Uber and Traditional Taxi Companies: A Comparative Analysis of Business Models in the Sharing Economy

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This case study examines the contrasting business models of Uber and traditional taxi companies within the sharing economy framework. By applying a modified version of Porter's Five Forces model that incorporates the role of governmental interventions, the case highlights how digital platforms challenge established industries and reshape competitive dynamics. Uber's platform-centric business model provides advantages in scalability, flexibility, and cost efficiency while enhancing customer convenience. However, it also faces challenges related to regulation, safety concerns, and user loyalty. Traditional taxi companies, although less flexible and often perceived as outdated, maintain competitiveness through regulatory protection, reliability, and customer trust. The analysis demonstrates how regulatory environments act as both barriers and enablers, significantly influencing market entry and competitive positioning. The findings underscore the strategic implications for both types of firms: traditional operators must innovate and adapt to technological disruption. At the same time, platform-based companies must balance growth with compliance and sustainability. This case study is designed for courses in strategic management, business models, and digital transformation, offering students practical insights into the evolving nature of competition and the interplay between innovation, regulation, and consumer behaviour.

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UBER IN TRADICIONALNA TAXI PODJETJA: PRIMERJALNA ANALIZA POSLOVNIH MODELOV V EKONOMIJI SOUPORABE

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Ključne besede:
ekonomija souporabe,
poslovni modeli,
Uber,
taksi industrija,
Porterjev model petih sil

Opomba:
Študija primera temelji na praktičnem primeru, obravnavanem v magistrski nalogi Brine Zgubič z naslovom *Ekonomija delitve in poslovni modeli: Sodobna interpretacija Porterjevih petih sil*, uspešno zagovarjanem novembra 2024 na Ekonomsko-poslovni fakulteti Univerze v Mariboru.

Študija primera proučuje nasprotujoče si poslovne modele podjetja Uber in tradicionalnih taksi podjetij v okviru ekonomije souporabe. Z uporabo prilagojene različice Porterjevega modela petih sil, ki vključuje tudi vlogo vladnih intervencij, primer prikazuje, kako digitalne platforme izzivajo uveljavljene industrije in preoblikujejo konkurenčno dinamiko. Uberjev platformno usmerjeni poslovni model prinaša prednosti v smislu razširljivosti, prilagodljivosti in stroškovne učinkovitosti, hkrati pa povečuje udobje uporabnikov. Vendar se sooča tudi z izzivi, povezanimi z regulativo, vprašanji varnosti in zvestobo uporabnikov. Tradicionalna taksi podjetja, čeprav manj prilagodljiva in pogosto dojeta kot zastarela, ohranjajo konkurenčnost prek regulativne zaščite, zanesljivosti in zaupanja potrošnikov. Analiza pokaže, da regulativna okolja delujejo hkrati kot ovire in spodbujevalci ter pomembno vplivajo na vstop na trg in konkurenčno pozicioniranje. Ugotovitve poudarjajo strateške posledice za obe vrsti podjetij: tradicionalni ponudniki morajo inovirati in se prilagoditi tehnološkim motnjam, medtem ko morajo platformna podjetja usklajevati rast z regulativno skladnostjo in trajnostjo. Študija primera je zasnovana za predmete s področij strateškega managementa, poslovnih modelov in digitalne transformacije ter študentom ponuja praktičen vpogled v razvijajočo se naravo konkurenčnosti in v preplet inovacij, regulacije in vedenja potrošnikov.

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1 Literature Review

The dynamic development of digital platforms has challenged established industries, making the understanding of business models and competitive dynamics a crucial foundation for analysing cases such as Uber versus traditional taxi companies. This literature review, therefore, provides the theoretical framework for the case study. It addresses three strands: (1) the historical evolution of the concept of the business model and its role in shaping competitive advantage, (2) the notion of the sharing economy as a transformative paradigm that enables platform-based companies like Uber to disrupt conventional industries, and (3) Porter's Five Forces framework, expanded with governmental interventions, which is particularly relevant when comparing regulated industries such as taxi services with digitally mediated platforms. Together, these perspectives prepare the ground for the empirical analysis of Uber's platform model versus the traditional taxi business model.

The history of business model development is less than 100 years old. According to Osterwalder and Pigneur (2010), the first transformation of the classic business model began in the 20s of the previous century. Prior to 2000, the concept of business models was primarily associated with internet-based companies. During the early stages of internet-based businesses, business models were only relevant at a network level. Frequently, the concept of business models was used to clarify how new forms of business (such as e-marketplaces, aggregators, or online content providers) would generate revenue (Mason & Spring, 2011). The advancement of technology can enable the emergence of novel business models - a prime historical illustration being the impact of steam power on the mass production business model. However, innovation in business models can also occur independently of technological advancements, as evidenced by Japan's introduction of the "just in time" production system in the 1980s. The relationship between business models and technologies is dynamic, as demonstrated by Amazon's use of new technologies to adapt the traditional mail-order book business model, originally pioneered by Sears Roebuck. Amazon and EasyJet did not create entirely new business models; rather, they applied existing constructs in innovative ways to suit their respective contexts (Baden-Fuller & Haefliger, 2013). The understanding of business models changed significantly after the decline of the new economy in 2000. The term business model went from being a promising catch phrase to being associated with the bursting of the new economy bubble. Many companies failed due to poorly

thought-out or inconsistent business models, leading to cutthroat competition and the survival of only a few start-ups. Despite its negative connotation, interest in the concept of the business model persisted (Wirtz, 2019).

In the business environment, understanding the business model is crucial for several reasons. Firstly, it facilitates the identification of a company's value proposition and its differentiation from competitors. This understanding enables companies to effectively communicate their unique selling points to customers, thereby creating a competitive advantage. Additionally, understanding the business model helps companies identify potential revenue streams and optimise pricing strategies. This knowledge helps identify cost-saving opportunities and streamlines their operations. Furthermore, it helps companies recognise potential partnerships and collaborations that can enhance their value proposition and expand their customer base (Al-Debei & Avison, 2010; Ritter & Lettl, 2018; Zott & Amit, 2010; Zott et al., 2010).

This theoretical perspective is directly relevant to the Uber case, as its model does not create an entirely new business but innovatively adapts existing concepts through digital technology and platform scalability.

1.1 Sharing Economy

Various markets have recently shown a noticeable transition from ownership to accessibility. Instead of purchasing products and becoming owners, consumers now opt for temporary access rights for a fee. This type of trade, in which consumers pay for temporary access, has been prevalent for certain goods for many years, possibly even centuries. For instance, car rental services in B2C markets and outsourcing in B2B markets have long practised this approach (Dervojeda et al., 2013). Ultimately, the sharing economy has become the predominant economy in the digital era (Tham et al., 2023).

The sharing economy is based on the idea that everyday households have a significant surplus of assets, including rooms, cars, and durable goods such as tools and photography equipment. The concept aimed to establish a fresh market model that enables individuals to either rent out or share these assets with others at no cost. Although such transactions were not unprecedented, they were typically limited to acquaintances or individuals within existing social circles and were predominantly

casual in nature. Moreover, they were not heavily focused on generating profits (Schor & Cansoy, 2019). In recent times, the sharing economy has emerged as a revolutionary way to conduct business, disrupting traditional business-to-business (B2B) and business-to-consumer (B2C) models. This innovative approach has opened new possibilities for start-ups while compelling established companies to reconsider their strategies for creating and delivering value to customers (Muñoz & Cohen, 2018). By offering access to underutilised resources and minimising transaction costs, the sharing economy fosters abundance and facilitates exchanges through a platform-based system, enabling unparalleled scalability (Geissinger et al., 2020). Correspondingly, the primary goal of the sharing economy is to reduce the utilisation of resources and services in conducting the company's operations, all the while maximising outcomes (Sadiq et al., 2023).

The reasons for engaging in the emerging sharing economy are multifaceted, reflecting the wide range of platforms and services available (Hossain, 2020). Some individuals are drawn to the modernity and uniqueness of these platforms, while others engage in activities such as swapping, borrowing, renting, buying, selling, and transportation (Schor, 2016). It is crucial to acknowledge that the emergence of the largest sharing economy companies can be attributed to the aftermath of the 2008 financial crisis. This economic downturn had a profound impact on a significant workforce, resulting in millions of individuals facing unemployment (Ahsan, 2020). In this sense, the sharing economy sparks debate. It prompts important inquiries about profit distribution, the fate of conventional enterprises and companies, taxation and government oversight, participant rights, trust levels, altruism among sharers, and the impact on sustainability (Muñoz & Cohen, 2018). The various ownership models of concert companies play a crucial role in shaping the extent of sharing within the industry. In the investor-owned sector of the gig economy, there is greater sharing with investors and a higher potential for worker exploitation. Conversely, platforms that promote collaborative ownership facilitate more peer-to-peer sharing, fostering a more equitable environment and enhancing the quality of working relationships (Le Brocq et al., 2023). Uber, for instance, operates as a taxi service without adhering to licensing regulations, commercial insurance, background checks, or vehicle inspections, granting it a notable edge over other commercial transportation services. It is not required to follow minimum wage or overtime rules, nor is it required to provide benefits such as health insurance or paid leave to its drivers. The categorisation of drivers as entrepreneurs benefits Uber financially in

crucial ways, yet Uber also presents itself as a company that contributes to the greater good by creating opportunities for (micro)entrepreneurship (Ahsan, 2020). This makes Uber a prototypical example of the sharing economy in practice, providing an ideal case for analysing how digital platforms leverage underutilised resources and circumvent traditional regulatory structures.

1.2 Modified Porter's Five Forces Model

Michael E. Porter is widely acknowledged as an eminent expert in strategy and competitiveness. His contributions have led to the development of analytical tools widely utilised by business schools, managers, and public policymakers. These tools include the five forces analysis, generic strategies, the value chain, activity systems, the national diamond, and industry innovation clusters. Porter's analytical frameworks have found broader applications in various domains, such as health care, non-profit organisation strategy, inner-city economic development, national competitiveness, clusters and innovation capacity, cross-industry linkages, environmental quality and competitiveness, and regional economic development (Jörgensen, 2008). Porter's Five Forces model has elevated strategic management to a prominent position within the management agenda. It has become a central component of business strategy and the strategic management literature, and is an important study material for Master of Business Administration and similar programs worldwide (Grundy, 2006). The five competing forces are the bargaining power of buyers, entry barriers, rivalry among existing firms, threat of substitutes, and the bargaining power of suppliers. Porter's Five Forces affect the profitability of firms within an industry, influencing the average rate of return. Competently run companies strategically position themselves to mitigate these forces, aiming to outperform the industry's average rate of return (Barringer & Ireland, 2010).

Porter's framework encompasses five significant forces: the bargaining power of buyers, entry barriers, rivalry among existing firms, the threat of substitutes, and the bargaining power of suppliers (Porter, 2008).

Over the years, several authors have argued that the original model should be expanded to reflect the complexity of modern industries better. For example, Brandenburger and Nalebuff (1996) proposed adding "complementors" as a sixth force, underscoring the importance of actors who create added value through

cooperation rather than competition. More recently, Porter himself acknowledged the transformative impact of digitalisation and the Internet of Things on competition in his "Smart, Connected Products" framework (Porter & Heppelmann, 2014), where he highlighted how technology fundamentally reshapes industry structures. These perspectives demonstrate that Porter's model has been repeatedly adapted and reinterpreted in response to new economic realities.

Building on this tradition of adaptation, the present case study incorporates an additional sixth force that is particularly critical in the sharing economy: governmental interventions. Regulations, legal frameworks, and policy measures not only act as external constraints but also shape the very boundaries of competition. In industries such as transport, health care, or energy, government interventions can simultaneously serve as barriers to entry, protect incumbents, or create opportunities for new entrants.

In the Uber-versus-taxi comparison, governmental interventions are decisive. Traditional taxi companies operate under strict regulatory regimes that define licensing, pricing, safety, and labour standards. Uber, on the other hand, positions itself as a technology platform, often circumventing or contesting these regulations. As such, regulation becomes the pivotal factor that determines whether Uber can expand or is restricted, and whether traditional taxis can maintain their competitive advantage. This makes the inclusion of governmental interventions as a sixth force not only theoretically justified but also practically indispensable for analysing the dynamics of this industry.

2 Case study

2.1 Learning Outcomes

The case study is designed to support the achievement of the following learning outcomes:

Learning outcome 1: Explain the distinctive features of business models in the sharing economy.

Learning outcome 2: Apply Porter's Five Forces model to compare traditional and platform-based business models.

Learning outcome 3: Critically evaluate the role of regulation in shaping competitive advantage.

Learning outcome 4: Identify opportunities and threats for traditional firms facing digital disruption.

Learning outcome 5: Propose strategic recommendations for firms operating in dynamic and regulated environments.

These learning outcomes are contextualised through the following case study narrative. The story introduces the rise of the sharing economy. It highlights Uber as a key disruptor of the traditional taxi industry, thereby providing the empirical ground for applying the discussed theoretical concepts.

2.2 Story (i.e. case)

Over the past two decades, the rapid evolution of digital technologies has reshaped the way individuals consume, produce, and exchange value. The proliferation of smartphones, high-speed internet, and app-based platforms has created a fertile environment for what has become widely known as the sharing economy. This phenomenon, also described as collaborative consumption or platform capitalism, is characterised by its capacity to leverage underutilised resources through digital mediation. Private homes, cars, and even professional skills are transformed into economic assets through technology, enabling individuals to participate simultaneously as both consumers and service providers (Belk, 2014).

Unlike traditional industries where ownership and control are concentrated in institutions, the sharing economy is powered by digital platforms that connect dispersed actors at scale. These platforms are not merely intermediaries; they are enablers of entirely new value propositions, offering services that are often more convenient, accessible, and affordable than those provided by incumbents (Chang, 2020). However, as much as they represent innovation, they also act as disruptors,

challenging well-established industries that have historically relied on regulation, licensing, and barriers to entry for stability.

The transportation sector epitomises this tension. At the heart of the debate lies Uber, the most recognisable name in the global sharing economy. With a business model built on flexibility, scalability, and user-centred convenience, Uber has redefined urban mobility while simultaneously triggering intense regulatory battles, protests, and competition with traditional taxi services (Jiang et al., 2021). The clash between Uber and the conventional taxi industry provides a vivid illustration of the opportunities and challenges inherent in the sharing economy and a fertile ground for reinterpreting Porter's Five Forces in contemporary contexts.

To illustrate the disruptive dynamics in practice, the following subsections present Uber's platform-centred model and contrast it with the traditional taxi business model.

2.2.1 Uber's Business Model: Platform-Centred and Disruptive

Founded in 2009 in San Francisco, Uber quickly evolved from a luxury ride-hailing service to a global digital platform with operations in more than 70 countries. At the core of its model is a two-sided marketplace: drivers, who act as independent contractors, and riders, who demand cost-efficient, reliable, and on-demand transport (Haider, 2015; Wolf, 2022).

Uber's value proposition rests on several pillars: it achieves cost efficiency by avoiding the ownership of vehicles and direct employment of drivers, which allows it to maintain a lightweight cost structure; it offers flexibility, enabling riders to order a ride in seconds while giving drivers the freedom to decide when, where, and how often to work; it emphasizes user-friendliness, with a mobile application that integrates real-time tracking, digital payments and rating systems, creating a seamless experience that surpasses many traditional taxi services; and it demonstrates scalability, as its platform-based model supports rapid geographical expansion and diversification into adjacent services, ranging from food delivery (Uber Eats) to freight logistics (Review, 2024). By digitising trust and efficiency through ratings, algorithms, and data-driven pricing, Uber has shifted consumer expectations of urban mobility, where it is no longer sufficient merely to provide transport: what

matters is speed, transparency, and convenience, delivered at the touch of a smartphone.

2.2.2 Traditional Taxi Business Models: Licensed, Regulated and Stable

In contrast, the traditional taxi industry has long been structured around licensing systems, heavy regulation, and established operating routines. Local governments typically regulate the number of taxi medallions or licenses available, ensuring that supply does not significantly outstrip demand (Aguilera-García et al., 2022). These licenses often represent substantial financial investments for drivers or taxi companies, forming a major entry barrier and an asset that appreciates over time. The strengths of this model include reliability, as licensed taxi services are legally bound to safety, insurance, and service-quality standards. Regulatory protection, as licensing systems create scarcity, allows drivers to maintain stable income levels. And lastly, local familiarity. Many taxi operators maintain strong connections with their communities, fostering trust and repeat business among customers. Nevertheless, these advantages also come with limitations. Regulation creates rigidity, leaving little room for innovation. The scarcity of licenses inflates costs for drivers, while consumers often encounter higher prices, limited availability, or inconsistent service quality (Ng, 2016). The rise of Uber and similar platforms has exposed these weaknesses, particularly in urban centres where demand for flexible, affordable transport is high.

Having outlined both models, the next step is to analyse how they interact within the competitive environment by applying a modified version of Porter's Five Forces framework.

2.2.3 Porter's Five Forces Revisited: Uber vs Traditional Taxis

The conflict between Uber and the traditional taxi industry can be analysed effectively through an adapted version of Porter's Five Forces, tailored to the context of digital platforms and the sharing economy. This adapted framework builds on Porter's original model (1979), which is expanded here to include the additional force of governmental interventions, as discussed in Section 1.2.

1. Barriers to Entry

For decades, high regulatory hurdles and costly taxi licenses ensured limited competition in the industry. Uber's entry fundamentally altered this dynamic. By positioning itself as a technology platform rather than a taxi company, Uber sidestepped traditional licensing structures in many markets. Smartphones became the entry point, dramatically lowering barriers for new competitors. The taxi industry, once insulated by regulation, suddenly faced a flood of agile, digital challengers.

2. Bargaining Power of Buyers

Consumers gained unprecedented power with Uber's arrival. The ability to compare prices, read driver ratings and access services instantly empowered riders in ways the taxi industry had never offered. In contrast, traditional taxis often relied on location-based monopolies (e.g., airport taxi stands) that limited consumer choice. Uber shifted the balance, placing bargaining power squarely in riders' hands.

3. Bargaining Power of Suppliers

In Uber's case, suppliers are the drivers. As independent contractors, they benefit from low barriers to participation but also bear the risks of vehicle maintenance, fuel, and insurance. Their bargaining power remains limited, as Uber controls pricing algorithms and commission structures. Taxi drivers, though burdened by license costs, historically enjoyed stronger protections and greater relative stability, creating a sharp contrast with the other system.

4. Threat of Substitutes

Urban mobility encompasses public transport, cycling, walking, and car ownership. Both Uber and taxis face substitution threats from these alternatives, though Uber's integration with digital convenience has made it more resilient. Innovations like pooled rides or integration with mobility-as-a-service (MaaS) platforms further strengthen Uber's ability to adapt against substitutes.

5. Industry Rivalry

The rivalry between Uber and taxis is intense and visible. Protests, lawsuits and lobbying characterise much of this rivalry, especially in Europe, where taxi associations wield significant political influence. Price wars, service innovation and constant media coverage keep the rivalry at the forefront of public debate. Unlike traditional intra-industry competition, this rivalry reflects a clash between old regulatory models and new digital ecosystems.

6. Governmental Interventions (Additional Force)

Perhaps the most decisive force in this case is government regulation. Governments across the world have grappled with whether Uber should be classified as a technology company or a transport provider. By leveraging its popularity and consumer demand, Uber positions itself as "too big to ban," aiming to secure regulatory acceptance only after establishing a strong market presence. This strategy, sometimes referred to as "corporate disobedience," sees Uber capitalising on regulatory ambiguity and betting on public support to deter government intervention. While this lawbreaking posture has attracted criticism, it also forces governments to reassess and potentially update regulations in response to public sentiment, challenging traditional protections and fostering a complex dialogue between innovation and regulation. Court rulings, expensive lawsuits and regulatory reforms have therefore significantly shaped Uber's expansion strategy. For taxis, regulation traditionally provided stability; for Uber, it represents an existential challenge. The balance of power thus depends heavily on political and legal outcomes, which vary across jurisdictions.

2.2.4 Core Problem: Maintaining Competitiveness in a Disrupted Market

The case of Uber versus traditional taxis crystallises a broader dilemma: how can traditional firms remain competitive amid digital disruption and evolving regulatory frameworks? Taxi companies are not merely losing market share; they are confronted with an entirely new way of delivering value that challenges the foundations of their business model. Uber's rise demonstrates the strength of platform-centred models in exploiting digital connectivity, but it also exposes their vulnerabilities, particularly in regulatory and ethical domains. Meanwhile, traditional

taxi operators struggle to adapt: bound by rigid licensing systems, high fixed costs and slower rates of innovation.

The problem is not simply one of competition, but of transformation. The question facing policymakers, incumbents and new entrants alike is whether traditional models can evolve to preserve reliability and regulatory compliance while also delivering the flexibility, affordability and user experience that consumers increasingly demand. This tension creates the central narrative of this case study: a story of disruption, adaptation and strategic decision-making in an era where the sharing economy reshapes the very boundaries of industries. The core problem addressed in this case study can therefore be summarised as follows: How can traditional, regulation-bound business models sustain competitiveness against digital platform-based disruptors such as Uber?

2.3 Results

This section summarises the key comparative findings between Uber and traditional taxi companies, integrating insights from the Business Model Canvas and the modified Porter's Five Forces analysis.

2.3.1 Business Model Comparison

The comparative analysis of Uber and traditional taxi companies reveals substantial differences in their business models and competitive positioning. Using the Business Model Canvas (BMC), Uber's platform-centred approach (Figure 1) emphasises scalability, customer convenience and technology-driven value creation. Its value proposition lies in low-cost, on-demand, and flexible transportation, supported by digital channels and automated customer relationships. In contrast, the BMC of a traditional taxi company (Figure 2) reflects a more rigid, regulation-dependent model. Value creation is tied to licensing systems, regulated fares, and long-standing supplier relationships. Customer interaction is more traditional, with limited opportunities for innovation or differentiation.

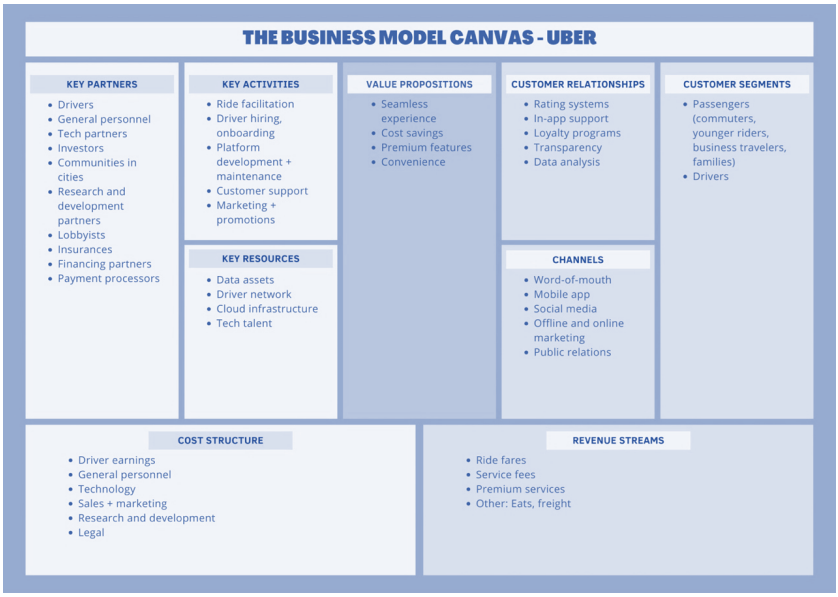

Figure 1: Business Model Canvas – Uber
Source: (adapted from Huryn, 2024; Pereira, 2023).

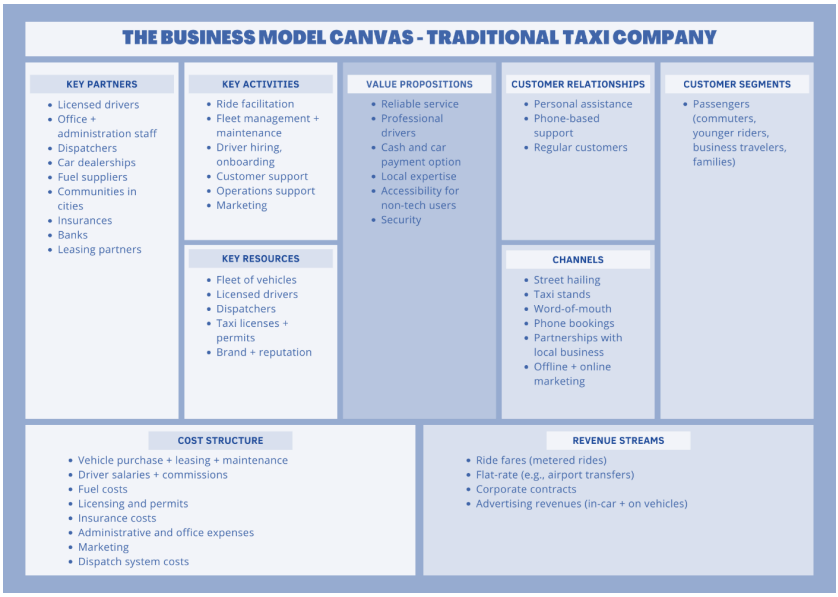

Figure 2: Business Model Canvas – Traditional Taxi Company
Source: (adapted from Aguilera-García et al., 2022; Darbéra, 2017).

2.3.2 Competitive Dynamics and Regulatory Impact

Applying the modified Porter's Five Forces framework provides further insights. For Uber, barriers to entry are relatively low in terms of infrastructure but high in terms of technological capabilities and network effects. The bargaining power of suppliers (drivers) is limited due to the abundance of potential contractors, though concerns about labour classification and rights have emerged. Customers, on the other hand, hold significant bargaining power, given the ease of switching to alternative platforms. Rivalry is intense not only with taxis but also with other ride-hailing competitors, such as Lyft and Bolt. Regulatory interventions remain Uber's most critical challenge, influencing pricing, licensing and operational standards.

Traditional taxi companies face a different set of dynamics. Barriers to entry are reinforced by regulation and licensing systems, which protect incumbents but also limit innovation. Supplier power is moderate, as both employees and stakeholders are drivers in the licensed system. Customer power has increased with the availability of substitutes, yet taxis retain a reputation for safety and reliability. The presence of new digital entrants intensifies industry rivalry, while governmental interventions historically favoured taxis but are now being re-examined to ensure a level playing field.

The following table (Table 1) provides a comparative overview of the competitive forces influencing both business models.

Table 1: Comparative Analysis of Porter's (Modified) Six Forces: Uber vs Traditional Taxi Companies

Force	Uber	Traditional Taxi Companies
Barriers to Entry	Low formal regulatory barriers, but high technological and network requirements	High regulatory barriers through licensing and medallion systems
Bargaining Power of Buyers	High – customers can easily switch between platforms and compare prices	Moderate – limited substitutes in local markets; customer loyalty stronger
Bargaining Power of Suppliers	Low – drivers as independent contractors with limited influence	Moderate – licensed drivers have more protections and bargaining stability
Threat of Substitutes	Public transport, car ownership, micro-mobility; Uber counters through digital convenience	Similar threats, but taxis are less adaptive and innovative

Force	Uber	Traditional Taxi Companies
Industry Rivalry	Intense – price wars and competition with Lyft, Bolt, and local apps	High – increasing pressure from digital entrants and reforms
Governmental Interventions	Key constraint and enabler: regulation shapes Uber's legality and growth	Historically, protective regulation is now under review to enhance competition

Source: (authors' own synthesis based on the literature review and comparative analysis presented above).

Finally, market data on Uber's growth in the number of rides executed (Figure 3) illustrates its rapid global expansion and ability to capture market share through aggressive pricing and promotional strategies. However, these trends also raise questions regarding long-term profitability and sustainability. Overall, the results highlight a dual reality: Uber thrives on flexibility, digital scalability, and customer-centric innovation, yet remains vulnerable to shifting regulatory and social legitimacy pressures. Traditional taxi companies, by contrast, benefit from regulatory protection, consumer trust, and institutional embeddedness, but struggle with adaptability and innovation in an increasingly digital and deregulated environment.

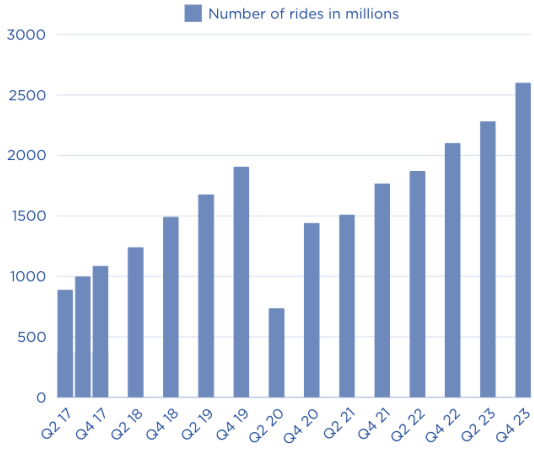

Figure 3: Uber rides worldwide, Q2 2017–Q4 2023
Source: (adapted from Statista, 2024).

3 Discussion Questions

The following questions are designed to encourage critical reflection on the strategic, regulatory, and societal implications of digital platform models within the sharing economy. Students are invited to apply concepts from the literature review—

particularly business model innovation and the modified Porter's Five Forces framework—to analyse the dynamics between Uber and traditional taxi companies.

1. Which are Uber's key sources of competitive advantage, and how do they differ from those of traditional taxi operators?
2. How does regulation influence market entry, competition, and pricing strategies for both Uber and traditional taxis?

3. Which external threats most strongly affect firms in the sharing economy, and how can companies mitigate these risks?

4. In what ways can traditional taxi companies innovate or transform their business models to remain competitive in a digitalised marketplace?

5. To what extent do consumers shape the success and legitimacy of platform-based versus traditional service providers?

6. How could emerging technologies such as autonomous vehicles redefine competition and regulatory frameworks in the urban mobility sector?

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Didactic use: The case study can be used in courses in the field of entrepreneurship, firm growth, new venture creation, and the entrepreneurial process. It is particularly relevant for the content addressed in courses at the FEB, such as *Entrepreneurship*, *Dynamic Entrepreneurship*, and *Managing sustainable firm growth* in undergraduate and university study programs, and/or *Entrepreneurship process* in master's study programs.