

Challenges and Opportunities Faced by On-Demand Services Apps Post COVID-19 in Pune City

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Abstract

Changing technological advances and innovations have redefined the dynamics of the business sector in India. On-demand service app-based businesses are attracting millions of customers every year. The on-demand service industry was continuously growing and expanding before the pandemic and lockdown however, not exponentially. But once the pandemic hit the world the need for such services increased immensely. The on-demand service apps were used the most over market places in the lockdown due to their delivery of at-home services. The present study intends to analyse and study the challenges and opportunities faced by on-demand service apps post COVID-19 in Pune City.

Keywords: *On-demand service apps, technological advances, dynamics, business sector, lockdown, COVID-19*

1. Introduction

Start-ups in India date back to the ancient period when India traded with the Middle East in jute, cotton, diamonds, jewellery, etc. Some ancient texts also mentioned the Chola King who had established sea routes and carried trade deals with the Middle East and other countries. Start-ups are not a newfound idea in India. During the post-liberalization period in the 1991, various opportunities flooded at the doors of budding entrepreneurs. India has seen a potential start-up market with excellent growth opportunities over the years. One of the top and trending sectors is the "On-demand service apps" in India. On-demand service apps help to connect customers to various service providers through online mode and provide at door-step delivery just by a few clicks on the app. Zomato, UrbanClap, Swiggy, Amazon, etc., are a few of the on-demand service apps with more than 1 million active users across India. Factors like on-demand delivery options at doorstep, multiple payment options and live tracking etc. have made these on-demand service apps prominent not only among the millennial but also the older generation. However, post-pandemic, the on-demand service apps were affected due to various factors. The on-demand service apps sector incurred a low percentage of losses as

compared to other business sectors. Hence, the main objective of this research paper is to study the on-demand service apps which faced many challenges post-pandemic but also to explore various opportunities through consumer's perception post the lockdown.

2. Literature Review

The researcher has reviewed the literature from varied dimension such as characteristics, applicability in different sectors and use during the pandemic. Due to technological advancements, on-demand service apps have changed the dynamics of the business sector of the economy. It is therefore, necessary to understand the meaning of "on-demand" and its implications and to study the characteristics of the on-demand service apps for service management (Robert, Kees, Hans, George, 2019). The paper studies that on-demand service apps are characterized by being highly available, responsive and scalable. Knowing characteristics and implications of on-demand service apps helps the company to grow better and expand its operations, and create new features for future developments. Consumer's perception on food delivery apps is necessary, hence, various factors were determined on studying consumer's intention towards the online food delivery apps in Bangkok, Thailand (Dinesh, Kitikorn, Jiracharya, 2019). The main purpose of the study is to disclose the online food delivery apps that simplify the entire food ordering process as compared to old paper-based ordering. Given the technological leap, a variety of food is easily available by clicking a few options on mobile apps (Buvaneswari, Swetha, Ragitha, Nisha, 2021). The study identifies the factors in the adoption of food delivery apps by positioning them in the Multi-Dimensional Matrix. As today's contactless services is the new normal, the healthcare industry is paving its way to new technological advances. Various opportunities and challenges were faced in contactless healthcare services Post COVID-19 (Sang, Donhee, 2021). It studies how the healthcare workers were providing contactless services to mitigate the spread of COVID-19. The innovative contactless services which were proven effective during the pandemic, would be practiced or even advanced in the post-pandemic era due to technological revolution. This research studies literature reviews of all sectors of on-demand service apps in India as well as other parts of the world. The COVID-19 crisis brought special attention to the waste management sector too. The challenges faced by the solid wastemanagement sector during the pandemic and the underlying opportunities to fill existing loopholes in the system have been studied minutely (Hari, Kumar, VR Shankar, Ved, Amit, Brajesh, Sudha, Jayanta, 2020). It reflects the work of disposal management for biomedical

waste, plastic waste and food waste which have been a major cause of concern during the pandemic.

3. Research Gap

The service sector has been one of the leading sectors in the Indian economy pre-lockdown period. Post lockdown, it suffered decrease in its sales and consumer base. Characteristics and different aspects of on-demand service app surveys conducted across the world about consumer's perception of on-demand service apps have been analysed before COVID-19 in other parts of the world except India. Therefore, this study intends to fill the research gap by analysing the challenges and opportunities the on-demand service apps faced in Pune, India through consumer's perception post COVID-19 as negligible research work is found on this topic. Various factors are taken into consideration while conducting the survey which is useful to analyse the situation of on-demand service sector post COVID-19 in Pune City, India.

4. Research Objectives

1. To analyse and comprehend the challenges faced post COVID-19 by On-Demand service apps.
2. To explore and understand the opportunities for On-Demand service apps, during and post COVID-19.

5. Research Methodology

The researcher has used both primary and secondary data in the current study the present study being disruptive in nature, a survey method is used to collect primary data from the respondents. The sample size for the study is 50 consumers in Pune city. Random sampling method was used to survey through online mode. The data so collected has been compiled and cartographically represented in the form of the two-dimensional column and bar charts, pie charts, and two-dimensional line and area charts.

6. Data Analysis and Interpretation

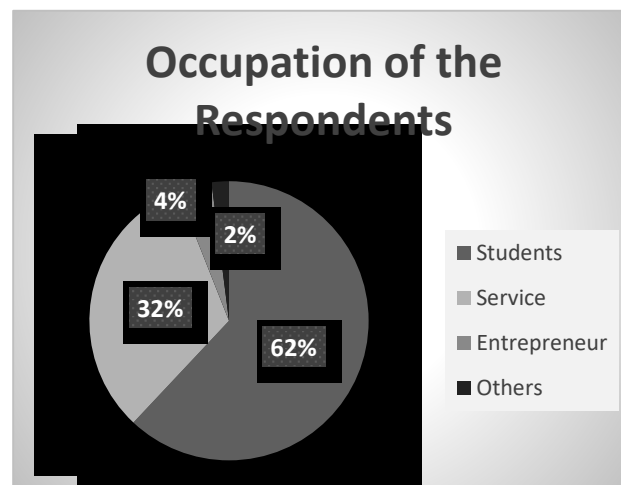
Occupation of respondents:

Through the data collected by the researcher, the student category, with 61%, has the highest percentage who use these apps for various services like transportation, online shopping, ordering food online, etc. 32% are the consumers working in the service sector. Following that, 4% and 2% are entrepreneurs and others (older generation, housewives) respectively. If more focus is given to the student category, on-demand service apps can reach to a larger consumer base.

Services used post-pandemic and lockdown:

According to the survey, 70% consumers used the services rendered by the on-demand service apps immediately post lockdown. Whereas, 30% consumers avoided using the on-demand services post lockdowns. Various services like food delivery, maintenance services, and transportation services are taken into consideration.

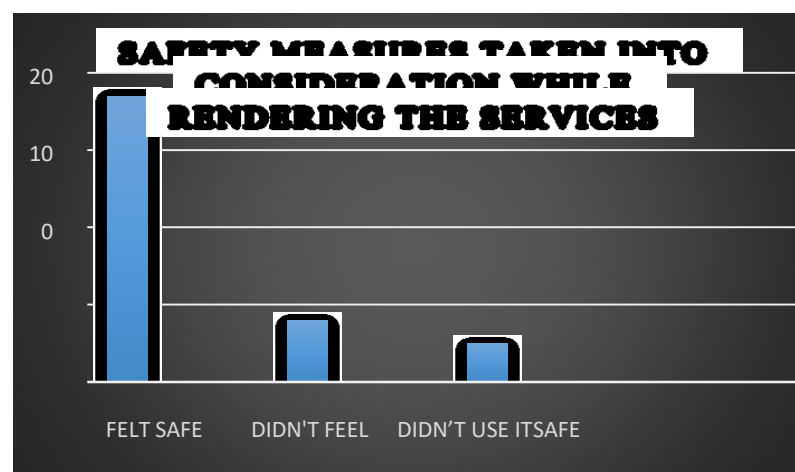
Types of services used the most:



Source: Primary data conducted by the author

The pie chart depicts the most prominent service which was used, the food delivery category with 64% consumers finding this type of service the most useful during and post lockdown period. Following that, 28% and 8% consumers found grocery delivery services and transportation services useful post lockdowns respectively. The major observation made is that none of the respondent has used the application for maintenance services.

Safety measures taken into consideration:



Source: Primary data conducted by the author

The graph depicts the satisfaction level the consumers felt while using the services of the on-demand service apps. 10% consumers didn't use the services for the fear of unhygienic services rendered to them by these apps. Meanwhile, only 16% consumers used the services but were unsatisfied with the safety measures undertaken while rendering the services. However, 74% consumers used the services and were satisfied with the safety measures undertaken while using the services.

7. Recommendations

Recommendations given to others by respondents for using the services post lockdown:

Only 8% of people avoided recommending the app to others, while 44% of consumers did. However, surprisingly, 48% of people were apprehensive of recommending the apps to others due to the safety measures undertaken and the fear of pandemic too. It is observed that inadequate safety measures are a huge drawback the on-demand service apps face in the pandemic

Challenges and Opportunities for the On-demand service apps post-pandemic

Challenges

Fear of the pandemic is still lingering in the minds of the citizens, hence, building their trust is necessary. Safety measures should be improved which is the biggest challenge for on-demand service apps.

People more often opt for local servicemen whom they trust implicitly (whom they are sure of not affected by covid-19), instead of rendering services from online apps like Urban Clap, which is a huge drawback for on-demand maintenance service apps. Negligible, yet, a decline in using the on-demand service apps can be seen post the pandemic for the fear of the increasing number of COVID-19 cases.

Opportunities and Recommendations

Considering students using the on-demand service apps the most, giving discounts to students living in hostels and PGs and free delivery to the older generation can help them attract a larger consumer base. Should shift its base completely to contactless delivery options and payment modes. Taking into consideration, the safety measures while rendering services to customers, companies should introduce reliable home appliances on e-commerce sites as more and more companies are switching to “work from home” culture. Introducing more online courses of short duration which is accessible to all as online education is the new normal.

8. Conclusion

The on-demand service apps have outstandingly evolved the way of business operations by enabling themselves in becoming fast-moving technology companies in India and worldwide. The analysis derived from the surveys collected, represents the challenges faced and opportunities explored post the lockdowns. On-demand service apps were trending before and after the pandemic. However, a slight decrease can be seen in the consumer base post lockdowns due to various factors like safety measures undertaken, increased prices due to economic slowdown etc. However, these minor changes if solved, can stabilize not only the on-demand service sector but also will help stabilize the Indian economy.

This research paper studies the factors affecting on-demand service apps post COVID-19 in Pune city only. The only limitation is that of not conducting research through other parts of India. Hence, this paper is useful for analysing the challenges and opportunities faced by the on-demand service sector in Pune, India post COVID-19 and lockdowns.

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