



Uber: Taxis Evolved

Listening Questions 1:

1. What kind of company is Uber?
2. How can a user request a ride?
3. How do customers pay?
4. What do drivers and customers have to do after each ride?

Listening Questions 2:

1. Why has Uber become so popular?
2. What is "surge pricing"?
3. By spring 2015, in how many countries was Uber doing business?
4. In 2014, why were drivers in Los Angeles upset with the company?

Transcript 1:

The Internet has led to the creation of several new business models including several companies that collect fees for connecting users with other users.

One of those companies is Uber. Uber is a ridesharing company that connects drivers to people who want rides through its app, which is also called Uber. Uber has become a popular service that is taking market share from taxis in major cities in the US and other countries. The company is based in San Francisco, USA.

So, how does it work?

Let's say a user wants a ride from his office to a restaurant after work. He can open the Uber app on his phone and tap the "Request pickup here" button. A driver in that area will receive a notification and can accept the offer. The driver will give the passenger a ride. The passenger does not have to pay the driver in cash because each Uber account requires a credit card and the ride fare will be charged to the card. The driver will be paid by Uber the following Monday for all of their rides in a week.

Another important aspect of the service is the customer and driver rating system. After each ride, the driver and customer must rate each other on a scale of 1 to 5 stars. Drivers with high ratings are offered more work and consistently abusive customers are not offered rides.



Transcript 2:

Why has Uber become so popular?

One major reason is that it is cheaper than taxis. Although the rate per mile or kilometer varies from city to city, the service is generally cheaper than taxis. Another reason is convenience. It is easy to get an Uber ride even when demand is high. Uber uses "surge pricing," which means when demand for rides is high, the pay rate increases so more drivers are incentivized to work at that time. Even on a rainy night or after a big event, it can be easier for customers to get a ride from an Uber driver than from a taxi.

By spring 2015, Uber had expanded to 58 countries, but the ridesharing industry is still immature and full of competitors such as Lyft, Gett, and mytaxi.

Not everyone involved with Uber is satisfied with the company. In 2014, around 200 Uber drivers in Los Angeles protested outside of one of the company's offices to complain about their pay. They said that in 2013, the base pay was \$2.50 per mile and Uber received a 5% commission. They said that the base pay was reduced to \$1.10 per mile and the company took a 20% commission in 2014.