

Friday, 26 April 2019

## Uber drives forward while taxis stall and new market entrants begin to accelerate

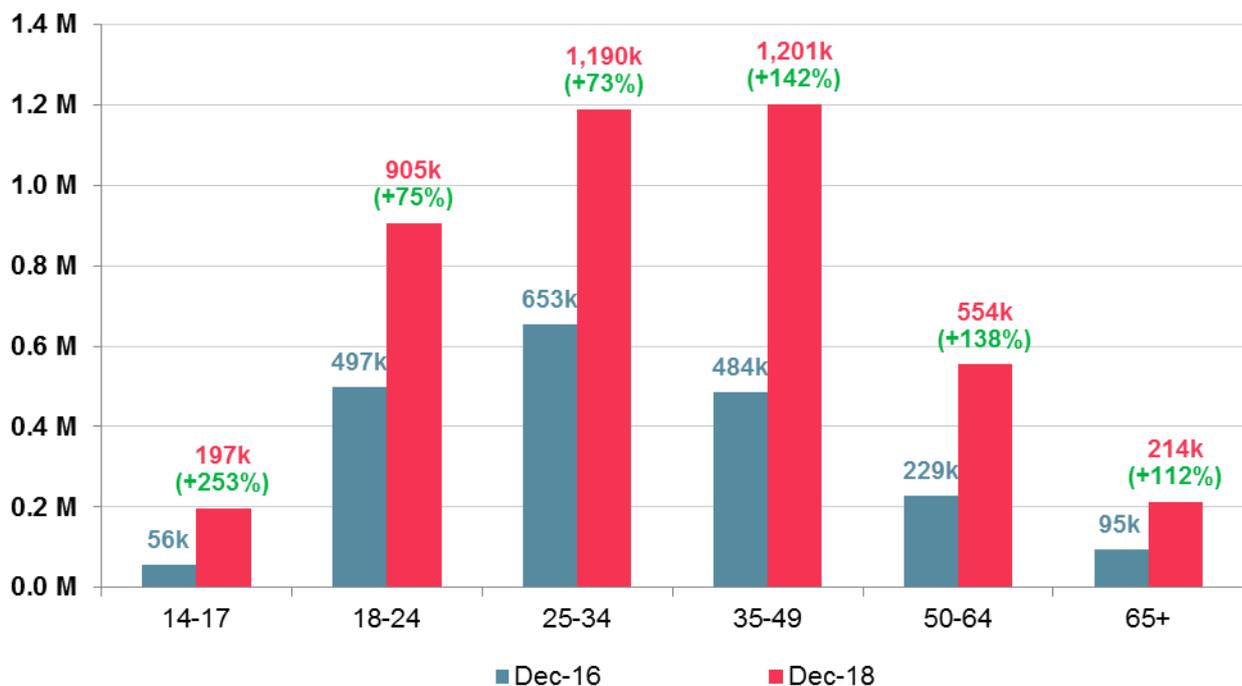
Uber has been in Australia for over six years, and has established itself as Australia's leading ride-share app, with nearly 4.3 million Australians aged 14+ (over 20% of the population) now travelling by Uber in an average three months, according to the latest research from Roy Morgan conducted in the year to December 2018 – up from just over 2 million (10.2%) in 2016.

There has been strong growth in Uber usage across all age groups ranging from growth of 73% to 1,190,000 for 25-34 year olds to as high as a massive 253% to 197,000 for 14-17 year olds.

In the year ended December 2016, only 56,000 14-17 year olds rode in an Uber, equal to 4.9% of that age bracket. However, in the year ended December 2018, the number of 14-17 year olds riding in an Uber had grown to 17.1% of the age bracket (197,000).

There was also strong growth for 35-49 year olds experiencing a 142% increase in using an Uber to over 1.2 million which now makes this age bracket the largest users of Uber.

### Growth of Ubers by age group (Dec 2016 vs Dec 2018)



**Source:** Roy Morgan Single Source (Australia), January-December 2016, n=14,330 and January-December 2018, n= 14,913.  
**Base:** Australians 14+.

Uber's encroachment on the demand for taxis across Australia continues to increase. The number of Australians who travel by taxi in an average three months fell by nearly 2% points over the last two years to 21.5% in 2018.

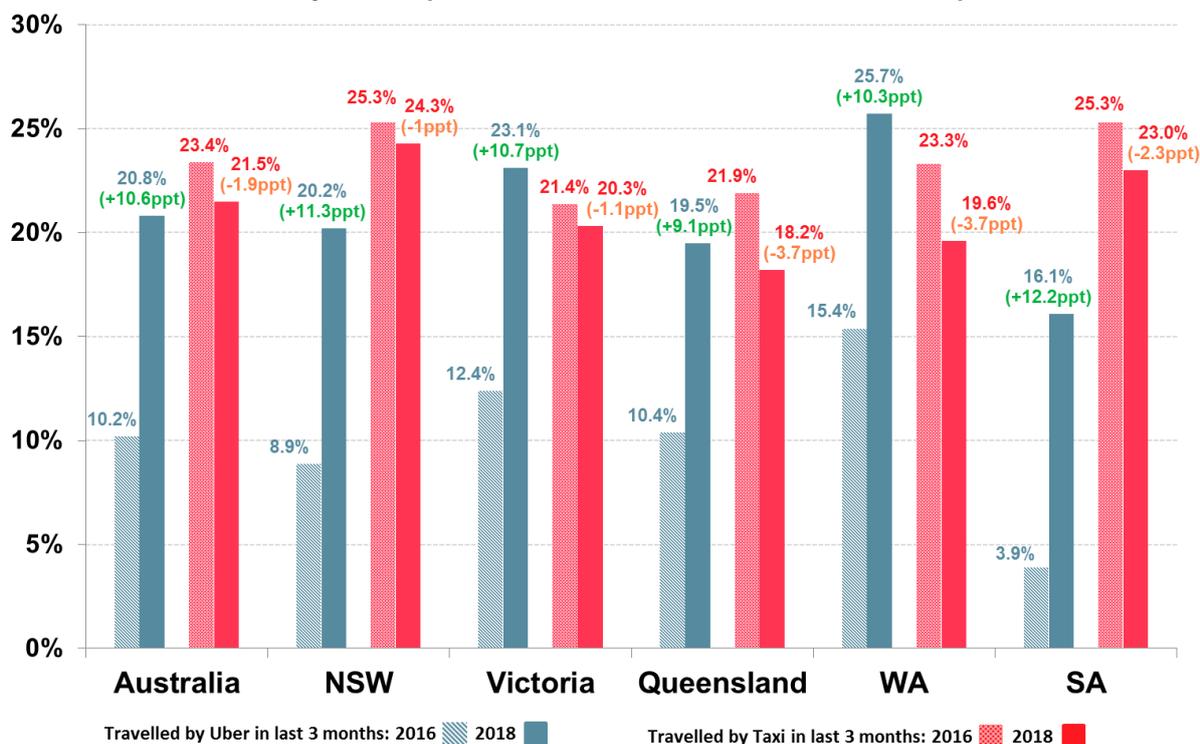
Meanwhile, the number of Australians who travel by Uber in an average three months more than doubled in percentage terms over the last two years, up by 10.6% points to 20.8% in 2018.

Traveling by Uber increased substantially in all five mainland States over the last two years while usage of taxis declined over the same period.

Uber's growth over the last two years was most notable in South Australia and New South Wales, rising by 12.2% points and 11.3% points respectively. With South Australia accrediting Uber later than most states, their demand is now catching up to the rest of the nation.

The largest slumps in usage of taxis were seen in Queensland and Western Australia, both falling by 3.7% points while usage of taxis dropped by a smaller 1.1% points in Victoria and was down by 1% point in New South Wales compared to two years ago.

### Taxi and Uber use by state (December 2016 vs December 2018)



**Source:** Roy Morgan Single Source (Australia), January-December 2016, n=14,330 and January-December 2018, n= 14,913.  
**Base:** Australians 14+.

### Uber's success attracts new competitors to the rideshare market

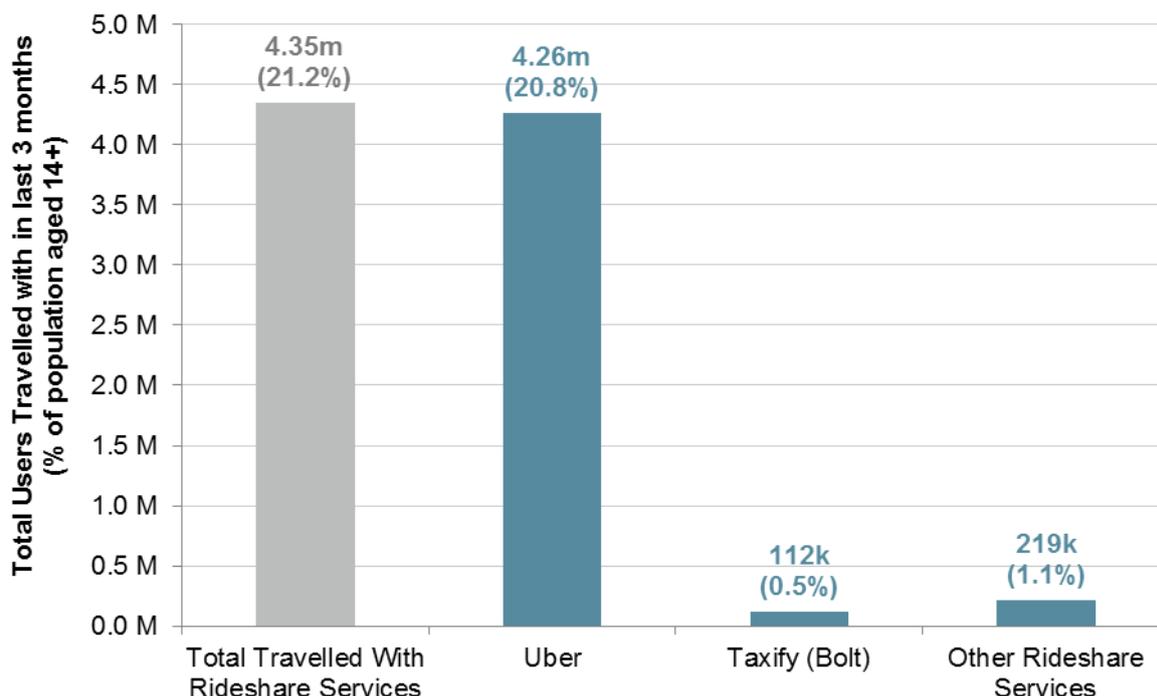
The success of Uber has not gone unnoticed by budding entrepreneurs and investors, and several competing services to Uber have begun making their way into the Australian market.

While Uber have a head-start in the market, other rideshare companies such as Taxify (now Bolt), DiDi, Ola, GoCatch and others are all competing for the ever-growing segment of the population looking for someone to take them from point A to point B.

The latest Roy Morgan analysis reveals that 90,000 people across Australia already use a rideshare service other than Uber in an average three months without also using Uber in that same timeframe.

New entrant Taxify (Bolt), headquartered in Estonia, is a leading competitor, with 112,000 Australians (0.5% of the population 14+) using their service at least once in an average three months in 2018.

## Success of Uber compared to new rideshare competitors (December 2018)



Source: Roy Morgan Single Source (Australia), January-December 2018, n= 14,913. Base: Australians 14+.

### Michele Levine, CEO of Roy Morgan, says:

*“Uber has enjoyed global success in connecting drivers and passengers at an affordable rate, and Australia’s market is no different. A staggering 20.8% of Australians 14+ now ride in an Uber in an average three months, up from 10.2% two years prior.*

*“The 35-49 year old age group are now the biggest users of the rideshare service, while 14-17 year olds are the fastest growing, indicating that parents are now comfortable enough with the safety and security of Uber to allow their children to try it out.*

*“Across the various states, Western Australia remains the state with the highest Uber adoption (25.7%) and the largest decline in taxi use over the last two years by 3.7% points to 19.6%. In fact in Victoria, Queensland and Western Australia usage of Uber now exceeds usage of taxis.*

*“In contrast to the other largest States people in New South Wales have remained the most loyal to their taxi service, with the highest proportion of residents using a taxi in an average three months (24.3%), though this figure is still a percentage point lower than the same time two years ago.*

*“However, there are now many new companies from all across the world looking to replicate Uber’s success, and they have already started to influence the Australian market. Taxify, now known as Bolt, is now used by over 100,000 Australians in an average three months, while a collection of other rideshare services are now used by 219,000 Australians in an average three months, accounting for over 1% of the 14+ Australian population.*

*“In total, there were 90,000 Australians who now use a non-Uber rideshare service at least once in an average three months who do not use Uber at all. While Uber comfortably sits at a phenomenal domestic market share, the sudden growth of these new competitors cannot be ignored, and Uber would do well to reconsider where their unique value propositions are.*

*“At the same time, Uber’s competitors will need to be creative when tackling the industry giant, while also making themselves the preferred options to taxis and other rideshare services as well. To gain the competitive edge that only deep market research can provide, speak to Roy Morgan for a better understanding of your market.”*



For comments or more information about Roy Morgan’s ride sharing data, please contact:

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**About Roy Morgan**

Roy Morgan is the largest independent Australian research company, with offices in each state of Australia, as well as in the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan has over 75 years’ experience in collecting objective, independent information on consumers.

**Margin of Error**

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2

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