

Is Uber Still A Uber: A Case Study of the Asian Governments' Policies on Uber

By

Chia-Feng Li

李佳鳳

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DEPARTMENT OF INTERNATIONAL AFFAIRS

This senior paper was presented

by

Chia-Feng Li
李佳鳳

It was defended on

November 20, 2021

and approved by

Reviewer 1: Daniel Lin, Associate Professor, Department of International Affairs

Signature: _____ Date: _____

Reviewer 2: Yuan-Ming Chiao, Assistant Professor, Department of International Affairs

Signature: _____ Date: _____

Adviser: Ren-Her Hsieh, Associate Professor, Department of International Affairs

Signature: _____ Date: _____

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Chia-Feng Li, B.A.

Wenzao Ursuline University of Languages, 2022

Abstract

Nowadays, more and more platform economics appear, for instance, Uber, Airbnb, Ubike, and Opentable. Those are a sort of sharing economy and a new way business model. Some people consider that to be a type of disruption innovation. For the original industry, they are affected by the emerging industry. Therefore, the governments are usually asked to solve the conflicts brought by new services from technology. This research focus on what policies or programs that the government make for emerging industry, find the common points that the governments support the emerging industry and analysis that a new business model wheather affected by the governments interference. The author collected data from official websites, newspapers, magazines and government press. This research found that a new business model from technology caused some interest groups to be negatively affected and found the governments actively want to create a perfect entrepreneurial ecosystem

Keyword: platform economics, sharing economy, disruption innovation, emerging industry

Uber 還是最初的 Uber 嗎：以亞洲政府對於 Uber 政策的個案研究

Chia-Feng Li, B.A.

Wenzao Ursuline University of Languages, 2022

摘要

近年來，有許多平台經濟崛起，例如：Uber，Airbnb，Ubike 以及 Opentable。這些都是一種新的商業模式也屬於共享經濟的一種。有一派人會認為是破壞式創新。對於既有的產業來說，新興產業的出現會影響他們。因此，在新科技所衍生出來的服務模式下，同時也對既得利益者形成衝突。因此，政府通常被要求解決相關問題。這項研究將專注在政府為新興產業制定了哪些政策以及方案，從中找出政府支持新興產業的共通點，以及分析 Uber 在台灣的營運模式是否有被改變。作者從官方網站、報紙、雜誌和政府媒體收集了數據。最後本研究發現，因為科技而產生的新商業模式會導致一些既有利益團體受到負面的影響，並發現政府也積極的想要為新興產業創造良好的創業生態。

關鍵字：平台經濟，共享經濟，破壞式創新，新興產業

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INTRODUCTION

Background

“Innovation distinguishes between a leader and a follower from Steve Jobs¹” The rise of emerging industries is critical to the economic performance of countries, and the reason is that with the systematic development of innovative technologies, new industrial groups have been created, new markets have been initiated, new job opportunities have been startup, and economic growth rates have increased. Even caused the transformation of traditional industries.

“On September 11, 2019, there was a big parade. Hundreds of taxi drivers center around the road near Executive Yuan. People in order to request the Ministry of Transportation and Communications should immediately regulate Uber in accordance with European and American governments, and the Uber platform should be managed. The Ministry of Transportation and Communications should not extend the non-operation period for Uber, otherwise it is ignoring the rights and interests of legal taxi drivers in Taiwan.²” This protest brings out a lot of people to followed closely. Since Uber emerged, it is related to traditional taxi drivers, also passengers and Uber’s drivers.

Recently, the word “sharing economy” is often mentioned in the articles or news. For instance, Uber, Lyft, Didi, Grab, Yoxi, there are various types of transportation. Users can order the vehicle online, know the price in advance and pay the fee with electronic payment. “The concept of “Airbnb is that everyone can lease the vacant room to people in need. By Airbnb, let the platform match supplier and demand.³”

¹ Forbes. “Innovation Distinguishes Between A Leader And A Follower,” February 14, 2013. <https://www.forbes.com/sites/bwoo/2013/02/14/innovation-distinguishes-between-a-leader-and-a-follower/?sh=1c5d63e22844>.

² 陳鈺馥, “不滿交通部護航 uber 非法業者 數百台小黃繞政院抗議,” 2019/09/11.

³ Airbnb. “What Is Airbnb and How Does It Work?,” <https://www.airbnb.com/help/article/2503/what-is-airbnb-and-how-does-it->

There is also a type of sharing economy. Finally, I took Uber for the case because I used to take Uber rather than taxi. There is a good thing that passengers can know the driver's comments and can also write down the comments after you take them. It is different from yellow taxis on the road in all places.

In summary, the concept of Uber can be divided into three ideas for the market: one is the sharing economy, the second is emerging industries, and the third is disruptive innovation. According to the protest on September 11, 2019, we can understand that Uber entered Taiwan, leading interest group to feel unsatisfied. The same applies to other countries. For example, France, Germany, Hong Kong, South Korea, Singapore, Indonesia, etc. This research will discuss the policies or program of the governments do for emerging industry, the common that the governments support the emerging industry.

Motivation

When an emerging industry appeared, it impacted on the original industries constantly. When Uber, which was a newborn company, entered Taiwan, local drivers accused Uber of being illegal. In that case, Uber was once banned by the Taiwanese government. After five years, the Taiwanese government made Uber legal in Taiwan. The emergence of Uber had caused an impact on the interests of drivers. Nevertheless, the government had to explain to the public, or amend laws and regulations, so that the interest groups on both sides can be balanced. Thus, I took Uber for example for my research. I used literature review to find data and analyze it.

Research Purpose

If you want the country's economy to improve, the progress of the industry is very important. Each industry forms a strong economic system. Startup is an approach

that can boost the economy. Therefore, for better development of an emerging industry, it was important to understand the governments' policies about innovation. When an emerging industry appeared, some industries had some different opinions. Different countries had their own solutions. Therefore, the first purpose is to understand the emerging industry, sharing economy and disruptive innovation through the literature review. The second purpose of this research is to understand the innovation policies proposed by the governments. The third purpose is to find the common points among Singapore, China and Taiwan. The final purpose is to understand whether the new business model has deteriorated.

Research Questions

1. What policies or programs did the Asian governments make for emerging industry?
2. What are the common points among these Asian governments?
3. Is a new business model challenged by Taiwanese governments?

Limit

Due to uneven time distribution, it is hard to collect more Uber cases in Asian countries, such as Japan, South Korea, India. And Western countries, such as France, United States, United Kingdom etc.

Delimit

The entry of emerging industries is worthy of attention all over the world. However, Singapore and China are both representatives of the best economic growth in recent years. Due to the above limit, I select China and Singapore which are more competitive with Taiwan.

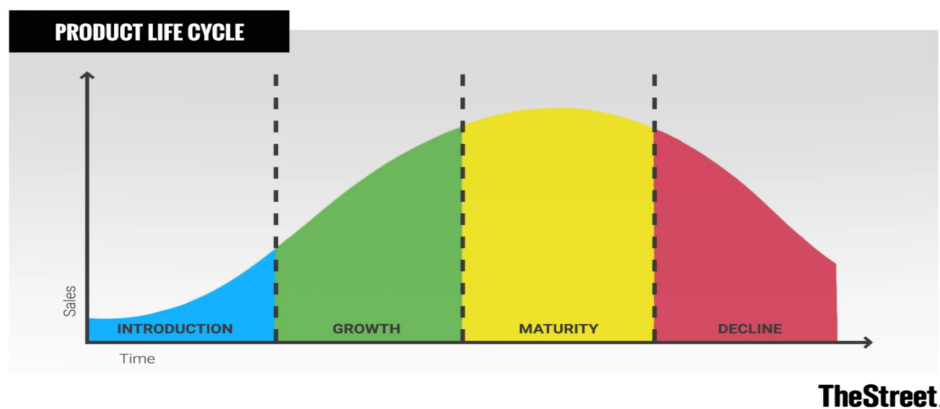
LITERATURE REVIEW

Emerging Industry

“Innovate or die from Peter Drucker⁴”. With the advancement of science and technology, more and more new technologies appear, enterprises must compete to gain a foothold in the market. "Innovation" is regarded as a key element by the company. However, the emergence of emerging industries is mostly due to innovative technologies. Basically, every industry will face periods of prosperity and decline. Therefore, the industry life cycle is mainly manifested through the product life cycle. Applying technological innovation to improve products and update them.

According to “product life cycle (See figure 1)⁵ by Raymond Vernon.” A product has just entered the introduction period in the market, and gradually it has a growth period with huge sales volume and rapid growth. Afterward, a period of maturity when demand is greater than supply and growth is slow, and then a decline period in which new products appear and opt out.

Figure 1 The Product Life Cycle



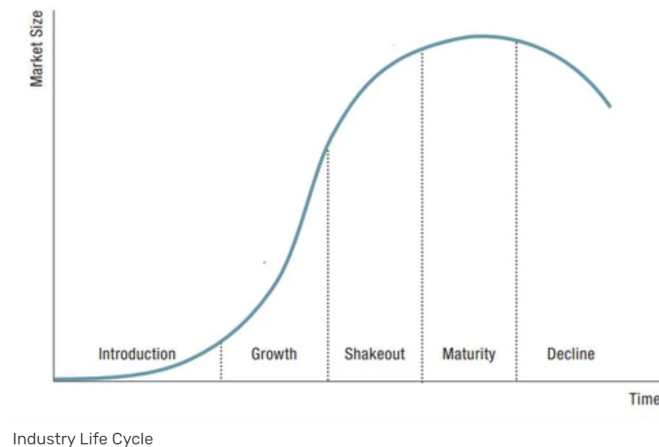
Source: ANNE SRADERS. “What Is the Product Life Cycle? Stages and Examples.” The Street, <https://www.thestreet.com/markets/commodities/product-life-cycle-14882534>.

⁴ Adi Ignatius, ed. “Innovation on the Fly.” Harvard Business Review, December 2014. <https://hbr.org/2014/12/innovation-on-the-fly>.

⁵ ANNE SRADERS, "What Is the Product Life Cycle? Stages and Examples," <https://www.thestreet.com/markets/commodities/product-life-cycle-14882534>.

However, “if the industry is to continue to survive, it needs innovative technology⁶.” Evolution of new industries is depicted as a staged process by industry life cycle theorists by Hill & Jones. The industry life cycle (see figure 2) dived into introduction, growth, shakeout, maturity and decline.

Figure 2 The Industry Life Cycle



Source: “Industry Life Cycle,” https://wikicase.fandom.com/wiki/Industry_Life_Cycle.

In my research, I define the emerging industry which comes from technological innovation and exists in the industry life cycle at the stage of introduction and growth. In the beginning, the company was just like a “pioneer⁷ also called first-mover in the market.” There are some advantages such as market share and high profit. There are also some disadvantages such as high risk and demand uncertainty. For example, Uber is a forerunner in the car sharing industry. Using the platform economics to collude with drivers and passengers. Tesla in the electric vehicle industry is the first manufacturer of autonomous cars. In recent years, “the electric vehicle industry is considered a future trend in the world⁸.” Take another example, Gogoro, which is

⁶ Laura Furstenthal Jordan Bar Am, Felicitas Jorge, and Erik Roth, "Innovation in a Crisis: Why It Is More Critical Than Ever," *McKinsey&Company* (June 17, 2020).

⁷ Eric 'ERock' Christopher, "What It Means to Be a Pioneer of Your Industry (and 3 Signs You Might Be One)," *Entrepreneur* (March 10, 2021).

⁸ 簡立峰, "電動車，台灣新創的難得大優勢！," *數位時代* (2021.04.19).

Taiwanese startup company that made an impression in the electric vehicle industry. On the other hand, “the emergence of new industries was faced the test of lack of cognitive and socio-political legitimacy⁹.” To give an illustration, Uber entered some countries and had an impact on the traditional taxi industry. Make the taxi drivers feel unfair and question the loopholes in the rules. Some countries consider Uber a violation of existing regulations. But, in some countries they didn’t take any action. Another example is the regulation of self-driving cars. Responding to technological progress, self-driving cars appear frequently in life. For traffic law, the United States promulgated “Federal Automated Vehicles Policy¹⁰” in 2016. After many revisions, the United States Department of Transportation promulgated “Ensuring American Leadership in Automated Vehicle Technologies: Automated Vehicles 4.0¹¹” in 2020. It can be seen that the United State government is very positive in developing the self-driving car industry, and has loosened many mandatory regulations on manufacturers and increased people’s safety protection. However, facing industry changes, laws and regulations also need to change with the times.

Sharing Economy

The concept of sharing has existed in the past. People exchange materials or barter. Therefore, sharing economy is the continuation of this concept. “Belk¹² pointed out Sharing economy is a way of social operation that shares human resources and resources.” It includes the creation, production, distribution, transaction and

⁹ Howard E. Aldrich and C. Marlene Fiol, "Fools Rush In? The Institutional Context of Industry Creation," *The Academy of Management Review* 19, no. 4 (1994).

¹⁰ U.S. Department of Transportation. “Federal Automated Vehicles Policy - September 2016,” n.d. <https://www.thestreet.com/markets/commodities/product-life-cycle-14882534>.

¹¹ U.S. Department of Transportation. “Ensuring American Leadership in Automated Vehicle Technologies: Automated Vehicles 4.0,” n.d. <https://www.transportation.gov/av/4>.

¹² Belk, Russell W. "You Are What You Can Access: Sharing and Collaborative Consumption Online." *Journal of Business Research* : JBR 67, no. 8 (2014).

consumption sharing of goods and services by different individuals and organizations. Common forms include car sharing, ridesharing, shared bicycles, shared mobile power, and exchange accommodation.

In the early days, “the sharing economy was first proposed by American social professors Marcus Felson and Joel Spaeth in 1978¹³.” After that, there are many different academic and lack of conformance. “Belk¹⁴ stated that sharing defines as ours.” “Botsman and Rogers¹⁵ divide consumers' consumption patterns in the sharing economy into three parts” : First is product service system. Using peer-to-peer to share own product to others or leasehold. In this system, consumers have the right to use instead of ownership. Second is redistribution markets. People pass the needless things to those in need (eBay, Freecycle, SwapTree, Carousell). At the same time, redistribution market can reduce the waste of social resources. Third is collaborative lifestyle. Gather groups of the same interest to share or exchange their time, space, and skills with each other (Airbnb, Zopa). “Torben Rick¹⁶ mentioned that there are three aspects: society, economy and technology make the sharing economy rapid rise.” Thanks to new technological advance, “sharing economy can be considered a strategic niche in the field of sustainable innovation¹⁷.” “European Union¹⁸ publish research “An European Agenda for the Collaborative Economy” in 2016, they defined collaborative economy is a broad concept, it refers to a business model that

¹³ Felson, Marcus, and Joe L. Spaeth. “Community Structure and Collaborative Consumption: A Routine Activity Approach.” *American Behavioral Scientist* 21, no. 4 (March 1978): 614–24. <https://doi.org/10.1177/000276427802100411>.

¹⁴ Russell Belk, "Why Not Share Rather Than Own?," *The ANNALS of the American Academy of Political and Social Science* 611, no. 1 (2016).

¹⁵ Rachel Botsman and Roo Rogers, *What's Mine Is Yours : The Rise of Collaborative Consumption* (New York: Harper Business, 2010).

¹⁶ “Corporate culture is driving the strategy or undermining it,” December 3, 2013. <https://www.torbenrick.eu/blog/culture/corporate-culture-is-driving-the-strategy-or-undermining-it/>.

¹⁷ Johan Schot & Frank W. Geels (2008) Strategic niche management and sustainable innovation journeys: theory, findings, research agenda, and policy, *Technology Analysis & Strategic Management*, 20:5, 537-554, DOI: 10.1080/09537320802292651

¹⁸ "<a_European_Agenda_for_the_Collaborative_Economy.Pdf>."

encompasses everything, promoted by a collaborative platform.” Collaborative economy also called platform economics. It creates an open market for the temporary use of products or services. It usually does not involve a change of ownership and can be for-profit or non-profit. In response to the advent of the sharing economy era, there are some actions from governments. In 2012, Seoul government set up a policy called “The Shared City Seoul Project¹⁹. First, Seoul government promulgated the Seoul Metropolitan City Sharing Promotion Ordinance(首爾特別市共享促進條例).

Second, Seoul government designated "shared groups" and "shared companies" with shared urban brand identity. They provide the support of administrative and financial. Third, Seoul government offer the Seoul Sharing Center website and encouraged citizens to participate.” Otherwise, Debbie Woskko published an article “unlocking the sharing economy: an independent review²⁰ in 2014 for the British government how to be a Global Center for the Sharing Economy. In this article, it defined sharing economy is the sharing of personal assets, resources, skills and time by way of online platform, and people can get money from sharing resources.” First, British government found a “Share City²¹ to promote local development. Second, British government collaborated between Innovation Lab and Office for National Statistics to collect data, statistics and evaluation. Third, incorporate the sharing economy into government procurement.” Sharing economy also called the “peer-to-peer economy”, “on-demand economy”, “gig economy” and “Collaborative consumption”. However, sharing economy was widely popularizing and accepted after the financial crisis in 2008s, people began to deeply reflect on the current

¹⁹ “The Sharing City Seoul” Project," <http://english.seoul.go.kr/policy/key-policies/city-initiatives/1-sharing-city/>.

²⁰ Debbie Woskko, " "Unlocking the Sharing Economy: An Independent Review." " (2014).

²¹ “Smart London: Sharing Cities,” <https://www.london.gov.uk/what-we-do/business-and-economy/supporting-londons-sectors/smart-london/sharing-cities>.

situation of excessive consumption, and one after another they rented out their houses and items to subsidize their families, filling the sudden expansion of the financial gap. This situation just like the newspaper "The Economist" said "on the internet, everything is for hire²²".

Disruptive innovation

In 1912, Joseph Alois Schumpeter raised a proper noun "creative destruction²³" theory. He thought innovation creates profits, but there is innovation as well as destruction. The reason is innovation will change the original economic model and at least the new will replace the old. Finally, the ending will be better than original. However, Christensen improved Joseph's theory in 1997. "Clayton M. Christensen distinguished two types of innovation. One is sustaining innovation the other is disruptive innovation. Sustaining innovation means to improve product functions and sell products with better performance and higher prices to high-end customers. Christensen divide disruptive innovation into new-market disruptive innovation and low-end market disruptive innovation. New-market disruptive innovation refers to businesses that compete against non-consumption in lower margin sectors of an industry. Similar to low-end disruption, the products offered are generally seen as "good enough," and the emerging business is profitable at these lower prices. Low-end market disruptive innovation means businesses that from the bottom of the market and serve customers in a way that is "good enough."²⁴ These are generally the lower

²² "The Rise of the Sharing Economy," The Economist, <https://www.economist.com/leaders/2013/03/09/the-rise-of-the-sharing-economy>.

²³ Prophet of Innovation: Joseph Schumpeter and Creative Destruction

²⁴ Christensen, Clayton M., Michael Raynor, and Rory McDonald. "What Is Disruptive Innovation?" Harvard Business Review 93, no. 12 (December 2015): 44–53.

profit markets for the incumbent and thus, when these new businesses enter, the incumbents move further "upstream." In other words, they put their focus on where the greater profit margins are. However, disruptive innovation can develop successfully because the company ignores the importance of new-market foothold and low-end foothold.”

◆ The characteristics of disruptive innovation

1. Based on new-market foothold and low-end foothold, disruptive innovation can survive.
2. In the primary, the target market is focused in the low-end market demand.
3. Turn non-consumers into consumers.
4. Lastly, penetrate the entire market.

When I searched the key word “disruptive innovation”, there is an example with disputed. Uber is more controversial in the internet. “According to Harvard Business Review “What Is Disruptive Innovation?”, it mentioned Uber is not a disruptive innovation. It provided two reasons: one is disruptive innovation comes from low-end or new markets; another is until their quality standards are met, disruptive innovation will not appeal to mainstream consumers. Uber was born in San Francisco with a lot of taxi industry and the consumers are used to taking taxi²⁵.” In other words, it means Uber is not from low-end market demand. Thus, it is not suitable for disruptive innovation.

There is a successful instance, Netflix, founded in 1997. There are two technologies changing the world at the time. One is internet another one is DVD. In the audiovisual industry, “Blockbuster is the mainstream market by the time.

²⁵ Ibid

During 1985-2000, Blockbuster²⁶ had 7000 physical stores in the United States. It was very convenient for consumer to rent the DVD. However, Netflix through own distribution center, monthly rent, development system recommendation and no physical stores to attract mainstream customers. Because Netflix's innovative methods, let it stand firm in audiovisual industry.

Government and Start-up Company

According to "GEM (Global Entrepreneurship Monitor), the definition of a startup company is a company established in 42 months with legal resources, this company takes profit and growth as its main goals, provides products or services, and makes a value from the concept²⁷." But the main concern of a startup company is funding. In the emerging market, there is "institutional void²⁸ (制度缺失)" during startup companies. At this moment, the role of the government is very important. The government is an intermediary to connect startup and entrepreneurial ecosystem.

There are some methods that the "government does for startup. The first method is a government investment fund. The government sets the plan for startup to apply for funds. The second method is to introduce talents. The government loosens visa restrictions, cumbersome procedures and strengthens social welfare to attract talents to stay. The third method is to introduce international funds. The government introduces foreign capital to invest in startup. The fourth method is helping startup to be listed. The government takes the role of counseling and assistance so that startup

²⁶ Jordan, Andrew. "The Effects of Netflix and Blockbuster Strategies on Firm Value." (2011).

²⁷ Global Entrepreneurship Monitor. "How GEM Defines Entrepreneurship," <https://www.gemconsortium.org/wiki/1149>.

²⁸ Heeks, Richard, Juan Erasmo Gomez-Morantes, Mark Graham, Kelle Howson, Paul Mungai, Brian Nicholson, and Jean-Paul Van Belle. "Digital Platforms and Institutional Voids in Developing Countries: The Case of Ride-Hailing Markets." *World Development* 145 (September 2021): N.PAG. doi:10.1016/j.worlddev.2021.105528.

can get more funds²⁹.” The fifth method is “regulatory sandbox. The government has formulated a mechanism in response to the rapid development of innovative companies, because many innovative companies are disruptive innovation companies, breaking the old business model, and this is usually accompanied by legal penalties and restrictions³⁰.”

In the end, a part of the reason why startups can survive is government policy. Start-up companies with the assistance of the government can become large-scale enterprises.

Summary

Technology brings a lot of influence to people. For instance, Big Data, “Fintech (financial technology)³¹”, Cloud Technology, Intelligent Transport System, Artificial Intelligence, 5th generation wireless systems, Internet of Things etc. When technology enters the market, new business models will emerge to impact on some industries. However, I focused on the emerging industry and proposed related ideas such as sharing economy, disruptive innovation to discuss the characteristics of emerging industries. Moreover, I want to understand how the emerging industries stay in the market and what the government provides to emerging industries.

²⁹ National Development Council. “Action Plan for Enhancing Taiwan’s Startup Ecosystem,” https://www.ndc.gov.tw/en/Content_List.aspx?n=DD6EB3B5F084F394.

³⁰ Chen, Christopher Chao-hung, Regulatory Sandboxes in the UK and Singapore: A Preliminary Survey (September 6, 2019). Regulating FinTech in Asia: Global Context, Local Perspectives (Mark Fenwick, Steven Van Uytsel and Bi Ying ed., Forthcoming, August 2020), Available at SSRN: <https://ssrn.com/abstract=3448901> or <http://dx.doi.org/10.2139/ssrn.3448901>

³¹ Nicoletti, Bernardo. 2017. The future of FinTech: integrating finance and technology in financial services.

METHODOLOGY

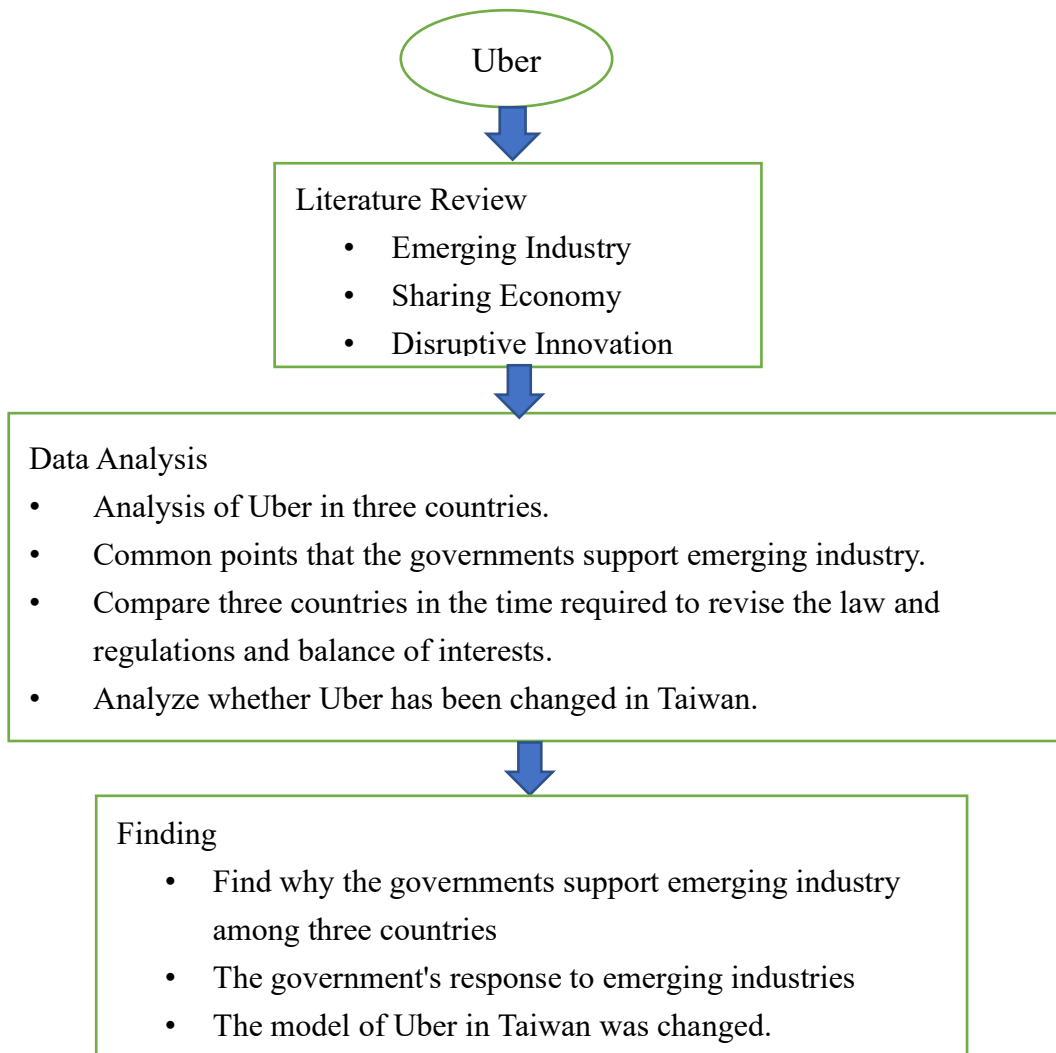
Research Design

The purpose of this research is to analyze the policies of the government to the emerging industry through the Uber case. However, the research adopts content analysis as the primary method. The literature review is about the concept of emerging industry, sharing economy, disruptive innovation and the relationship between the government and the startup company. The author collects data from the government press, academic website, and official website. The data analysis is to analyze the case of the governments' policies to the emerging industry of Uber, the common points that the government support the emerging industry and think a new business model whether challenged by the government or not.

Research Structure

The literature review is about the concept of emerging industry, sharing economy, disruptive innovation and government and startup. The data analysis is to analyze the methods the government makes for emerging industry, find common points that governments support emerging industry and explore whether a new business model, Uber, is challenged by Taiwanese governments. In the last part, through the data analysis, the author found the common reasons among these three countries, how the government responds to emerging industries and the model of Uber was changed in Taiwan under the national regulations.

Figure 3 Research Structure



Source of Data

The study population of this research is Uber. And have some competitors from domestic like Taiwan Taxi and Yoxi the others from overseas like Didi and Grab. Those competitors were founded during 2001 to 2021. There are more and more competitors add in this industry. My primary data from official websites and electronic documents of Uber, Yoxi, Grab, Didi and Taiwan Taxi. The main purpose is to understand the background of Uber and competitor and development history.

Secondly, I collect data using keyword like “Uber”, ”ride-hailing”, “sharing cars”, “rental cars” from BBC News, The Economist, Reuters, Financial Times, Business Next(數位時代), The News Lens(關鍵評論), The New York Times, TechNews(科技新報), Harvard Business Review and Z-library.

DATA ANALYSIS

The author chose some competitors in taxi industry with Uber, such as Yoxi, Taiwanese Taxi, Didi and Grab. To realize the development history and operation status. And proposed innovation policies for emerging industry from the governments. However, to find the common points that the governments support the emerging industry. In the end, to investigate a new business model whether challenged by the governments or not.

Uber and Its Competitors in Taiwan, Singapore and China

Uber

Uber is a “transportation network company³²” (TNC) in San Francisco and funded by Garrett Camp and Travis Kalanick in 2009. Through Uber Apps to connect passengers and drivers to provide passenger service of the sharing economy services. Passenger can use Apps to reserve the car, track vehicle location, paid by online payment and evaluation after the trip. Drivers received the order from Uber Apps, picked up the passengers to their destination and drivers also can evaluate passengers. After completing each trip, “Uber will charge 25% of the service fee³³.” However, it will be credited to the driver’s account every week.

Paris is the first overseas point of operation. In addition, it steadily expands to London, Singapore, Mexico, Taiwan, China, and Hong Kong. As the Uber business model progressively matures (see table 1), “Uber IPO on May 9, 2019 in NYSE³⁴(紐

³² Li, Sen, Hamidreza Tavafoghi, Kameshwar Poola, and Pravin Varaiya. 2019. “Regulating TNCs: Should Uber and Lyft Set Their Own Rules?” *Transportation Research: Part B* 129 (November): 193–225. doi:10.1016/j.trb.2019.09.008.

³³ "Official Website of Uber," <https://www.uber.com/gh/en/drive/basics/tracking-your-earnings/>.

³⁴ "The Ipo of Uber - a Classroom Case," *International Journal of Teaching and Case Studies* 11, no. 3 (2020).

約證交所).”

Enhancing one more competitor will share the profits in the market, this is the fixed truth. “In the early days of Uber that enters several countries, it slowly threatened the local taxi industry³⁵.” A lot of local drivers around the world, they had street protested. For example, Jakarta, Hong Kong, Taiwan, London, Argentina. Because of the street protested, the government must control and find the methods for Uber and local taxi industry.

Table 1 The Milestone of Uber

Time	Event
2009/03	The found year of Uber.
2011/12	Paris is the first stronghold.
2012/04	Stronghold in London.
2013/02	Stronghold in Singapore.
2013/07	Stronghold in Mexico.
2013/06/27	Stronghold in Taiwan.
2014/03/12	Stronghold in China.
2014/06	Stronghold in Hong Kong.
2014/12	Indian government announced Uber ban on operations because of sexual assault.
2016/08	Uber's business in China sold to Didi.
2016/11/16	Taiwanese government asked to be removed in Taiwan.
2017/04/13	Uber reopened in Taiwan

Source: "Official Website of Uber,"
<https://www.uber.com/gh/en/drive/basics/tracking-your-earnings/>.

³⁵ MOHAMED S. JALLOH, "Uber: Advantages and Disadvantages," *Investopedia* (September 03, 2021).

Yoxi

Hotai Motors is a car manufacturer and dealer in Taiwan. it is a agent of world famous car brands, such as TOYOTA, LEXUS, and HINO. Hotai Motors created “Yoxi, which means “your best taxi” in November 2020³⁶.” In order to reverse the negative image of Taiwan’s taxi industry, Yoxi guarantees new cars within 5 years, up to 50 million passenger insurance, and convenient app experience. The first point of operation at the end of 2020 is New Taipei City and Taipei City, followed by expansion to Taoyuan in May 2021, and Kaohsiung at the end of August 2021. Also, “Yoxi is expected that Tainan and Taichung can be developed before the end of 2021. The operating time of Yoxi is during the Covid-19³⁷”, they provide some policies for drivers to livelihood. For instance, interest-free repayment plan, free anti-epidemic insurance, free vaccinations, free epidemic prevention materials, free credit card handling fee, free of burden for corporate signing discounts.

“Mobility as a Service (MaaS) is the concept of transportation integration, and it is an emerging style of service at the same time³⁸.” Yoxi is going to lay out on MaaS early. In 2014, Hotai Motors invested and developed “iRent that is self-driving sharing.³⁹” In 2020, Yoxi that is drive-in sharing join the taxi industry. Take this opportunity, Yoxi used shared services and integrated services such as the Internet of Vehicles, big data, and membership systems with digital tools to create consumers with one-stop transportation service.

³⁶ YOXI, <https://www.yoxi.app/about-yoxi>.

³⁷ Ibid

³⁸ Liu, Yining, and Yanfeng Ouyang. 2021. “Mobility Service Design via Joint Optimization of Transit Networks and Demand-Responsive Services.” *Transportation Research: Part B* 151 (September): 22–41. doi:10.1016/j.trb.2021.06.005.

³⁹ iRent, <https://www.easyrent.com.tw/irent/web/about.shtml>.

Taiwan Taxi

Taiwan taxi was established in September 2001 by Lin Tsun Tian. In Taiwan, there are a lot of yellow taxis on the road and the light box on the roof named Taiwan Taxi. “Its market share is as high as 24% in Taiwan⁴⁰.” People can call Taiwan taxi by phone, apps, call the phone number 55688, official line account. In the past, Taiwan taxi always criticized for being old cars and poor-quality drivers. “And there is a network survey from Daily View about top ten behaviors that passengers do not like⁴¹.” And some people they do not like to take yellow taxi (小黄) because of the taxis that can be stopped everywhere and cannot know the past evaluation and related information, cause passengers have no choice at all, it is like a gambling, either heaven or hell. After Lin Tsun Tian took office, he wanted to change the negative image. He said “In the past, taxis always gave people the image of being messy and trouble-loving, but after I entered the industry, I tried to change Taiwan taxi’s image. After doing this in the past few years, I can see that the industry has successively established fleets, put on uniforms and ties, and improved the cleanliness of the vehicles⁴².”

But in 2013, Uber appeared in Taiwan. Uber had a huge impact on the Taiwan taxi. They found that the number of rides has stalled. However, they protested government agencies. Make a crisis into a favorable turn. Let Taiwan Taxi also aware of the advancement of technology, so they actively improve the app interface and adds a variety of electronic payment methods. After this, the government tutor some

⁴⁰ 高敬原, ed. “Non-Cash Payment Increased by 35%! Taiwanese Taxi Forecasting Integration System, Aiming at These Two Major Directions to Grab the Market.” *Business Next*, October 19, 2020. <https://www.bnext.com.tw/article/59680/taiwan-taxi-member-strategy>.

⁴¹ Daily View. “Can You Please Let Me Be Quiet! Top Ten Netizens Hate Behavior,” n.d. <https://dailyview.tw/Daily/2018/01/30>.

⁴² EMBA Magazine Editorial Department, ed. *Not Domineering, but Convincing*. 368th ed. EMBA, 2017. https://www.emba.com.tw/?action=news_detail&aID=2093.

traditional taxi driver to be Multi-taxi (多元化計程車). Not affected by color and rate, and to provide passengers with better service quality.

Didi

“Didi Chuxing(滴滴出行) was originally called "Didi Dache(滴滴打車)." It was founded in 2012, but it was renamed "Didi Dache(滴滴打車)" in 2014. In 2015, it merged with China's large-scale taxi-hailing service "Kuaidi Taxi(快地打車)" and was renamed "Didi Chuxing(滴滴出行)" in the same year⁴³.” “In August 2016, Didi acquired Uber China and became China's largest online ride-hailing company with a market share of over 90%. According to the first quarter of 2021, 156 million people in China use Didi and the average business volume is 25 million times. Didi Chuxing is the most used ride-hailing platform in China⁴⁴.”

“Didi Chuxing business scope includes car rental, chauffeuring, bike sharing, taxi, ride sharing, tailored taxi service⁴⁵.” Ride sharing is car owners can take passengers on the same route and reduce fuel and fare costs through shared rides. This is nothing more than a win-win situation for car owners and passengers. “And this business has been taken off the shelf for a short period of time because of there are two considerable cases happened in Didi ride sharing in 2018. Both cases are about the driver killing and raping passengers, causing two deaths⁴⁶.” Didi ride sharing was

⁴³ Didi, <https://www.didiglobal.com/about-didi/about-us>.

⁴⁴ MARK HEDLEY, ed. “WHAT’S HAPPENING TO DIDI IN CHINA?” China-Britain Business Council, July 10, 2021. <https://focus.cbbc.org/what-is-happening-to-didi-in-china/#.YYtLCL1Bxmo>.

⁴⁵ Ibid 44

⁴⁶ BBC News. “Didi Executives Fined Following Deaths of Two Women,” November 28, 2018. <https://www.bbc.com/news/business-46367492>.

questioned driver screening mechanism is too easy to slip through. .

Grab

Grab is a transportation network company (TNC) in Malaysia. “The predecessor of Grab is MyTeksi and funded in 2012. MyTeksi renamed to Grab in 2016⁴⁷.” The founder is Anthony Tan and Tan Hooi Ling. The headquarters of Grab is in Singapore. “In 2018, Uber sold business in Southeast Asia to Grab, and Uber will acquire 27.5% stake in Grab⁴⁸.” Present day, Grab is a unicorn company in Southeast Asian countries. The scope of Grab’s operations is private cars, tuk-tuk (嘟嘟車), taxi, GrabCycle, GrabShuttle Plus and Grabfood. However, “Grab integrates from transportation to payment flow and logistics to develop. Grab developed GrabPay in 2018, let e-wallet can be more common in the Southeast Asia⁴⁹.”

The methods of Governments set for emerging industry

Innovation is an important competitive weapon in recent years. In order to improve competitive strength, the government create an innovative environment for the industries. At the same time, the government is helping traditional industries to accelerate transformation, create job opportunity and attract foreign investment.

Uber in Taiwan

“Uber uses third-party payment services, data processing services, and electronic information provision services entered in Taiwan in 2013. According to “Article 17

⁴⁷ Grab, <https://www.grab.com/sg/about/>.

⁴⁸ Charlotte McEleny , ed. “Uber Concedes to Grab in Southeast Asia, Takes 27.5% Stake in the Business.” The Drum, March 26, 2018. <https://www.thedrum.com/news/2018/03/26/uber-concedes-grab-southeast-asia-takes-275-stake-the-business>.

⁴⁹ Ibid 48

Paragraph 1 of the Company Law, taxi industry is a franchise industry⁵⁰ in Taiwan. After Uber joined Taiwanese taxi industry, a group of taxi drivers accused that Uber violate “Regulations for Automobile Transportation Operators” and “Highways Act (公路法).” However, Uber stopped the operation in February 2017. The reason why is that “the government revised the “Highways Act” cause Uber received a lot of traffic ticket reach up to USD 35 million⁵¹.” Uber drivers went to the Ministry of Transportation and Communications to protest voluntarily, hope the government to attach importance to the "sharing economy." Uber in April 2017, announced that they reopened in Taiwan and corporate with leasing industry. Uber serves as an information platform operator. For sharing car can more survive in Taiwan, the Ministry of Transportation and Communications integrated opinions and revised “Article 103-1 of Regulations for Automobile Transportation Operators⁵².” On the other hand, the government wanted to transport traditional taxi driver to suit the market, and tutored them into “multi-taxi⁵³.” Recently, taxi industry in Taiwan also add the new competitors, like Yoxi and post-transition Taiwan taxi. Due to the revised regulations, more sharing companies could survive in the market and provide services.

In order to provide a good environment for emerging industries like Uber. And in exchange for accelerating the transformation of Taiwan's industrial structure, the

⁵⁰ "<Between Public and Private Mobility: Examining the Rise of Technology-Enabled Transportation Services.Pdf>."

⁵¹ MANAGERtoday, ed. “Taiwan Passed a Fine of 25 Million, the Highest ‘Uber Laws’ in the World, to Understand the Dispute between Uber and the Government at One Time.” Business Next, December 16, 2016. <https://www.bnext.com.tw/article/42380/uber-could-face-nt-25-million-fine>.

⁵² Shelley Shan, ed. “Ministry to Push Ahead with ‘Uber Clause.’” Taipei Times, May 29, 2019. <http://www.taipetimes.com/News/taiwan/archives/2019/05/29/2003715991>.

⁵³ 陳世超, ed. “Research and Analysis on Related Legal Issues of Diversified Taxi Passenger Transport Services.” legislative Yuan, Republic of China (Taiwan), November 1, 2016. <https://www.ly.gov.tw/Pages/Detail.aspx?nodeid=6590&pid=85309>.

Executive Yuan proposed “The 5+2 Industrial Transformation Plan⁵⁴” in 2016. The industry including Asia Silicon Valley, National Defense, Circular Economy, Smart Machinery, Green Energy, Semiconductors, Biomedicine, Services. Especially, “the research focused on Asia Silicon Valley 1.0 and Asia Silicon Valley 2.0⁵⁵.” The goal of Asia Silicon Valley is using Taiwan's technology to promote industrial transformation with the Internet of Things (IOT) and create an entrepreneurial ecosystem based on research and design (R&D). In Asia Silicon Valley 1.0, there are two parts:

- ◆ Promote the Internet of Things industry and R&D
- ◆ Build a complete entrepreneurial system

However, in order to implement the Asian Silicon Valley, the Executive Yuan proposed “DIGI plus program⁵⁶.” The program enhances broadband digital, improves the environment for digital innovation development, and creates a high-quality digital national innovation ecosystem.

In 2021, the government promoted the Asia Silicon Valley 2.0. To response to rapid technology, and introduced AI (artificial intelligence) and 5G (fifth generation mobile communication technology). In Asia Silicon Valley 2.0, there are three parts:

- ◆ Expand the application of AIoT technology
- ◆ Enhancing the environment for startup industry in development
- ◆ Towards the international stage

⁵⁴ Executive Yuan. “Circular Economy Promotion Plan,” January 30, 2019. <https://www.ey.gov.tw/Page/5A8A0CB5B41DA11E/18ef26a4-5d05-4fb3-963e-6b228e713576>.

⁵⁵ Artificial Intelligence Collaboration Platform, <https://aidea-web.tw/asvda>.

⁵⁶ Executive Yuan. “DIGI plus Program’ Promotes Results-Towards a Smart Country,” September 9, 2019. <https://www.ey.gov.tw/Page/5A8A0CB5B41DA11E/22a0ad26-653c-4e0e-854a-e53da6f759fc>.

Uber in China

UberChina started in 2014, but the Chinese government receives reports from the public. Accusing illegal operation from UberChina service. In 2016, Ministry of Transport of China promulgated "Guiding Opinions on Deepening Reform and Promoting the Healthy Development of the Taxi Industry (關於深化改革推進出租汽車行業健康發展的指導意見)⁵⁷" and "Interim Measures for the Administration of Online Taxi Booking Operation Service (網絡預約出租汽車經營服務管理暫行辦法)⁵⁸." Using those regulations to restrict and supervise sharing car. Especially, "Uber and Didi continue to compete with subsidies since the second half of 2014⁵⁹." But after regulation appeared, the new regulation stipulates that online car-hailing platforms must not disrupt the market at a price lower than cost. This announcement ends the subsidy competition of uber and Didi. Uber decided to combine its Chinese operation with Didi on August 1, 2016. And Uber owns 5.89% of Didi's property. However, Didi and Uber are companies of the same nature. The last business left in China is Didi. There are two reasons why "Uber loosed to Didi and withdraw from China. The first reason is new regulation. Because new regulation appeared cause Uber cannot use subsidy policy to compete with Didi. Nevertheless, since Uber entered the market later than Didi, most of the market share belongs to Didi. According to iResearch, in the first quarter of 2016, the market share of Didi reached

⁵⁷ "Guiding Opinions on Deepening Reform and Promoting the Healthy Development of the Taxi Industry," July 28, 2016. http://big5.www.gov.cn/gate/big5/www.gov.cn/zhengce/content/2016-07/28/content_5095567.htm.

⁵⁸ "Interim Measures for the Administration of Online Taxi Booking Operation Service' Promulgated," July 28, 2016. http://www.gov.cn/xinwen/2016-07/28/content_5095584.htm.

⁵⁹ Leslie Hoo, ed. "Uber Makes a U-Turn in China as Subsidy War Ends in Didi Deal." Financial Times, August 2, 2016. <https://www.ft.com/content/7f6e251a-5801-11e6-9f70-badea1b336d4>.

85.3%. On the other hand, the market share of Uber only 14.9%. The second reason is culture difference. Uber as an American company. When Uber entered the Chinese market, Uber ignored cultural differences and affected consumer behavior differences for example, register Account, customer service and payment. In terms of registration, Didi uses a linkage program to register like WeChat. This is the most common method used by Chinese users. It's not like Uber needs to fill in a lot of information when registering. In terms of customer service, Didi has a dedicated line to provide immediate feedback from passengers. It's not like Uber uses email to respond. In terms of payment, Didi combines Alipay and WeChat Pay, which are most used by Chinese users. It's not like Uber enter a credit card to bind. At the end of the day, Didi became a largest online car-hailing platform in China⁶⁰.”

China had a long and continuous period plan called “The Five-Year Plan” since 1953. The research focused on “14th Five-Year plan (國民經濟和社會發展第十四個五年規劃)⁶¹” during 2021 to 2025. In this plan, the government focused on technology and industry chain. “The main thing is dual circulation that China should rely on a robust cycle of domestic demand and innovation as the main driver of the economy and at the same time, maintaining foreign markets and investors as a second engine of growth. On the other side, includes establish a new type of infrastructure and innovation⁶².”

⁶⁰ “<Based on the differences in consumer behavior between China and the United States, talk about the reasons for Uber's failure to enter China. Pdf>.”

⁶¹ 高長。〈中國大陸《十四五規劃》重點及其對兩岸經貿之影響〉。《展望與探索月刊》第 19 卷第 2 期 (2021)：頁 47-65。來自華藝線上圖書館。

⁶² “<Analyze the strategy of "Dual Circulation and New Infrastructure" in China. Pdf>.”

Uber in Singapore

“Taxi industry in Singapore is a semi-official regulated industry⁶³.” So, getting a taxi license is not easy for Singaporean. However, when Uber entered Singapore in 2013, Uber had a competitor, Grab, at the same time. Both are service sharing car. But finally, Uber abandon the Singapore market in 2018. Uber sold the business in Singapore to Grab and owns 27.5% of Grab. Faced with the advent of new technologies, “Singapore’s Prime Minister Lee Hsien Loong said that we should review the suitability of our regulations and maintain a balance between new business and existing business. More important thing is that we must help the industry change rather than help them stop the change⁶⁴.” The Singapore government is the first revised the regulation which about ride-hailing in Asian. The regulation is “The Third-Party Taxi Booking Service Providers Act⁶⁵” in November 2015. The way let the Grab and Uber legitimate in Singapore.

Singapore’s attitude towards emerging industries is more open. “There is a Reasearch, Innovation and Enterprise Council (RIE) found in 2006⁶⁶.” The goal is to advise on national research and innovation policies. The research focused on RIE 2025. There are three strategis became the foundation of a smart nation.

- ◆ Expanding the mission of RIE and addressing the needs of other countries
- ◆ Enrich our scientific base

⁶³ 侯勝宗. “從新加坡的計程車產業反觀台灣，政府何時能跳脫鼻尖思考？.” 獨立評論, February 8, 2021. <https://www.ft.com/content/7f6e251a-5801-11e6-9f70-badea1b336d4>.

⁶⁴ 南洋視界. ”李顯龍：新加坡絕不能將淘寶、Uber「牆」出去,” May 2, 2016. <http://news.nanyangpost.com/2016/05/uber.html>.

⁶⁵ Singapore Statutes Online. “Third-Party Taxi Booking Service Providers Act 2015,” June 29, 2015. <https://sso.agc.gov.sg/Acts-Supp/17-2015/Published/20150629170000?DocDate=20150629170000>.

⁶⁶ National Research Foundation Singapore, <https://www.nrf.gov.sg/about-nrf/national-research-foundation-singapore>.

- ◆ expand platforms to drive technology translation and increase the innovation capabilities of our enterprises

Common Points That Government Support The Emerging Industry

After collect data and data analysis, the author found some common points that the governeemnts of these three countries support the emerging industry.

- ◆ Revising law and regulation for industrial transformation. In response to technological development and progress, new business models have emerged. In the online car-hailing market, Didi, Grab, and Uber are the new business models to the host countries. Singapore, China, and Taiwan revised the regulation and law for emerging industry to stay in the market. Singapore revised the regulation “The Third-Party Taxi Booking Service Providers Act ”in November 2015. China revised the regulation “Guiding Opinions on Deepening Reform and Promoting the Healthy Development of the Taxi Industry” and “Interim Measures for the Administration of Online Taxi Booking Operation Service” in July 2016. Taiwan revised the regulation “Article 103-1 of Regulations for Automobile Transportation Operators” in 2019. These revisions imply that governments assist the upgrading of the traditional industry. And allow emerging industries to survive in the market.
- ◆ Pursuing higher ranking in Global Innovation Index (GII). GII ranks the performance of the innovation ecosystem of the global economy every year, and points out the strengths and weaknesses of innovation and specific gaps in innovation indicators. “GII is measured by innovation investment and innovation output. Innovation input is divided into system, human capital

and research, infrastructure, market maturity and business maturity.

Innovation output is divided into knowledge and technology output and creative output. According to ““Global Innovation Index 2021 ”from World Intellectual Property Organization (WIPO), Singapore is 8th, China is 12th⁶⁷.” These indexes can symbolize the improvement of regulations under the system and the support of the innovation environment under the market maturity. The Global Innovation Index allows international companies to see a worthwhile investment environment and the development of emerging industries.

- ◆ Enhancing international competitiveness. Enhancing international competitiveness can manufacture products and provide services to meet the needs of the international market. According to ““The Global Competitiveness Report 2019” from World Economic Forum (WEF), Singapore is first, Taiwan is in 12th place and China is in 28th place⁶⁸. This is a report about the country’s enabling environment, human capital, markets and innovation ecosystem. The WEF global competitiveness ranking can be regarded as an indicator of the national economy. Government can actively review and improve the relatively backward projects.
- ◆ Pursuing Sustainable development. In the knowledge economy, technological innovation is one of the main driving forces to improve the economy. However, “through innovation, can increase the output, GDP⁶⁹”, maintain economic status and sustainable development. Recently, the

⁶⁷ “< Global Innovation Index (GII) conceptual framework. Pdf>.”

⁶⁸ “< The Global Competitiveness Report 2019. Pdf>.”

⁶⁹ Bill Snyder. “How Innovation Drives Economic Growth.” Stanford Business, June 24, 2019.

<https://www.gsb.stanford.edu/insights/how-innovation-drives-economic-growth>.

countries pay more and more attention to the importance of sustainable development. Due to economic growth, climate change, social equality, the gap between rich and poor, etc. In 2015, The United Nations announced the "2030 Sustainable Development Goals" (SDGs) includes seventeen goals. And the ninth item is "Industry, Innovation and Infrastructure"⁷⁰. It is about increasing the country's scientific research and innovation capabilities to allow the government to create a favorable policy environment for emerging industries. Creating good policies for emerging industries can bring national progress and achieve the sustainable development goal.

Comparison of These Three Countries

After doing data analysis, the author compares these three countries in two parts. One is time required to revise the law and regulations, the other is balance of interests.

In the time required to revise the law and regulations, when Uber entered Singapore, the Singapore government spent two years to amend the regulation. In China, the Chinese government also spent two years for legalizing ride-hailing. But, in Taiwan, Uber experienced many protests from traditional industry and stopped operation once. Uber was not officially legal in Taiwan until the end of 2019. Uber has experienced many revisions of laws and the establishment of new laws for about four years. Based on the above information, the author found that Taiwanese legislation and revision time for emerging industries are relatively inefficient compared to Singapore and China. This would be a major disadvantage for creating an entrepreneurial ecosystem. However, for the new business model, "the Singapore government can quickly detect emerging industries and improve regulations"⁷¹.

⁷⁰ United Nations, <https://sdgs.un.org/goals>.

⁷¹ "<Business Insights on Emerging Markets 2020. Pdf>."

In the balance of interests, the Singapore government adopts free competition for emerging industries to enter the market. At the same time, it actively guides the transformation of traditional industries to adapt to the development of the times. In China, when Uber entered, there was Didi in the market as an online car-hailing identity. After the government improved the regulations, one of the regulations stated that the price cannot be lower than the market price, which means that price wars cannot be used to disrupt the market mechanism. However, Uber merged with Didi, making Didi the largest online ride-hailing platform in the Chinese market. In Taiwan, the government spent a lot of time on legislation. The reason is that the government tried hard to balance the interests of Uber and the taxi industry. On one hand, the government helps traditional industries to use new technologies to transform, on the other hand, the government allows emerging industries to be legal. Based on the above information, Taiwanese government took care of interest groups from a more comprehensive perspective than China and Singapore. But there is a disadvantage that it cannot quickly accept the new business models and might affect economic growth.

Is Taiwan Uber Still Uber?

The reason Uber raised is that Uber came from an innovative idea, using technology to match passengers and driving through the app. However, its operation is constrained by national regulations, which makes uber illegal under existing regulations. The table is about the controversial events involving Uber in Taiwan (see table 2).

First, Uber is an information service company that provides a platform, provides matching services, and does not bear the responsibility of the carrier to passengers. But in Taiwan, the Ministry of Economic Affairs asked Uber to register the company

in Taiwan and must be included in supervision, tax payment, and insurance.

Second, Uber provides services with the concept of sharing private cars, and the government does not need to use taxis to manage. But in Taiwan, the Ministry of Transportation and Communications asked Uber to get a taxi driver's license. Cannot drive your own car out to carry passengers.

Finally, Taiwanese government promulgated the “Multi-Taxi Scheme”. Make Uber use this scheme to legalize. At present, Uber is the company of the dispatch platform responsible for dispatching matchmaking and customer service, another side is authorizing the signing of the fleet and the driver and vehicle management.

In conclusion, the model of Uber entered a country affected by national regulations. However, the original model may be subject to change and hard to maintain its original appearance. No longer feel like sharing economy at all.

Table 2 Uber's Experience in Taiwan

Time	Event
2013/05/17	Trial operation in Taiwan.
2013/07/31	Lunch UberBLACK.
2014/05/08	Lunch UberX.
2014/07/07	Taxi driver had protest.
2014/07/30	The government revised “Taxi Passenger Transport Service Industry Application Approval Operation Measures”
2014/12/05	The government convicted that Uber illegally operated
2016/06/15	Fair Trading Commission fines uber.
2016/07/11	GPS taxi and taxi Association had protest.
2016/08/02	Investment Commission (MOEA) revoked the Uber license.
2016/08/05	Uber issued a "Let Uber stay in Taiwan" network sign.
2016/10/25	The government launched the "Multi-Taxi Scheme."
2016/11/17	Mike Brown, general manager of Uber Asia Pacific send a letter to President, Tsai Ing-wen

2016/12/19	The government revised the “Business Tax Act”, Uber has to pay tax.
2017/01/06	Highways Act (公路法) amendments officially started.
2017/02/02	The government issued a penalty letter for ordering to close business
2017/02/10	Uber stop service.
2017/04/13	Uber reopened and cooperative leasing industry.
2018/10/09	Taxi driver sued Uber for violating Article 34 of the Highways Act.
2019/04/19	U.S. government expresses concern about disputed regulations through AIT.
2019/04/21	The drivers of Uber had protest.
2019/12/01	“Article 103-1 of Regulations for Automobile Transportation Operators” is implemented.
2021/02	Uber applies as a domestic company.

Source "Official Website of Uber," <https://www.uber.com/gh/en/drive/basics/tracking-your-earnings/>.

CONCLUSION AND SUGGESTION

The origin of the emerging industry devives from creative thinking. New idea might lead to new business model. Uber is the example which uses information services to drive passenger. Airbnb is another example use online platform to match landlord and tenant. Self-driving car also use technology to drive the car. These new technology sources are niches at first and then affected the market slowly. When the new techonology is more mature, it will become an emerging industry. The existence of emerging markets will affect the rights of existing interest groups. At this monment, the government usually acts as an intermediary to mediate the industries around different stakeholders. However, economic progress and industrial transformation are important parts of whole countries. The government promulgated or revised the policies and programs to legislate for emerging industry in the market. At the same time, the governments upgraded traditional industries and allows emerging industries to operate in innovative ways.

Through data analysis, the author found four common points that the governments support the emerging industry. The first point is revising law and regulation for industrial transformation. The second point is pursuing a higher ranking in Global Innovation Index. The third is enhancing international competitiveness. The fourth point is pursuing sustainable development. Above the common points, we can understand why the governments support the emerging industries.

After the data analysis, the author compared three countries in the time required to revise the law and regulations and balance of interests. Through the Uber case, Singapore government and Chinese government spent two years for amended the

regulation. But, Taiwanese government spent at least three years dealing with the taxi industry and emerging industry. Therefore, the Singapore government and Chinese government can quick to handle the emerging industry appeared. But, Taiwanese government is more inefficient in revising the law and regulations.

Uber is a new business model with sharing economy around the world. But, after Uber entered Taiwan, Uber is hard to maintain original ideas. Uber had to change their model in Taiwan so that Uber can operate legally. Consequently, the model of Uber in Taiwan was changed and challenged by the national regulation.

In the end, new technology brings a lot of convenience to human, and also makes the economy more advanced. And the industrial structure will also change. Faced with such an emerging industry, the governments need to improve the innovation environment. Make a new business model that can more assimilate into the market. The role of the government is to act as an intermediary to support and manage emerging industries which have innovative ideas and to promote traditional industries at the same time.

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