

Women and Ride-hailing in Sri Lanka



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Forewords

IFC

As markets around the world face the challenge of responding to the COVID-19 pandemic, a call has gone out for a resilient recovery to ensure that our economies grow back stronger, greener, and more equal than the ones we had before. For women, this call is particularly loud, as more and more evidence shows that women face disproportionate job losses that could undo decades of progress.

A new International Finance Corporation (IFC) study conducted with the Sri Lankan ride-hailing platform, PickMe, and IFC's development partner, the Australian Department of Foreign Affairs and Trade (DFAT), affirms that the private sector can, and should, play a key role in addressing the recent rise in gender inequality. First, there is a strong business case for doing so. As this report shows, the annual revenues for ride-hailing in Sri Lanka could increase by more than a quarter if gaps between men and women's ridership were closed. This finding reinforces IFC's work across sectors and geographies, which shows that serving the women's market can drive faster growth, higher revenues, and better margins.

Second, this report demonstrates that the transport sector can help regain the momentum toward gender equality, particularly in markets such as Sri Lanka's where low female labor force participation holds back economic growth for everyone. For instance, over half of the women PickMe riders who were surveyed for this study said that they were able to work more frequently thanks to ride-hailing, and almost two-thirds said that ride-hailing enabled them to access more and better job opportunities. However, greater efforts need to be made. Women drivers continue to face substantial barriers—including social acceptance, digital literacy, and access to finance. Improved safety and security in the sector will both increase women's mobility and get more women on the road.

Disruptive technologies such as ride-hailing have the potential to boost development and also support a resilient and inclusive economic recovery. At IFC, we seek to help our clients take a leading role in achieving this change. As this report shows, this means collecting sex-disaggregated data and using these data to design products and services that support opportunities for women. We hope that the findings in this report will inform the ride-hailing industry not only in Sri Lanka, but across the world.

Sincerely,



William Sonneborn

Senior Director, Disruptive Technologies and Funds
International Finance Corporation



PICKME

We launched PickMe in 2015, with the goal of digitizing the road transport sector in Sri Lanka. As we complete our fifth year of operations, we have evolved into a mobility "super app" that provides ride-hailing, food delivery, and logistics across the country. However, our company's goal extends beyond just building an excellent platform, to solving the challenges of our mobility stakeholders— drivers, passengers, and merchants.

From the outset of our operations, we realized the important impact that safe transport could have on women's empowerment and financial independence. As many studies have shown, safe transport is a major contributor to women accessing more and better paying jobs. Our company and technology is not only enabling women passengers to take safe trips wherever, and whenever they like, but we are also providing flexible and lucrative employment for women drivers.

In addition, we operate a dedicated unit that recruits and supports women drivers, we continue to improve safety and security across our platform, we have piloted a product that matches women passengers with women drivers, and we adjusted our app's algorithm to give more opportunities to women drivers. We also provide financial incentives to encourage women to join us as drivers, and we provide them with free health insurance. Through these and other efforts, in the last year, we have doubled the number of women drivers who use our app, and we have gained greater understanding of the factors that get women on the road, both as passengers and as drivers.

However, we also know that much more must be done. Indeed, as the research presented in this paper shows, there is significant potential to grow and strengthen the ride-hailing market by recruiting more women drivers and using innovative ways to attract more women passengers. By collaborating with IFC on this study, sharing data from PickMe's platform, and participating in interviews, our managers and staff have gained greater understanding of the challenges that women face in the transport industry, and how we can fine-tune our offerings to help overcome these.

For the long term, we in PickMe are committed to playing our part in improving opportunities for women by ensuring that PickMe's technology contributes to solving the challenges that women face, both as passengers and as drivers, and this is especially important now due to COVID-19. We also hope to see that our solution will help increase female participation at all levels of the labor force, and further support women's empowerment. Finally, we look forward to working with stakeholders across the transport sector to support the women of Sri Lanka.

Sincerely,



Ajit D Gunewardene
Chairman

Digital Mobility Solutions Lanka (Private) Limited (PickMe)





Executive Summary

CONTEXT

- **Transportation is a key barrier to women's mobility and labor force participation, globally.** Women are widely underrepresented as transport providers, and as riders, women face disproportionate challenges in accessing affordable and secure transportation. In Sri Lanka, 90 percent of women using public transport have experienced sexual harassment, but only 4 percent of these women sought police assistance. This, and other gaps, contribute to women's low labor force participation rates, which are less than half that of men.
- **Over the last five years ride-hailing has developed into an increasingly prominent branch of the Sri Lankan transportation ecosystem.** Ride-hailing vehicles range from motos (motorcycles) and tuk-tuks (three-wheelers) to various sizes of cars, and vans, encompassing what was previously a largely informal network of transport providers. Despite the increasing importance of the industry, to date no study has captured how women are using ride-hailing, how this service supports women's personal and economic opportunities, and how the industry can best serve this important portion of the market.
- **This study was conducted to determine how ride-hailing services can support opportunities for women, and how the private sector can best respond in meeting women's needs, both as drivers and as riders.** The research combined data from a local ride-hailing platform, PickMe, with surveys of 280 drivers and 782 riders. This is the first study to explore the role that women play in the ride-hailing industry in Sri Lanka, and was undertaken by International Finance Corporation (IFC) and Kantar Public, in partnership with PickMe. This

study was conducted as part of the Women in Work (WiW) Program, Sri Lanka, a partnership between IFC and the Australian Department of Foreign Affairs and Trade (DFAT).

RIDERS

- **Women who use ride-hailing services are more than 40 percent more likely than men to use it as their primary mode of transport.** Women use ride-hailing to meet basic transport needs as they are less likely to own, or have access to a vehicle, and they have greater need to make multiple stops to shop and drop off and pick up children. However, women account for just 38 percent of riders overall, likely due to national gaps in labor force participation, as well as gaps in digital and financial inclusion.
- **Women use ride-hailing to improve their access to work and mobility overall.** Fifty-one percent of women riders said that they are able to work more frequently thanks to ride-hailing; 64 percent said that they can access more job opportunities or better jobs; and 88 percent said ride-hailing gives them access to new places. These findings suggest that ride-hailing is a contributor to improving women's employment rates. However, men continue to cite these benefits at even higher rates than women.
- **Women riders are price-sensitive and prefer low-cost options.** About two-thirds of all the rides taken by women were in tuk-tuks (three-wheelers), the lowest cost of PickMe's options. Seventy-five percent of women said that the final fare was a key factor when booking a ride. Both findings are consistent with global transport studies showing that women spend a higher portion of their income on transport, and this emphasizes the need to increase affordable options that target women users.

EXECUTIVE SUMMARY (Continued)

- **Women riders value the key attributes of ride-hailing, particularly price transparency and safety features.** Both male and female riders surveyed ranked price transparency and comfort as the top reasons for selecting a ride-hailing service, however, women ranked most key features slightly higher than men, especially safety features such as knowing drivers' names and their registration details through PickMe's platform. Additionally, ride-hailing was generally perceived as safe: the majority of respondents indicated that ride-hailing provides security for women riders, and it should be acceptable for women to use ride-hailing when traveling alone.

DRIVERS

- **Women remain significantly underrepresented as drivers, but there is momentum for change.** According to PickMe company data, women make up a small minority of drivers across all the platform's offerings, but their number continues to increase year-on-year. Currently women primarily drive motos making deliveries and tuk-tuks where the take-home income is the highest due to the lower fixed costs for buying or leasing the vehicle and vehicle maintenance. In the case of deliveries, women say that they appreciate having less direct

customer interaction. Most women drivers identified themselves as the chief income earner in their household.

- **Women value the flexibility of platform work, but their limited hours reduce their earning potential.** Flexibility and independence are key draws for women drivers who have significant care responsibilities at home. Thirty percent of women drivers reported earning a higher income after registering to drive with PickMe, compared to 46 percent of men. The need for flexible hours, and particularly working outside of the main commuting hours, and not at night when riders are more numerous and fares are higher, translates into less income for women.
- **Women drivers are highly rated in terms of their skills and safety, especially by women riders.** Riders generally agreed that women drivers perform as well or better than men in terms of safety, courtesy, and comfort. However, women were more likely than men to agree with these attributes, and often by a substantial margin. For instance, 58 percent of women, compared with 39 percent of men, said that it is safer to be driven by a woman, and 60 percent of women, compared to 45 percent of men, said that women are just as good drivers as men.



- **Restrictive social norms reduce women's opportunities to work as drivers.** Although women drivers are rated highly in terms of driving skills, strong stereotypes and restrictive social norms considerably reduce opportunities for women drivers. Women drivers reported that their families have concerns about their working as drivers, and this is a major barrier to entry. One-fifth of all drivers said that the occupation is not suitable for women. Other significant barriers include women's inability to finance vehicles and insurance, and their lack of digital tools and digital literacy.

BUSINESS IMPLICATIONS

- **Ride-hailing companies could increase their revenues by more than one quarter by closing the gender gap in ridership.** Because women currently spend less on ride-hailing than men, if the number of female riders, and their spending, were to rise to the same level as men, ride-hailing revenues could increase by almost 27 percent per year.
- **Product innovations offer the potential to attract women as both drivers and riders.** Gender-segregated trips in which women drivers and passengers are matched, offer one way to recruit women drivers who might otherwise be hesitant to work. Ninety percent of female riders said that they would prefer a woman driver for at least some trips, and especially those at night. However, a smaller proportion of riders (only 25 percent), were willing to pay more for this feature. Ride-sharing, or ride pooling, could also appeal to women, especially given their greater price sensitivity. However, while prospective female pool users care about the gender of their fellow passengers, they are less likely to care about the gender of the driver. Fifty-eight percent of women who would prefer ridesharing said they would prefer to share with women.
- **Multi-stakeholder action is needed to address barriers to growth and inclusivity.** Most of the barriers to increasing women's use of ride-hailing, or of transportation more broadly, are beyond the ability of any one company to remove. These barriers include: the social norms that restrict women's work, and especially their work in ride-hailing; lack of finance to buy a cell

phone and buy and insure a vehicle; lack of digital literacy to participate in a ride-hailing platform; family care responsibilities that keep women at home; and concerns about safety and harassment that keep women from traveling freely. Resolving these issues will require action from multiple stakeholders.



1. INTRODUCTION AND METHODOLOGY

1.1 WHY THIS REPORT?

The ride-hailing industry is playing an increasingly important part in Sri Lanka's transportation ecosystem. This research explores whether the industry could play an important role in closing the gender gap in mobility and economic participation in Sri Lanka. The study aimed to:

- Identify risks and opportunities for women in ride-hailing;
- Determine how ride-hailing could close economic and social gaps between men and women; and
- Explore the business case for the private sector to better understand and serve women as both drivers and riders.

1.2 GENDER GAPS IN SRI LANKA HOLD BACK GROWTH

Women in Sri Lanka face substantial gaps in access to jobs and assets. While women complete secondary education and have literacy rates at near parity with men (UNESCO 2018), this has not translated into equal participation in the workforce: women's labor force participation has stagnated at around one-third (34 percent), which is less than half of men's participation (World Bank 2019). Low levels of economic participation are often the result of social norms that restrict women's mobility outside the home, and expectations that women will be the main providers of care within the home (Gunatilaka 2013, IFC 2018).

"The numbers speak for themselves. Advancing gender equality is one of the most effective actions companies and economies can take to drive growth," says Amena Arif, IFC Country Manager for Sri Lanka and Maldives. Research conducted by McKinsey (De Bustis, Ganesan, and Herath 2018) found that advancing gender equality in Sri Lanka could add \$20 billion per year to the country's gross domestic product (GDP), and increase economic growth by about 14 percent.

"Advancing gender equality is one of the most effective actions companies and economies can take to drive growth."

Amena Arif, Country Manager, IFC Sri Lanka and Maldives

"By 2030, providing access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons."

Sustainable Development Goal 11.2
(United Nations 2015)

IFC'S SRI LANKA WOMEN IN WORK PROGRAM

Women in Work (WiW) is a five-year, \$9.5 million initiative launched in partnership with the Australian government in April 2017. It is IFC's largest, standalone country-based gender program designed to close gender gaps in the private sector, while improving business performance. The program tackles women's access to jobs and assets at the same time. It aims to increase women's participation in Sri Lanka's private sector through: enhancing women's access to quality jobs and leadership roles in the private sector;

increasing women's access to financial and non-financial services, and improving their financial inclusion; and creating opportunities for women-owned businesses in the supply chains of larger firms. WiW also contributes to the vision of the government of Sri Lanka whereby all citizens can achieve higher incomes and better standards of living by 2025.

1.3 INCLUSIVE TRANSPORT EXPANDS WOMEN'S FREEDOMS AND ECONOMIC OPPORTUNITIES

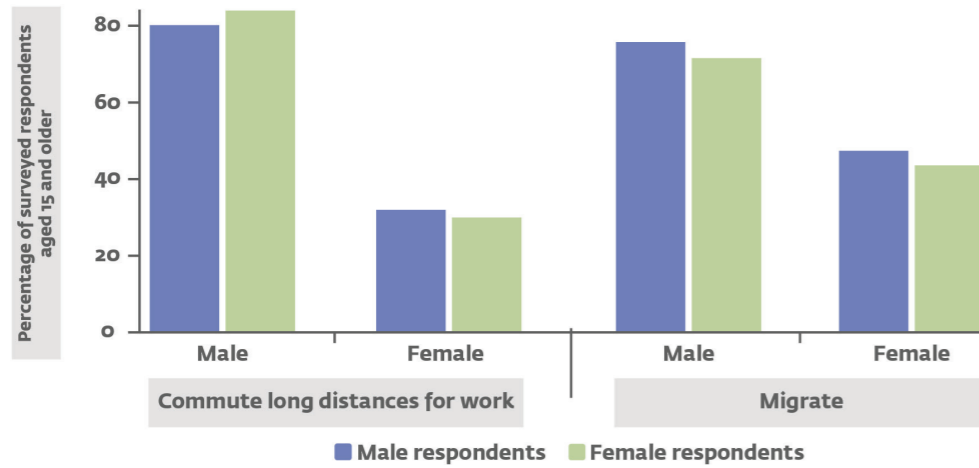
Inclusive transport is a key but often underemphasized pathway to gender equality. Lack of safe, affordable, and accessible transport accounts for more than 15 percent of the gaps in women's labor force participation by keeping women from work, limiting their choices, and/or reducing their hours of work (World Bank and ILO 2017). In Sri Lanka, the World Bank has found that restricted mobility is both a cause and a result of women's low labor force participation rate. A report prepared for the World Bank in Sri Lanka makes "improvements in providing safe, comfortable transportation to and from worksites" one of the core recommendations for improving women's access to jobs (Solotaroff et al. 2020). Transport challenges in the country both keep women out of the workplace, and from working more actively. According to the International Labour Organization (ILO 2016), 85 percent of women homemakers reported that safe and convenient transport is a prerequisite for their returning to work, and 32 percent of women who work in the private sector reported turning down work at night due to lack of safe or reliable transport. The ILO also reported that some employers have begun to provide transportation options to address labor shortages.

32% of women in the private sector turned down work at night due to transport challenges (ILO 2016)

Despite evidence of potentially high economic benefits, societal approval for women's freedom of movement is low, particularly for the purposes of commuting to work. As Figures 1 and 2 demonstrate, it is considered more acceptable for a woman to migrate abroad for work than for her to commute locally, and the acceptability of local commuting declines even further once a woman is married. This disapproval of women's commuting may be due to their high risk of sexual harassment on local public transport. Conversely, the higher rating for women who migrate may be due to their higher earnings.



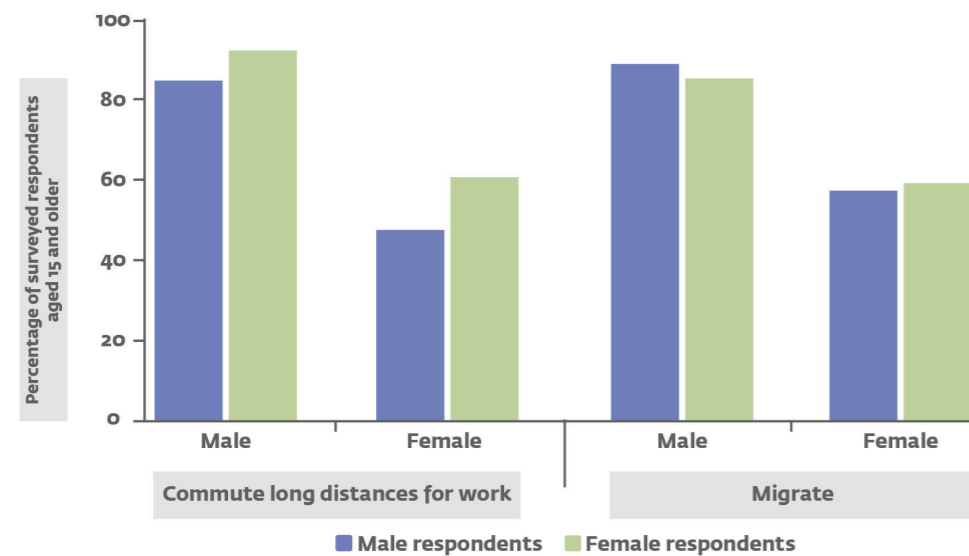
Figure 1: Social acceptability of long-distance commuting and migration for married men and women



Source: Solotaroff et al. 2020.

Note: The primary data were collected in 2012 in Gampaha, Badulla, and Trincomalee Districts.

Figure 2: Social acceptability of long-distance commuting and migration for unmarried men and women



Source: Solotaroff et al. 2020.

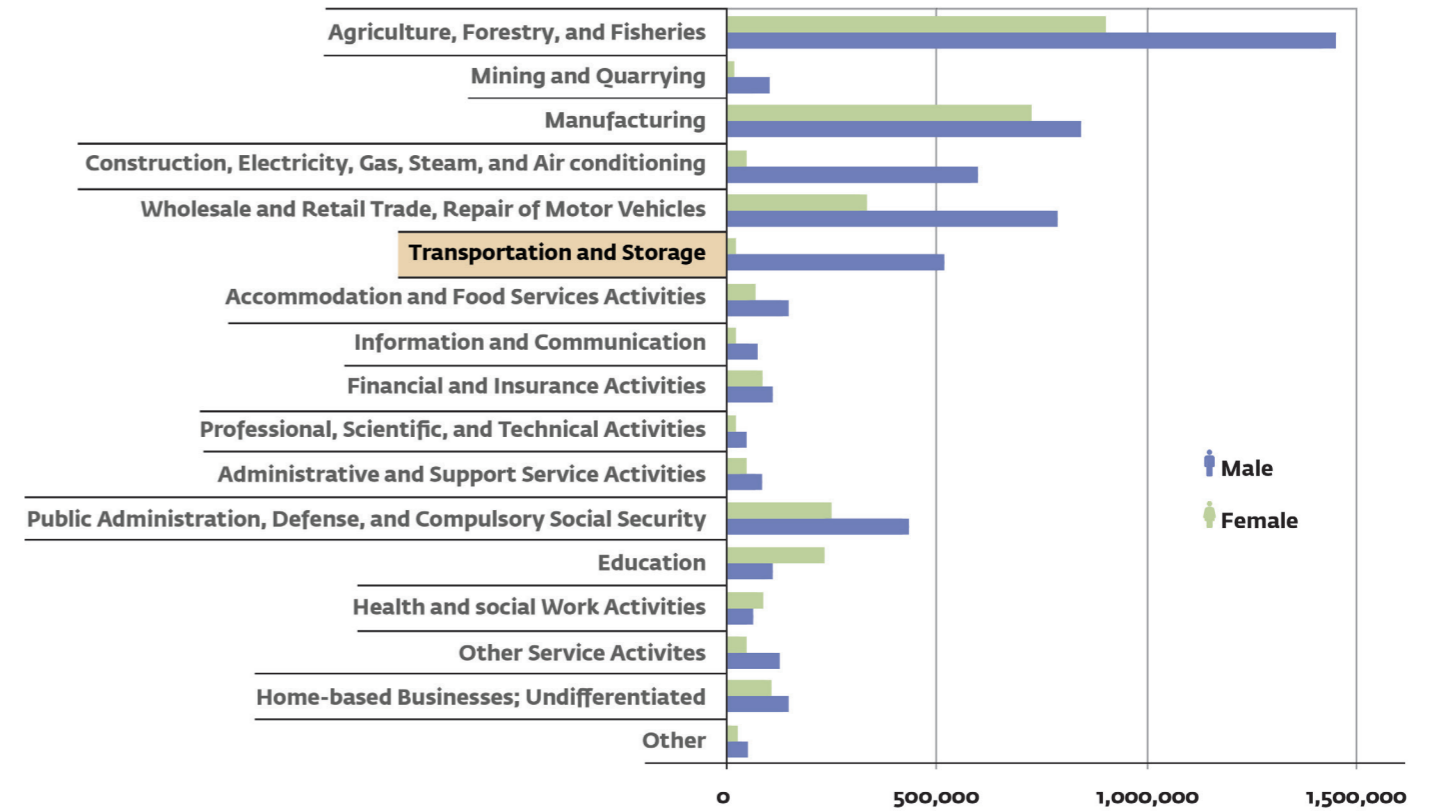
Note: The primary data were collected in 2012 in Gampaha, Badulla, and Trincomalee Districts.

Women also face challenges as transport providers. While few surveys have examined this, the limited available data show that women comprise a small percentage of transport workers around the world, and if they do work in the sector, they are ticket agents rather than drivers or conductors (Ng and Acker 2020). Legal, structural, and social barriers all contribute to women's low representation in the transport sector. For instance, the World Bank's 2020 report "Women, Business and the Law," found that transport is among the industries most affected by legal gender distinctions: 21

economies place job restrictions on women in transport, and 29 restrict women from working night hours, which limits the shifts they can take.

In Sri Lanka, Sinha (2012) noted that "Within the services sector, women are employed mainly in education and health services, whereas men are mainly employed in the traditional, non-tradable sectors of wholesale and retail trade, public administration and defense, and transport" (see also Figure 3).

Figure 3: Currently employed people by industry group and gender



Source: Computation based on Sri Lanka's Annual Labour Force Survey (2014), Department of Census and Statistics (In ILO 2016).



1.4 RIDE-HAILING MAKES UP AN INCREASING PORTION OF THE LOCAL TRANSPORT ECOSYSTEM

In recent years, ride-hailing, which includes both four-wheeled and three-wheeled vehicles, has become an increasingly important part of Sri Lanka's transport ecosystem. Sixty-four percent of rides in this study, and 54 percent of drivers used tuk-tuks.

64% of rides in this study were taken in tuk-tuks, reflecting the increased diversity of ride-hailing



The companies dominating the Sri Lankan ride-hailing market are the global platform, Uber, and the local start-up, PickMe. The latter was founded in June 2015 by Digital Mobility Solutions Lanka (PVT) Ltd., a software provider whose motto is "Joyful mobility for a better life." PickMe's services are currently concentrated in the urban centers of Colombo, Gampaha, Kandy, Galle, Kurunagala, Kaluthara, Matale, Matara, and Rathnapura, but the platform is active across the island. The PickMe app offers:

- Ride-hailing with vehicles that comprise motorcycles, tuk-tuks, flex, minis, cars, minivans, and vans;
- Food delivery for restaurants;
- Delivery for grocery stores and providers of essential goods such as pharmacies;
- Rentals of minis, cars, vans, or trucks for a fixed period of time;
- Parcel delivery;
- Delivery of heavy goods by truck.

This report focuses on passenger rides, but also includes information on food and parcel deliveries.



BOX 1: COVID-19 AND A RESILIENT RECOVERY FOR RIDE-HAILING

Research for this report took place in late 2019 and early 2020, prior to the global spread of COVID-19. At the start of the pandemic, many markets, including Sri Lanka, implemented curfews or lockdowns that severely impacted ride-hailing companies and other transport providers. However, in the months since the pandemic began, PickMe has responded with greater health and safety measures as well as service innovations that allow the company to provide a greater choice of transportation services.

Zulfer Jiffry, Chief Executive Officer of PickMe, said in an interview that when concerns about COVID-19 first emerged in Sri Lanka, the company took "all measures possible to educate passengers, drivers, riders, customers, and merchants."

- **Health and safety:** As the health and safety of customers and drivers is paramount, PickMe immediately implemented COVID-19 preventive measures such as contactless payment options and equipping drivers with hand sanitizer and face masks. Barriers were installed in tuk-tuks to reduce contact between the driver and passengers, and drivers' temperatures were taken and shared in the app. "We rallied our entire organization around the theme of #safetyfirst, where we undertook strict adherence to protocols and measures given by authorities in safeguarding our employees, drivers, and customers," Jiffry said.
- **Emergency Response:** PickMe also worked with government representatives on pandemic response, including emergency evacuations of over 4,000 tourists. The company supported the government too by implementing contact tracing to mitigate the spread of the virus.
- **PickMe Marketplace:** During lockdown, ride-hailing companies, including PickMe, partnered with the government to provide essential services. PickMe was one of the first companies in Sri Lanka's lockdown to agree to deliver essential items through use of its app

"PickMe Marketplace." During the period when the first nationwide curfew was in effect, 5,000 PickMe drivers made 500,000 deliveries.

At the time of publication, many countries continue to impose mobility restrictions. However, since Sri Lanka reopened, PickMe has seen use of ride-hailing increase past pre-pandemic levels. This increase is likely due to demand from passengers who previously used public transport. Additionally, since this study's initial research, PickMe's number of women drivers has doubled, as women look for alternative income generating opportunities to make up for lost or reduced wages due to COVID-19.

Globally, there is a call to focus on solutions that do not replicate problems, but instead solve them. The findings of this report should help to ensure that the transport sector contributes to a resilient post-pandemic recovery.

Jiffry also says he is amazed at how technology is contributing to bringing people hope, and helping to meet their needs in these difficult times. "It is possible that the world may see a new economy emerging, and it is technology and the spirit of humans to survive and push boundaries that will enable a new economy and a new way of life to emerge."

Adapted from "Sri Lankan Start-up Offers a Life-line During Crisis" by (Parajuli and Jayasooriya 2020).



1.5 METHODOLOGY




Despite the increased role that ride-hailing is playing in transportation in Sri Lanka, prior to this study no research had explored how women are engaging in the industry, or to what degree ride-hailing can help overcome the substantial barriers that women face as riders or getting jobs as drivers. This study sought to fill that gap.

The research presented in this paper covers five transportation options on the PickMe platform: tuk-tuks, flex, mini and car, and food delivery (via motos). The study was conducted between October 2019 and February 2020 in four urban communities in Sri Lanka: Colombo, Gampaha, Kalutara, and Kandy.

The study comprised the following sources of primary and secondary data:

- **Literature review:** A literature review was conducted on ride-hailing, gender, and the labor force, and the intersection of the three, with a focus on Sri Lanka.
- **Qualitative interviews:** In-depth interviews with current, former, and prospective women drivers were conducted to understand women's motivations for, and their barriers to, entering and succeeding in ride-hailing. Additionally, interviews with PickMe staff provided information on the company's business model and efforts to attract, recruit, and retain women across the platform.
- **Expert consultations:** Interviews with sector experts were conducted that explored gender equality and the ride-hailing industry in Sri Lanka.
- **Quantitative survey:** Surveys were conducted with both riders and drivers who were randomly selected from a database provided by PickMe. Of the 782 riders surveyed, 53 percent were women. This study also surveyed 280 drivers, 13 of whom were women. Due to the small sample of women drivers, this report primarily presents results from the in-depth interviews and case studies.
- **PickMe data:** PickMe company data were analyzed for more than 700,00 rides that were provided between December 2018 and December 2019. Table 1 shows the parameters this study used in analyzing data from PickMe's management information system.

Table 1: Parameters of analysis that this study used for PickMe company data on trips, drivers, and complaints

| | |
|---|--|
|  | <h3>TRIPS</h3> <ul style="list-style-type: none"> Gender of driver Gender of rider Date and time of trip Duration of trip Trip distance Vehicle type Trip charge |
|  | <h3>DRIVERS</h3> <ul style="list-style-type: none"> Gender of driver Year of enrollment Average number of trips (monthly) Average distance of trips (monthly) Average fare of trips (monthly) Time of day with maximum trips Days of week with maximum trips Star ratings Vehicle type Number of working hours per day |
|  | <h3>COMPLAINTS</h3> <ul style="list-style-type: none"> Gender of driver Gender of complainant Date and time of complaint Details of complaint Type of service |

1.6 RESEARCH PARTNERS

Research for this study was led by IFC staff, with surveys conducted by Kantar Public. Data were provided by PickMe. The study was conducted under IFC's Women in Work partnership with Australia's Department of Foreign Affairs and Trade.



PickMe is the official brand of Digital Mobility Solutions Sri Lanka Limited, a software service provider founded in June 2015. PickMe envisions the intelligent upgrade of the local transportation industry inspiring Sri Lanka toward matching global standards in effective problem solving via technology. PickMe is committed to innovate and build solutions that use state of the art architecture to push boundaries in the mobility space. PickMe's platform facilitates a "real time" connection between the passenger and the driver, enabling mutual engagement for the receipt and delivery of a seamless service.



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KANTAR

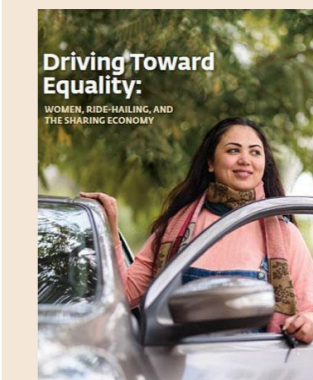
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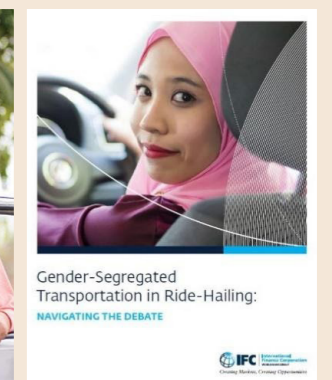
BOX 2: WOMEN AND RIDE-HAILING: A GLOBAL PERSPECTIVE

This research builds on two previous studies on gender and ride-hailing that surveyed over 11,000 women drivers and riders in Egypt, India, Indonesia, Mexico, South Africa, and the United Kingdom (IFC 2018 and IFC 2020a). IFC surveys, which were conducted in 2018, found that women are an important market for ride-hailing companies, either as their current customers, or as an important source of future growth. However, in these studies, women's preferences varied with regard to their use of cars, motos, and shared rides, and the benefits they cite for ride-hailing such as flexible work or travel with children. Overall, across the six countries IFC surveyed, women's mobility has increased 24 percent due to their access to ride-hailing (IFC 2018). A more recent IFC study of the global ride-hailing sector in a number of countries tracked the rise and impact of gender-segregated transport options (IFC 2020a).

IFC research to date underlines the increasing importance that ride-hailing plays across the world in improving women's mobility and work opportunities. However, women's engagement with ride-hailing varied across the countries studied due to differences in opportunities and challenges in each market. "Women and Ride-hailing in Sri Lanka" is the first study to focus on women and ride-hailing in the national context.



Driving Toward Equality: Women, Ride-hailing, and the Sharing Economy (IFC 2018)



Gender-segregated Transport in Ride-hailing: Navigating the Debate (IFC 2020a)

2. RIDERS

2.1 INTRODUCTION

Affordable, accessible, and secure transportation is a key enabler of women's economic opportunities. Surveys of PickMe riders, combined with analysis of company data and expert interviews, show for the first time how ride-hailing is changing mobility patterns, improving safety and security, and increasing access to work in Sri Lanka.

This study found that women riders often use this emerging technology in different ways from men. This study indicates that, in comparison to men, ride-hailing is an increasingly essential feature of the transport ecosystem for women in Sri Lanka. For instance, women PickMe users are more likely than men to rely on ride-hailing as their primary means of transport, and they prefer affordable products such as tuk-tuks, which account for two of every three rides women take using the company's app. Most women riders also benefited from the ability to get to new places, as well as access to more or better jobs.

This study found that women riders often use emerging technology in fundamentally different ways from men.



While ride-hailing was largely perceived as a safe option for women riders, the perception that security risks rise after dark, combined with women's significant family care responsibilities, meant that women were less likely to travel at night, and therefore took fewer rides overall. Safety concerns also influenced women's preferences for new products and features. By understanding and applying these insights, the private sector can help build a more inclusive ride-hailing industry.

2.2 WHILE A MINORITY OF WOMEN ARE RIDERS, THEY ARE MORE LIKELY THAN MEN TO DEPEND ON RIDE-HAILING AS THEIR PRIMARY MODE OF TRANSPORT

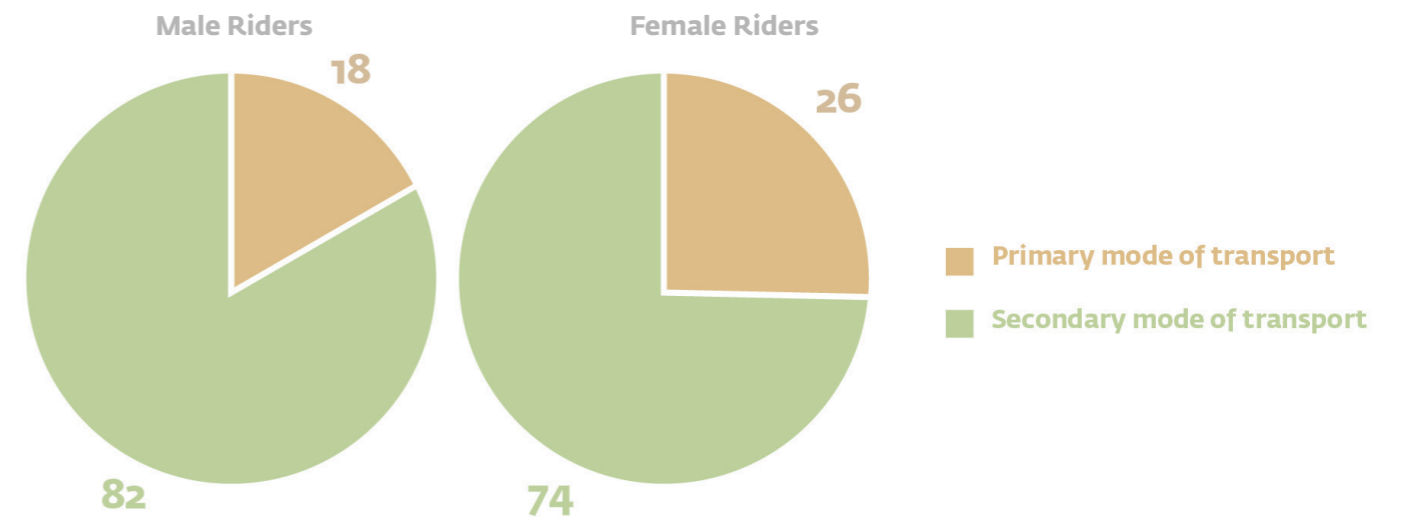
The majority of female and male PickMe riders are young (ages 18 to 34), educated, and economically active. Seventy-eight percent of all riders have a secondary education or higher, and 25 percent are either enrolled in, or have completed, a tertiary education.

Women were eight percentage points more likely than men to use ride-hailing as their primary mode of transport (See Figure 4), which is a consequence of women's lower access to private vehicles, as well as their greater need to take complex trips with their children.

26% of women riders depend on ride-hailing for their primary mode of transport.



Figure 4: Women are more likely than men to use ride-hailing as their primary mode of transport a



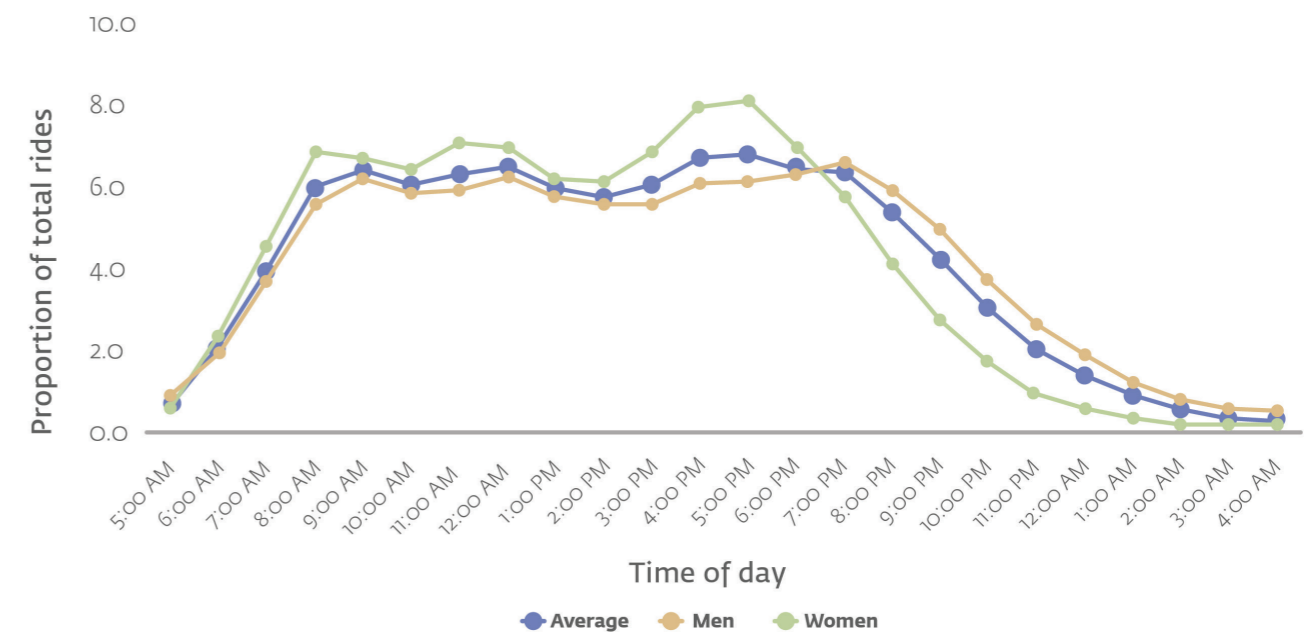
Source: IFC-Kantar Rider and Driver Survey 2019.

While women depend on ride-hailing, overall, they are the minority of users, comprising 38 percent of riders, and taking 34 percent of all trips. This difference between women and men stems from:

- Women's low national labor force participation, which reduces their commuting needs;
- Women's lower overall income, which reduces their available transport budget;
- Women's greater care responsibilities; and
- Women's concerns about traveling safely.

The last three categories all especially impact women's willingness to travel at night, which drives down their overall usage rate. For example, from 8 p.m. to 4 a.m., women comprise only 20 percent of riders (see Figure 5). However, trip data taken from the profile of the person who has selected the ride on the PickMe app show that during these hours men call for rides on behalf of female friends and family who do not have access to, or know how to use, the PickMe app.

Figure 5: Women's use of ride-hailing drops at night



Source: IFC-Kantar Rider and Driver Survey 2019.

When asked to list the destinations where they always use ride-hailing services, rather than public transport or personal vehicles, both men and women listed the same top three destinations—visiting relatives or friends, going shopping, and going out at night (Figure 6). However, women were 13 percentage points more likely than men to always use ride-hailing to visit friends and family; 11 percentage points more likely to always use ride-hailing for shopping, and 15 percentage points more likely to use ride-hailing for travel with children. Similarly, women are three times more likely than men to make “chained trips” to pick up children (trips with multiple stops before the final destination).

Women were **15** percentage points more likely than men to use ride-hailing to travel with children.


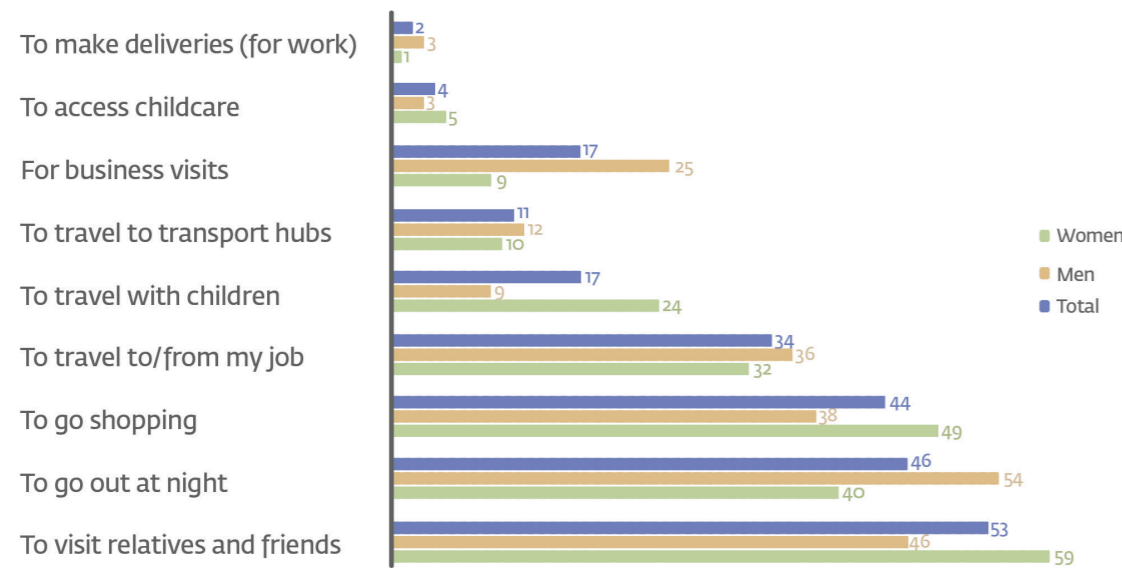


Figure 6: For which purposes do you always book a ride through a ride-hailing service? (% of riders)



Source: IFC-Kantar Rider and Driver Survey 2019.

2.3 HARNESSING WORD OF MOUTH IS ESSENTIAL TO ATTRACT WOMEN RIDERS

Women are more likely to discover ride-hailing through word-of-mouth: 85 percent of women surveyed for this study said that they learned about PickMe from friends or family, which is 20 percentage points higher than is the case for men. Conversely, women were less likely than men to learn about ride-hailing through online platforms such as YouTube (31 percent for women and 39 percent for men). This is consistent with IFC’s findings in other sectors such as insurance, where women are both more likely to trust recommendations from friends and family, and more likely to be effective brand ambassadors by passing on trustworthy

recommendations (IFC, Axa, and Accenture 2015). For ride-hailing companies, this emphasizes the need for them to build and communicate a brand that serves women and encourages women to share their experiences with others in their social network. Conversely, poor user experiences can spread quickly, preventing new sign-ups, and decreasing usage.



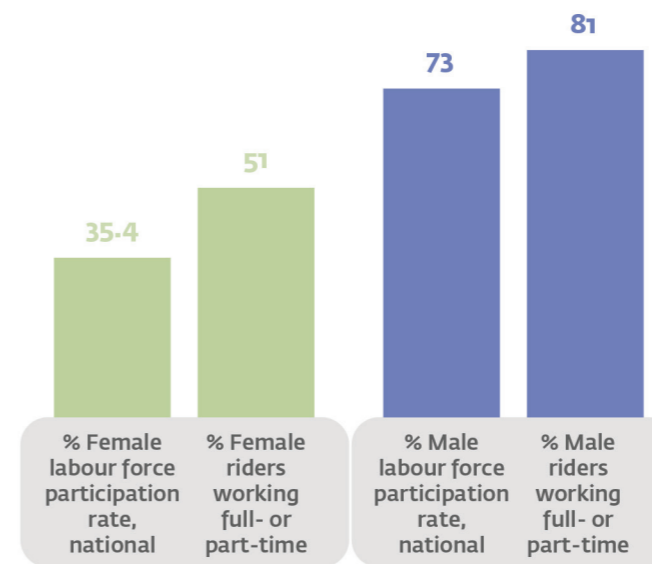
85% of women learned about PickMe from friends or family.

2.4 RIDERS USE THE PLATFORM TO INCREASE ACCESS TO WORK AS WELL AS OVERALL MOBILITY

Women ride-hailing users were more likely to be economically active than the average for women in Sri Lanka: 51 percent of women riders worked full- or part-time, compared to 35 percent of all women (Ranaraja and Hassendeen 2016). While it is likely that more women in the labor force have access to the income and digital tools necessary for ride-hailing, data from this survey show that access to ride-hailing can also increase women’s mobility and job opportunities.

This hypothesis is bolstered by the finding that more women than men reported increases in their overall mobility as a result of using ride-hailing services. Eighty-eight percent of women, versus 77 percent of men, said that they could access new places by using ride-hailing. This reflects women’s use of ride-hailing to overcome the accessibility and security challenges that might keep them from traveling to locations that are distant, unsafe, or poorly connected to their homes. Even when not directly linked to their employment or business opportunities, increasing women’s mobility has a tangible impact in terms of their ability to travel freely and securely.


Figure 7: Ride-hailing users are more likely than the general population to be economically active



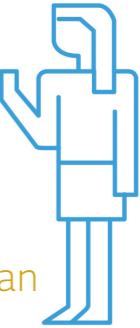
Source: IFC-Kantar Rider and Driver Survey 2019.

This study’s surveys of PickMe users found that ride-hailing improved mobility and job opportunities for both men and women. Because of the availability of ride-hailing, 51 percent of women reported that they can work more often, and 64 percent reported being able to access more or better jobs. However, more men than women were able to take advantage of these benefits (74 and 51 percent, respectively). Rider surveys also showed that men were four percentage points more likely to use ride-hailing to go to their jobs, and eight points more likely to use it for their business. As discussed above, this suggests that societal attitudes that discourage women’s labor force participation continue to be reflected in women’s riding patterns. It also indicates that ride-hailing is meaningfully increasing women’s economic opportunities and, therefore, contributing to closing the gender gap in labor force participation.

88% of women riders can access new places



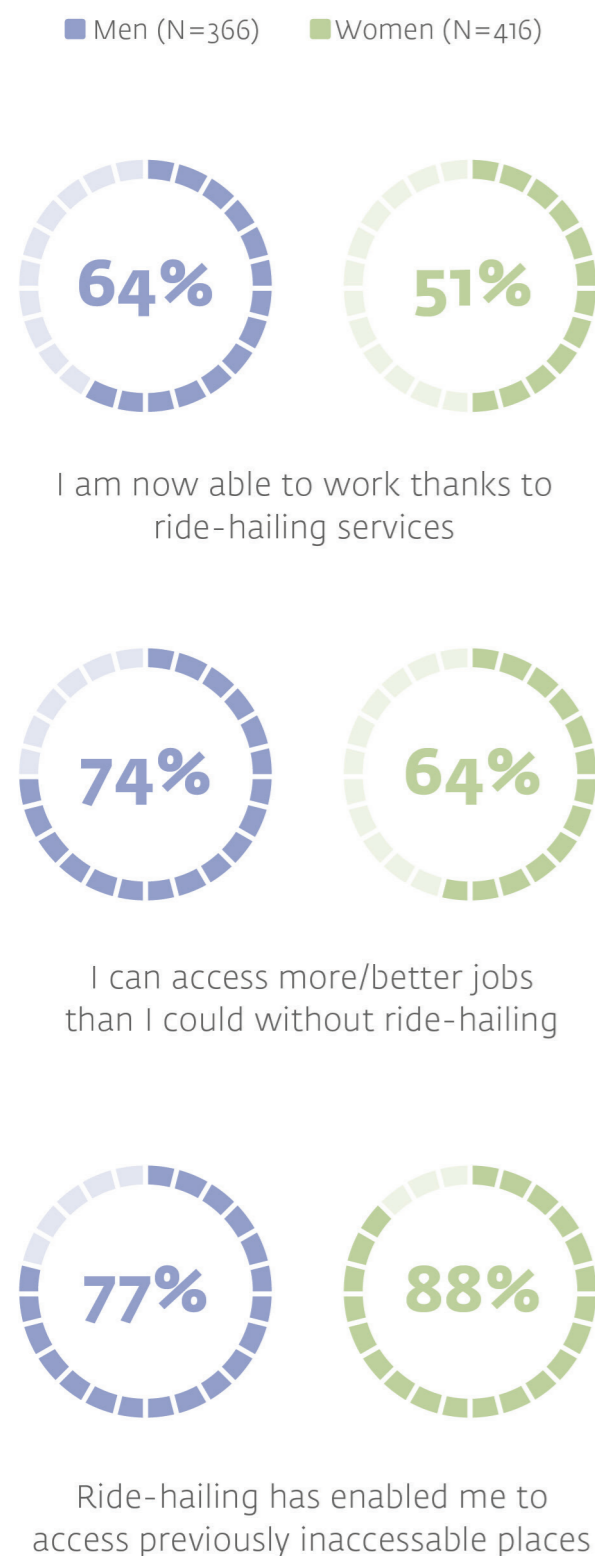
64% of women riders can access more or better jobs



51% of women riders can work more often

Figure 8: Ride-hailing and economic mobility

% of Riders in agreement



Source: IFC-Kantar Rider and Driver Survey 2019.

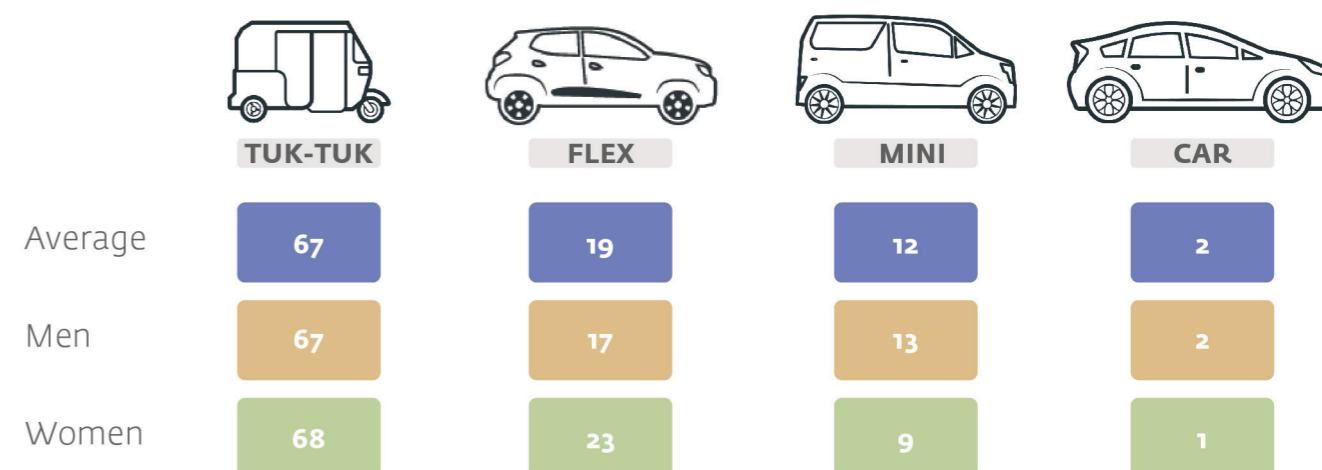
2.5 WOMEN RIDERS VALUE PRICE TRANSPARENCY, AND PREFER LOW-COST RIDE-HAILING PRODUCTS

As customers, women riders are highly price-sensitive, which translates into different product choices on the PickMe platform.

Because women earn less than men, on average, women also tend to spend a higher portion of their income on transportation. This has several impacts: first, the survey confirmed that women PickMe riders are more likely than men to appreciate price transparency, i.e. knowing the cost of a ride in advance. Conversely, women are nine percentage points less likely than men to say that they use ride-hailing because the price is attractive. Likely, this is because while ride-hailing prices may be lower than alternatives, for women, the cost of ride-hailing still represents a high share of their income.

Crucially, for women riders, price-sensitivity translates into a preference for tuk-tuks and flex cars (small hatchbacks that are the lowest-priced four-wheeled vehicle option). Two of every three rides taken by women are in tuk-tuks. For both men and women, larger four-wheeled vehicles are the least utilized option on the PickMe platform (accounting for only 1–2 percent of all trips booked; see Figure 9). For ride-hailing companies, these preferences indicate the need to innovate with affordable products—for example, introducing the opportunity to share a vehicle with other riders (see page 35).

Figure 9: Percentage of rides taken by women and men through PickMe's fleet options



Source: IFC-Kantar Rider and Driver Survey 2019.

Safety and security are key determinants for when, how, and if women choose to travel, particularly in contexts such as Sri Lanka's where "gender-based violence...is highly prevalent on public transportation and in public spaces" (Solotaroff et al. 2020). For instance, a study by UNFPA found that 90 percent of women in Sri Lanka have been harassed on buses and trains (UNFPA 2017). Another study by Oxfam (Butt and Sekaram 2019) found that gender-based violence (GBV) not only restricted women's mobility, but also enabled sexual harassment by discouraging victims from reporting GBV, and bystanders from intervening. In the words of Heshani Ranasinghe, gender advisor at Oxfam Sri Lanka, "In every community that we spoke with, the blame for sexual harassment and the onus for preventing harassment was placed on women, girls, and gender non-conforming people. The perpetrators are not considered to be doing anything wrong—and they continue to offend, enabled by a strong social expectation that good women should not create a scene, and that bystanders should not intervene."

In this context, ride-hailing is often perceived as a relatively safe and acceptable form of transport. In this study's surveys, the majority of both men and women PickMe users indicated that ride-hailing is safe for women riders, and that it should be acceptable for women to use ride-hailing when traveling

alone. Women were more likely to agree with both of these statements than men (see Table 2). This is in stark contrast with the much lower approval figures for women's commuting that World Bank research previously identified (Solotaroff et al. 2020). In the latter study, only 30 percent of respondents said that married women should commute for work (see page 12: "Inclusive transport expands women's freedoms and economic opportunities").

Similarly, 51 percent of women PickMe users, compared to 43 percent of men, said that knowing the driver's name and registration in advance was the top benefit of ride-hailing.

The availability of ride-hailing is an important step forward not only because the safety and security of women's transport is crucial as an end in itself, but also because safe and secure transport is strongly linked with positive economic outcomes for women. Women who are not able to access safe transport are likely to turn down jobs or settle for jobs that pay less, but are more accessible. As discussed above, the perceived increase in women's perception of safety and security as a result of the availability of ride-hailing, has likely contributed to the reported increase in women's mobility and job opportunities in Sri Lanka.

Table 2: Ride-hailing is largely perceived as safe and comfortable for women passengers



Source: IFC-Kantar Rider and Driver Survey 2019.

3. DRIVERS

3.1 INTRODUCTION

This section draws on PickMe's data that were collected from over 40,000 drivers, including 26 women, and also this study's survey of 280 drivers, which included 13 women. Because of the small sample of women drivers, to better understand the pathways and conditions for women drivers' success, in-depth interviews were conducted with current, former, and prospective women drivers.

This study found that although ride-hailing has reduced the barriers to entry into a conventionally male-dominated sector, the overall proportion of women drivers remains low. Financial and digital exclusion, coupled with perceived safety risks, and the negative attitudes of friends and family keep women from entering ride-hailing. About a third of women reported earning a higher income after entering ride-hailing, though women's average income continues to reflect a preference for flexible and part-time driving schedules. Women PickMe drivers were generally rated as being as good or better than men, and women riders, in particular, gave women drivers high marks for safety, security, and reliability.

"I know a nurse who drives for PickMe. She is proud of herself. She is not dependent on anyone. She holds her head high. She competes with men in the work environment. Some passengers say they are really happy to see her driving. Some see her driving, and they are shocked. Mostly people are happy to see her working. Some say that rather than paying a man, they would prefer to pay a woman who wants to do better in life."

Prospective female driver



3.2 WOMEN COMPRISE A SMALL MINORITY OF DRIVERS, BUT ARE INCREASINGLY REPRESENTED IN LOW-COST VEHICLES

As in most markets globally, in Sri Lanka, women comprise a small minority of drivers. Available surveys indicate that of transportation drivers and truckers, women remain underrepresented, both as the direct employees of transport systems, and as contractors. An analysis of data across 46 countries by the International Transport Forum (Ng and Acker 2020) found that women represent an average of 17 percent of transport workers. Previous research on ride-hailing found that women represented less than 1 percent of drivers in some markets, including India, and up to about 5 percent in others, such as Mexico (IFC 2018).

"Due to the prevalence of violence against women and girls that is normalized within our culture, the demand [for female drivers] is high. Many families feel confident about the safety of their children, and especially their daughters, taking these cabs for regular tuition classes and extracurricular activities. Thus, there is no need for their mother or anyone else to go as a companion. This has positive implications for the duties and unpaid care work that burden women."

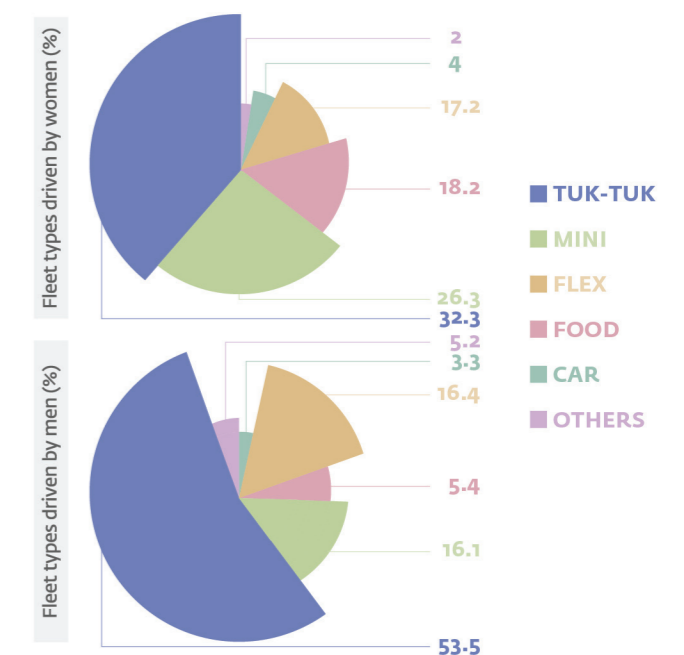
Sharika Cooray, National Programme, Women's Rights & Gender Policy Analyst, United Nations Population Fund

In recent years, PickMe has started to see an increase in women driving on the platform. At the time this study was conducted in late 2019 and early 2020, 36 women were driving for PickMe. As of September 2020, this number had increased to almost 150 active drivers.¹ This rise has been largely due to women's participation in delivery services, for which they drive a moto. When this research was carried out, 12 of the 36 women driving on the platform used tuk-tuks and 6 used motos. In their interviews, women said that they were attracted to delivery because of the relatively low cost of a moto, and also because they had less customer interaction, which increased their sense of security.

These findings indicate that a delivery and courier service may be an initial entry point into the transport sector. Another advantage of a delivery service is that it can be more profitable than alternatives. Due to low vehicle purchase and operating costs, many delivery and tuk-tuk drivers took home more money than drivers of four-wheeled vehicles.

Nine women drivers (69 percent) identified their ride-hailing job as their primary occupation and primary source of income, and the same number identified themselves as their household's chief wage earner. Ten out of 13 women drivers (77 percent) were previously employed, compared to 93 percent of all drivers.

Figure 10: Fleet types driven by women and men (% of women or men drivers)



Source: IFC-Kantar Rider and Driver Survey 2019.

¹ Surveys and interviews were conducted with 36 women who took trips during the months of this study in late 2019 and early 2020. A larger group of women were logged into the platform as "active drivers", but did not accept rides. In September 2020, approximately 150 women were active on the platform.

BOX 3: "FACE CHALLENGES BOLDLY AND COME HOME SAFELY"

"I have a family with two daughters, my mother, and a differently-abled sister. My husband is a machine operator working in Dubai. My husband sends money to us, but sometimes his income is not enough to support all our family members and to repay previous loans, so I earn money by driving the three-wheeler that we originally bought for personal use. Initially the tuk-tuk was on lease. Although we have repaid the loan, it is still registered as property of the finance company as my husband has not had the chance to come back to the country to complete the formalities.

My daughters go to school, and I earn money from driving some fellow students. About six students ride with me, daily. Parents trust me as I am a woman, and my children go to the same school. I drop the children off at school and then do ride-hailing hires until school gets out. I have two other groups of school hires, for which my earnings depend on the length of the trip, but I cannot take more. In the evenings I take my girls to their tutoring classes. After this, some people in my network call me for hire, and I go. But this is only possible because I can leave my children with my mother.

For me, my children's happiness is the most important thing, but my schedule does not allow me to spend time with them. I only have a chance to talk to them at night if they are not asleep. Because I like being on the road, I am always energetic, and do not get tired of driving. In fact, I taught myself to drive, took the test, and then received my license. My husband does not approve of my late hours, but when he sees that I can pay our expenses, he is fine. He knows I can face challenges boldly and come home safely."

Woman PickMe driver

BOX 4: "GETTING THROUGH WITHOUT DEPENDING ON ANYONE ELSE"

"My family includes an elderly grandmother, parents who face physical challenges, and a younger brother who does not have a permanent job. My husband does have a job, but he can only cover the basics. I also have three kids who are studying in private schools. I earn income to support my family through some small businesses and jobs such as teaching, running a drop-off service for children, and sewing clothes and pillowcases. The van I own is financed, and there are still some things that I cannot afford yet, but I am proud of myself for getting through life without depending on anyone else for money. I feel age and gender have nothing to do with working status; in fact an unemployed person can be a burden on the family.

Working in the transport sector is relaxing as there is a break of at least half an hour after one hire until the next one, and I have the flexibility I need to stay home to tend to my children, or in the case of illness. I used to drive a van for a cab service, but when I could not earn enough money, I started driving with PickMe. I had to purchase a smartphone for about SL Rs 19,000 (\$102.50) and the financing was hard to arrange, but I managed it. PickMe also provided support for my children's books and stationery in their new academic term."

Woman PickMe driver

BOX 5: PICKME'S EFFORTS TO RECRUIT WOMEN FOR NON-TRADITIONAL WORK

Recognizing the potential business and social impact, PickMe has undertaken several initiatives to bring more women into the sector and the company also hosts a dedicated unit to reach out to, and support women drivers. Between when this study's research ended in February 2020, and publication, the total number of women on the platform has more than doubled, and the company hopes this number will continue to grow. In the words of PickMe Director, Tasnim Salie, "Normalizing ride-hailing for women is not just a need, it's part of a movement to empower women that we, at PickMe, are consistently working on."

- **Recruitment:** PickMe has conducted a communications campaign to encourage women to register to drive. Staff have noted that "We had a promotion one-and-a-half years ago that was handled by the communications Vice President. Currently, we are targeting women drivers for food deliveries because there are a lot of part-time female drivers who want to join." Current recruitment efforts include using social media, handing out recruiting flyers on the street, and individual follow-ups.

However, PickMe staff say that marketing is not sufficient to get women to enroll. Personal follow-up, combined with initiatives to address the specific barriers that women face, can help overcome women's barriers. Salie notes, "We see a lot of women who register with PickMe but don't carry on to take their first drive. When they get a call from us, it pushes them to take that first drive. It really helps to know that someone is out there to help. Human touch can make all the difference."

- **Financial Services:** PickMe offers support to individual women looking to join the sector. This has included free cell phones and other forms of financial support. Currently, PickMe is providing free health insurance to women drivers as an additional recruitment incentive. To date, the company had provided insurance policies of SL Rs 4 million (\$21,600) for drivers. These financial inclusion measures help to address the root cause of women's low representation in the industry. PickMe's CEO, Jiffry Zulfer, underlines the importance of insurance in attracting and retaining women drivers. "We find women often lack savings or other safety nets in times of need. Our experience with women drivers made us realize the importance they place

on insurance. So, in addition to providing women with a safe platform, we also wanted to give them a sense of financial security by providing free insurance."

- **Safety and Security:** In addition to improved reporting on safety and security, PickMe offers an "SOS button" that connects with emergency services, as well as a dedicated response line for serious safety and security incidents (see page 31).
- **Products and Services:** To encourage women's engagement with the app, PickMe adjusted its algorithm that determines which rides and delivery orders are matched with which drivers. This algorithm, which prioritizes women drivers, also considers other key factors such as distance. For example, if a male and a female driver are the same distance away from the destination for a delivery, the order is assigned to the female driver. This helps to ensure that women who log into the platform receive an income boost and are retained on the platform. Additionally, to recruit more women drivers, PickMe piloted Lady First, a product that allows women riders to call and request a women driver. In September 2020, the company was in the process of relaunching a revised version of the service within its app (see page 36).

"We find women often lack savings or other safety nets in times of need. Our experience with women drivers made us realize the importance they place on insurance. So, in addition to providing women with a safe platform, we also wanted to give them a sense of financial security by providing free insurance."

Jiffry Zulfer, CEO, Pickme

3.3 WOMEN VALUE FLEXIBLE WORK, BUT REDUCED HOURS IMPACT THEIR INCOME

Men and women's different experiences on the platform reflect not only their pathways into ride-hailing, but also their incomes while driving.

Flexibility and independence are a key draw for women drivers, who face substantial care responsibilities at home. As one woman explained, "I used to work from about 9 a.m. to around 2 or 3 p.m. in the afternoon. These hours were fine. On days my children have tutoring classes, I drive until about 7 or 8 p.m. because there is no need to come home early."

However, women's need for flexible hours results in a lower overall income. Driving data showed that women PickMe drivers made fewer and slightly shorter trips than men. Women tend to drive less outside the main commuting hours, and they do not drive in the evening when rides are more numerous, and earnings are higher. Forty-six percent of all drivers reported an increase in their incomes since they started driving for PickMe, whereas only 4 of 13 women drivers (30 percent) reported the same. The remainder reported earning the same amount as their pre-PickMe income. Due to women's lower earnings, in some circumstances, PickMe began to offer women drivers priority in assigning rides (see Box 2: PickMe's Efforts to Recruit Women for Non-traditional Work).

"I will not be required to work under someone's direction if I drive in the ride-hailing sector. I will earn my own income and be independent."

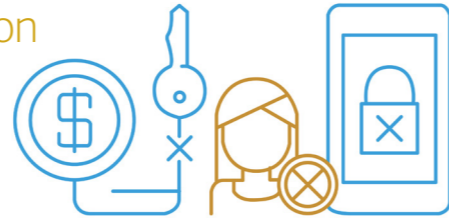
Prospective female driver

3.4 LACK OF DIGITAL AND FINANCIAL INCLUSION ARE SUBSTANTIAL BARRIERS TO ENTRY

Women often face greater barriers than men if they wish to become ride-hailing drivers. These include barriers that may initially appear unrelated to the work such as women's lack of digital literacy and access to finance. Nationally, women's use of mobile money is just 1.2 percent, compared to 4.9 percent for men. Women are also more likely to depend on non-bank sources of finance such as community banks and microfinance institutions, which reduces their chance to build a formal

credit history (NFI 2018/19, in IFC 2020b). Women also face gaps in mobile phone and Internet access, largely due to the high cost of service and low perceived relevance to women (Kukreja 2018).

Gaps in digital and financial inclusion directly translate into lower participation of women as drivers.



These gaps can result in women's lower participation as drivers. Financial inclusion was listed as a challenge for a woman because to become a driver, she must buy or lease a vehicle and obtain vehicle insurance. While only a small percentage of PickMe's current female drivers reported that access to finance was a challenge for them, this is likely because if women face this barrier, they will not be able to enroll in the platform. As one PickMe staffer noted, "Most of the women we speak to are interested in working with PickMe, but when I call them, I often find that they face challenges in buying insurance. It is mandatory for drivers to be fully insured, but some women cannot afford that. Some women might not even have smartphones, and family support for this may not be available." To counter these access problems, for all incoming drivers, PickMe offers training on mobile phone usage, insurance, and financial management.

PickMe has also supported individuals in accessing vehicles as part of the company's push to recruit more women. Vehicles are high-cost investments, particularly in Sri Lanka where import duties mean a tuk-tuk costs approximately \$3,800 (UNEP 2019), which is 20 percent more than the annual average income of \$3,230 (World Bank Data 2020). While this means that these vehicles do retain more of their value over time, making them more of an asset in Sri Lanka than in other markets, cost does present a substantial barrier to women's entry, in particular, as women are less likely to be able to access loans or pay for insurance. Combined with women's tendency to drive part-time, the finance barrier suggests that low-cost vehicles such as motos and tuk-tuks, as well as short-time leases that do not require long-term investment, may be best suited for women drivers.

"We provided financial support to a single mother to help repair her vehicle and she paid us back in small installments. However, she stopped working, then rejoined, and then stopped again."

PickMe staff

3.5 SAFETY AND SECURITY CONCERNS LIMIT RECRUITMENT OF WOMEN DRIVERS

The perception of ride-hailing as unsafe for women was one of the strongest barriers keeping women drivers off the road. Sixty-nine percent of all drivers surveyed, and 12 out of 13 women drivers, said that safety and security concerns were the biggest barriers to women's entry into the ride-hailing industry (Figure 11). However, as for riders, safety and security concerns were perceived to be issues in transport broadly, and ride-hailing was considered more favorable than alternatives. In the words of one prospective woman driver, "We know that someone is monitoring our ride, so the element of help and safety is there in PickMe and other ride-hailing jobs."

Despite this, women drivers do face harassment. One woman driver said that: "There have been many times when I received harassing calls on the phone number I use. Callers asked me if I would be willing to spend the night with them. Women like us have self-respect. I have never accepted such indecent requests, and I inform PickMe of these problems."

"We know that women don't generally do road pick-ups outside the app. Road pickups are risky. When women do an app hire they know someone is monitoring the ride and they can always contact us if needed."

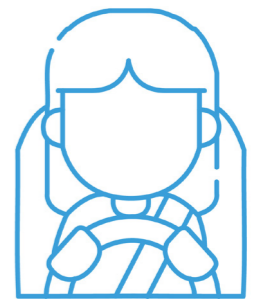
Isira Perera, Chief Operating Officer, PickMe

To respond to all safety and security incidents, PickMe runs a 24-hour emergency support line for its drivers. When a complaint is received, it is logged by the call center and, depending on the severity of the incident and the driver involved, the relevant authorities are contacted. For instance, a dedicated driver support team works with the driver to lodge complaints with the police. Tharanga Withana Arachi, Assistant Manager of PickMe's Lady Fleet support team for women drivers, noted that having a dedicated hotline for women is key to providing active support when incidents occur. "Since the women drivers' fleet has a dedicated hotline, we prioritize their requests, and based on company protocols, we investigate and take action against any unlawful conduct."

PickMe continues to improve its security features. Eighty percent of all the drivers surveyed for this study had received in-person training so they understood the code of conduct regarding the company's prohibition of sexual harassment and how the company addresses it. There was demand though from drivers to ensure that the code of conduct applies to riders as well as drivers, and that riders who harass drivers are banned from using the app.

These challenges for PickMe's drivers are reflected across the transport industry. While most research on safety has focused on transport users, sexual harassment or other threats are a major factor contributing to women's low participation as drivers, conductors, and contractors. Regardless of the context, as discussed below, sexual harassment on the road limits the recruitment of women and reinforces the restrictive social norms that keep women from driving (Ng and Acker 2020).

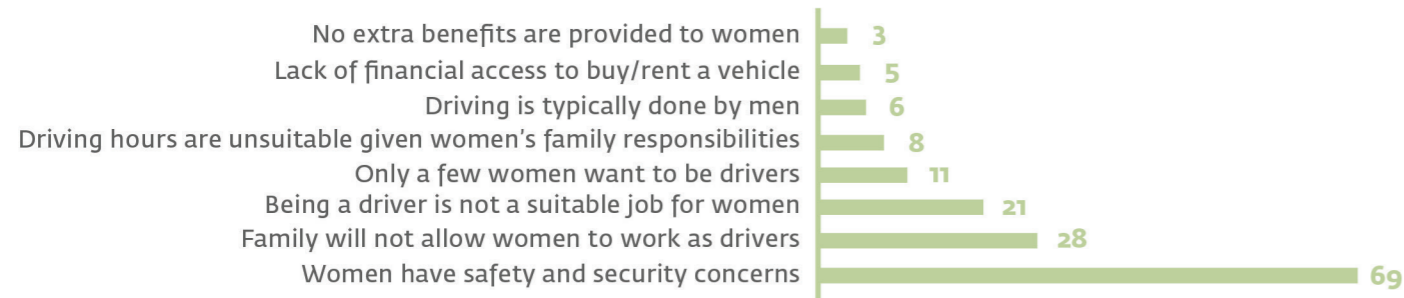
58% of women riders said it was safer to be driven by a woman.



Increasing the percentage of women drivers would also improve women riders' perceptions of safety and help to close the gender gap in riders: 58 percent of the women riders surveyed said security was better when driven by another woman (See Figure 12).

Figure 11: Why do few women drive for ride-hailing services? (% of drivers)

Safety concerns and family restrictions are women drivers' biggest road blocks



Source: IFC-Kantar Rider and Driver Survey 2019.



3.6 DESPITE THEIR HIGH SKILL LEVELS, STEREOTYPES LIMIT WOMEN'S PARTICIPATION AS DRIVERS

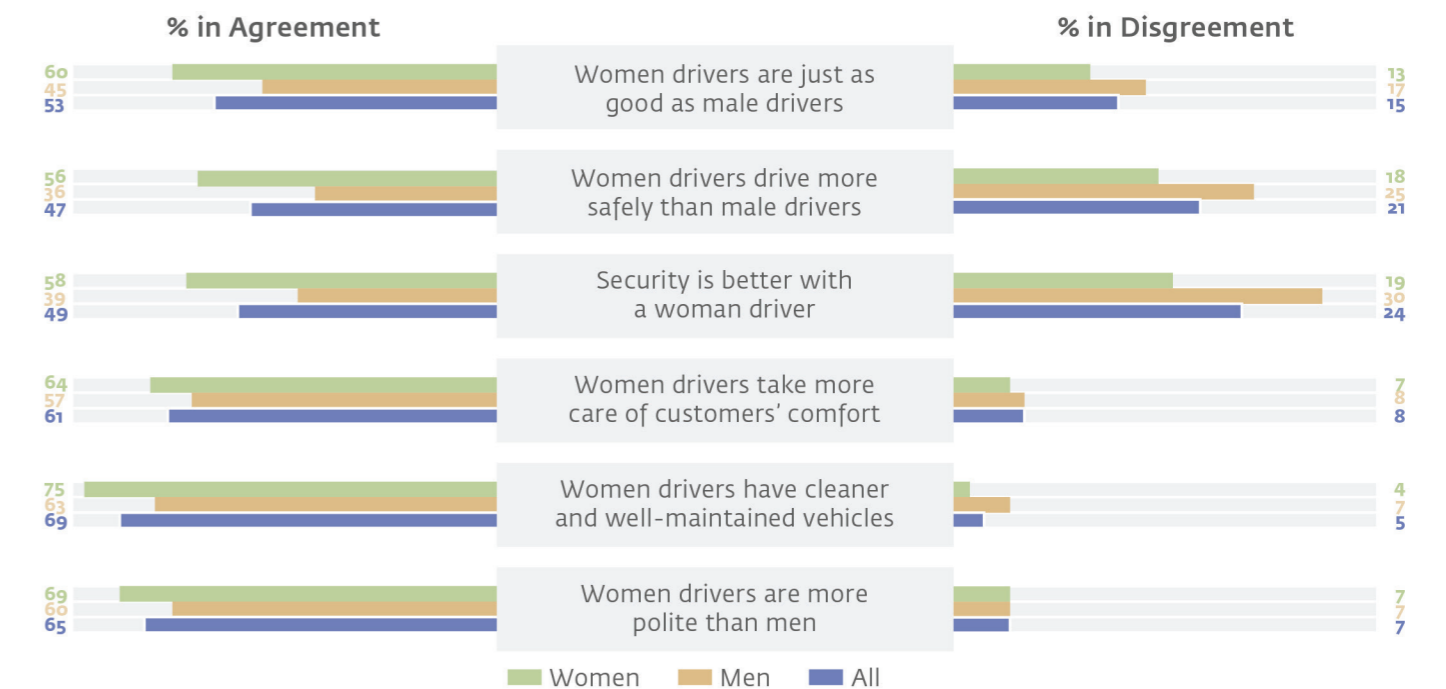
When riders rank drivers on specific skills or attributes, women score as well as, or higher than men. Despite this, women drivers face strong negative attitudes, particularly from men, which discourages women from participating in the sector. To gain insights into perceptions about women drivers, all PickMe riders were asked to rate statements about women drivers on a scale of 1 to 5. Respondents generally agreed that women perform as well as, or better than men, in terms of safety, courtesy, and comfort (Figure 12). However, women were more likely than men to agree, or strongly agree with these attributes of women drivers, and often by a substantial margin. For instance, 60 percent of women, compared to 45 percent of men, said that women are just as good drivers as men.

60%
of women
said women
drivers are just as good as men.

Similar differences in women's and men's perceptions are reflected in their opinions on whether driving is suitable job for women. Twenty-eight percent of all drivers said that women's families would not permit them to be drivers, and another 21 percent said that being a driver is not a suitable job for women. Over half of all drivers surveyed (51 percent) cited at least one reason related to social norms regarding why women do not join the sector.² These findings reinforce anecdotal reports from women who indicated that their trips are sometimes canceled when riders realize that their driver is a woman.

Men's low approval ratings for women drivers clash with women's relatively high scores for skill and other attributes, which suggests that stereotypes, rather than skill level, influence men's negative perception of women drivers. These stereotypes about the suitability of women driving demonstrate the challenge that ride-hailing companies face when trying to recruit and retain women, as well as companies' need to address these. Public campaigns, undertaken collaboratively by ride-hailing companies and other stakeholders, could encourage women to become drivers and increase public support for them. In the words of Heshani Ranasinghe, Oxfam Sri Lanka's Gender Adviser, "If a woman were to drive a tuk-tuk or other vehicles for income, that would really trash stereotypical barriers."

Figure 12: Women are largely rated as good or better than men on key characteristics



Source: IFC-Kantar Rider and Driver Survey 2019.

² Including "Women do not want to be drivers", "Driving is done by men", "Being a driver is not a suitable job for women" and "Family members do not allow women to be drivers."

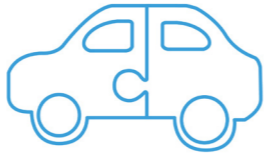
4. IMPLICATIONS FOR BUSINESS

4.1 INTRODUCTION

The previous sections of this report explored how women are engaging as ride-hailing drivers or increasing their mobility as riders. This section explores the implications of women's use patterns for the ride-hailing industry.

This study found that closing the gap between female and male riders could increase annual ride-hailing revenues by almost 27 percent. In addition, the study considered two products that are not currently available in the Sri Lankan market: 1) ride-sharing, in which two or more unrelated riders are paired in the same car; and 2) gender-segregated transport, in which women riders would have the option to select a woman driver.

than men, on average, due to shorter trips and less use at night. If women were to ride as often, and spend as much as men, annual ride-hailing revenues would increase by more than a quarter (26.7 percent).

26.7%  potential increase in annual ride-hailing revenues by closing the gaps between male and female riders.

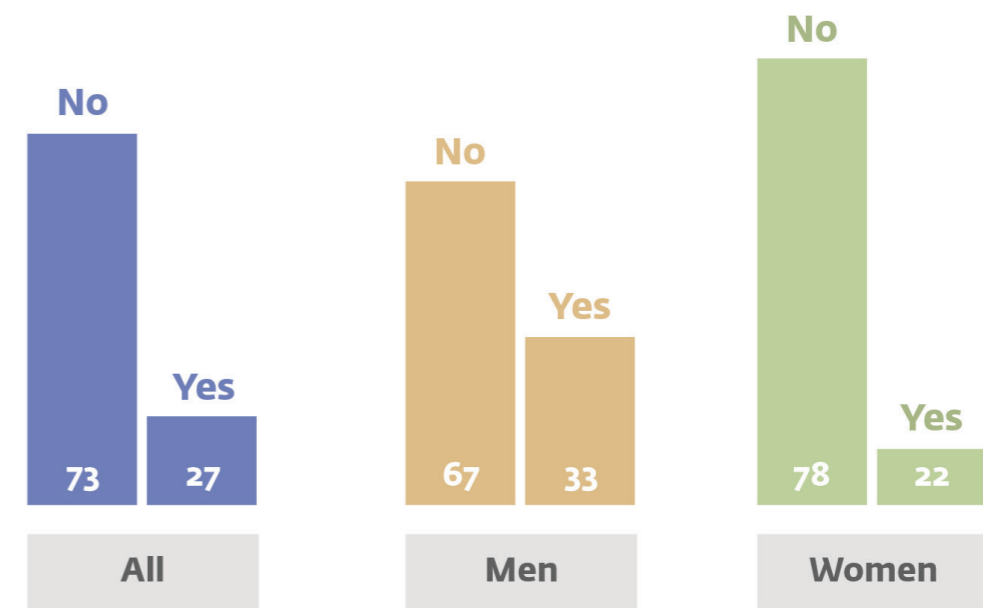
This simplified model does not take into account other potential multipliers; for example, overall growth in the market or the impact of increasing the number of products and services on the platform. Additionally, this study drew exclusively on PickMe data, and assumed that other ride-hailing companies active in the local market have similar percentages of male and female drivers. As a result, this study's estimate for growth can be considered conservative.

4.3 IN RIDE-SHARES, WOMEN PREFER TO BE MATCHED WITH OTHER WOMEN

Currently, ride-sharing is not active in Sri Lanka, and most riders are not familiar with this potential option. This study surveyed PickMe users to assess their interest in ride-sharing, and to what extent this interest differed by gender.

Consequently, riders were asked if they would like to share their trip with another rider if this reduced their fare. Those who answered positively, were then asked about the preferred gender of their co-riders, and those who answered negatively were asked what PickMe could do to make it more attractive for them to share rides.

Figure 13: Would you like to share your trip if that lowered the cost?



Source: IFC-Kantar Rider and Driver Survey 2019.

In other markets, women have expressed high interest in ride-sharing if that would reduce their cost per trip (IFC 2018). However, in this study, only 22 percent of women said that they would like to share rides, compared to 33 percent of men. This difference is likely explained by a second, follow up question: among the women who had a positive perception of ride-sharing, 58 percent said that they would prefer to share their ride with a woman. This finding suggests that introducing a product in Sri Lanka that allows women riders to share with other women could increase the uptake of ride-sharing, and of their use of ride-hailing overall.

Table 3: Women prefer to be matched with other women in ride-sharing

| PREFERRED GENDER | % OF MEN | % OF WOMEN |
|------------------|----------|------------|
| MALE CO-RIDER | 11 | 3 |
| FEMALE CO-RIDER | 3 | 58 |
| ANY GENDER | 86 | 39 |



“Getting more women drivers on the road will not just help PickMe grow but provide job opportunities to people around the country and elevate household income levels.”

Isira Perera – Chief Operating Officer, PickMe

4.2 CLOSING GENDER GAPS COULD SIGNIFICANTLY DRIVE GROWTH OF THE RIDE-HAILING MARKET

The gender gap in riders could be closed by addressing two factors: the number of women riders, and women's lower average spend.

The biggest potential gains would come from closing the gap between the total number of female and male riders. Women currently account for 38 percent of riders, and 34 percent of all trips. In addition, women spend 6 percent less

4.4 THERE IS HIGH DEMAND FOR GENDER-SEGREGATED TRANSPORT

In 2017, PickMe piloted a feature called Lady First that allows riders to request a female driver. Riders also paid a surcharge of SL Rs 100 (\$0.55) over the standard rates in the app, which was passed on to the driver, in full.

PickMe piloted Lady First for two reasons: first, to support women's mobility at night when they might not otherwise choose to travel, and second, to explore whether Lady First offered an incentive for women drivers to enter the sector. "We want to see if more women will come into the platform to drive other women," said Tasnim Salie, a Director at PickMe. "Not enough women are taking advantage of the opportunity for work that ride-hailing can offer. Hopefully, PickMe's Lady First can help."

PickMe ran the Lady First pilot for a month in 2017 and plans to relaunch the product in the app once the platform has a target number of women drivers. The company also plans to extend the option to tuk-tuks, which are among the most popular local options, and that would both increase affordability for riders and could attract more women drivers.

Even in the Lady First pilot, which was conducted via the PickMe call center, and required riders to request a ride an hour in advance, requests quickly outstripped the company's ability to deliver the product because of its limited number of women drivers. This study confirmed high, but variable demand, for a gender-segregated offering. Some 90 percent of women riders would like the option to select a woman driver at least some of the time, and particularly at night or when traveling alone.

90%
of women riders
would like the
option to select
a woman driver.



While demand was high overall, just 25 percent of interested riders would be willing to pay a higher rate for the service. Of these, 23 percent said that they would be willing to pay a 30 to 50 percent surcharge, and 18 percent said they would be willing to pay a 60 to 100 percent surcharge.

Driver interest was also high. As one former driver noted: "If something happens during the daytime, chances are that we can shout and save ourselves because there are people on the roads. But at night, we cannot do that. So, it is reasonable for PickMe to ask us to accept rides from both men and women till about 6 pm, but from that point on, it is reasonable for us to request that we only give rides to women."

These findings are consistent with IFC's (2020a) research on gender-segregated transport in ride-hailing, which found that women-only models are increasingly being used across the sector as there are tools to support attracting more women to the industry.

"We want to see if more women will come into the platform to drive other women"

Tasnim Salie, Director, PickMe.

Figure 14: Occasions when women might prefer to use Lady First

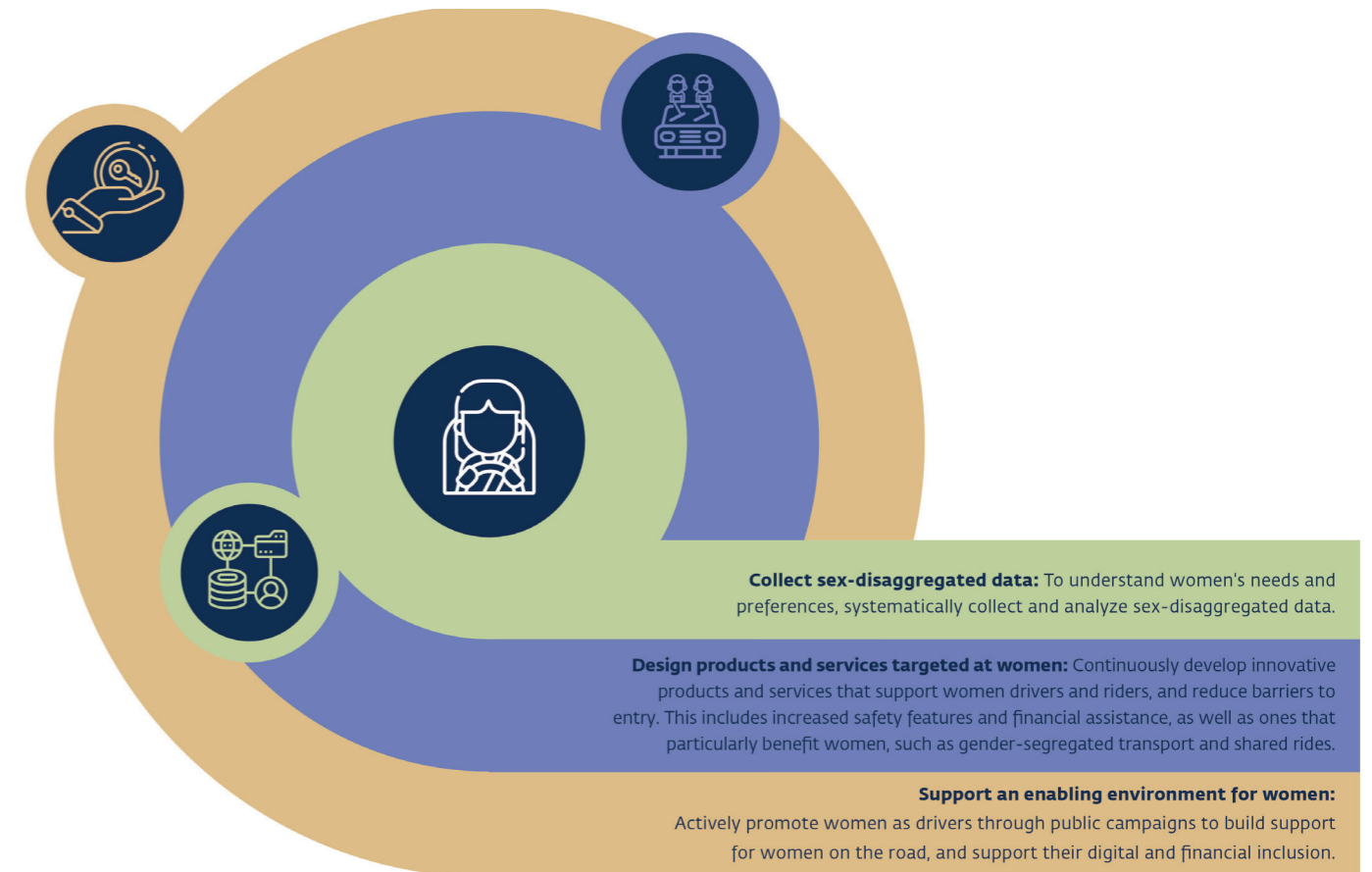


Source: IFC-Kantar Rider and Driver Survey 2019.

4.5 DRIVING CHANGE

The private sector can, and should, continue to play a leading role in increasing women's freedom of movement and work in ride-hailing. However, many of the biggest barriers for women reflect challenges that originate beyond ride-hailing, including lack of financial inclusion, safety and security

risks, and restrictive social norms regarding women's work as drivers, and even in the labor force, more broadly. This means that solving gender gaps in ride-hailing will require collaboration among key stakeholders.





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December 2020



The IFC-DFAT Women in Work program in Sri Lanka, partnering with leading private sector companies, aims to demonstrate that corporate performance can improve from closing gaps between women and men in the private sector.