

# **E-COMMERCE ASSIGNMENT**

**TOPIC – UBER.COM**



**NAME - SAVLEEN KAUR**

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## *INTRODUCTION*

Uber Technologies Inc. is an online transportation network company That functions internationally and has a huge valuation of \$63 Billion. Travis Kalanick and Garret Camp founded Uber in 2009; then it was Named UberCab. It was in the year 2012 when Uber decided to go International and since 2014 they have started providing people with access to car-pooling facilities. With the growing popularity, the concept of Uber has been duplicated by varied enterprises from around the world. The popular Uber business model is now referred as Uberification.

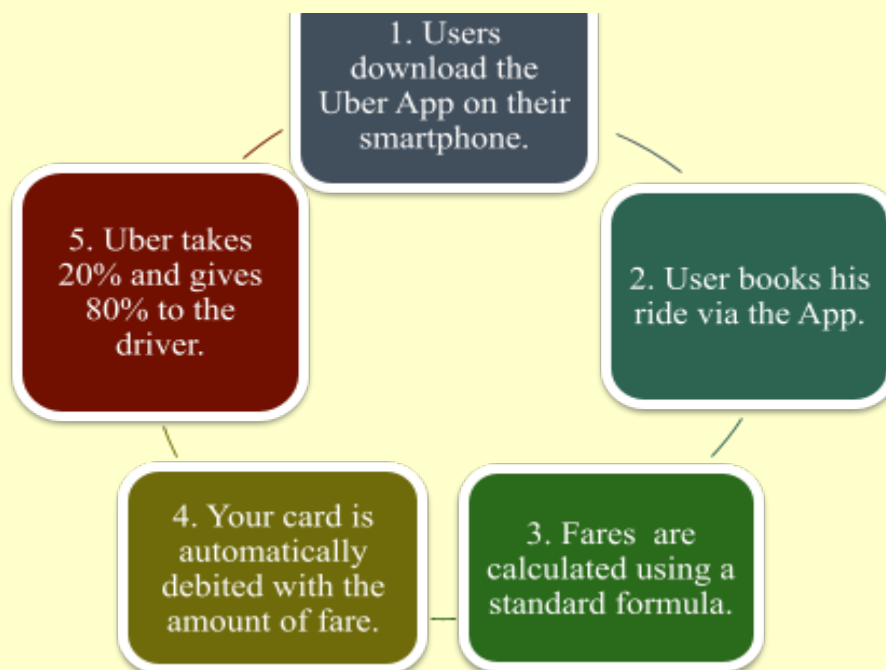


Uber provides people with the option to ride on taxis booked using mobile apps or desktop website. Uber has made transportation services a lot more easily accessible and comfortable. Wi-Fi enabled cabs and car-

pooling are taking customer experience to a different level.

**MISSION-** *“Transportation as reliable as running water , everywhere for everyone,”*

### HOW UBER WORKS ?



## **MARKETING STRATEGIES OF UBER**

### **1. BRANDING**

One of the main strategies Uber plays on for their Successful marketing is building brand awareness. The branding strategy of Uber is unmatched with its simplicity and transparency. If you ask anyone what Uber is , their answer would be that it is an application that helps people connect with car drivers , benefiting both sides in a very practical and modern

way. There are no complications in the branding and absolutely no hassle, which is exactly the marketing strategy that Uber competes with, in the taxi market.

## **2.COST AWARENESS**

Successful marketing strategies are ones that help the customer feel comfortable and become loyal to a certain brand or business. When it comes to the car hire market , Uber attracts its customers with cost awareness perks that they cannot easily find anywhere else.

This marketing strategy helps people identify exactly how much they are going To pay for a trip. This strategy also has the added perk of making the Uber rides cheaper in many cases than any other taxi with loyalty discounts and promo codes.

## **3.PARTNERSHIPS**

Many businesses in all fields resort to partnering with other successful businesses, whether in the same field or a related one, to encourage more people to use the services of both businesses. Uber has succeeded massively in utilizing this marketing strategy by regularly partnering with different businesses and making promotional offers to those who use the services of either business. Uber users can now link their profiles to other business app profiles and enjoy various perks of such partnerships that often reward loyalty to those businesses who are in an active partnership with Uber.

#### **4. GLOBAL PRESENCE**

Having experience of operating in more than 70 countries globally is what making it competitively ahead of its competitors. Its presence in the remotest areas and easy & timely availability of the services are some of the major factors for its success.

#### **5. BROAD SERVICES PORTFOLIO**

Its comprehensive range of services under transportation , namely Uber Go, Uber X, Uber XL etc. and the most famous and economical one Uber Pool With GPS enabled app-based tracking system has helped the company in making it convenient to book a cab. It also provides other services such as delivering food items ,Freight etc.

##### **TRANSPORTATION SERVICES**

##### **ECONOMY RIDES**

- **Uber-Moto:** This service allows people to book bike rides and roam around the city at the cheapest rate possible.
- **Uber Go:** This perhaps is the most widely used Uber service. You can book your own car and travel from one place to another while accessing Wi-Fi.
- **Uber Pool:** This is the car-pooling facility that lets you travel with other travellers going in the same direction as yours. This is cheaper and helps in reducing the number of cars on a road.
- **Uber X:** It is the company's most common Uber ride option. It is available in Most destinations globally and is what many people picture when they Consider calling an Uber. The service most closely resembles a standard taxi . You call the ride and the driver will make you and your party of up to three others to your chosen destination. If each passenger has a different port of call, you can add multiple stops to your Uber ride, too.

- **Uber XL:** While the Uber X service can only accommodate four people, Uber XL allows you to transport up to six passengers.
- **Uber Select:** This service, also known as Uber Plus in some locations, offers cars that are a step up from Uber X options. With this ride, expect to be picked up in an Audi, BMW, Mercedes, or similar class of vehicles, with support for up to four riders.

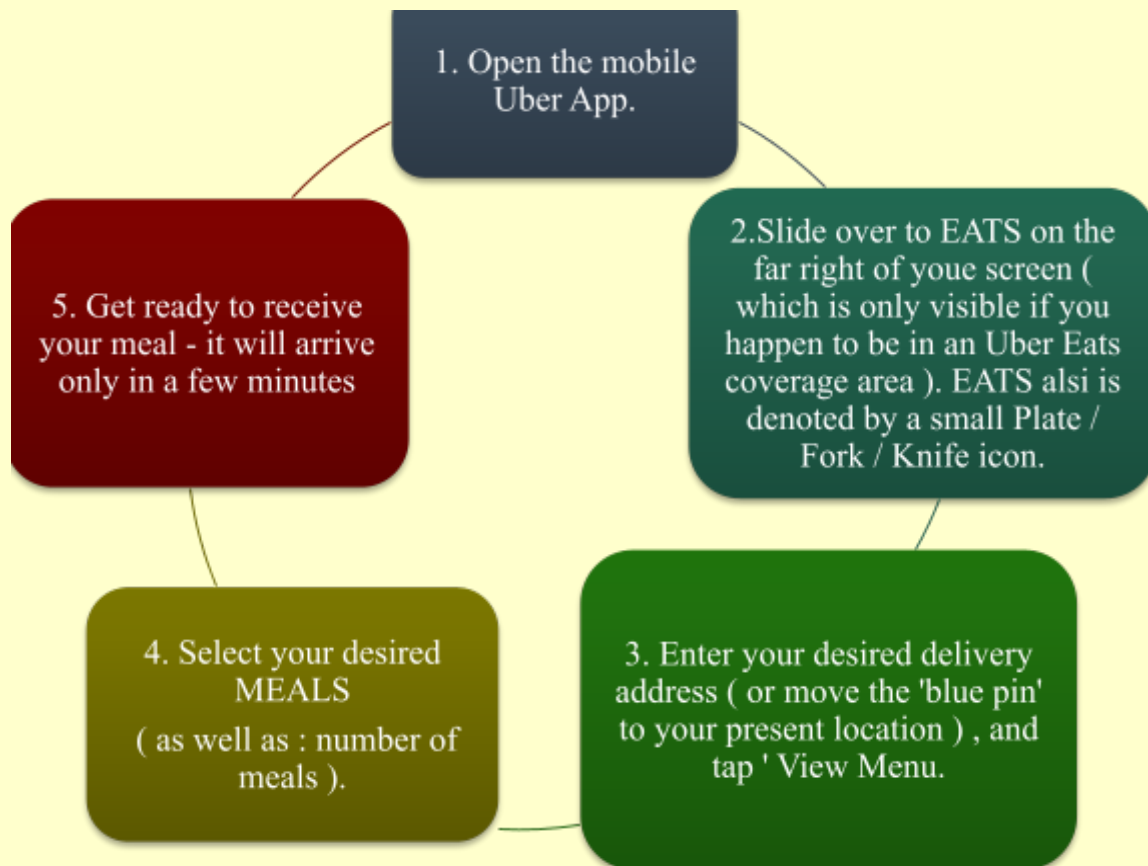
### **ADDITIONAL UBER RIDE TYPES**

- **Uber WAV :** If you use a wheelchair, you'll know that transport options around the world are not only limited but very rarely set up to accommodate your needs. Most Uber cars are not suitable for wheelchairs or mobility scooters. So, if you need to take a ride with your wheelchair, then Uber WAV is your best bet. According to Uber, all the Uber WAV drivers are certified by a third – party for driving and assisting those with disabilities.
- **Uber Car Seat :** Travelling with a young one can be stressful experience, not least because you'll likely need to strap them into a car seat. Most Uber ride types don't offer car seat, and their vehicles may not even support attaching one, either. If you find yourself in need of a safe ride with your child, then one of your best options is Uber Car Seat.
- **Uber Ski :** As anyone who's been skiing can confirm , skis are awkward to transport. Most buses and public transport at ski resorts even have specialised storage for your skis or snowboard. If you need to hail a ride, but also want to take your skis with you, Uber Ski is your best option.
- **Uber Pet :** As the name suggests, Uber Pet is the most suitable Uber ride type for those with pets. Although you could call a standard Uber X, most drivers would refuse your pet entry to their vehicle, and they aren't obliged to allow you to ride with them. So, for reliable, hassle-free journey with your beloved pet, select the Uber Pet option where available.

### **FOOD DELIVERY SERVICES**

**Uber Eats :** Uber Eats is an American online food ordering and delivering Platform launched by Uber in 2014 and based in San Francisco, California.

HOW DOES UBER EATS WORK ?



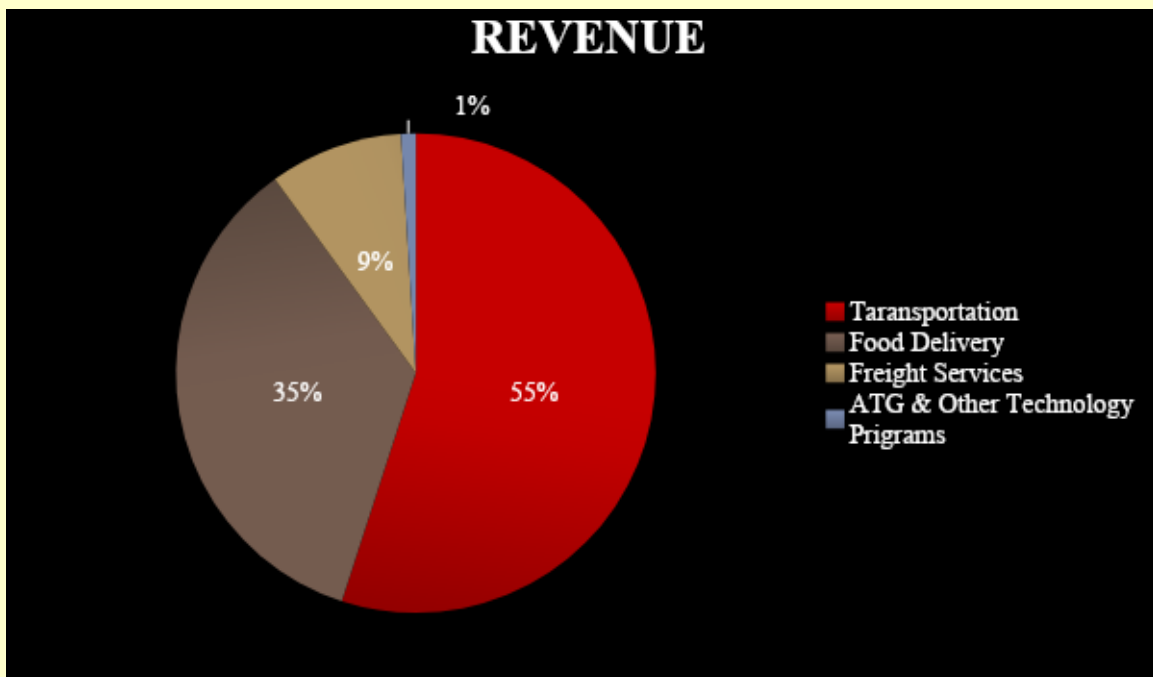
### **FREIGHT SERVICES**

Launched in 2017, Uber Freight connects truck drivers to shippers looking to move freight in the same way that its ride-hailing business connects drivers with people looking for a ride. Uber Freight only makes up a small portion of Uber's total revenue, or about 9% during 2020. But it has grown up to 38.3% from 2019.

### **ADVANCED TECHNOLOGY GROUP (ATG) AND OTHER TECHNOLOGY PROGRAMS**

Uber's ATG is its program to develop self-driving vehicles and ride-sharing Technology. The other major part of this segment is Uber Elevate, a program to Develop vertical takeoff and landing (VTOL) aircraft ride-hailing. This segment is composed of very early-stage projects, and registered revenue of just \$100

million in 2020, up 138.1% from the previous year.



### **NEWS REPORT**

On 21<sup>st</sup> January 2020 , Food apps Uber Eats announced that Zomato has acquired the app and they will no longer function in India. As per a report published on Bloomberg, the deal has been valued at 172 million dollars and Zomato will give Uber 9.99 percent ownership. Announcing the acquisition of the official handle of Uber Eats tweeted, “We entered food delivery in India in 2017 and today is when our journey takes a different route. Zomato has acquired Uber Eats in India and we’ll no longer be available here with immediate effect. We wish all our users more good times with great food on the road ahead”.

**The founder and CEO of Zomato, Deepinder Goyal announced the acquisition of Uber Eats on Twitter. He wrote, Uber Eats India is now Zomato. Here’s to better food for more people, and new beginnings.**





### **HOW UBER SATISFY ITS CUSTOMERS ?**

This has been evaluated with a comparison between The Traditional Taxi system and Uber system.

BASIS	TAXI	UBER
1. How to get the taxi/ car ?	The client must hail the taxi from the roadside (if he sees one, the driver may not see him, or the driver may not wish to stop).	One click on your smartphone and the car is on its way.You immediately receive notification of the arrival time, a picture of your driver, his car and the reviews that other travellers have given him.
2. Condition of taxi/car	A car finally stops (no guarantee as to the condition and	A car finally stops (no guarantee as to the

	cleanliness of the vehicle).	condition and cleanliness of the vehicle).
3. Amount to be paid as fare	<p>At the end of the journey, you pay the charge shown on a meter.</p> <p>You don't know in advance what price you'll pay.</p>	<p>Upon arrival, the driver will thank you. Your credit card is charged automatically, and at a reasonable price for the trip.</p> <p>Important note: you knew in advance within 1 or 2 seconds the price you are going to pay</p>
4. Feedback	<p>There is no way to give feedback.</p> <p>If, however, you want to phone the taxi company to share your experience there is a slim chance that it will take some action.</p>	<p>When you leave the vehicle, the driver evaluates you, and you evaluate him in turn.</p> <p>In this way, the best customers travel with the best drivers.</p> <p>The data gathered are also used to monitor the overall quality level</p>

**The 3 things customers want most (and lessons from Uber on delivering them)**

## **1. Speed**

The average wait for an Uber ride is only about four minutes and 10 seconds. Uber's ability to create and develop mapping technology has allowed the company to connect drivers and passengers quicker than ever. The technology also helps drivers get customers to their destinations the quickest ways — although drivers are usually versed in how to get around their cities and are willing to follow customers' directions.

## **2. Convenience**

Uber removed a lot of the friction in getting places. Customers can move on their schedules — not on a bus or train schedule. Customers don't have to find a ride to hail. They press an app and the ride finds them, almost anywhere and anytime.

## **3. Transparency**

Customers can rank their drivers, and drivers can rank their customers after every trip. The drivers' overall satisfaction rankings show up on the app, along with their photo and the type of car they drive, so customers know exactly who they're dealing with.

What's more, if a driver ranks a customer lower than a 3 (on the 5-point scale), Uber will never match them again. It knows some people just shouldn't work together.

Plus, Uber has expectations for how their company is presented. Inspectors check that cars are fewer than 10 years old, clean, have limited wear, are insured and are inspected before a driver can use them to pick up customers.

## **SOCIAL SERVICES OF UBER IN INDIA**

**1. Uber partners with HelpAge India to support**

## the elderly

- ❖ HelpAge runs a 24\*7 Helpline across 21 states and often carries out rescue operations for the elderly in distress who require transportation support. Uber will facilitate such rescue missions as well as help transport the elderly to the nearest hospital for a medical emergency, temporary shelters or drop them to their homes.
- ❖ Uber rides will be used for transporting patients in places where HelpAge India does not operate its flagship programme Mobile Medicare Units (MMU).
- ❖ HelpAge runs a helpdesk for the elderly at a few premier healthcare institutions – All India Institute of Medical Sciences (AIIMS) at Delhi, Rishikesh and Government Medical College & Hospital, Chennai. Uber services will be used for patient transportation to these hospitals.
- ❖ HelpAge has been providing physiotherapy services to the needy elderly but due to travel restrictions during the ongoing pandemic, the elderly are finding it difficult to reach the physiotherapy centers. Uber will provide them access to such centres.

## 2. Uber introduces Uber Care for its driver partner community in India

Uber, the world's largest on-demand ride-sharing company, has announced the launch of Uber Care, a first-of-its-kind comprehensive platform for thousands of driver partners who choose to drive using the Uber App. The platform provides easy access to Term insurance from HDFC Life Insurance Company Ltd., a family health insurance program from Reliance General Insurance Company Ltd and driver partners can also avail micro-loan(s) from Supermoney (GetClarity Fintech Services Pvt Ltd).

Commenting on the launch, Pradeep Parameswaran, President, Uber India and South Asia said, *"There can be no Uber without driver partners, who are the centre of our business. Their safety and well being will always be our top priority. The roll-out of Uber Care to all driver partners in India is a major milestone for us and reiterates our commitment to the community. With the launch of this one-*

*of-a-kind program, our goal is to be the preferred choice for anyone pursuing the opportunity of becoming a driver partner with Uber. We believe that Uber Care will give driver partners and their families much more financial security and stability.”*

Uber Care facilitates driver partners across the country with access to a life insurance program with insured sums ranging from INR 200,000 to 1,000,000 from HDFC Life. Additionally, the program also includes a separate family health insurance coverage including the driver partner, his/her spouse and first two children from Reliance General Insurance. Driver partners can also access microloans within a range of INR 5,000 up to INR 25,000 at a monthly interest rate of 2% from Supermoney (GetClarity Fintech Services Pvt Ltd). With the introduction of Uber Care, the company aims to extend its support not just to driver partners but their families as well, providing them with financial security and stability.

Furthermore, Uber recently organized Uber SuperDay in India for the very first time, a unique driver partner appreciation event that offered exclusive products, services, discounts and interactive experiences. This was part of a global initiative that the company undertook across a total of 40 cities in India, USA, Mexico and Brazil.

### **3. Uber pledges free rides worth INR 10 Cr to support vaccination of Vulnerable citizens**

In January this year, India launched one of the world's largest vaccination drives to contain the spread of the pandemic, to boost its economy and build a safer, stronger nation. Uber shares these goals and to support the Central, State Governments, and NGOs, we're pledging free rides worth INR 10 Crores.

These free rides will be deployed to help vulnerable citizens travel to and from authorised vaccination centres in the second phase of the vaccination drive.

Any Indian citizen above 60 and 45+ age group with co-morbidities can now utilize these free rides to travel to and from the nearest authorised vaccination centre through easily redeemable promo codes. We will also leverage NGO partners such as the Robin Hood Army and others for transporting the vulnerable and underprivileged elderly to vaccination centres.

## **UBER AS A MARKETPLACE**

Uber is a two-sided marketplace, a platform that connects drivers and riders.

Let's start from Uber's first side of the marketplace, its drivers. Even though several drivers find a different reason to drive with Uber, there is a common thread which is a part-time "job" that provides supplemental income and flexibility to work any time, without a boss.

On the other hand, when it comes to riders, Uber offers a few key elements that make up a unique value proposition that apply to most of them.

First, as urban dwellers have kept growing, the cost of ownership of a car has become higher and too expensive to bear. In this respect, in urban areas, giving up to car ownership has become a no-brainer. This makes ride-sharing convenient.

Second, Uber and other apps like Lyft makes it extremely easy to go anywhere with the least friction thanks to their gamified marketplaces.

Another critical element for riders is safety. For instance, Uber performs now background checks on its drivers that comprise "felonies, violent crimes, sexual offenses, and registered sex offender status, among other types of criminal records" which automatically disqualify drivers from the platform.

A two-sided marketplace has to have built-in mechanisms that allow network effects to pick up. This means that for each additional driver or rider joining the platform, it becomes better and better for the others joining next.

In Uber case, more drivers and riders have meant better pickup times, lower prices, better reviews of drivers and increasing revenues for the marketplace.

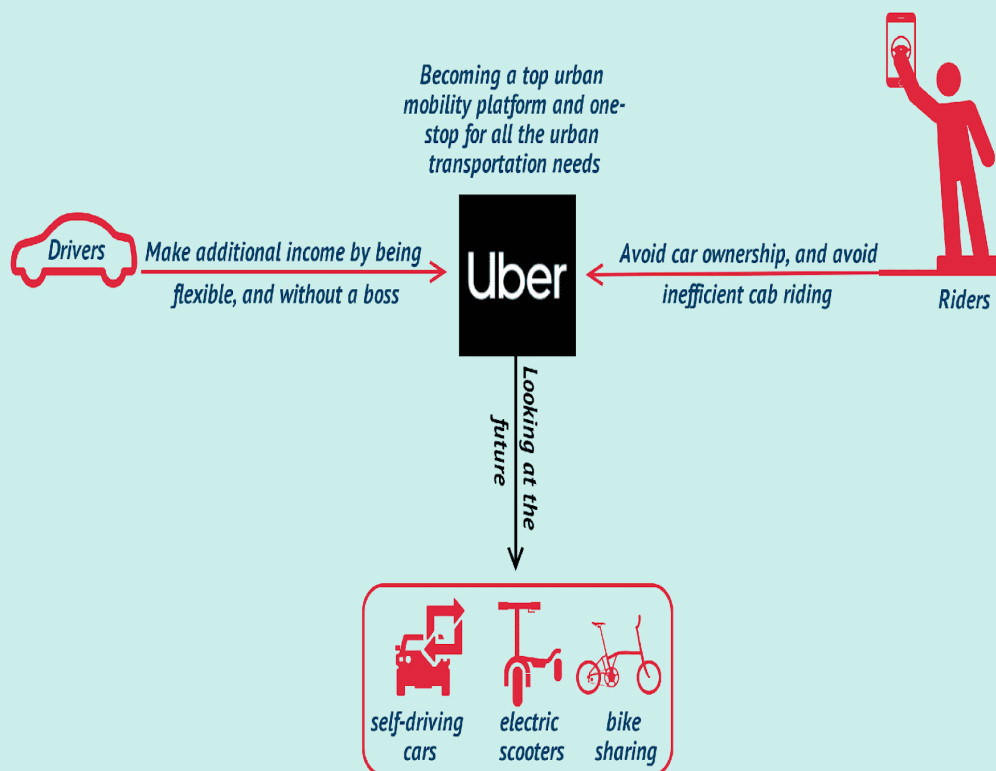
As Uber tapped and taps into inefficiencies created by the misallocation of supply and demand within the taxicab industry. The more efficiencies Uber gains, the more appealing it becomes and the more revenues it grows.

Thus, Uber leverages on the Liquidity Network Effects that aims at growing and broadening the network, so that the company can capture higher margins in

the long run.

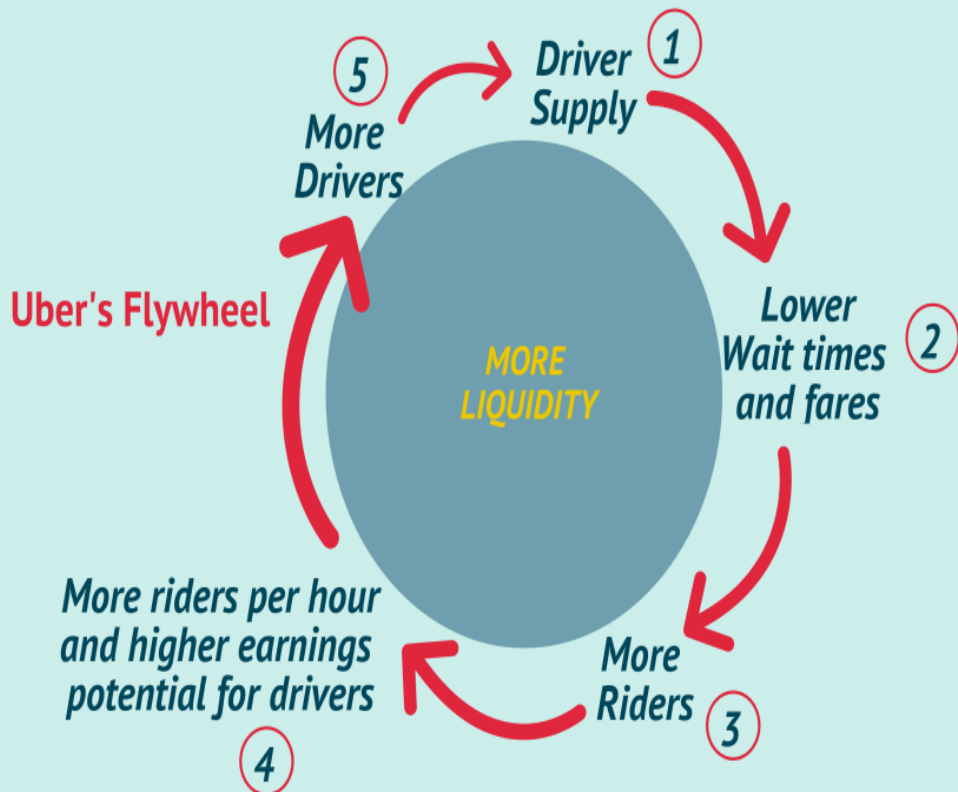
## Uber Two-Sided Marketplace Business Model

Uber follows a business model become popular in the era of technological innovation. This is called two-sided marketplace, and it has a simple premise. You create a platform with great user experience, some elements of gamification, make it easy for two sides of a transaction to connect. This happens especially in industries where those two sides were prevented from transacting as the industry was dominated by a third party, which extracted most of the profits for that industry. When that third party is removed via the two-sided marketplace, the owner of the platform collects a fee from both sides of the transaction.



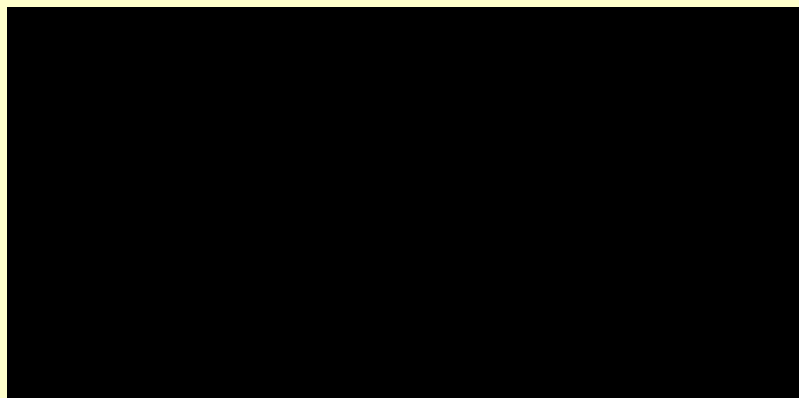
## Uber's Liquidity Network Effects

Uber leverages on a liquidity network effects, which starts from creating driver's supply, which determines lower wait times and fares for riders. In turn, this attracts more riders. Thus, with more riders per hour, there is a higher earning potential for drivers. When this happens more drivers join the platform, thus making these network effects speed up. That's how Uber kicked off growth from its platform business model and expanded it off globally.



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