

## Uber's Impact in the UK 2023 - Methodology Note

### **Polling**

Public First polled 1011 UK adults between 3 - 4 May 2023. All results were weighted using Iterative Proportional Fitting, or 'Raking'. The results were weighted by interlocking age and gender, region and social grade to Nationally Representative Proportions. Public first is a member of the British Polling Council and abides by its rules. The full polling tables are available to download from our website, or on request.

### **Consumer Surplus**

Following the methodology of Brynjolfsson, Collis and Eggers (2019), we asked riders a single discrete binary choice question in the form:

*"Now imagine you had to choose between the following options. Would you prefer to keep access to Uber for ridesharing or go without access to Uber for one month and get paid £X?"*

The price offered was randomised between £1.25, £2.50, £5, £10, £20, £50, £100, £200, and £500.

We then computed both a linear and logarithmic regression of the results of this poll to derive a demand curve and the total consumer surplus per user, taking the average as the headline measure.

This was scaled to give a value for the UK as whole using internal Uber data on the number of riders.

### **Time saved by consumers and businesses**

As part of our polling, we asked riders about their most recent trip with Uber, and how long the next best alternative would have taken.

Using this, and internal Uber data on average trip times, we estimated the average time saving per trip. Multiplying this by internal data on total trip numbers allowed us to establish the aggregate time saving from using Uber.

We then calculated the monetary value of this using Department for Transport estimates of the hourly value of leisure and commuting time, contained within its Transport Analysis Guidance (TAG) documentation.

### **Economic impact of Uber**

The economic impact of Uber was calculated as the sum of:

- Driver payouts.
- Supply chain (Indirect) and additional demand (induced) impacts of driver spending on vehicles.
- Induced impact of additional driver income, which is then spent in the wider economy.

This measure is a gross estimate, looking at the total amount of economic activity supported by Uber in the UK. It does not attempt to measure what would happen in a hypothetical where Uber no longer existed.

Our modelling does not include the impact of Uber's direct investment or employment footprint as a company in the UK, or any spillover effect this has into the wider tech ecosystem.

### **Uber supporting local economies**

To estimate the impact of Uber on local economies, a simple location quotient (SLQ) was applied to our estimates of economic impacts associated with driver spending on vehicles, and additional driver income. This allowed us to estimate the share of economic activity remaining in local communities rather than leaking out into the wider UK economy.

### **Uber supporting the night-time economy**

To estimate the economic impact of night-time economy activity supported by Uber, we drew on data from our survey on the purpose of trips. We assumed that 75% of trips to and from restaurants, bars, films, shows and performances took place in the evening. We also drew on 2019 Public First survey data for Uber on the share of evening trips made by Uber that were "additional" - unlikely to have taken place if Uber did not exist (8.7%).

Combining this with estimates of average restaurant and entertainment spend, we calculated additional spend in the night-time economy supported by Uber. Multipliers were then applied to this to calculate the additional economic uplift associated with supply chain (indirect) and additional demand (induced) impacts.