



KARHOO LEADS THE FIGHTBACK

Tim Barnes-Clay



LEGIONS OF TAXI DRIVERS HAVE joined forces to rage against the machine—that ‘machine’ being Uber.

Uber broke the mould by linking drivers with passengers directly via a smartphone app. With its simplicity and inexpensive prices, conventional black cab drivers have been left under pressure to keep their businesses operating profitably.

Now the private hire industry is going into battle against the global app goliath, which has been operating in the UK since 2012. Their latest weapon of choice is Karhoo—a fresh price comparison booking app that is designed to even the score. The up-to-the-minute app is already proving so popular that it has been nicknamed the ‘Uber Smasher’.

Karhoo has created an open platform which permits any firm—other than Uber—to hook its fleet of drivers up to the app. Since launching in London in May this year, the app already has built a network of more than 30,000 cars in the capital.

Karhoo says users can assess the cost of executive chauffeur-driven cars, minicabs and black cabs in their vicinity and ask for an on-demand ride—just like Uber. But the app also allows pre-booking, weeks or months in advance—and, unlike the Uber, there is no extra charge for peak times.

Daniel Ishag [pictured, inset left], CEO and founder of Karhoo, believes Karhoo is a game-changer, giving the booking.com generation the smartest way to choose and book a cab ride. “Not only do we give passengers more choice, we also help fleets get more work,” he says. “We are already being told by many fleets across the capital that we are making up at least 20% of their work, and that they are having to contend with fewer ‘dead legs’, which is great news.”

Ishag is also keen to point out that Karhoo gives passengers more transparency when booking a cab. “With our ever-growing network of local operators, Karhoo will make it easier to book a ride outside central London than ever before,” he says. “The single network operators cannot offer the choice of cars or cover the geographical area that we can. We are bringing on-demand services to four or five times the geographical area of a city—more than any other single network operator can do, and that puts us in a unique position.”

It is obvious the 42-year-old boss of Karhoo is, quite rightly, enthusiastic about his business—but it is also clear he is passionate about the private hire, taxi and executive chauffeuring sector. “Over the last 15 years, millions of pounds have been spent by industries educating consumers about comparison services,” he says.

“Hotels, airlines and insurance companies all use comparison sites but ground transportation was lagging behind—until now.”

Meanwhile Karhoo is gaining support from smaller operators as well as big household names such as Addison Lee. Scores of local firms across London, such as KV Cars, Swiss Cottage Cars and Mornington Cars have signed up, giving them access to more customers across the centre of the capital, as well as its suburbs.

From Bromley to Barnet and Havering to Hillingdon, local, accredited firms that have been struggling in recent years have seen demand soar, with one firm hastily rehiring drivers they had to recently let go.

Nicholas Monteith, owner of Mornington Cars in north London, explains: “Before Karhoo, we had lost up to 50% of our jobs to other apps on Friday and Saturday nights, but due to Karhoo we are now increasing the amount of fares we

have. As a result, we are now actively looking for more drivers to help us cope with the increased workload.”

He adds: “Without doubt, Karhoo is a lifesaver. Even after just a couple of months it is helping to protect the licensed minicab industry. It is bringing us jobs that we would otherwise not have been able to access, giving us the chance of more work while giving consumers more choice. It allows us to properly compete and to fight back.”

Duncan Blackett, CEO of iRide and Swiss Cottage Cars, believes Karhoo has been a real shot in the arm for his company. “We are finding that we are getting fares that we would otherwise not have access to, and bookings are definitely increasing. We are seeing an unprecedented 20% increase in revenue, and Karhoo has only been on the scene since May,” he says. “We have had to open our driver recruitment centre 24/7 just to keep up.”

Blackett adds: “We are proud to offer the feel of a local fleet London-wide, and Karhoo is a valuable partner in delivering this. In the David versus Goliath battle that the London private hire market effectively is, Karhoo makes us stand tall.”

Shafi Hameedi, owner of Clock Cars in Brent, north London, adds: “Karhoo has been brilliant for us. We were losing 15-20% of our rides and had to let go about five drivers, but since joining Karhoo we are rehiring and the fares are coming back.

“If things continue like this we expect to increase our business by 30% in the coming weeks,” he says. Nadeem Khan, who runs Cascade Cars in Wimbledon with his partner Iram, says his firm was seeing a lot of its jobs go to Uber before Karhoo. But he says those rides are now coming back to his company through Karhoo. “The difference is that Karhoo is helping the industry while Uber is trying to take it over.”



GET READY TO TAKE A RIIDE

OTHER THAN KARHOO THERE IS NOT AN APP ON THE BRITISH market that enables you to search mini cabs, black cabs and executive chauffeur-driven cars all in place. But competition is coming soon in the form of Riide. The company, which is due to launch in the UK later this summer, is an app built by operators for operators.

Lee Clayton, general manager of Riide, says the idea came about because he and his colleagues didn't want to lose control of business. “We were fearful of ‘corporate vultures’ selling our work back to us. The issue with their apps is that we don't own the data—so we decided the only way forward was to build our own app.”

Clayton explains how Riide works: “The nation's newest networking app is owned by the operator, meaning your data is your data and your customer remains your customer. In other words, no one will be selling that customer back to you.”

He says 10 operators have come together to create a network of more than 8,000 cars. He says that Riide's ‘fleet’ is growing every week in many towns and cities across the United Kingdom. These include: Glasgow, Edinburgh, Newcastle, Liverpool, Manchester, Sheffield, Milton Keynes, Oxford, Luton, London, Dublin and Belfast.

“Your customer doesn't need many apps, they only need the one ‘Riide’”, claims Lee. There will be no more add-on pricing at busy times and regulars will recognise their local drivers. You could even go as far to say people will have someone based in their town to contact if something goes wrong.

“We are embracing technology to keep the service the public recognises and loves,” says Lee. “Even if people travel away from their usual home town, they can use their local app to link to a remote partner to receive a cab. That way everyone receives the same fantastic service, with cash, card or account customers all catered for,” he adds.

EX-CLIMATECARS MAN BROSE JOINS MAGENTA

FORMER CLIMATECARS OPERATIONS director Torsten Brose has joined Magenta Technology, the company behind the innovative Echo scheduling and dispatch solution for private hire and taxi operators.

Brose takes on the position of business

development director, having held senior positions with both ground transport and private hire service operators and solution providers. He left Climatecars after the company's acquisition by



Torsten Brose

Addison Lee, and has since then been working as a commercial consultant managing short-term projects for logistics and transportation companies.

Anton Dmitriev, CEO of Magenta Technology, said: "Having worked in both the supplier and service side of the industry, Torsten can approach any situation with a comprehensive and holistic understanding of potential challenges and possible solutions, managing any gap between expectations and deliverables."

Brose has worked for global ground transportation brands such as TBR Global and Brunel. He has completed business review and reorganisation projects, been instrumental in progression from company start up to acquisition and, while working with Climatecars, Fraser Eagle and Chauffeurcar Services, managed multi-million pound contracts with brands such as Emirates Airlines, BMI Regional and Etihad Airways.

He also brings experience with the solutions side of the industry, having held the position of business development manager with Magenta's competitor Catalina Software.

Brose said: "This is an interesting time to be joining Magenta as the company enters the next stage of its growth, and there are a number of exciting new innovations being launched to market which will take Echo even further ahead of the competition."

He added: "During my time in the operations side of the industry, I would have given anything for a solution as advanced as Echo to resolve numerous scheduling and customer handling issues."

ADDISON LEE TAKES THE PARTNERSHIP ROUTE FORWARD

ADDISON LEE WAS AMONG THE FIRST to connect with Karhoo, but the price-comparison app is only one part of the London market leader's technology plans.

Peter Boucher, Addison Lee's Chief Commercial Officer, says: "Karhoo is complementary to our operation in London, especially at quieter times. It helps boost business for us. But it is just one of several partnerships we're making."

In-house spending is continuing apace, Boucher adds: "We are spending £12 million on technology this year because the level of change within the industry is unprecedented. We have our own app that can 'talk' to other car fleets because the speed of transition to digital booking dominates now."

Addison Lee is planning to roll out a renewed app to 25 cities by the end of the year. "We'll turn on more progressively," Boucher explains. "We can grow quickly using third party cars and drivers under the Addison Lee name."

He continues: "The absolute core of our enterprise is still business to business, although the consumer market is developing strongly. We are seeing people doing more instant bookings every month, however, speaking to another human being is still important—and that's why we still have our call centre. The customer experience has got to work on web, app and over the phone—and our platform works seamlessly throughout all these elements."

Boucher is confident Addison Lee can stand the pace, and, when given the choice, customers will



Peter Boucher

select the firm. "The reality is, there is still room for additional big players—as long as a good customer experience is provided," he says.

Addison Lee has also teamed up with new multi-modal mobility start-up Ubeeqo to integrate its minicab and chauffeur service into the mobility app.

Ubeeqo users can book cars by the hour, car hire by the day or longer, minicabs and chauffeur services—all booked and paid for from one app—for the mobility solution that best suits their needs.

Benoit Chatelier, founder and CEO of Ubeeqo, said: "Addison Lee's focus on customer care and the environment fits with Ubeeqo's commitment to making mobility easier, more affordable and 'greener'. This partnership sees us deliver even more transport options for Londoners, making city travel more convenient and flexible than ever."

REVOLUTION OR EVOLUTION?

IT IS OBVIOUS THAT APPS HAVE changed the way we communicate. Therefore, it stands to reason that the future of the taxi and private hire industry is likely to become dominated by the IT revolution.

Catalina Software is already ahead of the game, ensuring that the technology used by the trade today is fit for purpose tomorrow. The company, based at Downham Market in Norfolk, implements, supports and enhances logistics solutions for executive car operators, couriers, and distribution networks.

Its in-house team is at the forefront of software development across desktop, web and mobile platforms. The East Anglian firm's main product, Freedom, is presently the UK's leading logistics



Graeme Whiting

software solution, enabling businesses to plan, manage and carry out the entire logistics process. According to Catalina Software, this helps to improve efficiency, optimises resources and reduces administration.

Catalina Software managing director Graeme Whiting says: "We integrate with all the major platforms in the capital,

including the recently launched comparison app, Karhoo. We pride ourselves in offering our customers the largest choice of partners to integrate with, which in turn offers them the widest range of business opportunities." He adds that due to the company's market-driven approach, customers are given an "edge in this ever-competitive market space".