

case 1-430-443 Aug. 12, 2015

Uber Technologies, Inc.: Global Strategies, Local Challenges

"There's a battle for the future of transportation being waged outside our offices and homes."

Brad Stone¹

In March 2015, Uber Technologies Inc. entered into a strategic partnership with Times Internet Ltd. (TIL) with a view to expand its business in India — its largest market outside the U.S.² Company leaders believed that TIL would promote awareness about Uber in India and help localize its services in the country.³ The deal, worth nearly INR 1,500 million (USD 23.63 million), and described as a strategic investment and cooperation partnership, including advertising for Uber and an undisclosed equity investment by TIL, was in line with TIL's strategy to collaborate with technology companies in India.⁴ Earlier, Uber made strategic partnerships with Baidu in China, AmericaMovil in Latin America, and American Express in the U.S., with the objective of gaining a better understanding of consumer behavior and extending the reach of its marketing and distribution efforts in the respective countries.⁵ The partnership with TIL would help Uber achieve its cherished objectives of providing convenient, safe, and affordable private transportation services.⁶

To Lucy Phillipose, a business and technology blogger in India, the timing of this deal appeared a little odd. It came just after Uber's operations along with those of similar companies were banned in some parts of the country after one of its drivers was accused of raping of a female passenger. Questions were also being raised about the legality of Uber's services and about the abrasiveness with which the company top brass confronted regulators and competitors.

Phillipose knew that Uber had developed an innovative business model, using mobile technology and analytics to provide private transportation. However, many questioned the company's ethics. Against this backdrop, she wondered which strategies Uber would adopt, and how the company would use emergent technologies to its advantage both in India and globally.

i Exchange rate was USD 1 = INR 63.47 as of July 18, 2015.

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