Factors affecting quantity demanded of battery powered rickshaw

Abstract

In Dhaka city despite the huge surge in battery-powered rickshaws, or autorickshaws, insights into demand elasticity from the consumer perspective are lacking, creating a significant literature gap. Unless we know what the actual demand reflected is in response to demographics, fare, income, transport, and accessibility variables, the evidence-based policymaking within the informal transport sector seems implausible. This research proposal fills in this research gap. To do this we first formulate a demand for autorickshaws and then we will collect primary data from both the north and south city corporations of Dhaka city. Using the data we will find out which factors are significantly related to the quantity demanded of autorickshaws and how these are related. This will allow policymakers to target specific variables to regulate autorickshaws instead of total ban or restricted routes which have so far been largely unsuccessful This study contributes theoretically by extending demand estimation to informal paratransit systems in Dhaka city based on the random utility model where consumers choose from the available modes of transportation to maximize utility. It will contribute to the informal transport literature.