

COMMUTING IN INDIA AND THE PHILIPPINES:

A TALE OF TWO COUNTRIES



Executive Summary:

Despite geographical, cultural and linguistic differences, India and the Philippines have much in common: they are both developing countries, have young populations and possess a strong service sector. The IT/BPO sector contributed significantly to the economic growth of both these countries. However, this growth comes at a cost: both India and the Philippines face several challenges, particularly with regard to urban commuting. Given that the commute is effectively an employee's first and last task of the day, a long commute has negative consequences for both workers and their organizations. As the IT/BPO sector continues to grow, there's a critical need for more sustainable, efficient commuting solutions for employees.



Section **Introduction**

At first glance, India and the Philippines are worlds apart. Both countries have distinct cultures and languages, different political systems, and are more than 4,600 km apart. However, upon zooming in, one finds a unique thread connecting both these countries, especially in the context of their IT/BPO sectors.



Both India and the Philippines have young populations, which holds promise for economic growth. Both countries are developing economies, which means that despite their economic growth, they still face similar socio-economic challenges such as inequality, and poverty. Finally, the economies of both these countries are heavily reliant on the services sector. The IT/BPO sector in particular has created new employment opportunities, attracting foreign investment and driving economic growth in both these nations.

Philippines IT/ BPO Sector 1.3 Million

Total Employees

of the Total GDP

Despite the immense growth that both countries have enjoyed due to the IT/BPO sector, they also face similar challenges. In both nations, urbanization has happened rapidly, but infrastructural developments have not caught up.

For IT/BPO employees in India and the Philippines, the commute to work is defined by congested roads, unreliable public transport, escalating costs and lengthy travel times. For employees, a difficult commute has implications far beyond the obvious.

Inefficient commutes negatively affect employee well-being and are linked to lowered work satisfaction and higher levels of fatigue and stress.

Long commutes also have a significant environmental cost, which may be more difficult to estimate.

This whitepaper analyzes each of these factors in detail and illustrates how they play out in the daily lives of millions of IT/BPO employees.



The Commute Crisis: A Tale of Two Countries

With the context of the economic and demographic similarities between India and the Philippines, we now dive into an area that impacts most working professionals in both countries: the daily commute. In this section, we delve into the complex nuances of commuting in both these countries and attempt to understand the reasons and possible solutions to long commute times.

Drawing upon a rich reservoir of data from various cities in both countries, we zoom in to all aspects of the commuting crisis: from commuting time and distances, the disruption due to COVID-19, the impact of vehicle preferences, as well as the financial and environmental costs.

We hope that our data-informed exploration will help fine-tune our understanding of the commuting challenges faced in both nations.





The Growing Travel Time & Distance: Understanding the Patterns



Commute speeds in major cities

The COVID-19 pandemic caused an unprecedented disruption in commuting worldwide, leading to a shift towards remote work and a temporary halt in daily commutes. However, as recovery efforts began and employees returned to the office, India and the Philippines faced a resurgence of the commuting crisis.

In India, despite shorter distances, travel times to work have steadily increased. This paradox can be attributed to the concentration of the IT/BPO sector in densely populated urban centers, compounded by congestion, unreliable public transportation, and infrastructural limitations. Consequently, the average Bengaluru employee takes an arduous 51 minutes to commute 18 km, highlighting the challenges faced.

Traffic in Metro Manila is similar to that of Mumbai, with average speeds in both cities being 25 km/hr. Cebu has the slowest moving traffic aross all major cities across the two countries, with vehicles moving at just 15.7 km/hr. Cebu's narrow road network and uncontrolled intersections add to the traffic woes of the employees.



The Punctuality Paradox



Contrary to initial assumptions, data reveals a different reality when examining the on-time office arrival and departure of employees in India and the Philippines. Despite common perceptions of delays, these countries exhibit impressive levels of punctuality in their most populous cities. Manila and Cebu boast an exceptional on-time arrival rate of 98% and 99% respectively, with slightly lower on-time departure rates of 77% in Manila and 70% in Cebu.

In comparison, employees in major Indian cities are on time between 87-92% of the time, while they leave office on time 83-91% of time.

Overcoming challenges such as traffic congestion and infrastructural limitations, Indian cities have implemented efficient routing systems powered by advanced algorithms and real-time tracking technologies. These measures enable vehicles to navigate congested areas more effectively, improving punctuality. Similarly, the Philippines has implemented effective traffic management strategies, including traffic signal synchronization, dedicated bus lanes, and strict traffic regulation enforcement, resulting in smoother traffic flow and reduced delays.



Wheels of Choice: Differences in Commute Vehicles in India & The Philippines

In both India and the Philippines, the choice of transportation plays a vital role in the commuting experience. Both have different choices of vehicles, which paints a unique picture of the commuting behaviors in both these countries. We analyzed our clients and the employee commute trend that they follow in both countries.

The trends show a huge reliance on commercial cabs to ferry employees to the office in India. Over 90% of vehicles used by corporates across major Indian cities are cabs picking up and dropping employees off at their homes and offices.

In the Philippines, we observe a different commuting landscape. Shuttles are the predominant mode of transport for employee commuting, with Metro Manila and Cebu clocking in at 97% and 100% usage respectively. Shuttles are spacious and efficient vehicles designed to accommodate 12 or more passengers, offering high-capacity transportation.

In the Philippines, numerous companies are situated in industrial

zones or areas with limited public transportation options. These companies have large workforces and operate in shifts, which creates a need for transportation support for their employees.

Since not all households are accessible by cabs, shuttles with fixed pick-up and drop-off points have become an essential transportation option. The scarcity of parking spaces and the heavy traffic in the central business districts (CBDs) of Manila and Cebu have also compelled corporations to prefer shuttles over cabs.





The Cost of Commuting: A Comparative Analysis

The cost of commuting is crucial for corporations. There is some variation in the cost/km of the commute across different Indian cities. Hyderabad and Mumbai have moderately high with costs of \$0.75 and \$0.69/km, respectively.

However, this doesn't mean that every major Indian city has high commuting costs. Bengaluru, India's largest IT hub has affordable employee commute cost os \$0.46/km. Chennai, well-known for its comprehensive transportation network, sees a cost of just \$0.44/km. Despite being one of the largest urban conglomerations in the world, the National Capital Region (NCR) is at just \$0.45/km. This statistic highlights the ubiquity of commuting options in the region.

In the Philippines, the two major cities of Metro Manila and Cebu have commuting costs that are quite similar to India. The average commuter in Manila spends \$0.54/km, while in Cebu, they spend \$0.65/km.





Sustainable Commuting: The Answer to the Commute Crisis

As we step into an era defined by increased self-awareness of the environmental consequences of our actions, it's important to reconsider our commuting practices. Sustainable commuting methods provide a range of social and financial benefits to all stakeholders involved- from individuals to society and the environment.

With traditional commuting modes like single-occupancy vehicles being major contributors to air pollution, greenhouse gas emissions, and traffic congestion, a shift towards sustainable alternatives is essential. Our data on CO₂ emissions underlines the importance of sustainable commuting. The data shows stark differences in the carbon footprints across various cities in India and the Philippines.

Indian cities have considerably lower CO₂ savings per trip with the exception of Mumbai. The relatively lower numbers may be attributed to the high usage of commercial cabs for commuting.

On the other hand, cities in the Philippines have significantly higher CO₂ savings, which is a testament to the effectiveness of using shuttle transport for the commute.





Is Employer Sponsored Commute the Future?

As we've seen, ride sharing, enabled by employee commute platforms, represents a promising strategy to curb CO₂ emissions and embrace the principles of sustainable commuting we've discussed in the previous sections. By fostering greater vehicle occupancy, reducing traffic congestion, promoting cleaner vehicles, and influencing commuting behavior, ride sharing can play a crucial role in creating a more sustainable transportation ecosystem. Here are some of the biggest ways in which employer sponsored commute can be the most effective solution to the commuting crisis.

Vehicle occupancy

By enabling ride sharing, employee commute platforms have the unique ability to accommodate multiple passengers in a single vehicle, thus optimizing its occupancy. This practice is an effective way to fill empty seats, reducing the number of vehicles on the road and consequently the overall emissions per passenger. Ride sharing transforms commuting from an individualistic activity into a communal one, bringing with it shared benefits for the environment and community.

Reduced traffic congestion

Employee commute platforms also have the potential to significantly alleviate the many problems brought about by traffic congestion. Traffic congestion invariably leads to increased idling time and start-stop traffic patterns, both of which contribute to higher fuel consumption and, subsequently, greater emissions. By combining multiple single occupancy vehicles into a single shuttle, these platforms can facilitate smoother traffic flow, reducing congestion and the associated emissions that come with longer, multiple commutes.

Potential for shared EVs

Employee commute platforms empower corporations to become a significant driver of cleaner transportation technologies. Integrating shared or electric vehicles into their fleets can bring about a substantial reduction in carbon emissions. Electric vehicles, which produce zero tailpipe emissions, could serve as a cornerstone in the transition towards more sustainable commuting. When utilized in a shared model, these vehicles could optimize emissions reductions, enabling multiple passengers to reap the benefits of a single, environmentally-friendly vehicle.



Conclusion

This whitepaper delved deep into the commuting landscape of India and the Philippines, uncovering their unique patterns and choices.

Despite the countries' similarities, it is the commuting scene that shares the most resemblance, evident in the vehicles used and travel times required. The analysis underscored the pressing need for sustainable commuting solutions, with technology playing a pivotal role in shaping a more equitable and eco-friendly future of office commute. The paper highlighted the potential of ride-sharing in reducing carbon emissions, maximizing vehicle occupancy, and promoting cleaner technologies. By embracing sustainable practices and reimagining our commuting habits, we can pave the way for a more sustainable world.

About MoveInSync

MovelnSync is the world's largest employee commute platformwith a user base of over 500,000 employees across 300 clients in 30 countries. Headquartered in Bengaluru, India, MovelnSync has been a pioneer in the commute space since 2009, offering reliable, safe and sustainable commute solutions.





