



## Learn 11 Things To Know Before Becoming An Uber Driver

### Description

Carleen Nicholson, 65, of Dover, N.H., found herself in need of extra cash after an unfortunate series of events resulted in her being out of work due to a long sickness. Nicholson began isolating herself after her son committed suicide. She realized she had to take action at some point. Nicholson began driving for Uber, the nation's largest on-demand ride-hailing service, for "money and sanity."



While the urge to make money is an apparent motivation to begin driving for Uber, its archrival Lyft, or both — particularly in retirement — there are additional considerations. The importance of keeping yourself occupied cannot be overstated. Another benefit, particularly for retirees, is the sense of being useful. And, like Nicholson, you might want to go behind the wheel in order to interact with others. According to a recent survey, more than half of Uber and Lyft drivers are 51 or older. Surprisingly, more Uber drivers are over the age of 50 than under the age of 30; Uber has teamed with AARP to

offer \$35 sign-up bonuses to drivers over the age of 50.

However, a word of caution: the amount you'll earn as an Uber or Lyft driver after expenses may be less than you think. Furthermore, some persons lack the temperament or disposition required for this profession. (However, for some, the profession can be extremely rewarding and lucrative.)

Here are 11 things you should know before becoming an Uber or Lyft driver:

## **1. Your real earnings may be lower than those stated.**

Although an Uber research in early 2015 claimed that its drivers in 20 cities made more than \$19 per hour, a BuzzFeed survey in late 2015 found that Uber drivers in Denver, Detroit, and Houston earned less than \$13.25 per hour after expenses. In Detroit, they earned an average of \$8.77 per hour.

According to a 2016 NerdWallet research of 14 of the major Uber and Lyft areas, in order to earn \$50,000 per year, Uber drivers must provide 60 rides per week on average, and Lyft drivers must provide 84 rides. According to NerdWallet, drivers throughout the country earn more per trip with Uber than with Lyft.

Of course, how much you'll make is mainly determined by how many hours you spend in behind the wheel. In its 20 largest cities, Uber claims that 80 percent of its "partners" work fewer than 35 hours a week, with more than half working one to 14 hours.

However, regardless of how much you'll work, keep in mind the expenses you'll pay – maintenance, gasoline, repairs, insurance, and taxes — as well as the commission Uber or Lyft will take. Uber maintains 25% of drivers' fares, whereas Lyft keeps 20% to 25%. (In their Uber analysis, BuzzFeed assumed that driver expenses were equal to 25% of their gross earnings.)

You are liable for the majority of your auto expenditures as an independent contractor rather than an employee, including both the employer's and employee's part of federal self-employment taxes. Both Lyft and Uber, on the other hand, offer up to \$1 million in liability and uninsured motorist coverage if something goes wrong while you're in "driving mode."

## **2. It may be advantageous to drive for both Uber and Lyft.**

Many drivers do this because they discover that one service may offer lower prices than another. According to the New York Times, Lyft has "cultivated a reputation for being more driver-friendly" than Uber.

## **3. You should be aware of the "peak" hours in your area.**

That's when you'll make the most money per hour, because Uber and Lyft hike their rates for consumers at that time. This is referred to as "surge pricing" by Uber. Lyft refers to it as Prime Time. Peak hours are typically late at night or early in the morning — sometimes very late at night or very early in the morning — especially during concerts, sporting events, festivals, conventions, and trade exhibits.

Late-night passengers needing to get home from bars, on the other hand, pose a larger danger of becoming ill in your car. If this occurs, Uber and Lyft will reimburse you for the expense of having the car cleaned.

#### **4. Being an Uber or Lyft driver is unlikely to be lucrative enough to be your primary source of income.**

Consider it supplemental, especially if you reside in a smaller market, can't spend the entire day in your car, or can't travel during "peak" hours every day.

#### **5. Joining a local Uber and Lyft driver Facebook group will help you earn more money.**

If such a network exists, you can learn a lot about where and when to earn the greatest money as a driver.

#### **6. It is beneficial to be familiar with your surroundings.**

Rod Bustos, 52, of Augusta, Ga., worked with Uber for a year and said it only paid off around the Masters golf event and the Augusta Beer Festival.

Expect little business if you live in a small city or in a rural area, save during special events such as festivals.

#### **7. Confirm that you can withstand the demands of the work.**

"Prolonged sitting can, and will, be difficult for some," said Sandra Lutz-Rodriguez, 52, of Portland, Ore., who drives for Uber and Lyft (and says Uber keeps her busier). Anyone who has gotten out of the driver's seat after a lengthy road trip is familiar with the leg and back stiffness that comes with it.

#### **8. Make a point of keeping your car clean, both inside and exterior, at all times.**

This may imply weekly detailing and daily car washes.

## **9. It is your responsibility to strike a work-life balance.**

Because you choose your own hours as an Uber or Lyft driver, you have a lot of flexibility. That also implies that staying healthy and avoiding tiredness is entirely up to you.

## **10. Lyft incorporates consumer tips within its app, whereas Uber does not.**

Customers of Uber, on the other hand, can tip drivers in cash; but, they must pay for rides with a credit card. New York City officials recently suggested legislation that would make tipping mandatory as an option, and the California government is exploring a similar bill.

## **11. Finally, if you're not a "people person," don't become an Uber or Lyft driver.**

Passengers review their experiences with their drivers, so if you come across as glum or furious, your rating may suffer. This, in turn, can influence whether you receive a call to pick someone up. My niece, who frequently uses Uber, only requests drivers with impeccable ratings. She is not alone in this.

### **Category**

1. Lifestyle

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