

Business model of uber essay

[Business](#)



Uber has come a long way from cabs. It now offers boats, helicopters as well as some other transportation means on demand. Uber recently launched a motor-cycle-pickup service in Paris, a delivery service in San Francisco, and an ice-cream-truck-delivery service in 7 other cities. However, these means are available in selected geographical locations but it has led Uber to add new streams of revenue into its business model

In less than 6 years, Uber has managed to become the best example of a city-by-city mobile service company roll-out. Many generic pointers that I talked about in this Blog Post regarding scaling User Acquisition efforts for On Demand platforms borrows elements right from Uber's playbook. The underlying principle here is that for every city it launches, it faces the same chicken and egg problem. The advantages that Uber has as compared to new startups in this space are:

Lot of money to incentivize both drivers and customers. Rock solid processes or playbooks that have evolved through experience launching Uber in 311 cities till date. Already known brand that gets early curious adopters. Everything starts with a small city launch team. Every city has a general manager who heads the customer acquisition as well as driver acquisition. The first cabs to come on board are generally professional drivers who are already associated with local taxi companies and have their own cars.

First customers come from various local advertising channels like FM radio, newspapers, online advertising etc. Uber is such a large name that people are already waiting for the cab company to start services in their city. Main

Growth opportunities tapped by Uber Party people who go to clubs, parties or events. Business Travellers and Tourists. Cab at doorstep in bad weather conditions. City's Nightlife.

CORPORATE AND BUSINESS LEVEL STRATEGIES VALUE-CREATING STRATEGY

As a value proposition for customers, Uber offers no need to wait for a taxi for long times. Additionally, free rides on certain occasions and discounts from time to time. Since the prices lesser than the normal taxi fares it is more attractive on customers mind. Uber's tagline says – Your personal driver. It lets customers travel in style. And they determine fixed prices for common places like Airport etc. As a value proposition for drivers, Uber has additional source of income and flexible working schedules. Drivers also can work part time or simply whenever they like. Easy payment procedure helps everyone to use Uber easy. Those who love to drive can earn money while pursuing their hobby. And Uber pays drivers to be online, even if they don't get any request.

INTERNATIONAL LEVEL STRATEGIES UBER IN EUROPE AND TURKEY

Uber starts to operate in 2015 in İstanbul. UberBlack is the product that they establish for Turkey. As a marketing, National basketball player Sinan Güler is chosen as a testimony. Uber take Sinan Güler with a Mercedes S Class car via its application. UberBlack starting price is 11, 20tl and for each kilometer 3tl will charged. (Webrazzi. com, 2015) It's operating just only in İstanbul and they are try to work with taxis as well. Even for the market penetration Uber uses 20% off, legal issues may affect their performance badly for the near future.

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Bibliography

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