

## **Southeast Asia's answer to Uber**

A mobile app startup GrabTaxi has changed the dynamics of what has been a largely unorganized and non-professional business of taxi services in Malaysia. The startup co-founded by Anthony Tan - a young, third generation scion of one of Malaysia's wealthiest families, came out with 'MyTeksi' mobile app in Malaysia that connects the customers with the taxi drivers. MyTeksi app checks the background of the driver, provides fare estimates and also has functionality for passenger to share the journey details with friends and family (this feature is specially built-in for passenger safety). Earlier, besides the bad reputation for safety and reliability of taxi services, the consumers were also dissatisfied with the driver's reluctance to go by the meter. In such a scenario, word of mouth was the only way for people to trust a taxi service. On the other hand, the taxi drivers wasted a lot of time and effort in searching for customers. GrabTaxi has now changed that scenario to a considerable extent.

Anthony got this idea while studying in the Harvard MBA programme in 2011. He and another Malaysian classmate at Harvard, who had earlier worked as a consultant at McKinsey and Company, developed a business plan for promoting the mobile app. The duo launched GrabTaxi in June 2012 with initial funding support from their business school and Tan's personal capital. Anthony's family firm, Tan Chong Motor, is the local manufacturing arm of Nissan Motors and is one of Malaysia's largest automobile distributors. His family business background and experience helped him in navigating through the complexities of business and politics in the south-east Asian region.

GrabTaxi charges the drivers a small commission for every booking. Drivers are happy to give it as they are saved from aimlessly driving through the busy streets, looking for customers. Since its 2012 launch in Malaysia, GrabTaxi's MyTeksi app has been launched in five more nations covering 14 additional cities. The company is fiercely competing for market share with other mobile apps start-ups like the San Francisco based Uber, that connects passengers with cab drivers and ridesharing services. MyTeksi app has been downloaded more than 1.2 million times and more than 250000 people use the app at least once every month.

Source: FT.com, June 24, 2014