

Uber's productive four years of economic transformation

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Uber has in the last four years of its operation in Africa, changed perspectives in the transportation system while using technology to drive economic transformation in the sector.



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When Uber was first established in 2009, its mission was to help people everywhere get a ride, safely, quickly and at the push of a button. Eight years later, that mission remained the same and Uber's innovative, technology-driven business model is still fundamentally changing the way people think about meeting their transport needs.

For the past four years, Uber has been delivering the same level of transformation across sub-Saharan Africa and with more than 1.8 million active riders using the app, Uber certainly has reason to celebrate its fourth anniversary on the continent.

The benefits

Speaking on the technology innovativeness infused into the transport system that has benefitted several countries, the General Manager for Uber sub-Saharan Africa, Alon Lits, told *ThisDay* that several companies and individuals in Africa have benefitted from Uber since its launch in Africa four years ago.



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According to Lits, "It is not just Uber that has benefitted from the stellar uptake of its convenient offering in Africa. The sub-Saharan African countries in which Uber now has a presence, and the citizens of those countries, are also reaping significant socio-economic rewards thanks to the transformation that the Uber approach has helped to drive."

At an economic level, these benefits take many forms. In many cities, the reliability, immediacy, and convenience that Uber offers to city residents and visitors are having the positive impact of helping to reduce congestion. In most urban parts of sub-Saharan Africa, single occupant vehicles remain the biggest contributors to gridlock.

"But increasing numbers of city residents are recognising that Uber offers a cost-effective way of sharing their daily commute with others, thereby reducing the total number of vehicles on the roads, while at the same time cutting down on the costly wear and tear that regular stop-start driving causes," Lits said.

The perceptions

Repeat Uber usage in South Africa is a prime example of these shifting private transport perceptions. This month, almost 25,000 riders each used Uber more than 10 times a week, which points to the increasing adoption of this tech-driven solution, not just as a leisure transport option, but also for work and business purposes. This demonstrates that Uber is a true alternative to private car ownership.

Another significant benefit that Uber is delivering in sub-Saharan Africa, is enabling and empowering economic opportunities and offering more choice. The steadily growing number of Uber driver-partners in countries across the region is testament to the appeal of the Uber business model. That is because it creates real opportunities for local entrepreneurs to create and enjoy the flexibility and enhanced earnings potential - for themselves and, ultimately, for individuals that many of them bring into their thriving and growing transport businesses.

Growth trajectory

The growing demand for trips across the sub-Saharan Africa region leads to a steadily growing need for drivers. Currently, more than 29,000 such driver-partners are taking advantage of the earnings-generating opportunities delivered by the Uber app. Importantly, the Uber model allows these individuals to be as flexible as they need to be, which means that they are able to earn what they want, when they want to, either as full-time entrepreneurs or to supplement other sources of income.



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Lits explained that Uber investigates partnerships with businesses that bring benefits to drivers, such as the multiple vehicle financing programmes that have been made available to drivers across South Africa, Kenya and Nigeria, that reduce barriers to credit and capital. The first partnership of this kind was implemented in South Africa with WesBank, offering existing drivers access to vehicles at preferential rates, with a view to establishing their own passenger transport business.

This unique model is based on driver ratings and earning potential, as opposed to the norm of credit checks. The model was successfully expanded across sub-Saharan Africa and is being tested in markets across Europe, Middle East and Africa (EMEA).

Uber's investments

Uber also invests heavily in supporting its driver-partners in their businesses through ongoing technological innovation as well as physical presences in the form of support hubs. Apart from the existing Greenlight Hubs across SSA, five more of these state-of-the-art Greenlight Hubs were opened in Dar Es Salaam, Nairobi, Kampala, Kumasi, and Lagos this year.

In addition to offering driver-partners technical and app support, they also offer information sessions and tailored workshops to driver-partners, focusing on training and skills development.

In a region of high unemployment and stagnating economic prospects, Uber's business partnership approach provides an accessible means for entrepreneurs to not only supplement their own income but also to become small business owners, thereby helping to improve the lives and futures of individuals, families, and communities.

Lits said Uber's approach to shifting perspectives of how people in SSA move around their cities, is one of partnership with all stakeholders. According to him, Uber strives at all times to collaborate closely with local regulators to understand the challenges they are grappling with in their cities and then help them to develop workable and accessible solutions that benefit people and economies. It is with this in mind that Uber has just launched Uber Movement in Johannesburg, a new website to help urban planners, city leaders, third parties and the public better understand the transportation needs of their cities.

User's entrepreneurship approach

Speaking on the Uber driver-partnership deal, Lits said: "The partnership approach has always been at the heart of the business because our global experience has shown us that multi-modal transport powered by technology is the best way to promote entrepreneurship, relieve pressure on infrastructure, and deliver safe and efficient transport that helps people connect with work, business and leisure opportunities."



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Gabriella Mulligan 2 Oct 2017



Uber's mission

Uber's mission is to help people get a ride at the push of a button - everywhere and for everyone. It started in 2009 to solve a simple problem - how do you get a ride at the touch of a button?

Eight years and over two billion trips later, the company said it started tackling an even greater challenge such as reducing congestion and pollution in cities by getting more people into fewer cars.

The Uber network is now available in over 600 cities in over 75 countries spanning six continents.

For more, visit: <https://www.bizcommunity.com>