
DETERMINANTS OF CUSTOMER PERCEPTION TOWARDS DIGITAL HOME SERVICES: A STUDY ON URBAN COMPANY

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Abstract

Urban Company formerly known as UrbanClap has been widely studied in the context of service quality, customer satisfaction, and platform-based business models in India. Urban Company's growth and consumer awareness are strongly influenced by service quality, convenience, pricing transparency, and customer experience. At the same time, the platform's effectiveness depends on maintaining a balance between customer satisfaction and service provider well-being, which ultimately shapes long-term awareness and trust among users. It is inferred that most of the respondents' priorities urban company service for their wide range of choices, quality of service, reviews and ratings whereas most of the respondents prefer urban company service for guaranteed services followed by payment options, trusted service and convenience. The results show that most users are satisfied with the services. Overall, they agree that the urban company services offer many benefits such as a wide range of choices, good service quality, convenient use, trusted service, quick response, and easy booking. payment options and appointment booking are also seen as very good features. However, some areas need improvement. A few users are not fully satisfied with customer relationships, user-friendliness, and timely delivery, as these received more mixed responses. In general, users have a positive opinion of the services, but there is still room to improve communication, ease of use, and delivery speed.

Keywords: Urban Company-Services-Customer-Preference

Introduction

Urban Company formerly known as UrbanClap is a leading technology-driven platform that connects customers with trained and verified service professionals for a wide range of home and personal care services. Founded in 2014, the company has transformed the way urban households' access everyday services by offering a convenient, reliable, and standardized solution through a mobile app and website. Urban Company operates in major cities across India and in select international markets, providing services such as beauty and wellness, home cleaning, plumbing, electrical repairs, appliance servicing, and more. The platform focuses on ensuring quality by on boarding skilled professionals, providing them with training, and maintaining strict service standards. Customers can easily book services, track professionals, and make secure payments, all from the comfort of their homes. The company emphasizes customer satisfaction, transparency in pricing, and safety, which has helped it build strong trust among users. For service professionals, Urban Company offers opportunities for stable income, skill development, and access to a larger customer base. By leveraging digital technology and a customer-centric approach, Urban Company has become a prominent player in the home services industry, contributing significantly to the growth of the gig economy in urban areas.

Review of Literature

Pathak and Salunkhe (2018) conducted a study on customer expectations and satisfaction levels in UrbanClap's beauty services in Pune. The study found that customers are primarily attracted to the platform due to convenience, affordability, and ease of booking, while satisfaction is highly

dependent on service quality and professionalism of service providers. **Similarly, Sharma (2020)** analyzed the service quality of UrbanClap using the SERVQUAL model. The study revealed that dimensions such as reliability, responsiveness, assurance, empathy, and tangibility significantly influence customer satisfaction. It concluded that consistent service quality plays a crucial role in building trust and enhancing customer awareness toward the platform. **Jyani and Bansal (2021)** presented a case study on UrbanClap as India's largest home service provider, focusing on its business model and growth strategy. The study noted that the platform's success is driven by digital accessibility, standardized service delivery, and customer-centric innovation, which significantly enhance consumer awareness in urban markets. It also highlighted the role of technology in connecting customers with skilled professionals efficiently. **Chakraborty et al. (2022)** aimed to analyze the growth trajectory and international expansion strategy of Urban Company. This study was also conceptual and relied on secondary data sources, without a defined sample size. The researchers used case study analysis and strategic evaluation tools. The findings indicated that consistent service quality, strong branding, and technological integration are crucial for building customer trust and awareness in competitive markets. **Pravena and Bharathi (2022)** conducted an empirical study in Hyderabad to examine the influence of service quality on customer satisfaction in Urban Company. Their findings indicated that timely service delivery, skilled professionals, and transparent pricing positively impact customer perception. The study also emphasized that improved service quality enhances customer awareness and strengthens brand loyalty. **Srividya and Akila (2024)** used regression analysis and SERVQUAL dimensions to predict customer satisfaction in Urban Company. The study found that reliability and responsiveness are the most significant predictors of customer satisfaction. The research highlights that awareness and satisfaction are interconnected, as satisfied customers tend to promote the platform through recommendations.

Statement of the Problem

Urban Company has emerged as a popular digital platform offering a wide range of home and personal services with the promise of convenience, quality, and reliability. Despite its rapid growth and increasing user base, customers' perceptions of the platform vary significantly based on their individual experiences and expectations. Factors such as service quality, pricing, punctuality, professionalism of service providers, safety, and after-service support play a crucial role in shaping user perception. In many cases, customers may experience inconsistencies in service delivery, lack of personalization, or dissatisfaction with pricing structures, which can negatively influence their perception of the platform. Additionally, issues related to trust, data security, and dependence on technology may also impact customer confidence. While some users perceive Urban Company as a convenient and time-saving solution, others may view it as expensive or unreliable in certain situations. Therefore, the core problem lies in understanding how different factors influence customer perception towards Urban Company services and identifying the gaps between customer expectations and actual service experience. Analyzing these perceptions is essential for improving service quality, enhancing customer satisfaction, and ensuring long-term customer retention in a highly competitive digital service market. So, there arises question like: What is the socio- economic profile of the sample respondents? What is the reason for preferring urban company? and What are the factors influencing while using urban company? To answer the above raised questions the following objective has been framed.

Objectives

To find out the solution for the questions raised above, the following objectives have been framed.

- To know the socio-economic profile of the respondents.
- To identify the reasons for preferring urban company services

- To examine the variables associated with the level of preference for urban company services

Research Methodology

The study is based on primary data collected using google form from 160 respondents who prefer urban company services for cleaning. It contains questions relating to the socio-economic profile, and reasons for preferring urban company. Convenience sampling method has been adopted and tools like Simple Percentage and Chi-square test have been used to analyse the data.

Findings

The finding of the study is divided in to three sections namely, socio-economic profile of respondents, reason for preferring urban company services and variables associated with level of preference for urban company services

(i) Socio-Economic Profile

- Majority 101(63.1%) of the respondents are residing in urban area
- Majority of the respondents 125(78.1%) belong to the age group of below 30 years
- Majority of the respondents 82(51.2%) are male
- Majority of the respondents 123(76.9%) are unmarried
- Majority of the respondents 108(67.5%) belongs to nuclear family.
- Majority of the respondents 126(78.8%) have three members in the family
- Most of the respondents 60(37.5%) are under graduates.
- Most of the respondents 58(36.2%) are government employees
- Majority of the respondents 87(54.4%) monthly income is below Rs.40,000
- Most of the respondent's 69(43.1%) family income is Rs.50,000 to 1,00,000
- Most of the respondents 58(36.3%) came to know about urban company services through advertisement
- Most of the respondents 67(41.9%) receive repair service from urban company
- Most of the respondents 55(34.4%) are using urban company services monthly
- Most of the respondent's 59(36.9%) book urban company service through mobile app.
- Most of the respondents 53(33.1%) prefer flexible timings
- Most of the respondents 69(43.1%) spend below Rs.1000 for urban company services
- Most of the respondents 75(46.9%) use cash to pay for urban company services
- Most of the respondents 62(38.8%) are always comfortable with urban company services
- Majority of the respondents 128(80.0%) recommend urban company services to others

(ii) Reason for Preferring Urban Company Services

The table below shows the classification of respondents based on the reason for preferring urban company services.

Table:1
Reason for Preferring Urban Company Services

Variables	Strongly Agree	Agree	Disagree
Wide Range of Choices	83 (51.88%)	64 (40%)	13 (8.12%)
Guaranteed Services	47 (29.37%)	95 (59.38%)	18 (11.25%)
Healthy Customer Relations	64 (40%)	60 (37.5%)	36 (22.5%)
Convenience	62 (38.75%)	74 (46.25%)	24 (15%)
Quality of Service	71 (44.38%)	66 (41.25%)	23 (14.37%)
Reviews and Ratings	69 (43.12%)	69 (43.13%)	22 (13.75%)
User Friendly	60 (37.5%)	67 (41.88%)	33 (20.62%)
Payment Options	61 (38.12%)	81 (50.63%)	18 (11.25%)
Trusted Service	63 (39.38%)	78 (48.75%)	19 (11.87%)
Quick Response	51 (31.88%)	88 (55%)	21 (13.12%)
Timely Delivery	60 (37.5%)	68 (42.5%)	32 (20%)
Easy to Book Appointment	58 (36.25%)	81 (50.63%)	21 (13.12%)

The results show that most users are satisfied with the services. Overall, they agree that the urban company services offer many benefits such as a wide range of choices, good service quality, convenient use, trusted service, quick response, and easy booking. payment options and appointment booking are also seen as very good features. However, some areas need improvement. A few users are not fully satisfied with customer relationships, user-friendliness, and timely delivery, as these received more mixed responses. In general, users have a positive opinion of the services, but there is still room to improve communication, ease of use, and delivery speed.

(iii) Variables Associated with the Level of Preference for urban company Services

Chi-square test has used to find out the association between the selected variables namely age, area of residence, gender, marital status, educational qualification, occupation, monthly income, family income, type of family, earning

members in the family, sources of information, type of service, period of usage, mode of booking, time slot preferred, amount spent, recommendation of services to others and the level of preference for urban company services. Level of significance is five percent.

Table: 2
Variables Associated with the Level of Preference for urban company Services

Variables	Calculated Chi-Square Value	D.f	Table Value @ 5% Level
Age	4.597	2	5.991
Area of residence	10.088*	4	9.488
Gender	5.021	2	5.991
Marital Status	7.067*	2	5.991
Educational Qualification	9.685	6	12.592
Occupation	6.894	8	15.507
Monthly Income	11.551	6	12.592
Family Income	22.424*	6	12.592
Type of Family	7.217*	2	5.991
Earning Members in the Family	11.554*	4	9.488
Sources of Information	12.407	10	18.307
Type of Service	17.586*	6	12.592
Period of Usage	19.447*	6	12.592
Mode of Booking	18.881*	6	12.592
Time Slot Preferred	36.334*	10	18.307
Amount Spent	15.280*	6	12.592
Recommendation of Services	21.120*	2	5.991

The above discloses that out of seventeen variables selected, eleven variables namely area of residence, marital status, family income, type of family, earning members in the family, type of service, period of usage, mode of booking, time slot preferred, amount spent, recommendation of services to others are found to be significant with the level of preference for urban company services at five percent level.

Suggestions

Based upon the study conducted, the following suggestions are made:

- ❖ Awareness and availability of urban company services can be enhanced in every possible area
- ❖ Organise new ways of marketing on all social media sites to attract more customers to use the urban company services
- ❖ Offer more discounts, packages, and loyalty programs in the urban company to retain regular customers
- ❖ Reduce service booking and delivery time cycles to enhance customer satisfaction
- ❖ Introduce free consultations or first-time service discounts to encourage new users to try urban company services
- ❖ Add more categories of services like pet care, fitness training, event management, and home security solutions.

Conclusion

Urban Company services have emerged as a leading platform for on-demand home services, effectively bridging the gap between skilled professionals and urban customers seeking convenience, quality, and reliability. Through its user-friendly app, verified service providers, and strong focus on customer satisfaction, Urban Company has transformed traditional service sectors like beauty, cleaning, repairs, and maintenance. While challenges remain—such as ensuring consistent service quality and managing customer expectations—the company's adaptive strategies, including professional training and tech-driven solutions, position it well for future growth. Overall, Urban Company services represent a significant shift towards organized, tech-enabled service delivery in urban India and beyond.

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