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| RESEARCH ARTICLE

The Elasticity of Convenience: An Empirical Investigation into Ride-Hailing Services and Transport Budget Allocation among Gen Z in Kathmandu.

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| ABSTRACT

This study examines the impact of ride-hailing service convenience on transport spending behavior among Generation Z in Kathmandu Valley using a mixed-method research design. Data collection was done from 54 respondents using a structured online questionnaire, along with an open-ended question to get insights into the subjective experience and perception of the respondents. Data analysis used were Descriptive Statistics, Pearson Correlation, Simple Linear Regression and Thematic Analysis. The results suggest that the respondents particularly valued easy access to the vehicle during emergencies and to save travel time and effort. The relationship between convenience of the ride-hailing service and spontaneous transport spending was moderately positive ($r = .536$, $p < .001$); and the regression analysis showed that convenience was a significant predictor of spontaneous spending ($\beta = .493$, $p < .001$, $R^2 = .287$). Additionally, financial impact results show that 51.8% agreed or strongly agreed that their transport expenses had increased as a result of ride-hailing, and 46.3% said that ride-hailing is a significant portion of their monthly transport budget. Qualitative responses further report that while ride-hailing services are widely valued for their convenience, yet users remain price sensitive as they are mostly students; so, to cope up with the limited budget, most of them seem to be making a selective usage of ride-hailing for specific purposes when cost or necessity is a concern. The study finds that the convenience of ride-hailing is correlated with increased spontaneous transportation expenditures for Generation Z, and the economic effect of ride-hailing differs by user based on need, availability and frequency of use. The study recommends improving driver availability, reducing ride-acceptance delays, ensuring clearer fare disclosure, strengthening safety measures, and enhancing coordination between ride-hailing operators and relevant authorities.

| KEYWORDS

Ride-hailing services; Service convenience; Transport spending behavior; Generation Z; Spontaneous spending; Kathmandu Valley; Urban mobility

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1. Introduction:-

Ride-hailing is one of the most important innovations, and passengers can use their smartphone apps to call for vehicles on demand, something that taxi and bus services may not offer, as well as providing a level of convenience (Rayle et al., 2016). In recent years, the development of mobile network connection and digital payment systems has made the rise of ride-hailing services a reality in cities around the world, and a feature of present-day urban transportation systems (Tirachini, 2020). A number of studies show that seamless booking, live tracking, transparency in fares and cashless payments are key elements that foster adoption and retention of these platforms (Lu and Wang, 2020; Tirachini, 2020). The increasing relevance of digital mobility for travel behavior is an issue that cannot be overlooked for researchers or transport policy makers, and the more it evolves and changes around the world, the more important it is.

The impact of ride-hailing is even more pronounced in the developed economies, where these services have firmly established themselves as a major way of getting from place to place around the city. Ride-hailing is extensively used for first and last mile connectivity in the US, for airport transfers and where other public transport options are less accessible (Rayle et al., 2016; Clewlow & Mishra, 2017). The effects of similar developments are seen in England and Wales, where the old taxi model has been significantly transformed by app-based mobility (Bilgin et al., 2023). In various European cities, ride-hailing has proved to be an improvement to the accessibility of travel and has been complementary to the existing transport systems, but congestion and sustainability issues are still being discussed (Tirachini, 2020). These findings together highlight the importance of convenience, flexibility and reliability as key factors of the uptake of ride-hailing in developed nations (Lu & Wang, 2020).

In many developing countries, the surge of urbanization, rising smartphone penetration, and the inadequacies of traditional mobility options have fueled the rise in ride-hailing services. It is evident from the literature that these platforms are gaining popularity among users as they are accessible, flexible and reliable options that cater to their daily mobility requirements in India, Indonesia and Malaysia (Raj et al., 2023; Inan et al., 2022; Lim & Fernandez, 2022; Meshram et al., 2024). These countries have varying infrastructures and economic climates, but studies always point to service convenience as a key driver behind the massive uptake of the ride-hailing service. The results indicate that convenience is an existing factor for app-based mobility, and this is true for all countries, irrespective of their developmental status.

Like most countries, Nepal is experiencing such a transition, particularly in the Kathmandu Valley, where there is growing dependence on a mode of transport that involves hiring individual vehicles, such as Pathao, inDrive, and Yango (Shahi, 2025). The quality of service, cost, technological accessibility, and user-friendliness have proved to be major determinants of the adoption of these platforms and to change the travel modes of urban commuters (Timilsena et al., 2025; Singh et al., 2025). Other factors including convenience and ease of using the service, its cost and reliability were also identified as determinants of satisfaction and service use for the younger users (Sikhrakar et al., 2024; Shrestha & Pradhan, 2025). In spite of this surge in research, there is limited knowledge on whether the convenience benefits of ride-hailing services also impact transport expenditure, especially among ride-hailing app users in Kathmandu Valley.

While many studies have focused on ride-hailing adoption, behavioral intention, customer satisfaction, and travel behavior both internationally and in Nepal (Timilsena et al., 2025; Singh et al., 2025; Sikhrakar et al., 2024), there is less attention in the literature on the financial influence of ride-hailing. This increased convenience could also impact consumption behavior. The ability to make a booking in mere seconds, one may be encouraged to make more frequent and impulsive decisions on travelling, which would otherwise not have been initiated. Compared to traditional public transit, ride-hailing generally involves more cost. This frequent use can cause the users' transportation costs to increase over time, without the users being aware. Generation Z is a generation of students or young professionals with a limited or fixed income, so transportation costs can limit their savings and effect on other expenses too. This is especially crucial for Generation Z users, who are tech-savvy and attracted to the convenience of digital services. Generation Z ‘s has been found to be highly motivated towards the adoption of digital on-demand services due to their busy lives, technological savvy and convenience preference (Priporas et al., 2017). This divide restricts the understanding of the overall economic impacts of digital mobility in emerging urban contexts like Kathmandu Valley.

Accordingly, this study proposes to examine the impact of convenience of the ride-hailing service on the transportation expenditure behavior of the Gen Z in Kathmandu valley, in response to this research gap. Specifically, it seeks to identify the convenience factors that contribute to the use of ride-hailing services, understand if those convenience factors contribute to higher transportation spending, and determine the extent to which ride-hailing expenditure contributes to Generation Z's monthly transportation budget. The study will focus on the user base of Generation Z in Kathmandu Valley, which has been heavily influenced by the emergence of these ride - hailing platforms and their impact on urban mobility. The results will expand the current body of research on digital mobility and consumer spending patterns, and inform how ride-hailing service providers, urban transport planners and urban mobility policy makers can create more efficient and user-centered urban mobility systems.

Literature Review:-

Review of the Literature from the Global Perspective

Ride-hailing is a technology-driven transportation option that has been recognized in previous studies as a service that has changed the way cities move people around the world (Rayle et al., 2016). Tirachini (2020) noted that ride-hailing has enhanced access to and transport convenience, as well as altered urban travel behavior due to its rapid growth. Similarly, Qiao et al. (2023) found ease of use, e.g., convenience in scheduling, real-time tracking, fare transparency and cashless payment, to be factors promoting the uptake of ride-hailing services. All of these studies indicate that convenience of the service is a key factor contributing to the growing popularity of ride-hailing.

Ride-hailing is typically employed for the first-and last-mile travel, to get to and from airports, and for trips that are less accessible by public transit in the United States (Rayle et al., 2016; Clewlow & Mishra, 2017). Likewise, Bilgin et al. (2023) found that the ride-hailing sector has dramatically changed the taxi industry in England and Wales. Some European cities also provide evidence that ride-hailing contributes to better access to transport and supports public transport, but with a mix of concerns about congestion (Cats et al., 2022; Tirachini, 2020). In summary, research in developed nations has consistently found convenience and flexibility to be important drivers of the uptake of ride-hailing services.

Ride-hailing has a decent prospect of becoming a popular alternative in India, as people are increasingly opting for this service, which is flexible and reliable, especially in metros (Raj et al., 2023; Meshram et al., 2024). Likewise, Inan et al. (2022) discovered that perceived benefits and ease of use significantly affects the adoption of ride-hailing services in Indonesia. In Malaysia, Lim and Fernandez (2022) found that people were more inclined to use ride-hailing services than traditional taxis service because of shorter waiting times, improved service quality and convenience in traveling. Even though the transportation environment and economic development vary across countries, there is a consistent finding across previous studies of service convenience as a motivator of ride-hailing use in developing countries.

Nepal and Kathmandu Valley Context

Studies have been conducted recently revealing that ride-hailing is an important element of urban mobility in Kathmandu Valley. Shahi (2025) pointed out that the most significant factors that affect the adoption of the ride-hailing service and changes in travel habits are service quality, technology adoption, cost sensitivity, and convenience. Similarly, Timilsena et al. (2025) identified that attitude and perceived behavioral control are shown to have a significant effect on the intention of the users to use ride-hailing service. Sikhrakar et al. (2024) concluded that user satisfaction is strongly impacted by service reliability, pricing, and the attitude of the drivers when the focus is on Generation Z. Overall, the studies generally agree that convenience and service quality are important determinants of riders' experiences and adoption of ride-hailing services in the Kathmandu Valley.

Theoretical Background of the Present Study

The present study relies on four theoretical frameworks to explain why the convenience of ride-hailing might impact their behaviors and purchasing of transportation: the Technology Acceptance Model (TAM), Theory of Planned Behavior (TPB), Sharing Economy and Platform Economy Theory, and Consumer Spending Behavior Theory. These theories together provide explanations for the process, from acceptance to utilization and decision making, of a digital transport service.

Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM) developed by Davis (1989) is a model that explains the acceptance and use of a technology. It is primarily based on perceived usefulness and perceived ease of use. The more they feel that it something useful and easy to use, the more likely people are to adopt a technology.

This concept is apt to ride-hailing. Customers can make a reservation via a mobile app, view the fare, monitor the driver and pay electronically without having to make a manual arrangement for transport. These features make the service useful and easy to use. For this Gen Z generation, who have grown up with the use of services through their smart phone, this convenience can lead to increased usage. In this context, TAM can be used to account for the drivers of the uptake and ongoing use of ride-hailing, and shifts in transport expenditure could impact adoption in the future.

Theory of Planned Behavior (TPB)

The Theory of Planned Behavior, proposed by Ajzen (1991), explains how people’s intentions lead to behavior. It delineates three components of intention: attitude, subjective norms and perceived behavioral control. In layman's terms, when people think positively about the behavior, if they think that other people think positively about the behavior, and if they think that they can do the behavior, then they are more likely to do it.

For users of ride-hailing, there could be a positive attitude, as they find the service convenient and time-saving. Group membership and social networks could also play a role in the adoption of app-based transportation, as could smartphone ownership, digital payment systems and smartphone usability. This is in line with the findings in Kathmandu Valley that attitude and perceived behavioral control can explain the behavioral intention that could result in repeated ride-hailing use (Timilsena et al., 2025). TPB thus helps in explaining the behavioral intention that can lead to repeated ride-hailing use.

Sharing Economy and Platform Economy Theory

The sharing economy and platform economy approach give an understanding of the way digital platforms are used to bring service providers and consumers together via technology. Ride-hailing is a good example of this model as it is a digital system that is used to match passengers with drivers and to organize the transportation. The model is based on features including access to services, real-time information and matching through the application (Botsman & Rogers, 2010).

The platform saves plenty of hassle for people using it when it comes to transporting themselves. Rides can be requested any time they are required and transportation is more accessible and flexible. This "on-demand" approach can render ride-hailing a habit for Generation Z but greater and more frequent access can also stimulate more trips.

Consumer Spending Behavior Theory

Consumer Spending Behavior Theory is a theory which explains the way people spend their money on various items based on the value of the items, the individual's needs, income, and preferences (Engel et al., 1968).

Transportation may not only be influenced by cost but time, convenience, and lifestyle may play a role as well for Generation Z. If ride-hailing is the quicker and easier route to take, the user may opt for convenience instead of the cheapest. Thus, increased demands for transportation may result with recurrent or ad hoc use. This angle is therefore significant to the current research as it links the users' transportation decisions to their overall expenditures, such as monthly expenditures, and budget allocation.

Theoretical Relevance to the Study

These collectively offer a theoretical framework for analysis of the possible effects of the convenience of the ride-hailing services on the transport spending behavior of Gen-Z people living in Kathmandu Valley. The theories in and of themselves do not show that convenience equals more expenditure. Instead, they outline the logic of the proposed functional link between convenience of the ride-hailing service and transport spending behavior.

Conceptual Review

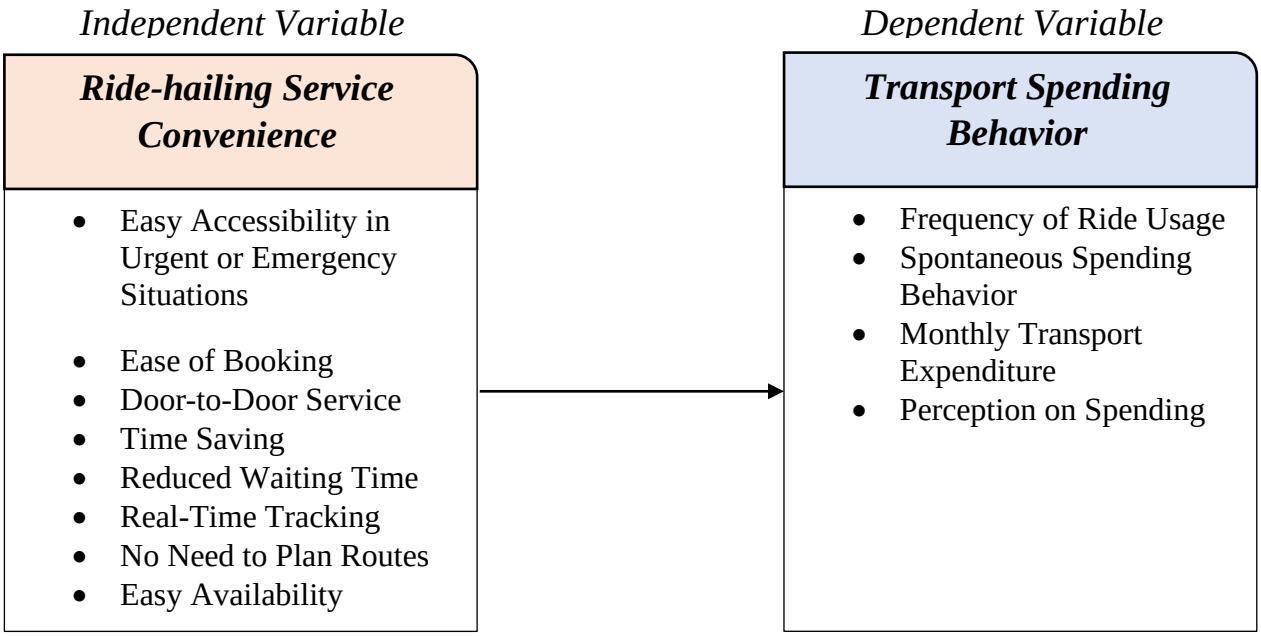


Figure 1 Conceptual Framework of the Study

The above figure of conceptual framework indicates that ride-hailing service convenience is the independent variable influencing the dependent variable, transport spending behavior. The convenience dimensions taken in this study include ease of booking, door-to-door service, reduced waiting time, real-time tracking, easy availability, easy accessibility during urgent situations, time-saving benefits, and the absence of route planning. These factors are expected to spur the use of ride-hailing services and influence users' transport spending behavior. The dependent variable is represented through the frequency of ride-hailing usage, spontaneous spending behavior, monthly transport expenditure, and users' perceptions regarding their spending on ride-hailing services.

Although ride-hailing services have gained popularity and are being widely used in the country of Nepal, there is a dearth of research on the relationship between ride-hailing service convenience and user spending patterns. The emphasis is generally on the technology adoption, service quality or operational issues, with lesser focus on the behavioral and financial aspects in the context of Nepal. This presents an opportunity to understand the impact of digital convenience on the spending activities of young people.

Method and Materials:-

Research Design

Here, in this study we've implemented a mixed-method research design, combining both quantitative and qualitative approaches to assess the impact of ride-hailing service convenience on transport spending among Generation Z in Kathmandu Valley where we used a descriptive and explanatory research design to describe respondents' ride-hailing usage patterns and to analyze the relationship between convenience factors and transport spending behavior respectively. As in qualitative approach, we also introduced open-ended question for the respondents to share their personal experiences and perceptions regarding ride-hailing

services, providing furthermore understanding of the quantitative findings. We used statistical techniques in the quantitative data analysis while the open-ended responses were reviewed and grouped into recurring themes in the qualitative data analysis.

Nature and Sources of Data

We have used primary data during our data collection phase. We prepared a structured online questionnaire through Google Forms to directly collect primary data from our respondents. The questionnaire collected data on the demographic profile of respondents, frequency of ride-hailing use, convenience aspects, transportation expenditures and perceptions overall.

Population, Sampling Method and Sample Size

The study sample includes the population of Generation Z of Kathmandu Valley who have already used or are using ride-hailing at present. The National Population and Housing Census 2021 has not released any separate population counts for Generation Z in Kathmandu Valley, so we worked out the target population based on the official data of the five-year age group (15-19, 20-24, and 25-29 years) for Kathmandu, Lalitpur and Bhaktapur districts (National Statistics Office [NSO], 2023). Based on this derivation, the approximate target population was 921,112 people.

Since it was next to impossible to get response from the entire approximate population, a non-probability convenience sampling method was adopted. For the target population based on 95% confidence level, a 5% margin of error, and a 50% response distribution, the online sample size calculator recommended us the minimum sample size of 385 respondents. However, due to time, resource and accessibility constraints, we succeeded data collection from 54 respondents and thus these responses were used for the further analysis. The small sample size (n=54) is a major limitation in this study, which is significantly below the recommended number of 385 respondents. This means the results of this study can only be considered preliminary and exploratory and should not be considered as definitive until further research with a larger, more representative sample is conducted.

Data Collection Method

First of all, we prepared a structured questionnaire through an online survey using Google Forms. Then, we shared the questionnaire link various online platforms and social media around our personal network. Respondents voluntarily participated in the survey as they were pre- informed about the purpose of the study. We also reviewed and organized the collected responses before analysis.

Questionnaire Construction

We organized the questionnaire in five sections. The first part was data responses on age, sex, education, and occupation. The second part contained questions about usage patterns of ride-hailing, such as how often they use ride-hailing, which ride-hailing platform they use, and the amount they spent on transportation on average. The third section assessed respondents' perspectives of the ride-hailing service convenience on a five-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The fourth section had questions which dealt with the impact of ride-hailing convenience with the spontaneous transport spending behavior of the respondents. Then, our final section contained questions related to the impact of ride-hailing

spending on their monthly budget, including their perceptions on it as well. The questionnaire was designed in a manner so as to make it clear, simple and relevant in the context of the research objectives.

Data Analysis Tools and Techniques

Responses collected were then coded numerically (1 to 5) and entered in the computer program MS Excel for analysis. Descriptive statistical tools such as frequency, percentage, mean, and standard deviation were used to summarize respondents' demographic characteristics and perceptions regarding ride-hailing convenience on transport spending and its impact on monthly budget. After that, Pearson correlation analysis was used to evaluate the relationship between ride-hailing convenience and transport spending behavior. Along with that, simple linear regression analysis was also performed to determine the extent to which ride-hailing service convenience influences transport spending among Generation Z respondents. Lastly, we also employed review and grouping into recurring themes of the personal experiences, respondents shared with us.

Result and Discussion

Table 1 Demographic Characteristics of the Respondents

Characteristic	*Category*	*Frequency (n)*	*Percentage (%)*
Age	18-20 years	21	38.9
	21-23 years	31	57.4
	24-27 years	2	3.7
Gender	Female	38	70.4
	Male	16	29.6
Education	High School	4	7.4
	Bachelor’s	49	90.7
	Master’s	1	1.9
Employment Status	Student	43	79.6
	Employment	7	13.0
	Self-employed	2	3.7
	Unemployed	2	3.7
Monthly Income/ Allowance	Less than NPR 5,000	31	57.4
	NPR 5,000-10,000	6	11.1
	NPR 10,000-20,000	9	16.7
	NPR 20,000-30,000	4	7.4
	Above NPR 30,000	4	7.4

The sample comprised 54 respondents with the biggest age group being 21-23 years (31 respondents). The majority (38) were female, 49 were studying at the bachelor's level and 43 were studying as a student.

Majority of the respondents (31) had monthly income or allowance less than NPR 5,000 which suggested that the respondents were mostly young people with limited income and allowance.

Table 2 Ride-Hailing Usage Patterns of Respondents

Usage Characteristic	*Category*	*Number of Respondents (n)*
Most Frequently Used Platform	Yango	27
	inDrive	22
	Pathao	5
Regular User	Yes	34
	No	20
Frequency of Use	Daily	5
	Several times a week	21
	Once a week	6
	Few times a month	12
	Rarely	10
Trips per Week	0-1	17
	2-3	27
	4-6	8
	10+	2
Main Purpose of Use	College/Work	18
	Emergencies	21
	Social outings	11
	Short-distance travel	4

The pattern of use shows that the respondents had experience using ride-hailing services. Out of 54 total responses, Yango was the most popular platform used (27 respondents), followed by inDrive (22) and 34 respondents (63%) said they used it on a regular basis. The majority of respondents reported having multiple ride-hailing trips each week, with the majority of this group having 2-3 trips each week (27). The most frequent use was in emergencies (21), followed by travel for college or work (18). Overall, the results indicate that ride-hailing was adopted not only to meet basic mobility needs, but also when the service was more needed when it took priority in terms of speed, availability and need.

Table 3 Descriptive Statistics of Ride-Hailing Service Convenience

Service convenience statement	*N*	*Mean*	*SD*
I prefer ride-hailing during urgent or emergency situations.	54	4.02	1.04
Booking a ride-hailing service is quick and easy.	54	3.85	0.94
Door-to-door service makes ride-hailing more convenient for me.	54	3.81	0.80
Ride-hailing saves me significant travel time.	54	3.76	1.03
Ride-hailing reduces my waiting time compared to other transport options.	54	3.74	0.87
Real-time tracking increases my confidence in using ride-hailing services.	54	3.72	0.94
I do not need to plan travel routes when using ride-hailing services.	54	3.61	0.88
Ride-hailing services are easily available when I need them.	54	3.35	0.97

The overall results indicate that respondents view ride-hailing services as convenient, especially in emergency situations (M = 4.02), when it is essential to arrive quickly. The other highly rated attributes - quick booking (M = 3.85), door-to-door service (M = 3.81) and time saving (M = 3.76) - reflecting the importance of speed and reduced travel effort in the perspective of convenience to people. In contrast, easy availability had the lowest mean (M = 3.35), indicating that the respondents might not have easy access to the ride-hailing service at all times when they need it.

Relationship Between Ride-Hailing Convenience and Spontaneous Transport Spending

Table 4 Convenience-Related Spontaneous Spending Behavior of Respondents

Statement	***Strongly Disagree n (%)***	***Disagree n (%)***	***Neutral n (%)***	***Agree n (%)***	***Strongly Agree n (%)***
I often book rides without thinking of their cost but because of their convenience.	5 (9.3%)	13 (24.1%)	17 (31.5%)	12 (22.2%)	7 (13.0%)
Convenience makes me use ride-hailing more often than needed.	6 (11.1%)	4 (7.4%)	21 (38.9%)	17 (31.5%)	6 (11.1%)
I use ride-hailing even for short distances.	7 (13.0%)	18 (33.3%)	14 (25.9%)	13 (24.1%)	2 (3.7%)
Convenience matters more than cost when choosing transport.	1 (1.9%)	11 (20.4%)	21 (38.9%)	19 (35.2%)	2 (3.7%)
I think I spend more on transportation than I actually need to because of ride-hailing convenience.	6 (11.1%)	6 (11.1%)	18 (33.3%)	17 (31.5%)	7 (13.0%)
Even when ride-hailing prices increase due to demand or peak time, I continue to use it because of its convenience.	5 (9.3%)	7 (13.0%)	18 (33.3%)	22 (40.7%)	2 (3.7%)

Note. N = 54. Percentages are based on the total number of valid respondents. Responses were measured on a five-point Likert scale (1 = Strongly Disagree, 5 = Strongly Agree).

The responses depict the nuanced effect of convenience on spontaneous transportation expenditures. Convenience seems to drive more usage of ride-hailing and increased willingness to spend, as 42.6% said they used ride-hailing services more than they needed to due to convenience and 44.5% indicated that they spend more on transportation than necessary because of ride-hailing convenience. Likewise, 44.4% said

they still ride-hail even if fares are higher at moments of high demand due to its convenience. Still, respondents weren't ignoring the cost issue completely: just 35.2% said they booked rides without taking cost into account and only 27.8% said they used ride-hailing services for short trips. The results indicate that convenience may be an influence that leads to more use and increased expenditures, especially if there is adequate value for the user, yet convenience also acts in conjunction with cost and trip necessity.

Table 5 Correlation Between Ride-Hailing Service Convenience and Spontaneous Spending

Variables	*Service convenience*	*Spontaneous spending*
Service convenience	1.000	**0.536**
Spontaneous spending	**0.536**	1.000

Note. Pearson correlation; N = 54.

As the results demonstrate, there is a moderate positive correlation between convenience of the ride-hailing service and spontaneous spending (r = 0.536). This suggests those who find ride-hailing as convenient also tend to report higher spontaneous spending.

Table 6 Regression Results of Service Convenience on Spontaneous Spending

Model statistic	*Value*
R	0.536
R^2	0.287
Adjusted R^2	0.274
F	20.96
p-value (model)	< .001
β (Service convenience)	0.493
p-value (β)	< .001

Note. N = 54

The regression analysis also confirmed that the convenience of the ride-hailing services is significantly associated with spontaneous transport expenditure. The model was statistically significant ($F = 20.96$; $p < .001$), and had a positive regression coefficient for service convenience ($\beta = 0.493$; $p < .001$). The R^2 value, which is equal to 0.287, indicates service convenience explains 28.7% of the variation in spontaneous spending, while the remaining 71.3% may be attributed to other factors not included in the model. The positive sign indicates that increased convenience is associated with increased spontaneous spending. This is supported by the descriptive responses, as users reported that the time saving, flexibility, and convenience of ride-hailing might make it more likely to use and spend on it, but many **still remain sensitive to price and use the service selectively when cost is an important consideration.**

Table 7 Financial Impact of Ride-Hailing on Transport Spending

Statement	*Strongly Disagree n (%)*	*Disagree n (%)*	*Neutral n (%)*	*Agree n (%)*	*Strongly Agree n (%)*

My transport spending has increased greatly due to ride-hailing usage.	3 (5.6%)	3 (5.6%)	20 (37.0%)	20 (37.0%)	8 (14.8%)
My monthly spending on ride-hailing is a noticeable part of my budget.	2 (3.7%)	8 (14.8%)	19 (35.2%)	21 (38.9%)	4 (7.4%)

Note. N = 54. Responses were measured on a five-point Likert scale (1 = Strongly Disagree, 5 = Strongly Agree).

The findings show that ride-hailing has a noticeable financial dimension for respondents. Almost half (46.3%) reported that spending on ride-hailing represented a noticeable share of their monthly transportation budget and 51.8% agreed or strongly agreed that their transport spending has gone up since using ride-hailing. The scores of neutral responses (37.0% and 35.2%, respectively) indicate that this financial impact is not uniform among the respondents.

Qualitative Analysis of Respondents' Open-Ended Opinion:-

The open-ended questions were also very informative in uncovering the personal opinions of the respondents with regard to ride-hailing services. Six themes emerged from the responses: convenience and time-saving, emergency and urgent use, higher transportation costs, selective use and cost sensitivity, cost and service quality, and safety and regulatory issues. Attitudes toward ride-hailing were, in general, favorable with the most frequent response being convenience. Many participants also noted *how useful these services were during emergency situations, at nighttime or when public transport was not available* while also highlighting concerns about its financial implications and service limitations.

The convenience, time-saving and emergency use were found to be the prominent positive features of ride-hailing services. When asked about the utility of ride-hailing, respondents often referred to it as convenient, quick, comfortable, flexible, and accessible, especially when they didn't have access to public transit or when they were late. One respondent stated, *"Ride-hailing service really save our time. When I'm getting late and I need to book ride I don't think too much about money but when I'm travelling in short distance and cost is high, I don't feel it worthy."* Another respondent explained that ride-hailing is particularly valuable during emergencies, noting that it is useful when *"The time is more important than the cost."* These responses indicate that users are willing to accept a higher transportation cost whentop w the service provides immediate and practical value.

The topmost concern many among respondents was cost and increased transportation expenditure. Some of the participants reported that they were spending more on transportation as they used these services more often than public transportation. One respondent observed that ride-hailing *"It can quietly drain your budget if used too often instead of public transit,"* while another stated, *"I think I spend much on transportation."* Respondents also mentioned high and variable fares, especially at peak times, and some said *that they sometimes had to pay more than they expected to pay for rides.* However, no indication that users were

seeing ride-hailing as completely undesirable because of its cost. Rather, many viewed an extra cost as worth it if the convenience, safety, or emergency accessibility was the reason.

Another related theme was selective use and budget consciousness. Many respondents said that they chose to use a ride-hail service only when they need to and use alternative, cheaper ways for regular travel. One respondent stated, *"I try to use ride-hailing services only when necessary to manage my budget effectively,"* and another explaining, *"I use ride-hailing when it is in my extreme emergency."* This implies that respondents try to strike a balance between convenience and affordability, not making ride-hailing as their go-to option. Meanwhile, some respondents admitted that *convenience is generally driving unnecessary travel or spending*, indicating that convenience itself can pose a financial challenge if usage is frequent or untimely.

A number of additional service quality and safety issues were also raised in the responses, but these were not as prominent as convenience and cost. A few respondents were having *trouble with availability and delay in the acceptance of rides, one of which commented that it was sometimes hard to get a ride, sometimes had to wait for one to be accepted.* One respondent reported that *confusion regarding pickup locations from the drivers could lead to unnecessary delays and additional charges.* Safety was also identified as a concern, especially when travelling at night, with one response stating, *"It must be safer for night time".* A smaller number of responses also *emphasized the need for stronger government involvement in areas such as fare management, vehicle regulation, taxation, and service oversight* as one of the respondents also said *"I think most ride-sharing companies are currently competing to attract the highest number of passengers. Although ride-sharing services have made transportation more convenient in Nepal, they are still not being properly managed under a well-structured framework by the government. If the government and the companies work together to properly manage issues such as vehicle regulations, fare management, and tax administration, ride-sharing services in Nepal could become much more reliable, efficient, and accessible than they are today."* Although these are fewer common issues, they highlight a number of areas that could be improved to deliver a better experience for users.

The overall qualitative results corroborate the quantitative results and indicate that convenience is the main value the users attribute to ride-hailing, and that cost is the main factor which restricts frequent use. The responses further suggest that users do not view convenience and affordability as mutually exclusive; instead, they make situational decisions, accepting higher costs when time, urgency, safety, or accessibility makes ride-hailing worthwhile. Therefore, the qualitative evidence has contributed in offering a nuanced understanding of the link between ride-hailing convenience and transport expenditure of Generation Z in Kathmandu Valley. To sum up, the qualitative responses suggest that while ride-hailing services are widely valued for their convenience, users still remain price sensitive as they are mostly students; so, to cope up with the limited budget, most of them seem to be making a selective usage of ride-hailing for specific purposes.

Discussion:-

Results are similar to those of previous studies that have identified convenience as a key determinant for using ride-hailing services. Time saving, easy booking, ease of access and flexibility, were valued by respondents, similar to Rayle et al. (2016) and Lim and Fernandez (2022), who highlighted the convenience of the service, reduced waiting time and ease of access as significant benefits of ride-hailing. The result

aligns with Shrestha and Pradhan (2025), who found convenience, ease of use, and time management to be important factors affecting the attitude of the youths towards the ride-hailing in Kathmandu.

The findings also provide evidence of a **financial dimension to ride-hailing convenience.** Respondents reported increased transport spending and a noticeable contribution of ride-hailing to their monthly budgets, which is consistent with Clewlow and Mishra (2017), who linked ride-hailing with increased travel frequency and overall transportation spending. At the same time, the relevance of price found by Sikhrakar et al. (2024) among Generation Z users in Kathmandu Valley supports the present finding that users weigh convenience against cost. **Thus, this study extends the existing literature by connecting the convenience of ride-hailing with its perceived implications for transport spending among Generation Z in Kathmandu Valley.**

Conclusion and Recommendations:-

The study concludes that the convenience of ride-hailing service has a significant association with spontaneous transport expenditures among Generation Z in Kathmandu Valley. Service convenience is found to have moderate positive association with the spontaneous spending ($r = 0.536$, $p < .001$) and that it significantly predicts spontaneous spending ($\beta = 0.493$, $p < .001$); with the model explaining 28.7% of the variance in spontaneous spending ($R^2 = 0.287$). The qualitative responses further show that respondents' attitudes toward ride-hailing were, in general, favorable with the most frequent response highlighting convenience, particularly the emergency help, speed and time saving. At the same time, they were mindful on the fact that frequent use can cause increased transport expenditure and thus often balance convenience against cost. The descriptive findings further indicate a financial dimension to this behavior. Almost half (46.3%) reported that spending on ride-hailing represented a noticeable share of their monthly transportation budget and 51.8% agreed or strongly agreed that their transport spending has gone up since using ride-hailing. The scores of neutral responses (37.0% and 35.2%, respectively) indicate that this financial impact is not uniform among the respondents

The recommendations evolving out of the experiences of the respondents are as follows: Users repeatedly reported the usefulness of ride-hailing convenience during urgent or emergency situations or when public transportation is not easily available; but at the same time, some of them also reported that rides are not always readily available and that requests sometimes consume more time to be accepted by the drivers. Hence, improving the driver availability and minimizing acceptance delays of the ride can directly address in one way. High, fluctuating and peak hour fares were mentioned by several respondents as concerns, including paying more than expected occasionally; clearer advance disclosure of fare changes and peak-hour pricing would allow users to understand the actual cost before confirming a ride. A respondent noted that confusion about pickup/location can cause unnecessary delays and additional cost. **Better pickup-location confirmation and clearer communication between riders and drivers could reduce avoidable delays and associated charges.** When accepting ride, concerns regarding passenger safety, particularly during night travel, suggest the need to **strengthen existing safety measures for late-night and emergency trips.** Finally, respondents' concerns regarding fare management, vehicle operations, and industry oversight indicate that **greater coordination between ride-hailing operators and relevant authorities could support practical standards for pricing, safety, vehicle operations, and service quality in Kathmandu Valley.**

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