



# **A 3-year impact analysis on the taxi market: before, during and after COVID-19**

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A global taxi industry trends report  
by Taxi Butler

November 2021



## About this report

This report highlights the challenges and successes of the global taxi industry before, during and coming out of the COVID-19 pandemic, notably from January 2019 to September 2021. The data presented is collected from [Taxi Butler](#)'s taxi booking devices that are placed in venues around the world and therefore provides insights regarding the business-to-business (B2B) taxi booking industry.

## Key takeaways



### Q2 2022

is when taxi bookings are forecasted to be back on track<sup>1</sup>.



### 72.69% increase

in B2B bookings forecasted for Q2 2022.



### 91.35% collapse

in bookings between February 2020 and April 2020.



### 653% growth

for the global B2B taxi industry compared to April 2020.

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<sup>1</sup> Providing there are no new COVID-19 restrictions in the future.



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## Introduction

The global taxi industry encountered a significant hit due to COVID-19, with lockdowns and controlled movements contributing to reducing demand for taxis and private hire transportation. In line with social distancing measures and guidelines, people generally avoided travelling to crowded areas resulting in periodic freezing of the taxi industry as passenger preferences shifted towards personal transportation methods and staying at home. Feeling the reduced demand, taxi drivers consequently focused their journeys on deliveries, food deliveries, or simply taking a break from work and looking at other possibilities.

Thankfully, with the easing of lockdown restrictions worldwide and following precautionary measures, the demand for taxis has slowly started recovering. By the end of 2021, the global taxi booking market is expected to experience some steady growth.

The taxi industry contributes considerably to the world's economy, valued at USD 159.6 billion in 2020, and estimated to reach USD 327.54 billion by 2026, at a rate of 8.95 % over the forecast period (2021-2026)<sup>2</sup>. With new technologies that improve customer experience, there has been a massive shift in how people use private hire taxi services worldwide. Recent findings by Taxi Butler, highlight the change in passengers' preferences for utilizing taxi services, with an increase in demand in taxi bookings coming from venues around the globe.

This report includes a comparative analysis of the global taxi bookings in 2019, 2020 and 2021, highlighting the changes across various regions, and its impact on the taxi industry.

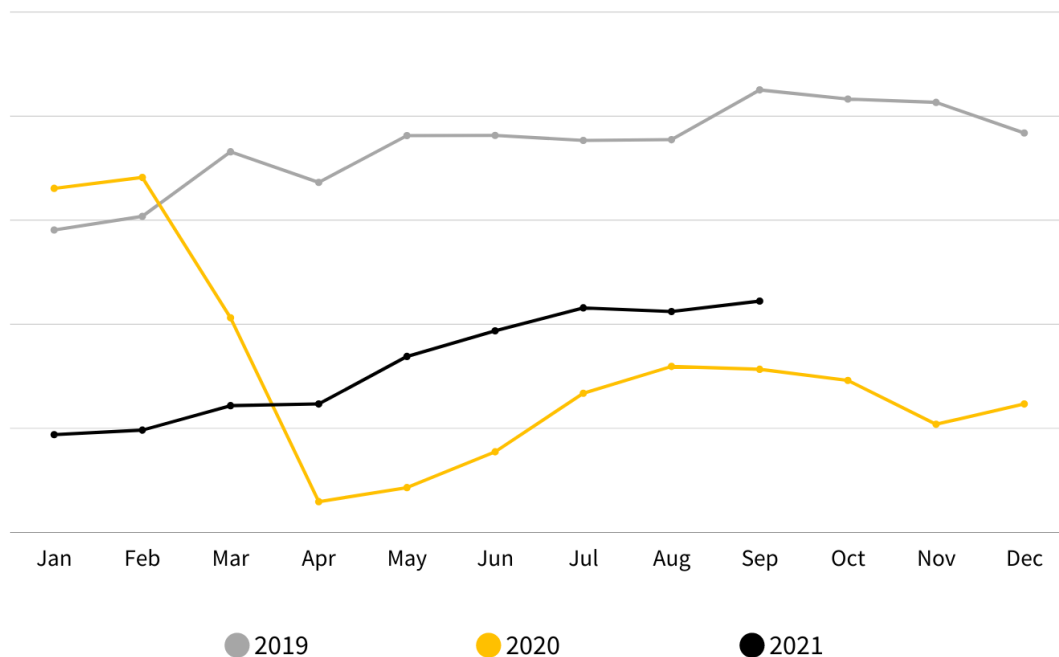
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<sup>2</sup> [Taxi Market - Growth, Trends, COVID-19 Impact, and Forecasts \(2021 - 2026\)](#)



## 2019 & 2020 under the spotlight

The number of B2B taxi bookings in 2019 demonstrates an increasing trend. There was a gradual increase in taxi bookings every month, with the highest bookings witnessed in September. There were 32.07% more bookings in December 2019 than in January of the same year.



Graph 1: A comparison of global B2B taxi bookings from 2019 to 2021

The growth persisted into early 2020, with January and February looking optimistic, however, the pandemic and its lockdowns drastically impacted the demand for taxis. The global pandemic left an indelible mark on all livelihoods. Like any other primary sector, the taxi sector was a target of the pandemic over the globe. The elevated risk of crowded settings, combined with social distancing guidelines, has restricted the industry's expansion as consumers' preferences have switched toward private methods of transportation and staying at home. Q1 2020 saw a decline in bookings of 8.56% compared to the previous year. Notably, the month of March 2020 experienced a 43.63% decrease in bookings compared to the same month of the previous year.



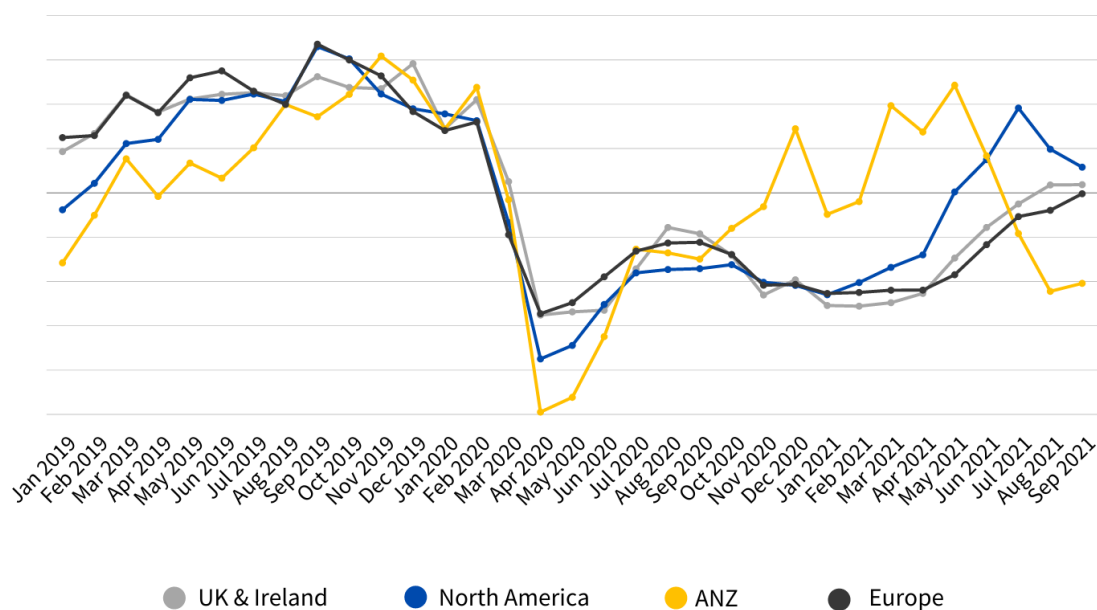
April 2020, the month that the world was most significantly hit by COVID-19 lockdowns, saw a 91.23% drop in bookings compared to the same month of the previous year.

It was only in May of 2020 that bookings started to increase again. The October-November timeline displays a slight decrease in bookings; however, it bounced back right after. Since December 2020, with the easing of travel restrictions in most parts of the world, the overall growth trend of taxi bookings has been positive and is expected to increase further. With international flights commencing and the interstate borders reopening, this will result in steady demand for taxis bookings.

## **How COVID-19 impacted B2B taxi bookings across the regions**

Taxi bookings seem to follow a similar trend regardless of the regions analyzed in this study. There were 4 different regions considered, UK & Ireland, North America, Australia & New Zealand, and Europe (See Graph 2). The number of taxi bookings is almost parallel in the UK, Ireland, and Europe, throughout the timeline. While geographically, ANZ and North America are not quite in the same region, the numbers imply that the demand is similar.

From February 2020, the last 'normal' month before COVID-19 restrictions, to April 2020, when restrictions were in full effect, the global taxi industry saw a 91.35% collapse in bookings.

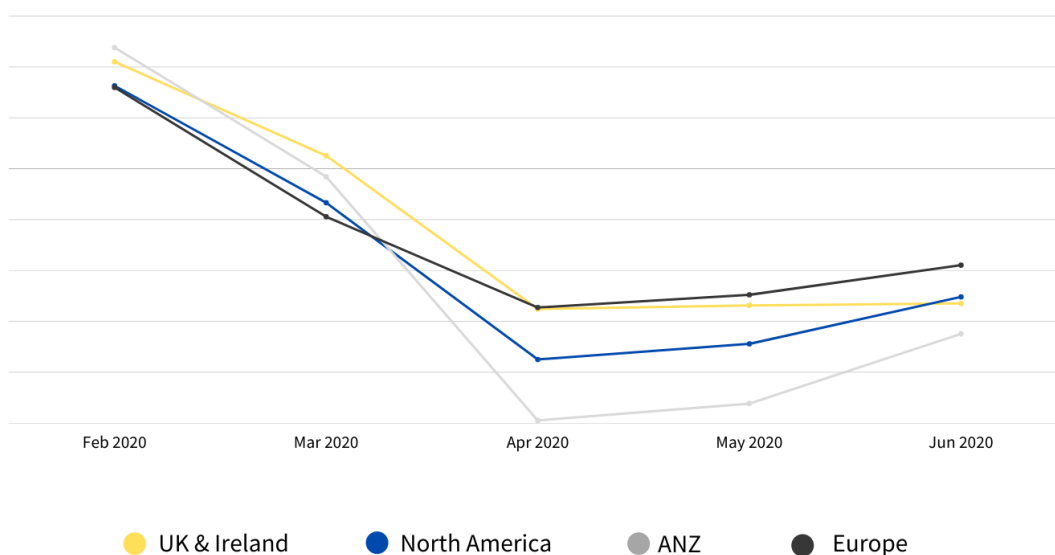


Graph 2: B2B taxi bookings across the regions, since 2019<sup>3</sup>

An interesting point to note regarding ANZ is that before the pandemic, the number of bookings had never surpassed the other regions (besides North America), whereas, between November 2020 and June 2021, they were well above. This is indicative of Australia's way of managing the pandemic, whilst Europe and its neighbours suffered most in those months.

Regardless of their geographic position, all four regions experienced a significant drop in taxi bookings starting from February 2020 till mid-April 2020 (see Graph 3).

<sup>3</sup> This data has been aggregated and normalised using standard deviation to remove any discrepancies and anomalies across the regions



Graph 3: A closer look at the start of the pandemic across the regions<sup>4</sup>

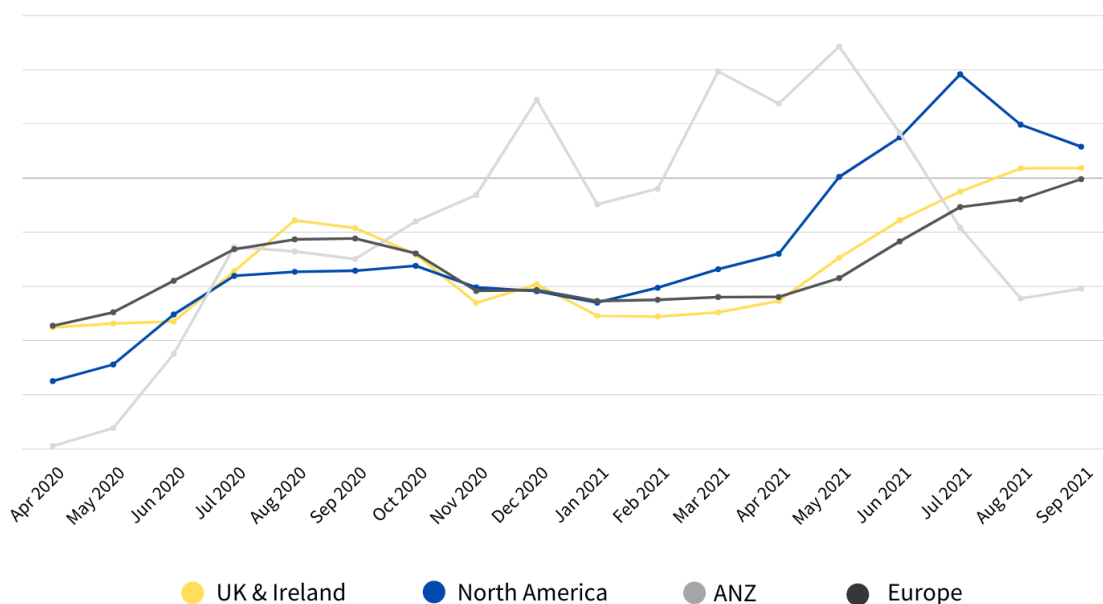
The UK and Ireland saw the most significant decrease in absolute bookings from February to April 2020, losing 96.48% of their B2B taxi bookings, followed by Europe at 94.83%, Australia and New Zealand at 85.30%, and North America at 81.21%.

## A brighter future: bookings on the rise again

To some extent, it appears that North America has almost recovered from the loss and has got itself right back on track. One of the main reasons is the avoidance of strict lockdowns compared to the rest of the world. The European countries have also been picking up slowly since May 2020, followed by another drop in November 2020. However, they are experiencing a relatively slow recovery since the beginning of this year. The ANZ region made the most significant comeback. It is expected as the maintenance of restrictions in both Australia and New Zealand has achieved a positive outcome in terms of fewer infections and deaths related to COVID. Both of these countries have been able to come out of lockdowns, allowing them to get back to their everyday lives. With the plan of border reopening, this number might increase and reach a milestone higher than ever.

<sup>4</sup> This data has been aggregated and normalised using standard deviation to remove any discrepancies and anomalies across the regions





Graph 4: April 2020 to September 2021, an industry on the rise again<sup>5</sup>

Between May and August 2020, the taxi industry in the UK and Ireland experienced a 9-fold increase in absolute bookings. Regions like North America, ANZ, and Europe experienced increases of 110.39%, 204.45%, and 277.73%, respectively.

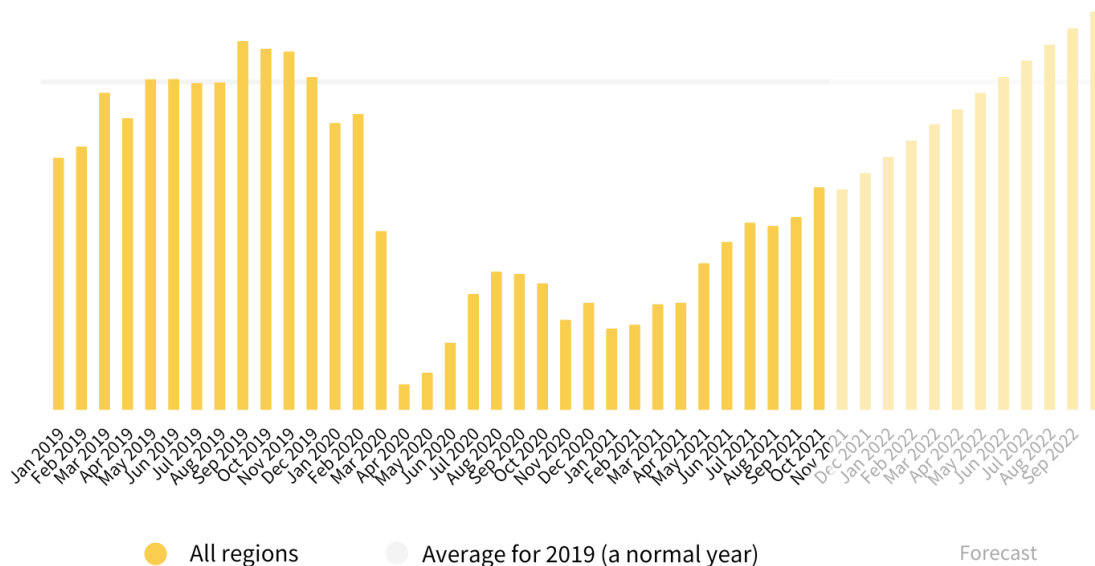
The summer of 2020 was relatively stable for each region, with the UK and Ireland seeing a slightly slower start than the other regions, due to longer lockdown restrictions. It did, however, reach its peak in Q3, with 654.06% growth since the previous quarter. With new restrictions across Europe and the UK, taxi bookings saw another decline in the UK towards the end of Q3 2020, losing 41.85% of its booking going into Q4.

During tighter restrictions across Europe, the UK and Ireland, and North America, the start of 2021 was challenging for the taxi industry. Australia and New Zealand, however, continued their growth throughout their summer and autumn seasons, reaching an almost normal month of December in 2020 as compared to 2019, with only 12.55% fewer bookings than the previous year.

The global taxi booking industry has endured several challenges. However, 2021 has witnessed a bumpy yet steady rise in taxi bookings worldwide. As we proceed

<sup>5</sup> This data has been aggregated and normalised using standard deviation to remove any discrepancies and anomalies across the regions and to adjust to a notionally common scale

towards the year-end and enter into a new year, with the lockdown easing and the travel sector opening globally, the taxi booking industry is more robust than ever to meet the demand of the venues and taxi fleets.



Graph 5: Global B2B bookings from Jan 2019 to Sep 2021, with a 12-month forecast to Sep 2022

According to the forecasts in Graph 5, the global taxi industry should be back on track by around Q2 2022, providing there are no new COVID-19 restrictions in the future.

The expected demand for global B2B taxi bookings is expected to increase by 138.85% in December 2021 compared to December 2020, more than double in number. At this rate, the taxi booking industry will recover by around Q2 2022. In 2020, the number of taxi bookings dropped by 58.43% as compared to 2019. In 2021, the fall reduced to 21.64% with 3 months of the year remaining, indicating that the industry is on the right road to recovery.

In the UK, there is currently a driver shortage driven by the pandemic, where drivers moved to other services or sectors, that will, if it persists, hinder the projected growth of the industry in the coming months. On the other hand, more and more taxi drivers are equipping themselves with vehicle partition screens, like those from [Driver Bubble™](#), creating a safer space for drivers and passengers. This is



encouraging as it shows that drivers are actively invested in their passengers' wellbeing and shows their motivation to get back on the road.

Alongside Ireland's high vaccination rate, an increasing number of businesses are focusing on testing by using rapid antigen test kits like [20test™](#), which helps individuals, professionals, and businesses continue their day-to-day lives and operations with peace of mind.

Over in the United States, more particularly New York, yellow cab bookings increased by 5% over the past few months whilst Lyft and Uber bookings are on the decline<sup>6</sup>.


Across Europe, industry growth has also been noted in the Nordics, with taxi fleets preparing for an increase in demand across venues. The ANZ region may also experience some growth in the coming weeks as restrictions start lifting once more.

## Conclusion

The past year or so was no doubt a period of countless challenges for the global taxi industry. With national and international business resuming, the taxi market is evolving rapidly. The resilience and a strong urge for business stability now seem to become a reality. With each business' ongoing expansion and safety precautions, 2022 holds a positive outlook for the taxi industry and businesses across all sectors.

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<sup>6</sup> [Uber, Lyft ridership falls 15% in NYC, as taxi cab trips rise](#) 



## About Taxi Butler

The [Taxi Butler](#) is a unique one-click taxi booking device that makes booking taxis easier for venues like hotels, bars, restaurants. Built for taxi companies and designed with venues in mind, the taxi booking device helps to reduce taxi company call centre costs, generate more automated bookings, and gain and sustain business with local venues.



Taxi Butler's vision is to facilitate the connection between taxi fleets, venues and passengers. They are on a mission to connect them all as ONE.





## Methodology

The dataset presented includes the total number of successful taxi bookings made using Taxi Butlers, that are placed in venues (hotels, bars, restaurants, etc.) across the globe since 2019, by month, year, and country. For the dataset presenting comparisons between the different regions, the data has been aggregated and normalised. As Taxi Butler has a different amount of devices in each region, an absolute comparison was not possible. The data was averaged per device, per country, and then normalised using standard deviation and the mean. The remaining dataset is absolute, presenting the actual measured amount of bookings per year or month. The regions can be defined as follows:

- UK & Ireland: England, Scotland, Wales, Northern Ireland, and Ireland.
- North America: The United States of America and Canada
- Europe: Germany, Netherlands, Spain, France, Finland, Bulgaria, Romania, Denmark, Belgium, Poland, Austria, Portugal, Italy, and Switzerland
- All countries (52 in total): Great Britain, Australia, United States, Germany, Canada, Spain, Finland, Bulgaria, France, Denmark, Ireland, New Zealand, Netherlands, Romania, Belgium, Portugal, United Arab Emirates, Poland, Iceland, Austria, Oman, Montenegro, Latvia, Luxembourg, Sweden, Argentina, Turkey, Russia, Italy, Lithuania, Norway, Switzerland, Lebanon, Ukraine, Georgia, Iraq, Somalia, Greece, Cyprus, Moldova, Maldives, Uruguay, Uzbekistan, Albania, Jordan, Curacao, Japan, Malta, Reunion, Brazil, Tajikistan, and American Samoa.

## Glossary

Word	Definition
B2B taxi booking	A B2B taxi booking is a successful booking that has been placed from a Taxi Butler at a venue.
Successful booking	A successful booking is a booking that has been placed and accepted by a taxi driver and confirmed to have arrived at the desired location.
Taxi Butler	A taxi booking device that allows venue staff to book taxis for their guests in one click.
Venues	Venues can be any public business or place, where a taxi is booked from. The dataset primarily includes venue types like hotels, bars, restaurants, casinos and hospitals.