

Why Uber Became a Verb

Idea In Short

Uber grew from a scrappy 2009 startup into a company valued in the tens of billions within roughly six years, built on co-founder Travis Kalanick's contrarian persistence and a service that solved specific, everyday friction points riders had long tolerated from traditional taxis. The company's early expansion into ride-pooling, international markets and eventually driverless technology previewed a broader shift in urban transportation.

A Novelty That Became a Verb

What started in 2009 as a novelty project among co-founders and friends grew within roughly six years into a company valued in the tens of billions, with a million active drivers operating across hundreds of cities worldwide.¹ The company's rise traces back closely to co-founder Travis Kalanick, described by profile writers as an intense, contrarian grinder who treated early setbacks as fuel rather than discouragement.

A Founder Shaped by Early Setbacks

Kalanick's path to the ride-hailing company ran through a natural sales instinct developed selling knives door-to-door in high school, a first company launched at 21 after leaving college with a single semester remaining, and a first startup, a music-sharing site, that ultimately failed. His second company languished for six years, during which he moved back in with his parents before eventually securing backing and selling the business for a meaningful sum. A frustrating taxi experience in Mexico, where he felt overcharged and the driver repeatedly attempted to lock the door, reportedly stuck with him and fed directly into his determination to build something better.

Early Days Were Rough Around the Edges

The original app, built by a team of freelance programmers, shipped full of bugs, at one point mistakenly routing every San Francisco vehicle to the same location simultaneously.

The city of San Francisco issued a cease-and-desist order during this early period, and rather than backing down, the founder pushed forward more aggressively, while press coverage framed the standoff in a way that generated considerable public sympathy for the young company. Venture capitalists took notice regardless of the regulatory friction, and the company raised substantial investment within its first three years.²

Ambitions Beyond a Single City

The company's stated ambitions extended well past its home market. A ride-pooling feature paired riders heading in similar directions, a genuine culture shift for most cities but already common practice in San Francisco, where more than half of rides were reportedly shared. Substantial capital commitments targeted expansion into China and India specifically, and executives pointed to driverless vehicle technology as a long-term direction, citing the basic math that a self-driving service's per-mile cost could run roughly a quarter of the cost of owning, driving and parking a personal vehicle.

What Actually Made the Service Sticky

Beyond the founder narrative, the service won loyal riders by solving concrete, everyday frictions that traditional taxis had tolerated for years. Cashless payment removed the awkwardness of tipping and fumbling for exact change. Vehicles tended to run cleaner, since drivers were typically using their own personal cars rather than a fleet vehicle. Automatic historical receipts simplified expense reporting considerably, a small convenience that mattered enormously to business travelers. Predictable elements, knowing the car type, the driver's rating and an estimated arrival time in advance, replaced the genuine uncertainty that traditional taxi hailing had always carried.

A Broader Shift in How Cities Function

Advocates argued the service's convenience made urban living more attractive relative to suburban life, potentially slowing suburban sprawl over time, while also creating flexible, part-time earning opportunities for drivers, a version of the broader sharing-economy model already familiar from vacation rentals and shared corporate jets.³ Later features, like on-demand food delivery through the same app, extended the underlying logistics platform into adjacent markets well beyond simple point-to-point rides.

Lessons for Founders Elsewhere

The broader lesson for founders in unrelated industries is less about ride-hailing specifically and more about identifying frictions customers had simply learned to accept. Every established industry accumulates small annoyances that incumbents stop noticing because customers stop complaining, and the biggest opportunities often hide inside that learned tolerance rather than in some entirely unmet need. A regulatory fight, handled with genuine conviction rather than quiet compliance, can also become a source of public sympathy rather than a fatal setback, provided the underlying product genuinely delivers value to the people using it.

Becoming a Verb

The clearest measure of the company's cultural impact may be linguistic rather than financial: riders began using the company's name as a verb, a level of everyday adoption few consumer technology companies ever achieve. That kind of habitual, unprompted use signals something deeper than a good marketing campaign; it reflects a service that changed a daily behavior pattern for millions of people rather than simply capturing market share within an existing one.

- 1Uber
- 2Cease and desist
- 3Sharing economy

Summary

Uber's rise traces back to a founder who turned early setbacks into fuel and a service that solved concrete, everyday friction points, no cash, cleaner cars, predictable arrival times, that riders had quietly tolerated for years. The company became a verb because it changed a daily behavior, not just a market.