

Commuters catching Uber cabs

By Nick Hedley 4 Jul 2014

The arrival of Uber cabs in SA's major cities is one of many new services aimed at improving public transport and the growth of some of these services reflects the demand for reliable and affordable transport systems.



Alon Lits of Uber says the transport scenario in Johannesburg is changing as more people are using taxi services to get around. Image: Mondato Summit

But Public Transport Analyst Paul Browning says SA's large cities have a long way to catch up with services in other cities around the world, where commuters get around easily, quickly, affordably and at any time.

"We are moving in that direction but painfully slowly," Browning said.

"While there are some isolated examples of public transport networks - such as the MyCiti bus service in Cape Town, Rea Vaya bus service in Johannesburg and the Gautrain - these are still many years away from being comprehensive enough to reduce the need for private car ownership," Browning says.

Meanwhile, private operators such as Uber and tuk-tuks are filling niches in certain areas, and go some way towards reducing the need for a private car.

According to Browning, major public transport projects such as bus networks and Gautrain extensions take a long time to complete. "The government should put more emphasis on short-term improvements to existing networks. This could add impetus to services such as commuter buses, tuk-tuks, minibus taxis and cabs," he said.

Greater use of taxis and tuk-tuks

Uber a global taxi service that in recent months has established itself in Johannesburg, Cape Town and Durban uses a smartphone app that allows users to hail nearby drivers and track their movements. Services are paid for using an app linked to a credit cards.

Uber partners with drivers who own their own vehicles and charges them 20% commission on trips as a fee to manage and develop the software and link them to clients.

This is forcing some taxi companies to modernise their own operations.

Andre Mynhardt, Operations Director at SACab - which has a fleet of about 95 metered taxis - says the firm is working on launching its own app by the end of the year that will operate alongside traditional phone bookings. It will also enable users to book and pay for a taxi via an app on a smartphone.

Mynhardt believes SACab will have an advantage over others in that it will retain a human element, by being linked to the company's central dispatching and call centre. This, he says, will allow users and drivers to stay in touch with the call centre should something go wrong.



Uber taxis provide an alternative mode of transport and seem to be gaining popularity in Johannesburg and Cape Town. Image: Uber

Transport sector booming

"The transport industry in our country is booming," he says, and people are starting to use taxis more often.

Uber earlier this month launched a far more affordable version of itself in Cape Town: rides on UberX are about 40% cheaper than using other services. Uber Cape Town's General Manager Anthony le Roux expects this to stimulate the trend of "car replacement", in which people choose not to own cars.

Uber Johannesburg's General Manager Alon Lits says his division is also looking at introducing UberX in the city, probably before the end of the year.

Uber Johannesburg measures its growth weekly and now works with hundreds of drivers and claims to be handling thousands of trips weekly.

"Our vision is to really change the way that people get around Jo'burg. We don't see ourselves as taking business away from other operators but we believe we are making more people consider using taxis. It's about creating a reliable transportation solution in Johannesburg," Lits said.



Tuk-tuks are also gaining popularity for short trips around the city or to complete the final leg of a journey having use trains to get from one point to the next. Image: <u>Afro Autos</u>

He says Uber has had positive regulatory engagement with the regulator in Cape Town and is in the process of initiating discussions with the regulator in Johannesburg.

Tuk-tuks are convenient and cheap

Meanwhile, Rhett Esra, operations manager at Sheshatuks - which operates around the Sandton and Rosebank Gautrain stations - says demand for rides in these vehicles has grown strongly in the company's first two years of operation.

Sheshatuks started with a fleet of 25 tuk-tuks and now operates 35. "It started off quite slowly as we had to virtually give away our rides for free. But now we can't cope

and we'll have to get more vehicles," she said, adding that the company intends to open a service in Pretoria soon.

"Tuk-tuks are at the tail end of every route," Esra says, adding that commuters often use tuk-tuks to get to school or shops. There was initially some animosity from operators of traditional metered cabs because tuk-tuks are so much cheaper but that animosity appears to be declining.

Gautrain spokesman Barbara Jensen says the average weekday usage of the Gautrain is now between 54,000 and 56,000 train passengers and 21,000 bus passengers. In the first two weeks of June, 22% more passengers used the Gautrain than a year earlier. "The increase in the usage and the success of the Gautrain shows that commuters are making a conscious shift from private car usage to public transport," Jensen says.

Source: Business Day via I-Net Bridge

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