

Example of essay on ride-sharing

[Business](#), [Company](#)



In ridesharing services, drivers use their private cars to give rides. Such ride is provided to passengers on their request. Various companies have made ridesharing easy on the basis of their networking and now people use their Smartphone to place their requests for ride. Ride sharing is a good idea in order to save fuel and money but at the same time, there are various other aspects of ride sharing. Recently ridesharing services have attracted a lot of controversy and ridesharing service faces various troubles. On one hand, ridesharing service faces anger of traditional taxi services while on the other hand, it faces heat from insurance companies and governments on various issues. This paper intends to discuss ridesharing services along with discussing how ridesharing service providers, especially Uber and Lyft are surrounded by various controversies.

Rideshare service provider companies are growing continuously and people are also liking these services, but recent controversies in many states have raised questions on the future of these ridesharing service providers. A number of issues regarding ridesharing services have been raised by traditional taxi service providers, insurance companies, local authorities, government and various other bodies. There are various issues that are not clear and there is a clash among existing laws on the issue of ridesharing service providers (Chan and Shaheen).

Traditional taxi service providers oppose ridesharing services on various grounds, but the main reason of their protest is direct clash of interests. Ridesharing services have become very popular and people have started using these services because they are cheap, fast and are available at reduced cost. Though traditional taxi operators oppose ridesharing services

on grounds of lack of regulations and safety concerns, traditional taxi operators find ridesharing services as their direct competitors and oppose them every when and then.

Traditional taxi service providers also say that rideshare service providers should be fulfilling all the necessary terms and conditions that are currently implemented on other traditional taxi service providers. Mike Pinckard, owner of a traditional taxi service providing company argues that rideshare services contradict various provisions of law and they are not operating in accordance with the existing laws. Pinckard believes that rideshare service providers are ripping benefits without abiding by rules and regulations (Kamar and Horvitz).

Criticizing rideshare services by traditional taxi service providers is easily understandable. It has been observed that after the beginning of rideshare services, a steep rise has been observed in the revenue of traditional taxi service providers. They feel a direct threat from rideshare service and keep expressing their anger on rideshare service on every when and then. They have even demonstrated against rideshare service on various occasions. Though they do not get the support of people on this issue.

A number of American states have already initiated legislative proceedings to address various concerns of all associated parties on the issue of rideshare services. Almost all of these states have made provisions for enough insurance for the driver of the vehicle and a thorough background check of the driver. Arizona has made a law that directs one million dollar insurance for the driver. Ensuring no criminal records and a valid driving license are other requirements according to the government directions.

Apart from all the associated controversies, Uber and Lyft have succeeded in alluring people. These service provider companies are growing very fast and people are appreciating their services. However these surrounding controversies have affected their business and they feel that people are creating unnecessary hurdles in their services because of their vested interests. Wendy Briggs, a lobbyist for Uber and Lyft expresses his concerns in these words, “ The concept that we're dealing with right now on this legislation is a relatively new concept and one that we are trying to put some regulatory framework around” (Galvan). Wendy Briggs further adds, “ This is an alternative form of transportation, cheaper, faster than a taxi. And I would advocate (they are) much safer” (Galvan).

Insurance companies are confused on this issue and they oppose ridesharing because of vague insurance rules. Insurance companies want to charge more for insuring these vehicles because these vehicles are being used for commercial purposes. Insurance companies have different rates for insuring private and commercial vehicles. Since private cars are being used in ridesharing services, insurance companies also want their share in the passive source of revenue. Insurance companies said that they cannot cover vehicles performing commercial activities. Personal car insurance covers car and driver when they are not on or available on any ridesharing website, and driving car without any customer.

Personal Insurance Federation of California said that vehicles used for commercial activities and transporting passengers for the money cannot be insured under PCI. Various instances have been found where insurance companies refused to renew the insurance because companies found that

cars are being used for commercial activities. The dispute between insurance companies and ridesharing drivers came to the public attention when Muzzafar an Uber's driver killed six-year girl Sofia Liu in San Francisco. Liu's family filed a lawsuit against Uber for wrongful death. However, company denied the lawsuit (Taylor).

There are various advantages are associated with ridesharing services. Any person can avail ridesharing service just by downloading one app on their cell phone provided by the service providers. The service message is transferred to the cab driver who is located in nearby location and can reach to the client in minimum possible time. Uber and Lyft used software or tracking system to locate the drivers available in most proximity.

Simultaneously customer received a message with contact details of the driver and expected arrival time. The ridesharing services are safe as all service providers can track their cars by using GPS services that are already installed in each cars.

Ridesharing services can be availed by any person at any time. The services are transparent as no money transaction between driver and customer take place. It is also good from security point of view as no customer is required to carry money to pay to the driver, and driver will not pickup clients with idea to robe them. Technology made it possible for the company to get information regarding passenger as well as driver. The ridesharing services offered by different companies i. e. Uber and Lyft are efficient in terms pick-up and dropping time, cost-effective and safe. Customers also like to avail these services because they are fast and available at competitive prices (Kokalitcheva).

It is observed that customers' preference toward ridesharing services is increasing not only due to monetary benefits but also because customers want to save natural resources. People have become more aware about their responsibilities towards environment and earth. Therefore, they prefer ridesharing service in order to reduce carbon emission and consumption of fuel. Ridesharing services are easy to avail and do not require customers to walk to taxies and negotiate with taxi drivers (Kamar and Horvitz).

Having observed an overview and succinct analysis of the abovementioned subject, the paper concludes that there are a number of benefits of ridesharing services. It helps in saving fuel, money and also contributes in reducing traffic on roads. Rideshare services certainly benefits people and have a number of benefits, but at the same time there are also certain disadvantages and controversies that are closely associated with rideshare services. Rideshare services are surrounded by a number of controversies. Traditional taxi service providers, insurance companies and various legislation on this subject affect rideshare services in different ways. All appropriate steps should be taken in order to remove associated complicacies and make it more convenient for people. Concerns of all associated parties should also be addressed in order to make rideshare services more effective and undisputable.

Works Cited

Chan, N. D., and Shaheen, S. A. " Ridesharing in North America: Past, Present, and Future." *Transport Reviews: A Transnational Transdisciplinary Journal*, 32(1) (2012): 93-112.

Galvan, Astrid. " Arizona Joins Fray Over Ridesharing Services." 31 March

2014. insurancejournal. Electronic. 29 November 2014. .

Kamar, E., and Horvitz, E. " Collaboration and Shared Plans in the Open World: Studies of Ridesharing." Proceedings of Twenty-First IJCAI (2009): 187-194.

Kokalitcheva, Kia. " Amid Uber controversy, taxi-hailing app Flywheel raises \$12M, adds new management." 20 November 2014. venturebeat. 29 November 2014 .

Taylor, Bob. " The Uber side of taxi controversies." 10 August 2014. commdiginews. 29 November 2014 .