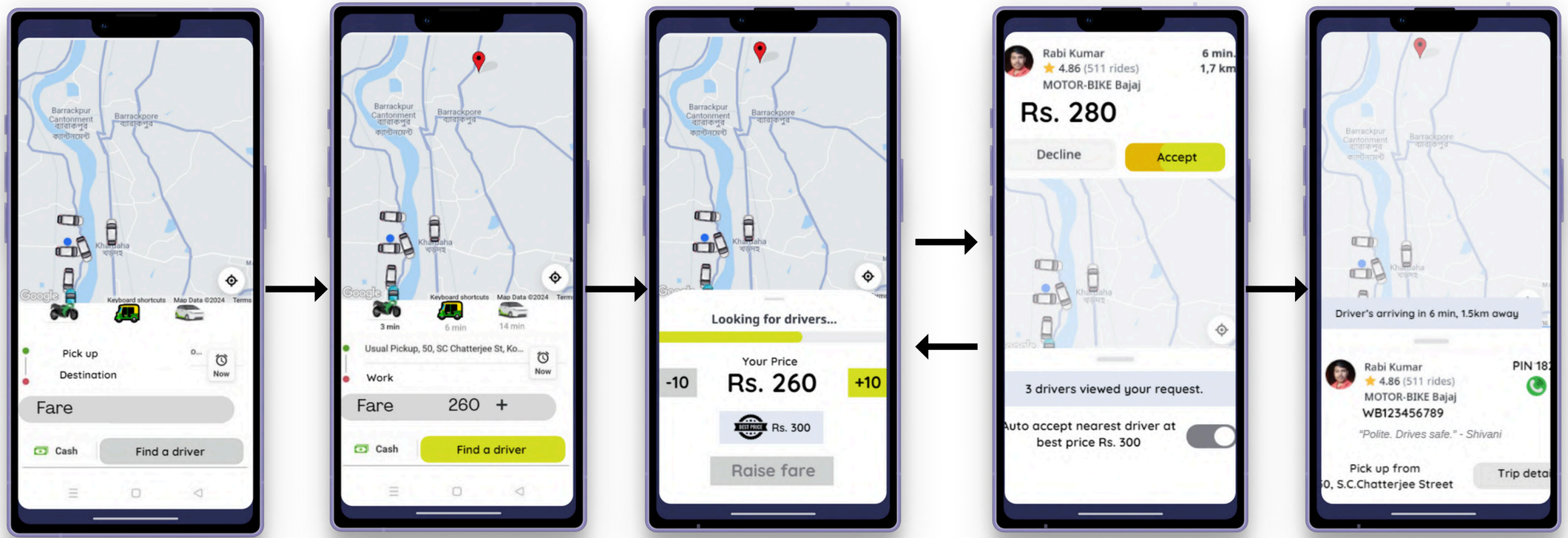
- **Personalized Fare Control:** Being able to propose fares that suit own budget, results in a more personalized experience with delivers **greater flexibility and control** compared to fixed pricing models.
- **Transparency in Pricing:** The visibility of the **recommended middle price** before booking and the breakdown of price exclusions in the bill, builds trust, helps users better understand the cost structure, and encourages repeat usage, as customers feel informed and empowered in the process.
- **Cost Efficiency:** Negotiating fares based on real-time factors like traffic or demand allows users to save money during off-peak hours or low-demand periods. This provides flexibility and can lead to **significant savings for shorter trips** compared to fixed pricing models, while still meeting user needs.

Challenges:

- **Negotiation Delays**: Users may experience slow down ride bookings, especially if multiple counteroffers are involved, especially in urgent situations.

Solves for both arbitrary cancellations over pricing problems and surge prices.

User Journey (Vanilla Flow - 4 screens, 2 clicks)



Start app.
Default Screen.

Input: Pick & Drop locations, Select Vehicle
Output: Fare
CTA: Find a driver

Send new offered fare if wish to.

CTA: Accept fare proposed by driver or decline.

Wait for next best driver to accept or counterbid or raise fare and send new offer again.

Driver confirmed

Screen 1 | **Screen 2** | **Screen 3** | **Screen 4**

Other Pillars for Enhanced User Experience

Language Options
Supporting local languages would make app navigation smoother, increase trust, and encourage higher adoption rates, especially among users less comfortable with English in tier 2, tier 3 cities. A study by KPMG found that ~90% of rural internet users prefer content in their native language.

Feedback Calls from Ola to Customers
Post-trip feedback calls to first time riders provide an additional layer of customer service, giving users a direct channel to voice concerns or appreciation. Customers feel valued, reducing churn in Tier 2/3 cities where word of mouth still plays a large role in service reputation.

Chat & Call Support for Complaints and Pricing Issues
This provides instant resolution, crucial for users in areas with connectivity problems, boosting platform reliability and user trust.

Trip Safety & Driver Feedback
Driver ratings (Likert scale) from previous riders to be displayed before ride is confirmed. Positive comments (text) about the driver's behavior displayed once the booking is confirmed is a re-assurance indicator of a reliable and courteous driver. Real-time tracking to monitor the driver's route by in-app messages, emergency contact options, ensure trip safety.

Prioritization Framework

Based on the RICE framework, **Optimized Maps** should be prioritized first, followed by **Shared Rides**, and then **Flexible Pricing**. The higher RICE score for Optimized Maps suggests it will have the greatest positive impact on user experience with relatively lower implementation effort.

RICE Score = (Reach * Score * Confidence) / Effort

Feature	Reach	Impact	Confidence	Effort	RICE Score
Optimised Maps	9	8	9	6	(9 * 8 * 9) / 6 = **108**
Shared Ride	7	8	8	7	(7 * 8 * 8) / 7 = **64**
Flex Pricing	7	9	7	8	(7 * 9 * 7) / 8 = **55.1**

Note: Scores are on a scale of 1-10, where 1 is lowest and 10 is highest

GTM Strategy

	Pre-Launch Strategy	Launch Strategy	Post-Launch Strategy
Optimised Maps	**User Research & Testing:** Conduct surveys to identify common connectivity challenges. Test optimized maps with select users. **Targeted Messaging:** Create communication for users facing connectivity issues, emphasizing speed and reliability.	**Localized Campaigns:** Run digital ads in low-network areas, showcasing how optimized maps make bookings smoother. **In-App Pop-Ups:** Highlight the switch to optimized maps in real-time during low connectivity.	**Measure Adoption:** Track data on map performance and completion rates. **Referral Campaign:** Encourage users to share their positive experiences via referral rewards.
Flex Pricing	**Market Segmentation:** Identify segments likely to negotiate fares, such as students and budget-conscious users. **Driver Education:** Educate drivers on how to use flex pricing for high-demand rides and profit maximization.	**In-App Onboarding:** Step-by-step tutorials to show both users and drivers how flex pricing works. **Real-Time Analytics:** Monitor bidding activity in real time, adjusting base prices and system algorithms as needed	**Analyze Profitability:** Measure driver earnings and customer savings to refine the system. **Optimize UX:** Improve the negotiation UX by adding quick suggestions based on real-time market rates.
Shared Rides	**Focus Groups:** Run focus groups to understand how shared rides fit within local travel behavior. **Identify Key Routes:** Map out common clustered destinations in Tier 2/3 cities (e.g., markets, schools, offices).	**Launch Incentives:** Offer free or discounted shared rides for the first few weeks. **Multi-Language Support:** Ensure the app provides clear communication in local languages regarding shared ride features.	**Monitor Rider Clusters:** Identify successful rider pooling areas and expand there. **Loyalty Programs:** Reward frequent shared riders with discounts or extra ride-sharing benefits to increase retention.

Success Metrics

	Optimised Maps	Flex Pricing	Shared Rides
North Star Metric	**Ride Completion Rate** = (Total Number of Successfully Completed Rides / Total Number of Ride Bookings Initiated) x 100 (in a day) Measures how often rides are successfully completed without cancellations or drop-offs in a day. Optimized maps should reduce cancellations due to poor connectivity.	**Ride Acceptance Rate** = (Total Number of Accepted Ride Requests / Total Number of Ride Requests Sent) × 100 (in a day) Measures how often drivers accept customer-proposed fares under the flex pricing model. A high acceptance rate suggests that pricing is balanced and beneficial for both parties.	**Ride Pooling Rate** = (#Successfully Pooled Rides / Total Ride Requests for Shared Rides) × 100 % of shared rides successfully matched with at least one other passenger. High utilization of shared rides indicates demand, effective ride-matching algo.
Other Key Metrics	• **App Load Time:** Users should see smoother transitions b/w map types. • **Ride Booking Success Rate:** % of users successfully booking rides even in low connectivity areas, comparing before and after the introduction of optimized maps, in a day. • **Driver ETA Accuracy:** Measures the accuracy of Estimated Time of Arrival (for drivers when using optimized maps, especially in patchy network areas.	• **Booking Success Rate**: #rides booked successfully after a fare negotiation, compared to the default pricing model. • **Time to Book:** Avg time taken to finalize a ride under the flex pricing model. • **Cancellation Rate**: Track if there's a decrease in cancellations from both ends, esp during peak hours or when fares are negotiated. • **Revenue Per Ride**: Compare the ARPR with and without flex pricing. Flex pricing should ideally increase revenue during high-demand periods without significantly lowering it during low-demand periods.	• **Pickup and Drop-off Time Accuracy:** Estimated minus actual times for both pickups and drop-offs in a shared ride. Minimizes delays due to detours. • **Match Rate: %** users who request a shared ride and are successfully matched with a rider. High match rates indicate better ride optimization and higher system efficiency. • **Occupancy Rate per Ride:** Avg # of passengers in a shared ride. Increase the number of passengers per ride to reduce cost and increase vehicle utilization.


THANK YOU