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CHALLENGES AND OPPORTUNITIES IN THE ADMINISTRATION OF CAB SERVICES: A COMPLETE ANALYSIS

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Abstract:

The technology has influenced every sector in India. People also get user friendly touch for any service or sector with advancement in technology. Ease, convenience and security are the highlighting impacts of any technology which is widely accepted by people now a day. Transport sector is not an exception to this. App based cab services are based on new technology which requires technology like smart phones, apps, GPS and internet connectivity. This research paper aims to explore the challenges and opportunities associated with the administration of cab services and also limitations faced by these cab aggregators. The information collected is based on Secondary Data and is qualitative in nature. By understanding the intricacies of cab service administration, policymakers, industry stakeholders, and researchers can collaboratively work towards fostering a sustainable and efficient transportation ecosystem. This paper focus on administrative structure of selected taxi operators, understanding how effectively these selected taxi services like Uber, Ola and other agencies are providing economical as well as luxurious rides everywhere.

Keywords: *Urban Mobility, Regulatory Hurdles, Customer Experience, Sustainability, gig economy*

Introduction

When we speak about large population and industry in any area, urban transport and its administration is one of the major parts, affecting the mobility of people and economic growth of the urban areas. There are lots of options available for consumers regarding transport which can be booked online within seconds. With the advancement of technology aggregators are facing some technical, socio economic, regulatory challenges. The main objective of this paper is to focus on administrative structure of selected taxi operators, understanding how effectively these selected taxi services like Uber, Ola and other agencies are providing economical as well as luxurious rides everywhere. The paper elaborates limitations faced by these cab aggregators. It highlights advent of ride-sharing platforms and the proliferation of on-demand transportation services have revolutionized urban mobility

1.1 Objectives of the Study

This research paper aims to:

a. Identify and analyze the challenges faced by cab service administrators and customers.

Technological Challenges

2.1 Integration of Advanced Technologies

Technology plays a major role in the operations of taxi services. The difficulties in integrating technologies such as GPS, mobile apps, and data analytics are covered in the study, along with how these difficulties affect the general effectiveness of taxi services.

Slower Data Connection: Passengers with slower data connections occasionally can't reserve a ride, which hurts the company's bottom line.

App only: Users must have a smartphone with a mobile data connection because the taxi aggregators are now only permitting reservations made through the mobile application. Users who are still adjusting to modern technology are having trouble with this process.

(1Mr. Sai Kalyan Kumar Sarvepalli, 2016)

Ola Uber has added further safety features, such GPS monitoring, OTP authentication, an emergency button, a feedback system, etc., for both drivers and consumers. Additionally, users have the option to post ride details on social media or with their friends. Because they lack these safety features, traditional taxis could be dangerous for both drivers and passengers.

2.2 Cybersecurity Concerns

The storage of copious amounts of sensitive user data by taxi services raises serious concerns about cybersecurity. The possible risks and difficulties in protecting user data and upholding the service's integrity are examined in this section.

The storage of copious amounts of sensitive user data by taxi services raises serious concerns about cybersecurity. The possible risks and difficulties in protecting user data and upholding the service's integrity are examined in this section. Around 30 per cent of them use this data for "third-party advertising," according to a study conducted by cybersecurity company Surfshark.

According to the report, Uber and Lyft (ranked seventh) are the only ride-hailing apps that gather private user data, including biometric information and details about sexual orientation, pregnancy, and childbirth.

(Dubey, 2022)

The ride-hailing and taxi applications are notorious for exploiting a lot of user data, including contact and payment information, user content, and other user data. The cyber-security company brought this to light, according to an IANS article.

(Rawat, 2022)

Regulatory Hurdles

3.1 Compliance with Local Regulations

Taxi firms frequently struggle to comply with state and local rules pertaining to transportation. The study explores the challenges of managing various regulatory environments and how they affect the scalability of services.

Many cities have regulatory obstacles for Ola and Uber; some are trying to outlaw or restrict these companies' ride-sharing services because of problems with insurance and background checks on drivers.

(Sidam, 2023)

Governments and legislators around the world are up against regulatory obstacles as they attempt to shield drivers employed by "aggregators" like Uber, Ola, and Lyft from mistreatment because these businesses are not your typical taxicab operators. These businesses claim they merely offer technology to link drivers and riders, which puts them mainly in regulatory gray areas.

By referring to the drivers as "driver-partners" or "partner-drivers," they skillfully evade responsibility for ensuring the wellbeing of their employees while putting them in a legal limbo. The inability to clearly identify oneself legally has hindered drivers for Uber and Ola from exercising their rights. Uber and Ola have argued that they are merely technology suppliers, preventing them from being referred to as traditional employers.

(Saxena N. B., 2017)

After the new regulations take effect, the ride-hailing companies risk having their licenses revoked for a variety of reasons. If these businesses consistently charge exorbitant prices or neglect to guarantee the safety of their riders, they may be suspended. Even if they don't follow the drivers' contractual requirements, they could receive a halt from the authorities.

(Joshi, 2020)

3.2 Public Perception and Trust

Establishing trust with both local communities and passengers is critical to the success of taxi services. The difficulties with public perception, safety worries, and the influence of regulatory agencies on public opinion are examined in this section.

Challenges and Problems faced by Customers and Drivers using Application

Unintentional common errors include misinterpreting map directions or the customer's location, canceling a ride before it has begun, and so on. This results in a negative encounter for the client.

Numerous drivers are connected to both Uber and Ola. They continue to scour both applications for clients.

(**(J. Senthil Velmurugan, 2019)**

In India, the ride-hailing sector encountered regulatory obstacles as officials struggled to establish the legal parameters for these services (Ola vs. Uber: The Ride-Hailing Battle).

(Raja, 2023)

Call taxis are more valuable to the community. The state governments, through their different Departments of Transport, regulate the taxi sector in a number of ways. The ultimate goal of this regulation is to give the public a superior quality of service, which is a complicated concept in and of itself. It gives the government some authority over the industry's operations.

((V. Hemanth Kumar, 2018)

Customer Satisfaction

4.1 Quality of Service

The happiness of customers is the key to the success of taxi services. This section examines issues with responsiveness, service quality, and the use of consumer feedback systems for ongoing development.

Rather than the overall amount of money made, the driver's share is frequently determined by the number of rides completed. This incentivizes drivers to make shorter journeys, but it also lowers consumer happiness.

(J. Senthil Velmurugan, 2019)

The perceived, expected, and delivered should all be met by the service and quality in every area of business. The major companies in the call taxi industry are eager to improve their offerings in order to attract more clients. We will be able to learn more about client satisfaction with regard to comfort, convenience, pricing, service excellence, staff politeness, etc. thanks to this study. We can also receive suggestions and ideas on how to better the services in the near future in order to satisfy consumer expectations.

((V. Hemanth Kumar, 2018)

User input is crucial in addressing safety and security issues and raising the overall quality of services, since all ride-sharing systems enable users to submit "feedback" via the application, the platform, or both. Users can assess the sincerity and dependability of drivers by leaving comments on the feedback platform, and vice versa. Some platforms (like Avacar) allow women to travel only with other women as co-passengers or even drivers, adding to the feeling of safety.

(Lambros Mitropoulos, 2021)

4.2 Training of Drivers

In India, drivers who want to work with Uber or Ola must show up for a brief orientation that is hosted by the companies. Uber's training sessions, which last 20 minutes on average, teach drivers how to use the app and maps and how to communicate with customers.

(Mehta, 2017)

4.2 Fair Pricing Models

Cab services' pricing structures can give rise to disputes. The study looks into issues with surge pricing, price structures, and striking a balance between affordability and profitability.

Cost is one of the most important factors that customers consider when choosing a transportation service. In order to draw in more customers, Uber and Ola in India provide low pricing together with a slew of special deals. But in terms of total cost-effectiveness, Ola is said to be slightly more affordable than Uber. Furthermore, Ola offers a multitude of ride-sharing options that can significantly reduce transportation costs.

(Mishra, 2023)

Pricing Surge: When there is a lot of demand for taxis, taxi owners can raise the fare and make more money that day.

Pricing as per Location: Every location of the city has its own set of rules, routes, and hours. Thus, prices can differ depending on the region.

Fare Calculation

Users will be able to determine how much they will have to pay for a single ride thanks to this functionality. Before utilizing the ride, one can find out how much they will have to pay.

(Singh, 2023))

Surge pricing is the only way the cab aggregators can reach the new market equilibrium. They can make the most of the idle capacity on the road and give drivers incentives to work in more in-demand locations in order to increase their earnings. Additionally, a driver must contend with the high expense of driving, particularly when traveling late at night or early in the morning. In a similar vein, drivers are hesitant to transport passengers through congested areas when they incur significant costs due to traffic congestion. Because a static pricing strategy makes it unable to reallocate resources across time and distance, the surge pricing technique helps.

(**(Anirvinna Chivukula, 2020)**

Socio-Economic Impact

5.1 Employment Opportunities

Many drivers find employment options through taxi services. The socioeconomic impact on drivers is examined in this part, taking into account factors including job security, income stability, and the gig economy.

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Ola and Uber do not have to pay drivers social security benefits; instead, they can treat drivers like regular employees, enforcing rules and obtaining the most labor possible. The driver, however, experiences the worst of both situations—neither the stability and flexibility of gig labor nor the independence of full-time employment are available to them. Aggregators benefit financially at the expense of drivers who are deprived of the same.

((Ashok, 2021))

From the minute drivers enter into their devices, the global positioning system (GPS) navigation tool is tracking them constantly. Not only are their whereabouts monitored when they are carrying a passenger as part of their job duties, but also when they are taking breaks or are driving alone. Their most recent location is also recorded at the conclusion of the workday. Therefore, taxi aggregators exercise overt control over drivers' job outcomes by using such precise monitoring systems—for example, by imposing penalties upon denial of too many rides or longer breaks, terminating upon cancellation of too many rides, and so forth. An Ola driver from New Delhi who was interviewed claimed that he was not permitted to choose other routes since he was forced to follow Ola's instructions.

(Aneja, 2019, pp. 7-65))

When you hail a cab through Ola/Uber, there are only three parties involved: the driver, the passenger, and the company Ola/Uber. Given the low fares, it is obvious who is being exploited: the poorest of them. However, the exploitation is not limited to labour; the other two are also benefiting financially from the poorest person.

.((Meher, 2017))

Speaking with Ola and Uber drivers, it is discovered that Ola charges 30% commission and Uber charges 20%, with Ola attributing the additional 10% to taxes. The drivers claim that the aggregators are not currently offering any insurance coverage. These drivers experience a great deal of stress due to low pay, rating games, and algorithm-driven systems. The families of drivers who lost their lives as a result of COVID-19 did not receive much assistance from Ola or Uber, despite their announcements of support for drivers who tested positive for the virus. Uber reimbursed the families of the drivers who passed away Rs 75,000 apiece, while Ola did not provide any compensation.

((Mishra H. , 2022))

In 2014–15, thousands of Indian drivers embraced platforms as the prospect of earning well over Rs 90,000 a month enticed them. Drivers' investments in automobiles and several smartphones that allowed them to use the platform were influenced by these incentives. Because of the extent and magnitude of this investment, along with the debt that goes along with it, drivers have remained on platforms for the most part, allowing rival companies to establish a steady pool of service providers. However, this has also made it possible for platforms to reduce driver incentives: Drivers are protesting, going on strike, and demanding improved terms of employment due to a policy change.

(Surie, 2019)

5.2 Urban Mobility and Environmental Sustainability

It is investigated how taxi services affect environmental sustainability and urban mobility patterns. The study addresses issues with pollution, traffic congestion, and possible advancements toward a more environmentally friendly transportation paradigm.

6.1 Summary of Findings

It is evident from a comprehensive analysis of all the papers that the younger generation needs reliable, timely, and round-the-clock taxi services. Cab aggregators that are app-based can fully meet these needs. Along with meeting technological problems, cybersecurity concerns, regulatory obstacles, customer satisfaction, public perception and trust, and socio-economic impact, these taxi aggregators also face other difficulties in the course of offering taxi services. Nonetheless, these taxi aggregators are always operating to meet the demands of an expanding populace and a variety of obstacles.

Conclusion

To address the underlying cause of a problem instead of just treating its symptoms, firms should look into the conditions and contributing factors that lead to the issue. This will help to address the following problems. Organizations (cab aggregators) are able to put into place long-lasting remedies that stop problems from happening again by identifying the underlying causes of issues.

Even while these commuters provide their clients with inexpensive, timely, secure, and comfortable services, they still have to deal with a number of administrative difficulties, including technological difficulties. One needs a smartphone with the required apps, mobile data, GPS, and connectivity during the requisite hours in order to use these services. Additionally, customers should be polite and knowledgeable about how to utilize these technology, which can be difficult in rural locations. online safety Risks such as the possibility of using customers' private information on other platforms, regulatory obstacles, difficulty even defining and achieving customer satisfaction, and the need to set pricing models that will cover basic costs, provide

incentive to cab partners, and yield a profit for cab aggregators (after taking into account the price model of regular taxi models) all become significant concerns.

6.2 Recommendations for Future Research

The way that Ola and Uber's services are administered needs to be closely watched and managed. Any misconduct or ride cancelation by the driver ought to result in consequences. By doing this, the likelihood of a similar cancelation occurring again will be reduced. will ultimately increase consumers' reliability and level of pleasure with these services.
These organizations must identify areas that are denser or busier during pick-up hours and then allot a corresponding number of taxis or vehicles to those areas. It might improve the taxi booking experience by fostering a good client mindset.
Partners must get their incentive payments on the same day and in a timely manner. To increase the retention rate of drivers and partners in taxi services, insurance options for partners and their families ought to be implemented.
Cab locations should be continuously tracked using GPS during off-peak hours.

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