

# Innovative m-car rental service quality in India

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## Abstract

**Purpose** – The purpose of the study is to explore and analyze m-car rental service quality dimensions.

**Design/methodology/approach** – Exploratory factor analysis method is applied to explore the m-car rental service quality dimensions. Further, confirmatory factor analysis is done to prove the reliability and validity of the factors using AMOS 22.0.

**Findings** – The results reveal the m-car rental service quality dimensions: ambient quality, technical quality, comfort, safety and employee service, mobile convenience, mobile responsiveness, mobile efficiency and reliability and mobile safety and billing.

**Research limitations/implications** – The explored dimensions of car rental services are in Indian environment. So, these dimensions can be further validated in other similar cultural context.

**Practical implications** – The proposed measurements can also be applied to measure and compare the service quality performance of car rental firms.

**Originality/value** – Current literature does not confirm the stable factor structure of m-car rental service quality. This study confirms the reliable and valid dimensions of care rental service through mobile app.

**Keywords** India, Service quality, Service performance, Mobile service quality

**Paper type** Research paper

## 1. Introduction

In India, the evolution of the organized taxi market started in 2001, when Mega Cabs and Fast Track Taxi started providing taxi services with small fleets. More players, such as Meru Cabs, Easy Cabs and Savaari offered their taxi service in year 2006 (Drife, 2019). The growth of organized taxi service market picked up in year 2010, when Ola started offering its fleet aggregation service in India (Utkarsh, 2014). India witness the growing need of transportation service attributed to urbanization, changing customer habits, demographic characteristics and technology. There is a growing usage of private vehicles in India due to inadequately transport infrastructure (Singh, 2016). Car rental service is emerging as vital to improve the transportation in recent times (Ekiz *et al.*, 2009; Čiziūnienė and Vitkūnas, 2020). Car rental service in India was introduced in 2013 (Narsaria *et al.*, 2020). Indian car rental market is expected to reach at around US\$1,413m in 2020 and is forecast to grow at a compound annual growth rate (CAGR) of 27.5% during 2020–2024, to reach US\$3,718m (Statista, 2020). It is estimated that 69% of total revenue of car rental companies will come from online sales (Statista, 2020). Car rental service plays vital role in the transport network as it offers demand-oriented service, self-service, instant access, flexibility and pricing (Li and Pang, 2017; Oliveira *et al.*, 2018; Yu *et al.*, 2018; Narsaria *et al.*, 2020).

