

APPROVAL

“I/We hereby declared that I/We have read through this thesis and in my/ our opinion, that this thesis is adequate in terms of scope and quality which fulfil the requirement for the award of Bachelor Degree of Technology Management (Technology Innovation)”

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THE ACCEPTANCE OF TAXI DRIVERS TOWARDS
GRAB CAR SERVICE SYSTEM IN SELANGOR

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DECLARATION

“I hereby declare that the work of this research is mine except for the quotations and summarize that have been duly acknowledge”

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DEDICATION

To my beloved parents and family thank you for raising and supporting me until now. Then, a special thanks to my supervisor, panels and my friends for assisting me in completing the thesis.

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ABSTRACT

Grab Car is a car service that provides a service by using a private vehicle. It be able to send the customer everywhere according to the customer demand with the affordable rate of charge. Nowadays, Grab Car is the leading of ride sharing service in Malaysia. The existence of the grab Car disrupt the operation mode of public transport especially taxi services. This research is to study the acceptance of taxi drivers towards Grab Car Service System. Then, this research will conducting in Selangor. Furthermore, taxi drivers play a big role in order to the success of the research. Not only that, in completing this research study, the researcher adopt Technology Acceptance Model (TAM) as a reference in order to achieve the objective of the research. Next, several research methods has been use to do the research such as explanatory research design, quantitative method, survey questionnaire and cross-sectional study. The researcher use Statistical Package for Social Science 23 (SPSS) to analyse the obtained data. Lastly, the researcher do some discussion from the analysed data and provide some recommendation for the future study.

Keywords: Ridesharing, Public Transport, Grab Car Service, Smartphone Apps, Perceived usefulness, Perceived Ease of Use, Social Factor.

ABSTRAK

Grab Car ialah perkhidmatan kereta yang menyediakan perkhidmatan dengan menggunakan kenderaan persendirian. Ia dapat menghantar pelanggan di mana-mana mengikut permintaan pelanggan dengan kadar bayaran yang berpatutan. Pada masa kini, Grab Car adalah peneraju perkhidmatan perkongsian perjalanan di Malaysia. Kewujudan Grab Car mengganggu mod operasi pengangkutan awam terutamanya perkhidmatan teksi. Kajian ini adalah untuk mengkaji penerimaan pemandu teksi ke Sistem Perkhidmatan Kereta Grab. Kemudian, kajian ini akan dijalankan di Selangor. Selain itu, pemandu teksi memainkan peranan yang besar untuk mencapai kejayaan penyelidikan. Bukan itu sahaja, dalam menyelesaikan kajian penyelidikan ini, penyelidik menggunakan Model Penerimaan Teknologi (TAM) sebagai rujukan untuk mencapai matlamat penyelidikan. Seterusnya, beberapa kaedah penyelidikan telah digunakan untuk melakukan penyelidikan seperti reka bentuk penyelidikan penjelasan, kaedah kuantitatif, soal selidik tinjauan dan kajian rentas keratan. Penyelidik menggunakan pakej statistik untuk Sains Sosial 23 (SPSS) untuk menganalisis data yang diperolehi. Akhir sekali, penyelidik melakukan beberapa perbincangan dari data yang dianalisis dan memberikan cadangan untuk kajian masa depan.

Kata Kunci: *Perkongsian Menaiki, Pengangkutan Awam, Perkhidmatan Kereta Rebut, Aplikasi Telefon Pintar, Kegunaan Yang Diperhatikan, Kemudahan Penggunaan Yang Dipertimbangkan, Faktor Sosial.*

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LIST OF ABBREVIATION

GPS	=	Global Positioning System
LRT	=	Light Rail Transit
UTAU	=	Unified Theory of Acceptance and Use of Technology
TAM	=	Technology Acceptance Model
PU	=	Perceived Usefulness
PEOU	=	Perceived Ease of Use
TRA	=	Theory of Research Action
SPSS	=	Statistical Package for Social Science

LIST OF SYMBOL

%	=	Percentage
<	=	Less than
>	=	More than
=	=	Equal
r	=	Coefficient
N	=	Total of Respondent
β	=	Beta
R^2	=	R square

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CHAPTER 1

INTRODUCTION

1.1 Background of the Study

In this chapter discussing the background of the study and followed by the problem statement, research question and research objectives. Normally this chapter focus on identifying the problem and some effective solution to solve the problem. In the era of technology, transportation is one of the needs to make the life more efficient and be able to move from one place to another.

Therefore, the government producing some initiatives by providing the public transport in order to ease the community at the same time reduce the environmental pollution and avoiding traffic congestion. Traffic congestion occurs because of enhancing the number of motor vehicles on the road at the same time contribute to the negative impact such as rising fuel consumption, rising of noise levels, air pollution, and difficulties on the economy and social (Cobx,2010). Hence, the existence of public transport will reduce the use of a private vehicle, the rate of accident and rate of air pollution.

Next, Public transport is a vehicle service that everyone can access it anywhere and any time such as taxi, bus and train. Normally, most people travel to reach multiple locations around the city, go to work, class, shopping, and meet with other people (Lavadinho, 2017). Public transport includes all passenger services provided to the public with already set the tariff, routes and timetables, and designed to meet users'

mobility requirements on a small (urban) or medium (inter-urban) territorial scale (Zatti,2011).

Nowadays, the rapid technological development has been encouraging the government to propose ride-sharing platform. According to (Song, 2017), the entry of Grab as the ride-sharing platforms that offer online booking give leniency to the customer, especially during peak hours. Ride-sharing consists of two ways such as carpooling and vanpooling. Carpooling is a group of traveller using a private car while vanpooling requires a group of individuals use a van to riding (Chan & Shaheen, 2012). Furthermore, (Sundararajan, 2016) Digital Ride-sharing Platform is a wide group of disruptive and a sharing economy that matches market innovation. Lastly, ride-sharing platform encouraging people to reduce the use of private transport and traffic congestion, and provide job opportunity.

1.2 Problem Statement

Public transport includes all passenger services provided to the public with already set the tariff, routes and timetables, and designed to meet users' mobility requirements on a small (urban) or medium (inter-urban) territorial scale (Zatti,2011). Public Transport consists of all modes available to the public, without of ownership (White, 2017). Nowadays, public transport is one of the need in order to move from one place to another especially in a far distance. In Malaysia, the use of public transport is very rapid especially in Klang Valley, Selangor and tourism centre such as Melaka, Terengganu and etc. Next, according to Land Public Transport Commission (SPAD) the modes of Land Public Transport in Malaysia such as Bus, Taxi, Light Rail Transit (LRT) and Train.

In this study focus on Taxi as a mode of Land Public Transport. Since 2015, the rate of taxi usage become decline. Competition between Uber and Grab Car give a negative impact towards the life of taxi drivers. The deterioration of income makes taxi drivers thrifty and leading them to the personal and family problem (Msar.S & Aris.A, 2016). In addition, the existence of Grab Car as new transportation services

that act as an alternative to the lacking of public transport especially during peaks hour. Meanwhile, Grab Car provide the same service like a taxi but through online booking. Rust and Huang (2012) state the using of booking system will enhance the operational efficiency and service productivity. Hence, most of the people more tendency to choose the Grab Car compare to taxi.

Since the launched of the Grab Car in 2014 at Malaysia, it had affected the performance of taxi services. Based on a survey that conducted by Land Public Transport Commission (SPAD) on taxi service in Malaysia 2015, identify that the taxi user more likely use Uber and Grab Car because the service that provided more satisfy. Next, from that survey, identify 6,791 from 9,026 respondent of taxi user choose Uber and Grab Car service due to facilitated through the online application. The evaluation and qualitative information of dissimilar products, cost benefits, quickness in the transaction and fast booking confirmation are the advantages of an online purchase (Cheung & Law, 2009; Ip et al., 2012; Ruiz-Mafe et al., 2009).

Then, the factor that taxi service is not a choice because of taxi drivers charge more and do not use the meter, availability of taxi and behaviour of taxi drivers (A.Rajak. R.H, 2016). Otherwise, Grab Car provide charge with the reasonable and do not cheat the customer because it has an application that can be accessed by the driver and customer. Thus, the acceptance of society towards taxi services become decline. The effect of this evolution of Uber and Grab Car causes the taxi industry's performance become slowly and at the same time disrupt the source of income taxi drivers. In order to avoid the taxi industry become obsolete, the implementation of Grab Car System towards taxi services must be enforced to make both services become fair. Hence, the researcher needs to do some research about the acceptance of taxi drivers towards Grab Car Service System in order to convince their job before implement it. Lastly, it is important and urgent for the solution to propose to avoid the lack usage and disappearance of taxi services.

1.3 Research Objectives

The purpose of this research to cultivate the theoretical framework and understand the acceptance of taxi drivers towards Grab Car Service System. Hence, the researcher focus on Selangor as a place to doing the research. The objective of this research to identify the factor that catalyses taxi drivers to use Grab Car Service System. Next, the effect of using that system and the association between taxi drivers and the system.

Besides, several objectives that come out from the researcher as listed below:

1. To identify the factor influencing taxi drivers to use Grab Car Service System.
2. To study the impact of using the Grab Car Service System by taxi drivers.
3. To investigate the relationship between taxi drivers with Grab Car Service System.

1.4 Research Questions

The research begins with measuring the understanding of taxi drivers towards Grab Car Service System. Then the purpose of this research to identify the acceptance of taxi drivers towards Grab Car Service System. In short, the researcher comes out with the research question below in order to fulfil the research objective:

1. What are the factor influencing the taxi drivers to use Grab Car Service System?
2. How does the impact of using the Grab Car Service System by taxi drivers?
3. What are the relationship between taxi drivers with Grab Car Service system?

1.5 Research Scope

This study discusses the acceptance of taxi drivers towards Grab Car Service System in order to enhance the performance of taxi services and to ensure the quality of the taxi services as well as Grab Car and Uber services. Therefore, the researcher identifies the factor acceptance of taxi drivers to use Grab Car Service System. From this research question, the researcher is able to know either taxi drivers willing to use the Grab Car Service System. Furthermore, the scope of the study to identify the positive and negative impact of using Grab Car Service system towards taxi drivers. Hence, the research focus only on taxi drivers in Selangor. Lastly, the result of this study focuses on the acceptance of taxi drivers towards Grab Car Service System.

1.6 Research Limitation

There are some constraint that faced by the researcher in completing this research, especially while conducting the survey. Most of the respondent unwilling to answer the questionnaire while some of them just tick the answer without reading the question thoroughly. Therefore, the researcher needs a lot of time to convince the respondent what is actually the purpose of this research. Lastly, the researcher believes that the respondent gives the best commitment during the survey session and answering the questionnaire sincerely.

1.7 Important of the Study

Taxi Services is one of the services that facilitate the user to move from one place to another. Since the rapid growth of industry in Malaysia, the society needs a public transport to go the desired destination. Furthermore, the growth of technology that is getting ahead cause the existence of Grab Car that offers services similarly with taxi services even more efficient and lower charge compare to taxi. Hence, it will affect the performance of the taxi services at the same time it will rapidly decrease the

number of users that use a taxi as a public transport. Therefore, the researcher comes out with one solution to implement the Grab Car Service System to enhance the taxi services performance at Selangor. Therefore, in order to implement the system, some research must be studied to recognize the acceptance of taxi drivers towards Grab Car Service System.

The importance of this study is to help the taxi services from a become decline in this public transport industry. This is because; nowadays the society will choose Grab Car Service to move from one place to another such as go to work, shopping, class and others. Next, the importance of this study is to help the taxi drivers to increase their income. Since the demand for taxi services decrease, most of the taxi drivers faces the financial problem. As a result, it will not burden the taxi drivers because they have a lot of commitment that needs to settle down.

Besides, the study may help the user and taxi drivers save time. This is because by having the Grab Car Service System, the taxi user can book the taxi services directly instead of waiting at the roadside. In short, the taxi user is able to book the taxi from anywhere and anytime. Conversely, the taxi drivers will not struggle to waiting and finding the customer. Other than that, the Grab Car Service System equipped with Global Positioning System (GPS) that will give the location and distance information. Next, Global Positioning System (GPS) will help the taxi drivers to identify the location of the customer easily. Alternatively, the customer will know the location of taxi drivers.

In conclusion, the important to implement the Grab Car Services System towards taxi services will reduce the rate of crime such as rape, robbery and abduction. Most of the crime occurs towards the public transport user especially women and teenagers. As know, the Grab Car drivers using the private vehicle to make a grab service. Therefore, the uncertainty of bad things happen among the user and driver, the public unable to notice the car belongs to Grab's Company. Next, if anything bad happens between taxi user and driver, the public will notice it and take an action directly. This is because Taxi has own identity such as colour and information that were shown at the car body of Taxi.

1.8 Summary

The chapter of this study starts with the introduction and background of the research. The topic of this research is the acceptance of taxi drivers towards Grab Car Service System in Selangor. Besides followed by the problem statement that gives more understanding of the problem occurs. Therefore, the researcher supports this research by providing the research objective for more clarification in getting the result. Then, the researcher highlights the scope of the research and the limitation that will occur in completing this research. Lastly, the elaboration of the importance of solving the problem that occurs to supports the outcome of the research.