



## A Study On The Influence Of Price Consciousness And Coupons On Consumers While Selecting A Cab Service In Guwahati City

Nur Samima Begum\*

\*Ex- Student, Department of Economics, Gauhati University, Assam, Email: nursamima17@gmail.com

### Abstract:

The objective of this paper is to research what influences Guwahati consumers' decisions regarding taxi services. The independent variable is price consciousness, whereas the dependent variable is "coupon redemption behaviour." Through a variety of techniques, the link between the dependent and independent variables is empirically confirmed. For data analysis, both primary and secondary sources are utilised. According to the survey, consumers are likely to evaluate prices across different cab service providers before choosing a cab service, and it is extremely likely that they will choose a cab service based only on the lowest price offered. It is found from the study that consumers are interested to redeem coupons while selecting cab services. It is also revealed from the study that consumers redeem coupons to save money and satisfied with the cab services in terms of their coupon off rent and likely to continue using a cab services before the coupon expires.

**Keywords:** Consumer, Cab Services, Coupon Redemption, Price Consciousness.

### INTRODUCTION:

In the past decade the transportation facilities in urban areas have undergone tremendous changes. In India's metropolitan and urban cities, taxis have emerged as one of the most crucial ways of transportation. With the aid of technology, the organised automobile rental market is expanding steadily. Customers can now hire a cab at any time and from any location in urban regions utilising smart phone apps. Customers have been encouraged to hire a cab rather than other conventional modes of transportation like cars and local buses, etc., by the pricing approach used by taxi operators. The car rental sector, like most others, has undergone significant change as a result of internet technology. Because of fierce competition among organised cab businesses, customers may book cabs at affordable rates. The current study briefly discusses customer behaviour while booking cabs in this regard the elements of coupon redeemed, inventiveness, and pricing awareness. Urban transportation systems around the world have undergone tremendous change since the introduction of cab services. The thriving entryway to North-East India, Guwahati, is no exception to this revolutionary trend. For policymakers, researchers, and urban planners, comprehending the impact of ridehailing services on Guwahati's urban transport scene is essential as the city continues to face rapid urbanisation and rising mobility demands. For a long time, homeowners and commuters have struggled with a lack of reliable last-mile connectivity, congested roads, and limited public transportation options. Uber, Ola, and other local providers of cab services have emerged as game-changers, providing a practical response to these difficulties. The improved accessibility that cab services in Guwahati offer is one of its most significant benefits. Residents and visitors can quickly access a network of drivers who are ready and waiting to carry them to their desired destinations with only a few clicks on a smart phone application. This convenience offers a dependable alternate for travelling to locations that are not well served by conventional transportation options, which is especially helpful in regions with patchy public transportation service. Additionally, cab services have been extremely important in improving commuters' transit options, particularly during rush hour. Traditional taxi services frequently struggle to keep up with the heavy demand during rush hours, but cab platforms effectively match customers with drivers who are available, minimising wait times and lessening the aggravation of trying to locate transportation during busy times. Residents of Guwahati now have a far better overall commute experience because to this convenience, which also guarantees on-time transit.

Cab services also aid in increasing shared mobility and lowering the ownership of private vehicles, which is a substantial benefit. These services offer a desirable substitute for owning a private car by offering an affordable and on-demand transportation solution. By moving towards shared mobility, Guwahati may have a more sustainable urban transport system by reducing traffic congestion, parking needs, and carbon emissions. Additionally, by giving drivers more opportunity to earn money, cab services have improved the local economy. Many people have accepted ride-hailing as a flexible and reliable source of income, enabling them to start their own businesses and increase their income. The local economy has benefited from this element of cab services, which has sparked entrepreneurship and job growth in the transportation industry. Policymakers, urban planners, and transportation authorities can leverage the advantages of cab services in Guwahati by acknowledging and comprehending their significance in order to improve the city's overall mobility ecology.

There are ways to integrate ride-hailing services with the current public transportation systems, manage traffic more effectively, and enhance last-mile connection. Additionally, initiatives can be taken to guarantee the longevity and

accessibility of these services, cultivating a transit network that meets the requirements of all locals. A key factor in addressing transit issues, expanding accessibility, and upgrading the general urban mobility experience has been the advent of cab services in Guwahati. It is impossible to stress how important they are for convenience, lowering the number of private vehicles on the road, creating jobs, and supporting sustainable transportation options. Stakeholders may use ridehailing services to build a well-integrated, effective, and inclusive transportation network in Gauhati by realising their importance and working to do so.

### **THE IMPORTANCE AND INFLUENCE OF CAB SERVICES IN GUWAHATI:**

In recent years, the dynamic city of Guwahati in India's northeast has seen a tremendous urbanisation and population increase. A reliable and efficient transit system is more and more important as the city grows. In this regard, the development of taxi services, like as ridehailing platforms and taxi aggregators, has become crucial in addressing the transportation requirements of Guwahati's citizens and visitors. This article emphasises the value and necessity of taxi services in Guwahati, highlighting the many advantages they offer the city's urban mobility system. The inherent convenience that cab services in Guwahati offer is one of the main reasons for its importance. Passengers may quickly book a cab and have it appear at their home in minutes with just a few taps on a smart phone app. Due to the availability of this on-demand service, there is no longer any need to wait at designated taxi stands or rely on sporadic traditional taxi services, especially during rush hours. The ease of using cab services guarantees that locals and visitors can get around the city quickly and easily, improving their entire travel experience. Additionally, taxi services have been crucial in resolving Guwahati's issue with last-mile connection. Although it is growing, the city's public transit system might not always reach all areas or certain locations. Cab services fill in this gap by giving patrons a dependable and adaptable means of transportation that enables them to proceed without interruption from transit hubs, like train stations or bus terminals, to their intended locations. This last-mile connectivity is crucial for increasing accessibility and cutting down on commuter travel time. The function that cab services in Guwahati play in reducing traffic congestion is another vital feature of those services. Cab services contribute to a decrease in the number of private vehicles on the road by encouraging shared mobility. The volume of traffic might be dramatically reduced when more people choose cab services over owning cars. This decrease in private car use helps to improve traffic flow, reduce congestion, and reduce the harmful effects of excessive automobile emissions on the environment. In order for Guwahati to achieve its goals for sustainable urban growth, the availability of taxi services becomes crucial. Additionally, taxi services support the neighbourhood economy and produce jobs. The availability of cab platforms and taxi aggregators has created opportunities for people to work as cab drivers, providing them with a means of subsisting and helping their families. In Guwahati, many people have accepted cab driving as a flexible and reliable source of income that enables them to contribute to the city's economic development. Cab services boost the local workforce and encourage entrepreneurship, which helps Guwahati's socioeconomic development. The needs of passengers in terms of safety and security are also met by cab services. Particularly ridehailing platforms include critical safety features like GPS monitoring, driver identification, and digital payment alternatives, giving passengers a sense of trust and dependability. These precautions make sure that passengers can travel in confidence, especially late at night or in remote locations. Thus, the accessibility of cab services is essential for improving people's general safety and wellbeing in Guwahati. It is impossible to overestimate the value and necessity of taxi services in Guwahati. These services offer easy-to-use, dependable, and accessible transportation solutions that improve passenger safety, solve last-mile connectivity, and ease traffic congestion. It is crucial to acknowledge and promote the role that taxi services play in creating an effective, sustainable, and inclusive urban mobility landscape as Guwahati continues to expand and develop. Guwahati can satisfy the changing requirements of its citizens and set the road for a thriving and connected urban environment by accepting and integrating these services into the city's transport system.

### **THE REVIEW OF LITERATURE:**

The popularity of taxi services, including ride-hailing platforms and taxi aggregators, has increased recently, revolutionising how people travel and altering the face of urban transportation. Consumers choose cab services based on a variety of variables, including convenience, cost, service quality, reliability, and technical capabilities. This review of the literature looks at current studies that look into the variables influencing consumers' choices of taxi services, illuminating the major variables that influence consumer preferences and decision-making. According to the survey, cost is a crucial consideration when choosing a taxi service. Consumers are likely to examine prices offered by several taxi service providers before choosing one, and they're also quite likely to base their decision exclusively on the lowest price. According to the report, people are motivated to use coupons while choosing cab services. The study also reveals that customers use coupons to save money, are pleased with the cab services they receive in exchange for their coupons, and are likely to keep using cab services even after the discount has expired. Convenience and accessibility are two of the key elements affecting consumers' decisions about cab services. Studies have repeatedly emphasised the significance of having quick access to cab services and being able to conveniently schedule rides using mobile applications. Customers favour services that enable them to arrive at their destinations quickly and comfortably, such as those that offer quick response times, brief waiting times, and consistent availability (Kumar & Singh, 2017; Li et al., 2019). 16 Cost and Accessibility: The cost and accessibility of cab services are important factors in consumer decision-making. According to studies, consumer preferences are influenced by competitive pricing, clarity in fare calculation, and the presence of cost-effective solutions. Customers are more likely to use taxi services that provide affordable rates, special deals, or other incentives

(Narang et al., 2018; Rana & Paul, 2019). Service providers must take into account various pricing strategies to accommodate a range of client preferences because price sensitivity differs across consumer segments. Dependability and service quality: Consumer decisions to choose cab services are significantly influenced by aspects such as service reliability and quality. Customers anticipate spotless, well-kept vehicles, courteous, skilled drivers, as well as safety and comfortable hopping. According to studies (Kumar & Singh, 2017; Li et al., 2019), the importance of service reliability includes prompt pick-ups, precise navigation, and respect to consumer preferences. Customers reward service providers who regularly provide a high degree of service quality because satisfying interactions increase client loyalty and satisfaction.

This literature review highlights the factors that influence consumers in the selection of cab services. Convenience, price, service quality, trust, and coupon and discount emerge as key determinants of consumer preferences and decision-making processes. Service providers should prioritise these factors to meet the evolving needs and expectations of consumers. Understanding these factors is essential for cab service companies to develop effective marketing strategies, improve service offerings, and establish strong customer relationships. Further research is needed to explore the dynamics between these factors and the evolving preferences of consumers in the ever-changing landscape of the cab service industry.

#### RESEARCH GAP AND OBJECTIVES OF THE STUDY:

There is still a study gap that requires filling, even though numerous studies have examined the factors influencing consumers in the choosing of taxi services. More thorough studies that look at the criteria people use to choose a cab company are specifically needed. This study will provide academics with knowledge about how consumers behave towards cab services as well as marketing managers in the automobile services business.

#### Objectives of the study

1. To study the influence of price consciousness on consumers while selecting a cab service.
2. To study the impact of coupon redemption behaviour of consumers in the selection of cab services.

Price awareness and coupon redemption behaviours are two topics covered in this study.

Other elements that the study did not address could be impacting how consumers choose cab services. The impact of demographic traits on other psychographic factors was not examined in this study.

#### AREA OF STUDY AND METHODOLOGY:

This study has been conducted in the city of Guwahati which is located in the state of Assam which is considered to be the gateway of North-East India. The state has a population of approximately 31205576, according to Census 2011 and covers a total geographical area of 78438 sq. km. The state of Assam is known for its picturesque beauty, wildlife, flora and fauna, greenery, the confluence of the mountains and the mighty river Brahmaputra showing the meet of two different natural stories and forming the beauty that is known as the state of Assam situated in Northeast India. Since history, the state has been known for its tea plantations and availability of oil and natural gas resources as well as the variety of flora and fauna available in the state which make it biodiversity wise as well as culturally and economically rich. The capital of the state is Dispur, which is located in the suburb of Guwahati. With an estimated population of ~1,176,000 by 2023, Guwahati is no doubt one of the fastest growing cities in India. It is estimated that by 2025, the population of Guwahati will be over 2.8 million. The average literacy rate is estimated to be 91.47% with the male literacy rate being 94.24% and the female literacy rate being 88.50%. The percentage of the child population is 9.40%. The sex ratio is 933 females per males and the child sex ratio is 940 per 1000 boys. (Guwahati 2011 census) The Guwahati is derived from the Sanskrit word "Guva" ( which is derived from the Sanskrit word "Guvaka") which means Areca nut. The word "Hati" means "rows." The literal meaning of Guwahati is the rows of the Areca nut trees.

The sample size for this study is 500. The primary data is collected through structured questionnaires and secondary data is gathered through journals, magazines and reliable websites etc. The geographical location of the respondents is Guwahati which is located in Assam State. The organised can rental service is provided in Guwahati by national and international reputed organisations like Ola and Uber etc. The simple random sampling methodology is used for collected primary data. The respondents for this study should have consumed cab services in the last six months and they should have booked the cab through a mobile app on their smart phones. The demographic variables considered in this study are age group, occupation and gender. The constructs in this study are innovativeness, price consciousness and coupon redemption.

#### DEMOGRAPHIC INFORMATION OF THE RESPONDENTS

Table 5.1.1, Distribution of respondents according to age

Age group( in years)	No of Respondents	Percentage of Respondent
18-24	421	84.2%
25-34	50	10%
35-44	20	2%%
45-54	09	.018%
55 and above	0	0%

The above table represents the distribution of respondents according to their age group. As per the above table, out of the total 500 respondents; 84.2%, 10%, 2%, .018%, and 0% of them belong to age groups of 18-24, 25-34, 35-44, 45-54 and 55 and above.

**Table 5.1.2,** Distribution of respondents according to sex

Gender	No of Respondent	Percentage of Respondent
Male	333	66.7%
Female	167	33.3%
Prefer not to say	0	0%

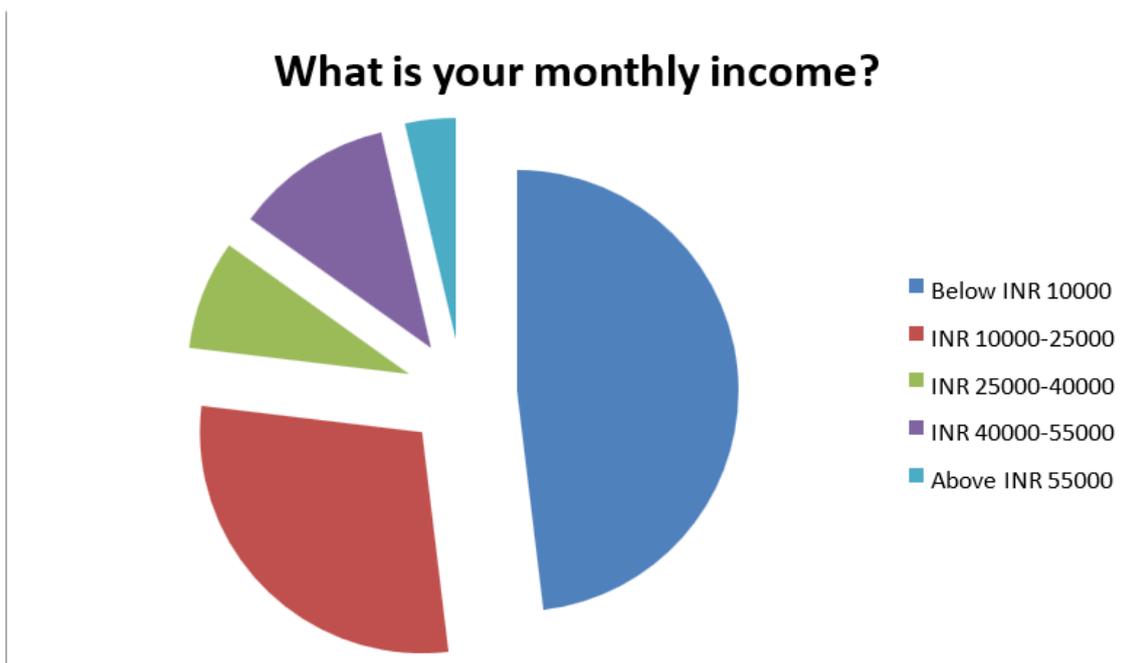
The above table represents the distribution of respondents according to their sex. According to the data obtained, male and female people constitute 66.7% and 33.3% of the population of the respondent.

**Table 5.1.3,** Distribution of respondents according to their occupation

Occupation	No of Respondent	Percentage of Respondent
Status	270	54%
Employed	140	28%
Unemployed	60	12%
Homemaker	20	4%
Self Employed	10	2%

The above table represents the distribution of respondents according to their occupations. As per the above table, out of the total 500 respondents; 54%, 28%, 12%, 4%, and 2% are students, employed, unemployed, homemakers and self-employed.

**Figure 5.1.1,** Distribution of respondents according to monthly income.



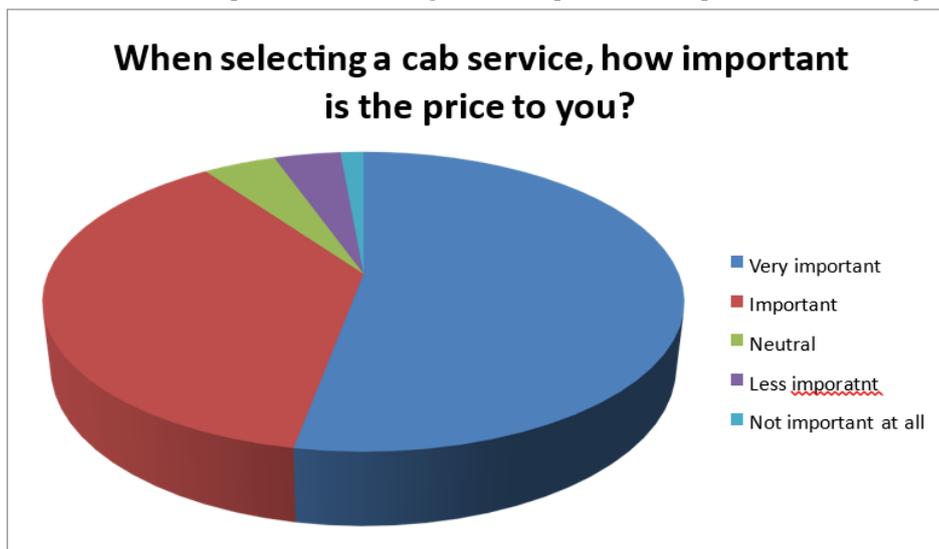
The above pie chart represents the distribution of respondents according to their monthly income. Out of the total 500 respondents; 48.1%, 28.8%, 8%, 11.5% and 3.60% belong to the monthly income group of below INR 10000, INR 10000-25000, INR 25000-40000, INR 40000-55000 and above INR 55000.

**DATA ANALYSIS AND DISCUSSION DATA ANALYSIS**

Objective 1: To study the influence of price consciousness on consumers while selecting a cab service.

Question 6.1.1 : When selecting a cab service, How important is the price to you?

**Figure 6.1.1;** Distribution of respondents according to how important is the price while selecting a cab service.



In the above pie-chart , the distribution of respondents is shown and how price is important while selecting a cab service. Out of the total 500 respondent; 52.9%, 36.3%, 4.40%, 5% and 1.40% selected very important, important, neutral, less important and not important from the given options. As from the online survey, it is found out that for the majority of the people price plays a crucial factor while selecting a cab service.

Question 6.1.2 : Do you compare prices between different cab service providers before making a selection?

**Table : 6,1,2;** Distribution of respondents according to whether they compare price between different cab services provider before making a selection.

Response	No of Response	Percentage
Yes	321	64.2%
No	132	13.2%
May be	74	14.8%

Question 6,1,3 : How likely are you to choose a cab service solely based on the lowest price offered?

**Figure 6,1,2;** Distribution of respondent according to how likely one is to choose a cab service solely based on the lowest price offered

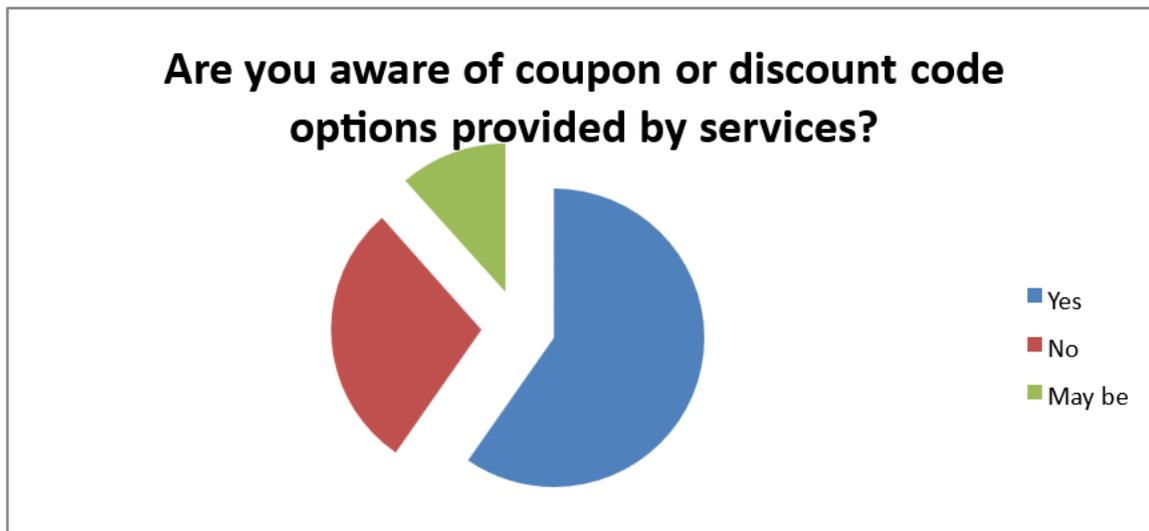


In the above pie chart , the distribution of respondents is shown and how likely they are to choose a cab service solely based on the lowest price offered. Out of the total 500 respondent; 52%, 24%, 14%, 10% and 0% have selected very likely, likely, neutral, unlikely and very unlikely from the given options. As from this online survey, it is found out that the majority of people will choose a cab service solely based on the lowest price offered and how price plays a role for a consumer while selecting a cab service.

Objective 2: To study the impact of coupon redemption behaviour of consumers in the selection of cab services.

Question 6,1,4 : Are you aware of coupon or discount code options provided by services?

**Figure: 6.1.3.** Distribution of respondent according to awareness of coupon or discount code provided by cab services.



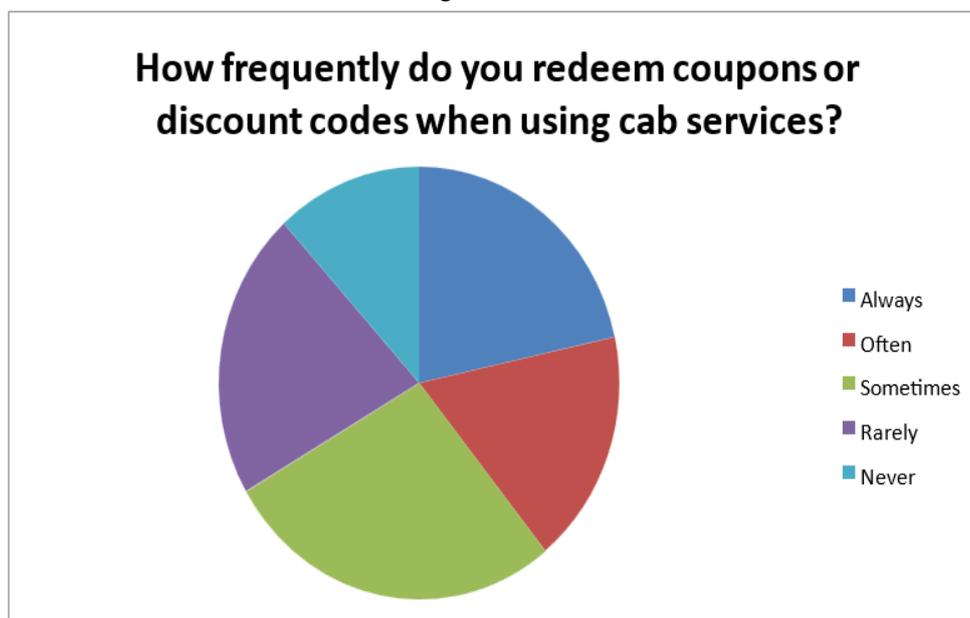
**Table : 6,1,2.** Awareness of coupon or discount code provided by cab services.

Response	No of respondents	Percentage
Yes	287	57.4%
No	179	35.8%
May be	34	.064%

In the above pie chart and the table , it is shown that 57.4% of the respondents are aware of the coupon or discount code option provided by cab services and 35.8% of the respondents are not aware of the coupon or discount code option provided by cab services and 0.064% are not sure about it.

Question 6,1,5; How frequently do you redeem coupons or discount codes when using cab services?

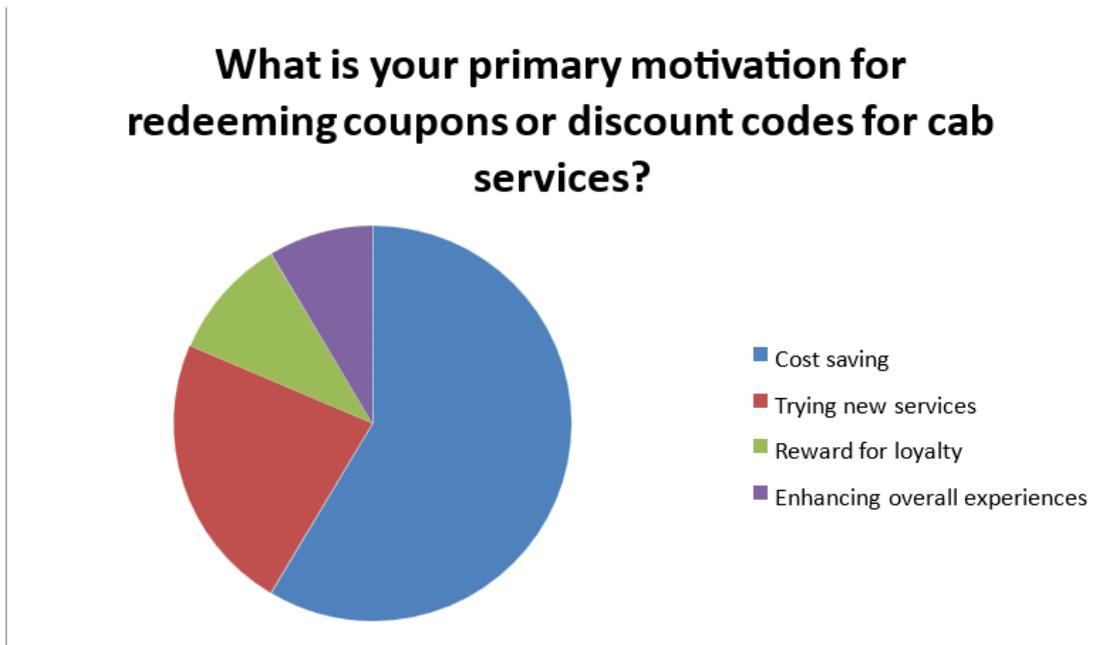
**Figure: 6.1.3;** Distribution of respondents according to how frequently do you redeem coupons or discount codes when using cab services.



In the above pie-chart , the distribution of respondents is shown and how frequently one redeems coupons or discount codes when using cab service. Out of the total 500 respondent; 21.6%, 17.6%, 27.5%, 21.6% and 11.7% selected always, often, sometimes, rarely and never from the given options. As from the online survey, it is found out that for the majority of the people price plays a crucial factor while selecting a cab service.

Question 6,1,7; How satisfied are you with the cab services you have used in terms of their coupons or discount code offerings?

**Figure: 6.1.4;** Distribution of respondents according to primary motivation for redeeming coupons or discount codes for cab services?



In the above pie-chart, it is found out that 48.3% , 18.1% , 23.2% and 10.4% of total respondents' primary motivation for redeeming coupons or discount codes for cab service is cost saving, trying new service, enhancing overall experience. Cost saving is the primary motivation for redeeming coupons or discount codes for cab services of the majority of the respondents. It means saving money is an important factor for choosing cab services on the basis of cab services and its coupon.

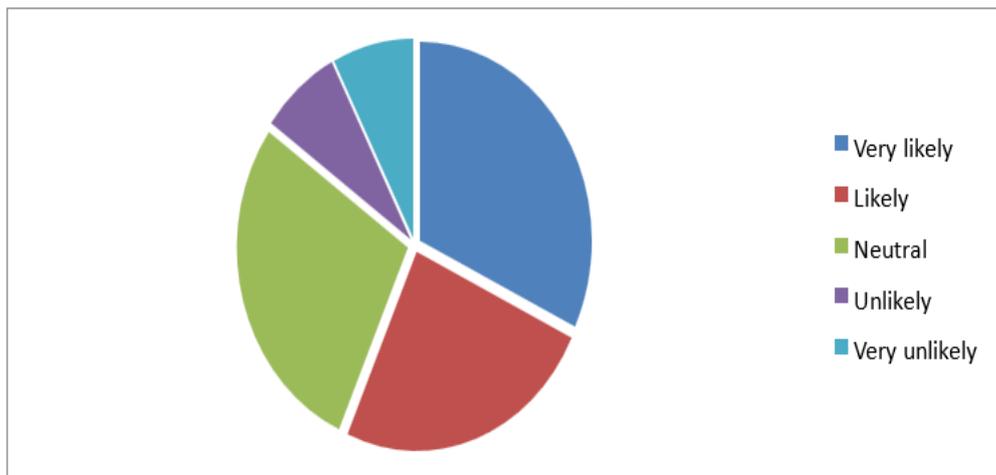
Question 6,1,7; How satisfied are you with the cab services you have used in terms of their coupons or discount code offerings?



In the above pie-chart , the distribution of respondents is shown and how satisfied one is with the cab services one has used in terms of their coupons or discount code offerings. Out of the total respondents; 28.3%,35.8 % , 22.6%, 7.5%, and 5.7% selected very satisfied, satisfied, neutral, unlikely and very unlikely from the given options. Majority of the respondents are very satisfied with the cab services they have used in terms of their coupons and discount code offerings.

Question 6,1,8; How likely are you to continue using a cab services after the initial coupon or discount offer expired?

**Figure: 6.1.6;** Distribution of respondents according to how likely one is to continue using a cab services after the initial coupon or discount offer expires.



In the above pie-chart , the distribution of respondents is shown and how likely one is to continue using a cab services after the initial coupon or discount offer expires. Out of the total respondents; 32.1%, 24.5 %, 28.3%, 7.5%, and 7.6% selected very likely, likely, neutral, unlikely and very unlikely from the given options. Majority of the respondents are very satisfied with the cab services they have used in terms of their coupons and discount code offerings.

#### **PRINCIPLE FINDING AND EXPLANATION PRINCIPLE FINDINGS:**

According to the information above, the academic research survey was done, and the analysis of the respondents' responses shows that the influence of price consciousness on consumers when choosing a cab service plays a crucial role for the selection of cab services. Before choosing a taxi service, price is a significant factor, and customers prefer to receive the best deal they can. The study discovered that the two factors—price consciousness and coupon redemption patterns—were all impacting consumers' decisions about which taxi services to choose. Price awareness and coupon redemption behaviour are discovered to be significantly and positively correlated.

#### **EXPLANATION**

According to the research and data, price-conscious customers are more inclined to use coupons when making cab reservations. According to the report, young adults (18 to 24) use taxi services more frequently than people of other ages. Additionally, it has been noted that men use cab services more frequently than women. The majority of cab service users are employed and students. It was also noted that their monthly income is less than \$10,000, and two-thirds of respondents do not own personal vehicles. According to the aforementioned data, the results of the academic research survey and analysis of the responses provided by the respondents show that the majority of consumers occasionally use cab services, and most of them prefer Ola to Uber. According to the aforementioned survey, the majority of consumers place a high value on cab services. Two-thirds of respondents compare prices between various cab service providers before choosing one, and 50 percent of respondents are likely to select a particular cab service based solely on the lowest price offered. We can conclude that cost is a very important consideration when choosing cab services, and for the majority of respondents, it can be a deal-breaker if it is excessive or unjustified. Consumers' price sensitivity is also an important consideration when choosing cab services in Gauhati. According to the analysis and survey, more than half of respondents out of all responses are aware of coupons. It is also discovered that respondents frequently use coupons or discount codes when using cab services, as shown in the pie-chart in the previous chapter. The use of coupons is crucial when choosing cab services since they make customers feel good about their financial decisions. Saving money is the main reason people use coupons or discount codes for cab services. The majority of respondents are happy with the cab services' coupon or discount offerings and are likely to keep using the cab services after the first discount or coupon has expired.

#### **CONCLUSION:**

The primary consideration while choosing cab services in Gauhati is the cost to the consumer. Gauhati residents depend heavily on cab services because they are constantly rushing and need to get from one place to another. The cost is a key consideration while choosing cab services in Gauhati. Many of the respondents have incomes below \$10,000 and are students. For them, cost is a key consideration when choosing cab services. They evaluate the costs of various taxi services. They choose for services that are reasonably priced. The majority of respondents to this study are found to be aware of the coupons offered by the taxi services. People are likely to keep using cab services after the coupon offer expires since they feel satisfied after utilising it. Price awareness and coupon redemption are related, and this relationship has had a significant impact on both.

**REFERENCES:**

1. Kumar, A., & Singh, A. (2017). Factors Influencing the Selection of Cab Services: A Study on Ola and Uber. *International Journal of Applied Business and Economic Research*, 15(18), 323-332.
2. Narang, V., Kumar, R., & Mittal, S. (2018). Comparative Study of Service Quality and Customer Satisfaction in Ola and Uber Cab Services in Delhi. *International Journal of Engineering Research and Technology*, 11(10), 2190-2197.
3. Rana, P. K., & Paul, J. (2019). Consumer Adoption of Ride-hailing Services: Exploring the Role of Service Quality, Price Perception, and Satisfaction. *Journal of Retailing and Consumer Services*, 47, 277-287.