Driven by a stranger
- UberPOP and the creation of peer-to-peer trust

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Abstract

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Title: Driven by a stranger - UberPOP and the creation of peer-to-peer trust

Background: During the last couple of years, the global taxi industry has been somewhat overwhelmed as well-established taxi companies all over the world currently are experiencing severe competition from a new actor on the market. This company is named Uber and was founded in San Francisco in 2009. After only being around for six years, Uber is currently operating in 55 countries and over 200 cities worldwide and has an estimated worth of 40 billion USD. However, the thing that makes Uber special is the fact that the company does not own a single vehicle.

Research questions: Applied to the case of UberPOP and the taxi industry in Stockholm - how can consumer peer-to-peer trust be created in a physical setting?

Purpose: The purpose of the study is to explore the current gap on the research on peer-to-peer trust in a physical setting

Methodology: A qualitative study with an exploratory and comparative approach. The data has been collected through semi-structured interviews with company representatives at Uber, Taxi Stockholm and Taxi 020, as well as with passengers that have travelled with the companies.

Conclusion: The thesis concludes that there are differences in how peer-to-peer-, and business-to-consumer trust is created. UberPOP, being a peer-to-peer service, lacks sufficient important prerequisites to convey full structural trust. This leaves the company in a position where it is required to emphasize and communicate higher efforts of interpersonal trust mechanisms compared to traditional taxi companies. In order to function in a physical setting, UberPOP needs to communicate as much transparency as possible in order to overcome passengers’ expectations of risk due to peer-to-peer anonymity.

Keywords: Peer-to-peer, UberPOP, Taxi Stockholm, Taxi 020, Trust
Chapter 1: Introduction

The taxi industry is a business that has a long history of being scrutinized and restricted by authorities and trade associations. There are documented British transportation laws from as early as 1635, addressed to hackney carriages in London with specific instructions and restrictions on the way they could, and could not drive in order to avoid traffic congestions on the city streets (Toner, 1992). When looking at a somewhat more modern context, tight regulations on the taxi industry have generally been applied at taxi companies as a form of quality and safety control and to protect customers. Indirect consequences of high restrictions on the taxi industry has resulted in high entry barriers. The high entry barriers on the taxi industry have historically meant that national authorities set certain standards on drivers’ taxi licenses and approved vehicles so that the that passengers always can expect a certain level of quality. The general high set standards on the taxi industry have incidentally been thought as a method of excluding taxi companies that cut prices on the expense of safety and regulations (Toner, 1992).

During the last couple of years, the global taxi industry has been somewhat overwhelmed as well-established taxi companies all over the world currently are experiencing severe competition from a new actor on the market. This company is named Uber and was founded in San Francisco in 2009. After only being around for six years, Uber is currently operating in 55 countries and over 200 cities worldwide and has an estimated worth of 40 billion USD. However, the thing that makes Uber special is the fact that the company does not own a single vehicle. (Gongloff, 2014; Wessel, 2014)

1.1. Uber’s disruption of the taxi industry

Uber is very clear on the fact that it is not a taxi company, but instead a transportation network company that lets drivers and passengers connect with each other via the company’s mobile application (from now on referred to as “app”) (Pilieci, 2014). The basic idea of Uber’s app is that it allows passengers to request rides by via the app to match up and connect with drivers nearby that also are connected Uber’s app. Uber offers five different levels of cars ranging from luxurious Mercedes limousines to more basic Toyota Priuses, and this is reflected in the pricing of the rides. To become an Uber driver you must possess a taxi licence and own your own cars, which have to be of a specific model that decided by Uber. This certain technique of recruiting drivers has meant Uber does not own a single vehicle, but simply charges its registered drivers a fee for each journey
that he/she takes as a payment for being connected to the company’s mobile app. All monetary transactions are done via the app as users register their credit cards when initially getting an Uber account. This means that Uber drivers never have to handle any cash or card payments in the car. A company spokesperson at Uber stated that “[they] provide city residents with a convenient and efficient technological platform to request transportation services from local transportation providers” (Willing, 2015).

However, the thing that has drawn the most attention to Uber is that the company also offers a an additional super-low cost service called “UberPOP”. This service lets ‘regular people’, without taxi licenses operate as ‘taxi drivers’ and pick up passengers via the company’s app in their own cars and wearing their own clothes with neither a taxi registration plate nor any taxi stickers on the car (Griffin, 2014; Areblad, 2015). UberPOP works on the premise that anyone can apply on its website to become a driver, without having to undergo any formal taxi driver’s education or possess a taxi license. Uber simply demands that the person has to be at least 21 years old, do not have a criminal record, have an insured 4-door vehicle that cannot be older than five years, and a driver’s license (Uber, 2015). UberPOP deviates from the company’s other offerings where the all the drivers are compelled to possess taxi licenses, which means that UberPOP is not a taxi service, but a “ride-sharing service” (Areblad, 2015).

UberPOP is an example of a phenomenon called “peer-to-peer”, which means that private individuals can connect and conduct business with each other via a digital platform such as a website or a mobile application. Internet based companies such as eBay (e-commerce) and Napster (music sharing) became peer-to-peer pioneers in the early 2000s as they were among the first ones to pick up this upcoming market trend (Yu et al, 2004; Scharf, 2011). A peer-to-peer system is a sort of online “consumer-to-consumer” network where regular people can do business with each other. Peer-to-peer is a direct contrast to business-to-consumer networks when people purchase services and goods from a company. The peer-to-peer phenomenon of connecting individuals via a digital platform has since its early days grown to affect numerous of different industries online. However, peer-to-peer systems gone from simply being recognized as an online computer technique, to instead becoming a massive market trend that currently is operating in physical business settings (The Telegraph, 2015). This makes UberPOP a consumer-to-consumer service, which is in contrast to “traditional” taxi companies. The definition of “traditional” taxi companies refers to a “business-
to-consumer” taxi service where a passenger is purchasing the cab ride from a regular taxi company with a licensed driver and a taxicab with the companies logos (Titcomb, 2014).

UberPOP has created a peer-to-peer phenomenon by using amateurs as professionals and this has in a very short time created a new alternative to well-established taxi companies all over the world. The fact that practically anyone with a driver’s license now is free to connect to the app and compete for customers, is a serious threat to traditional taxi companies (Time, 2015). However, this fact has upset many of well-established competitors in industry and it has lead to very harsh demonstrations such in Madrid, Mexico City and Paris, where “regular” taxi drivers manifested that UberPOP would be banned due to unfair competition and safety reasons as passengers are being driven by unlicensed drivers (Fleisher, 2014; Daily Mail, 2015; The Guardian, 2015). In the Spanish case, Madrid’s civil court later decided to illegalize UberPOP in what was stated as a “cautionary measure” as UberPOP’s drivers are “lacking the administrative authorization to carry out the job” (Daily Mail, 2015). In March 2015, Uber’s offices in Paris were raided by 30 policemen as the company was suspected to violate French transportation laws (BBC, 2015). UberPOP was recently banned in Germany after a lawsuit in The Frankfurt District court where the judge stated that “Uber's business model violated both national and European Union laws because it did not fully insure drivers or passengers in the event of accidents” (BBC, 2015). UberPOP is currently made illegal in countries such as Spain, France, South Korea, Thailand and India, partly due insurance and tax reasons, but also due to incidents where drivers have (Daily Mail, 2015; The Verge, 2014; BBC, 2015; Fortune, 2015).

1.2. Problem statement & research question

When engaging in commerce via a “traditional” peer-to-peer system that connects people online, one quickly realizes that there is an importance for consumers to be able to trust each other. Current research states that trust between customers becomes highly important in online peer-to-peer systems as the technique is characterized by a very high level of anonymity and low levels of scrutiny, due to the fact that the peers never meet in person (Yu et al, 2004; Scharf, 2011). Uber has in a highly innovative way managed transfer this online phenomenon in the establishment of UberPOP. However, with the most vital difference that the peers in the case of UberPOP, actually meet each other in a physical setting when the passenger enters an unknown person’s car. The simple fact that the peers in UberPOP’s peer-to-peer system physically encounter with each other
face-to-face is a significant element that has not yet been covered in previous research on peer-to-peer trust.

By using UberPOP as example, this thesis sets out to look at the establishment of consumer peer-to-peer trust in a physical setting, which is motivated by the current absence of research on this area. In order to get a better understanding of how peer-to-peer trust can be created in a physical setting, one needs to understand the context the service is operating in. This means that the study will largely emphasize on comparing UberPOP’s (consumer-to-consumer) establishment of customer peer-to-peer trust with how “traditional” taxi companies’ (business-to-consumer) operations on establishing trust with their customers. This leads to the thesis’ research question:

_Appplied to the case of UberPOP and the taxi industry in Stockholm - how can consumer peer-to-peer trust be created in a physical setting?_

### 1.3. Research purpose

Peer-to-peer trust has been investigated before, however, it has mostly been focused on the specific process of overcoming peers’ anonymity in online peer-to-peer commerce. Seeing as peer-to-peer systems have now gone from simply being recognized as techniques for communicating and doing business online, to instead becoming a massive market trend that takes place in a physical “real life” setting, we believe to have found a gap in current research (Scharf, 2011). We see a lack of research on consumer trust in peer-to-peer business operations that take place in a physical setting, meaning in situations where the peers actually meet in person. With this study, we hope to contribute to the area on peer-to-peer trust in a “real-life” physical setting.

### 1.4. Limitations

The study will exclusively be focusing on UberPOP’s operations in Stockholm, Sweden due to time- and logistical issues. Taxi Stockholm and Taxi 020 are chosen to represent the “traditional” taxi industry in Stockholm, as they are two of the largest actors on the local market (Taxi Stockholm, 2015; Taxi 020, 2015). By limiting the study to Stockholm, we are aware that it is perhaps not possible to state how trust can be created in physical peer-to-peer settings in other geographical locations, due to possible cultural and normative differences. The same goes for the
traditional taxi companies, due to possible differences in service, quality and routines between taxi companies in Stockholm and at other geographical locations.

1.5. Thesis disposition

Chapter 2 - An introduction to peer-to-peer
This second chapter gives a brief introduction to the history of peer-to-peer systems and how they function today.

Chapter 3 – Literature review
The third chapter starts off with a literature review and a backdrop of previous research that has been made on trust. This section is designed as a funnel as it begins broadly by explaining the topic of trust from the two meta perspectives structural trust and interpersonal trust. The theory chapter begins by explaining structural trust and is later followed by the other meta perspective Interpersonal trust. Both perspectives are narrowed down respectively into more precise theoretical presentations, which in the end pinpoint the trust theories so that they are better applicable to the thesis’ purpose. The funnel’s different operational levels on each trust perspective are together creating a theoretical summary that will be used as a foundation for the thesis’ analysis chapter.

Chapter 4 – Research methodology
The fourth chapter provides a detailed overview of the thesis’ research methodology that. This chapter takes the reader through the paper’s research strategy and design. It shows how the data was collected and how the units of analysis were selected and categorized. This section also contains a general overview of the interview guide that was used in the empirical investigation.

Chapter 5 – The taxi industry in Stockholm
The fifth chapter is compiled to give a further comprehension of the taxi industry in Stockholm. Each company is presented and portrayed more thoroughly so that the reader gets a better understanding of the environment the investigated companies operate in.

Chapter 6 – Case findings
The sixth chapter gives a presentation of the empirical findings that were obtained from the case studies together with the company representatives and its passengers. The case findings are
presented in the same structural design as the interview guide. The interviews with the company representatives are first presented in text and then in summarized a table in the end of the chapter to give an facilitating overlook of their content. The interviews with the passengers are presented solely in a table due to their length.

Chapter 7 – Analysis

This seventh chapter will analyze the findings from the empirical case studies with the content in the literature review.

Chapter 8 - Discussion

This eighth chapter includes a summarization of the key findings from the investigation and answers the thesis’ research question.

Chapter 9 - Conclusions

Conclusions from the analysis and the study in general

Chapter 10 - Contributions

The ninth chapter presents the contributions the study arrived at and what they mean for current research on peer-to-peer trust.

Chapter 11 - Reference list
Chapter 2: An introduction to peer-to-peer

The Internet has fundamentally impregnated our everyday life on many different levels since its emergence a couple of decades ago. Having access to the Internet is something that comes natural to most of us these days as we are constantly connected via our computers, phones and tablets. Being connected Internet meant that physical distance no longer was an issue for communication (Lee & Turban, 2001).

It did not take long for companies to realize the fact that the Internet also was a very suitable forum to encounter with consumers and conduct business as it provided a direct and easy communicative channel between the businesses and customers (Lee & Turban, 2001; Oram, 2001). However, trends within e-commerce would take an alternative turn from being simply focused on a one-way communication with companies selling products and services to their customers. Constant developments in technology soon made it possible for individuals to do business and exchange content online with other private individuals, instead of having trade with a traditional company as a middle hand. This type of connection is called ‘peer-to-peer’, or sometimes ‘consumer-to-consumer’ commerce and works on the premise of letting regular people (peers) trade with each other directly online instead of doing it with a company such as in traditional ‘business-to-consumer’ shopping (Yu et al, 2004).

Websites such as eBay and Napster became peer-to-peer pioneers in the early 2000s as they were among the first ones to pick up this upcoming market trend (Yu et al, 2004; Scharf, 2011). The Internet was working as an intermediary catalyst that connected individuals online, providing an infinite peer-to-peer marketplace for regular people to trade with goods and services directly with other each other (Oram, 2001; Sundararajan, 2014).

The peer-to-peer phenomenon has since its early days grown to affect numerous of different industries. It has gone from being recognized simply as an online system, to instead become a massive market force that now takes place in physical business settings and as of right now, the taxi industry is probably the trade that is getting the most attention regarding the consequences by the peer-to-peer trend. (The Telegraph, 2015)
Chapter 3: Literature review

The theoretical chapter is composed in the way that it covers theories on trust from the two different meta-perspectives; structural trust and interpersonal trust. Structural trust refers to the impersonal trusting relationship between an individual and an institution or entity, such as a company, and interpersonal trust denotes to the relationship between two, or more individuals. There has been an active choice to examine these two meta perspectives, as the thesis’ sets out to investigate trust from both the traditional taxi companies’ business-to-consumer viewpoint, as well as from UberPOP’s consumer-to-consumer viewpoint. By using the two theoretical meta perspectives there is an intention to both include an impersonal and an interpersonal trust perspective.

The thesis’ literature review begins by covering the two perspectives structural and interpersonal trust broadly and separately. It starts off by addressing the structural trust section, and as structural trust refers to a trusting relationship between an individual and an institution, such as a company, this section will later be narrowed down to present previous research on impersonal business-to-consumer trust, which is a form of structural trust. In this section there will be a presentation of different theoretical efforts that are vital in the creation of business-to-consumer trust.

The section on interpersonal trust follows the same assembly as the one on structural trust. It starts off broadly by a general theoretical presentation on interpersonal trust between two or more individuals. The section is later narrowed down to address previous research on peer-to-peer trust, which is seen as a relationship between two, or more individuals. The part on peer-to-peer trust continues by with a presentation of theoretical efforts that are used to ensure peer-to-peer trust online. The theoretical chapter finishes off with a summarizing table of the literature review on structural and interpersonal trust.

![Summary of literature review](image)
3.1. Structural trust

Structural trust is sometimes called “impersonal trust” and it refers to the kind of trust that is correlated with social structures in a specific situation between an individual and an impersonal institution. Structural trust is founded on institutional trust characteristics, which can explain what makes a person trust an impersonal entity such as a bank, company or organization (McKnight & Chervany, 1996). Shapiro (1987) explains this type of trust as being dispatched from interpersonal trust features that take place between two or more individuals. Shapiro (1987) investigated structural trust between individuals and institutions and defined impersonal trust as following: “Impersonal trust arises when social-control measures derived from social ties and direct contact between principal and agents are unavailable, when faceless and readily interchangeable individual or organizational agents exercise considerable delegated power and privilege on behalf of principals who can neither specify, scrutinize, evaluate, nor constrain their performance”.

3.1.1. Structural assurances

McKnight and Chervany (1996) present two different types of structural trust, which they choose to call structural assurances and situational normality. Both versions refer to a given situation when a person thinks that the correct characteristics are in order to enable him/her to anticipate an future endeavor of another actor. A structural assurance is a type of situational and impersonal trust safeguard given by a institution or company such as contracts, guarantees or regulations, meant to convey trust. McKnight and Chervany (1996) refer to Starbuck and Milliken (1988) who explain that in order for an institution to be successful and appear as trustworthy to the public, it has to be confident that their structural assurances are solid. Institutions and companies must work actively with their structural assurances, as they are the procedures that build organizational confidence and protect them from developing trust problems (Starbuck & Milliken, 1988).

3.1.2. Situational normality

The second type of Structural trust that McKnight and Chervany (1996) bring up is Situational normality. Baier (1986) explains Situational normality as trust based on the perception that a situation appears as “normal” or that things are in order in accordance to previous experience. This means that a person chooses to place its trust in a setting when he/she feels that an institution's structural safeguards are align with what he/she has experienced as being trustworthy in previous similar situations before. Situational normality is a state where the level perceived uncertainty is
reduced as a result of that the situation feels recognizable and familiar to previous experience, which therefore allows a person to feel secure to take risks (McKnight & Chervany, 1996).

3.1.3. Business-to-consumer trust

Both consumer marketers and scholars writing about trust have emphasized that relationships between the seller and the consumer are key objectives in order to establish trust (Lau & Lee, 1999; Morgan & Hunt, 1994). However, as companies grow bigger, it becomes harder for them to exercise control over personal relationships with their customers. Instead, there is a tendency that the focus is directed on developing their brand as a cause to establish relationships with their customers (Lau & Lee, 1999). In order to establish consumer trust towards a brand, corporations are instead prone to focus on trying to build trust via the areas of corporate predictability and brand reputation (Lau & Lee, 1999).

3.1.3.1. Corporate predictability

Corporate predictability is considered to be a tool that facilitates and improves a company’s trustworthiness towards its customers (Lau & Lee, 1999). Doney & Cannon (1997) defined relational predictability as the ability of one person to forecast another person’s behavior. In a corporate context on the other hand, brand predictability implies to a consumer’s ability to forecast the performance of a company and its brand (Lau & Lee, 1999). High corporate predictability increases confidence and trust among consumers because it eliminates uncertainty and doubt that something unexpected could happen when using a product or interacting with a brand over time (Kaspersen et al, 1992). To achieve corporate predictability, it is important that a company shows consistency. This means that quality needs to be ensured through all parts of its organizations, often starting down at the production line. To ensure quality, operating control procedures should be established, and a customer-oriented perspective should be developed and communicated to employees to make them more concerned of achieving a certain company standard (Lau & Lee, 1999). To achieve further corporate credibility, it is important to not do any drastic changes in the company offerings too often. The communication can be carried out through various different channels, depending on the product/service and the company. However, it is important that all channels are communicating the same message consequently to achieve highest possible predictability of the brand (Lau & Lee, 1999).
3.1.3.2. Brand reputation

When it comes to improving a company’s brand reputation, it is crucial to deliver true quality as well as to live up to what is actually promised. That is however not always enough to strengthen the brand reputation (Edlin & Harkin, 2003). Efforts such as well-established, and well-functioning systems to handle complaints and criticism from customers are exceedingly vital in order to ensure customers’ trust and avoid possible spread of negative word of mouth. To circumvent the risks of negative word of mouth that might lead to trust issues and damages to the brand, it is important that companies design specific channels for receiving and handling feedback, such as customer service departments that have standardized routines for the managing of customer complaints (Lau & Lee, 1999). By following up feedback in such ways, companies enable the possibility to turn disappointed customers into positive senders of word of mouth (Edlin & Harkin, 2003).

3.2. Interpersonal trust

The fundamental difference between structural trust and interpersonal trust is that the trusting relationship in the latter version takes place between two or more individuals, in contrast to structural trust which refers to the relationship between an individual and an institution such as a company or organization. Interpersonal trust is, just like structural trust, situation-specific, and it is perhaps the most vital characteristic for people when doing business transactions (McKnight & Chervany, 1996).

3.2.1. Expectation vs. Risk

Finley (2013) presents trust between two individuals as a balance between expectation and risk. She refers to Bradach and Eccles (1989) who investigated the role of a person’s expectations prior to entering a trust-relationship. Bradach and Eccles (1989) defined trust as “a type of expectation that alleviates the fear that one’s exchange partner will act opportunistically”. Trust is therefore reached when one person expects that the other person will act in accordance of their mutual agreement and not sidestepping from the agreement to act in a way that solely will benefit himself/herself. Möllering (2001) also supports the notion of seeing trust as an expectation of the other actor’s conduct. Möllering (2001) writes that trust at a fundamental level can be captured by a basic expectation of the interacting partner’s future behavior.
The notion of risk is a frequently occurring denominator among scholars when exploring research on trust between individuals. Gambetta (1988) states that risk is always present as long as there is a possibility of desertion or betrayal by a party in a relationship; trust is therefore needed even as long as there is a tiny element of risk. The balance between risk and expectation is repeatedly mentioned in trust research. Sztompka (1998) explains this relationship as “a bet on the future contingent actions of others”. Yamagishi and Yamagishi (1994) present trust as a tool, as a keystone for individuals to interact with each other despite relational uncertainty and actors being fully aware of the other party’s agenda. They continue by stating that trust however is a necessary mechanism to obtain material and psychological resources. This statement can also be found in Coleman’s research (1990) which states that an actor makes a rational decision by acknowledging risk and placing trust in another actor as long as he or she anticipates that the probability of the expected reward is greater than the risk.

The process of making a fully rational decision in a relationship implies that an actor has full access to all information (Bazerman & Moore, 2012). As long as this is not the case, there will always be a balance between expectation and risk. Beldad et al (2010) claim that an actor must be able to have belief in the other actor to choose a trustworthy course of action, despite the fact that he or she has the freedom to diverge on the agreement of the trusted relationship.

### 3.2.2. Dependent trust

Dependent trust is built on the basis where one party is dependent on the other party in a relationship (McKnight & Chervany, 1996). One could further explain Dependent trust as the extent to which an individual is prepared to depend on another individual in a specific situation based on a feeling of relative security, despite the fact that there are prevailing negative consequences. Dependent trust is therefore the connection between two or more parties where one party voluntarily enters the relationship by accepting the risk of an unexpected ending caused by the other party (Mayer, Davis & Schoorman, 1995). From the trusting party’s perspective, there might be a certain level of perceived security that enables him/her to make a “leap of faith” and disregard the fact that the decision results in being in a power-dependent position. This is considered to be the simplest, most elemental unit of trust-relationship as the situation only has on a one-sided analysis coming from one party. (Mayer, Davis & Schoorman, 1995) The party that chooses to trust the other
one in a Dependent trust relationship is intentionally willing to take the place where the other party has a situational dependence-based power position over him/her (McKnight & Chervany, 1996).

3.2.3. Peer-to-peer trust

The early days of Internet usage looked a bit different from what it does day. Users were connected to the Internet in a client-server relationship, meaning that a server component such as a website or an e-mail server, provided a service that clients want to use. This relationship builds on a request-response communication-scheme where the client sends a request and then waits for the client to send its response (Kwok et al, 2002).

As Internet usage got more common and accessible to larger groups in the end of the 1990s, people started to find new ways to communicate with each other online. Internet users found alternative ways to connect with each other directly in shared “client-to-client” networks, instead of the previous “client-to-server” networks when the communication mainly had gone through an intermediary server (Oram, 2001). Unlike the client-server relationship where a client generates a request to a server, and then waits for it to respond to the request, clients in a peer-to-peer relationship both understand and communicate with requests and responses directly with each other. Internet users’ increasing ability to communicate and share content with each other online in a freer manner meant that peer-to-peer networks started to replace traditional online structures in a gradually higher degree (Kwok, 2002).

These types of peer-to-peer networks have during the last decade become a common marketplaces for people to conduct business virtually with each other (Jones & Leonard, 2008). The type of commerce that is done via peer-to-peer platforms is also sometimes also called consumer-to-consumer commerce. One of the most vital aspects of doing business peer-to-peer with other private individuals is that there is a level of established trust. This is a challenge to online peer-to-peer platforms as they often are associated with a high level of individual anonymity and confidentiality due to the lack of a trusted third party or authority in between the peers, as compared to traditional business-to-consumer commerce (Yu et al, 2004). Jones and Leonard (2008) highlight that the factors that influence trust in business-to-consumer marketplaces are different from the ones in peer-to-peer marketplaces. This is because that the commerce and the business transactions are employed between two individuals whom often never have seen or met each other before. This
phenomenon adds a layer of anonymity, which usually cannot be found in business-to-consumer contexts (Jones & Leonard, 2008; Yu et al, 2004). The lack of knowledge about the opposite peer’s intentions brings a level of risk to the relationship (Harish et al, 2007). A consequence of the relationship’s anonymity is that the buyer often is placed in a more disadvantaged position than the seller as the seller has the possibility to use safeguards such as upfront payment to ensure the transaction (Jones & Leonard, 2008).

3.2.3.1. Reputation systems

Most companies that conduct in online commerce today have employed some kind of reputation system designed to score and evaluate the included actors’ experience of the transaction. The basic idea of reputation systems is to enable people to rate other individuals or companies online, in order to let future users to use the ratings as recommendations in future transactions (Slee, 2013).

According to Jøsang et al (2007) there are fundamental differences regarding trust and reputation between companies that operate in a traditional business-to-consumer environment and companies that solely operate in online. Consumption in a physical context generally means that the consumer has the possibility to see, inspect and sometimes try the product or service before he/she decides whether or not to acquire it. In an online setting however, this opportunity is often missing. Since the selling and buying parties often never have done business with each other before, and will not meet in person, the buyer usually has to pay before receiving the service or good. However, by using reputation systems, the buyer is enabled to assess the seller by its current ratings and from that decide whether the seller can be trusted or not (Jøsang et al, 2007). Nevertheless, Slee (2013), states that there is always is a level of uncertainty due to unawareness of the preferences of the people that gave the previous ratings.

In order to use reputation systems effectively, Resnick et al (2000) suggest that the following properties are required; firstly, entities need to be long-lived and inspire an expectation for interactions for the future. Secondly, current interactions should be rated, captured, and distributed in a visible way in the future. Thirdly, past feedback should be used as a guide for trust decisions. Slee (2013) argues that reputation systems solve two specific problems. The first is coordination, which refers to whether an actor can find another suitable actor whom he/she trusts enough to enter
a transaction with. The other mentioned problem is trust, and by trust, Slee (2013), refers to whether or not an individual can trust another individual to fulfill what is promised for the exchange.

3.3. Summary of literature review

The table down below presents a brief summary of the theoretical concepts on trust that were covered in the literature review. These different concepts will later lie as a foundation in the analytical chapter.

Table 1 - Summary of literature review

<table>
<thead>
<tr>
<th>3.1. Structural Trust</th>
<th>3.2. Interpersonal Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The trusting relationship between an individual and an impersonal institution, such as a company or organization.</strong></td>
<td><strong>The theory of the trusting relationship between two or more individuals.</strong></td>
</tr>
</tbody>
</table>
| 3.1.1. Structural Assurances  
*Institutions can convey continuous trust towards the public, by externally communicated safeguards such as guarantees and regulations.* | 3.2.1. Expectations vs. Risk  
The likelihood that the other party will act opportunistically. |
| 3.1.2. Situational Normality  
*Refers to the situation when an individual trusts an institution due to the fact that its safeguards are perceived as “normal” and in recognizable from previous experience.* | 3.2.2. Dependent Trust  
*Refers to the situation when a person might make a “leap of faith” and trust another person, despite being aware that the person has a situational dependence-based power over oneself.* |

<table>
<thead>
<tr>
<th>3.1.3. Business-to-Consumer Trust</th>
<th>3.2.3. Peer-to-Peer Trust</th>
</tr>
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<tbody>
<tr>
<td><strong>Refers to a successful relationship between a company and a customer. Focus on corporate predictability and brand reputation</strong></td>
<td><strong>Previous peer-to-peer have mainly focused on overcoming peers’ anonymity in an online context</strong></td>
</tr>
</tbody>
</table>
| 3.1.3.1. Corporate Predictability  
*The notion of trustworthiness and elimination of uncertainty a consumer might experience from the perception of a company’s continuousness and the fact that it shows consistency over time.* | 3.2.3.1 Reputation Systems  
*A way to come by the level of prevailing anonymity among peers online to convey trust for other unknown individuals.* |
| 3.1.3.2. Brand Reputation  
*Vital to companies, as the possible spread of negative word of mouth can harm a company’s brand severely and lead to irrepressible trust damages. To countermove a negative word of mouth companies ought to have well-established routines for the handling of customer complaints.* |  |
Chapter 4: Research methodology

As stated earlier in the research purpose, we believe to have found a gap in the research that has been done on peer-to-peer trust. This is because previous research on peer-to-peer systems has been focusing on overcoming consumers’ high levels of anonymity in online peer-to-peer commerce. The case of UberPOP however differs from previous peer-to-peer systems as this service is operating in a physical setting, which means that the peers meet in face-to-face in person. This thesis has the main focus on exploring if there are any possible differences in peer-to-peer trust in a physical setting by applying it on the case of UberPOP. Saunders et al (2009) write that an exploratory study is conducted in order to find “what is happening; to seek new insights; to ask questions and to assess phenomena in a new light”. The main purpose with the research is thus exploratory, designed in hope to generate a better comprehension regarding trust in peer-to-peer companies that operate in a real-life physical setting. However, to gain a better understanding in how consumer trust is created in the industry that UberPOP is operating in, the study will largely emphasize on exploring how consumer trust is created among traditional taxi companies, which means that the study also will undertake a comparative style.

4.1. Research strategy

When compiling an exploratory study one should comprise a non-standardized, qualitative research design (Saunders et al, 2009). As the thesis sets out to understand actors’ subjective apprehensions on trust, there is a need for an interaction with the researched. Qualitative observations are used as research strategy to identify and investigate the presence or absence of something and in this case, semi-structured interviews are preferable as they bring the possibility to in a better way interrelate with the interviewees (Saunders et al 2009; Sallis, 2015). The qualitative research strategy is hence taking an inductive approach. An inductive research strategy has the fundamental goal of generating meaning to data and observations collected in the field (Creswell, 2008). The use of an inductive methodology is further motivated when the objective is to gain an understanding of people’s attachments to certain events (Saunders et al, 2009).

4.2. Research design - Semi-structured interviews

The data will be collected via interviews that are going to be conducted in a semi-structured manner, which are an empirical investigation set out to explore a certain contemporary phenomenon
(Yin, 2003). Eisenhardt and Graebner (2007) advise the use of a case study when trying to understand and make clear of a phenomenon in a real-world setting. The interviews are therefore a way to attain first-hand, primary data from the sources (Sallis, 2015). Saunders et al (2009) write that the use of semi-structured interviews is motivated when there is a purpose to probe and understand the reasons of the interviewees decisions, or the reasons for their attitudes and opinions on the subject. The anticipated outcome from the semi-structured interviews is that further insight will be gained by given interviewees the possibility to explain, clarify and develop their responses. By using a less structured arrangement in the interviews, the hope is that there is a reduced risk of missing out on vital information, but also that the insights will be deeper by the opportunity to have a commutative counterpart in the interview. Compiling semi-structured interviews is further motivated as a suitable research alternative for this thesis as it has the possibility to give a greater understanding to “how” and “why” the interviewees think and behave in a given context (Yin, 2009; Saunders et al, 2009).

4.2.1. Case selections

To get a sufficient understanding of peer-to-peer trust within the taxi-setting one needs to consider producer- as well as the consumer side in the given environment. Since the study is exploratory, we have decided to use a non-probability sampling approach. This means that the people in the data sample are subjectively selected as they are suitable to give an empirical foundation for the study researched area (Saunders et al, 2009). The sample is consequently collected by the use of a purposive sampling technique (Saunders et al, 2009). In order to get a picture of how peer-to-peer trust in the taxi industry is handled in Stockholm, one also needs to understand how it is handled from the equivalent business-to-consumer perspective. To do this, the thesis will devote a rather large part to investigate how “traditional” taxi companies work with trust. UberPOP is selected to represent the peer-to-peer alternative, whereas Taxi Stockholm and Taxi 020 are chosen to represent the “traditional” business-to-consumer alternatives in the taxi industry in Stockholm. Taxi Kurir was also contacted initially but quickly refrained from participating in the study after explaining that it neither had the time nor resources to contribute with sufficient material. The three taxi companies are the largest actors on Stockholm’s market (Taxi Stockholm, 2015; Taxi 020, 2015; Taxi Kurir, 2015). When the initial contact was made, we were given a specific advocate at each company who officially represents the company’s interests. These people were:
• Lina Areblad, Marketing manager, Uber Sweden
• Natalia Santos, PR & Press manager, Taxi Stockholm
• Frederick Scholander, Marketing & Sales manager, Taxi 020

When contacting the three companies we were informed that the three representatives were the ones in their companies that possess the most knowledge and experience about the taxi industry in Stockholm, as well as their own companies’ operations. When we initially explaining the mission of our study and what sort of information we hoped to gain from the interviews they all confirmed that they were the right people to talk to at their respective companies. The representatives stated that they are in good contact with their companies’ drivers and passengers and that they have have experience from working with organizational matters of consumer service at their companies. The choice of interviewing the company representatives is motivated by Saunders et al’s (2009) arguments on purposive sampling, which means that the investigator uses his/her judgements to select cases that are considered most suitable to answer the research question as the cases are considered to be exceptionally informative on the subject.

After the interviews had been executed we were very satisfied with the information we had been given and could therefore confirm that the representatives possessed suitable requirements and experience of the industry that was needed to fulfill the mission of our investigation. Seeing as we were content with the information we had collected from the three interviews we chose not to pursue with any additional interviews at the companies. We are fully aware of the fact that it might can be perceived as a bit limited to only interview one person at each company, but as our choses interviewees are the official representatives at their companies in these matters we felt that this was sufficient, and also because we were fully satisfied with the insights we obtained from talking to them.

In order to attain the customers’ perspective on trust in this setting, we chose to interview people with experience from utilizing both UberPOP and the traditional taxi alternatives in Stockholm. We were conducting a non-probability method to collect the data we needed and this technique is motivated by Saunders et al (2009) when conducting a qualitative study where the investigation’s objective lies on on understanding a social phenomena. The interviewees were direct and indirect acquaintances to us that agreed on sharing their experiences from traveling with the investigated companies. We started off broadly by contacting friends, colleagues and relatives that we know
have travelled with the companies before. From previous experience of asking acquaintances to participate in research interviews “that take a bit longer” to perform and requires a bit of attention, we knew that people sometimes have a tendency to refrain from really taking the time to reflect over the situation and answer the questions thoroughly. We therefore chose to focus on the ones that expressed an interest to give a comprehensive approach to the interviews. The method of primarily screening people’s interest in participating in the interviews before conducting them could be seen as a light version of a self-selection sampling technique, which Saunders et al (2009) defined as allowing individuals to identify their desire to take part in the research. This is motivated when the selected individuals have personal opinions or feelings about the research question (Saunders et al, 2009). We motivated the use of the self-selection sample technique as we were looking to interview people that were somewhat well-grounded and really had given a thought to the phenomena the study intended to investigate. We interviewed eleven people, six female and five men in the ages 22 to 39. We indirectly strived after a somewhat heterogeneous sampling group but this could not really be controlled as the ones we interviewed were the ones who came back to us seeing as the sample was self-selected. This means that neither the specific number of eleven people or the division of six female and five men, were intentional from the beginning, nor was the age distribution. Characteristics such as gender and age are not going to be used as foundations for analysis as the motive with the study is not to generalize the sample to a population. The data on age and gender is therefore simply added to offer some further background information on the interviewees.

4.2.1.1. Units of analysis

These following three groups listed in the table below make up the thesis’ units of analysis, which means that these are the major entities that will lie as the foundation of the investigation’s analysis (Babbie, 2012). The official company representatives at Taxi Stockholm and Taxi 020 are bundled together as their companies are very much similar and they offer the same business-to-consumer service with the same methods and approach and UberPOP is representing the consumer-to-consumer, peer-to-peer alternative.
4.2.1.2. Interview guide

Seeing as the data collection is held in a relatively free in a semi-structured style with several different actors, there is a risk that the interviews might end up scattered and hard to unify. In order to maintain a level of consistency in the case studies the interviewees were given an interview guide in advance via e-mail so that they would know what areas that would be covered. Saunders et al. (2009) state that the level credibility is raised through the supply of relevant information being given to participants prior to the interview. Attaining an interview guide in advance gives the investigation more validity and reliability, as the interviewee is given the possibility to consider the requested information more carefully, but also the time and possibility to assemble supporting data (Saunders et al, 2009). The interview guide is featured with three themes on trust that were to be discussed, and in this way the it was possible to ensure that the candidates were prepared and possessed the proper competence to give a correct picture of the industry’s situation. The interview guide’s three thematic sections were the same for both the company-, as well as the passenger side. This method is motivated by Saunders et al (2009), as it gives the questions an organizational

<table>
<thead>
<tr>
<th>Unit of analysis</th>
<th>Representative</th>
<th>Role of representative</th>
<th>Empirical focus</th>
<th>Interview type</th>
<th>Interview length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxi Stockholm</td>
<td>Natalia Santos</td>
<td>Marketing &amp; sales PR &amp; press manager</td>
<td>• Topic of trust • risk and safety concerns • reputation systems</td>
<td>In person</td>
<td>45 minutes</td>
</tr>
<tr>
<td>Taxi 020</td>
<td>Frederick Scholander</td>
<td>Marketing &amp; sales PR &amp; press manager</td>
<td>• Topic of trust • risk and safety concerns • reputation systems</td>
<td>In person</td>
<td>1 hour &amp; 15 minutes</td>
</tr>
<tr>
<td>Uber</td>
<td>Lina Areblad</td>
<td>Marketing Manager at Uber Sweden</td>
<td>• Topic of trust • risk and safety concerns • reputation systems</td>
<td>Skype conference</td>
<td>30 minutes</td>
</tr>
<tr>
<td>Passengers</td>
<td>11 individuals/ customers</td>
<td>Passengers with experience from travelling with UberPOP and the traditional taxi alternatives</td>
<td>• Topic of trust • risk and safety concerns • reputation systems</td>
<td>Focus groups in person, Individual interviews in person &amp; Individual phone interviews</td>
<td>20-30 minutes for each interview</td>
</tr>
</tbody>
</table>
context that is suitable to the research topic. The thematic sections in the interview guide were featured with more detailed questions that were designed differently for the company and passenger side (the full interview guide is attached in an appendix). Below are the three thematic topics of the research guide:

A. Your company and the topic of trust/Riding with taxi and the topic of trust  
B. Risk and safety concerns  
C. Reputation systems

All case studies were held in Swedish and they were conducted in person or over the telephone. The company representatives agreed to be recorded and the conversations were later transcribed in Swedish to strengthen the data’s credibility and facilitate its use in the analysis (Saunders et al, 2009). This was however not done with the passengers.

4.3. Method limitations

There was an initial plan to also interview drivers at each company. However, this plan was dismissed after the decision that the motive of the study was to mainly focus on company officials and consumers’ perspectives. We are aware of the fact that it could have been interesting to add further perspectives from interviewing drivers at the three companies, but it would have resulted in an additional level of extensiveness that would have aggravated the scope of the study. We also felt that the companies’ official spokespersons functioned as adequate representatives for their respective brands who could offer a valid picture of their situation in the taxi industry in Stockholm. However, by utilizing the spokespersons (who are members of their organization's’ top management department) as representatives for their respective companies, we are aware that there might be a structural distance between the strategic and operational levels in their companies. We are also aware of the fact that it lies in the interest of each company representative to portray their companies in the best way possible, meaning that they might be subjective when talking about their companies’ work methods. This means that there is a possibility that the spokespersons might try to describe how their companies view trust in theory, which might not correspond with how they work with trust in practice.
When looking at the passenger side of the case studies, it is hard to get an objective image of the situation due to the limited amount of interviewed people. The use of a self-selection technique also means that there is a risk that the interviewees have a biased stance to a specific company. There is also a possibility that the content in the thesis’ chosen literature review might be affected by differences in national culture and customs, but these aspects will not be taken into consideration as the study is limited to the Stockholm area.
Chapter 5: The taxi industry in Stockholm

5.1. Taxi Stockholm

Taxi Stockholm has its roots in “Stockholm’s Horse carriage Association” (Stockholms Droskägarförening), based in 1899. Taxi Stockholm is a taxi cooperative with approximately 880 taxi drivers as members with a joint booking service but operate under the different brands; Taxi Stockholm, 150000 AB, Värmdö Taxi and Ekerö Taxi. All and all, Taxi Stockholm has 4635 drivers, about 1600 cars, two telephone switchboard centers, and there are 230 people in the company’s service organization and back office. The company’s vision is to be the leading partner for taxi services with a superior availability, quality and service for the people of Stockholm and their guests. (Taxi Stockholm, 2015; Santos, 2015)

5.2. Taxi 020

Taxi 020 operates in Stockholm and in Gothenburg and it was founded in 1994 in a joint venture by a number of local taxi companies. The company was originally a cooperative and owned by its members, but 2008 it was acquired by the holding company Fågelviksgruppen, which is the largest taxi organization in Scandinavia. Taxi 020 is currently operating with approximately 3000 drivers and 1400 cars in the Stockholm region and there are 80 people working at the company’s back office department. Taxi 020’s vision is to be Sweden’s leading taxi organization regarding availability, customer adaption, quality and environmental influence. (Taxi 020, 2015, Scholander, 2015)

5.3. Uber

Since its launch in 2009, Uber has expanded at a quick pace as it is operating in 55 countries and more than 200 cities worldwide, and as of December 2014 the company was valued to 40 billion USD (Wessel, 2014; Uber, 2015,). Uber’s offerings vary a bit depending on the country it is operating in and in Stockholm, Sweden, Uber is currently offering four official different transportation alternatives; UberLUX, UberBLACK, UberX, and UberPOP. These different options range from the more luxurious alternative, UberLUX - to the basic peer-to-peer version UberPOP. UberLUX, being the most expensive alternative, uses licensed taxi chauffeurs that drive exclusive cars, such as Mercedes or BMWs. UberBLACK is rated to a somewhat lower price, but still with
high-end cars and licensed drivers. UberX is most commonly used alternative, with licensed drivers that utilize more simple cars, such as the Toyota Prius (Erlandsson, 2014; Uber, 2015).

UberPOP on the other hand, is differing both from the company’s other offerings, but also from taxi transportation in general. UberPOP has been available in Stockholm since 1 September 2014 and the it allows private individuals without taxi driver licenses to connect to Uber and use their own cars to pick up passengers via the company’s mobile app as long as they meet certain requirements (Uber, 2015). Uber demands that a person has no criminal record, a regular driver’s license for at least three years and a car that is maximum five years old. UberPOP drivers are also compelled to send in photos of themselves and their car to Uber, but no physical meeting with company representatives is required. During the interview, Lina Areblad, Marketing manager at Uber Sweden refrained from giving information of exact the number of drivers and passengers that currently are connected to the Uber app in Stockholm (Areblad, 2015). Uber also underlines the importance that UberPOP is not a taxi service and that the drivers are not employed by Uber, but that that it is a ridesharing service where private individuals can share the empty car seats with other individuals by using the company’s mobile app (Areblad, 2015). According to Uber, the idea of UberPOP is to utilize the cars in more efficient manner, and keep the costs low for both peers simultaneously (Uber, 2015).
Chapter 6: Empirical findings

The following chapter includes content that was derived from the empirical case studies, conducted together with company representatives from Taxi Stockholm, Taxi 020 and Uber, as well as passengers with experience from travelling with them. The presentations of the case studies are categorized and follow the same chronological structure as the interview guide that was featured in the methods section earlier. Each company representative’s given main statements are identified and grouped together in relation to the same empirical themes in order to facilitate the overview of their answers. The same goes for the case studies made with the passengers (Saunders et al, 2009).

6.1. Company representatives

6.1.1. Your company and the topic of trust

6.1.1.1. Taxi Stockholm

Trust is according to Natalia Santos, PR-manager at Taxi Stockholm, very important to her company, as well as the industry in general. She explains that the taxi industry would not be able to exist without the trust from its customers. The company has therefore been working long and hard on creating and maintaining trust towards them. Santos mentions company transparency and honesty, as crucial factors for the company to create trust as the industry sometimes is thought of being a bit “shady”. As means for Taxi Stockholm to communicate its transparency and organizational sincerity of the way the company works, Santos refers to their close cooperation with the Swedish Tax Agency (Skatteverket). The transparency and honesty have shown to be important for both consumers and owners, according to Santos.

When being asked how Taxi Stockholm ensures that its drivers act in a desired way, Santos explains that the company takes a standpoint in its customer service and the feedback it receives. Apart from the customer service, certain drivers have the title as brand ambassadors, who have the mission to be observant on that their fellow colleagues are living up the certain brand standards. It has however been difficult for them to ensure the customer experience, the company therefore has to rely mostly on the consumer's’ ongoing dialogues with the customer service. Internal communications is also mentioned an important channel. During 2014, Taxi Stockholm performed what they called “The Service Hoist” (“Servicelyftet), which was an operation where they wanted to convey that all employees throughout the whole organization live up to and follow the company's code of conduct.
During the service hoist, all drivers had to undergo education in customer service to make sure that they all achieved a certain standard.

In order to become a driver at Taxi Stockholm, each person needs to achieve a certain level of quality throughout all steps of their recruitment phase, which according to Santos is very rigorous. Santos refers to the initial tests in the recruitment process, which a majority of the applicants do not pass, meaning that they are excluded from continuing the selection process into becoming a Taxi Stockholm driver. In the recruitment of drivers, focus lies on the person's attitude to service, local knowledge (higher standards than other competitors according to Santos) and language skills. Once a driver is enrolled, he/she is trained in the cars’ technology, further training in local geography, training in customer service as well as company policies and sustainability approaches.

Santos explains that if a passenger has a bad experience from riding with Taxi Stockholm, the complaints are often always directed towards the company as a whole and not at individual drivers since passengers tend not to make a difference between the drivers and the actual company. Santos makes clear that she is proud of the fact that Taxi Stockholm is an honest company and the company stands behind its drivers, despite if one driver would act bad. This behavior is according to Santos not a given within the industry, and she explains that some competitors do not stand up for what their individual drivers do, instead they tend to put the full blame on them. Taxi Stockholm handles it differently, according to them it is important to take full responsibility both towards the brand as the their customers.

6.1.1.2. Taxi 020

The Marketing and Sales manager at Taxi 020, Frederick Scholander, emphasized the importance of trust, both towards enrolled drivers and customers. All the cars at Taxi 020 are first of all equipped with alcohol interlocks as well as cameras. The cameras were originally meant as security tools for the drivers to protect them from robberies and assaults, but the cameras have shown to be highly useful for protecting the passengers as well as they have been used to prove their arguments. Scholander and Taxi 020 consider that it is very important that they have full confidence in its drivers, however, he is aware of the fact that some of their 3000 enrolled drivers are not ultimately suited for driving, and that it is hard to say if all of them are fully committed to giving the best service possible. Taxi 020 is constantly working on trying to locate these drivers and instate actions for improvements such as further training in company values and customer service. As a further
measure to ensure trust, Taxi 020’s cars are storing information from every ride, such as the geographical route, the precise time of departure and arrival, how much and in what way the customer paid. This information must however be traced manually in their data systems, but despite this, they are giving the company great traceability according to Scholander.

When recruiting drivers to Taxi 020, all applicants must be drug tested as well as proving that they do not have a criminal record. Once recruited, a driver must undergo internal training regarding the functions of the car and its technology, knowledge in local geography and customer service. In order to maintain trust towards their customers, Taxi 020 issues an internal course in customer service every two years with continuous inspections of drivers’ clothing, the vehicles’ exteriors including small damages and that the stickers look nice, control of the cameras, alcohol interlocks, the interior of the cars and their customer service ability. If a driver does not behave properly, he/she will receive a warning.

6.1.1.3. Uber

Lina Areblad, Marketing manager at Uber, says that Uber is working on creating trust in different ways. Areblad says that Uber monitors drivers in real time. If you go with a traditional taxi company, and something happens, you must call the taxi company, remember numbers on the driver's taxi license in order to report the incident. This makes it harder for them to follow up. Areblad means that this makes Uber more transparent than its competitors. If a driver’s personal rating is decreasing, Uber follows up on this in order to find out why this is happening, in order to prevent a similar negative trend in the future. Uber is then providing the driver with further education in form of virtual training. Sometimes drivers gets a warning and if the driver’s behavior does not change, he/she could be facing the possibility of being suspended and therefore not allowed to drive for Uber anymore.

When asked about how Uber makes its drivers to act according to the company standards and emphasizes, what Santos refers to the company’s initial process before enrolling drivers to UberPOP. First, Uber does a background check on every applicant and make sure that he/she does not have a criminal record and then Uber controls that the cars is fulfilling the company standard of not being older than five years. However, this is not done in person, as the applicant sends in photos of its car to Uber. Lina explained that Uber sometimes meet the drivers, but this is never required
when starting to driver with UberPOP. Once drivers are enrolled, they have to do a virtual training session online before start driving for UberPOP. If they would have any concerns, Areblad explains that the drivers are welcome to stop by Uber’s office during office hours and ask questions.

6.1.2. Risks and safety concerns

6.1.2.1. Taxi Stockholm

Santos explains that she is aware of the fact that there is a level of suspiciousness against the taxi industry in general and she knows that some are scared of sexual harassment while being in the taxis. She continues by stating that passengers are selective with their choice of what company the go with and that “parents are not letting their daughters ride with any other company at night”. This is why trust is so important in this industry. She lifts the possibility that young people might down-prioritize trust and security and take larger risk to get a lower price when riding with a taxi.

Santos states that if one of their drivers would to act inappropriate or misbehave against a passenger, Taxi Stockholm can practice their right to fire that driver with immediate effect in accordance to their labor legislations. Taxi Stockholm has the possibility to go back and control a driver’s route to ensure that he/she does not diverge from a given route, however, this can only be done in retrospect. In the unfortunate event of an accident, Taxi Stockholm offers a full insurance to passengers and their baggage but not their personal belongings the have on them. This also applies if the baggage would be damaged when being stored by the driver. Taxi Stockholm’s drivers have a full insurance of their cars and they are covered with “enhanced health benefits”.

6.1.2.2. Taxi 020

When asked about security and if he sees any potential risks associated with riding with Taxi 020, Scholander simply answers; “that there are no risks whatsoever”. He explains his answer by stating that their passengers know that they are travelling with a respected brand and in in the unlikely event if something bad actually would happen the passengers know that Taxi 020 is a well-established and trusted company that will back them up. He says that if one of their drivers would mess up and be late to pick you up to go the airport, Taxi 020 would pay for new tickets if it would miss your flight. Scholander means that Taxi 020 customers know this, and that they know that if they are in need of support or guidance, they have a call center they can turn to at all times. All drivers who are connected to Taxi 020 must have full cover insurance for their car, and Taxi 020
controls this. Taxi 020 also issues an additional third party liability insurance that covers damages up to 50 million SEK.

6.1.2.3. Uber

The thing that distinguishes Uber from other companies is according to Areblad, that the journey is safe and assured even before the journey begins. This is because both drivers and customers are being provided with information about each other via their respective ratings, the picture of driver and information about the car. Areblad means that no one is anonymous to each other and if something would happen, the Uber office can track previous, as well as real-time trips in order to collect data from it in and find out if anything unpleasant happened. Not only the Uber office can track the trip, passengers can also share the estimated time of arrival with friends and family so that they can follow the journey all the way in the app and make sure that the car is following the preset path. Areblad also explains that Uber is providing a support center via e-mail and Facebook, where customers can write their concerns and get fast real time responses. In India, Uber has launched a security SOS button, which allows the passenger to press the button in the app if he/she feels uncomfortable or in case of emergency. When the button is pressed, it sets off an SOS alarm to the police or contact persons chosen by the passenger. However, according to Areblad, the only possible risk from using UberPOP is that the drivers might have lower geographical skills compared to riding ride with for instance UberX, UberBLACK or UberLUX, which have drivers with taxi licenses. She however means that there no risks regarding the service level, and she adds that some of Uber’s highest rated drivers drive for UberPOP. Concerning customer insurance, all customers are covered by “an extensive insurance” when riding with an Uber car, with no exception for UberPOP.

6.1.3 Reputation systems

6.1.3.1. Taxi Stockholm

Santos explains that Taxi Stockholm does not have any rating system for their drivers. However, they have a customer service center, where they able to collect opinions from customers concerning both positive and negative feedback. Customer surveys are sometimes used to control customer satisfaction and find out how they stand against the competition. By doing so, they understand what aspects that are viewed as problems and how it could be improved. Santos states that they encourage unsatisfied customers to share feedback with the company in order to get acknowledged
of the underlying reasons behind the dissatisfaction. Complaints go into a complaint process, whereby Taxi Stockholm interview both customers and drivers. When handling different kinds of complaints towards drivers, Taxi Stockholm looks into each situation and judge them thereafter. In worst case, a driver can be fired right away. Santos states that Taxi Stockholm has an internal point system, but she does not want not elaborate it any further than explaining when the driver has no points left, he/she can loses their Taxi Stockholm ID and is therefore fired.

6.1.3.2. Taxi 020

Scholander states that Taxi 020 uses a rating system in their mobile app where customers have the possibility to rate the driver, car and customer service. However, the company’s rating system is simply used as an internal control procedure where Taxi 020 keeps track of its drivers are behaving. This means that their customers never can see the drivers’ ratings. Beside Taxi 020’s internal rating system, the company also has a customer service center where customers can call and leave their complaints.

6.1.3.3. Uber

Uber is using a rating system where both drivers and passengers can rate each other. Areblad means that the drivers work hard to earn their rates, and she says that the rating system is good measurement to assess the drivers. There are very few drivers who achieve the highest ratings of 5/5, but many who are just right below. Those who have right below five have generally a very high level of customer service according to Areblad, and it differs quite a lot between these drivers and the ones below 4,5. Uber offers instructions in customer service and how to reach a good score, however. Areblad however means that Uber cannot force the drivers to act in a certain way, instead the drivers are given recommendations of what passengers usually appreciate such as opening doors, offering water in their cars. These instructions usually vary depending on what is expected from customers at the different levels that Uber offers.

If a driver receives poor feedback several times in a row, Uber does a follow on the driver in the hopes changing the negative trend. After the first warning, the driver get about two weeks to improve itself and must reach a certain average level during this time period. If needed, the driver is offered further education on customer service. If he/she fails to improve, another warning and coaching is provided. If it would happen again the driver will not be able to drive for Uber again.
### 6.1.4. Summary of company representatives

Table 3 - Summary of company representatives

<table>
<thead>
<tr>
<th></th>
<th>Taxi Stockholm - Natalia Santos</th>
<th>Taxi 020 - Frederick Scholander</th>
<th>UberPop - Lina Areblad</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Your company and the topic of trust</strong></td>
<td>Taxi Stockholm takes a strong standpoint in its customer service function and customer feedback in order to develop and increase trust.</td>
<td>Taxi 020 has actions to increase trust, such as constantly trying to locate low performing drivers among its staff to offer further education and improvements.</td>
<td>UberPOP is more transparent than traditional taxi companies, according to Areblad because both driver and passenger see each others current rating</td>
</tr>
<tr>
<td>How do you work on creating trust towards your consumers?</td>
<td>Taxi Stockholm collaborates with the Swedish Tax Agency in order to convey trust to its customers</td>
<td>All cars are equipped with cameras and alcohol interlocks, the cars store data on arrival/departure time, route, payments</td>
<td>Uber can monitor the drivers and the journey in real time.</td>
</tr>
<tr>
<td>In what way do you make sure that your drivers act in a desired way?</td>
<td>All drivers and employees are formally educated to ensure high quality service standards.</td>
<td>Recruitment controls include a clean criminal records, drug test, training drivers in technology, the car’s mechanics, geography, local knowledge and customer service.</td>
<td>If a driver’s rating is decreasing, Uber follows this up with the driver in order to prevent similar trends and future events.</td>
</tr>
<tr>
<td>Do customers usually direct their criticism against you as a company, or directly to the taxi driver?</td>
<td>Drivers need to possess a certain service standard, taxi license, language skills.</td>
<td>Further internal education and customer service courses every two year.</td>
<td>UberPOP recruitment controls include background checks, a clean criminal record, car not older than five years, sending in pictures of driver and its car, virtual customer service course.</td>
</tr>
<tr>
<td>How do you educate your drivers?</td>
<td>Most criticism is directed to the company and not to specific drivers.</td>
<td>Continuous inspections regarding drivers’ clothing, vehicle standards, camera, alcohol interlocks, and customer service. Bad behavior leads to a warning</td>
<td></td>
</tr>
<tr>
<td>Taxi Stockholm takes full responsibility towards the brand as well drivers behavior.</td>
<td>Taxi Stockholm takes a strong standpoint in its customer service function and customer feedback in order to develop and increase trust.</td>
<td>The trust aspect is very important to Taxi Stockholm, since there is a level of suspiciousness towards the taxi industry according to Santos.</td>
<td></td>
</tr>
<tr>
<td><strong>Safety concerns</strong></td>
<td>“There are no risks whatsoever”, according to Scholander, since their passengers are aware that they ride with a respected brand, which would support them in the unlikely event of an accident..</td>
<td>“There are no risks whatsoever”, according to Areblad, since their passengers are aware that they ride with a respected brand, which would support them in the unlikely event of an accident..</td>
<td></td>
</tr>
<tr>
<td>What risks or concerns do you believe consumer might have in mind when consuming a service with your company?</td>
<td>Taxi Stockholm has the possibility to retroactively control a given route, however not in real time.</td>
<td>Taxi 020 controls that all drivers have full insurance for their cars. Taxi 020 also issues an additional third party liability insurance that covers damages up to 50 million SEK.</td>
<td></td>
</tr>
<tr>
<td>How is your customers insured and covered to eventual incidents?</td>
<td>The company offers a full insurance to passengers and their luggage.</td>
<td>“There are no risks whatsoever”, according to Scholander, since their passengers are aware that they ride with a respected brand, which would support them in the unlikely event of an accident..</td>
<td></td>
</tr>
<tr>
<td>All drivers have a full insurance for their car, and they are covered with enhanced health benefits</td>
<td>All drivers have a full insurance for their car, and they are covered with enhanced health benefits</td>
<td>The Uber office can track the journey in real time and retroactively, as well as the possibility for customers to share GPS tracking and estimated time of arrival with friends or family.</td>
<td></td>
</tr>
<tr>
<td>“There are no risks whatsoever”, according to Scholander, since their passengers are aware that they ride with a respected brand, which would support them in the unlikely event of an accident..</td>
<td>“UberPOP is safe and assured even before the journey begins, which distinguishes it from traditional taxi companies”, according to Areblad.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>“UberPOP is safe and assured even before the journey begins, which distinguishes it from traditional taxi companies”, according to Areblad.</td>
<td>Both driver and passenger are provided with information about each other in form of current ratings, picture of driver, car information, and location, already before the trip starts.</td>
<td>Both driver and passenger are provided with information about each other in form of current ratings, picture of driver, car information, and location, already before the trip starts.</td>
<td></td>
</tr>
<tr>
<td>“UberPOP is safe and assured even before the journey begins, which distinguishes it from traditional taxi companies”, according to Areblad.</td>
<td>The Uber office can track the journey in real time and retroactively, as well as the possibility for customers to share GPS tracking and estimated time of arrival with friends or family.</td>
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<td></td>
</tr>
<tr>
<td>“UberPOP is safe and assured even before the journey begins, which distinguishes it from traditional taxi companies”, according to Areblad.</td>
<td>Areblad argues that the only risk with UberPOP is that the driver might have less local geographical knowledge compared to UberX, UberBLACK or UberLUX.</td>
<td>Areblad argues that the only risk with UberPOP is that the driver might have less local geographical knowledge compared to UberX, UberBLACK or UberLUX.</td>
<td></td>
</tr>
<tr>
<td>“UberPOP is safe and assured even before the journey begins, which distinguishes it from traditional taxi companies”, according to Areblad.</td>
<td>All Uber passengers are covered by “an extensive insurance”, with no exception for UberPop.</td>
<td>All Uber passengers are covered by “an extensive insurance”, with no exception for UberPop.</td>
<td></td>
</tr>
</tbody>
</table>
### Reputation systems

<table>
<thead>
<tr>
<th><strong>Taxi Stockholm</strong> - Natalia Santos</th>
<th><strong>Taxi 020</strong> - Frederick Scholander</th>
<th><strong>UberPop</strong> - Lina Areblad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you work with any rating system today? How do you work with it today?</td>
<td>How do you handle enrolled drivers that is not acting properly?</td>
<td></td>
</tr>
<tr>
<td>Taxi Stockholm does not have any rating system for their drivers. It handles customer feedback through its customer service call center, Facebook and customer surveys.</td>
<td>Taxi 020 uses a rating system in their mobile app, where customer have the possibility to rate the driver, car, and service level. However, the customers can never see the drivers’ ratings.</td>
<td>Taxi 020 uses a rating system in their mobile app, where customer have the possibility to rate the driver, car, and service level. However, the customers can never see the drivers’ ratings.</td>
</tr>
<tr>
<td>Complaints go into a complaint process, whereby Taxi Stockholm interviews both driver and customer. The company looks into each situation and judge thereafter. In worst case a driver can be fired right away.</td>
<td>The ratings are solely conducted for internal use for Taxi 020 to keep track of how its drivers behave.</td>
<td>The ratings are solely conducted for internal use for Taxi 020 to keep track of how its drivers behave.</td>
</tr>
<tr>
<td>Taxi Stockholm uses an internal scoring system, a point system whereby a driver can no longer drive for the company when there are no points left.</td>
<td>Besides the mobile rating system, Taxi 020 has a customer service call center whereby customers can share their opinions.</td>
<td>Besides the mobile rating system, Taxi 020 has a customer service call center whereby customers can share their opinions.</td>
</tr>
<tr>
<td>UberPOP is using a rating system where both drivers and passengers are being rated. The ratings are transparent where both parts can see each others’ ratings prior the journey begins.</td>
<td>Uber offers instructions to its drivers in customer service and how to reach good scores by doing things passengers tend to like.</td>
<td>Uber offers instructions to its drivers in customer service and how to reach good scores by doing things passengers tend to like.</td>
</tr>
<tr>
<td>If drivers receive poor feedback several times, Uber does a follow up in order to investigate why, and how the driver can change a negative trend.</td>
<td>If drivers receive poor feedback several times, Uber does a follow up in order to investigate why, and how the driver can change a negative trend.</td>
<td>If drivers receive poor feedback several times, Uber does a follow up in order to investigate why, and how the driver can change a negative trend.</td>
</tr>
<tr>
<td>Uber uses a warning system. At the third time, the drivers become disconnected from UberPOP.</td>
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</tr>
</tbody>
</table>

### 6.2. Passengers
## Table 4 - Interviews with passengers

<table>
<thead>
<tr>
<th>Age</th>
<th>How many times have you used UberPop</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cecilia</td>
<td>3-4 times with friends. Never alone.</td>
</tr>
<tr>
<td>Hanna</td>
<td>2 times</td>
</tr>
<tr>
<td>Kristofer</td>
<td>+ 30 times</td>
</tr>
<tr>
<td>Martin</td>
<td>5-8 times</td>
</tr>
<tr>
<td>Isabel</td>
<td>8-10 times</td>
</tr>
<tr>
<td>Peter</td>
<td>10 times</td>
</tr>
<tr>
<td>Jessica</td>
<td>4 times</td>
</tr>
<tr>
<td>Oskar</td>
<td>30-35 times</td>
</tr>
<tr>
<td>Helena</td>
<td>4-5 times with friends. Never alone</td>
</tr>
<tr>
<td>Karl</td>
<td>3-5 times</td>
</tr>
<tr>
<td>Mona</td>
<td>20-25 times</td>
</tr>
</tbody>
</table>

### The role of trust

<table>
<thead>
<tr>
<th>What attributes do find most important when ordering/consuming a taxi service?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Price safety</td>
</tr>
<tr>
<td>• Reliability price geographic al knowledge</td>
</tr>
<tr>
<td>• Price flexibility</td>
</tr>
<tr>
<td>• Price Car arriving fast</td>
</tr>
<tr>
<td>• Safety price flexibility A nice driver</td>
</tr>
<tr>
<td>• Price A smooth ride from point A to point B</td>
</tr>
<tr>
<td>• Price safety Clean cars</td>
</tr>
<tr>
<td>• Car appearing fast and reach the destination in time.</td>
</tr>
<tr>
<td>• Price Transparency</td>
</tr>
<tr>
<td>• Geographical knowlegde</td>
</tr>
<tr>
<td>• Do not like cash payments</td>
</tr>
<tr>
<td>• Availability price comfort</td>
</tr>
<tr>
<td>• Price Availability Simplicity</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What role do trust towards the company play when ordering/consuming a taxi?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Important Always choose Taxi Stockholm, Taxi kurir, Taxi 020 or Uber. Not UberPop however.</td>
</tr>
<tr>
<td>• It is of great importance.</td>
</tr>
<tr>
<td>• It is often taken for granted.</td>
</tr>
<tr>
<td>• Important to feel safe and that the company is well known</td>
</tr>
<tr>
<td>• Price transparencey increase trust</td>
</tr>
<tr>
<td>• Varies depending on situation and place.</td>
</tr>
<tr>
<td>• Important to use well known companies in unfamiliar environme nts and vice versa in less familiar environme nts.</td>
</tr>
<tr>
<td>• Depends on the length of the trip and whether the time aspect is important or not.</td>
</tr>
<tr>
<td>• Differs depending on what time it is, and of one rides alone or in company.</td>
</tr>
<tr>
<td>• Bigger demand for trust during night hours.</td>
</tr>
<tr>
<td>• Important that the company is well known and establishe d.</td>
</tr>
<tr>
<td>• Do not use illegal taxi.</td>
</tr>
<tr>
<td>• Not important a Low price is most important.</td>
</tr>
<tr>
<td>• Very important.</td>
</tr>
<tr>
<td>• Do only use Uber and Taxi Stockholm, because of previous positive experience s.</td>
</tr>
<tr>
<td>• Availability is however most important.</td>
</tr>
<tr>
<td>• Prefer well known companies such as Uber, Taxi Stockholm , Taxi kurir or Taxi 020, because of more honest price setting.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What role do trust towards the specific driver play when ordering/consuming a taxi?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Important. Trust that the companies mentioned above have decent drivers.</td>
</tr>
<tr>
<td>• Have no personal relationshi p to the driver, therefore not important.</td>
</tr>
<tr>
<td>• Important that cars are equipped with taximeters</td>
</tr>
<tr>
<td>• Important with good service and good first impressio n and arrives in time.</td>
</tr>
<tr>
<td>• Important profession al drivers provide a feeling of safety and increase the trust.</td>
</tr>
<tr>
<td>• Personalit y of the driver can affect the trust in both directions.</td>
</tr>
<tr>
<td>• Plays a less important role than the company.</td>
</tr>
<tr>
<td>• Expect well known companies to have decent drivers.</td>
</tr>
<tr>
<td>• Not important in general.</td>
</tr>
<tr>
<td>• Have however canceled trips because of unpleasant and unfriendly drivers.</td>
</tr>
<tr>
<td>• Not important Generally holds a low trust level towards taxi drivers.</td>
</tr>
<tr>
<td>• Same view for all drivers, regardless the company.</td>
</tr>
<tr>
<td>• Not important.</td>
</tr>
<tr>
<td>• Only want to go from point A to point B.</td>
</tr>
<tr>
<td>• Very important.</td>
</tr>
<tr>
<td>• Drivers has to be educated and act profession al</td>
</tr>
<tr>
<td>• Not important.</td>
</tr>
<tr>
<td>• Favorable to ride with drivers with good rating.</td>
</tr>
</tbody>
</table>

### Please describe why you decided to use UberPOP instead of traditional taxi services or vice versa (e.g. Taxi kurir, Taxi Stockholm, Taxi 020)?

<table>
<thead>
<tr>
<th>Risk and safety concerns</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Prefer traditional taxi services because it gives the feeling of control and quality.</td>
</tr>
<tr>
<td>• UberPOP’s drivers are not educated taxi drivers, which seems unreliable.</td>
</tr>
<tr>
<td>• Use well known traditional Taxi companies because of previous relation to the brands.</td>
</tr>
<tr>
<td>• Have no relation to UberPOP.</td>
</tr>
<tr>
<td>• Uses UberPOP because it is cheaper, easy to use, fun, have nice drivers, innovative technolog y.</td>
</tr>
<tr>
<td>• Only good experience s of UberPOP.</td>
</tr>
<tr>
<td>• Uses UberPOP because it is much cheaper than traditional taxi alternative s.</td>
</tr>
<tr>
<td>• Uses UberPOP because it provide customers with more transparen t informatio n than other alternative s.</td>
</tr>
<tr>
<td>• Posses no personal relationshi p to UberPOP and do not see enough benefits of changing from traditional companies .</td>
</tr>
<tr>
<td>• Uses UberPOP Cheaper than traditional taxis, innovative and user friendly technology.</td>
</tr>
<tr>
<td>• Fulfills the need of moving from point A to point B.</td>
</tr>
<tr>
<td>• Does not ride UberPOP, only Utbers offerings that includes a licensed drivers.</td>
</tr>
<tr>
<td>• Uses UberPOP because of low prices, good availabilit y, and the comfortab le mobile app.</td>
</tr>
<tr>
<td>• UberPOP has better price</td>
</tr>
<tr>
<td>• Is often available</td>
</tr>
<tr>
<td>• Easy to book a car</td>
</tr>
<tr>
<td>• Transparent regarding informatio n, rating and price.</td>
</tr>
<tr>
<td>Cecilia</td>
</tr>
<tr>
<td>---------</td>
</tr>
<tr>
<td><strong>What potential risks do you see with consuming taxi services in general?</strong></td>
</tr>
<tr>
<td>• Swindled for money, robbed, or in worst case raped.</td>
</tr>
<tr>
<td>From a safety standpoint, does anything concern you when using Uber POP compared to traditional taxi services (e.g. Taxi kurir, Taxi Stockholm, Taxi 020)?</td>
</tr>
<tr>
<td>• Not trusting non licensed drivers.</td>
</tr>
<tr>
<td>Is the fact that a driver is formally licensed affecting your trust towards him/her? How?</td>
</tr>
<tr>
<td>• Very important</td>
</tr>
<tr>
<td>Are you willing to change your personal attitude on trust in order to get a lower price?</td>
</tr>
<tr>
<td>• Yes</td>
</tr>
<tr>
<td>Reputation systems</td>
</tr>
<tr>
<td><strong>What impact has a driver's current rate when ordering a UberPOP taxi?</strong></td>
</tr>
<tr>
<td>• Very important</td>
</tr>
<tr>
<td>Name</td>
</tr>
<tr>
<td>----------</td>
</tr>
<tr>
<td>Cecilia</td>
</tr>
<tr>
<td>Hanna</td>
</tr>
<tr>
<td>Kristofer</td>
</tr>
<tr>
<td>Martin</td>
</tr>
<tr>
<td>Isabel</td>
</tr>
<tr>
<td>Peter</td>
</tr>
<tr>
<td>Jessica</td>
</tr>
<tr>
<td>Oskar</td>
</tr>
<tr>
<td>Helena</td>
</tr>
<tr>
<td>Karl</td>
</tr>
<tr>
<td>Mona</td>
</tr>
</tbody>
</table>
Chapter 7: Analysis

7.1. Your company and the topic of trust/Riding with taxi and the topic of trust

7.1.1 Company representatives

When asked about Taxi Stockholm’s thoughts on trust, Natalia Santos referred to her company’s long and hard work on creating transparency and its honesty towards its customers. Santos explained that she is aware that the taxi industry in Sweden sometimes is perceived as “shady”, which confirms the need of working with trust. As a precautionary measure to avoid doubt towards Taxi Stockholm, Santos emphasized that her company has a close cooperation with the Swedish Tax Agency. This is also as an action to communicate transparency and trustworthiness towards its customers. The cooperation with the Swedish Tax Agency can be linked with McKnight and Chervany’s (1996) research on Structural assurances, which implies that companies openly communicate guarantees and regulations, as efforts to convey trust towards the public. Starbuck and Milliken (1988) wrote that institutions build organizational confidence and protection against trust issues by the active use of structural assurances. Taxi Stockholm’s proactive measures of appearing transparent can also be interpreted as a means for creating corporate predictability, as Kaspersen et al (1992) explain that this is a means to eliminate uncertainty and doubt about the future in the relationship between a company and its customers. By proactively cooperating with the Tax Agency, Taxi Stockholm sends the message that it does not have anything to hide regarding its operations, which is proof of being predictable and consistent over time (Kaspersen et al, 1992).

When asked about disappointed customers, Santos explained that most complaints they receive are in the end depicted towards the company as a whole, despite the fact if the passengers most often are directing their criticism towards a specific driver. In these situations, she meant that passengers rarely separate “the individual driver” from “the company brand”, and that customers therefore have a tendency to blame Taxi Stockholm instead of seeing a disgruntled taxi ride as an isolated incident. This phenomenon is very central in the trust relationship between the driver and the passenger. Passengers’ tendency of not being able to distinguish and make difference between an individual taxi driver and his/her company is indirectly motivated by Lau and Lee’s (1999) thoughts on that companies have difficulties of establishing and exercising personal relationships with customers when they grow bigger. In situations like these, Lau and Lee’s (1999) research stated that
companies usually focus on trying to create brand trust toward their customers via corporate predictability and brand reputation, instead of via interpersonal relationships.

Frederick Scholander at Taxi 020 explained that his company is working extensively on establishing good grounds with its customers. In the initial stages of the company’s recruitment process all drivers participate in courses in customer service and training of the vehicle’s mechanics and systems. In addition to this education, Scholander further explained that their drivers must partake in mandatory customer service classes that Taxi 020 issues every second year. Scholander said that the repeated customer service classes are methods of ensuring that the drivers live up to the company’s service values so that their passengers always can feel that they can trust the person who is driving them. The drivers and the taxi cars must also undergo repeated routine check-ups where the cars’ visual company trademarks, such as logos and stickers are up to date. The same goes for the drivers’ uniforms, which are controlled on routine. Taxi 020 repeated service courses and check-ups can be seen as examples of structural safeguards. Structural safeguards are foundations for an institution to maintain Situational normality towards its customers (Baier, 1986). Baier (1986) explained situational normality as an institution’s way of making sure that a specific setting is perceived as trustworthy by the public based premise that it feels recognizable and familiar to previous experiences. Similar measures were also conducted by Taxi Stockholm. Natalia Santos explained that her company underwent what they called the service hoist” (Servicelyftet), which was precautionary efforts that were carried out throughout the organization, as standardized operations that made sure that the company’s code of conduct was utilized by everyone in the company and that everyone obtained a certain level of customer service. Taxi 020’s routine check-ups and Taxi Stockholm’s service hoist, are efforts that ensure that the company's cars and drivers maintain a certain company level that their customers are used with, in order to maintain a position of being perceived as familiar. The actions of maintaining a set level of service and being recognizable can further be linked to Kaspersen et al’s (1992) thoughts on Corporate predictability, which implies that a company creates trust by showing consistency over time. Kaspersen et al (1992) write that companies should establish operating control procedures, preferably with a “customer-oriented perspective”. Uber’s Marketing manager, Lina Areblad explained that Uber has a rigorous security process when drivers enroll to drive with UberPOP. Just as with Taxi Stockholm and Taxi 020, Uber demands that a potential driver does not have a criminal record and that drivers must undertake customer service courses. However, Uber does not demand to meet any of the drivers in person, neither when they apply, nor after they potentially get accepted to drive with
UberPOP. The fact that Uber never demands to meet with any of its drivers in person means that the company lacks the possibility to subjectively determine if a driver possesses a standardized ability of exercising customer service in practice. Doney and Cannon (1997) write that relational predictability is the ability to forecast another person’s behavior. One might question Uber’s ability to do this online, as the company never demands to meet face to face with its drivers. From a company perspective, this theoretically aggravates Uber’s ability to externally guarantee its drivers’ trustworthiness, as Lau and Lee (1999) write that corporate predictability is achieved when a company can ensure operating control procedures throughout all organizational levels.

When asked about Uber’s views on trust she referred to the fact that her company can monitor its drivers in real time. She also raised the vital significance of her company’s rating system, which according to her, functions as an indicator if a driver is performing or acting in an undesirable way towards his/her passengers. If a driver’s rating would drop drastically, Uber would look in to it and offer the opportunity of an online course in customer service. Rating- and reputation systems are according to Slee (2013) common tools to evaluate actors’ experience in interpersonal peer-to-peer transactions online. Jøsang et al (2007), state that reputation systems function as trust instruments in an setting of online commerce where the buyer and seller never meet. This theory is to some extent applicable to the case of a UberPOP ride, however, only in the booking processes leading up to the event where the driver and the passenger actually meet in the vehicle. When the passenger enters the car, the online peer-to-peer trust theory is not longer applicable as the peers meet in person.

The fact that Uber does not require to meet with its drivers and that the drivers’ cars are not checked in person by any Uber employees, is a stark contrast compared to Taxi Stockholm’s and Taxi 020’s extensive measures of supervision. When talking to the representatives from the traditional taxi companies, they highlighted their thorough controls of drivers and cars as efforts meant to convey trust towards their customers. One could therefore question if Uber really has the right to communicate the same regulatory assurances and safeguard guarantees as Taxi Stockholm and Taxi 020 do, due to the fact that Uber’s controls and check-ups are somewhat deficient in relation to the traditional companies.
7.1.2 Passengers

In the case studies, the interviewees were asked about the importance of trust towards the respective company they choose to ride with. A majority of the respondents answered that they prefer to travel with a well-known or well-established company, only one person (Oskar) answered that trust did not matter all and that he did not care what company he travelled with as long as he got it for a low price. A few respondents said that it mattered less to go with a well-known company if the ride was during daytime and if they were in an environment they feel secure in. By looking at the interviewees’ answers one can easily see that there is a link between “trust” and a taxi company being perceived as “well-known” or “well-established”. This connection is motivated by Baier’s (1986) McKnight and Chervany’s (1996) definitions and research on Situational normality, which state that a situation is perceived as trustworthy if it appears as “normal” or in accordance to previous experience. Three respondents (Cecilia, Helena and Mona) mentioned that they have established personal relationships with the companies Taxi Stockholm, Taxi Kurir, Taxi 020 and Uber and that they only ride with them. The fact that the these respondents consider themselves having a relationship with the respective taxi companies mean that the they have succeeded to establish a sense of Corporate predictability towards their customers as relationships build on consistency and interactions over time, which is key in a successful business-to-consumer relationships (Kaspersen et al, 1992; Morgan & Hunt, 1994; Lau & Lee, 1999).

The respondents however seemed somewhat less concerned about trust towards the actual driver of the taxi. Most interviewees answered that it is a plus if the driver is friendly, and that they feel that they can trust the driver if he/she drives for a well-known company. Some respondents (Cecilia, Peter and Karl) appeared to feel that they can take for granted that they can trust the person driving the taxi if this person works for a well-known company. This behavior finds support in Bradach and Eccles’ (1989) research on the balance between Expectations vs. risk. Bradach and Eccles (1989) meant that in a trust relationship, an individual has certain expectations on that another person might act opportunistically. Möllering (2001) gave further support on this theory by stating that trust is based on the expectations of the interacting partner’s future behavior. In this specific case, Bradach and Eccles (1989 and Möllering’s (2001) research may be linked with McKnight and Chervany (1996) and Baier’s (1986) research on Situational normality. This because the interviewees seem to have lower expectations that the driver will act opportunistically if they ride with a taxi company they consider to be well-known, and consequently “normal”.

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7.2. Risk and safety concerns

7.2.1. Company representatives

In the interview with Taxi 020, Scholander stated that he does not believe that his customers see any risks whatsoever when riding with his company. He meant that the customers trust his company because they know that Taxi 020 is “a respected and well-functioning company which would support customers in crisis situations”. In a slight contrary to Scholander, Natalia Santos at Taxi Stockholm stated that she is very much aware of the fact that passengers in general might be concerned regarding security issues in the taxi industry such as fear of sexual harassments. Santos meant that those concerns are the very particular reasons to why passengers are highly selective and that is why many choose to ride with Taxi Stockholm, which is a company they know they can feel secure with because they recognize the brand as being well-established and trusted. Both company representatives’ arguments therefore indirectly referred to the fact that their two organizations have managed to overcome customers’ concerns regarding risks and safety, due to well-functioning measures of structural trust such as situational normality and a well-established brand reputation (Lee & Lau, 1999; Edlin & Harkin, 2003).

Scholander also brought up a fictitious case where one of their drivers was responsible for a customer missing to catch a plane at Arlanda. In those situations, Scholander stated that Taxi 020 would take its responsibility and vouch for new plane tickets and he meant that Taxi 020’s customers are fully aware of this and that they feel that his company would do this for them. He also meant that Taxi 020’s passengers know that they always can turn to the company’s call center when in need of help. These arguments are very much in line with Kaspersen et al’s (1992) theory of that trust is build through corporate predictability and that organizations create crust towards customers by showing consistency by eliminating uncertainty and doubt that something unexpected could happen when interacting with a company over time.

On customer concerns regarding safety, Lina Areblad at Uber, emphasized that UberPOP distinguishes itself from the traditional taxi alternatives when it comes to security and she meant that a ride with UberPOP is safe and secure, already before it starts. By this she meant that Uber offers information on the driver’s current rating as well as a picture of the driver and his/her vehicle. The same thing goes for the driver, who will attain information and current ratings about the passenger he/she is about to pick up, everything sent in the Uber app. Areblad meant that this results
in total transparency between passenger and the driver, in contrast to “other taxi alternatives” when the passenger does not have an idea who the driver is until the stage where the passenger actually enters the taxi.

Areblad’s perspective on customer trust is clearly interpersonal, as she directly referred to the transparency of the driver, and not the company brand, as efforts to why UberPOP should be considered trustworthy. Uber’s actions of altering transparency regarding the driver via its app is supported by research on peer-to-peer trust. In Harish et al’s (2007) studies on peer-to-peer trust they state that the lack of knowledge about the opposite peer’s intentions brings a level of risk to the relationship. Jones and Leonard (2008) meant that a peer-to-peer relationships’ anonymity results in that the buyer is placed in a disadvantaged position in relation to the seller. Areblad’s arguments regarding Uber’s app and its deliverance of information on both the driver and the passenger can be seen as precautionary measures to overcome Harish et al’s (2007) and Jones and Leonard’s (2014) trust obstacles in peer-to-peer transactions. Möllering (2001) define risk as the expectation of the other actor’s future behavior. In the interview, Areblad stated that UberPOP is the safest alternative due to the fact that the passenger is given information on the driver even before the journey has started. Areblad’s statement that Uber’s app could be seen as a precautionary tool that reduces risk by offering as much information as possible about each peer before the journey, can be linked to Bradach and Eccles’ (1989) definition of trust, which they refer to as “a type of expectation that alleviates the fear that one’s exchange partner will act opportunistically”. With more information on each other, both the driver and the passenger have a better understanding of what to expect on one another before meeting in the car.

7.2.2. Passengers

When discussing safety concerns with the passengers in the case study, it appeared like no one associated riding with taxi with any direct risks or dangers. The issue that most frequently occurred was fear of being swindled or charged too much by the driver. The empirical findings also showed that the interviewees generally associated the traditional companies with a slightly higher level of security in comparison to UberPOP, which mostly was explained by the fact that these drivers holds formal taxi licenses. The demand that a driver must be licensed to be trusted can have several underlying explanations. A driver’s taxi license seemed to be perceived as a structural safeguard that makes some of the passengers to expect that the driver will better than an unlicensed UberPOP driver. One respondent (Isabel) answered that the fact that a driver holds a license “increases my
trust and decreases my potential suspiciousness”. This apprehension can be linked to Finley (2013) and Bradach and Eccles’ (1989) research which defines trust as a balance between expectation and risk. Isabel felt seemed to have the idea that you can expect to trust a driver more if he/she possesses a taxi license. Another passenger (Helena) said “I do not trust non licensed drivers. There must be a good reason why taxi licenses are required”. Helena’s statement confirms that she perceives the taxi license being a Structural safeguard, such as a guarantee given by the taxi company and that this guarantee reflects trust (McKnight & Chervany, 1996).

7.3. Reputation systems

7.3.1. Company representatives

Slee (2013) argued that the idea of reputation systems is to enable people to rate other individuals or companies. The reputation systems used in the investigated companies’ reputation systems somewhat vary between all three companies. Natalia Santos stated that Taxi Stockholm does not have a developed reputation system, but it receives feedback from customers its customer service center. Taxi Stockholm manually collects customers’ thoughts and opinions via telephone through its call center, and sometimes through customer surveys by interactions via social media platforms such as Facebook. However, the customers neither have the possibility to automatically rate or give individual feedback on each journey, nor seeing the any of the drivers’ ratings. This is something that is not fully align with Resnick et al’s (2000) suggestions for effective utilization of reputations systems, as they meant that information on current interactions should be rated, captured and distributed in a visible way for the future. Santos however described that Taxi Stockholm instead identifies and later acts on specific feedback or complaints. Taxi Stockholm’s absence of an externally communicated reputation system such as individual ratings leads to the consequence that passengers and drivers are totally unaware of each other until the moment they first meet in the taxi car. Yu et al (2004) state that anonymity in business interactions elevate the expectations of potential risk. Harish et al (2007) write that the lack of knowledge about the opposite peer’s intentions brings a level of risk to the relationship.

Taxi 020 uses a reputation system, which is somewhat different to Taxi Stockholm’s. Taxi 020’s customers have the possibility to rate the driver, the car and service level from each journey by using the Taxi 020 mobile app. However, these ratings are not made visible for customers and they are simply being assessed by the company for internal use, meaning that just like Taxi Stockholm,
the customers’ feedback is not communicated externally, nor is there a system that shows drivers and passengers’ ratings. This shows that neither Taxi Stockholm nor Taxi 020 are currently engaging themselves in any proactive efforts of communicating trust attributes about their drivers. Taxi Stockholm’s and Taxi 020’s lack of Interpersonal trust actions mean that neither of the companies possess a developed system that can overcome peers’ anonymity, communicated by Yu et al’s (2004) and Harish et al’s (2007). They mean that a reputation system can instill trust between peers by offering both parties information about each other. Despite that none of these companies are not fully align with Resnick et al’s (2000) definition effective reputation systems, it is however evident that they work with, and have well established internal systems to handle complaints and criticism. With such systems they can keep developing its brand reputation in order to increase trust and avoid the spread of negative word of mouth according to Lau & Lee (1999).

Uber has undertaken another approach with its reputation system. Areblad explained that instead of having a physical customer service function as its main reputation system, Uber’s main reputation system is directly embedded in the company’s mobile app, where both customers and drivers rate one each other. Uber is also providing its passengers with personal support when needed, but to a smaller scale compared to Taxi 020 or Taxi Stockholm, since the company only employs five persons at its Stockholm office plus a few extra customer service employees at high seasonal occasions. Areblad stated that, in comparison to the other taxi companies, Uber is fundamentally transparent regarding the personal feedback and ratings, and both driver and passenger are rated, which continuously affects their overall rating when using UberPOP. Uber’s system of communicating peers’ ratings is align with Jøsang et al (2007) arguments that reputations systems enable the selling and buying parts to evaluate each other before the actual transaction, despite the fact that they never met or done business with each other before.

The fact that UberPOP’s passengers can see the drivers’ current ratings enables them to assess whether the driver can be trusted or not before the journey. This is also fully aligned with Resnick et al’s (2000) suggestions of the use of reputation systems as a way to communicate the needed information before the transaction is done. Uber’s reputation system is therefore fulfilling Resnick et al’s (2000) recommended requirements. To be effective, an entity need to take an long live approach and inspire to expectations of future interactions, current interaction need to be rated and afterwards distributed in a visible way, and finally the rating and feedback should be used as a guide for future trust decisions (Resnick et al, 2000; Slee, 2013). Since everyone becomes rated within
Uber, and also distributed for the counterpart, only the ones with good ratings will become “long-lived”. Uber’s method of proactively communicating peers’ ratings, means that the company avoids layers of anonymity that peer-to-peer transactions often are associated with according to the research of Harish et al (2007), Jones and Leonard (2008) and Yu et al (2004). By attaining as much information as possible prior to the transaction, or in UberPOP’s case the ride, the customer’s position will be less disadvantaged due to lack of information about the seller.

7.3.2. Passengers

The interviewees in the case studies had an overall positive approach towards reputation systems and most of them saw a driver’s high rating as an indicator of trust and quality. Only two respondents answered that they did not actively look at drivers’ ratings. The respondents’ joint apprehension of reputation systems appeared to be that more information on the driver equals more trust. This behavior confirms Jones and Leonard’s (2008) and Yu et al’s (2004) theories of that less anonymity in peer-to-peer transactions equals more trust. When asked if they would travel with an unrated driver, the respondents seemed a bit less sure and several answered that they would prefer to not travel alone, or at night with an unrated driver. The fact that some interviewees felt that an unrated driver was perceived as less trustworthy motivates Jøsang et al’s theory on the use of reputation systems as a precautionary measure to determine if a seller is to be trusted or not. Riding with an unrated driver therefore puts the passenger in a position of dependent trust (McKnight & Chervany, 1996), as the passenger might feel inclined to make a leap of faith and trust the driver.
Chapter 8: Discussion

Based on the data from the interviews with the company representatives and the passengers, it became clear that there are differences between how trust was perceived regarding UberPOP and the traditional taxi companies. This section includes our thoughts and opinions on the situation in relation to the empirical findings.

Santos and Scholander argued that passengers consider their companies as trustworthy because of the fact that they are travelling with a well-known and well-established brand. Santos and Scholander seem to define trust as the establishment of a relationship between passengers the taxi company’s brand. The traditional companies’ perspectives on trust are fundamentally structural, meaning that they believe that customers experience trust as a fulfillment of efforts such as situational normality and corporate predictability. As these types business-to-consumer of connections are successfully established, the importance of Interpersonal relationships with the drivers seem to be of less importance for creating consumer trust. This becomes evident as none of the traditional companies offer passengers any information on their drivers, either before nor after a taxi journey. This phenomenon finds support in Lau and Lee’s (1999) research, which stated that large companies tend to establish customer trust via its brand, instead of through personal relationships. The occurrence finds additional confirmation in a statement by Santos when she explained that a vast majority of disappointed customers who call their call center with complaints, end up blaming the company at large and not the driver, despite if they are actually dissatisfied with an individual driver’s conduct during previous journey. This behavior is a further evidence of the fact that the connection between passengers and the traditional companies’ brands are strong.

Areblad and Uber’s perception of trust differs fundamentally from Taxi Stockholm and Taxi 020. When asked about how Uber sees trust, Areblad referred to UberPOP’s high levels of transparency and the unique offering of information regarding its drivers. This stance is mainly interpersonal as she specifically refer to the drivers as the company’s conveyors of trust, and not Uber’s actual brand a prerequisite on how to create customer trust. UberPOP’s highly developed rating system is the service’ most vital agent to ensure transparency and create consumer trust in order to overcome passengers’ expectations vs. risk. This fact was also confirmed in the interviews with passengers that had travelled with UberPOP before. They referred to the actual app’s transparency offering as an element of trust. When comparing UberPOP with the traditional taxi companies one quickly
realizes that Uber has the disadvantage of not being able to rely on structural trust at the same level. Structural trust efforts such as familiarity to a brand and situational normality are built on the foundation that a consumer must recognize a brand. The fact that UberPOP is a service that is managed by “regular” people using their own vehicles implies that the service lacks visual unity in relation to its traditional competitors. It is not possible to recognize a UberPOP car in traffic as it does not have any stickers of the service’s brand, no taxi plate and the driver does not have a specific uniform. These are all visual characteristics that the traditional taxi companies have in common. The traditional taxi companies’ visual traits are easy to spot far and familiarize with. It is impossible to experience similar situational normality in an UberPOP car unless a passenger has travelled with a specific car and a specific driver many times before. This is underlined by Baier (1986) and McKnight & Chervany (1996) who state that situational normality is based on the perception that a situation appears as “normal” or that things are in order in accordance to previous experience. This fact also aggravates passengers’ possibilities to perceiving UberPOP as predictable as Kaspersen et al (1992) state that corporate predictability is something that is established with interacting with a brand over time.
Chapter 9: Conclusions

The thesis’ research question is: “Applied to the case of UberPOP and the taxi industry in Stockholm - how can consumer peer-to-peer trust be created in a physical setting?”. To answer this question, one needs to understand that UberPOP is operating in an industry where it is forced to compete with different prerequisites compared to its traditional taxi competitors. The thesis’ empirical findings showed that Taxi Stockholm and Taxi 020 were considered being trustworthy, despite a total absence of offering any information or transparency about their drivers. The companies’ trust is therefore mainly based on structural efforts such as customers’ perception of familiarity and recognition. UberPOP still is a very new actor in the industry and given the fact that is is a peer-to-peer service means that it lacks several visual brand prerequisites that are believed to facilitate the establishment of structural trust.

As mentioned earlier, the most common trust challenge for “regular” online peer-to-peer systems is the peers’ high levels of anonymity due to the fact that they never meet in person. We will argue that it is still the high level of anonymity that is UberPOP’s biggest challenge in the creation of consumer trust, despite that the peers now get to meet face-to-face. The fact that UberPOP’s drivers are using their private vehicles and their own clothes, result in a lack of visual unity regarding traits and characteristics that are commonly used in the taxi industry. In order for UberPOP to create trust in a physical peer-to-peer setting it is required to ensure much higher efforts of interpersonal trust in comparison to its traditional competitors. The thesis’ empirical findings showed that transparency and the possibility to access proactive information about drivers appear to result in a discouragement of perceived risk, doubt and uncertainty, as well as passengers’ feelings of being in a dependent trust position in relation the driver.
Chapter 10: Contributions

We believe that peer-to-peer systems are going to be used more frequently in physical settings as the technical prerequisites to connect people with each other are getting more common and easier to access for larger groups of people. Our study might have been narrow, but we hope that it will offer a perspective on the how trust can be perceived and created in UberPOP’s setting in Stockholm. We hope to see future studies on peer-to-peer trust in other physical settings and applied to other industries and geographical locations, in order to find out if it is possible to find any resemblances with our study.
11. Reference list


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Scholander, F., Marketing and Sales manager at Taxi 020, Stockholm, Interview, April 16, 2015


Appendix 1: Interview guide

**Company representatives**

Role of trust

- How do you work on creating trust towards your consumers?
- In what way do you make sure that your drivers act in a desired way?
- Do the customers usually direct their criticism against you as a company, or directly to the taxi driver?
- How do you educate your drivers?

Safety Concerns

- What risks or concerns do you believe consumer might have in mind when consuming a service with your company?
- How is your customers insured and covered to eventual incidents?

Reputation systems

- Do you work with any rating system today? How do you work with it today?
- How do you handle enrolled drivers that is not acting properly?

**Consumers**

- How many times have you used UberPOP?

Role of trust

- What attributes do find most important when ordering/consuming a taxi service?
- What role do trust towards the company play when ordering/consuming a taxi?
- What role do trust towards the specific driver play when ordering/consuming a taxi?
- Please describe why you decided to use UberPOP instead of traditional taxi services or vice versa (e.g. Taxi kurir, Taxi Stockholm, Taxi 020)?

Safety Concerns

- What potential risks do you see with consuming taxi services in general?
- From att safety standpoint, does anything that concerns you when using Uber POP compared to traditional taxi services (e.g. Taxi kurir, Taxi Stockholm, Taxi 020)?
- Is the fact that a driver is formally licensed affecting your trust towards him/her? How?
- Are you willing to change your personal attitude on trust in order to get a lower price?

Rating systems

- What impact has a driver’s current rate when ordering a Uber POP taxi?
- Would you ride with an Uber driver who has not been rated before? Explain why or why not!
Appendix 2: Interviews with company representatives (Swedish)

Your company and the topic of trust

Hur arbetar ni med att skapa förtroende gentemot era kunder?


Förklarar jag Uberpop för någon som är tveksam till just detta skulle jag hälsa att en resa med Uber är säkrare redan innan den startar, då vi alltid vet vilken förare som sitter i vilken bil, vi kan följa upp resan med en gång om man skulle känna sig osäker, man kan dela sin ETA (estimated time of arrival) med ex. vänner, familj eller partner, där de kan följa resan hela vägen i appen och se att bilen följer rätt väg. Vi har även lanserat en funktion som heter safety button på utländska marknader, där du kan trycka på en knapp i appen om du känner dig obekväm, vid olycka eller likande. När man trycker på knappen går det iväg en alarmsignal antingen till SOS, kontaktpersoner inom ett eget nätverk.
Hur säkerställer ni att era chaufförer agerar på ett önskvärt sätt i linje med företagets normer?


Taxi 020:
Se svar på nästa fråga

Uber: Förarna har förtjänat sina betyg. Det är väldigt få som har 5/5, men de som har strax under 5 har överlag en väldigt hög servicenivå, och det skiljer sig ofta en hel del mellan en person har 4,6 och en person som har såg 4,95. Men vi coachar även förarna i service och lär de vad som ger ett högt betyg. Man kan säga så här. Förarna är egna och vi kan inte tvinga de att bete sig på ett visst sätt, däremot kan vi ge rekommendationer. ex vi rekommenderar att ni öppnar dörren för kunderna, eller bjuder på vatten i bilen, då det förväntas av kunderna.

Vi på kontoret åker förmodligen mest Uber i Stockholm och kan de flesta förarna vid namn. Sedan har vi supporten som tar in feedback eller klagomål. Har en förare fått dålig feedback flera gånger i rad följer vi upp detta, för att förändra den dåliga trenden.

Har ni någon utbildning för era förare?


Brukar kunderna rikta sin kritik mot er som bolag, eller direkt mot taxichauffören?


Ser ni någon risk med fel-”anställningar” då inte träffar alla förare?


Safety concerns

Vilka risker tror du kunder ser med att åka taxi med ert varumärke?


Uber: Den enda risken vi ser är att Uberpop förarna kanske hittar sämre än förarna i Ubers andra erbjudanden, och blir därfor mer beroende av sin gps. Det finns inte någon risk för servicenivån, och några av våra högst betygsatta chaufförer kör idag för Uberpop.

Hur ser er försäkringspolicy ut mot kund vid en eventuell incident?

Taxi Stockholm: Åkarna har helförsäkring och där ingår trafikförsäkringen om är mkt omfattande om något händer i bilen som orsakar en skada. Utöver det har de försäkring som täcker skador på resgods vid lastning, lossning och då det ligger i bagageutrymmet (vi tar inte ansvar för gods som kunderna har hos sig där de sitter)


Gällande förseningar och liknande beror det på situationen. Jag tror att det ska väldigt mycket till för att vi ska gå in och betala för att någon missat ett möte som kunnat generera pengar. Det är tydligen i nästan samtliga av det tidigare fallen har kunderna haft väldigt dålig framförhållning, exempelvis att bilen varit någon minut sen, eller råkat köra till fel terminal, vilket lett till att kunden missat sitt flyg. Vi kan se den estimerade tiden för resan, ankomsttid etc. Men om vi skulle vara
väldigt sena, ex 30 minuter sena kan vi absolut gå in och betala exempelvis en ny flygbiljett. Men dessa fall får en bedömning göras för fall till fall.

Reputation systems

Jobbar ni med något typ av feedbacksystem? Hur jobbar ni med denna typ av feedback?


Taxi 020: Kan betygsätta via appen. Kan också göra en reklamation via kundtjänst. Man kan inte se förarens betyg INNAN man beställer bilen. (Detta är en skillnad mot Uber). Vi har 3k förare och vid klagomål ”letar” vi efter de dåliga förarna för att ta samtal med dem. Detta gäller om de kanske inte hittar bra i stan eller om de ger dålig service.

Uber: Förarna har förtjnat sina betyg. Det är väldigt få som har 5/5, men de som har strax under 5 har överlag en väldigt hög servicenivå, och det skiljer sig ofta en hel del mellan en person har 4,6 och en person som har säg 4,95. Men vi coachar även förarna i service och lär de vad som ger ett högt betyg. Man kan säga så här. Förarna är egna och vi kan inte tvinga de att bete sig på ett visst sätt, däremot kan vi ge rekommendationer. ex vi rekommenderar att ni öppnar dörren för kunderna, eller bjuda på vatten i bilen, då det förväntras av kunderna.

Vi på kontoret åker förmodligen mest uber i stockholm och kan de flesta förarna vid namn. Sedan har vi supporten som tar in feedback eller klagomål. Har en förare fått dålig feedback flera gånger i rad följer vi upp detta, för att förändra den dåliga trenden.


Beskriv ett exempel på hur ni följer upp dessa förare med sjunkande betyg.


Vad händer med förarna om de verkliga misskött sig?

Uber: Har en förare fått dålig feedback flera gånger i rad följer vi upp detta, för att förändra den dåliga trenden.

Appendix 3: Interviews with passengers
<table>
<thead>
<tr>
<th>Age</th>
<th>Cecilia</th>
<th>Hanna</th>
<th>Kristofer</th>
<th>Martin</th>
<th>Isabel</th>
<th>Peter</th>
<th>Jessica</th>
<th>Oskar</th>
<th>Helena</th>
<th>Karl</th>
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<td>25</td>
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<td>37</td>
<td>26</td>
<td>39</td>
<td>27</td>
<td>28</td>
</tr>
<tr>
<td>How many times have you used UberPop</td>
<td>3-4 times with friends. Never ordered myself</td>
<td>2 times with friends. Never ordered myself</td>
<td>+ 30 times</td>
<td>5-8 times</td>
<td>8-10 times</td>
<td>10 times</td>
<td>4 times</td>
<td>30-35 times</td>
<td>4-5 times with friends. Never order myself</td>
<td>3-5 times</td>
<td>20-25 times</td>
</tr>
</tbody>
</table>

### The role of Trust

#### What attributes do you find most important when ordering/consuming a taxi service?

- **Price and safety**, especially when I ride alone in the evening.
- **Reliability, price and geographic knowledge**.
- **Price and flexibility**. I do not like to call for a taxi and think it is stressful with taximeter and payments in the car. I think Uber has been very innovative within these fields.
- **That you know that the car will arrive quickly and that it does not cost too much. It is of course a bonus if the driver is friendly and wants to have a chat.**
- **Safety, price, flexibility & a nice driver.**
- **To get from point A to point B rather smoothly to a good price.**
- **I mainly think of the price and that the car is clean and that I feel safe when I am in the back seat. Sometimes you are not in the mood of chit chatting with the driver.**
- **That it appears fast and reach the destination in time. Also that it is not too expensive. I like to have control over my booking.**
- **Qualitative driving with drivers who knows geography. I do not want to explain the way to the driver, and do not trust private persons driving. No cash payment.**
- **Availability, price, comfort and cleanliness of the backseat.**
- **Price, availability and simplicity.**

#### What role do you trust towards the company play when ordering/consuming a taxi?

- **It is important. I always choose Taxi Stockholm, Taxi Kurir, Taxi 020 or Uber, but not UberPop.**
- **It is of great importance. But you often take it for granted and I do not really think of it as dangerous.**
- **It is important that I feel safe, and that the company is well known. The transparenc of price is also important for my trust.**
- **It depends on the situation. In a location where I feel comfortabl, the company driver matter less compared to an unfamiliar location. In the latter I am more eager to choose a well-known company with good drivers in which I trust.**
- **It depends on the length of the trip and whether or not it is important that I arrive in time etc.**
- **It depends on what time of the day it is, if I ride alone or with company, and where I want go from to and where from. Later at night, the demand for trust is bigger.**
- **It not so much as long as it is a well known and established company. I do not use illegal taxi. If I ride with female company. If I ride with male friends, the need for trust is relatively low.**
- **Not a big role. I usually look at the price tag at the rear windshield and choose thereafter. Price is most important.**
- **Very important! I only use Uber and Taxi Stockholm, since I have built a relation with these.**
- **A rather small role, since I value availability the most. However, during nights, I tend to choose one of the more known companies just because they are more recognizabl and “you always” do it. I guess that is good branding.**
- **I prefer to use one well known company, such as Uber, Taxi Stockholm, Taxi Kurir or Taxi 020. The main reason is because these companies feel more honest when it comes to price setting.**
<table>
<thead>
<tr>
<th>Cecilia</th>
<th>Hanna</th>
<th>Kristofer</th>
<th>Martin</th>
<th>Isabel</th>
<th>Peter</th>
<th>Jessica</th>
<th>Oskar</th>
<th>Helena</th>
<th>Karl</th>
<th>Mona</th>
</tr>
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<tbody>
<tr>
<td>It is important, but I trust that the companies mentioned above has decent drivers.</td>
<td>It is not that important who the driver is, since I do not have any personal relationship to these. It is important that the car is equipped with a taximeter.</td>
<td>It is not that important who the driver is, since I do not have any personal relationship to these. It is important that the car looks ok.</td>
<td>It is important that the driver gives a good first impression on me as a customer, as well as arriving in time. It is further important that the car looks ok.</td>
<td>The personality of the driver can definitely affect my trust in both directions.</td>
<td>The company is more important than the driver. Mostly I use a company that I consider as stable, and thereafter expect the driver to be decent.</td>
<td>I do not order a taxi because I do not know who will drive me. It has however occasionallly happened that I canceled due to an unpleasant and unfriendly driver.</td>
<td>Nothing at all. I do generally not have much trust towards taxi drivers. I have the same view for all drivers, no matter what company they work for.</td>
<td>Not that much I guess. I do not really talk that much with the driver. I just want to jump in the car and go from point A to point B.</td>
<td>It is very important to me. I do not want to be driven around by a person that does not have an official driver’s education. Especially if I do not know the person. Maybe he tried to be a taxi driver but failed and is now driving UberPOP, who knows?</td>
<td></td>
</tr>
<tr>
<td>I prefer to use traditional taxi services because I believe that these have greater control concerning quality. UberPOP drivers are not educated taxi drivers, which I think is unreliable and not serious.</td>
<td>I mostly use Taxi 020 and Taxi Kurir as I trust them and have I feel that I have a relation to them. Therefore I prefer to use them instead of UberPOP. I do not really have a relation to Uber and has therefore not considered going with them when I have the option to go with the company I know from before.</td>
<td>I mostly use UberPOP because it is cheaper. It is also fun and easy to use the app, and you do not have to pay in the car. All the UberPOP drivers have been really nice and always provide a good experience. A nice innovation on a traditional market.</td>
<td>Because it is a lot cheaper than other alternatives.</td>
<td>You are provided with more information when using Uber compared to other alternatives which I like.</td>
<td>I do not have any relationship to UberPOP, and do not see enough benefits of changing from traditional companies.</td>
<td>Because it is really cheap. I use taxi in order to get somewhere as smooth as possible and choose the cheapest option. Then I like to see who the driver is, get a map and receipt mailed to me afterward etc. I also like that it is possible to set your final destination beforehand, which gives the driver a given route on the GPS, and therefore not fools me.</td>
<td>I do not ride UberPop, only Uber’s offerings which includes a licensed drivers.</td>
<td>I have travelled with UberPOP with friends because of the low price and its availability. I also think that it is most comfortabl to book a car thought the Uber app.</td>
<td>UberPOP has better price than other companies, is often available and ready to pick you up fast. Its is easy to book a car, and I like the transparencie due to price, the chosen route, as well as the rating of drivers.</td>
<td></td>
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Please describe why you decided to use UberPOP instead of traditional taxi services or vice versa (e.g. Taxi Kurir, Taxi Stockholm, Taxi 020)?

**Safety concerns**
<table>
<thead>
<tr>
<th>Cecilia</th>
<th>Hanna</th>
<th>Kristofer</th>
<th>Martin</th>
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<th>Mona</th>
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<tbody>
<tr>
<td>What potential risks do you see when using Uber POP compared to traditional taxi services in general?</td>
<td>To be swindled for money or robbed, or in worst case raped.</td>
<td>I do not see any specific risks, but it is important that the price information is displayed for me.</td>
<td>Mostly the risk of charged too much.</td>
<td>None really. I am a big guy and I do not think I would be attacked by a driver or anything</td>
<td>Not many! The biggest risk would be that journey become unreasonably expensive.</td>
<td>Generally no, because I always use some of the well known companies. If I use some unfamiliar company or an illegal taxi I would see risks though. These risks could maybe be traffic incidents, or to be swindled on money, and in worst case be raped, if you are a girl.</td>
<td>Once I got my credit card changed and stolen after paying with it in one of the big companies taxi. Since then, I am always hiding my credit card pin code.</td>
<td>That it becomes too expensive, otherwise none.</td>
<td>I do not really link taxi with any specific dangers. You rarely hear that anything bad happens in taxis here in Stockholm. I would perhaps be a bit more cautious if I was younger and took a taxi home alone at night from a bar or club.</td>
<td>In general, I see the unreasonable expensive price and detours as the biggest risks.</td>
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From att safety standpoint, does anything concerns you when using Uber POP compared to traditional taxi services (e.g. Taxi kurir, Taxi Stockholm, Taxi 020)?

I do not trust non licensed drivers. However, it is important that other know that I am taking a taxi, who I am, who I am riding with, where I am going etc.

No.

I feel that I can trust the driver since everything is handled via the Uber app. If something is wrong, I can easily contact Uber and let them take a look at all the saved data from my specific journey. It makes me feel safe.

Objectively, yes. I am not sure that the documentation in the cars are as accurate as in an ordinary taxi company. Furthermore, I do not believe that someone would assault me since I am not small and helpless.

No, I am not afraid concerning criminal actions when riding taxi in Stockholm, and I do not see any big differences in safety concerns.

Perhaps that it feels like Uber has less control over their "private person drivers" than traditional companies that have educated their own drivers.

No, I do not see any differences from a safety standpoint.

I see UberPop as a more safe option, since everything is registered and stored in the app. It does not mean that I have more trust in the drivers, but for Uber as a company.

Yes. when you ride UberPop, it feels like you have less knowledge about who is driving, more like a stranger and not like in traditional taxi companies. It feels like those have better insights about their drivers.

I do not this as crucial, but there are some difference since pretty much anyone can drive for UberPop. On the other hand, I see better possibilities to trace me and driver though the Uber app, compared with traditional companies, which is good.

I feel more safe when using UberPop than traditional taxi services, since much data is registered when using UberPop, which make me more comfortable as a customer if something unpleasant would happen.
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<td>Is the fact that a driver is formally licensed affecting your trust towards him/her? How?</td>
<td>Yes it is very important. I see the license as measurement of quality.</td>
<td>Besides the need for a driving license, I do not care. But I always use the larger Taxi companies, such as Taxi 020, and would not choose an illegal taxi.</td>
<td>Not necessarily. However, I do not know the difference between a traditional taxi license and UberPop &quot;license&quot;.</td>
<td>Actually no. The way the driver act in the traffic is more important for me. However, I would appreciate if the driver is licensed if I am in place where I do not feel comfortable.</td>
<td>It increase my trust and it decrease my potential suspiciousness.</td>
<td>The trust is greater towards licensed drivers, since these probably have undergone some education. However, I do not know how extensive such education are or who is licensing the drivers.</td>
<td>No, and I believe that licensed drivers ask as often about the way as UberPop drivers, if not even more often.</td>
<td>Yes! I do not trust non-licensed drivers.</td>
<td>No, not really, since I do not know what it means to be a licensed driver. I see the geographic knowledge as more important, and since all drivers use navigation systems, I do not trust licensed drivers more.</td>
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<td>Are you willing to change your personal attitude on trust in order to get a lower price?</td>
<td>Yes, but only if I ride together with friends.</td>
<td>No, I always use well know and established companies.</td>
<td>I guess that UberPOP perhaps means more risks when the driver’s lack a “real” taxi license. But at that price it is worth it.</td>
<td>Yes I guess so. You get what you pay for, right? But what says that a driver with a “real” license will not crash the car?</td>
<td>Yes, as student with a small budget, I could definitely change my attitude towards trust on behalf of a better price.</td>
<td>Yes, but it is a considerati on whether or not it is worth the risk. I would not ride an untraceable car alone in the evening.</td>
<td>No, not really, since I do not know what it means to be a licensed driver. I see the geographic knowledge as more important, and since all drivers use navigation systems, I do not trust licensed drivers more.</td>
<td>No, I do not trust licensed drivers more, since I have more positive experience from unlicensed UberPop drivers than traditional taxi drivers.</td>
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**Reputation systems**
What impact has a driver’s current rate when ordering a UberPOP taxi?

It is very important for me. If I have the choice of riding with someone with a high rating I will always chose him or her.

I have not used UberPOP by myself, but I like the idea of using a rating systems. However, I do not believe there are big differences between the drivers.

The rating is an indicator that I will get good service and feel safe.

I prefer to ride with a driver with good rating, i.e. someone who likes his/her job, is nice and drives well.

The more information the better it is for me. I see previous feedback as good way to create trust, and more trustworthy than ordinary marketing.

I like the idea of rating the drivers, but I doubt that I would look at previous ratings if I used it.

It does not matter since I never look at the ratings.

I do not look at ratings, but I rate the drivers myself. I wonder why Uber is not getting back to me when I give low ratings.

I have never thought about a drivers rating.

Would you ride with an UberPOP driver who has not been rated before? Explain why or why not!

No.

Yes, it would be nice to be the first customer. That is probably because of my previous good impression of UberPop drivers.

I would not mind to ride with a not rated driver as long as I do not ride alone.

Yes, it is not such big of a deal.

No

Probably, as long as I trust the company.

Yes, since I take the UberPop that is nearby at the certain moment.

Same as above.

I would probably twice before using a unrated driver when I am alone during a nightdrive.

If I would notice that the driver is unrated, then I probably would choose another UberPop.

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<td>It matters quite a lot to me actually. When you get a guy that has 4,97 you kind of look forward to meeting him in the car because then you know that it probably going to be a pleasant ride. However, almost all drivers have a 4,8 or more rating, which makes you wonder if the rating system is inflated by Uber.</td>
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