
The Founding of Uber Technologies Inc.

Company Background

After having hassle hailing a cab on a snowy nighttime in 2008, Travis Kalanick and Garrett Camp came up with the thought of an app which orders a ride with nothing more than a faucet on a button (Uber Technologies, 2016a). The thinking led to the founding of Uber Technologies Inc. in 2009 and the introduction of the Uber iPhone app in San Francisco in 2010 (Arrington, 2010; Hoek, 2014). Uber positions itself as a tech company with the mission: we use technology to give humans what they want, when they wish.” (Uber Technologies, 2016a). Uber’s idea of bringing supply and demand for ride and shipping services collectively on a ICT-platform has now, in 2016, spread to 503 cities in seventy three countries throughout the globe. Uber gives an array of experience services, all using the same ICT-platform, containing extraordinary levels of quality, pricing, measurement of vehicles and supposed user groups (Uber Technologies, 2016b). Uber’s ICT platform enables new forms of payment, booking and ranking functionalities (Meelen & Frenken, 2015).

Uber claims to use the functionalities to ensure fine and trustworthiness of its rides and that current taxi regulations are not sufficient to do so (Rechtspraak.nl, 2014; Rienstra et al., 2015). The ICT platform also allows the use of massive data, for instance yield management is employed which adapts prices according to provide and demand of unique places and times (The Economist, 2012). UberBlack is a normal taxi provider provided by using licensed taxi drivers working for Uber, this carrier is accepted in many international locations (Meelen & Frenken, 2015; Rienstra et al., 2015).

SWOT analysis

Strengths

The brand and the joint stock company - Uber has grown as a well-known brand. The brand is easily recognizable through the Uber brand and has gained a reputation for rapid growth based on its revolutionary taxi service. Trademark and constructive justice are important strengths for any business.

Buyer Loyalty Degree - Uber has adopted a customer-focused business model. The convenience offered by consumers and the competitive pricing strategy they have both worked on in the desire of the brand.

Convenient to use apps and presentations - The program has multiplied to several additional issues with a single click on recharging and ranking. This app is very comfortable and relieves it. This app is very comfortable and relieves it. The Uber service is also not easy to use and you do not need to pay a driver any more. Just wrap and go out

Service Provider Standards - Uber has over-standards for riders and drivers in both phases. Drivers are skilled to be hospitable and behave well and ride on new vehicles and the environment.

Low operating costs - For Uber, operating costs are low because there is no longer any need to save much physical infrastructure. This use of network effects to determine drivers and others do not need to spend on buying cars or maintaining them.

Ranking systems to maintain trust between service providers and customers - Uber in addition to targeting a high level of management of belief between its service provider and its customers. It runs a rating machine that allows drivers to give drivers and experience their use.

Fast growth- in key markets and strong retention in Asian markets have seen a dramatic increase in key markets in the world, including the Asian market. In India and China, the diagnosis is very fast. Uber has also grown rapidly in the United States, Brazil and Mexico.

Weaknesses

Loyalty-One of the main issues found as a core weakness of Uber is loyalty. In this competitive world nothing can stop people neither drivers nor riders from choosing alternative services once the service is not available or fulfilling their satisfactory level. For instance: In Malaysia once grab services are not available consequently we start looking for a ride on "My car" application.

There is no real relation between company and drivers- Uber recently has received many complaints and has got very negative press image due to lack of real interactions with its drivers. There is only a virtual relationship. Drivers are considered as contractors rather than full time employee with no insurance and other kinds of employment benefits.

Excessive range of disputes -Uber has gone through a terrible and nice public attention during its nine years , While it has been clients favourite service taxi services, it is being hated by present taxi companies. The prevailing taxi services misplaced a huge section of their clients to Uber. This caused to robust complains and opposition to competitive taxi services around the globe. In quite a few markets, nearby officials have certainly accused the crime and regulatory accusations.

Providing service to youth and technically updated people- Uber is basically an application which could be easily downloaded from 'app store' or 'Google play', provides service by accessing to the internet and owning a smart-phone. Now a days specially in Asian countries its a fact that elders are not updated with new technologies and it results to their deprivation of using these services.

Opportunities

Expanding services to suburban areas- Uber can easily open a new market for it's services by entering to suburban areas where shortage of taxi or other transportation services exist.

Reducing EAT and profit maximization- Uber can minimize the Estimated Arrival Time by increasing the number of drivers which leads to customer satisfaction and more revenue for company and profit for drivers.

Gain popularity by offering variety of services- Uber can expand it's services such as pet delivery , ice cream delivery , pick and drop services for school children and providing special

transportation services for older people.

Dominating the transportation fleet- Uber can dominate the transportation services in some countries such as Malaysia, India, Pakistan, where taxi services are costly and inconvenient or long waiting time .

Threats

Driver's dissatisfaction- Drivers with low profit margins are not glad. This may lead to horrific advertising. This, in turn, can be one of the main factors which stops new drivers from joining Uber.

Legal issues- Some new legal provisions in countries like Germany deprive them from their actual activities.

Competition- Eventually, increased competition will lead to lower prices. This will prevent drivers from joining the launch in new markets. This will cause loss of customers. Uber's income will decrease.

New entrants- As new markets and drivers are joining, cheating and scandal will also increase. Chances of damaging brand name also will increase.

Self-driving cars- are going to be one of the main threats for Uber ,for instance, Google Cars, deducts the need for Uber.