The Ride-Hailing Entrepreneurship Model for the Low-Income Group: An Expert Perspective

Nur Hazwani Zolkifly [a], Nurul Fadly Habidin[b], Shahrel Nizar Baharom[c], Nur Lailatul Husna Mohammad Yusof[d]

[a,b] *Faculty of Management and Economics, Sultan Idris Education University, 35900 Tanjong Malim, Perak, Malaysia*
[c] *College of Creative Arts, Universiti Teknologi MARA (UiTM) Perak Branch, 32610 Seri Iskandar, Perak Malaysia*
[d] *Department of Business and Management, Universiti Teknologi MARA (UiTM) Perak, 32610 Seri Iskandar, Perak, Malaysia*
Corresponding Author: fadly@fpe.upsi.edu.my

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Abstract

This research aims to develop and validate the ride-hailing entrepreneurship model for the poor. Utilizing a qualitative method, a semi-structured interview was conducted in two phases. The first phase is an interview of eight ride-hailing drivers in Malaysia to determine the model's mechanism. Consequently, experts were recruited to validate the model in the second phase. Data from the first phase were analyzed, and themes comprising incentives, processes, cars, and car ownership and financing were created. Conclusively, the bottom 40 participants in the ride-hailing service require assistance. However, they need to be independent in the long term, given that they are gig economy workers. Next, the ride-hailing entrepreneurship model is discussed and revised from the experts' perspectives for the sustainability of the industry. Finally, some challenges to the model are also described.

Keywords:

Bottom 40, Entrepreneurship, Gig Economy, Poverty, Ride-Hailing

INTRODUCTION

The majority of B40 households (30.6 percent) can survive only three months without a monthly income, while 27.6 percent have less than one month saved (Amirah Shazana et al., 2021). However, 17.5 percent of the sample cannot subsist without a monthly income. This finding supports the hypothesis that the B40 group (B40 represents the bottom-tier households that have an income of below RM4,850) has a low capacity for survival. In addition, Nor Asmat (2021) discovered a lifestyle similarity between the B40 and M40 groups, which contributed to the rising expense of living among B40 households.

Ride-hailing services such as Grab have been perceived as a prospective avenue for those seeking work opportunities, particularly those with limited skills and periods of

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unemployment. As car owners or drivers, ride-hailing services might potentially assist the B40 or low-income group to earn more and lower the number of unemployed youths ("Report: Sharing Economy like Uber to Help B40 Earn More, Cut Youth Unemployment," 2017). Moreover, to the car owner, ride-hailing services can be a source of income (Bratton, 2020). Indeed, the ride-hailing entrepreneurial models possess the capacity to alleviate poverty through the generation of employment prospects, enhancement of incomes, and reduction of poverty rates within urban areas (Xu et al., 2021).

However, ride-hailing services require some capital and a vehicle, so it is necessary to aid the low-income group to be involved in this service. Therefore, in 2017 the Malaysian government assisted individuals without cars in purchasing their vehicles by providing a car rebate amounting to RM4,000 and allowing a down payment to be made using the Bantuan Rakyat 1 Malaysia government cash aid (Kumar, 2016). BR1M is a one-off cash payment made to the B40 group in Malaysia. The recipient is an individual with a monthly household income of less than RM4,850 (previously at RM4,360). Nevertheless, the program is criticized as it has the possibility of putting the recipients into more debt (Amly, 2016), and the car model is also unsuitable (Noor, 2017). Moreover, although the government has given some financial assistance to ride-hailing drivers, there is a need for a long-term and sustainable plan as we are moving toward the endemic phase (Sothi, 2021).

Nevertheless, the disadvantaged have many challenges while attempting to become ride-hailing drivers, primarily stemming from inequalities within the digital economic interactions (Qiao et al., 2023). Ride-hailing platforms have a tendency to draw in drivers residing in lower-income neighborhoods that have limited employment prospects (Xu et al., 2022). Furthermore, the implementation of cash transfer programs as a means to assist disadvantaged individuals in becoming ride-hailing drivers may be deemed unfeasible and result in increased financial liabilities (Harding et al., 2001). Nevertheless, the formulation of an applicable entrepreneurship framework centered on governmental cash transfers targeted exclusively towards ride-hailing services has the potential to foster self-employment endeavors and enhance household earnings, hence potentially facilitating the emancipation of beneficiaries from impoverished conditions (Zolkifly et al., 2022).

Therefore, the model is developed to bridge the gap between the government assistance program and the potential entrepreneurship model to make it more practical for the recipients. However, it is also crucial to understand the industry's perspective on the assistance program for the B40. This is to ensure that the program has sustainability and benefits the stakeholders. Thus, the researcher aims to validate the ride-hailing assistance model for ride-hailing services for the poor through this study. Ultimately, it serves as a fundamental framework for the ride-hailing entrepreneurship model for the poor.

LITERATURE REVIEWS

Overview of the Ride-Hailing

The gig economy comprises jobs in delivery, taxi, domestic and care, micro work, and online freelancing (Woodcock & Graham, 2020). Careers in the gig economy are often short, temporary, risky, and unstable and becoming more reliant on solid performance and reputation (Woodcock & Graham, 2020). Mohd Soffian Lee (2022) reported that according to a survey conducted by Malaysia Digital Economy Malaysia (MDEC), about 650,000 Malaysians were involved in the gig economy until the end of 2021. This trend is expected to increase annually. Typically, people participate in the gig economy due to its flexibility, lack of access to

different jobs, and opportunity to be involved in entrepreneurship (Radic et al., 2022).

The most well-known example of the gig economy in mobility is ride-hailing (Devesa et al., 2021). According to a forecast by Statista (2022), the ride-hailing and taxi categories are predicted to produce 314,224 million United States Dollars (USD) in revenue in 2022. E-hailing, often known as ride-hailing, is an intermediation service that allows individuals to arrange public transportation via electronic applications (Ministry of Transport Malaysia, 2019). By 2026, the number of users in Malaysia's ride-hailing and taxi category is predicted to reach 7.7 million (Statista, 2022b). The registered number of ride-hailing drivers in Malaysia was about 300,000 prior to the pandemic (Shafiin M.T., personal communication, April 18, 2022). Nevertheless, only 130,000 (30 percent) of the drivers are currently active in the service (Shafiin, M.T., Personal Communication, April 18, 2022).

As for the e-hailing operator or the transportation network company (TNC) in Malaysia, there are currently 31 registered companies, namely Grab, MyCar, Dacsee, Maxim, AirAsia, EzCab, Gola, Mula, and others (Ministry of Transport Malaysia, 2021). According to a report by Statista, the South East Asian market is dominated by Grab (Statista, 2022a). Similarly, Grab owns 94 percent of the market share in Malaysia, MyCar with 3 percent, Maxim with 2 percent, and other operators with 1 percent (Statista, 2022a).

Ride-Hailing Business Model

The underlying principle is that the Internet and mobile platforms allow people to buy or access goods or services directly from other people or businesses outside of established commercial frameworks. It also enables peers to use the digital platform instantly to identify and contact other peers directly with specific products or services (Borowiak, 2019). Ride-hailing business is run on an online platform that is owned by the e-hailing operator. There are three stakeholders in the ride-hailing ecosystem: the e-hailing operator, the driver, and the customer. The customer requests a ride-hailing service using the ride-hailing application. This request is transferred to the ride-hailing platform of a specific operator. Next, the system will match the request with the driver in the system. The driver will then select the request and pick up the customer. Once the service is completed, the customer will pay the fares directly via the application or cash to the driver. These fares will be converted into commissions and credited to the drivers' e-wallet. Moreover, most ride-hailing drivers must deposit a minimum amount of cash into their e-wallet, thus making it easier for the e-hailing operator to manage the commission.

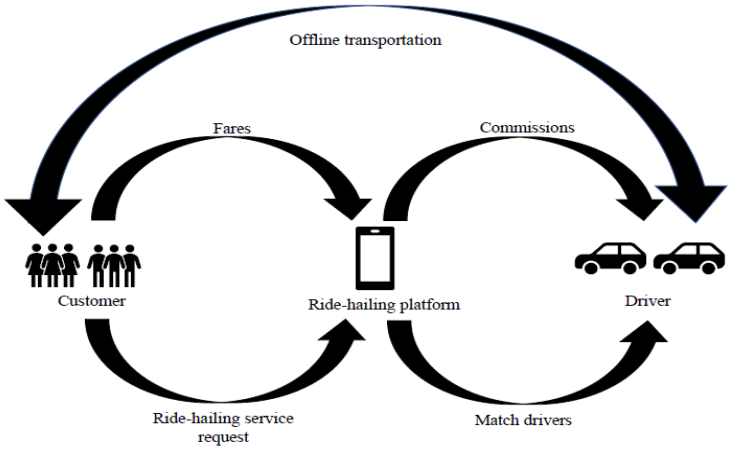

Figure 1: Ride-hailing business model

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The Entrepreneurship Model for the Underprivileged

A B40 entrepreneur is an individual from the B40 group who runs a business. Usually, they are involved in small and micro enterprises and low-added-value sectors such as manufacturing, wholesale, retail, and transportation (Siwar et al., 2019). Moreover, Morris et al. (2023) considered "poverty entrepreneurs" as individuals who come from impoverished backgrounds and encounter numerous obstacles in launching and maintaining businesses; thus, these individuals are considered entrepreneurs from disadvantaged backgrounds. Perhaps, the simplest way to define B40 entrepreneurs is by referring to them as entrepreneurs who make up the lower 40% of the income distribution in Malaysia (Jalil, 2022; Mohamad Nasir et al., 2022). In sum, the B40 entrepreneur characteristics include (1) monthly household income below RM4,850, (2) involvement in micro to small-scale business, (3) being involved in low-added value business sectors, and (4) facing various challenges in business start-up and operations.

The underprivileged group is commonly impoverished given that they lack skill and capital. According to Bandiera et al. (2013), basic entrepreneurship in agriculture may relieve extreme poverty groups by increasing their income with some training and capital injections. Similarly, Kabir et al. (2012) reported that small-scale entrepreneurship in agriculture improves socioeconomic conditions as long as institutional, organizational, and government support is provided to ensure their sustainability. Furthermore, an entrepreneurial activity involving fewer than 20 workers is associated with lower poverty rates suggesting a significant role of microenterprises in rural areas (Nene & Abegaz, 2021).

According to Morris et al. (2023), by providing training and resources to help entrepreneurs in poverty identify and pursue viable business opportunities, as well as by resolving the various obstacles they face, such as discrimination and lack of access to capital, entrepreneurship can be a viable route out of poverty for the disadvantaged. Similarly, in a specific business context, Ismail and Daud (2020) suggested six crucial requirements for the B40 community's agricultural endeavors: training, capital, monitoring, marketing, supply chain, and business networking, which advocates that the government, together with non-governmental organizations or social entrepreneur activists should assist the B40 community with severe monitoring and funding allocation to sustain their income and agricultural endeavours.

In summary, the typical entrepreneurship model for the poor requires capital, financial, and training assistance. Besides, most basic entrepreneurship involves the low-added value sector and produce a minimal return. However, low-skilled labor could also participate in the growth of Industry 4.0 and work in the gig economy.

METHODOLOGY

Qualitative research appears to be particularly well suited to exploratory entrepreneurial studies, given its flexibility in developing research design. Moreover, its application could aid in developing new theories and formulating better policies in the future (Dana & Dana, 2005). Thus, this research employed a qualitative approach using a semi-structured interview. This technique was chosen to probe ride-hailing services' phenomena and understand the industry and the players. Semi-structured interviews were conducted using face-to-face and internet-mediated (electronic) interviews in the first and second phases.

Participants and Sampling Procedure

The sampling procedure in this study was divided into two: purposive and theoretical sampling. Purposive sampling was employed in the first phase, in which samples were selected based on certain inclusion criteria; the participants have a minimum of one year of experience in the service and are in the bottom 40 households. The participants were recruited using social media advertisement and a face-to-face approach. A total of eight ride-hailing drivers were selected for the interview session after the screening process.

Theoretical sampling was utilized in the second phase, where the number of participants was undetermined until the theoretical insight was discovered (Taylor et al., 2016). This technique allows the researcher to select fresh examples based on their potential to assist in the expansion or refinement of the previous concepts or theories (Taylor et al., 2016). For the second phase of the present study, the participants were contacted through their organizations. The organizations were chosen based on their role in the industry. An official letter was issued to the potential candidates with a description of the study. Three organizations responded, and an appointment was set for the interview.

Data Collection and Analysis

Participants' confirmation was made before the actual interview was conducted. Participants were briefed about the research purpose and objectives. The researchers used an interview protocol to guide the interview. Semi-structured interview questions were developed in Malay Language, a Malaysian national language. The interview session utilized face-to-face and internet-mediated (electronic) interviews using video conferencing. The duration of the interview session was between 40 and 60 minutes. All the data were recorded using an audio recorder with the participants' consent.

The audio data were transcribed and analyzed using Atlas.ti software. The data were coded and themed using three steps, i.e. (1) developing and applying codes, (2) identifying themes, patterns, and relationships, and (3) summarizing the data (Dudovskiy, 2022). The grounded theory was used to analyze the data, which assisted in discovering unknown ideas or concepts in this research (Taylor et al., 2016).

RESULTS AND DISCUSSION

Participants Profiles

For the first phase of the study, most of the participants had one to five years of experience in the ride-hailing service and received cash aid in the form of a one-off cash transfer. This cash transfer is called household living aid or 'Bantuan Prihatin Rakyat'. This aid was targeted at the bottom 40 group, which refers to those with a household income bracket of MYR 5000 and below (Bantuan Prihatin Rakyat, 2021). Moreover, most of the participants were registered with Grab, a leading e-hailing operator in Malaysia, with a 72 percent market share in 2020 (Lim, 2021). All the participants were males and based in North, Central, and South Malaysia. The ethnicity of the participants was Malay and Chinese. In the second phase, the agencies selected had different roles in the industry: the training provider, the regulator, and the custodian. The participants involved in the interview session were among the middle to upper-level management.

Table 1: Experts' background

Organizations	Role	Code	Descriptions
Land Public Transport Agency (APAD)	Economic Regulator	E1	The Land Public Transport Body (APAD) is a Malaysian government agency in charge of planning and establishing land-based public transportation policies, plans, and strategies to improve the country's public transportation system, which is at the heart of the National Key Result Area (NKRA). This includes establishing rules and planning rail, bus, and taxi services and the transportation of products via railroads and roadways. E-hailing service is included in their jurisdiction.
Islamic Religious Council & Perak Malay Custom (MAIPk)	Training provider	E2	In general, MAIPk is the leading organization responsible for and entrusted with managing zakat (a form of cash aid for the poor) and waqf in Perak. The zakat fund is an essential instrument for the eight groups of asnaf who need to be assisted with various forms and assistance schemes. Apart from giving zakat, the organization provides support and training for asnaf entrepreneurs.
PKEH-Malaysian E-hailing Industry Workers Welfare Association	Custodian	E3	These non-governmental organizations (NGOs) support the e-hailing drivers' well-being by representing the drivers' rights and benefits and recommending changes to the policymakers. The association aims to improve the drivers' rights, make industrial linkages, ensure the industry's sustainability, and improve the government's accountability.

The first respondent was a government agency under the Ministry of Transport Malaysia and was chosen as they are the economic regulator of land transportation, including taxis and e-hailing. Next, the researchers selected the Islamic Religious Council since the organization provided cash aid and entrepreneurship training to the poor, known as asnaf. Asnaf Fakir is a Muslim who has no property or income. It also refers to Muslims who have property or income but less than 50 percent of the kifayah limit for themselves and their

dependents. The asnaf is in the bottom 40 groups as well. Finally, to better understand the aspirations of the industry, an NGO that protected the drivers' rights was selected. The expert's profile is further elaborated in Table 1. The participants are coded as expert 1 (E1), expert 2 (E2), and expert 3 (E3).

The Mechanism in the Ride-Hailing Assistance Model

Four themes emerged from the data analysis. They are comprised of (1) incentives, (2) process, (3) car, and (4) car ownership and financing. In this model, the categories were grouped based on their components. Table 2 depicts all the components in the model.

Table 2: Mechanism in the ride-hailing assistance model

Components	Categories	Descriptions
Incentives	Form	The form of incentives comprises monetary and non-monetary assistance. Most participants agreed that cash incentive is the preferred form of monetary assistance as it imposes no conditions on the recipients (Zolkifly et al., 2022). Next to cash incentives, rebates and car down payments also were favored by the drivers. The non-monetary assistance comprises promotional, registration, and component support.
	Amount	The amount of incentive varied between the category of recipients, comprising (a) new drivers without a car, (b) new drivers with a car, and (c) existing drivers with a car. The requested amount ranges between MYR 500 to MYR 10000.
	Payment procedures	Payment procedures can be divided into direct and indirect payments. An example of immediate payment is through an e-wallet, while an indirect payment is via an e-hailing operator.
Process	Information	The dissemination of information should be done via e-hailing operators, mass media, and car dealers.
	Selection	The selection criteria for the recipients are comprised of the bottom 40 groups, a minimum year of experience, a good track record, a registered driver, and a Malaysian citizen.
	Monitoring	Monitoring can be performed in two ways: direct and indirect. The government can do direct monitoring via face-to-face, calls, and e-mail. Meanwhile, the e-hailing operator can also monitor the drivers. The criteria for monitoring include attitude, sales report, and customer feedback.
Car	Type	The majority of ride-hailing drivers in Malaysia use a sedan car, namely Perodua Bezza, as their car model (Zolkifly et al., 2022).
	Attribute	The critical attribute of a ride-hailing car is the size, the boot size, fuel consumption, level of maintenance, and comfort.
	Maintenance	The maintenance aspect of a car comprises frequency, type, and cost of maintenance. On average, the frequency of the maintenance is once a month with a cost of MYR 100, which was spent on the engine and appearance.

Car ownership and Financing	Owned	The drivers usually self-funded their car purchases through loans. The advantage is once the hire purchase is made, the driver will own the car, and the return on investment is higher.
	Rented	Alternatively, the ride-hailing car can be rented from an individual or a rental company. The drivers must pay a rental fee to the owner and are typically free from paying road tax and insurance. Moreover, there is also a contract that binds both parties.

In summary, these four themes form the components of the ride-hailing assistance model for the bottom 40 drivers. Each component was divided into categories. Incentives were categorized into amount, form, and payment procedures. Meanwhile, the process represents the information, selection, and monitoring of the incentives. Furthermore, the car component refers to the car's type, attributes, and maintenance. In the last part, car ownership and financing were categorized into owned or rented vehicles. Each car financing type differs between these two categories.

Although all components are essential to the drivers, other parties like the government and e-hailing operators have essential roles in the ride-hailing ecosystem and thus are critical to this model. Moreover, this model was developed solely based on the drivers' or the recipients' perspectives; therefore, it may not consider the experts' opinion on its' suitability and sustainability. The model is revised and discussed from the expert perspective in the second phase.

Findings Phase 2: The Expert Perspectives

This research aims to validate the model to explore its suitability for the poor. The previous model has four components. From the data analysis of the second phase, two components were added: policy and personal factors.

The policy was added as the incentives given by the government are tied to the current government policy. Moreover, policy set by the e-hailing operator could affect the drivers' income and thus influence the ecosystem. Meanwhile, the personal factor is also essential in the model. Although receiving incentives from the government, the driver must initiate their initiatives and have a clear objective to sustain in the industry. As gig economy workers, most ride-hailing drivers are considered independent contractors and are unqualified for labor protections and benefits (Brown, 2020). Thus, participants should be independent and not rely on assistance from any parties.

The first component was an incentive. From the driver's perspective, the majority of the participants prefer cash incentives (Zolkifly et al., 2022). From the expert perspective, E2 reassured that "It's true that it is a popular choice, and everyone would like cash incentive, rebate or others. Any kind of assistance is their desired choice". However, all the experts believed that the driver should reduce their dependence on any form of incentives as gig economy woworkersE3 justified that "yes, the incentive is good, and I have no objections to it. However, as a gig economy worker, it's an independent industry. Thus, if we depend on one company or application, then it has diverted from the DNA of the gig worker. The ecosystem is interdependent, but nobody should be depending on or expecting from any other". "Maybe they will not develop any competence or sustain in the industry. If we look at the main objective set by the government earlier, it is to remove them from the bottom 40

groups, maybe about 1%" (E1). Similarly, E2 stated that "it is no good if they are always relying on incentive. They will not be expanding, which means that their mindset will not grow, always relying on incentives every time". E3 concluded that "I would say that the ride-hailing drivers don't need the government assistance and the incentives without the pandemic and the lockdown". On the contrary, E2 suggested that "we in the Islamic religious council, for instance, provide training. We try to educate them; maybe the incentive is only at the beginning for a few years, so the incentive should have a time frame". Therefore, the incentive was not completely removed from the revised model, and the time frame was added.

Furthermore, the car subsidy also poses some arguments. The experts agreed that the bottom 40 drivers might face difficulties in purchasing their cars. "it's true for the bottom 40 that their major problem and challenge is limited finances. I agree that we can give them a subsidy in terms of a car down payment, but the track record will not be good. I can see that it is the most important thing for the bottom 40" (E1). One of the challenges is that drivers may be unable to commit to loan payment even after receiving the subsidy from the government. E2 states that "if the person just wishes to become a ride-hailing driver and purchase a new car right away, it wouldn't be it. We want to see their commitment. Nevertheless, if we provide them with a new car in the earlier stage, and they are unable to sustain it, they will be burdened with the loan, and their situation will worsen". The expert also believes that it is difficult for the government to implement this initiative.

Car rebate is one of the previous incentives provided by the government, which aims to lift the income of the bottom 40 households. The program executed in 2017 gave a MYR 4000 rebate for the purchase of Proton Iriz to household living aid recipients who want to become ride-hailing drivers (Kumar, 2016). However, the selection of the car model may not be suitable. "We can see that there is some government involvement in selecting the car model. Maybe the car model is chosen because it has many stocks" (E2).

Other than that, the incentive also can be misused without proper monitoring. E1 pointed out that "what happened is that they do not replace the tires, but they trade them with cash. When we did the previous program, we did have a monitoring unit; that's why we found out about it. So, we make the procedure more stringent, and consequently, the recipients become angry". E2 added that "when we provide subsidized loans to those who wanted to become a ride-hailing driver and obtain the car, their target is actually to keep the car only, and they lack the intention to take it as a job". The distribution of the incentives also has an issue. "I'm afraid that the targeted recipients did not receive the incentive. It can become a significant waste whereby the company gets the incentive and the needy one does not receive it" (E3).

The second component is the processes. The selection process should incorporate criteria like crucial performance index and personal factors so that only the qualified individual will receive it. E2 stated that "if we're giving incentive to all even though they're not achieving any key performance index, how are we going to implement it? if they achieve MYR 2000 monthly sales, they will get MYR 500 as an incentive". He also added that the chosen individual should be doing the ride-hailing service as a full-time job. "if he does not consider this job as a career, we cannot select him. We understand that this ride-hailing job can be a full-time or a part-time job only" (E2). Moreover, in terms of personal factors, the drivers should have a clear goal. The selection process is essential as "we do not want to tarnish the industry" as mentioned by E3.

The second improvement regarding the process is the addition of a probation period for the assistance recipients to ensure the candidate's success. "In terms of process, there

should probably be a probational period. If they do not achieve the target, then they cannot proceed with their career. Otherwise, they will be relying solely on incentives and become idle" (E2). The registration process was also posited to be quite costly. The current requirements to be a ride-hailing driver in Malaysia are (1) registration with the e-hailing operator, (2) obtaining a PSV license (a form of commercial driver's license that permits the holder to operate any vehicle that transports paying passengers), (3) obtaining e-hailing vehicle permit (EVP) and (4) car inspection approval. E3 pointed out that "they have invested a lot of money; it can be said that they have spent around MYR 2000 to MYR 3000 in a year to operate the business and stay active in the industry".

The third component is the car. All the experts agreed that the sedan model Perodua Bezza, is one of the most popular cars among drivers. The car model is suitable for ride-hailing services due to its economic value. The fourth component, car ownership and financing pose some issues regarding car rental and special financing scheme for the bottom 40 drivers. Most experts believe that renting a car for a ride-hailing service is inappropriate and should be prohibited. E1 justified that "actually we do not allow a rented car for ride-hailing service as we regulate a private individually owned car. It means that a rented car doesn't get the insurance coverage". One of the reasons is that the car rental company may take advantage of the drivers, and the government agency has no authority to intervene. "We want to avoid companies from taking advantage. They have a commercial agreement with the driver. For instance, the company will increase the interest payment when the payment lapses. It is not under our jurisdiction when that situation occurs as we don't have any authority to intervene in the commercial agreement" (E1). Moreover, another problem arises when the company claims the incentives were originally targeted at personal drivers.

Besides, a rented car requires a higher cost than owning a car. E3 states that "the rental fees for a ride-hailing car can be up to MYR 50 per day. If we took car financing for a Proton Saga or Perodua Bezza, the monthly installment would be only around MYR 40 to MYR 500. Still, for those who do not own a car and find it difficult to get a loan, they will rent the car and have to pay approximately MYR 1500 per month". Although a rented car poses some issues, a new driver may favor this option due to some financial limitations. From a different view, E2 suggested that "in the beginning, they can rent the car for six months to 1 year. When they get the return and believe that they can survive in the industry, they can continue and try to obtain a loan to purchase a car". Thus, the car can be rented within a specified period, and eventually, they must own a car. This suggestion can be considered to reduce the dependence on rented vehicles and government incentives.

In terms of car financing, all experts agreed that the bottom 40 might face difficulties in acquiring a car loan. Firstly, this is due to the loan minimum requirement set by the financial institution in Malaysia. Secondly, some drivers were declared bankrupt and thus are ineligible for any loan application. Therefore, a special car financing scheme is suggested. E1 elaborated that "let's say if a person wants to enter the ride-hailing industry, a special scheme under any parties could be developed. A specific car financing scheme could be developed in which the installment could be made flexible, such as every month. This program has to be related to a specific body. For instance, the driver has to drive 300 km every day or ten trips per day, work leaves, and so on". Similarly, E2 suggested that "if only there is a special scheme for the ride-hailing drivers with conditions that they have operated for six months or one year and then only they are entitled to acquire the loan, and then only we can see the guarantee." In summary, there should be a special fund to set this car financing scheme for the ride-hailing driver as mentioned by E3 "actually the government should inject some fund and lessen the procedure

as the drivers have some track records."

The fifth component added to the original model is policy. Policy developed by the government and the e-hailing operator have a significant influence on the industry. The government policy must be inclusive. E3 opined that "sometimes, some act set by the government is not inclusive as evident in the industry right now. For instance, when they want to regulate some aspect, they only focus on that aspect. They do not view this as a whole; what is ride-hailing industry or gig economy". Additionally, there is a risk that some act contradicts the law. For the e-hailing operator, the policy needs to be monitored. E3 pointed out that "for the first three to six months, the workers perform and achieve their target, but when the company changes its payment and operation policy, they don't have any choice but to follow. No law prevents the company from making policy changes so far".

The data analysis derived one more component: personal factor. It was found that the drivers must initiate their initiative and change their mindset to succeed in this industry. Therefore, they can survive in the ride-hailing service, albeit with the incentive. "In Klang Valley and the whole of Malaysia, there is some relaxation for the ride-hailing driver to deliver food and parcels. However, a certain group remains exclusively as a passenger-based driver, and this group demands incentives". He added that "the more active group have no problem; they can deliver food and parcel, and I believe that their income is about MYR 4000 and above even during the lockdown period" (E3). In addition, E2 justifies that "to enter the gig economy, they have to possess a positive attitude and 100% commitment. Some people simply enter the industry because they do not want to work with others, and then they will need some money and demand for incentive".

The two components, i.e., policy and personal factors, were added to the previous model. The revised model is illustrated in Fig. 2. This model is aimed at the bottom 40 drivers that require government assistance. There are three stakeholders in this model: the government, the e-hailing operator, and the driver. Each component is matched with the stakeholders. The government refers to the federal government, ministries, and their agencies. In Malaysia, four agencies that regulate the industry are the Ministry of Transport Malaysia, Land Public Transport Agency (APAD), Road Transport Department Malaysia (JPJ), and Computerized Vehicle Inspection Centers (PUSPAKOM).

For this model to work, the government must act as the fund provider for the incentives. They are also responsible for overseeing the process and the policies. Moreover, the government and its agencies have the authority to make law amendments in the industry if required. Meanwhile, the e-hailing operator plays a role in assisting the process of monitoring, distributing incentives, and the driver's registration. Apart from that, as an 'employer,' they have to take care of the driver's well-being and provide training to them (Zolkifly et al., 2022).

The ride-hailing driver's ultimate role is to provide the service. Thus, they need to equip themselves with a suitable car. In terms of car ownership, the driver needs to purchase the vehicle. Alternatively, they can use the rented vehicle at the beginning of the service and consequently buy one. Moreover, the drivers must also have a positive attitude and mindset to ensure sustainability in this industry. Ultimately, any incentives would be ineffective without the personal factor. Fig. 2 depicts the ride-hailing entrepreneurship model. The highlighted components reveal the addition to the model based on experts' perspectives.

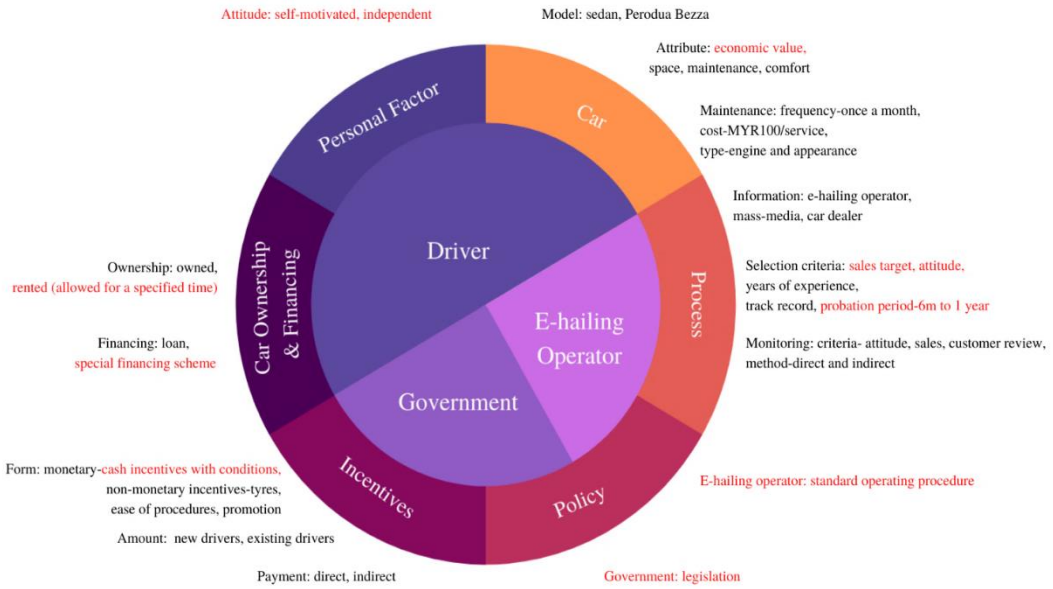

Figure 2: Ride-hailing entrepreneurship model for the poor

CONCLUSION

Based on the findings from both phases, the researchers concluded that there are similarities in terms of:

a. Car model and the criteria for its selection as a ride-hailing car
b. The participants' selection criteria
c. A policy that protects the ride-hailing driver

The car model selection for the ride-hailing service is based on its economic value. For example, the car model must be fuel-efficient and have a low maintenance cost. However, the electric vehicle may replace the fuel vehicle for the ride-hailing service in the future. The electric car may become prominent and adopted by ride-hailing drivers. Nonetheless, the adoption of the vehicle largely depends on the availability of the charging infrastructure and the driving range (Tu et al., 2019).

The ride-hailing drivers can be categorized as professional and occasional drivers (Tu et al., 2019). Similarly, in Indonesia, several groups of drivers execute additional jobs in addition to their ride-hailing jobs (Rizki et al., 2021). Hence, priority should be given to full-time workers who solely depend on the service as an income. Moreover, personal factors like personal attitude, entrepreneurial intention, and entrepreneurial behavior do have a significant influence on the microcredit participants' quality of life (Isa, 2020), thus showing the significance of these criteria in the drivers' selection.

In terms of the policy, Wu *et al.* (2021) suggested that the government flexibly regulate the pricing and revenue distribution of online ride-hailing platforms based on legal compliance to promote social welfare and protect the driver's rights and interests. For instance, the government can set a lower limit for the driver's proportion and limit the commission paid by the platform (Wu et al., 2021). Moreover, many e-hailing operators (TNC) have increased their prices due to the rising fuel cost (Phua, 2022), thus further prompting government intervention.

The government can also create more policies exclusively for certain groups, which would encourage the growth of entrepreneurship among populations that would yield higher returns in terms of job creation. Such policies could be targeted toward groups that are the focus of other government initiatives (Borges et al., 2018), such as the underprivileged or the bottom 40 groups.

Some challenges need to be addressed, especially the involvement of the poor in the gig economy and government intervention in the industry. Initially, the ride-hailing industry requires the participants to use their assets and generate revenue from them. Thus, the suitability of the poor in the gig economy is debatable, given that some of them do not own such assets and need to rent them for work. Moreover, a gig economy worker faces the risk of job uncertainty and safety. Unlike a conventional worker, a ride-hailing driver is not protected by social security insurance, an employee provident fund, or a pension scheme. The protection scheme is only available upon voluntary contributions by the person. Besides, they are also not protected by labor law, thereby making the risk higher.

Another challenge faced by the ride-hailing industry is government intervention in the policy. Although the government is imposing specific regulations in the industry, it may interfere with the DNA of the gig economy. Besides, overregulation by the government may impact the industry, particularly the drivers, stifling the growth of e-hailing services (Jais & Marzuki, 2020). Similarly, government intervention and regulation in conventional entrepreneurship may stifle business growth (Dana, 1993). However, studies depict that little government involvement, along with pro-entrepreneurship government minds, increases the GDP (Dana, 1993). These findings highlight the need for a check and balance and remain a debatable point.

Conclusively, this model is workable with the participation of the government, e-hailing operators, and drivers. Comparisons between the driver's and the expert's views reveal some disagreements, mainly in the (1) form of incentives, (2) terms of incentives, and (3) car ownership and financing. Moreover, it was found that the government practice of subsidizing the business led to a drop in the total commitment (Tasnim et al., 2018). Therefore, the industry should ensure that the participants are independent, while incentives should be given on a case-to-case basis. The assistance implementation should also be effective, efficient, and have a long-term impact on the industry.

This model has a threefold benefit. It will benefit the government, the e-hailing operator, and the driver. This model can guide policymakers and regulators in making and executing policies. Furthermore, to the government, assisting the bottom 40 groups with the incentives will increase job employment and household income. Meanwhile, the e-hailing operator will benefit from the workers' involvement in the industry, increasing their market share and return on investment. The bottom 40 groups could consider a career in the ride-hailing industry with access to some assistance and total commitment to the service. Future work may perhaps expand the research by obtaining the verification of the model from the e-hailing operator. It is also pertinent to validate the model with the mass populations of the B40 and e-hailing drivers to generalize its usability.

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