



COMPARATIVE STUDY BETWEEN UBER & NETFLIX WITH RESPECT TO LOSING THEIR FIRST-MOVER ADVANTAGE

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ABSTRACT

Most Uber drivers, I use have a sign that flips from Uber to Ola or CEO, depending on who is paying better; it seems like the two are tied at this point. Moreover, the cabs are finally figuring out how to go online. Netflix's stock tumbled over the past two years as competition from Apple TV+ and others drew traffic away. There are a lot of online alternatives at this point. Therefore, this study aims to determine that whether digital platforms companies like Netflix & Uber have lost their First Mover's advantage and reasons of that. It is used a survey methodology to collect data through a structured questionnaires followed by Internal & external customers. As well as testing of Hypothesis, the descriptive statistic was conducted using SPSS 24. A discussion of the findings, an implication and conclusion are provided in this study.

KEYWORDS: Uber, Netflix, SPSS 24, Digital platforms.

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INTRODUCTION

Netflix, the media streaming and video rental company was launched in 1997 by American Entrepreneurs Reed Hastings and Randolph.

In 2017 Netflix tweeted "Love is sharing a Password" as part of their promotion Strategy. Now facing stiff competition from others OTT Media, which is further multiplying by month and suffering a huge loss of Subscribers. Netflix have started cracking down on password sharing.

Similarly, Although Uber was a pioneer of ride-sharing and taxi alternatives, today it's merely one of numerous options. Uber had first-mover disadvantages (having to change regulations), as well as advantages in terms of riders and drivers on the same platform. Netflix had to reinvent its business, but its global outlook has given it a greater competitive advantage over rivals owned by older incumbents in no streaming media.

OBJECTIVE OF THE STUDY:

To answer this question, this study aims to determine the satisfaction level of the consumers of Netflix and Uber & Organizational effectiveness through customer's internal company satisfaction. Specially these main objectives aim:

- To determine whether digital platforms companies like Netflix & Uber have lost their First Mover's advantage.
- To find out reasons of losing First Mover Advantage.
- To examine the direct influence of internal customer's satisfaction on external customer's satisfaction
- To measure the effect of customer's motivation in the relationship between the internal customer's satisfaction on external customer's satisfaction & Organizational long term effectiveness.

CONTRIBUTION OF THE STUDY:

- **For Organization:** This study will provide suggestion to organization about strategic rewards, internal communication, areas to give more focus, or Areas to improve with reference to porter's value chain. Strategy to be adopted with respect to generic strategy.
- **For other Managerial Practitioner:** To develop strategy on managing their Internal customers & External Customers, beside suggesting on future branding Strategies.

LITERATURE REVIEW:

➤ Annamaria Conti from IE University said, there are limits to the network advantages digital platform companies can capitalize on, and once these limits are passed, diseconomies of scale may become more prevalent. Additionally, barriers to entry are not that high, and switching costs have not proved to be insurmountable.

➤ Maryann Feldman from Arizona State University said, when these companies first entered the market, they were able to establish themselves as leaders due to their innovative business models and disruptive technology. As more competitors have entered, these platforms have tried to adapt. In Uber's case, traditional taxi companies have adopted similar technology while offering professional drivers and greater price certainty. Uber now offers Uber Eats and has invested in autonomous vehicles, but the magic is gone

➤ Netflix has faced increased competition from other streaming services that have adopted its subscription model. It has invested in producing original content and has expanded its international presence in order to maintain its position. Netflix has found its niche.

➤ More change is certainly coming.

DEFINITION OF CONCEPTS

Internal Marketing (IM):

"It is the new discipline in holistic marketing with the principle

That satisfied customers come from satisfied employees " (Kotler, 2009)

In addition, it is known that implementation of internal

Marketing will be difficult if the internal customers are not satisfied.

Internal Customers satisfaction (ICS):

Ersen, (1997) defines internal customers as a person that works in an organization.

According to Schoorman, (1988), internal customer's satisfaction is defined as employee satisfaction with the service received from internal service providers.

External Customers satisfaction:

It is proven that, in order to satisfy external customers, internal customers be delighted first. Just as customers service leads to customer satisfaction, internal customer service leads to employee satisfaction

HYPOTHESIS TESTING AND RESULTS:

Hypothesis 1:

Ho: There is no association between gender and taxi services preferred for commuting.

Ha: There is association between gender and taxi services preferred for commuting.

| Case Processing Summary | | | | | | |
|-------------------------|-------|---------|---------|---------|-------|---------|
| | Cases | | | | | |
| | Valid | | Missing | | Total | |
| | N | Percent | N | Percent | N | Percent |
| VAR00001 * VAR00009 | 31 | 100.0% | 0 | 0.0% | 31 | 100.0% |

| VAR00001 * VAR00009 Cross tabulation | | | | | |
|--------------------------------------|--------|----------|--------------------|------|-------|
| Count | | | | | |
| | | VAR00009 | | | Total |
| | | OLA | Rapido - Bike taxi | UBER | |
| VAR00001 | Female | 4 | 0 | 5 | 9 |
| | Male | 8 | 4 | 10 | 22 |
| Total | | 12 | 4 | 15 | 31 |

| Chi-Square Tests | | | |
|---|--------------------|----|-----------------------------------|
| | Value | df | Asymptotic Significance (2-sided) |
| Pearson Chi-Square | 1.879 ^a | 2 | .391 |
| Likelihood Ratio | 2.980 | 2 | .225 |
| N of Valid Cases | 31 | | |
| a. 4 cells (66.7%) have expected count less than 5. The minimum expected count is 1.16. | | | |

Chi-Square Test Results indicates that Asymptotic Significance Value of 0.391 is greater than the Alpha value of 0.05 which

means we accept null hypothesis that there is no association between gender and taxi service preference for commuting.

Hypothesis 2:

Ho: Gender and First mover advantage are independent

Ha: Gender and First Mover advantage are dependent.

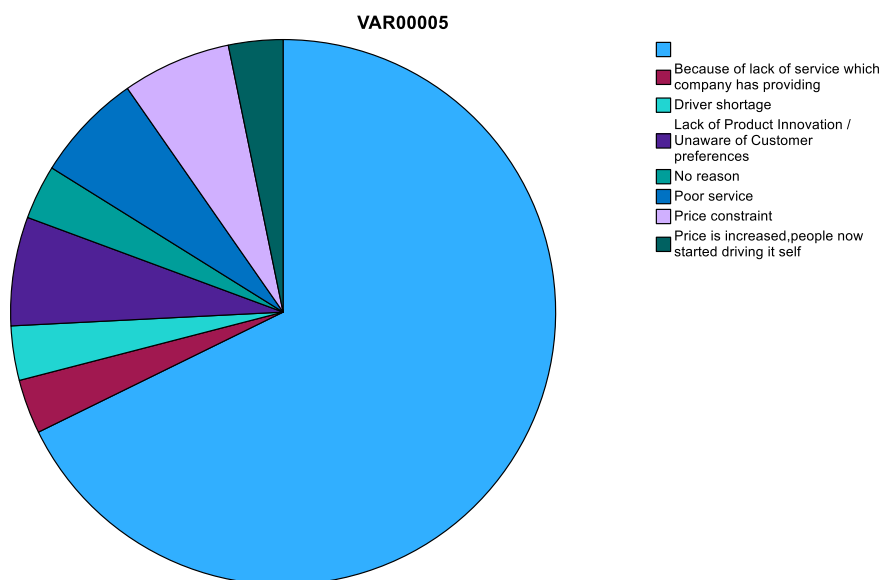
| | Obs. (Exp.) | | |
|--------|-------------|----------|---------|
| | Yes | No | Maybe |
| Male | 8(5.16) | 8(10.32) | 4(4.51) |
| Female | 0(2.83) | 8(5.67) | 3(2.28) |

| Test of Independence (Chi-Square) | |
|-----------------------------------|------|
| Alpha | 0.05 |
| df | 2 |
| P-value | 0.05 |
| Test Statistic | 6.03 |
| Critical Value | 5.99 |

Here, Test Result indicates that P-value is less (but nearly equal) to Alpha Value. We can reject null hypothesis that Gender and Netflix as First Mover advantage are

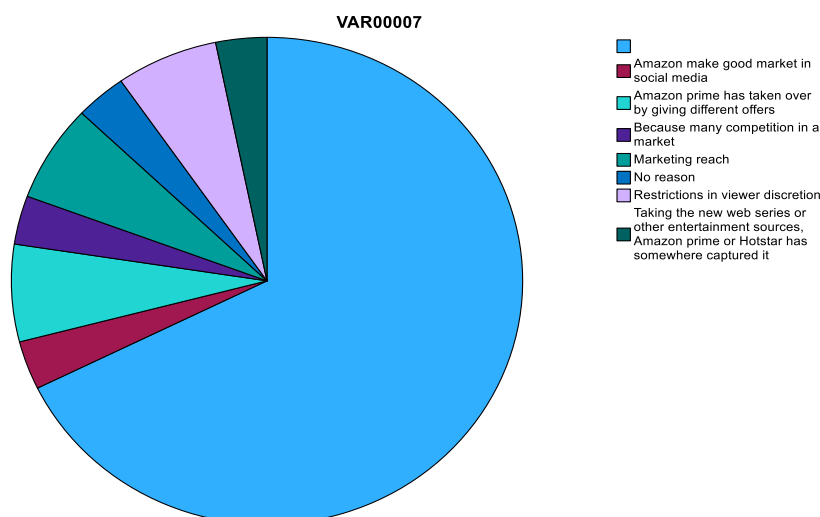
Independent and accept Alternate Hypothesis that Gender and Netflix as First Mover Advantage are dependent.

RESULTS AND DISCUSSION:



Researcher tried to identify various reasons because of which UBER can Loose their first mover advantage or loosing it, Responses were mix mentioning the

reasons such as lack of Customer Preference Awareness, Poor Service, Price Constraint, Driver Shortage and Self vehicle.



If NETFLIX will lose their first mover advantage and what will be the reason for it, When researcher asked this question, Most of the respondents did not specify the

reasons and those who specified were segregated in their opinion starting from good Social Media Market to Discount offers and Market research to Competition.

| VAR00010 | | | | | |
|----------|-------------------|-----------|---------|---------------|--------------------|
| | | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | 5 times in a week | 1 | 3.2 | 3.2 | 3.2 |
| | 6 times in a week | 1 | 3.2 | 3.2 | 6.5 |
| | Dailly | 7 | 22.6 | 22.6 | 29.0 |
| | Only Week end | 20 | 64.5 | 64.5 | 93.5 |
| | thrice in a week | 2 | 6.5 | 6.5 | 100.0 |
| | Total | 31 | 100.0 | 100.0 | |

When respondents were asked regarding frequency of watching programs on OTT Platforms (How frequently you watch series, shows, movies on OTT Platform?),

64.555 said that they watch only during weekend, 22.5% said they watch dailly and less than 5% people are watching 5 times or 6 times in a week.

| VAR00011 | | | | | |
|----------|-----------------|-----------|---------|---------------|--------------------|
| | | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | Amazon Prime | 6 | 19.4 | 19.4 | 19.4 |
| | Disney Hot Star | 4 | 12.9 | 12.9 | 32.3 |
| | Jio Cinema | 4 | 12.9 | 12.9 | 45.2 |
| | NETFLIX | 15 | 48.4 | 48.4 | 93.5 |
| | Zee5 | 1 | 3.2 | 3.2 | 96.8 |

| | | | | | |
|--|-------|----|-------|-------|-------|
| | Zee6 | 1 | 3.2 | 3.2 | 100.0 |
| | Total | 31 | 100.0 | 100.0 | |

NETFLIX is clearly market leader as 48.4% people prefer watching Netflix due to diverse variety of shows and movies that they have in their database. Amazon Prime comes second with 19.4% votes. Jio Cinema and Disney hot Star are finding their feet in OTT segment and need to air their shows initially free or at attractive prices.

3. <https://technologymagazine.com/data-and-data-analytics/netflix-and-uber-getting-big-data-right>

CONCLUSION:

Transport and Digital Medium are undoubtedly integral part of Indian citizens in their day to day life. Most of the people (Student, Salaried Individual, Professionals and Business Community) use these two modes on daily basis to reach to their destination and using the time of travel (during the Journey) for entertainment respectively. Research has clearly depicted that in both segment UBER (Commuting and Transport) and NETFLIX (OTT Platform) are still having their competitive edge as far as their market in Urban Area is concerned. However, with increase in competition, New and Existing Entrants are slowly and steadily penetrating both segment providing stiff competition to these giants. Continuous Improvement in Service Quality (Both in terms of Delivery and Price) and Improved Product offering (Customized and innovative) hold the key for their future success.

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