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An Analysis of Uber and Lyft from the User's Perspective

Introduction

The taxi industry and other transportation businesses have seen a rapid decline with the increasing popularity of mobile ridesharing apps such as Uber and Lyft. These services capitalize on the consumer's desire for an affordable, time-efficient, and convenient method of traveling. With the ability to request a ride to a desired destination at the tip of your fingers, the former practices of hailing or even calling a taxi have diminished. Through the click of a few buttons, these services allow riders to input a ride request, view a pre-ride cost estimate and be matched with a driver within minutes. This process is complete with the option to review additional information such as the expected arrival time with updates, vehicle type, and driver's profile. The driver's profile is a valuable feature provided to the user as it includes their name, picture, and rating based on previous customers. Considering the advances that ridesharing apps have brought to the transportation scene in terms of accessibility and reliability, it is evident that traditional taxi services are being rendered obsolete. According to a national survey from the Pew Research Center, the majority of American's hold positive views toward ridesharing apps. They found that 86% of users agree that these apps save them time and stress, 70% feel safe with the driver, and 68% believe it to be less expensive than a taxi (Smith, 2016).

Not only does the influx of mobile ridesharing apps create competition for the taxi industry, but rivalries exist between companies with comparable apps as well. According to the market research firm, Second Measure, it is apparent that Uber and Lyft are the two dominant services in the United States. Uber maintains control of the majority of the ridesharing industry at 69% market share while Lyft at 29% market share, is rapidly growing (Iqbal, 2018). The considerable gap in usage between these two apps can be partially attributed to Lyft being a significantly smaller and newer enterprise. Uber was launched in March of 2009, is accessible in 600 cities in 65 countries worldwide, and employs 3 million drivers. In comparison, Lyft entered the industry a few years later in June of 2012, is only available in 300 US and 2 Canadian cities, and employs half the amount of drivers at 1.4 million (Iqbal, 2018). Despite these statistics, Lyft is experiencing vast growth in revenue while Uber's growth appears to be gradually declining.

Considering the dynamic rivalry and between the two dominant ridesharing apps, what rationale does the consumer employ when determining which one to use? Through a comprehensive comparison of the two services, utilizing qualitative methods of in-depth interviews and participant observations, I intend to explore this question thoroughly. Both Uber and Lyft serve the same fundamental purpose, therefore their differences must impact the user's decision to utilize one over the other. Through this study I will identify divergences between these two companies in terms of app interface design and usability of the product along with user's perceptions and experiences with the service. The primary goal of this research is to determine potential causation for the consumer's preference for either Uber or Lyft.

Methods and Sample Description

I began conducting this study, by acquiring a sample of eight college-aged undergraduate students from Clemson University consisting of four women and four men. A convenience sampling strategy was employed due to previous association with the participants. I individually conducted the in-depth interviews and observations with each of the participants in a neutral, quiet location; the first floor of R.M Cooper Library at Clemson University. The two methods of data collection were administered consecutively, beginning with the observation and then the interview. The data collection process for each participant took about thirty minutes to complete in total.

The observations were short and structured in nature, as I instructed the participant to perform the task of requesting a ride on both ridesharing apps, Uber and Lyft, and record their screens while doing so. This task did not actually require the participant to spend money since they were told to stop at the confirmation stage. This allowed me to observe and compare the user's experience with each of the app interfaces, ease of navigation, and total time taken to perform the task. The in-depth interviews were conducted according to an interview guide consisting of two sets of questions based on whether they had experience with only one of the apps or both. If the participant stated no previous experience with either app, then they would be excluded from the study. If they stated previous experience with both ridesharing apps, I would follow the according interview guide consisting of seven questions with four related to experience and three related to interface design and usability. Likewise, if the participant stated previous experience with only one of the apps, whether it be Uber or Lyft, I would follow the other interview guide. This one consisted of three experience related questions and two interface

design and usability questions. The complete interview guide with both sets of questions is available in the appendix.

Findings

From the participant observations, I was able to analyze and compare the primary function of requesting a ride on the two dominant ridesharing apps, Uber and Lyft. I focused on ease of navigation, time taken to complete the task, and the participant's overall perceived and expressed experience. After examining the screen recordings of the participants requesting a ride on Uber and Lyft, I found this method to be identical on both of the apps. These two apps maintain similar interface layouts and require the same amount of steps to request a ride. These observations demonstrated how similar these apps are in terms of their primary function, requesting a ride.

When the user opens Uber or Lyft the screen shows a map that pinpoints their location and a search bar where they type in their desired destination. While typing in the destination, the app generates location suggestions that correlate with their input. The user selects the correct location suggestion and is redirected to the map, which now displays the anticipated route from their current location to the selected destination. This screen also displays two vehicle options, one that seats up to four riders and one that seats up to six. Next to both options are the estimated price and time of arrival. The user selects an option and is directed to a screen designated to confirm the pickup address. Once this is confirmed, the transaction is processed and the user awaits a driver assignment.

After these observations were conducted, multiple of the participants noted how quick and seamless the process was, as if they were anticipating it to require more steps. One of the participants remarked, "that was much more simple than I recalled it being last time I used it"

suggesting that the process was easier than they expected. In regards to the striking similarity in this process between Uber and Lyft, another participant said, “I feel as though I just did the same thing twice, I never realized how similar these apps actually are.” All of the participants appeared to be comfortable with requesting a ride on both ridesharing apps as they did not express any confusion or technical difficulties. None of the participants asked questions during the task and the screen recordings suggest they found both Uber and Lyft equally easy to navigate. They were able to follow the short procedure without hesitation as they completed the task in about the same amount of time on both apps. All of the participants were able to request a ride on Uber and Lyft under thirty seconds, with the majority of participants completing the task within twenty seconds.

The in-depth interview responses allowed me to identify trends in my sample regarding ridesharing app preferences and potential causal factors. One important finding that may impact the data is that out of eight participants, only two of them had experience with both apps while the other six had experience with Uber exclusively. Due to this, findings suggest Uber to be the majority preferred ridesharing app within this sample. All of the participants expressed more positive opinions toward Uber than Lyft, including the two who had experience with both ridesharing apps.

The in-depth interview data for the six participants who exclusively had experience with Uber, which I will refer to as the “Uber Only” group demonstrated a few mutual explanations for this preference. All of these participants agreed that they choose to download Uber instead of Lyft due to it being launched first and hearing more about it. One participant justified her preference by stating, “I was just more familiar with Uber. All of my friends had only used Uber before, so I trusted the app because they seemed to have good experiences with it.” Two of these

six participants mentioned having a coupon code for a free ride when you downloaded the app, which influenced their decision to download Uber. One of these two participants expressed, “I would download Lyft too if I saw a coupon code for a free ride, but I haven’t seen any.”

Participants in the “Uber Only” group expressed response similarities in terms of experience with the service, perceived company reputation, and app interface usability and design. All six of these participants expressed primarily positive perspectives of Uber, describing their experiences as “good” and the drivers as “nice”. Three of the participants mentioned that the drivers were “talkative” and two of the participants mentioned that they felt “safe.” Two participants gave specific examples of positive experiences they have had with Uber. One of them stated, “I had one Uber driver who offered me candy, water and the option to use his phone charger, which I thought was really good customer service.” The other participant described her experience by saying, “One Uber I took had some really cool lighting installed and the driver allowed us to play our own music. He was very polite and accommodating to our needs.” Looking at questions related to perceived company reputation, four of these participants stated that they had heard more about Uber than Lyft, three described Uber as more “popular” and Lyft as “similar” to Uber. As for the interview responses related to app interface usability and design, all six participants in this group described Uber as “simple” and “easy to use”. Three of these participants described technical issues they have had with the app. Two of these issues were related to payment processing and one was a location issue where the driver was at the pickup spot but the app displayed he was still five minutes away. One of the participants stated that she found it difficult to split the payment with other riders and the other participant described a specific technical issue. She said, “I did have a technical issue one time when the app would not let my sister attach her credit card to the account and it attached my credit card

instead. Therefore, I ended up paying for a lot of her rides and didn't know about it. Uber was able to refund the money to my account and place the charges to the correct account eventually but it was still inconvenient.”

The two participants who expressed experience with both ridesharing apps, or the “Uber and Lyft” group, also expressed inclination toward Uber but their preference was more centered around comparison. One participant stated that the main reason he uses Uber more often is because they have a program where he can get free Uber credits for using his credit card while Lyft doesn't. He also explained, “Drivers for Uber are less personable and talkative, which I actually like. I prefer to just be picked up and have a quiet ride rather than feeling the need to hold a conversation.” He disclosed that he only uses Lyft if the price is significantly different, but if it's within a few dollars he will use his preferred app. The other participant stated that, “I honestly don't notice that much of a difference between them. I usually only use these apps when I'm with other people and they to only have Uber.” Interestingly, both of these participants described that they had heard better things about Lyft than Uber but that Uber is more “popular”. They both also agreed that Uber drivers seem more “professional” and are less “talkative” than Lyft drivers. One participant mentioned, “I have heard a lot of controversy about Uber lately but nothing negative about Lyft.” As for the interview questions relating to app interface usability and design, one participant had a lot to say, while the other expressed indifference. The one participant mentioned that the Lyft app seems to be less complicated and that Uber has too many features now. He mentioned always being shown ads for UberEats when he opens the app. This participant stated that he did not like Uber's new redesign and thinks that Lyft is more visually appealing. Additionally, he explained a technical issue he had with Uber where, “the price showed up as 0 dollars for the total cost, so I decided to tip the driver a large amount, but then

when the charge showed up on my credit card I was charged twice the amount of the original cost.” The other participant described both apps as “equally easy to use” and mentioned, “I have used Uber a lot when with older people and the app seemed easy enough for them to use.” In regards to design she stated, “They are both very similar and I like how both of them look. Uber seems to have more features and ads.”

Analysis and Interpretation

Through the data collection methods, I was able to gain a deeper understanding behind why consumers choose to use one ridesharing app over another. Specifically, through this research study I was able to determine the majority preferred ridesharing app to be Uber instead of Lyft within my sample. Accordingly, I focused on examining the participants’ interaction with both apps and interview responses to reveal trends in preference rationale.

Through the observations I was able to perceive how similar Uber and Lyft are in terms of their primary function, requesting a ride. When the participants’ performed the task on each apps, I noticed that the procedure was almost identical, down to the similar interface layout and equal number of steps. Additionally, it took the same amount of time to perform the task on both apps, with all of the participants being able to request a ride on both Uber and Lyft in under thirty seconds. The task appeared to be just as simple on both apps, considering that none of the participants hesitated, asked any questions, or had technical difficulties. According to this data, I was able to infer that the consumer’s preference for one ridesharing app over another is not due to variance in time spent requesting a ride or ease of navigation.

The data gathered from in-depth interviews allowed me to examine why one group of participants have only used Uber and why the other group has used both Uber and Lyft but

prefers Uber. Responses from the “Uber Only” group suggest that preference is primarily justified by a divergence in exposure. This is inferred because the data demonstrated that four of the participants in this group explicitly stated that they had heard more about Uber than Lyft. One participant specified that her friends had only used and talked about Uber so she trusted it. Additionally, all six of the participants in this group mentioned that another reason they use Uber is because it was launched first and three describe it as more “popular” than Lyft. This data suggests that being introduced into the ridesharing industry before Lyft and maintaining greater exposure puts Uber at an advantage in terms of consumer preference.

The two participants that had experience with both apps, were found to prefer Uber as well. One of the participants stated that she uses Uber more often because she is usually with other people and that is the app they have. Therefore, we can infer that influence from other’s is one reason for using one app over another. This could also be related to a divergence in exposure since the app she uses is dependent upon another person only having Uber. The other participant disclosed that his preference for Uber was primarily due to a credit card reward program and less talkative drivers. He also stated that he only uses Lyft if the price difference is significant. This suggests that price and rewards could be an influential factor when deciding which app to use. His response also suggests that some variability exists between what users prefer in a driver. Participants in the “Uber Only” group referred to talkative drivers as being positive and this participant refers to it being negative. In regards to app interface usability and design, both of these participants mentioned that Uber appears to have more “features” and “advertisements.” One participant specified that the Lyft app seemed less complicated and more visually appealing. This suggests that due to a greater number of features and advertisements, Lyft may be considered to provide a better user experience. Additionally, the fact that three

participants discussed technical difficulties with Uber's payment method, including a participant that has used both apps, could imply that it's less user friendly.

Strategy or Integration

To expand this project, I would vary my sample population to focus on participants residing in urban environments where exposure to Uber and Lyft is more comparable and these apps are used more frequently. By having a greater number of participants who have had experience with both ridesharing apps instead of just one, I would be able to collect more comparative data. This would allow me to gain further insight into the justification behind preference for one app over another. Additionally, I would aim to vary my sample population further by including participants who maintain a preference for Lyft. One limitation of my study was that I was only able to gather data from participants who preferred Uber. Due to this, my analysis is focused primarily on justification for exclusive exposure to Uber rather than deliberate preference for either app. Another limitation I encountered was that my observations were considerably brief. To expand this project, I would need additional time and resources in order to conduct longer observations that encompass the entire procedure. Ideally I would structure the observation to include requesting the ride, being picked up and taken to the selected destination, receiving the receipt with final fare cost, and giving a rating and tip to the driver. This would allow me to further compare divergences between Uber and Lyft in order to create a more comprehensive analysis.

By examining the data collected from this study utilizing an emic approach, I was able to interpret that the majority preference for Uber was due primarily to a lack of exposure to Lyft. This suggests that participants may have inherently chosen to use Uber without deliberating other options due to knowledge and familiarity relevant to their environment. We can

incorporate this perspective into the etic strategy by increasing awareness of comparable ridesharing options. Along with this, as Lyft continues to expand to more places and increases its market share and popularity, I anticipate that the exposure bias in less urbanized environments will diminish.

References

Iqbal, M. (2018, November 28). Uber Revenue and Usage Statistics (2018). Retrieved from <http://www.businessofapps.com/data/uber-statistics/>

Smith, A. (2016, May 26). Who in America uses ride-hailing apps like Uber or Lyft. Retrieved from <http://www.pewinternet.org/2016/05/19/on-demand-ride-hailing-apps/>

Appendix

Interview Guide

1. Which ridesharing app, Uber or Lyft, have you previously had experience with?

Both:

---Experience

2. Do you tend to use Uber or Lyft more often? Do you prefer one over the other and why?

3. What differences do you notice between Uber and Lyft?

4. Have you had better experiences with drivers using Uber or Lyft? Can you explain those experiences?

5. What have you heard about these apps, what is your general opinion of them?

---Interface Design/Usability

6. Which app interface do you think is better designed or more visually appealing?

7. Which app do you find easier to use? Have you ever had technical issues with either app?

8. Is there anything you notice that you don't like about either app layout/design?

One:

---Experience

2. Why did you choose to use this app and not the other one?
3. Can you explain your experience with the drivers of this service?
4. What have you heard about each of these apps, what is your general opinion of them?

---Interface Design/Usability

6. In regards to the actual design and usability of this app, do you find it easy to use? Have you ever had a technical issue with it?
7. Is there anything you notice that you don't like about the app layout/design?