## iCabbi



Ways to Survive and Thrive in the Uber Era...



# 8 Ways to Survive and Thrive in the Uber Era...

Surviving and thriving in the 'Uber Era' means finding the chinks in its armour and exploiting them.

On the face of it, it might seem that Uber will destroy local private hire firms but, their arrival doesn't have to signal the death-knell of the independent operator.

It means playing to your strengths in areas where they can't compete and matching what they are good at.

Beating Uber goes much further than defending your customer base from Uber.

The reality is that drivers are using apps like Uber 'on the side' to make extra cash, so the temptation to sign-up with them is very real.

You could also lose good drivers who decide Uber can provide them with a better future by working directly for themselves.

Uber are 'buying' their way into the market and are providing a service that many people like.

But with the right dispatch system, and the right approach to the needs of your drivers, it's easier than you may think to compete and win.

Let's take a look at the 8 ways you can beat Uber, starting with...

#### **Your Customers**

## 1 Keep it Personal

One thing Uber simply can't do is to provide a really personal service.

It's a top consideration for many of your customers, and it might mean more to them than you think.

Offering your customers a truly personal experience doesn't just mean knowing their name and their typical journeys (although being familiar with your regular travellers is certainly a great asset that will already put you a step ahead of Uber!).

It also means that your customers 'know' you.

As a local firm, you are in the powerful position of being able to build that personal relationship with your customers. They know your drivers, and that your cars are always timely, comfortable and clean (they are, aren't they?).

The arrival of Uber might mean that you need to up your game in terms of the personal service you offer... but it's one battle that Uber just can't win, as long as you're doing it right.

These personal service examples might sound like simple common sense, but they are hugely important to your customers...

- Always addressing your customers by their name
- Promptly returning items that customers may accidentally leave in your cars
- Easily allowing your customers to change a part of a booked journey, such as the time or adding a drop off
- The familiarity with the driver who performs their regular booking

## 2 Fight Tech with Tech

For some of your customers, it's all about convenience – and that's where Uber is cashing in.

But today it's easier than ever for you to level that playing field – and with the market leading dispatch systems you have access to some great tools that you can use to do the job.

Perhaps the most powerful of these is a customer app.

Giving customers the freedom to book with your firm using a customer app can go a long way towards winning (and keeping) customers.

While you personally may feel that your customers 'don't like apps' and that they 'prefer personal contact' – the stats show that when a local cab firm gives their customers the option 20% to 30% of customers quickly decide that using the app is what they prefer.

#### If you don't give your customer the choice, someone else will.

And the solution that your customer turns to is highly likely to be Uber.

Fortunately, the very best dispatch systems, such as iCabbi, provide a feature rich, fully integrated customer app branded with your own business name and logo – so you have the tools to compete and win.

So, the message is clear – with the right customer app, you can defend your business against Uber and keep your customers happy too.



## 3

# The Personal Touch & Technology Combined

Of course, many people still book by phone (at least, for now!).

But the way that the telephone is being used is fast changing.

When once the only option was the ability to talk to your operator, now customers can choose between an operator or IVR (Interactive Voice Response) allowing the system to 'talk' to your customers.

Fact: 46% of iCabbi customers book with the customer app, IVR or web booker.

Despite how much we may think our customers love to talk to us and our operators, the facts prove that a very high percentage choose to use IVR, even when they have the option to speak to a real person.

So, if your current dispatch system provides you with an IVR facility, that's just one more way to combat Uber – by giving your customers the choice of operator, IVR or app bookings.

The more ways your customers can book with your firm, the more customers you are likely to win, and keep long term.

#### How Interactive Voice Response (IVR) works...

When a customer calls your firm and the system recognises their number, IVR automatically offers them collection from their top 3 pick-up points.

IVR can answer unlimited calls simultaneously – meaning your business takes more bookings and can completely eliminate lost calls.

Customers are always given the option to speak with an operator – on EVERY call (this is so important – remember your personal touch mentioned above?)

Any customer can opt-out of IVR at any time – and the next time they ring they automatically go through to an operator.

## 4 Impress Your Customers

## Uber may look new and shiny - and the technology is certainly impressive.

But, with the right dispatch system you can be highly impressive as well, and in more ways than they can.

By utilising a great customer app, IVR and web booker, you already have all the tools to defend your business against Uber.

What's more, you may also be able to compete with advanced features, such as ABOP (Automatic Back On Phone), which means that customers who call back after making a booking (and when it's in progress) are automatically given up-to-the-moment information such as the driver's name, vehicle details and wait time.

Stats show that over 90% of 'back on the phone customers' receive information this way and don't need to speak to an operator.

This is a huge efficiency gain for you and an amazing experience for your customers. So, with a feature rich dispatch system, such as iCabbi, you have the ability to impress your customers with the latest technology and features too.

Not only do these show your customers that you're moving with the times, but also that you're still there to talk to if they prefer – impressive technology that your customers love AND the personal touch from your local firm.

In summary, by giving your customers the ability to choose how THEY interact with you, you can be relevant to a much wider customer base, ensuring you're ready to go head-to-head with Uber, and to defend and grow your business.

# Win New Business by Making it Easier than Uber...

One of Uber's key selling points is how easy it is for passengers to order a taxi.

But what if you could offer a service to your customers that made it even easier? And what if you could offer that service to a large number of potential passengers in your local area?

Well, the reality is, you can!

How? Innovation has led to development of services such as Taxi Butler, an ingenious single click device that orders taxis in busy locations such as pubs, bars, restaurants, hotels and clubs.

With one click, passengers can order a local private hire car to pick them up and take them to their destination. Their booking goes straight into your booking and dispatch system, ready for your drivers to service.

Quick and easy for your passengers; efficient and profitable you.

What's more, by targeting the key locations in your area and making sure they know the service is available, you could ring fence a whole new area of business you didn't have access to before.

Be ready though, there are more jobs out there than you might think!



### Your Drivers



## Make Sure Your Drivers Know the Numbers

Taking on Uber and winning isn't just about how you can win and retain more customers, it's also about defending your best drivers.

One of the best ways you can do that is to make sure that they know the true cost of working for Uber, compared to working with you.

A lot of the time they won't know the facts and instead will be relying on hearsay or some assumed information about earnings.

Take the basic income system that Uber utilise.

They take 25% of the driver's earnings and it is also well-known that driver earnings are automatically provided by to HMRC.

But do your drivers know that? And have you helped them do the maths?

Let's look at some examples that you can share with your drivers to show how much they stand to lose working with Uber compared to working with you...

| Driving For You vs Driver For Uber                                  |        |        |        |      |      |
|---|--------|--------|--------|------|------|
| Drivers Gross Weekly Fares  | £1,500 | £1,250 | £1,000 | £750 | £500 |
| UBER Amount Taken by Uber - 25% Fees Remaining YOUR FIRM            | £375   | £313   | £250   | £188 | £125 |
|   | £1,125 | £938   | £750   | £563 | £375 |
| Radio Rent / Circuit Fee Fees Remaining Amount Driver is Better Off | £100   | £100   | £100   | £100 | £100 |
|   | £1,400 | £1,150 | £900   | £650 | £400 |
|   | £275   | £213   | £150   | £88  | £25  |

Obviously, we don't know your radio rent/circuit fee (it may be more or less than the £100 shown above) but none-the-less you can quickly see that a driver is much worse off working for Uber.

And remember that in the above examples Uber is declaring the driver's earnings to the tax man. The driver declares their own earnings when they work for you.

Don't assume that your drivers have done the maths. Use the 'maths' to show them how much they stand to lose if they work for Uber.

By doing so, you can keep your best drivers onside and working for you, instead of Uber.



## Price Surcharges -Making it Work for Your Drivers

One other way that drivers who work for Uber lose out is with Price Surcharging - where Uber increase the fare dependent upon availability.

The big problem here (aside from their passengers hating it) is that Uber don't pass any benefit on to the driver.

But did you know that some of the more advanced dispatch systems, such as iCabbi, do provide you with the ability to introduce modest surcharges?

Given what we've just said about passengers disliking huge surcharges, we would suggest you do this in a much more passenger friendly way than trebling the fare as Uber sometimes do!

But by implementing small surcharges for key times and dates – for example, adding an extra £1 to your bookings on a Saturday night between 6pm and 2am - you could easily add a sizeable amount to a driver's earnings.

Assuming a driver works these 8 hours and does 3 jobs per hour that's £24 extra for them and research shows that passengers don't complain about small amounts on a Saturday.

That could be an extra £100 per month for your drivers!

It's easy to test, helps you defend your drivers from Uber and won't cause any issues with your passengers.

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# Reduce the Uber Temptation with Technology

Another great way to keep your drivers away from Uber is by competing on the technology front.

The good news is that many of the top dispatch systems give you the tools to do exactly that, keeping your drivers busy and happy.

That's because, when your drivers benefit from the extra work that flows from a great customer app, an IVR (Interactive Voice Response) phone booking system and an online web booker – they will be less likely to try Uber.

Busy drivers, with a 'fair share' of the work are happy drivers.

All you need to do is to make sure you use all of the tools at your disposal to maximise work for your drivers and to 'communicate' with drivers so that they know how much it will cost them to work with Uber.

Doing this means that they stay with you, and that they talk to other drivers who will then be attracted to your thriving business, bring you more of the same quality of drivers.

That's good news for your business and for your customers.



#### Summary

Make no mistake, Uber is a threat and so is the whole concept behind it.

As others see the potential, more and more 'Uber like' businesses will start appearing.

However, with the right mindset, and the right approach, your business can not just compete, but excel and thrive despite Uber's emergence in your area.

By utilising the ideas and information provided in this guide, you're ideally placed to truly understand what your customers, and your drivers, need to stay loyal.

And, by doing that you'll not only safeguard the business you generate today, but also create the perfect platform on which to build for your future growth and development.

#### Need More Help?

We hope this guide has proven useful to you, but it's left you with more questions we're here to help. You can call our friendly advisers on 01623 44 22 11 or email your questions to <a href="mailto:enquiries@iCabbiUK.co.uk">enquiries@iCabbiUK.co.uk</a>

Thanks for requesting our guide.

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