



Trapeze Global Perspectives on **Taxi Transport Services**

Taxi Service Providers across the world are faced with more challenges today than ever before. The worldwide impact of unregulated rideshare service providers has disrupted the traditional market in a way that no one was prepared for, resulting in reductions in revenue, reductions in capital value, and has led to (what can only be described as) a virtual condition of panic.

The industry is adapting to the change by attempting to balance output so that operators do not just co-exist but actually work together as part of a single consolidated transport service. As the industry acclimates to this disruption, it is simultaneously working to be ready for what is predicted to be the next wave of technology-driven change – the integration of autonomous vehicles into the service – and the impact this will have on taxi and eHail drivers.

The one constant is that the general public needs to have a transport service that can move them efficiently, safely, and in a cost-effective way. And it is the transport regulators role to ensure these services are available and are working efficiently.

What's Changed

New Competitors

- eHail rideshare operators have exploded onto the market worldwide disrupting the status quo
- In most cases they are unregulated, meaning it is not a level playing field with the taxi operators
- eHail providers do not incur the same costs and overheads and can start up with minimal capital
- They generally provide a cheaper service with higher levels of customer service than taxis
- Drivers only get paid per completed trip, making them hungry for jobs
- eHail providers have captured considerable market share at the expense of traditional taxi operators
- Lower prices have led to an expansion in the market size of the industry as a whole

Passengers

- Disruption has led to more options, convenience, and an improvement in customer experience
- The multitude of options for customers creates less loyalty to a single provider because they are searching for the cheapest option

The Impact

- Traffic congestion has increased dramatically in busy urban environments
- Taxi companies are suffering major losses in customers, earnings, and market share
- Increased competition has seen major advances in customer experience levels, but lack of regulation still leads to concerns around safety

What Transport Innovators Are Doing

Dubai RTA joins forces with Careem

Dubai RTA is currently trialling a joint venture with Careem (a Middle East eHailer) to allow them to install their devices into Dubai Taxis, enabling them to work together to service their customers.

Dubai RTA introduces taxi ride share service

Dubai RTA has introduced a new service for passenger ridesharing in taxis, where multiple passengers can share a discounted metered taxi along fixed pickups and destinations.

Dubai RTA introduces customer connect service

Dubai RTA is introducing a new customer service experience for passengers in taxis, where customers can use their phone to connect to the taxi meter and get access to a number of new services - current meter fare, route display, fare estimation, estimated time of arrival, trip payments, destination selection from map, language translation, and currency exchange.

The Future of Taxi Transport Services

Imagine if you could integrate traditional taxi and eHail providers into the public transport mix. Intelligent integrated systems enable the flexibility of taxi and eHail to seamlessly integrate their services according to the fixed-route service schedules. Additional benefits include incorporating these services into an integrated ticket that covers all journeys across all modes from a single purchase. Cities and governments could focus on defining regulations driven by social goals to reduce congestion, meet environmental targets, and improve quality of life. If this is managed by transport operators, it can help reduce the overall number of trips on the road by drastically improving the delivery of first- and last-mile trips that integrate with major transport hubs.

In the future, taxi and eHail companies can deliver demand response transport requirements utilising existing privately held infrastructure in a profitable model that is not reliant on vast sums of taxpayer money to fund. A model that encourages competition while enabling governments to guide delivery models to achieve social goals. A model where autonomous vehicles will assist with peak demand and sustain overall efficiency and service levels. Customers can order their choice of transport service that will be efficient, safe, and environmentally and economically sustainable.

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