

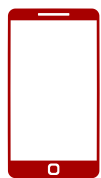
July 2023

Quarterly Boda Report



Lubyanza

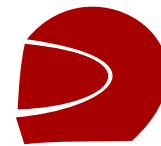
This quarter, we asked *why* boda riders were leaving apps, whether they had smartphones, and much more. Kalungi also investigated bicycle bodas. Here's a few key stats:



43%
of drivers
own
smartphones



17%
six-month
increase in
revenues

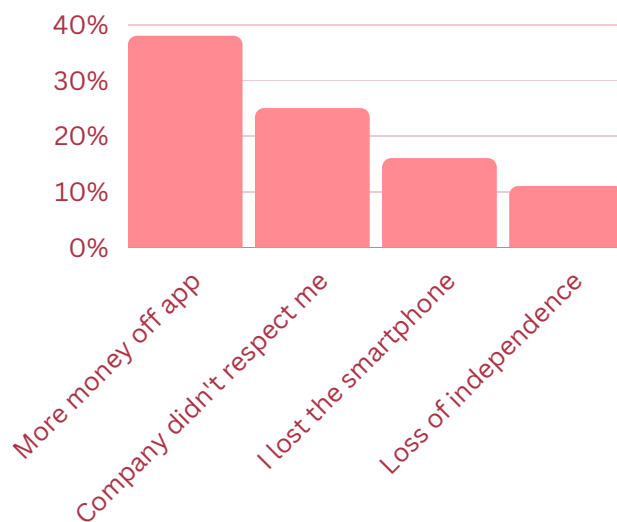
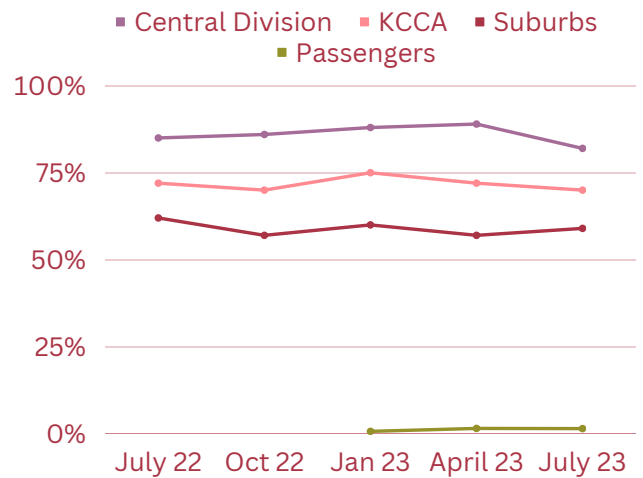


1.4%
of passengers
wore helmets

Helmet Usage Dropped in City Center

Helmet usage dropped once more within KCCA, and surprisingly even within Central Division.

Our take: Police removed much of their enforcement from downtown Kampala, and helmet usage dropped concurrently. Unsurprisingly, and unfortunately, passenger helmet usage remains below 2%.



Reasons for Leaving Apps

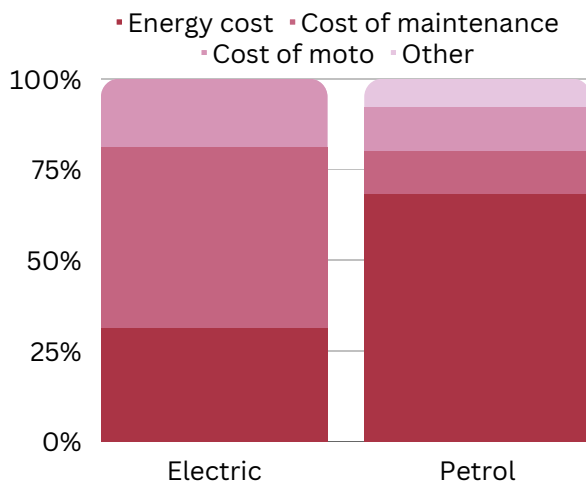
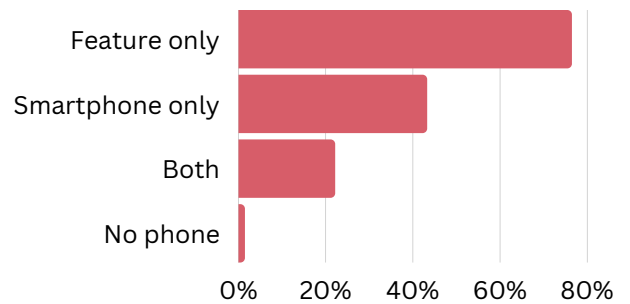
Disillusionment with boda boda apps continues. Boda riders leave the apps because they believe they can make more money off they app, or because of a lack of respect, or other reasons.

Our take: It's a complicated business. Apps find themselves mediating passenger and rider relations, and can prioritize scaling and investor returns over rider relations and long-term sustainability.

Phone Ownership

While around 99% of boda riders in Kampala own a phone, just under half of them have a smartphone.

Our take: It's 2023, and everyone thinks an app will solve their problems. But most riders don't have smartphones.



Reasons for preferring e-motos

The Coming of Electric Motorcycles

Riders using electric motorcycles and petrol motorcycles have different perspectives on their benefits: half of e-motorcycle users think the best thing about them is reduced maintenance costs, while petrol users think the reduction in fuel costs will be the best.

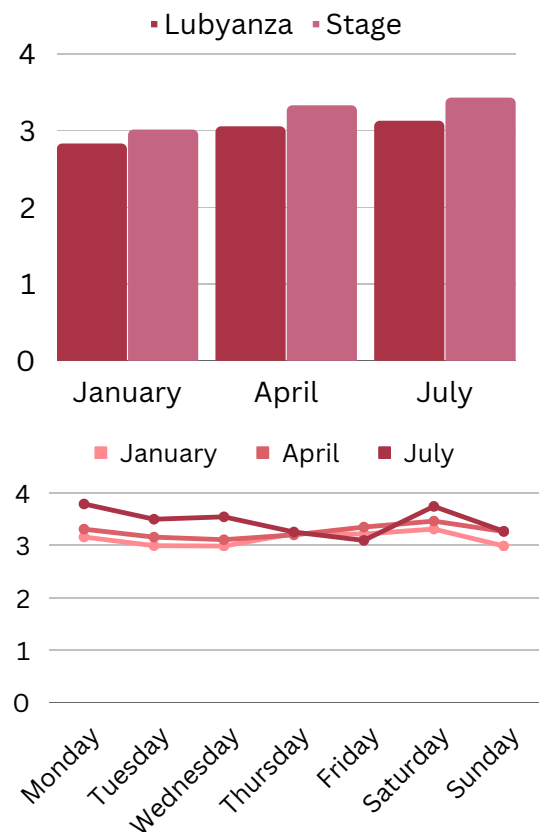
Our take: E-motorcycles are an opportunity to clean up the air and improve driver earnings. Other benefits should be more widely promoted.

Running the Numbers

In trying to run an efficient business and improve their earnings, boda riders are presented with a distance, location, and price, and then consider what they will earn. Riders ability to turn used petrol into revenue - what we can call the daily **earnings multiplier**, calculated as revenue divided by petrol, so that a 3x multiplier means for every 1,000 UGX spent on petrol, 3,000 is earned.

Lubyanza riders spend more on petrol per money earned, leaving them with a slightly lower earning multiplier than stage riders. In addition, there is a clear pattern in Kampala of riders earning power dipping mid-week, and being at their highest on Saturday, when there are more nighttime trips and people are out on the town, *bakulya ssente*.

Earnings Multipliers

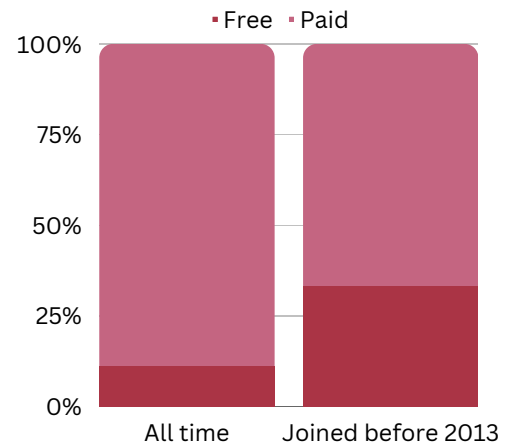




Kalungi's View

During the recent survey, I learnt that there's no fixed amount of money that's paid for one to join a certain boda boda stage. Stage fees paid highly depend on one's bargaining power based on whether or not there's any veterans or leaders of the stage familiar to you. Some people pay higher amount than colleagues who joined during the same time because the latter have close friends or relatives among the veterans, elders, or leaders of the stage.

I also noted that boda riders who initiate boda boda stages just contribute a small fee (not necessarily stage fees) for their own welfare and then charge a higher amount to members who join them later.



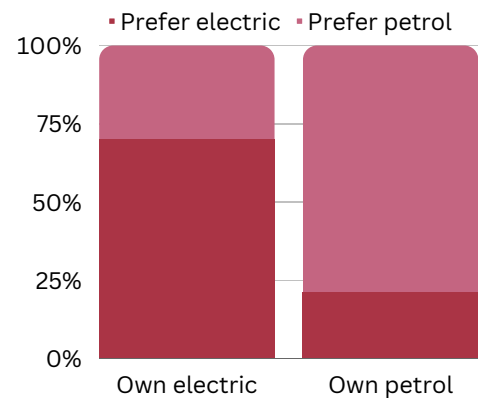
Paid to Join Stage



Geoffrey's View

This survey, we asked riders whether they would prefer electric or petrol. The most common reason they gave is that they don't know how electric motorcycles work and are not sure if they can be better than the familiar conventional motorcycles. Others pointed out key issues such as spare parts availability and insufficiency of charging stations. A few said that they can't trust the electric motorcycles for durability and ability to carry heavy items.

While such sound like valid reasons, electric motorcycles would still be the best choice for those who are struggling to buy engine oil and to do general maintenance. These are the key points that make us electric motorcycle owners proud.



Motorcycle Type Preference



5,600
Bodas observed



280
Riders interviewed



8
Divisions of the GKMA

The survey was designed by Tom Courtright with input from James Kalungi, Geoffrey Ndhogezi, Paul Mukwaya, and Peter Kasajja. It was carried out from April 2-8 by Geoffrey and Kalungi. Our take is is all of us.