



# Taxis in the Era of Digitalisation

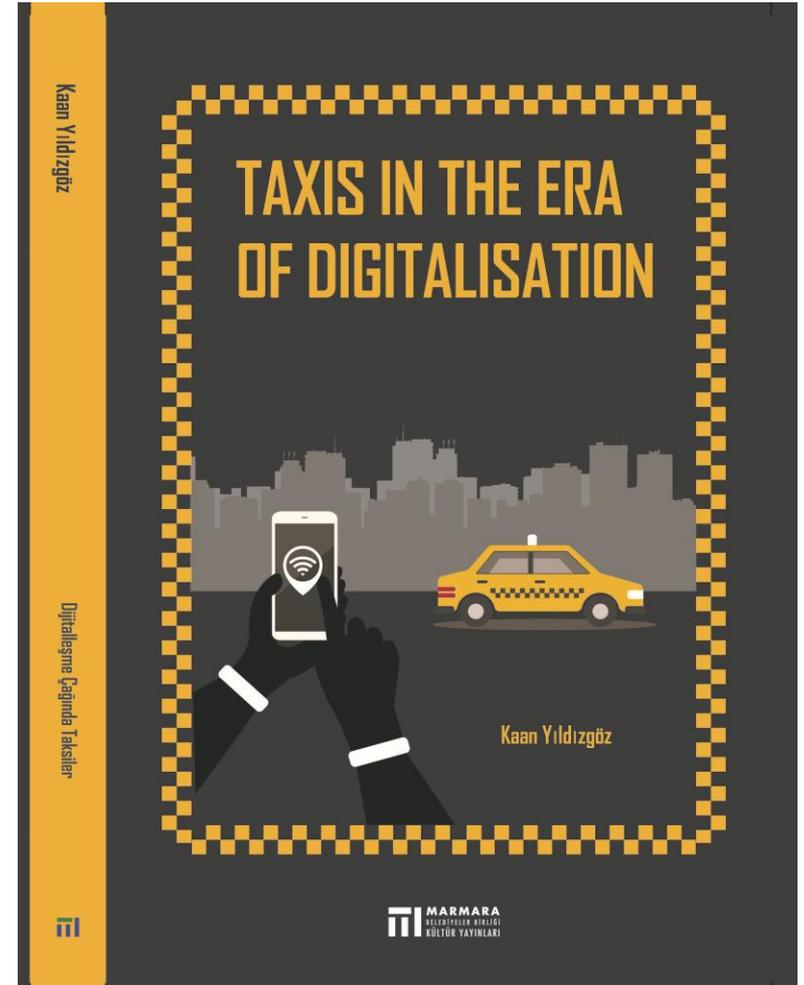
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@kaanyildizgoz

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- Introduction
- Digitalisation
- Ride-hailing Companies
- Impact on Taxi Transport
- Regulation of Ridehailing
- Taxis vs Ride-hailing
- Conclusion







# ➤ RIDE-HAILING COMPANIES

**Transport Network Companies**  
(North America / Philippines)

**E-hailing / Ride-hailing app**  
(Malaysia / Japan / Hong Kong)

**Taxi Reservation Network**  
(China)

**Ride-sharing Apps**  
(Latin America)

**Ride-selling Applications**  
(Europe)

**Third Party Taxi Booking Service Providers – Point to Point Transport**

(Singapore)  
**App-based Ride-sharing Companies**  
(Indonesia / Vietnam)

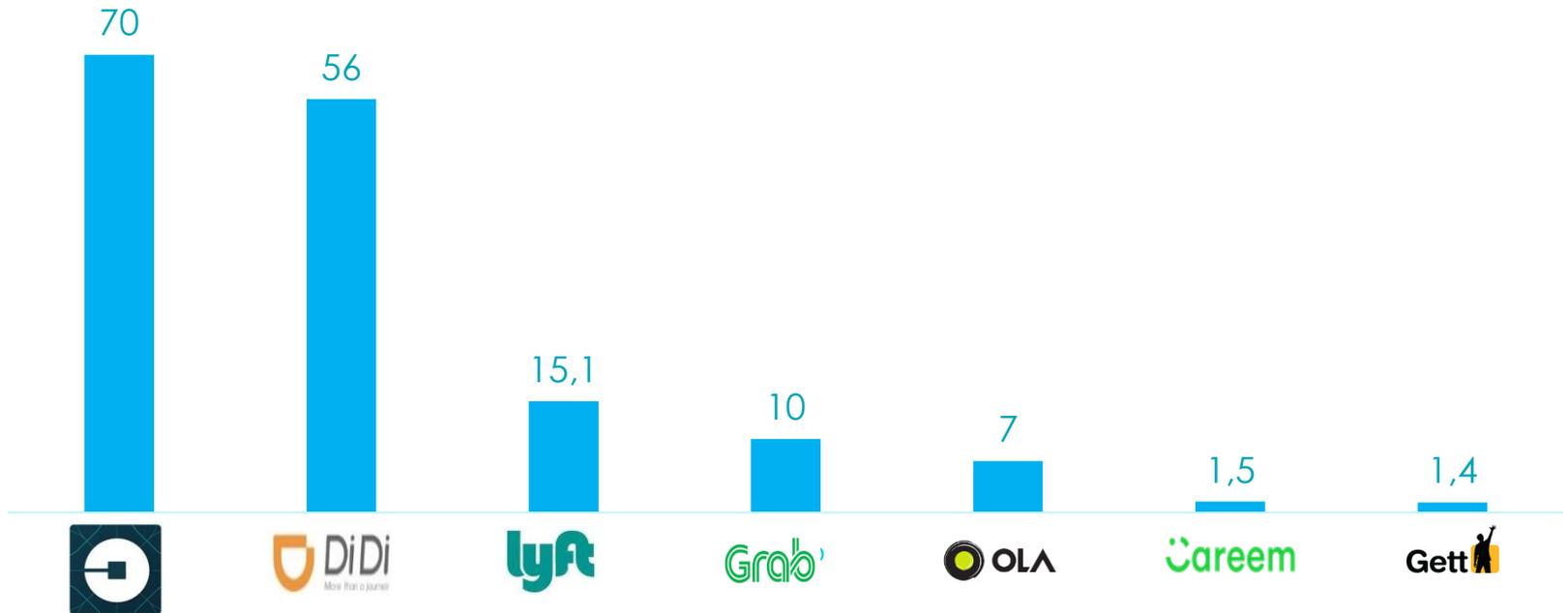
**Cab or Transportation Aggregator**  
(India)



Other terms include Commercial Transport Intermediaries (CTIs), Commercial Transport Apps (CTA), Ride-sourcing, Crowd-taxis or Non-taxis

# MARKET VALUATION

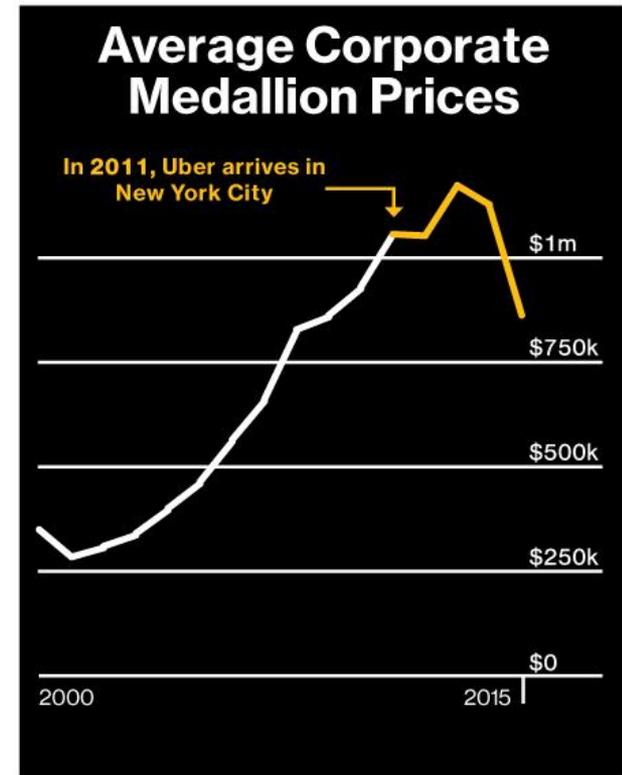
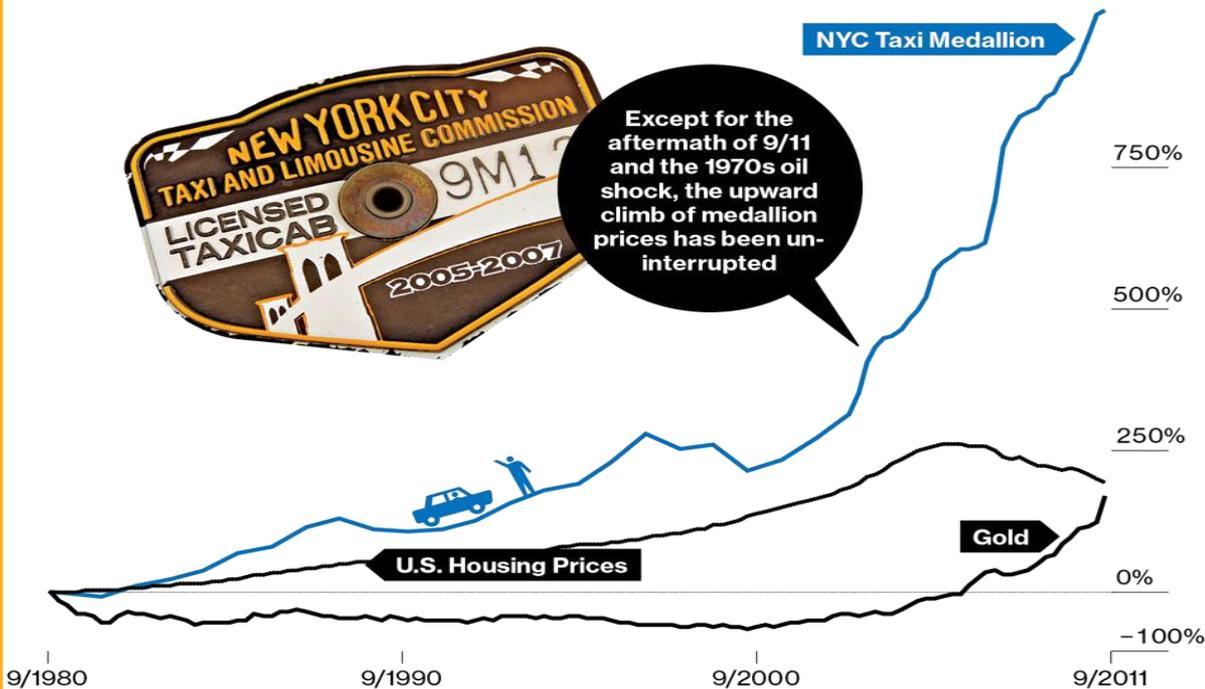
Market Valuation of Ride-hailing Companies (2018)  
(Figures in US\$ Billion)



Source: Companies sources / Valoriser Consultants  
Note: Ola include investment raised by Ola and TaxiforSure



# ➤ IMPACT ON TRADITIONAL TAXIS



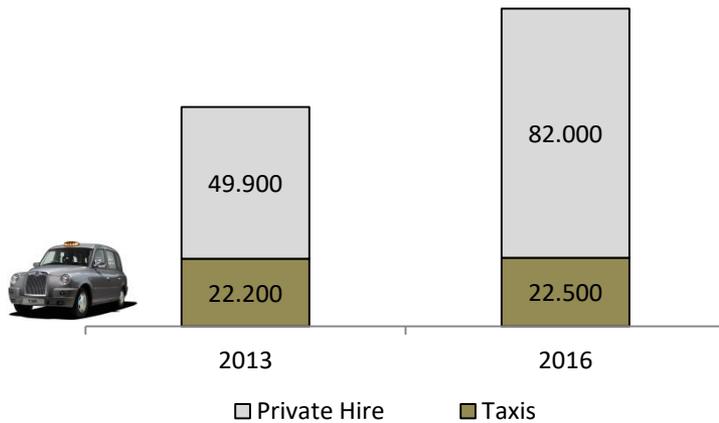
2015 DOLLARS. DATA: NYC TAXI & LIMOUSINE COMMISSION

- Cab medallions in New York City have dropped below \$160,000 in 2018, which was valued at \$1.5 million in 2012 and \$400,000 in 2017.
- Similarly, Hong Kong Taxi Permit Trade value is down by HK\$ 1 million.

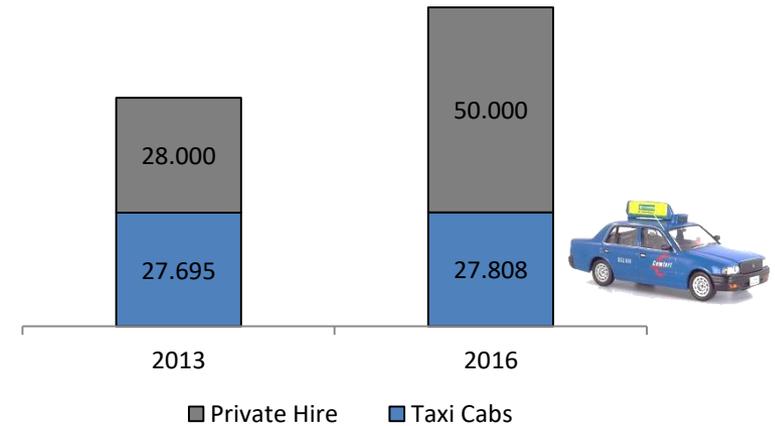


# INCREASE IN SUPPLY OF PHVS

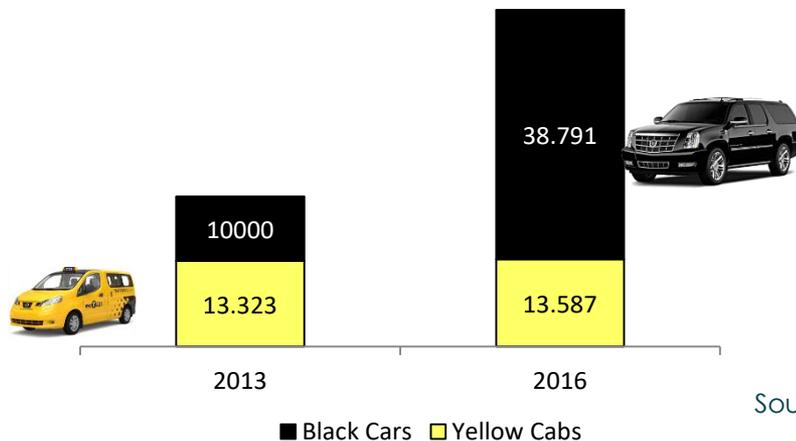
London – No. of Yellow Cabs Vs. Private Hire



Singapore – No. of Yellow Cabs Vs. Private Hire



New York – No. of Yellow Cabs Vs. Black Cars



- All key cities has witnessed rapid growth in registration of private-hire vehicles owing to TNCs
- Private-hire vehicles regulations are less stringent than taxi regulations

Source: UITP Taxi Benchmarking Study





# REGULATORY CONTRADICTIONS

- Using Private Vehicles
- Private Drivers
- Selling Available Seats in Vehicles During the Same Trip
- Surge Pricing
- Pricing of Journeys
- Data Privacy
- Taxation

Added on August 9, 2018

The News Wheel

## NYC Approves Temporary Ban on New Licenses of For-Hire Vehicles



The New York City Council has [officially passed legislation](#) to temporarily halt new licenses of for-hire vehicles. This makes NYC the first city to pass legislation capping the growth of ride-hailing services.

Like with any legal decision, this one met with mixed reactions from NYC officials, local drivers, and [ride share](#) companies. New York City's mayor expressed pride in the decision, stating that the ban will help relieve traffic while help increase the wage of taxi drivers.



**Mayor Bill de Blasio**   
@NYCMayor

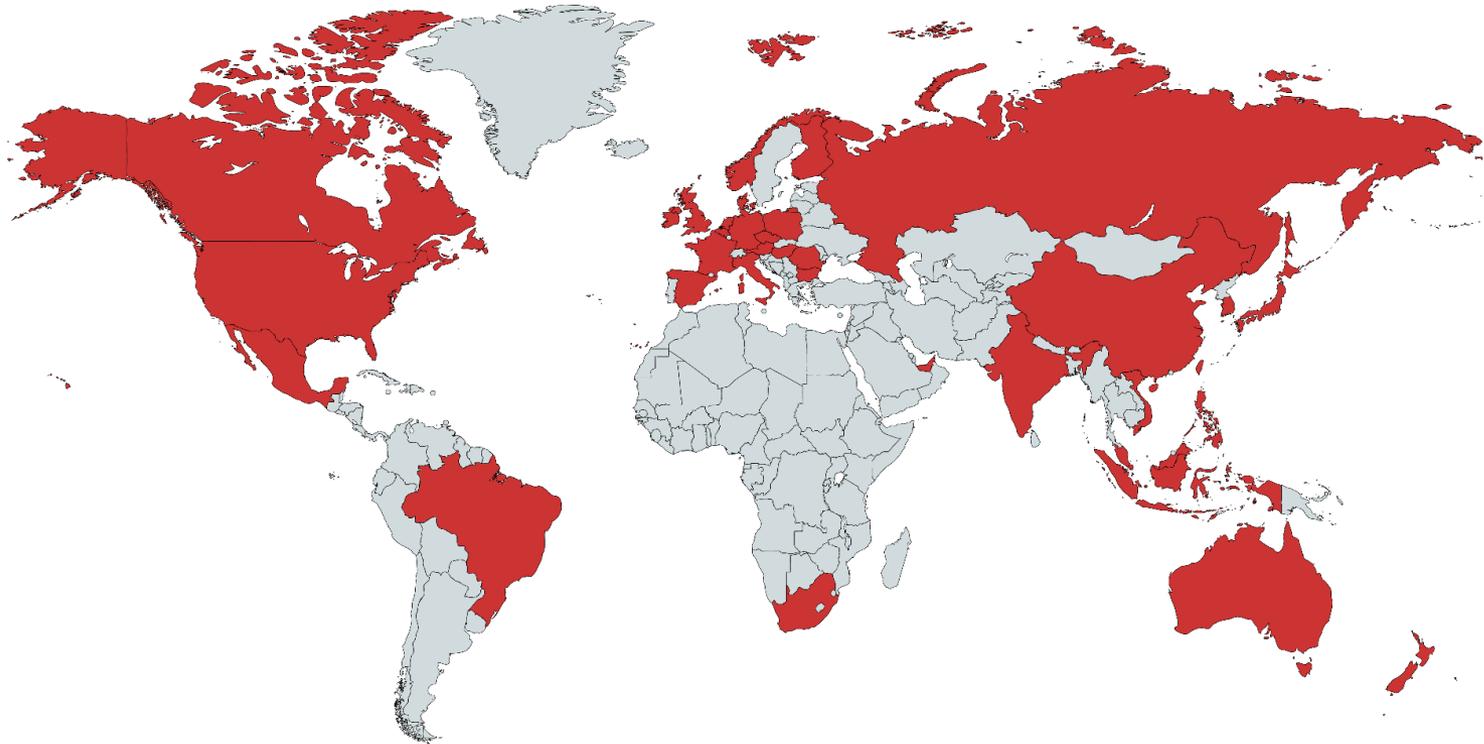


Our city is directly confronting a crisis that is driving working New Yorkers into poverty and our streets into gridlock. The unchecked growth of app-based for-hire vehicle companies has demanded action – and now we have it.

1:54 AM - Aug 9, 2018



# UITP OBSERVATORY OF RIDE-HAILING



- First Phase on Regulation
- 30 Countries

# REGULATORY MATRIX

Innovators	Adapters
<p><b>Creating new regulation to integrate</b></p> <p><i>(USA, Singapore, Philippines, Australia)</i></p>	<p><b>Adopting the new environment</b></p> <p><i>(China, South East Asian countries, India and others)</i></p>
<p><b>No new regulation for ride-selling companies</b></p> <p><i>(Europe, Taiwan, Japan)</i></p>	<p><b>Regulation with stringent conditions</b></p> <p><i>(Latin America region)</i></p>
Protectors	Regulators

# TAXI VS RIDE-HAILING

## Ignore

- Taxi companies does not bother about the business model of transport technologies companies
- Taxi companies were convinced that nothing can change the market because regulation will never change



## Resist

- Transport Technologies or Cab aggregators started raising big money
- The funds were used to attract new customers. Taxi companies started resisting the change



## Compete

- Taxis operators / Taxis companies started building their own mobile app and tech platform
- Mobile app and booking platform was created to allow commuters to book nearest cab



## Collaborate

- Taxis operators / Taxis companies which could not able to compete for long time, decided to collaborate with transport technologies companies
- New partnership emerged



# SINGAPORE – GRAB PARTNERS

## TRADITIONAL TAXIS

- Public Transport Council (PTC) and Land Transport Authority (LTA) Singapore **authorized traditional taxi operators to implement dynamic pricing** or surge pricing for trips booked through mobile applications in March 2017
- There are 5 operators - Trans-Cab, SMRT, Premier, Prime and HDT Singapore Taxi, which operate more than 10,600 taxis in total. **Grab entered into partnership** with taxi companies and offered the fare option through the new JustGrab function in the Grab app
- Users would require to choose the **JustGrab button** on the Grab app and will get either a taxi or private hire car at the same price quoted
- Grab takes a 10% cut from cabbies assigned to JustGrab passengers

# COLLABORATION

Careem and the RTA establish e-hail taxi joint venture



Careem and Dubai's Roads and Transport Authority (RTA) are delighted to announce the establishment of an E-Hail Taxi Joint Venture.



# CONCLUSION

- **High quality public transport** is the only alternative able to fulfil the lion's share of trips by using a **minimum of space**
- Without public transport, other sustainable & innovative mobility services cannot **offer an affordable alternative to car ownership**
- Regulation in favour to reach **public policy objectives**
- Shift from **Quantity/Price** Regulation to **Quality** Regulation
- Support and Promote **Partnerships**

# > UITP TAXI & RIDEHAILING COMMITTEE



## What we work on:

- ✓ Observatory of Transport Network Companies (TNC's)
- ✓ Taxi regulations around the world
- ✓ Benchmarking of KPIs related to taxi regulations and operations
- ✓ Integration of taxis with public transport
- ✓ Taxi driver training
- ✓ Electric taxis

...and much more!

## OUR MEMBERS INCLUDE...





INTERNATIONAL TAXI  
CONFERENCE & EXHIBITION

Organisers



# THANK YOU!

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