Annual Survey of Point–to–Point Transport Use 2023

12 July 2023

Since 2012, IPART has surveyed NSW residents annually about their use and perceptions of taxis and other forms of point-to-point (PTP) transport, such as rideshare and other hire vehicles.

This information paper sets out some of the key findings of the survey conducted during March and April 2023. The full 2023 survey report is available here.

Background

We undertook the survey during March 2023. The survey content and methodology has remained consistent since 2018. Since the 2020 survey additional questions have been included relating to the COVID–19 pandemic.

The survey asks about different PTP transport services:

A **taxi** is a vehicle marked with a TAXI sign on its roof. Taxis can take booked passengers and passengers who hail them on the street or at a taxi rank.

A **hire vehicle** service provides a vehicle with a driver to transport passengers from one point to another for a fare. A hire vehicle can only take booked passengers. We asked about two categories of hire vehicles:

- **Rideshare** includes services such as Uber, Ola, Shebah and Didi.
- **Limousines and other hire vehicles** include other booked transport services with a vehicle and driver.

IPART acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Elders both past and present. We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

We surveyed almost 3,000 people from three geographical regions of NSW

Three independent samples were obtained from surveying people from three categories of geographical regions. The samples were collected to meet demographic quotas and to match ABS population proportions.

Sydney	Other Urban	Rest of NSW
Metropolitan Sydney	Newcastle, Wollongong, Gosford, Wyong	Areas outside of Sydney and other urban centres

Key findings

- Use of PTP transport overall in 2023 increased from 2022 and has **mostly returned to pre–COVID-19 figures.**
- Performance of PTP transport services has changed minimally since 2020. For all service types and locations, **overall trip satisfaction remains high**.
- **Perceptions have declined for both PTP services**. Rideshare perceptions have been falling slightly since 2020. Taxi perceptions have fallen in 2023 compared to 2022.
- Rideshare overall is still perceived more positively than taxis, particularly in terms of waiting times and satisfaction with fares and value. **Perceptions are generally supported by last-trip data** (that is, reported waiting times are shorter and reported fares are cheaper for rideshare compared to taxis). However, **instances of failed trips** have increased for taxis and rideshares in 2023.
- Reported **taxi fares were higher in Sydney than in all other regions**, but rideshare fares had less variation across locations.

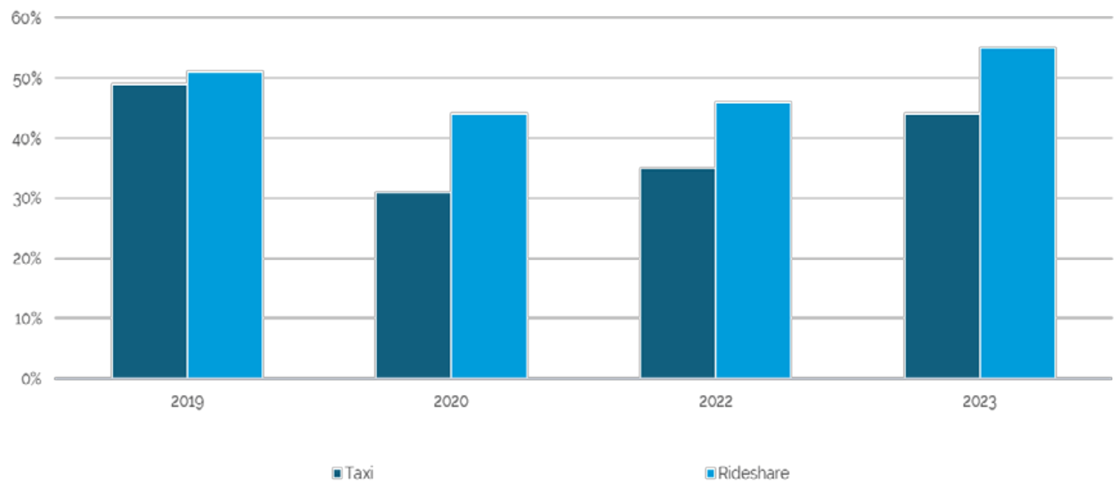
Usage of PTP services in Sydney has continued to recover

Survey results in November 2020 and March 2022 show that use of PTP transport services significantly declined due to COVID-19. This decline was also seen in the use of other types of transport including public transport.

Reported taxi use in 2023 has increased in Sydney, almost returning to pre-COVID-19 levels. The survey results show that 44% of respondents in Sydney used taxis at least once in the last 6 months, which is up from the 35% in 2022 and nearing the 49% reported in 2019.

Rideshare has shown an even stronger recovery with the 55% of respondents reporting rideshare use in 2023 exceeding the 51% usage reported in 2019. This aligns with the two trends identified by the survey results: an increasing prevalence of rideshare usage (particularly in Sydney) and recovery from the dramatic decline in 2020 caused by COVID–19.

Figure 1 Types of PTP transport have recovered differently since 2019



Source: ORIMA 2023 Point-to-Point Transport Survey Report.

Outside Sydney taxis and rideshares are mostly exceeding pre-COVID-19 levels

Taxi use in Other Urban areas rose from 21% in 2022 to 28% in 2023. This is still well below the 2019 level of 35%. However, taxi use in the rest of the NSW now exceeds 2019 levels. Taxi use in these areas was 20% in 2022 and it has increased significantly to 36% in 2023. This now exceeds the pre-COVID-19 usage of 34%.

Rideshare usage in Other Urban areas rose from 25% in 2022 to 30% in 2023. This is now slightly above the 2019 level of 29%. This recovery has been similar in the rest of NSW. Rideshare use in these areas was reported as 15% in 2022, which was already above the 2019 level of 14%. The increase in rideshare usage has continued and now in 2023 the reported usage is 19%.

Rideshare will soon be a fully mature service in Other Urban areas

The overall pattern of survey results over the years indicates that rideshare will soon be a fully mature service in the Other Urban areas of NSW. Rideshare has already reached maturity in Sydney, but it is still an emerging service in the rest of NSW.

Awareness and use of all three services across locations has been fairly consistent since 2020. 83% of respondents in Other Urban areas were aware of rideshare services. Although this is still considerably less than the 94% who were aware of taxis services.

Across all regions, people who use rideshare services continue to do so more frequently than those who use taxis or other hire vehicles. In Other Urban areas 55% of those who used PTP services in the last 6 months used rideshare at least monthly compared to 48% for taxis.

Perceptions of taxis and rideshare have changed slightly since 2022

Perceptions of rideshare services have been falling slightly since 2020, while perceptions of taxis have mostly remained steady.

Rideshare services continue to be rated consistently highest in practical areas such as convenience and cost. Rideshare services lead in all practical dimensions, except for safety with persistent concerns regarding safety, driving skills and navigation.

Limousines and other hire vehicles are perceived as having the highest quality and also rating highly in terms of safety. They have relative weaknesses in practical dimensions such as value, availability and convenience. Taxis do not have any clear points of differentiation as strengths, and they score particularly low for perceived value for money. However, the perception of 'value for money' for taxis has been improving slightly since 2020.

Taxis tend to outrate rideshare services in some quality respects such as safety, navigation and driving skill. In the rest of NSW, they also outrate rideshare in terms of driver presentation and attitude and customer service. However, rideshare services scored better in terms of customer service, driver presentation in Sydney and Other Urban areas. Vehicle quality was rated higher in Sydney. In the rest of NSW rideshare services did not score higher than taxis in any of the quality dimensions.

Rideshare services continue to have perceived strengths in terms of waiting times and satisfaction. Actual last–trip data shows that users are actually more likely to obtain a taxi than a rideshare within 5 minutes. But this is driven by short rank and hail waiting times for taxis. Waiting times for ASAP bookings for taxis, which is the most equivalent method to rideshare services, are noticeably longer than rideshares. This data also shows that fares continue to be less for rideshare services than taxis.

Taxi fares in Sydney were significantly higher than in other regions

As with previous survey results, rideshare services are perceived to offer better value for money than taxis in all regions. Respondents in Other Urban areas are more positive about both taxis and rideshare services than they were in 2022. In Sydney the large gap in perceived value between rideshare and taxis observed in 2020 has been narrowing.

Rideshare services being perceived as better value for money than taxis is supported by last-trip data. The survey results show that median reported taxi fares were higher than rideshare fares in Sydney and Other Urban areas. The median taxi fare in Sydney has increased by $7 while the median rideshare fare has increased by $1.

$42

Median taxi fare in Sydney

$26

Median ride share fare in Sydney

VS

$20-22

Outside Sydney

$20-25

Outside Sydney

Based on actual last-trip data rideshare users are usually considerably more satisfied with the fare they paid for their last trip than are users of taxis.

Usage patterns and performance of PTP transport services have changed minimally

Methods of obtaining a vehicle and purposes for using PTP services are mostly consistent with previous survey years, although the increasing use of apps and internet bookings for taxis are slowly increasing to represent a third of last taxis caught in Sydney and around a quarter in other urban areas. Socialising remains the dominant purpose for all trips, especially for rideshare users.

Just under half (49%) of employed respondents in Sydney indicated that their employer at least sometimes paid for using PTP transport. Respondents in all areas indicated that rideshare and other hire vehicles are more likely to be covered by their employers in 2022 compared with 12 months previously. However, employers are also still more likely to have a policy or preference for taxis over other forms of PTP transport.

Overall last trip satisfaction has generally shown a small advantage for rideshare services over taxis. However, the incidence of failed trips has been increasing for rideshare for several years, while taxis have remained stable. Failed trips for both services were somewhat higher in 2023 compared to 2022. Overall, at least 4-in-5 recent users once again indicated they were at least slightly satisfied with their last trip using point-to-point transport. This suggests that overall, the point-to-point transport service in NSW is largely meeting the needs and expectations of people who successfully access it.

Overall trip satisfaction remains high. Survey results suggest that PTP transport services in NSW are largely meeting the needs and expectations of the users.