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ABSTRACT

On March 26th, 2018 the largest merger in South-east Asia history occurred between global vehicle-hail company Uber, and South-east Asia's leading vehicle-hail company Grab. The merger between Uber and Grab has raised many tensions throughout Bangkok, Thailand. When walking through the streets of Bangkok, it seems that Grab drivers are now at war with traditional Meter Taxi drivers. The negative stigmas that surround Meter Taxi drivers in Bangkok has allowed Grab to become quite successful in a short amount of time. As a result of Grab's success, many of their drivers are faced with poor working conditions due to the actions of Meter Taxi drivers. Instances of threads, violence and an on-going mafia-style turf war has begun to affect the public of Bangkok and employees from both Grab and Meter Taxi.

Although Grab has been marginally successful in their first in Bangkok, they face an uphill battle when trying to establish a reputation with the business world. Cultural factors such as normative thinking and respect for tradition have possibly held businesses back from utilizing Grab in their day-to-day operations. The purpose of the paper is to explore the many implications regarding Grab and their journey to become Bangkok's most popular and safest means of transportation for locals, tourists, and businesses alike. By performing interviews on various sources, and applying secondary research to this paper, a fundamental understanding of this phenomenon from all angles can be concluded.

METHODOLOGY

Primary Research

The Grab phenomenon is somewhat new in Bangkok, and therefore, the amount of information regarding certain areas was limited. Due to the limited resources, I was required to go out into the city of Bangkok and uncover some info on my own. Throughout my journey, while living in Bangkok for five months, I utilized Grab's services, as I wanted to avoid any issues with Meter Taxis. During these experiences, I was able to interview Grab drivers informally and discover more profound insights about who they are.

In addition, after many rejections from various hotel chains located in my subdistrict of Bangkok, I was finally invited to speak with a woman named Puum, who has been working in the hotel industry for seven years now and was able to provide a fascinating perspective regarding Grab and the hotel industry.

My last primary source was Chira Indystar, who is a local English-speaking restaurant owner operating close my apartment. Chira provided me with a handful of educational conversations and was always willing to point me in the right direction whenever I was stuck on an idea during my research process. As a fifty-nine-year-old Bangkok Citizen, Chira has a lot of knowledge on the history of Bangkok and their Meter Taxi problem.

Secondary Research

The secondary research that was utilized throughout this paper is a mix of other academic journals, news articles, travel blogs, and government websites. As a 2018 phenomenon, locating academic sources that focus on Grab was

a challenge. A vast majority of the research used is qualitative, as quantitative figures often did not the projected message intended for this paper.

INTRODUCTION

As the growth of Internet usage in the world continues, more and more services are adapting to a less ‘traditional approach’ to business and are utilizing an online presence to capture their target audience. The vehicle-hail industry is following this trend closely; with companies like Uber becoming an everyday household name. In Bangkok, Thailand however, a fascinating phenomenon has occurred in recent months. The Grab vehicle-hailing company has entered the market, allowing individuals to find a ride to anywhere in the city with the press of a button on their smartphone. Since Grab’s penetration in the market, there have been many controversies between traditional Meter Taxis and Grab drivers. These controversies include turf wars, physical threats, and violence.

This research paper will examine the vehicle hire industry in Bangkok, Thailand in hopes of providing some insight as to what may be expected for the future of the Bangkok citizens and the industries such as hospitality and airports that rely on the ride-hailing services to ensure that their operations run smoothly. In addition, we will be providing Grab with a possible recommendation to increase popularity amongst Bangkok citizens and businesses. Many media outlets only focus on the positive aspects that come with companies such as Uber, Lyft and Grab entering the market, but the scope of this research paper is to shine a light on of the ugly truth behind introducing vehicle hire companies into a city near you.

BACKGROUND – GRAB VS. THE METERED TAXI

An Overview of Grab

The Grab company is a household name in Bangkok, and whether you love them or hate them, it appears that they are here to stay. Grab is a smartphone-based company that was established in Singapore and allows users to book trips from A to B with the click of a button. Grab has the vision “to revamp the Thai taxi industry, making [the taxi industry] a safer and more efficient mean of [transportation]” (Grab, 2018a). Their services ensure that you safely get to your desired location in vehicle type of your choice.

The Singaporean smartphone-based vehicle-hailing company entered the Bangkok market on March 26th, 2018, when they successfully acquired Uber’s Southeast Asia Operations (Grab, 2018a). Grab’s take-over for Uber is said to be the largest acquisition by any South-east Asian company. The exact value of the purchase has not been publicly announced, but sources have leaked that the deal gave Uber a respectable 27.5% ownership in the Grab company (Keeton-Olson, 2018). In a letter to his team, Uber CEO Dara Khosrowshadi expressed the merger was a strategic investment that “puts [Uber] in a position to compete with real focus [...] in the core markets where [Uber] operates” (Uber, 2018). Despite many skeptical opinions on the deal, both Grab and Uber seem to have benefitted from this deal in the long run.

Who are Driving Grabs in Bangkok?

Grab offers an incredibly flexible schedule to its employees. Whether you are looking for full- time employment, or just wanting to earn some extra spending money on evenings and weekends, Grab will fit your schedule. Grab advocates that they offer their drivers “[the] freedom to pursue [their] passions [outside of work]” (Grab, 2018c). During personal experiences using Grab, I was able to informally interview Grab drivers to discover their motives behind operating a Grab car. My insights found that 82% of driver’s had other sources of income. The income came from lower paying jobs such as security guard positions to middle-class jobs such as a construction project analyst. Through these insights, we can see that Grab drivers can come from a variety of backgrounds. However, one

interesting discovering that was discovered through my research is that all of the drivers considered it as a part-time job. Although the sample size was relatively small due to English language limitations, we can see that Grab drivers are utilizing it as a way to get some extra spending money to their household, and do not see it as a full-time position.

Grab Application’s Pricing Model

The Grab application uses a sophisticated algorithm to calculate prices for customers. The algorithm utilizes an array of factors to calculate the amount a user will pay before they order their service. Some of the elements that the algorithm uses to calculate a price include a base fare, cost per kilometer, cost per minute, toll charges, and airport premiums (Grab, 2018b). Figure 1 provides a more detailed breakdown of Grab’s pricing scheme.

Although Grab’s pricing model is complicated, the application provides users with a simple price estimation for each desired trip that they want to take. The prices that are quoted are fixed and will not change despite unfavourable traffic conditions. The non-changing price is a feature that sets Grab apart from the tradition taxi meter, as knowing the price before beginning a trip is something that some customers may prefer and do not have access to when using a Metered Taxi.

As you will see, the overall pricing of Grab is slightly more expensive than a Meter Taxi from the start of the journey, with Grab fares starting at 55 THB, which equals about \$2.25 (Grab, 2018b). The supply and demand multiplier that is used when Grab calculates its prices not listed publicly by Grab, but speaking from personal experience, I can say with confidence that the multiplier inflates the price beyond what you would pay from a Meter Taxi during almost every journey. When utilizing Grab to get to your desired location, you must understand that overall you will pay more than a Meter Taxi, but extra costs help to cover the booking fees for Grab (Grab, 2018b).

Moreover, Grab drivers are given a choice to drive each customer to their desired location before they commit to the ride, which eliminates any denial of service when the driver arrives. Each Grab driver also holds a rating for their service that allows customers to see that the driver acts respectfully and is a qualified driver, creating a positive atmosphere in the customers head while utilizing the service.

Figure 1: Pricing Model of Grab Application Algorithm (Grab, 2018b).

Note: 25TBH is equal to approximately \$1 Cad.

An Overview of the Metered Taxi

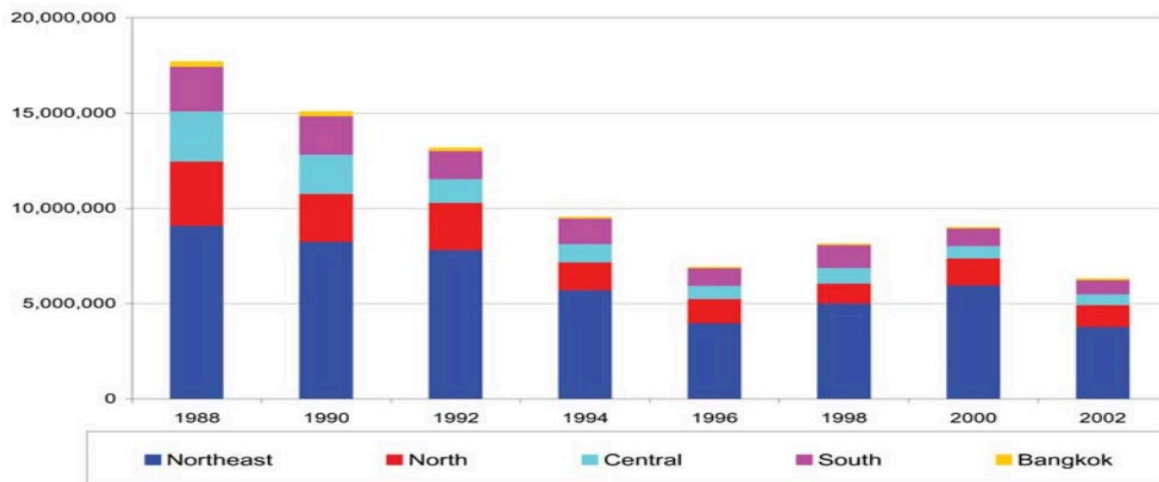
Much like every other major city in the world, Bangkok is filled with taxi cars and vans that are easily summoned by a simple hand gesture on the side of a road. The Land Transport Department claims to have approximately 140,000 Taxi cars registered in Bangkok area (Torjesen, 2015). The large number of taxi cars that are currently serving the Bangkok streets is a result of the 1992 taxi reform. The reform was a crucial stepping stone that shaped the way Bangkok taxis are run today by

Applicable / Displayed Fare	
Base Fare	55 THB
Fare per KM (For 0-5 KM)	+3 THB per KM
Fare per KM (For 5.1 KM onwards)	+6 THB per KM
Fare per minute	+2.3 THB per minute
Fare is set at the time of booking in the Grab app and is susceptible to demand-supply ratio of cars and taxis in the area, as well as any additional surcharges.	
Toll Charges	According to the tolls incurred during the course of the trip, from pick-up point to destination.
Airport Surcharges	Suvarnabhumi(BKK) + 100 THB (for travelling to-back airport) Don Muang(DMK) +100 THB (for travelling to-back airport)
Advance Booking Fee	Not available

implementing three policies regarding taxis in Bangkok (Hickey 2013, p. 6). The first, and arguably most significant change in policy was the elimination of the taxi license quota, which allowed an infinite number of taxis to operate in Bangkok; creating a free-market economy (Hickey, 2013, p. 6). Second, a policy was introduced that deemed taxi cars to be no more than twelve years, meaning that no taxi on Bangkok’s streets in 2018 is to be older than a 2006 model. (Hickey, 2013, p. 6). And finally, all taxi cars were required to install a visible meter to display the price as it increased in real-time (Hickey, 2013, p. 6). The history of the taxi is vital to understand, as we can see that the policies surrounding Meter Taxis are somewhat new. By introducing Grab into the market, the government planned business model for transportation has been shaken tremendously.

Figure 2: Displaying the number of individuals labelled as “poor” in each region in Thailand (Thailand’s National Economic and Social Development Board & the World Bank, 2005, p. 6)

Who is Driving



Metered Taxis in Bangkok?

Both research and my personal experience indicate that Bangkok taxi drivers are traditionally Thai citizens. Although some Bangkok taxi drivers are born and raised in the heart of the city, the majority of drivers have migrated from north-eastern Thailand (Torjesen, 2015). Migration to Bangkok occurs due to lack of opportunities in North-eastern Thailand (Torjesen, 2015). Majority of Thai citizens refer to the north-east region as “Isaan,” and in the interests of aligning with local terminology, the North-east region of Thailand will be referred to as Isaan throughout the rest of this paper (Prado, 2010).

The Isaan area is primarily known as the lower income area within Thailand, with a much higher concentration of individuals labeled as “poor” in comparison to the other regions of Thailand as seen in figure 2. Although statistics in figure 2 also show considerable improvements in the incomes of individuals in the Isaan area compared to previous years, “about one in two [Isaan] families rely on migration and remittances to boost income” (Thailand’s National Economic and Social Development Board & the World Bank, 2005, p. 8). Briefly exploring Isaan’s economic situation provides some context regarding why a majority of Bangkok’s taxi drivers come from Isaan and provides some perception on topics ahead.

Meter Taxi’s Pricing Model

Meter Taxi pricing is one of the more controversial topics on the internet when you are researching Bangkok. What you SHOULD pay versus what you ACTUALLY pay are often two different things. The non-ethical behaviors of some taxi drivers in the city have caused an uproar of negative blog posts, articles and overall stigmas that surround taking a taxi in general. These negative stigmas may be what has allowed Grab to become so popular with tourists and locals in such a short period. To truly understand meter taxi’s in Bangkok, we must first explore than

government regulated pricing scheme, followed by the sometimes-harsh reality that people experience when in Bangkok.

Before the 1992 reform, Meter Taxis worked through a negotiation system, where if you needed to take a taxi, you would agree on the price with the driver before departure (C. Indystar, personal communication, November 28th, 2018). Following the 1992 government reform that altered the taxi industry in Bangkok; all taxis were immediately required to install a meter in their car and follow the set rates that were introduced by the Land Transport Control Board (Hanaoka, 2007).

These rates were active from 1992 until December 13th, 2014, when the Ministry of Transport approved a fare hike that steadily increased prices by 13% throughout a six-month period (Webfact, 2014a). The costs of a metered taxi journey include factors such as a base rate of 35THB, varying per km rate, traffic jam fee when the car is moving less than 6km/h, applicable toll charges, and a 50 Baht airport fee if you are traveling to or from the airport. Figure 3 demonstrates the changes in price per km from the original 1992 policy to the 2014 policy that is used in the current day.

Figure 3: Current government pricing model compared to the old government pricing model for Bangkok taxis (Rameriz, 2015).

Note: 25THB is equal to rough \$1 Cad.

OLD Meter		NEW Meter	
0 – 2 km	35 THB	0-1 km	35 THB
2 – 12 km	5.0 THB	1 – 10 km	5.5 THB
12 – 20 km	5.5 THB	10 – 20 km	6.5 THB
20 – 40 km	6.0 THB	20 – 40 km	7.5 THB
40 – 60 km	6.5 THB	40 – 60 km	8.0 THB
60 – 80 km	7.5 THB	60 – 80 km	9.0 THB
80+ km	8.5 THB	80+ km	10.5 THB
Minute (slow traffic)	1.5 THB	Minute (slow traffic)	2.0 THB

The Problem with Taxi Meters

Despite Meter Taxi drivers in Bangkok being bound by law to use the metered rate for each customer they encounter, this is seldom the case (Hanaoka, 2007). Taxis make up for 75.7% of complaints that are received regarding public transport (Department of Land Transport, 2015, as cited in Pueboobpaphan, Indra-Payoong & Pueboobpaphan, 2017, p. 78). In all of the complaints filed against taxis in Bangkok in the year 2015, 44.10% of them were to report a refusal of proper service from a Meter Taxi driver (Department of Land Transport, 2015, as cited in Pueboobpaphan et al., 2017, p.78).

Why would a taxi driver refer the meter you may ask? There is a variety of reason(s) that a taxi driver may refuse your ride. Some of the most common reasons that a Taxi Meter driver will refuse your journey include unfamiliarity with the route, the need to refuel, and traffic congestion (Panpakdeediskul & Tinanoi, 2018). In my personal experiences, one of the most influential factors in a Meter Taxi refusing your ride is a result of the “cost-reward structure” associated with driving a Metered Taxi (Panpakdeediskul & Tinanoi, 2018). Many times, the Meter price will not justify the ride length from the driver’s perspective, and therefore, he will refuse to take you to your desired

location. Due to the cost-reward structure that is currently assigned to Meter Taxi rates, “[t]he Thailand Development Research Institute’s (TDRI) on-the-ground research shows that the taxi business in Bangkok is on the verge of a crisis (Panpakdeediskul & Tinanoi, 2018).” With no meter rate increase in sight, the question to be raised is will Meter Taxis be able to sustain what is left their business?

Another reason there is such a high rate of complaints against taxi drivers is that they will often try to scam customers by offers an inflated fixed price as a substitute to the meter (Torjesen, 2015). The principle of offering a fixed-priced ride comes from the pre-1992 taxi reform, as taxis were once required to negotiate rates with each customer when no meter was available (C. Indystar, personal communication November 28th, 2018). Despite the use of a meter being required in all taxis throughout Bangkok, the principle of negotiated rates is still carried forward in 2018.

Many other factors can also influence a driver to refuse the meter and only offer a fixed rate. Some other reasons you may expect to pay a fixed price include an ongoing rainstorm, a trip to or from the airport, traffic jams in on route to your desired location, and the closing of a major sporting or entertainment event (Torjesen, 2015). Meter Taxis drivers in Bangkok have learned how to manipulate the system to get the most money each day. Although the practice of refusing the meter is more likely to occur in a tourist area such as the Grand Palace or Siam Centre, offering fixed prices instead of operating the meter is unfortunately still a common practice in Bangkok and should always be considered when analyzing the actual cost of using a taxi.

The Mafia-Style Turf War Between Grab and Metered Taxi

With all of the negative stereotypes that surround taxi drivers in Bangkok, Grab was able to enter and capture the consumers that do not mind paying a bit more to avoid any confrontation or issues when using transportation. With its approximate seven bookings per second in South-east Asia, it is no surprise that Grab steals a considerable number of customers from the Meter Taxi drivers of Bangkok each day (Smith, 2018).

Chira Indystar, a lifetime Bangkok resident stated that ever since Grab has introduced its Bangkok fleet, a mafia-style turf war has developed throughout the streets of Bangkok (C. Indystar, Personal Communication, November 8th, 2018). Individuals that attempt to order a Grab to or from certain areas in the city may have a much harder time finding a driver to accept the ride due to the fear of confrontation of a taxi driver. If you are lucky enough to find a driver in a “claimed area,” you may receive a phone call from the driver asking you to walk around the corner, or into an alleyway. Common areas that these behaviours occur again include tourist areas such as The Grand Palace, Siam Centre, and Airports.

Understanding why these Grab drivers fear certain areas is not complicated to grasp, as there have been many incidences where taxi drivers demonstrated both verbal and physical assault when confronting other vehicle-hire services. One of the most documented examples in of confrontation between taxi drivers and other vehicle hire-services occurred in the city of Pattaya, which is located approximately two hours by car outside of Bangkok. On May 17, 2017, “Taxi drivers [...] surrounded an Uber [...] and forced a western passenger out of the vehicle” (Webfact, 2017b). Pattaya is an area well known for its mafia-style taxi drivers that try to claim a monopoly over the customer base, and although this incident was with Uber, there have been reported assaults on Grab drivers as well, including personal experiences of my own.

During my first month of studying abroad in Bangkok, I relied heavily on Grab’s services to get around, as I was not familiar with the names of certain places in the city to direct a Meter Taxi. During a routine trip to Tops Market, a local supermarket located within the Nanglinchee Mall, my Grab driver and I were confronted by two taxi drivers who began to yell at us in the Thai language. Following the innocent, my Grab driver informed me that this can be a common practice when entering certain areas of the city. The act also demonstrated how dangerous it can be when operating a Grab in Bangkok.

BACKGROUND SUMMARY

The Grab

Grab was recently introduced into the city of Bangkok, taking over from ride-hailing company Uber. Grab quickly became a popular way for tourists and locals to travel throughout the massive city. With their easy to use app that continuously tracks your location, Grab has eliminated the need to stand on the side of the road to hail down a Metered Taxi. Drivers consider Grab to be a part-time job and do not face any pressures to pick up passengers from undesirable places, meaning each customer is their choice to serve. The pricing scheme of Grab utilizing an algorithm that is not fully known to the public but starts with a higher base price compared to Metered Taxis but offers a similar cost per Kilometer. Due to the supply and demand factor that is included in Grabs pricing scheme as seen in figure 1, Grab is almost always more expensive when compared to a Metered Taxi. However, the convenience of acquiring a ride without the struggles that come with hailing a taxi in Bangkok such as denial of service and only offering an inflated fixed rate has allowed Grab to succeed in Bangkok. A SWOT analysis for the Grab company is located in the appendix, labeled as figure 5 and summarizes the company's overall position in Bangkok. The analysis takes into account all of the topics discussed above and provides the reader with some deeper thinking on the Grab company.

Meter Taxi

The meter taxi became a vastly popular occupation in 1992 when the Thai government implemented a policy allowing for a free market economy of taxis and a set required meter price. As a result of the free market economy, there are now approximately now 140,000 taxi drivers in the city of Bangkok (Torjesen, 2015). Many drivers are internal immigrants from Isaan that come to Bangkok with the hopes of sending their families back home remittances as a result of their taxi driving (Thailand's National Economic and Social Development Board & the World Bank, 2005, p. 8). The pricing scheme for the metered taxi has only risen by 13% since 1992, making taxi cabs very affordable, but have caused some issues throughout Bangkok (Webfact, 2014a). Due to the low pricing scheme of the metered taxi, many drivers are now refusing to take customers to areas if the ride is deemed to be not worth the low fair. Also, taxi drivers in Bangkok are also known for charging fixed rates to individuals to acquire more income in comparison to the metered price that was implemented by the government. A SWOT analysis for the Meter Taxi is located in the appendix, labeled as figure 6 and summarizes the company's overall position in Bangkok. The analysis takes into account all of the topics discussed above and provides the reader with some deeper thinking on the Meter Taxi.

DISCUSSION - CURRENT TRENDS IN BANGKOK FOR BUSINESSES

Understanding the unique challenges that Bangkok's ride-hail industry faces is essential when moving forward into the business world. With many underlying issues that have been mentioned above, businesses that desire to utilize ride-hailing to operate efficiently need to evaluate the pros and cons for both Grab and Meter Taxi before choosing their service of choice. We will now look at the hospitality and airport industries to apply what we know about ride-hailing in Bangkok to the business world.

Suvarnabhumi Airport's – Grab's Struggle to Capture the Market

The major international airport serving Bangkok is the Suvarnabhumi Airport, which is located approximately 40 minutes outside of the city during light traffic (Thuan, n.d.). Bangkok's newly designed airport is the busiest in Thailand, with 54,101,623 passengers passing through it in 2013 (Airports of Thailand Plc, 2014, p. 6). When you think of airport experiences, usually taking a taxi goes hand-in-hand with the experience. However, when Suvarnabhumi Airport was first designed, the plan was to eliminate taxis (Mike, 2016). When this plan became public, an uproar of complaints quickly changed the airport's taxi free design (Mike, 2016). Adhering to the feedback

from the general public, the Airport designers implemented Meter Taxi counters on the ground level, near entrances 3, 4, 7 and 8 (Bangkok Airport Taxi, 2018).

Although the airport has recently designed a system to utilize Meter Taxi's to serve customers, with Grab's popular name throughout Bangkok, one would think that there would be Grab cars nearby waiting to serve airport customers. Unfortunately for Grab enthusiasts, this is not the case. Taxi Meters still dominate the airport business in Bangkok and hailing a Grab driver that will pick you up from anywhere near the airport is difficult.

During its design, the Suvarnabhumi airport recognized the stereotypes that are associated with the Meter Taxi in Thailand and attempted to minimize adverse incidences between airport newcomers and Meter Taxi drivers by implementing extra steps of protection to ensure smooth operations. The taxi drivers that operate out of the arrivals gate at the airport must be registered and certified by Airports of Thailand, which requires an extensive background check of the driver (Bangkok Airport Taxi Service, 2018). In addition, the airport uses a queue machine that provides each customer with an assigned lane number and the registration details of their driver (Mike, 2016). By submitting this information to each customer, the driver is much less likely to refuse the meter, as doing so will result in a hefty fine and being stripped of their airport operation license (English, 2015). Figure 4 creates a visualization of the lane system that is implemented at the Suvarnabhumi Airport.

Figure 4: A visualization of the Suvarnabhumi airport meter taxi lane (Bangkok Airport Taxi Service, 2018)



A second reason that Grab may not be successful in the airport business is ongoing turf-war that was previously mentioned above. Many Grab drivers will not pick passengers up in front of the arrivals gate, as that it has traditionally been labeled as the taxi meter area. A Thai visa blogger shared his personal experience about waiting for his Grab at the airport. The blogger explains that “[he] was physically threatened by [...] a driver” while he waited for his Grab to arrive outside of the airport (Pow01, 2018). The blogger named Pow01 also commented that he feels Grab drivers are being undercut by these behaviours, as many Grab drivers may fear to go to the airport to pick up passengers as a result of instances like this (2018).

Looking at the Hotel Industry – A Positive Future Ahead for Grab

Despite the lack of support by the Suvarnabhumi Airport, Grab is still being utilized by other businesses in Bangkok. The hotel industry in Bangkok “is [slowly] moving away from Taxis” according to Puum, a receptionist at a popular hotel chain (P. Jangsuk, personal communication, November 24th, 2018). Although Puum did not directly mention why she feels hotel industry is moving away from Meter Taxis, there is a strong chance that hotels do not want their reputations ruined by taxi drivers scamming their customers. By utilizing the Grab app, hotels can offer the

transportation service their customers need without the hassles of dealing with Meter Taxi drivers' tricks and scams.

Global hotel chain Marriott has teamed up with Grab in recent months, offering customers visiting the Marriott Marquis Queen's Park in Bangkok a discount on their Grab transportation (The Nation 2018). Marriott hotel general manager Bob Fabiano explained that the luxury hotel is:

Absolutely delighted to form an alliance with Grab, Southeast Asia's leading ride-hailing app. The alliance is a special phenomenon involving two business giants in the hospitality and public transport sectors coming together in support of the Tourism Authority of Thailand's strategy to develop all types of tourism and to lift the quality and standards of travel for the convenience of tourists and their access to the highest benefits (Hotel Joins Grab, 2018).

A company that is dedicated to providing the most positive service experience for their customers moving away from traditional taxis and utilizing Grab's convenient service get their customers around the city of Bangkok. With a big hotel chain such as Marriott endorsing the Grab app in Bangkok, it will be interesting to see which other companies follow along with the trend in the future and switch to Grab for their transportation needs.

There are many reasons apart from the negative personas that surround Meter Taxi's in Bangkok could make other businesses consider partnering with Grab instead taking traditional Meter Taxis in the future. As highlighted by *The Business Times*, "Grab is a more convenient transport solution" for businesses and their executives (2017). Say goodbye to your company taxi expense reports; Grab makes reporting easy by keeping your travel history accessible through your smartphone (Benefits from Grab, 2017). Additional, by utilizing Grab, businesses have access to their driving records, which can help keep track of how each expense was incurred, and by which employee (Benefits from Grab, 2017).

ANALYSIS

Why has Grab Not Reached Its Potential with Businesses?

Although Grab has been vastly successful in Bangkok amongst tourists and the general population, why is it that businesses such as Airports and Hotels are not utilizing Grab to simplify their operations and increase customer satisfaction? To explore some of the possible reasons that Grab has not become more popular amongst Bangkok business, we can turn to Hofstede's culture dimensions to provide some insights.

The people of Thailand are ranked moderately high on the uncertainty avoidance pillar of Hofstede's cultural dimension theory with a score of 64 (What About Thailand, 2018). Possessing a moderately high ranking in the uncertainty avoidance pillar implies that "the society does not readily accept changes and is very risk averse" (What About Thailand, 2018). With Grab being a relatively new company in the market, majority of the Thai business will not take the risks and switch from their traditional utilization of the of the Metered Taxi, despite the many negative personas that come with using the service.

The idea of people will stay with using a service despite all of the problems associated with it fascinated me, so I made an inquiry about this topic with my local Thai connections (C. Indystar, personal communication, December 2nd, 2018). During our informal interview, Chira mentioned that Thai's follow their upbringing and stick to what has been taught to them, or what has become routine. "It is like a restaurant, once [you find] one [you] like, [you] will keep going there even if sometimes it is bad" (C. Indystar, personal communication, December 2nd, 2018). Chira's insights also align with Thailand's low long-term orientation score of 32 (What About Thailand, 2018). With a low score in the long-term orientation pillar of Hofstede's cultural dimensions, the Thai people following a normative style of thinking, making it hard for new services to become popular in Thailand (What About Thailand,

2018). These insights again work against Grab's favor, given that a majority of businesses are using Meter Taxi's, it will be hard to change 'the norm' in the Thai business world.

How Can Grab Improve Exposure and Their Relationships with Businesses?

Thailand is one of the most rapidly growing countries throughout the world, and many people are under the impression that social and economic sustainability are not considered throughout the country (Janofsky, 2012). However, in years, social and economic sustainability principles are starting to gain traction Thailand (Basset, 2018). Throughout the city of Bangkok, the importance of sustainability is being preached using various channels. The oldest and most prestigious university in Thailand, Chulalongkorn University has recently begun to teach the importance of social and economic sustainability through its various stakeholder engagement campaigns (Sustainable Community Project, n.d.). Grab's corporate social responsibility (CSR) presence in Bangkok has been non-existent and provides the company an opportunity to increase awareness of both its brand, and social responsibility. Grab announced CSR initiatives throughout Indonesia in early 2018 that provided public transit employees with temporary health insurance (Jakarta Globe, 2018). By assisting its competition's employees in their personal lives, Grab was able not only alleviate tensions between Grab drivers and public transportation employees but also captured the attention of many media outlets, allowing it to launch a viral marketing campaign to increase brand awareness and alter its brand personality. Implementing a similar strategy within the Bangkok community may be an effective strategy to strengthen the relationships with public transportation workers, and perhaps even combat the on-going turf war that has developed throughout the city. By tackling the negative tensions between public transportation workers and Grab taxi driver, the chances of businesses investing and utilizing Grab's may improve as a result of the companies' public perception increasing.

CONCLUSION

The ongoing tensions between Meter Taxi Drivers and Grab are unlikely to end soon. As Grab continues to expand throughout Thailand and South-east Asia, the competition will continue to increase. The negative personas of Meter Taxi drivers in Bangkok that are being spread throughout the internet is making harder for Meter Taxi drivers to make ends meet. Grab's positive perception may be stealing a considerable amount of fares the Meter Taxi drivers. Although Grab appears to be becoming more successful each day, they are struggling to capture the attention of businesses in Bangkok. Companies may be neglecting Grab's services due to cultural beliefs that established traditions outweigh the positive aspects that Grab could bring to their companies. Grab should consider increasing CRS initiatives throughout Bangkok in the upcoming year, as it may help to increase businesses perception and willingness to use Grab in their operations.

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Figure 5: Swot analysis for Grab

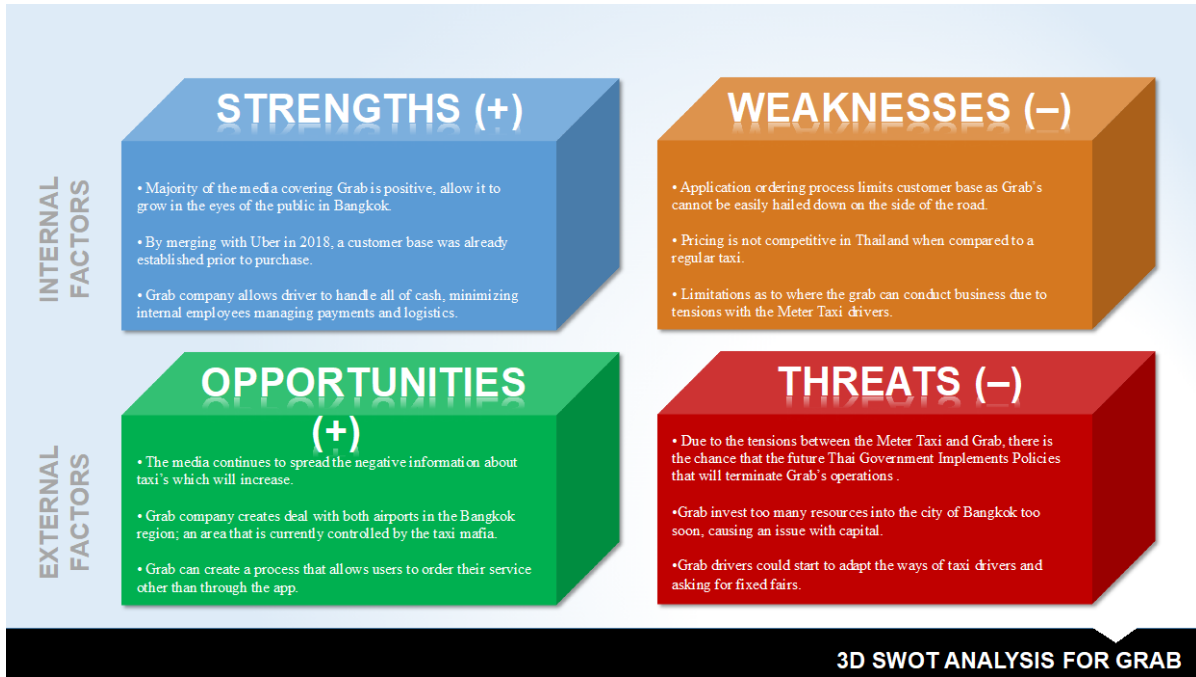
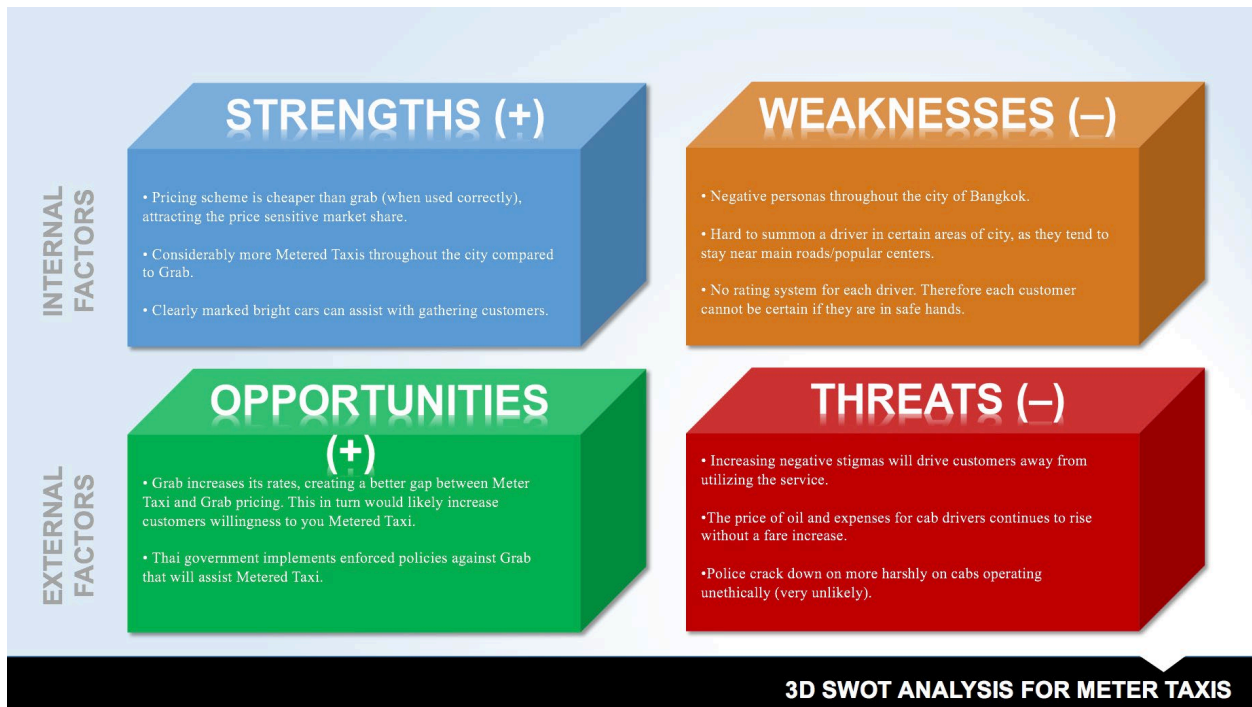


Figure 6: Swot analysis for Meter Taxis



Interview with Puum Jangsuk November 24th, 2018

Tony – Can you tell me about yourself and your job here?

Puum – My name is Puum Jangsuk. I am receptionist at [hotel name screened for privacy] for about 7 years now.

Tony – Have you lived in Bangkok your whole life?

Puum – Most of my life has been in Bangkok, but originally I was from a smaller town in south of Thailand.

Tony – What do you think about the Taxi drivers in Bangkok?

Puum – They have a not good reputation. I think for a good reason, they cheat many customer in the city.

Tony – How does their actions effect the hotel industry?

Puum – Mostly it makes my job hard. A lot of complains from my guests about Taxis cheating them. Most hotels are moving away from taxi now that we have better options.

Tony – How long until your hotel will stop using taxis for your guests?

Puum – This is not my choice to make, so I do not know.

Personal Insights from Grab Drivers

Names were not included because I did not ask drivers for their permission to use any of this information. Conversations have been slightly paraphrased due to English restrictions of some drivers.

Driver 1 – November 12th, 2018

Tony – Do you have a different job besides Grab?

Driver – Yes. A full time job as store worker in a mall.

Tony – Do you consider this a full-time job?

Driver – Not really, I choose when to work. I am the boss.

Driver 2 – November 14th, 2018

Tony – Do you have a different job besides Grab?

Driver – Not right now. Only Grab right now.

Tony – Do you consider this your full-time job?

Driver – No. I will find other work soon.

Driver 3 – November 14th, 2018

Tony – Do you have a different job besides Grab?

Driver – Yes. I work as a babysitter for other mothers in Bangkok.

Tony – Do you consider this your full-time job?

Driver – This is not a full-time job.

Driver 4 – November 16th, 2018

Tony – Do you work a different job besides this?

Driver – Of course, you need to if you want money.

Tony – What is your other job?

Driver – I am a nighttime security guard for a hotel in the city.

Tony – Do you consider this a full-time job?

Driver – No I do not. I guess it could be if I wanted.

Driver 5 – November 17th, 2018

Tony – Do you consider Grab a full-time job?

Driver – No, I also have a job as construction project manager

Driver 6 – November 18th, 2018

Tony – Do you have other work besides Grab?

Driver – I deliver for DHL in the city

Tony – Would you consider Grab a full-time job?

Driver – No I make more money with my other job

Tony – Can you make a lot of money being a Grab driver?

Driver – I have only been a driver for a few weeks, so I do not know.

Driver 7 – November 20th, 2018

Tony – Do you work a different job?

Driver – No, just Grab

Tony – Would you consider this a full-time job?

Driver – This is only for the night. In the day it is too but on the roads.

Tony – So this is just a part time job?

Driver – Yes I think so

Driver 8 – November 21st, 2018

Tony – Do you think Grab is a full-time job?

Driver – Not a full-time job for me. I work at AIS (popular cell phone provider store)

Driver 9 – November 21st, 2018

Tony – Do you have a different job besides driving Grab?

Driver – Yes, I work in the day and driver during the night.

Tony – What is your other job?

Driver – Restaurant worker

Tony – Do you consider Grab a full-time job?

Driver – I don't think so.

Driver 10 – November 23rd, 2018

Tony – Do you have a different job?

Driver – Yes. I work at for my father.

Tony – Would you consider Grab as a full-time job?

Driver – No. Too much traffic to be full time.

Driver 11 – November 26th, 2018

Tony – Do you consider Grab a full-time job?

Driver – No. It is just for extra money

Tony – Do you have another job?

Driver – Yes, I as a maintenance worker

Chira Interviews (Conversations have been slightly paraphrased to eliminate clutter).

Chira Indystar November 8, 2018

Tony – Today I was called into an ally way by my Grab driver while standing outside of the gym, is there any reason for it, or was he just being lazy?

Chira Indystar – It was most likely the taxi driver area.

Tony – What do you mean taxi area?

Chira Indystar – It is like a turf war. You know, the taxi driver area. They do not like the Grab drivers because they steal all of the business.

Tony – Yeah, I get that, but why are they so scared?

Chira Indystar – The Taxi is like a mafia. They will fight to feed their family. Many times in the past the taxi drivers will fight the Grab to get them away from their area.

Tony – Grab is just a way better option though, I don't understand how Taxis can be mad. They are so rude to people and expect us to just be okay with it?

Chira Indystar – The taxi drivers are poor you know. Grab has made a big problem in Bangkok because they take the Taxi business and they start to fight. It was like this with Uber as well, but now Grab is more popular than Uber was.

Chira Indystar November 28, 2018

Tony – Chira I found something about when meters were introduced in Bangkok in 1992. Do you know much about this subject? I need some clarification on information.

Chira Indystar – Of course. Bangkok was much smaller then you know. I was raising my family then.

Tony – I know about all about the 1992 reform, but how was the taxi industry before then? There were not many taxis on the road, right? Were people just not using them or were they very over-demanded?

Chira Indystar – The demand was high, but the government would not let more taxis on the road. Taxi drivers could pick and choose who they wanted to serve. They did not like short rides in traffic.

Tony – Was there a fixed price for each subdistrict just like the MRT now?

Chira Indystar – It was the same as it is now. The Taxi driver would say a price and negotiate with the customer on a fare. When the deal was made, that was the price.

Tony – So it was just like taking a cab outside of MBK?

Chira Indystar – Not as much money. Much cheaper. Gas was cheaper. The taxi driver just negotiates a price and that was it. They could make good money because traffic was not as bad, and gas was cheaper.

Chira Indystar December 2nd, 2018

Tony – I am finishing up my paper and talking about businesses and Grab. Particularly how many businesses are still using Taxi to operate even though Grab seems like the better choice? Do you have any experience or ideas because I can't find much online except for some culture measurements that say Thai people stick with what they know.

Chira – Of course they do. Thai people are very conservative. Many of us have been poor and do not like to take any service risks that may cost us. The same goes for business.

Tony – I don't think most businesses are poor though. I found an article about the Marriot using Grab now and have been basing some topics off of that.

Chira – It does not matter if they are still poor. If they were raised poor, they will follow how they were raised, kind of like a routine.

Tony – So you are saying that businesses may not switch even if something is bad, just because they are in a routine of using that service?

Chira – Yes, very Thai is to stay with what you know. It is like a restaurant, once I find one like, I will keep going there even though sometimes it is bad. Does that make sense?

Tony – Yeah, I guess that kind of aligns which my ideas from the cultural information I have now.