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Malaysian Perception on E-Hailing Services ; Grab Vs. Maxim

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Abstract. The purpose of this study is to identify the perception among Malaysians about e-hailing services in Malaysia. This study focuses on e-hailing passengers in Malaysia, especially Grab and Maxim. Therefore, the Internet is used to find information about e-hailing services. Questionnaires on Google Forms are also used as a data collection technique. As a result of this study, we get data from all of the data collection. The results of this study show that most users of e-hailing services are students. In addition, the results of this study determine that Grab is the main choice among users compared to Maxim. There are also those who think that the Maxim price is cheaper. The conclusion from this study is that everyone has a different perception. Some people think the e-hailing services are satisfactory, and some think otherwise. Even so, the e-hailing service has many users among Malaysians, such as students. Grab and Maxim are among the e-hailing services that have the most users.

Keywords: *Perception, E-Hailing, Grab, Maxim*

1. Introduction

1.1 Background of Study

Lin,J, Li,S, Feng,X, Peng,X, Ladin,M.A, Gungat,L, Besar,S,N,A. (2019). E-hailing is a term to describe booking rides and paying for car service through a smartphone app with a transportation network company (TNC) such as Uber, Grab or Maxim. In recent years, e-hailing services have become popular around the world. This model relies on the widespread use of mobile devices, smartphones, which connect private car owners with passengers through mobile phone software. It was welcomed by many people. The

emergence of e- hailing has changed people's single way of travel; booking a car in advance and choosing a destination through mobile phone software has dramatically saved time and facilitated people's journey. This approach matches the mobility demand and the idle supply and reduces the cruising time, so e-hailing is considered a promising mode of transportation .

With the existence of e-hailing applications or vehicle sharing services, there are many people now who become private drivers and get paid according to their own time. But as passengers we do want good service at a cheaper price. Clearly here we can see that Grab and Maxim applications are more popular than other e-hailing applications. Therefore we will discuss the perception between these two e-hailing applications in Malaysia. Maxim's service appeared in Malaysia in the fall of 2018. Although it was just introduced, Maxim managed to forge a name among users and the community. Starting from small towns to big cities. Now Maxim is also a competitor to GrabCar.

1.2 Research Objective

1) To investigate the Malaysian perceptions on e-hailing services (Grab/Maxim)

1.3 Research Questions

Therefore, this research aims to seek answer to following research **questions** which are:

2) What is the profile of the respondents in terms of age, gender, and occupation?

3) What are Malaysian perceptions of using e-hailing services?

2. literature review

The study focuses mainly about the demography of E-hailing drivers and factors that influence them to venture into the E-Hailing industry in Malaysia through surveys. Most taxi operators have started to use the E-Hailing applications, either as licensed individual operators or as a fleet of taxis. This is driven by technology and opportunities offered combined with appropriate consideration of human factors associated with taxi operators that include trust, safety and security, cost, time and availability.While examining the factors that influence the intention of Malaysian drivers to adopt the apps, it is suggested that the mobile apps providers to focus on these factors to attract positive attitude toward the use of the apps. One of the factors for adoption of E-hailing business is ease of payment. E-hailing applications like Maxim, Grab, and Uber allow customers to conveniently make an online payment by using their smartphones. It has been reported by previous research that the most desired competitive business in different modes of transport is related to price and time.

2.1 Effects of Adopting E-Hailing Applications

Salim,S., Haziq,M.A., Hairi,M., Nur,A.H.M., Sarif,A., Zaminan,Z., Mohamad.M.Z.A.T., Shakir,M. & Azman,K.S. (2020). Mobility is a basic need for everyone, thus the demand for transport service particularly for private cars has increased tremendously in this modern society. In only a few years, drastic changes have been seen in the taxi industry. The emergence of e-hailing applications has increased the demand for ride services such as Maxim and Grab services, which have revamped the taxi industry as they increase competition among taxi industry and public transportation.The adoption of e-hailing applications has shown many positive and negative effects to people, transportation

systems and environments. The positive effect can be associated with the vehicle miles traveled (VMT) and reduction of greenhouse gas emissions as the auto ownership decreases, use of public transport increases and need for parking spaces is also reduced. In addition, e-hailing enables the non-drivers such as older people, younger people, people with disabilities and people without access to a vehicle to gain easier mobility. Lastly,traffic safety can also be improved by reducing drunk driving .

In contrast, the negative effects that could arise from the e-hailing services are congestion, VMT and an increase in greenhouse gas emissions due to 'empty' vehicle trips. Current taxicab services required by law (wheelchair accessible vehicles, service in low-income neighborhoods and dispatch without smartphones) will be reduced. Walking, cycling, and transit use will decrease due to competition which affect the public health and environmental benefits of active transportation. Safety and quality of driving through low training/licensing requirements will also decrease while driving revenues will increase.

2.2 The Concept of Customers Satisfaction

Kurniawati,A., Raj,M.S.S. & Singh.J.S.K. (2021). Customers play a major role in determining the worth of the business within the industry, hence their consistent purchase of the company's products and services are highly desired. To do so, providing a high level of customer satisfaction becomes the number one priority. In this case study, customer satisfaction acts as a dependent variable that is expected to change depending on how well multiple factors (economic, social, environmental) in the sharing economy are delivered to customers.Customer satisfaction is defined as a subjective process of customers comparing their expectations and the reality of products and services. Another definition refers to customer satisfaction as customers' overall evaluation of products or services, based on the total purchase and consumption experience over time.

Customer satisfaction involves a mix of cognitive and affective nature. Cognitive is the comparing process between expectations and reality, while affective involves a pleasant feeling towards products or services. In response to the question of why Maxim's fares are so much cheaper than other e-hailing apps, it is likely because in terms of access speed, getting a driver quickly is quite difficult. Maybe the number of Maxim drivers is not many, so passengers have to wait a little longer. Due to that problem, the fare charged is quite cheap. However, in the Maxim application system we are given the option to add on. If we want faster, we have to pay an extra charge. The higher the extra charge, the faster they respond to pick us up at a certain place.

2.3 Regulations Imposed by Malaysian Government on E-Hailing Industry

Salim,S., Haziq,M.A., Hairi,M., Nur,A.H.M., Sarif,A., Zaminan,Z., Mohamad.M.Z.A.T., Shakir,M. & Azman,K.S. (2020). Regulations on e-Hailing service were formed by the Land Public Transport Commission on 12 July 2018.Those who are involved in the service are given 1 year to fulfill all the criteria given under the Land Public Transport Act 2017. E-hailing is a public transport service that uses a reservation system via electronic application. The e-hailing companies have to apply for an intermediation business license which is defined as business of facilitating arrangements, bookings or transactions of an e-hailing vehicle whether for any valuable consideration or money's worth or otherwise. The e-hailing companies must register with Companies Commission of Malaysia, have

paid-up capital of at least RM100,000 and one of the members from the Board of Director must be Malaysian and stay in Malaysia. For e-hailing drivers, they have to apply for an intermediation business license, either for new drivers or existing drivers.

The e-hailing drivers also must be Malaysian, aged 21 years old and above, have competent driver license and vocational driving license, do not have any criminal records and not be blacklisted by the Royal Malaysia Police and Road Transport Department Malaysia.In addition, the drivers also must have no compound payment with the Land Public Transport Commission, pass medical checkup as well as attend and pass the new 6 hours driving training module.

Other than drivers, the vehicles registered also have to fulfill requirements such as the vehicles must have at least 3 stars as recognized by New Car Assessment Program for Southeast Asian Countries, insurance for vehicle, riders and third party people, and undergo scheduled inspection by PUSPAKOM once per year after 3 years registered at Road Transport Department Malaysia.

The vehicles also must display an identification sticker for e-hailing vehicles that is given by the Road Transport Department Malaysia. The maximum lifetime for completely knocked down vehicles is not more than 10 years after registering at Road Transport Department Malaysia and not more than 10 years after manufacturing date for completely built up (CBU) vehicles. Maximum vehicle lifetime for taxi, rental cars and luxury cabs class is based on requirements set by the Land Public Transport Commission.

The maximum commissions for e-hailing drivers and taxi drivers are 20% and 10% per trip, respectively. Moreover, the e-hailing drivers should not be stationed at one place and bookings must be done via electronic applications. If any drivers do not follow the rules, they may be punished under Land Public Transport Act.

3. Research Methodology

Jais,A.S&Marzuki,A.(2020). A quantitative approach using comprehensive document analysis was used in this study. A systematic literature review, with an analysis of work related to the e-hailing industry was reviewed. This study involved respondents consisting of students, private sector workers, and others. The respondents also varied in terms of age and employment status.

Therefore, we use the questionnaire platform to obtain data from respondents. The questionnaire that we created on google form contains several questions that are easy for respondents to answer and has optional features so that respondents can choose the appropriate answer according to their perception of the topic of this study. So for all the data collection, we form the results in the form of charts and tables. For the table and chart, we created it using Microsoft Excel and included it in this research report. All the data collection we get is based on the perception from respondents about e-hailing services.

4. Result And Discussion

A quantitative approach was applied to this study in which questionnaires were used as the instrument to get the data. There were three demographic profile questions and seven Likert- scale questions to answer the research questions of this study. To answer the first research question, the demographic profile of the respondents is presented in the following figures:

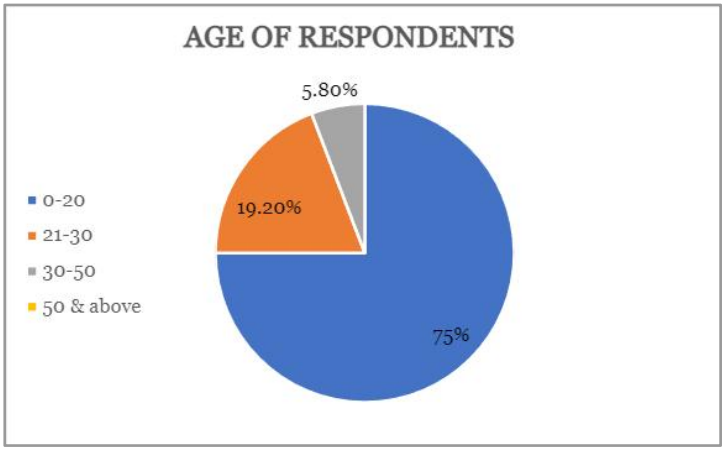

Figure 1. Percentages of Respondents Age

From Figure 1, the highest number of respondents was from the age 0-20, which was 75% (39 people) and followed by 21-30, which was 19.2% (10 people). The lowest number of respondents was from the age of 30-50, only 5.8% (4 people). There is no respondent from 50 & above . The total number of respondents was 53 people (100%).

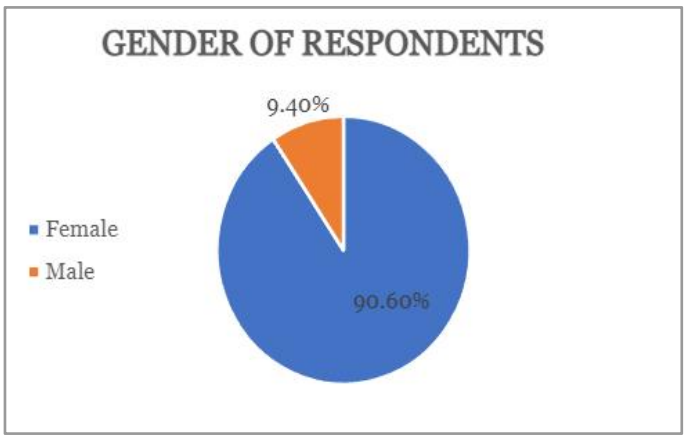

Figure 2. Percentage of Respondents' Gender

The number of female respondents was higher than male respondents. Female respondents reached 90.6% (48 people) while male respondents were only 9.4% (5 people). The total of respondents was 53 people (100%)

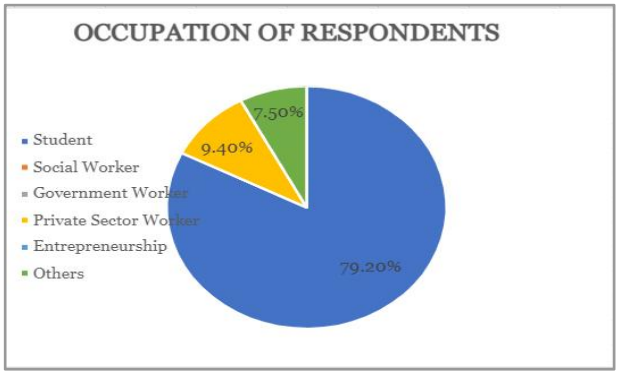

Figure 3. Percentage of Respondents' Occupation

Out of 53 people, 79.2% (42 people) of respondents are Students. Meanwhile, 9.4% (5 people) consisted of Private sector workers, 7.5% (6 people) of Others. There are no respondents from Social Worker, Government Worker, Entrepreneurship. However, there are many respondents among Students..

4.1 Which E-hailing do you prefer ?

There is one (1) question in the questionnaire. The questionnaire asked about which E-hailing preferred. The result of the analysis from respondents is presented in the following table and figure.

Table 1. Number of respondents to Question 1

Questions 1	Grab	Maxim
Which E-hailing do you prefer ?	29	24

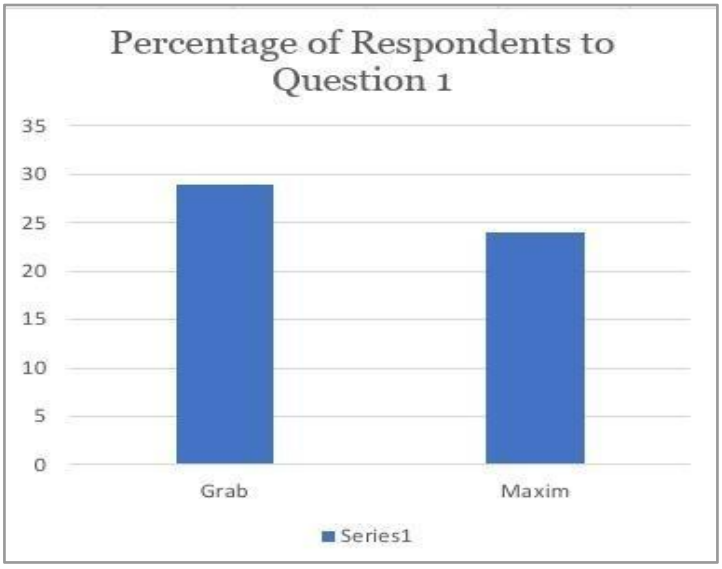

Figure 4. Percentage of respondents to Question 1

Table 1 and Figure 4 illustrate the number and percentage of respondents to question 1. The number of respondents who prefer Grab is 55% (29 people) while Maxim is 45% (24 people).

4.2 How long have you known about this E-hailing?

There is one (1) question in the questionnaire. The questionnaire asked about how long you have known about this E-hailing. The result of the analysis from respondents is presented in the following table and figure.

Table 2. Number of respondents to Question 2

Questions 2	Less than 6 months	Above 3 years	1-3 years	6-12 months	Never used
How long have you known about this E-hailing?	14	14	13	11	1

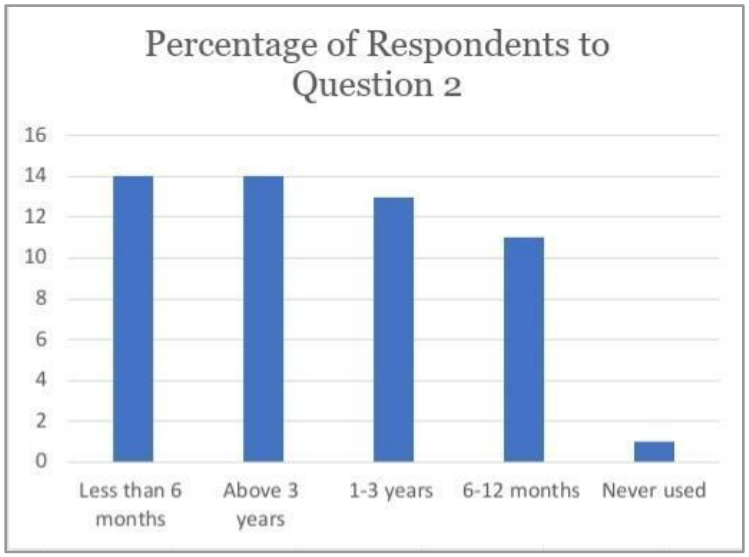

Figure 5. Percentage of respondents to Question 2

Table 2 and Figure 5 illustrate the number and percentage of respondents to question 2. The number of respondents who know about this E-hailing , **less than 6 months** is 26% (14 people) , **above 3 years** is 26% (14 people) , **1-3 years** is 24% (13 people) , **6-12 months** is 20% (11 people) , **never used** is 1% (1 people).

4.3 What do you think about e-hailing services in Malaysia ?

There is one (1) question in the questionnaire. The questionnaire asked about respondents' opinions about e-hailing services. The result of the analysis from respondents is presented in the following table and figure.

Table 3. Number of respondents to Question 3

Question 3	Satisfied	Very satisfied	Neither	Dissatisfied
What do you think about e-hailing services in Malaysia ?	35	13	4	1

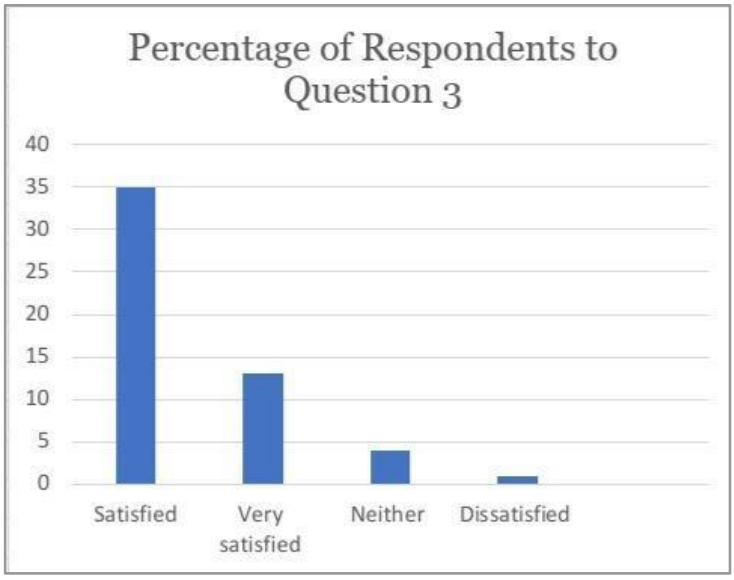

Figure 6. Percentage of respondents to Question 3

Table 3 and Figure 6 illustrate the number and percentage of respondents to question 3. The number of respondents' about e-hailing services, satisfied is 67% (35 people) , very satisfied is 25% (13 people) , neither is 7% (4 people) , dissatisfied is 1% (1 person) .

4.4 Do you agree that Maxim is cheaper ?

There is one (1) question in the questionnaire. The questionnaire asked about respondents' opinions about Maxim is cheaper. The result of the analysis from respondents is presented in the following table and figure.

Table 3. Number of respondents to Question 3

Question 4	Agree	Strongly Agree	Undecided	Disagree
Do you agree that Maxim is cheaper ?	32	13	5	3

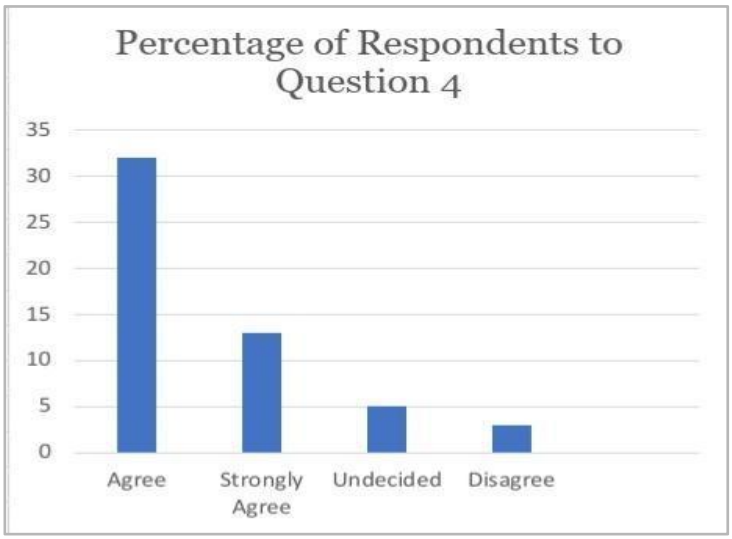

Figure 7. Percentage of respondents to Question 4

Table 4 and Figure 7 illustrate the number and percentage of respondents to question 4. The number of respondents' about Maxim cheaper price, agree is 60% (32 people) , strongly agree is 25% (13 people) , undecided is 10% (5 people) , disagree is 5% (3 person).

4.5 Do you think the services provided by Grab are good quality ?

There is one (1) question in the questionnaire. The questionnaire asked about quality services provided by Grab. The result of the analysis from respondents is presented in the following table and figure.

Table 5. Number of respondents to Question 5

Question 5	Good	Very good	Fair	Poor
Do you think the services provided by Grab are good quality ?	28	17	7	1

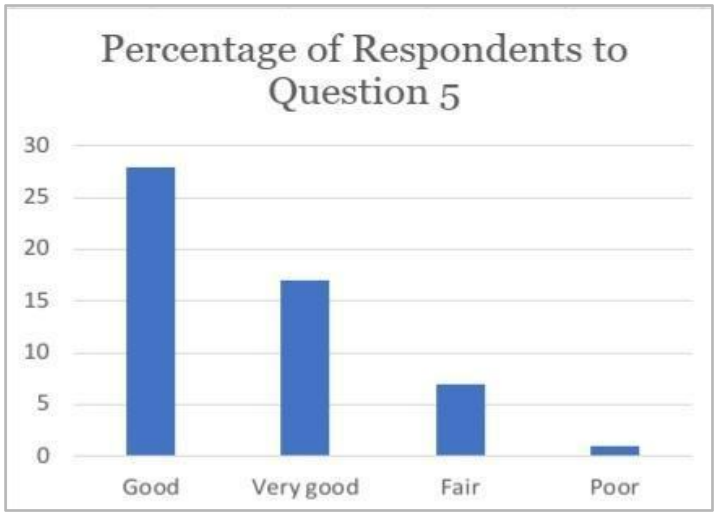

Figure 8. Percentage of respondents to Question 5

Table 5 and Figure 8 illustrate the number and percentage of respondents to question 5. The number of respondents' about quality services provided by Grab , good is 57% (28 people) , very good is 32% (17 people) , fair is 10% (7 people) , poor is 1% (1 person).

4.6 Do you think the services provided by Maxim are good quality ?

There is one (1) question in the questionnaire. The questionnaire asked about quality services provided by Maxim. The result of the analysis from respondents is presented in the following table and figure.

Table 6. Number of respondents to Question 6

Question 6	Good	Very good	Fair	Poor
Do you think the services provided by Maxim are good quality ?	29	8	13	3

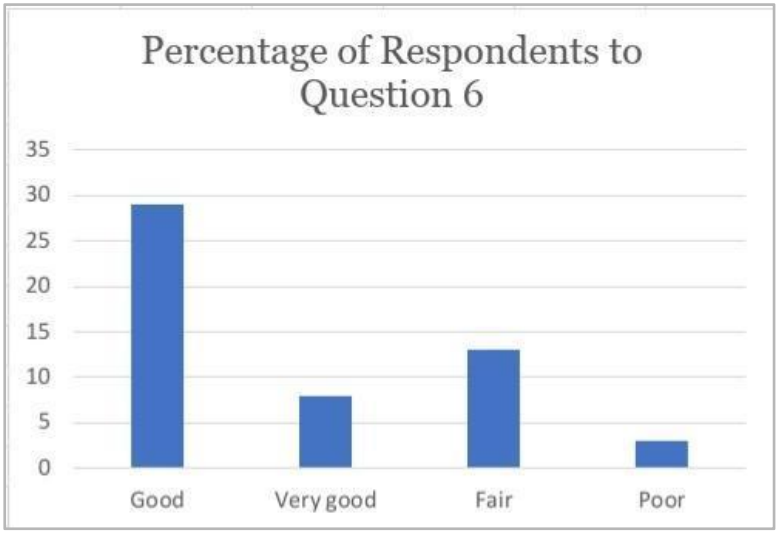

Figure 9. Percentage of respondents to Question 6

Table 6 and Figure 9 illustrate the number and percentage of respondents to question 6. The number of respondents' about quality services provided by Maxim , good is 54% (29 people) , very good is 16% (8 people) , fair is 25% (13 people) , poor is 5% (3 people).

4.7 Do you think e-hailing services in Malaysia are important ?

There is one (1) question in the questionnaire. The questionnaire asked about how important e-hailing services are provided in Malaysia. The result of the analysis from respondents is presented in the following table and figure.

Table 7. Number of respondents to Question 7

Question 7	Very important	Important	Fairly important
Do you think e-hailing services in Malaysia are important ?	39	11	3

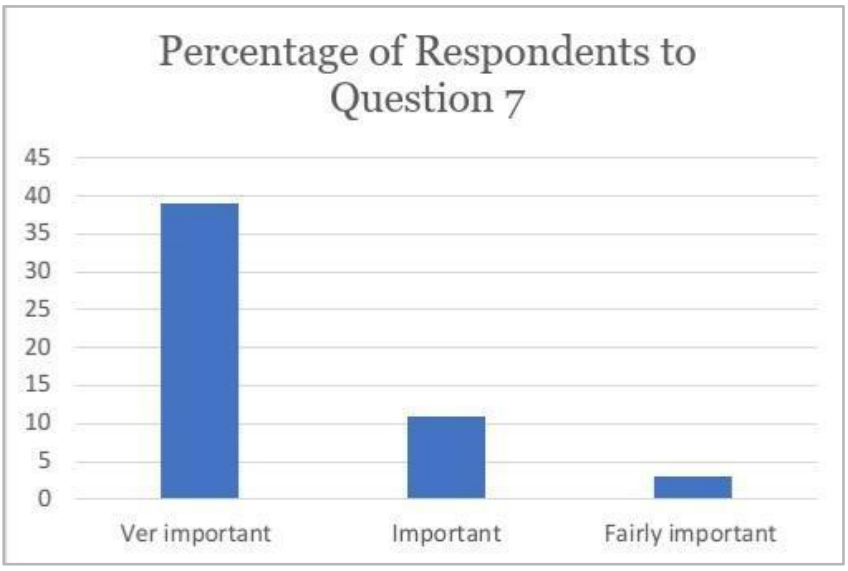

Figure 10. Percentage of respondents to Question 7

Table 7 and Figure 10 illustrate the number and percentage of respondents to question 7. The number of respondents' about how important e-hailing services are provided in Malaysia , very important is 74% (39 people) , important is 21% (11 people) , fairly important is 5% (3 people) .

5. Conclusion and Recommendation

The amendments made on two statutes that regulate the public transportation system in Malaysia has sealed and legalized the adoption of e-hailing service as part of the service offered. Initially viewed as disruptive in the early years of implementation, the service has currently been accepted by both the government, users and competitors alike and is regarded as a complement to the existing public transportation system. The legalization of e-hailing services also opens up a new dimension that can be regulated to ensure every stakeholder will benefit from the inclusion. The consumer would also benefit from the regulated e-hailing services and lower fares.

However, overregulation by the government can affect the industry, especially the drivers, which could ultimately impede the growth of e-hailing service. Hence, future studies on the impact of these regulations on the stakeholders of e-hailing service, especially the drivers, should be investigated extensively. The growing trends of locally established e-hailing companies would positively affect the e-hailing service to continue to flourish, as the industry remains competitive, with untapped markets and regions to explore.

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