

# How to Start a Taxi Company

If you enjoy driving and working with people, knowing how to start a taxi company might be something you want to do. Though starting a taxi company might require a relatively large investment, returns can quickly add up and many taxi...

Part 1 of 6:

## Is this a good business for the area?

1.



**Investigate whether there's a need for a taxi company in your area.** In smaller towns, the demand for taxis usually isn't so high, so considering a different location to start a taxi company might be a wise choice.<sup>[1]</sup>

Part 2 of 6:

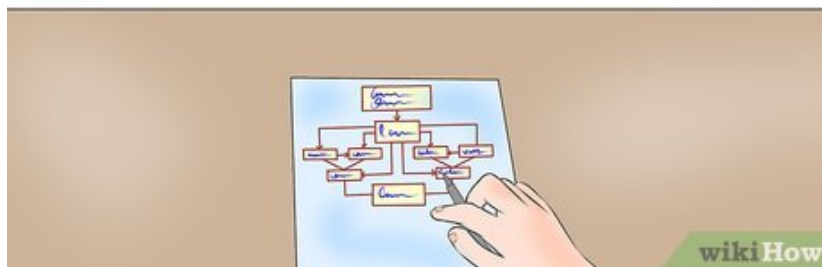
## Developing your taxi business



1.

**Determine your niche.** Though most taxi companies cater to all types of customers, there are those that cater to high-end clientele such as politicians, diplomats, and executives. Other taxi companies offer adapted vehicles for the physically impaired, while yet others provide green taxis for environmentally-conscious customers.

2.



**Construct a solid business plan that includes your start-up costs, management strategy, marketing plan, and expansion plan.**<sup>[2]</sup> Have an accountant review it for additional advice.

3.



**Apply for a loan from your bank or seek funding from private investors to raise the capital you need to start a taxi company.<sup>[3]</sup>**

4.



**Apply for a commercial driver's license at your local DMV.<sup>[4]</sup>**



**Register your taxi company with your city to obtain your business license.**<sup>[5]</sup> Also apply for an employer's identification number or EIN if you plan to hire other drivers.<sup>[6]</sup>

Part 3 of 6:

### **Assembling your fleet**



**Purchase at least one vehicle that is modified for use as a taxi.** Purchase taxi meters and top-light signs.<sup>[7]</sup>

2.

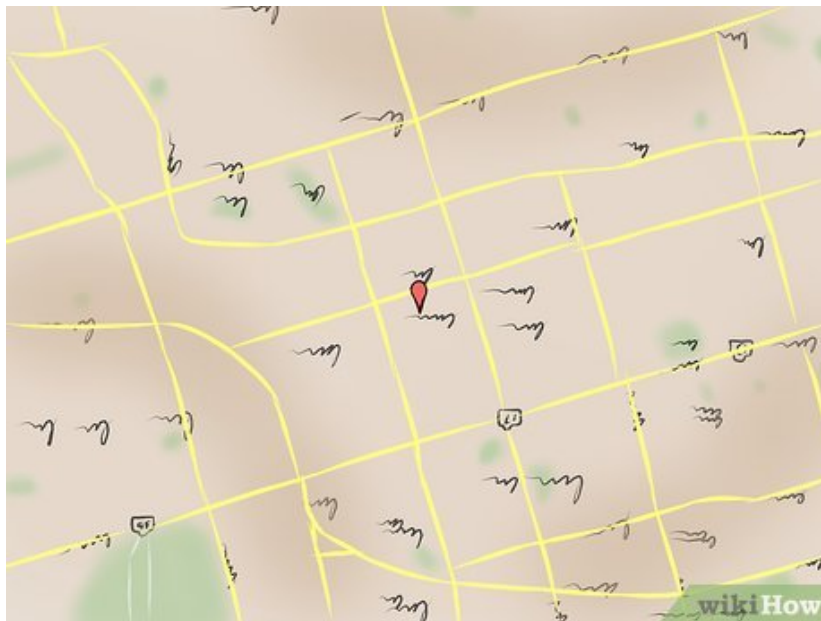


**Register your vehicle or vehicles with the DMV.** Unless they are licensed for commercial use, you may not use them as taxis.

Part 4 of 6:

### **Developing the business location**

1.



**Choose a location for your taxi company.** Make sure it has easy access to all major routes in your area and enough parking spaces to safely store all your vehicles.

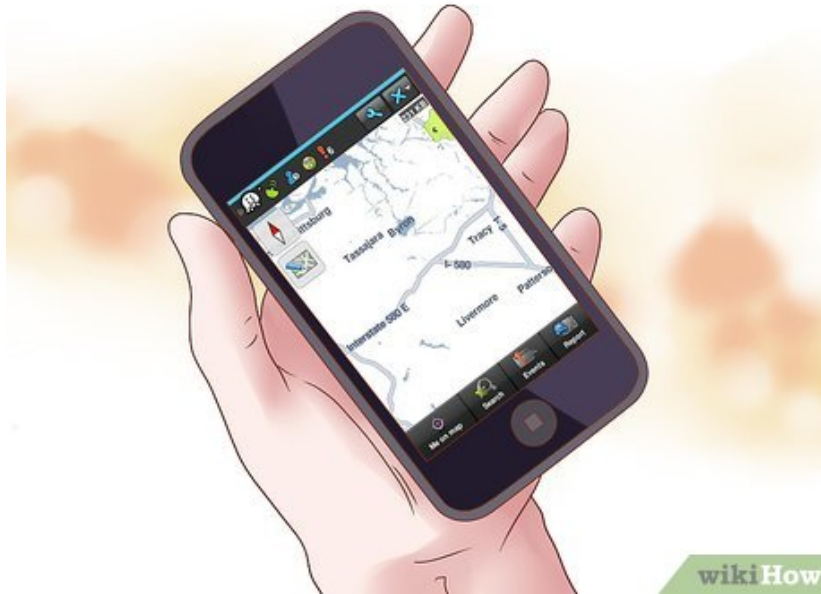
2.



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**Purchase property, comprehensive, and liability insurance for your taxi company.** Insurance will protect your company in the event of damage, theft, accidents, or lawsuits.

3.



wikiHow

**Use GPS location software to help the central location keep an eye on taxis.** The GPS should be up-to-date, such as Waze.

Part 5 of 6:

**Promoting your taxi company**



1.



wikiHow

**Advertise your taxi company on flyers, in local publications, and on the Internet.** Add your taxi company to tourist websites, and other informational sites.<sup>[8]</sup>

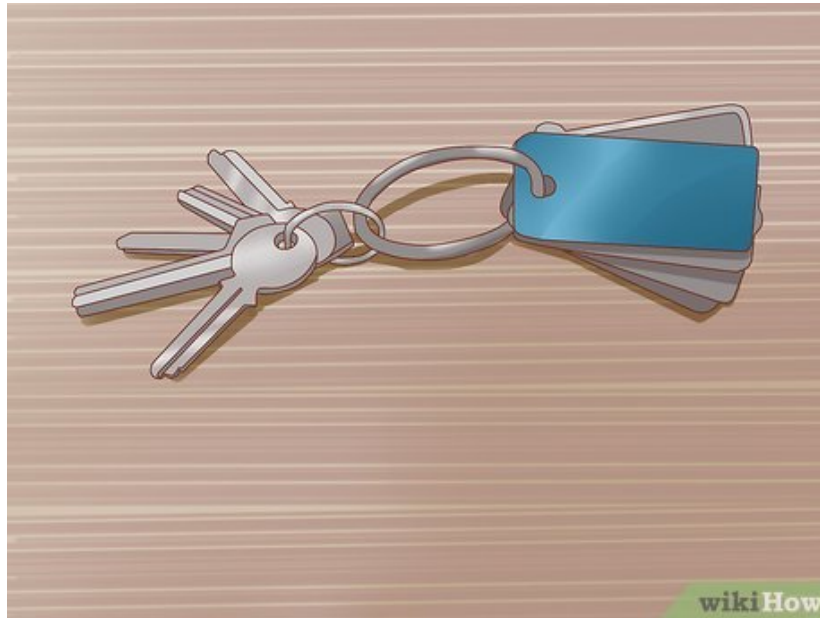


2.

wikiHow

**Print business cards to give to customers after their ride.**<sup>[9]</sup>

3.



**Consider having customer loyalty schemes.** For example, you could hand out key chain loyalty cards which customers simply scan and their details are kept on file.<sup>[10]</sup>

1. Having group discounts and special members only discounts are another possibility for promoting your company.

4.



**Set up social media accounts.** For example, Facebook and Twitter. Share updates and information regularly. Reward customers for sharing information, liking your company or entering competitions your company runs.<sup>[11]</sup>

5.



**Use the taxis to raise revenue by offering car space for advertising.** You could also consider special advertising, such as "company of the month".

Part 6 of 6:

## Hiring staff

1.



**Interview and hire drivers.** Hire people who are reliable, polite, and possess their commercial driver's licenses.

2.



**Provide uniforms for staff.** This helps to establish your taxi services as coming from a distinct and reputable company. It can be simple, such as a white shirt with blue or black pants.

3.



**Set up rules for staff.** Rules about behavior, use of the taxis and treatment of customers are important, along with ensuring financial accountability. Rules might include:

1. Being drug- and alcohol-free when driving, along with turning up to work sober or not job that day. You might include a breathalyzer in each taxi.
2. Keeping cars clean inside and out. Decide where the responsibility for this should rest.
3. Uniforms to be in good condition, drivers to be well groomed.

4.



**Have good employment practices in place.** For example, how tips are to be handled, minimum pay and benefits, etc.<sup>[12]</sup>

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