

Growth ahead for e-hailing services

By [Jason Mellow](#)

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Like all disruptive innovations, e-hailing services have had to contend with opposition - even physical threat - from the incumbents. There is no doubt that e-hailing services have found huge acceptance in certain sectors of the market and, in many instances, have actually created a new market. People who would never have used a metered taxi have become converts to e-hailing.



Image source: [Gallo/Getty](#)

The global e-hailing market is [growing strongly](#), with one research house predicting compound annual growth of 32.8% between 2019 and 2025. Revenue growth in South Africa is projected to be slower at a compound annual rate of 11.2%, reaching a projected market volume of \$1.068m (approximately R16.3bn) by [2025](#).

The metered taxi industry has understandably fought hard to neutralise what it sees as unfair competition and there has been considerable animosity between the two groups. However, there are welcome signs that the e-hailing industry is maturing and that a regulatory framework will soon be established that will reduce conflict between sectors within the taxi industry.

One noteworthy development was the formation of the E-Hailing Authority South Africa (EHASA) to facilitate dialogue between owners and drivers and represent the interests of both in other forums. EHASA will hopefully provide a platform on which owners and drivers can work to create a fairer, more transparent business model – and hopefully, underpin sustainable growth.

The interim president of EHASA, Sifiso Kubuli sees [regulation](#) as an important step in the drive to create a better industry. He is quoted as saying: "Any unregulated industry becomes a haven for thieves and organised-crime-related activity."

A second major development has been the tabling of the National Land Transport Amendment Bill in March 2020, which includes a regulatory framework for e-hailing services. If the bill is passed into law, it will require e-hailing platforms like Uber and Bolt to have operating licences. It seems that both e-hailing operators and metered taxi associations have given

input into the new bill, so one could be hopeful that it will provide a framework that will bring stability to the industry.

There are tremendous advantages to normalising the e-hailing industry for all stakeholders, not the least of which are passenger and driver safety.

Helping to mitigate risk

As always MiWay stands ready to partner with e-hailing operators and drivers to help them mitigate risk and make their businesses more sustainable. A major benefit is that Uber and Bolt drivers with an insurance history of more than six months are eligible for discounted insurance, thus increasing their peace of mind that they are covered.

Here are **some tips to reduce your risks and maximise your profits** as a member of the important e-hailing value chain:

- Don't keep cash in the vehicle.
- Verify your rider's name before they enter the vehicle.
- Familiarise yourself with the in-app emergency button to call the authorities if you need help.
- Call your platform's call centre – its trained operators can give you advice.
- Rate your passengers. Driver ratings are all about keeping other drivers safe.
- Take regular breaks so your concentration is unimpaired.
- Get your riders to buckle up.
- Drop riders off at safe places and in accordance with local traffic bylaws.

The coronavirus remains a high risk for drivers and riders alike. Following good infection-prevention protocols is also a contributor to high rider ratings. **Some useful hints include:**

- Only transport 50% of your vehicle's capacity and no customers in the front seat.
- Wear a mask and get your customers to do the same.
- Sanitise your hands after handling money and sanitise your credit card machine before use.
- Keep the vehicle windows open (where safe to do so) and encourage passengers to keep a safe distance.

- Wipe down the door handles, window ledges and seats with sanitiser after each trip.
- Disinfect the outside of the vehicle at the beginning and end of the workday with a solution of 20% bleach and water solution.
- Wipe down the vehicle interior twice a day with a sanitiser.

One final thing: have a leaflet in your vehicle that summarises the measures you are taking to protect your customers – that way, you will get the benefit of the extra work you are doing.

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