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Digitalization and Enterprise Performance in the Gig Economy: A Dual-Perspective Study of Sri Lanka's Ride-Hailing Market

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ABSTRACT

This study investigates how digital tools, technology, automation, and customer interactions through digital platforms influence PickMe's performance from the perspectives of both drivers and customers. Using a structured questionnaire with 5-point Likert-scale items, data were collected from 110 respondents in Sri Lanka, comprising 50 customers and 60 drivers. The data were analysed using descriptive statistics, correlation, and multiple regression analysis in SPSS. Findings reveal significant differences in stakeholder perceptions. For customers, interactions via digital platforms were the strongest predictor of performance, whereas for drivers, digital tools had the greatest impact. The study suggests that PickMe should enhance interactive customer features while modernizing driver-oriented digital tools. Theoretically, the findings extend the Resource-Based View by demonstrating the context-dependent value of digital assets across stakeholder groups.

Keywords: Digitalization, Emerging Markets, Enterprise Performance, Ride-Hailing Industry, Stakeholder Perspective

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INTRODUCTION

The significant impact of digital technology on businesses today is transforming how people around the world think about operations management and value creation. People usually call this transformation the Fourth Industrial Revolution. It's not just about adopting new technology; it's also about changing how businesses operate, engage with customers, and stay competitive in a market that is becoming increasingly complex (Jensen, 2024). This transition has been driven by improved access to cutting-edge digital tools such as cloud computing, big data analytics, and artificial intelligence, which help businesses streamline operations, reduce costs, and make better decisions. This tendency has caused many problems in the service industry, where platform-based business models have transformed entire industries (Bairstow, 2024). The economy of Sri Lanka is a good example of this global trend. Strong systems are important here, as political instability can undermine service performance, but higher income can help (Dangalla & Prabuddha, 2024). Similarly, research in the Sri Lankan agro-tourism industry highlights that income level acts as a critical mediator between work experience and employee satisfaction, underscoring the financial drivers of performance in the service sector (Weerasinghe et al., 2023). There, a vibrant digital ecology has taken hold. The digital transformation is primarily occurring in service-based sectors, especially in ride-hailing and logistics. PickMe and other companies like it are some of the best in this field. It is a local business that has successfully built a complex digital platform at the heart of its operations. PickMe uses a smartphone app to connect and map a wide range of consumers, drivers, and service providers. This used to be a very disorganized and wasteful procedure. The company's digital innovations, such as real-time GPS monitoring, easy in-app purchases, and fast feedback systems, have made things easier and more efficient for its clients (Pakeerathan et al., 2022). PickMe is growing, but its biggest problem is figuring out how to use this complex digital setup sensibly, not just for everyday jobs but also as a long-term means to stay ahead in a competitive industry.

Also, we still don't know for sure what the real effects of digitalization on business performance are, even though digital platforms like PickMe are clearly very successful, especially in emerging markets like Sri Lanka (Ruvishani & Kariyapperuma, 2021). Many people think that digitalization is good for them, but there isn't enough scientific study to back up these claims. This issue is essential because, in the lack of good data, strategic decisions about resource allocation and investment in technology are typically made on the

basis of more supposition than evidence. However, here one of the primary drawbacks is that it is not possible to do so in a systematic manner by tracing and correlating particular digital technologies with direct or indirect effects on performance measures. For instance, it remains an open question just how PickMe's digital transformation has resulted in demonstrable improvements in operational effectiveness, spectacular increases in customer happiness, or the emergence of true competitive advantages (Thilakarathne & Jayaratne, 2019). The existing information base is generously defined as good but is anecdotal at best and does not give the depth of empirical foundation needed for properly informed strategy planning (Jayasingha & Dayangana, 2022). This leaves crucial questions unresolved, creating a gap in the literature that cannot be effectively addressed by this kind of spin on how and where value is created and perceived within this digital environment.

The primary research question in this study is, "Does digitalization lead to improved enterprise performance in the case of PickMe?" Based on these factors, researchers seek answers.

To close this gap and go beyond informal observations, this study aims to achieve several specific goals. "To evaluate the effects of digitalization on PickMe's operational efficiency, focusing on the perspectives of drivers and the tools they utilize" is the first. The final goal is "To investigate how PickMe's digital tools contribute to a sustainable competitive advantage by analyzing the relationship between digitalization variables and overall enterprise performance." The second goal is to evaluate customer satisfaction with PickMe's digital platform and identify the critical digital touchpoints that create user experience.

In terms of significance, the results of this study can represent a leap forward for both professional practice and academic theory. From an academic point of view, this study will assist in enriching the ever-growing body of knowledge on digital transformation, particularly in emerging economies, a topic that has not been much emphasized on. It fills a significant need by providing a careful look at PickMe, which offers vital, real-world insights into the specific opportunities and limitations of selling goods online in a developing nation like Sri Lanka. This study will furthermore present real-world evidence that is not available right now by closely examining the direct link between digital help and how successfully things are done. Other than these, the more details that arrive will provide a more advanced view than what is available now

by illustrating how different people, including buyers and drivers, value the worth of various digital plans (Oke, 2024). In practical terms, the findings will matter a lot to firms, players, and lawmakers. The study shall provide PickMe and comparable firms with a data-driven foundation to strengthen their digital strategy, maximize their technology investments, and promote long-term success. Additionally, this research will be crucial for policymakers in understanding how digitalization drives the national economy and, in turn, may help shape legislation that encourages investment in digital infrastructure and fosters an inventive atmosphere. Therefore, this paper will provide a sharp and practical understanding of how technology can be strategically leveraged to really create value for the firm and its whole user ecosystem and the greater economy by analyzing the complex effects of digitalization on a leading platform-based enterprise (Satorra & Paunov, 2019).

LITERATURE REVIEW

Theoretical background of the Study

The explanations for how digitalization affects corporate performance are presented in this study together with its theoretical underpinnings, which are derived from several significant frameworks. These frameworks can help you understand how using digital tools and technology leads to improved customer satisfaction, enhanced operational efficiency, and long-lasting competitive advantages. The firm's resources and capabilities, assuming they constitute the core of a firm's competitive advantage, provide a crucial framework within the RBV. As part of digitalization, technology infrastructure, digital platforms, and data analytics resources are crucial business assets that improve operations, simplify processes, and meet customer demands. Because these digital resources are rare, unclear, and challenging for competitors to copy, they enable organizations sustain a competitive advantage over time (Kaufman, 2015).

According to the Dynamic Capability Theory, a company's ability to integrate, develop, and reconfigure its capabilities dynamically depends on its capacity to swiftly adapt to its environment. Thanks to digitization, businesses may quickly modify their operations, products, and services to satisfy customer needs and market trends. In the present era of rapid technological advancement, businesses must adapt their digital capabilities to remain competitive and respond to external changes to build or maintain a market position (Sainsbury,

2020). The Technology Acceptance paradigm (TAM) is another important paradigm for explaining how people use digital technology. Technology is accepted to the extent that it is perceived as advantageous and easier to use, according to TAM. For digital platforms to operate in a corporate setting, they must be easy to use for both external users (customers) and internal users (workers). Gayathri and Buvaneswari (2019) claim that when digital technologies are simple to use and offer substantial advantages such as cost savings and greater convenience, their adoption rate increases, leading to higher customer satisfaction and corporate success. When examining how digitalization impacts competitive dynamics, Porter's Five Forces theory is also essential. Digital technologies increase buyer power, lower barriers to entry, or offer substitutes that give competitors new ways to compete. By enabling firms that apply technology to adopt a more secure posture against competing organizations through operational performance, consumer interaction, and distinctive offerings, digitalization can shift the pools of forces within an industry (Dobbs, 2014). Together, these theoretical frameworks provide a comprehensive understanding of how business performance is impacted by digitization. First of all, it makes it simpler for people to comprehend how companies may employ digital technology to enhance customer experiences, reorganize processes, and compete in an increasingly digital environment.

Digitalization

"Digitalization" refers to the integration and application of digital technology to improve operational effectiveness, efficiency, and/or service delivery. The idea is to automate, streamline, and transform business operations using technologies such as cloud computing, artificial intelligence (AI), machine learning, big data analytics, and the Internet of Things (IoT). Unlike basic digitization, digitalization involves using digital technologies to fully change a company model in order to achieve considerably greater levels of efficiency, customer satisfaction, and competition than in the pre-digital period (Ruvishani & Kariyapperuma, 2021). Now more than ever, a company has to digitize its activities. In the first place, it facilitates firms' efforts to improve internal operations, such as production, logistics, and resource management; in the second place, it enables them to interact more successfully with external stakeholders, such as suppliers, partners, and customers. Digital technology, for example, enables firms to monitor stocks in real time, attempt to automate repetitive procedures, and collect data that will help them understand market trends, consumer behavior, etc. Thilakarathnea1 and Jayaratneb (2019) state

that this data may then be used to target clients more accurately, make more data-driven choices, and offer better services to satisfy their changing demands.

Digitalization is one of its best qualities for increasing operational efficiency. By automating manual operations, businesses may lower costs, increase productivity, decrease human error, and more. Businesses may more effectively coordinate and integrate functions such as marketing, sales, and finance into a single system through technologies like enterprise resource planning (ERP) systems and customer relationship management (CRM) platforms. It enables faster, more seamless customer service and increases internal efficiency (Jayasingha & Dayangana, 2022). The fact that digitization significantly raises customer satisfaction is another well-known consequence. This is made possible by the company's use of digital channels, including social media, websites, and mobile applications, which enable it to interact with customers in real time, provide tailored services, and offer far more convenient ways to engage with its brand. AI-enabled chatbots, for example, may give speedy customer support, whilst mobile applications let consumers receive services from anywhere, at any time. These all improve customer satisfaction, convenience, and loyalty, all of which directly support business growth (Jayasingha & Dayangana, 2022). Additionally, digitization broadens a company's reach into new markets and boosts its competitive edge. Businesses that employ digital marketing tactics, such as social media marketing, search engine optimization (SEO), and targeted advertising, are very successful in reaching a bigger audience and focusing their marketing efforts on certain demographics (Ruvishani & Kariyapperuma, 2021). Similarly, by effectively influencing travel intentions, social media influencers have a substantial potential to increase awareness of ride-hailing services (Prabuddha & Dangalla, 2025).

Digital Tools and Enterprise Performance

The utilization of digital technologies improves the company's operations, processes, and client relationships. Because they facilitate automation, data analysis, communication, and resource management, these technologies are crucial for digitalization. By using these technologies, businesses may run more efficiently, make data-driven decisions, and offer better customer service (Iyamu et al., 2021). Platforms for cooperation and communication are among the primary categories of digital technologies. These include tools like Microsoft Teams, Zoom, and Slack that make it easy for staff

members to collaborate and communicate in real time, even when physical location is an issue. However, they also offer remote work, efficient information sharing, and team collaboration (Vrana & Singh, 2021). However, firms that wish to use data to make intelligent decisions must have access to data analytics tools. Businesses may utilize technologies like Google Analytics, Tableau, and Power BI to analyze market trends, sales success statistics, and customer activity. By using these technologies, businesses may improve operational efficiency, predict purchases, and optimize their strategy (Schaupp, Abele, and Metternich, 2017). CRM platforms that let businesses track customer interactions include HubSpot and Salesforce. Increased customer satisfaction and engagement result from these systems' focus on customer data, monitoring of conversations, and automation of follow-up procedures. Therefore, CRM technology is crucial for both achieving sales objectives and building and sustaining customer relationships (Schaupp et al., 2017).

Enterprise resource planning, or ERP, is the process of integrating several business activities, such as finance, inventories, and human resources, into a single system. ERP systems, such as SAP and Oracle, improve departmental cooperation, lower operational mistakes, and provide you with a real-time view of your business's performance. This integration decreases expenditures and streamlines the administration of corporate processes, eventually enabling organizations in making better decisions (Vrana & Singh, 2021). Digitalization and automation tools are equally important. Automation technologies that eliminate the need for human support in repetitive customer care or marketing outreach tasks include chatbots and automated email marketing systems. In addition to increasing productivity, it makes it easier for clients to receive timely replies (Schaupp, Abele, and Metternich, 2017). To sum up, digital tools are critical to a business's success because they enable effective operations, client engagement, and, above all, staying ahead of the digitalization curve. By using these technologies, we can work together more efficiently and share knowledge that companies may utilize to expand and change (Iyamu et al., 2021). Additionally, studies in the hospitality business reveal that autonomy boosts performance, suggesting that drivers gain a great deal from self-managing digital tools (Dangalla et al., 2025).

Digital technology, such as data analytics software and communication tools, has been shown in several studies to have a significant role in boosting consumer participation and operational performance. As a result, it is reasonable to assume that customers and drivers will progressively embrace

these technologies, thereby improving the overall performance of the business. Despite its importance, there isn't enough concrete evidence to show the impact these technologies have on the ride-hailing industry in Sri Lanka. Thus, this investigation advances the hypotheses "H1: Digital Tools from a Consumer Perspective Have a Positive Impact on Enterprise Performance" and "H5: Digital Tools from a Driver Perspective Have a Positive Impact on Enterprise Performance".

Technologies and Enterprise Performance

Think of digitalization as a service that lets businesses utilize technology to innovate, optimize processes, and enhance customer experiences. When new technologies are developed more quickly, businesses find it easier to adapt their business models, boost productivity, and respond efficiently to market needs. Cloud computing, artificial intelligence (AI), machine learning, the Internet of Things (IoT), and a new technology called blockchain are important technologies that support or accelerate the process of digitalization (Lvovich Vasilev et al., 2020). One of the most cutting-edge technologies in recent years is cloud computing. Instead of using local servers to store and retrieve data, businesses may use the internet. The stand is flexible and scalable because companies pay only for the computing resources they use. Any firm can run programs, manage data, and communicate with the team from any location at any time, thanks to cloud platforms such as Google Cloud, Microsoft Azure, and Amazon Web Services (AWS). Similarly, cloud computing provides data security, disaster recovery, and smooth software upgrades (Reis et al., 2020). Although the term is not new, data and how businesses utilize it have never been more intriguing or in need of technology. Artificial intelligence (AI) and machine learning are disrupting data management and business decision-making. The capacity of robots to imitate human intellect is known as AI. For example, they may perform a variety of tasks, such as natural language processing, audio recognition, and image analysis. Machine learning is a particular kind of AI that enables machines to change their behavior based on prior experiences. Process automation, chatbots for customer support, and predictive analytics are all made possible by these technologies. Artificial intelligence (AI), machine learning, and augmented reality are examples of cutting-edge technologies that businesses may use to personalize, make better decisions, and run more efficiently (Almeida et al., 2020; Prabuddha et al., 2024).

The term "Internet of Things" (IoT) refers to the ability of physical items connected to the internet to collect and share data. Businesses use IoT devices to manage inventory, monitor equipment, and improve operations. However, while smart sensors in warehouses can identify exact inventory levels, smart devices in production can assess equipment condition and reduce downtime through planned maintenance. IoT helps organizations to monitor operations in real time and construct more intelligent and effective systems (Mentsiev et al., 2020). A transparent and secure method of recording transactions is used in a sector that blockchain is revolutionizing. The supply chain, financing, and contracts are where the value is most apparent. Because of its ability to securely and pertinently track products and services, as well as its promise to guarantee data integrity and combat fraud through decentralized ledgers, blockchain technology is very attractive to companies. Blockchain has enabled secure transactions in sectors like finance by eliminating intermediaries, reducing costs and expediting processes (Vasilev & Rafisovich, 2020).

The study backs up claims that artificial intelligence (AI), cloud computing, and the Internet of Things (IoT) are significant digitalization accelerators that let companies innovate and even alter their business models. Furthermore, a successful digital business is said to be built on a mix of technologies. Therefore, it is expected that PickMe's corporate performance would benefit from having such state-of-the-art technologies on its platform. These lead us to the conclusion that there is no information available on the specific performance impact of these background technologies as experienced by end users, such as drivers or customers. As a result, the following theories were developed: "H2: Technologies positively impact Enterprise Performance from the customer viewpoint," and "H6: Technologies positively impact Enterprise Performance from the driver viewpoint."

Automation and Enterprise Performance

Digitalization makes automation feasible, which businesses may use to boost profits, simplify procedures, boost output, and reduce the possibility of human error. In order to improve resource allocation, enhance productivity, and minimize operational expenditures, firms can also adopt this method to automate repetitive processes. Automation technologies have grown enterprises to the point where large-scale, precise, and rapid commercial processes are now feasible (Demerouti, 2022). One of the most widely used automation technologies is robotic process automation, or RPA. Data input, transaction

processing, and customer queries are examples of repetitive, rule-based tasks that are automated by a "bot" or software robot in RPA. By employing these bots, employees may finish tasks faster and more precisely than humans, freeing them up to interact or form opinions. Businesses in most industries, including banking, healthcare, and customer service, employ RPA to automate administrative tasks and back-office procedures (Viale & Zouari, 2020). Intelligent automation is different from RPA in that it combines automated operations with machine learning (ML) and artificial intelligence (AI). When combined, they allow businesses to automate more tasks like data analysis, content production, and even customer support that call for a bit more ability or even decision-making and problem-solving abilities, instead of machine learning. Responding to consumer questions, analyzing comments, and other jobs might be greatly aided by AI. Data shows that when you provide your clients a customized answer, they are happy. By utilizing these intelligent automation technologies, which learn from data patterns and enhance performance over time, businesses may optimize customer interactions and lessen their need on people (Sam, Mira, and Kai, 2022).

One of the best examples of how businesses have benefited from automation is supply chain automation. Modern supply chain management requires computerized inventory management, predictive analytics, and order fulfillment technologies. Demand forecasting allows automated systems to more accurately place orders for new items or restocking as necessary and monitor real-time inventory levels. Because customers are aware that their schedule is being met, this reduces the likelihood of a stockout or overstock, minimizes operational expenses, and increases customer satisfaction (Gardberg et al., 2020). It was inevitable that marketing automation would evolve, and it was important to manage client relationships and engagement. Email marketing systems, social media schedulers, and customer segmentation tools automate all of these processes, including measuring the success of your campaigns and sending personalized emails to promote particular material at precise times. Schumacher and Sihn (2020) claim that these technologies enable businesses to operate targeted marketing campaigns more effectively and with less human effort, which helps them maintain customer relationships and boost conversion rates. Manufacturing productivity has also increased as a result of process automation. Businesses may certainly increase productivity, reduce labor costs, and enhance product quality by improving the manufacturing process with

robots, automated technologies, and production lines (Schumacher & Sihn, 2020).

Academic research indicates that automation directly impacts efficiency by lowering operating costs and simplifying procedures through technologies such as intelligent systems and robotic process automation (RPA). Therefore, it seems sensible to believe that PickMe's more automated procedures will lead to more commercial success. From the standpoint of ride-hailing industry stakeholders, it is currently unknown how front-end users perceive this back-end automation and whether its advantages lead to improved performance. To bridge this gap, researchers use "H3: Automation positively impacts Enterprise Performance from the customer viewpoint" and "H7: Automation positively impacts Enterprise Performance from the driver viewpoint" in light of these factors.

Customer Interaction via Digital Platforms and Enterprise Performance

The utilization of digital channels for consumer engagement is now a fundamental component of every business strategy. Digitalization is being used by more companies to engage customers, customize experiences, and increase customer satisfaction with a company's products. Businesses can easily interact with their clients at every stage of the customer journey through digital platforms, including websites, mobile applications, social media channels, and online customer care systems (Rangaswamy et al., 2022). First, websites and mobile applications are your main digital touchpoints with customers. On these platforms, companies submit information, showcase their products and services, and facilitate transactions. Organizations benefit from these solutions' user-friendly interfaces, integrated features including safe payment options, tracking, and support services, as well as their capacity to give customers seamless, 24/7 access to their offerings. Furthermore, mobile applications allow businesses to communicate with customers no matter where they are by providing them with personalized assistance, up-to-date information, and promotions to improve the customer experience (Yang, Diao, and Kang, 2020). Another essential digital tool for communicating with clients is social media. Social media sites like Facebook, Instagram, Twitter, and LinkedIn enable businesses to communicate with customers in real time. Prabuddha et al. (2025) claim that these platforms allow companies to communicate in both directions, answer client questions, address issues, and, above all, engage with the community. Additionally, they can create a strong emotional connection that

influences behavior. Businesses also use social media to run targeted marketing campaigns, gather feedback, and foster brand loyalty through content that appeals to their target audience, according to RuizAlba et al. (2022).

Since then, businesses' online behavior has only improved thanks to chatbots and AI-powered customer support. Even after business hours, these artificial intelligence- and machine learning-powered systems may still answer client inquiries and resolve issues. To improve the much-needed efficiency of customer service, order tracking, product suggestions, and technical assistance, among others, an AI-driven chatbot can perform a variety of tasks. Customer service representatives' workloads are reduced by chatbots handling commonly requested queries (Bacile, 2020). Regular consumer communication is done via email marketing and automation technologies. These systems enable businesses to send customized emails based on customer behaviour, interests, and interactions with your business. These days, businesses utilize automated email campaigns to nurture leads, promote new products or services, maintain communication with existing customers, etc. Businesses may increase conversion rates and boost customer retention by segmenting their client base and sending relevant information to the right audience at the right time (Yadav & Pavlou, 2020).

Direct customer contacts through digital platforms, including mobile applications, supported by AI-powered support, are necessary to improve user experience, enjoyment, and loyalty. By providing smooth, responsive digital journeys, highly competitive services and industries may set themselves apart from one another. Therefore, it is believed that the quality of these digital linkages has a major influence on company success. Furthermore, it is acknowledged that emotional engagement at events influences loyalty, underscoring the need for empathetic digital connections (Dangalla & Prabuddha, 2024). Despite the widespread acceptance of this relationship, actual data is required to precisely measure its influence in the multi-stakeholder scenario of a ride-hailing service like PickMe. "H4: Customer Interaction via Digital Platforms positively impacts Enterprise Performance from the customer viewpoint," and "H8: Customer Interaction via Digital Platforms positively impacts Enterprise Performance from the driver viewpoint," the researchers' final hypotheses, were used to achieve that.

Conceptual Frameworks

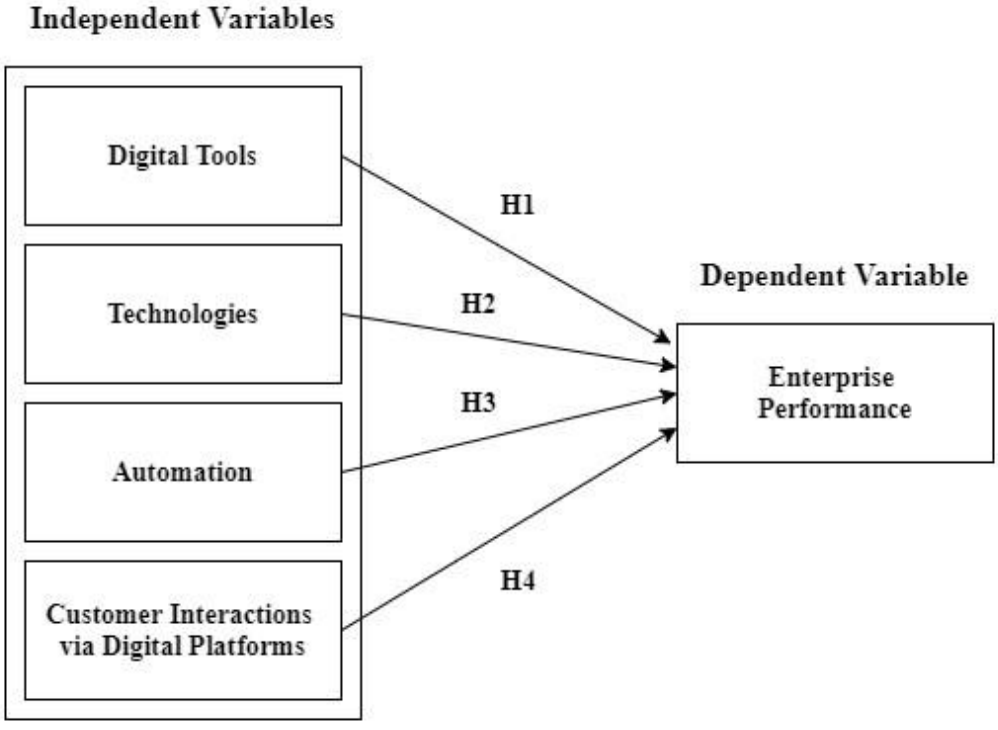

Figure 1: Conceptual framework for customer viewpoint
Source: Developed by the researchers (2025), based on the theoretical frameworks

Hypothesis Development for Customer Viewpoint

H1: Digital Tools positively impact Enterprise Performance.

H2: Technologies positively impact Enterprise Performance.

H3: Automation positively impacts Enterprise Performance.

H4: Customer Interaction via Digital Platforms positively impacts Enterprise Performance.

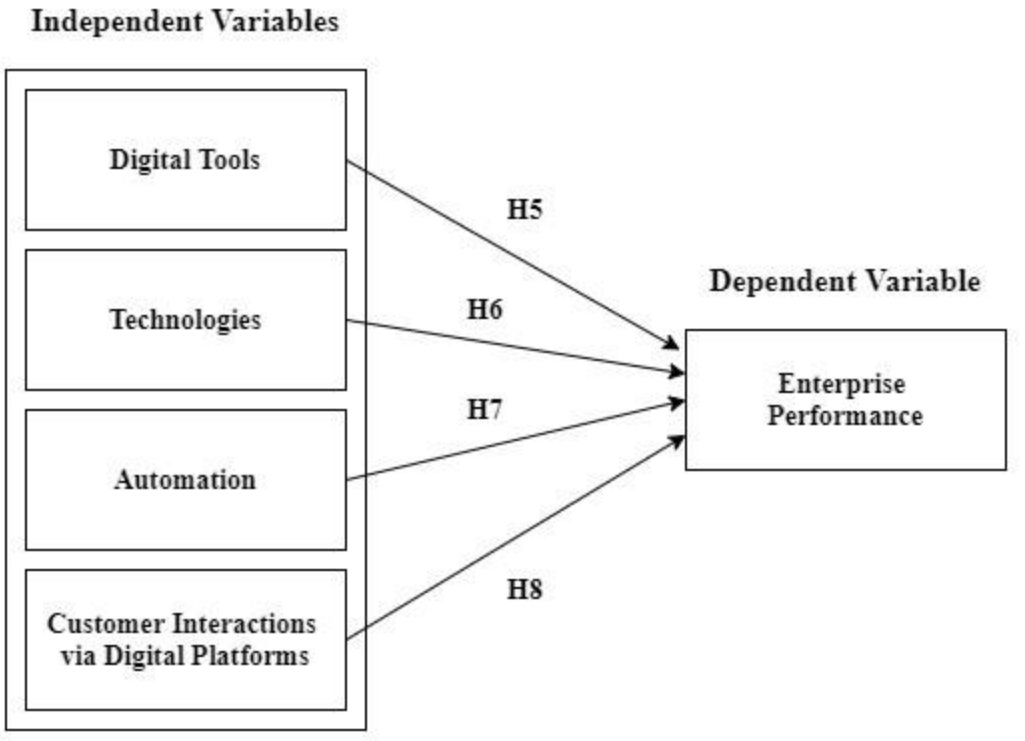

Figure 2: Conceptual framework for driver viewpoint
Source: Developed by the researchers (2025), based on the theoretical frameworks.

Hypothesis Development for Driver Viewpoint

H5: Digital Tools positively impact Enterprise Performance.

H6: Technologies positively impact Enterprise Performance.

H7: Automation positively impacts Enterprise Performance.

H8: Customer Interaction via Digital Platforms positively impacts Enterprise Performance.

METHODOLOGY

This study used a positivist stance and objectively tested empirical hypotheses using a logic-based technique to support prior ideas (Saunders et al., 2009). Within the positivist paradigm, quantitative, cross-sectional survey research was deemed suitable for identifying generalizable patterns, as it was effective in obtaining quantitative data from large samples (Harrison et al.,

2020). The population of the study consisted of all PickMe stakeholders, as the unit of analysis in this instance is the individual responder. Additionally, 50 customers and 60 PickMe drivers are chosen from this community by researchers using basic random sampling. This strategy was chosen specially to lessen selection bias and increase the generalizability of the results (Lash & Rothman, 2021). Primary data was collected using a standardized questionnaire with 5-point Likert scales, which accurately measure attitudes for statistical analysis (Rokeman, 2024). Regression, correlation, and descriptive analyses were then performed on all data using SPSS. The program has demonstrated its ability to perform intricate calculations with accuracy and reliability to support a comprehensive assessment of research concepts (George & Mallery, 2024).

DATA ANALYSIS

Sample Profile of Respondents

Based on survey data, this research includes 50 consumers and 60 PickMe drivers. The majority of the customers who participated in this survey were between the ages of 18 and 40 and were female (58%). Their high level of education is further demonstrated by the fact that 74% hold a degree or an equivalent postgraduate qualification. All clients had cellphones; the majority (70%) said they earned at least 50,000 Sri Lankan Rupees each month, and they all agreed that GPS monitoring technology had increased ride efficiency. The majority of PickMe drivers were male (77%) and aged 18-30 (49%). In addition, most of them (60%) earned between 50,000 and 100,000 Sri Lankan Rupees every month. Of them, 42% have completed secondary school. This group of drivers has a decent lot of experience, as evidenced by the fact that 67% of them have been employed for more than a year and that they mostly drive cars (48%) and tuk-tuks (22%).

Validity

A thorough review of the literature and expert advice ensured the study's topic validity. Construct validity was assessed using Bartlett's test and the Kaiser-Meyer-Olkin test. The sample size is sufficient for factor analysis, as indicated by the KMO value of 0.738. Furthermore, Bartlett's Test of Sphericity was significant ($p < 0.001$), indicating that the data were suitable for the study (Shrestha, 2021).

Reliability and Normality Test

The reliability of the research tool was confirmed using Cronbach's Alpha. The result, 0.771, indicated strong internal consistency among the variables. Since the normality test skewness of -0.323 and kurtosis of 0.334 are within the permissible range of -2 to +2, the data exhibits a normal distribution (Okoye & Hosseini, 2024).

Descriptive Statistics

Descriptive analysis was used for all important variables in this study. *"Customer Interaction via Digital Platforms"* has the greatest mean from the customers' point of view (4.24), while "Influence of Digital Platforms on Driver Behavior" has the highest mean from the drivers' point of view (4.38). The standard deviations of all variables in both viewpoints were close to 1, indicating minimal dispersion and broad agreement in the answers (Kothari, 2004).

Test of Parametric Assumption

Assessing the prerequisites for performing parametric statistical tests, such as t-tests and ANOVA, is known as a parametric assumption test. Usually, normality, homogeneity of variance, and independence of the observations are the standard assumptions. These tests help confirm the accuracy of parametric test results. If assumptions are violated, other non-parametric tests must be employed to avoid drawing false conclusions (Kothari, 2004).

Correlation Analysis

The goal of correlation analysis is to determine if two or more variables have a linear connection. The degree and direction of the association are measured using correlation coefficients such as Pearson's r. In contrast to a negative correlation, which suggests that increasing the variable on the left reduces the variable on the right, a positive correlation indicates that growing the variable on the left enhances the variable on the right. Correlation analysis identifies patterns and associations, but it does not establish a causal relationship between variables (Ratner, 2009).

Table 01: Correlation Analysis

Viewpoint	Variable	Pearson's Correlation Coefficient	P Value
Customer	Digital Tools Vs Enterprise Performance (H1)	0.368	0
	Technologies Vs Enterprise Performance (H2)	0.3	0
	Automation Vs Enterprise Performance (H3)	0.302	0
	Customer Interaction via Digital Platforms Vs Enterprise Performance (H4)	0.558	0
Drivers	Digital Tools Vs Enterprise Performance (H5)	0.805	0
	Technologies Vs Enterprise Performance (H6)	0.732	0
	Automation Vs Enterprise Performance (H7)	0.625	0
	Customer Interaction via Digital Platforms Vs Enterprise Performance (H8)	0.555	0

Source: Author's survey data (2025)

The correlation analysis from the consumer's perspective is presented in Table 01. Customer contact through digital platforms and enterprise performance are strongly and positively correlated (0.558), indicating that improved customer interactions would lead to improved corporate performance. In particular, digital tools (0.368), technologies (0.300), and automation (0.302) show somewhat favorable correlations with enterprise performance with statistically significant p-values (0.000).

The relationship is more direct for drivers. Digital tools (0.805), technologies (0.732), and automation (0.625) all have substantial positive correlations with enterprise performance. Additionally, there is a substantial positive association ($p = 0.000$) between Customer Interaction via Digital Platforms (0.555) and all other factors.

Regression Analysis

The practice of utilizing statistical techniques to illustrate the relationship between a dependent variable and at least one independent variable is known as regression analysis. indicators of how independent factors affect dependent variables and estimates of projected variables based on this connection. Linear regression is a popular method if we think the relationship is linear. Understanding underlying patterns in the data, identifying trends, and perhaps predicting specific future outcomes based on present data are the main goals of regression analysis (Sarstedt et al., 2019).

Model testing from the Customer Viewpoint

Table 02: Model Summary

Model	R	R Square	Adjusted R Squared	Std. Error of the Estimate
1	.558a	.312	.299	.30794

Source: Author's survey data (2025)

Table 02 displays the model overview for the consumer perspective. This suggests that the model has an R-squared value of 0.312 (31.2 per cent of the variance in enterprise performance explained by the model) and an R-value of 0.558 (a moderately good association).

Table 03: ANOVA table

Model	Sum of Squares	df	Mean Squares	F	Sig.
Regression	2.363	1	2.363	24.922	<.001b
Residual	5.216	55	.095		
Total	7.579	56			

Source: Author's survey data (2025)

As illustrated by Table 03, the model is significant since the p-value is lower than 0.05. The regression model's statistical significance is further supported by the last component, the F value of 24.922.

Table 04: Coefficient Table

	Coefficients		Sig.
	Unstandardized B	Std.Error	
(Constant)	1.184	0.434	0.009
Customer Interaction via Digital Platforms	0.617	0.124	<.001

Source: Author's survey data (2025)

Enterprise performance and "Customer Interaction via Digital Platforms" exhibit a substantial positive statistical association ($B = 0.617$, $p < .001$), according to the regression analysis results in Table 04. This implies that corporate performance will increase by 0.617 units for each unit increase in the quality of consumer engagement through digital platforms.

Model Testing from the Driver's Viewpoint

Table 05: Model Summary

Model	R	R Square	Adjusted R Squared	Std. Error of the Estimate
1	.805a	0.647	0.64	0.33754

Source: Author's survey data (2025)

For the drivers' perspective, Table 05's R-squared value of 0.647 indicates a satisfactory model fit, with the independent factors accounting for 64.7% of the variation in the dependent variable.

Table 06: ANOVA Table

Model Regression	Sum of Squares	df	Mean Squares	F	Sig.
	10.036	1	10.036	88.09	<.001b
Residual	5.469	48	0.114		
Total	15.505	49			

Source: Author's survey data (2025)

With a p-value < 0.05, the regression is significant, as Table 06 illustrates. The significant F-statistic value of 88.090 indicates that the dependent variable is caused by the independent variable.

Table 07: Coefficient table

Model		Unstandardized Coefficients		Sig.
		B	Std.Error	
4	(Constant)	0.878	0.329	
	Digital Tools	0.776	0.083	.001

Source: Author's survey data (2025)

Performance as perceived by drivers (B=0.776, p <.001). This indicates that business is expected to improve by 0.776 units for each unit increase in the efficacy of digital tools for drivers, a significant positive effect.

DISCUSSION

The study's conclusions clearly distinguish between features that directly affect user experience and those that operate in the background. According to the study, from the driver's standpoint, the most crucial factor is how well their digital tools work, and from the customer's standpoint, customer

engagement via digital platforms significantly affects business success. However, neither group saw more generic concepts as significant performance factors, such as automation and technology.

According to previous research, digital platforms boost business success through improved communications and individualized services, which is consistent with the significance of customer involvement (Rangaswamy et al., 2020). Features that allow for direct interaction are likely to increase happiness and loyalty for a service like PickMe, where the importance of the user experience cannot be emphasized (Jayasingha & Dayangana, 2022). This suggests that rather than the underlying technology, customers' perceived value of performance is correlated with the caliber and usability of interactive services. Digital tools can impact the driving side. It illustrates the significance of useful, task-oriented technology. For drivers, these GPS and automated dispatch systems are essential, as they significantly increase operating efficiency, reduce errors, and boost performance. All of these eventually have an effect on an organization's performance (Iyamu et al., 2021, Prabuddha et al., 2023; Schaupp et al., 2017).

It's also interesting to note that the results of this study indicate that *"Technologies"* and *"Automation"* were independent of both riders and customers. Because of this, consumers may not see or value certain backend technologies even when they are essential for operational performance. Once again, if backend automation does not facilitate customers' primary contacts with service providers, they are unlikely to recognize its advantages (Thilakarathne & Jayaratne, 2019). Additionally, riders appear to be more interested in how their local tools assist them with logistics than in large technology systems or customer platforms in the center, which are not essential to their primary function of transporting people (Gayathri & Buvaneswari, 2019).

CONCLUSION

Although PickMe's main stakeholders have differing opinions about its impact, this study found that digitalization has improved the company's success. Customers place greater value on direct digital connections, whereas drivers place greater emphasis on the effectiveness of their specific digital tools. More generally, both groups place less weight on the underlying technology. PickMe ought to focus its web plan on the distinct user experiences of each group,

increasing participation through client discussion platforms and enabling Driver to operate more effectively with expanded tools, since this has clear practical benefits. The findings theoretically support the Resource-Based View by demonstrating that stakeholder-specific and context-dependent digital asset values change. Ongoing user-focused innovation, not just technology, is what creates sustained competitive advantage in the dynamic ride-sharing market.

Limitations and Future Research Directions

There are several restrictions on the study. The sample size was rather small and focused on PickMe drivers and consumers, which may not be representative of other ride-sharing services. Furthermore, the study was cross-sectional and did not account for changes in technology adoption or long-term effects. The data-gathering method relied on self-reported responses, which might introduce bias. In order to provide a more thorough understanding of the influence of digitalization on establishment performance, future research can look at how it affects business enterprises in different areas, platforms, and business models (Dobbs, 2014; Ruvishani & Kariyapperuma, 2021).

Future studies can take a closer look at the comparison between digital tools and other ride-sharing systems beyond PickMe. It would be beneficial to consider the long-term effects of digital transformation on driver and customer satisfaction. Aside from this, we will be able to get a more comprehensive grasp of digitalization in the ride-sharing industry by examining the importance of contemporary technologies like AI, blockchain, and IoT for improving business performance in the sector. Understanding regional variations in technology adoption and value perception will be easier by broadening the scope of geographic and cultural contexts. Further research may also examine how enhancing ride-sharing services might enhance the overall travel experience. This would give travel-related companies, such as lodging facilities and tour companies, vital data. (Mentsiev and others, 2020).

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