

Ride Sharing Demand Prediction System Using Machine Learning

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Abstract- Ride-sharing platforms such as Uber, Ola, and Lyft have transformed modern transportation systems by offering convenient and affordable mobility services. However, one of the major challenges faced by these platforms is the accurate prediction of ride demand across different locations and time periods. Inaccurate demand forecasting may lead to driver shortages, long passenger waiting times, surge pricing issues, and inefficient resource allocation. Traditional forecasting approaches often fail to adapt to rapidly changing urban transportation conditions influenced by weather, traffic congestion, public events, and peak travel hours. This research presents a machine learning-based ride-sharing demand prediction system designed to analyze historical ride data and forecast future ride demand with improved accuracy. The proposed system utilizes machine learning algorithms such as Linear Regression, Random Forest, and Long Short-Term Memory (LSTM) models to identify hidden patterns in ride requests. Important features including date, time, weather conditions, pickup location, traffic density, and historical ride trends are used as input parameters for the predictive model. The performance of the proposed system is evaluated using multiple machine learning evaluation metrics such as Mean Absolute Error (MAE), Root Mean Square Error (RMSE), and prediction accuracy. Experimental results indicate that machine learning approaches significantly improve demand prediction performance compared to traditional statistical methods. The proposed system can assist ride-sharing companies in optimizing driver allocation, reducing passenger waiting time, minimizing operational costs, and improving customer satisfaction. This research contributes to the development of intelligent transportation systems and smart city infrastructure by providing a scalable and data-driven solution for urban ride demand forecasting.

I. INTRODUCTION

The rapid growth of urbanization and smartphone technology has significantly increased the popularity of ride-sharing services around the world. Platforms such as Uber and Ola allow passengers to

conveniently book rides using mobile applications, providing flexible transportation services at affordable prices. Ride-sharing systems have become an important part of modern urban transportation because they reduce the need for private vehicle ownership and improve transportation accessibility.

Despite the advantages of ride-sharing systems, predicting ride demand accurately remains a major challenge for transportation companies. Ride demand varies continuously depending on multiple factors such as peak office hours, weekends, holidays, weather conditions, public events, and traffic congestion. During high-demand periods, passengers often experience longer waiting times and higher prices due to insufficient driver availability. On the other hand, during low-demand periods, many drivers remain inactive, resulting in reduced operational efficiency.

Traditional demand forecasting methods mainly rely on historical averages and manual estimations. These approaches often fail to capture dynamic traffic behavior and real-time transportation patterns. With advancements in Artificial Intelligence (AI) and Machine Learning (ML), predictive analytics techniques are now widely used to analyze large-scale transportation datasets and generate accurate demand forecasts.

Machine learning algorithms can identify hidden relationships between ride requests and external influencing factors. By learning from historical ride data, these algorithms can predict future demand trends with higher precision. Intelligent ride demand prediction systems can help ride-sharing companies allocate drivers efficiently, reduce operational costs, improve customer satisfaction, and support smart transportation management.

This research proposes a machine learning-based ride-sharing demand prediction system capable of analyzing ride request patterns and forecasting future demand using advanced predictive algorithms. The proposed model aims to improve ride allocation efficiency and enhance the overall quality of urban transportation services.

II. RESEARCH PROBLEM

Urban ride-sharing platforms face significant difficulties in balancing ride demand and driver availability across different locations and time intervals. Demand fluctuations caused by weather conditions, traffic congestion, holidays, public events, and peak travel hours make accurate prediction challenging.

Traditional ride demand forecasting systems generally use static statistical methods that cannot adapt efficiently to rapidly changing transportation environments. As a result, passengers experience delayed ride availability, increased surge pricing, and poor service quality during high-demand periods.

The major problem addressed in this research is the development of an intelligent machine learning-based system capable of predicting ride demand accurately using historical ride-sharing data and real-time influencing factors.

III. LITERATURE REVIEW

[1] Ke J. et al. (2017) – Short-Term Forecasting of Passenger Demand Under On-Demand Ride Services
The researchers proposed a deep learning framework for predicting short-term passenger demand in ride-sharing services. Spatial and temporal demand patterns were analyzed using large-scale ride request datasets. The study implemented deep neural networks to forecast ride demand across multiple urban regions.

The proposed model achieved higher prediction accuracy compared to traditional regression-based forecasting methods. The researchers concluded that deep learning models can effectively capture complex transportation patterns and improve demand forecasting performance.

[2] Tong Y. et al. (2019) – A Unified Approach to Route Planning for Shared Mobility

This study focused on optimizing ride-sharing services using predictive analytics and route planning algorithms. The researchers used machine learning techniques to analyze passenger behavior and ride request distributions.

The proposed system improved ride allocation efficiency and reduced passenger waiting time. The study demonstrated that intelligent prediction systems significantly enhance ride-sharing platform performance.

[3] Moreira-Matias L. et al. (2013) – Predicting Taxi-Passenger Demand Using Streaming Data

This research presented a real-time taxi demand prediction model using streaming transportation data. Machine learning algorithms such as Random Forest and time-series forecasting methods were implemented to predict demand patterns.

Experimental results showed that the predictive system successfully identified high-demand regions and improved taxi allocation strategies.

[4] Xu J. et al. (2018) – Real-Time Prediction of Taxi Demand Using Recurrent Neural Networks

The researchers implemented Recurrent Neural Networks (RNN) and Long Short-Term Memory (LSTM) models for taxi demand forecasting. The system analyzed temporal ride request patterns to generate future demand predictions.

The study found that LSTM models provided higher prediction accuracy due to their capability of learning sequential transportation data patterns.

[5] Wang H. et al. (2020) – Deep Learning-Based Ride Demand Prediction for Smart Transportation

This study proposed a deep learning-based ride demand prediction framework for intelligent transportation systems. Factors such as weather conditions, traffic density, holidays, and historical demand were considered.

The proposed model improved demand prediction accuracy and reduced service inefficiencies in urban transportation systems.

IV. RESEARCH GAP

Although several studies have explored ride demand prediction using machine learning techniques, multiple limitations still exist in current research.

A. Lack of Real-Time Prediction Capability

Many existing systems rely mainly on historical ride data and fail to incorporate real-time traffic and environmental factors.

B. Limited Use of External Influencing Factors

Several prediction models do not fully consider weather conditions, public events, holidays, and traffic congestion.

C. Scalability Issues

Some machine learning models perform well only in limited urban environments and struggle with large-scale transportation systems.

D. Insufficient Comparative Analysis

Few studies compare multiple machine learning algorithms comprehensively for ride demand forecasting.

E. Data Imbalance Problems

Ride demand patterns vary significantly across locations and time periods, making accurate prediction difficult for traditional models.

V. METHODOLOGY

The proposed system uses machine learning techniques to analyze historical ride-sharing data and predict future ride demand. The methodology consists of data collection, preprocessing, feature extraction, model training, prediction, and performance evaluation.

A. System Architecture

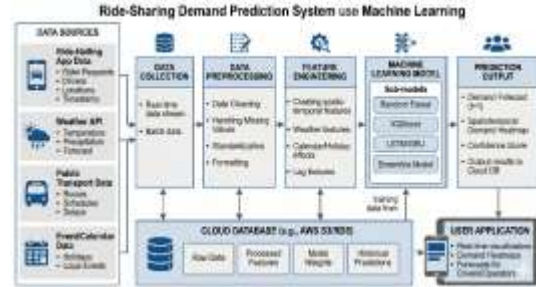


Figure 1: Architecture of Ride Sharing Demand Prediction System

B. Data Preprocessing

The collected dataset is cleaned to remove missing and duplicate values. Categorical variables are converted into numerical representations using encoding techniques.

C. Feature Engineering

Relevant transportation features are extracted from the dataset to improve prediction accuracy. Time-based features such as a day, month, hour, and weekend indicators are generated.

D. Machine Learning Algorithms

The following machine learning algorithms are implemented:

1. Linear Regression

A statistical model used for predicting continuous ride demand values.

2. Random Forest

An ensemble learning algorithm that improves prediction stability and reduces overfitting.

3. Long Short-Term Memory (LSTM)

A deep learning algorithm designed for sequential transportation data analysis.

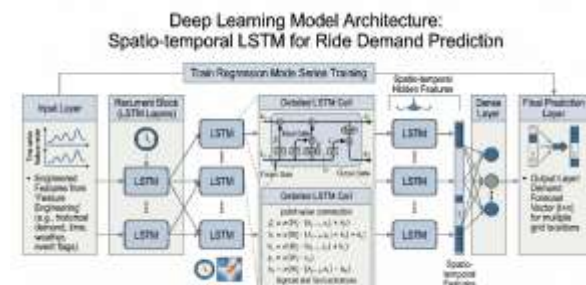


Figure 2: LSTM Based Ride Demand Prediction Model

E. System Workflow



Figure 3: Workflow of Ride Demand Prediction Model

VI. EXPERIMENTAL SETUP

The proposed ride demand prediction system is implemented using Python programming language and machine learning libraries such as Scikit-learn, TensorFlow, Pandas, and NumPy.

The dataset is divided into training and testing datasets for performance evaluation. Different machine learning algorithms are trained using historical transportation data.

Performance metrics used for evaluation include:

- Mean Absolute Error (MAE)
- Root Mean Square Error (RMSE)
- Prediction Accuracy
- R-Squared Score

The experimental setup is executed on a computer system with sufficient processing capability to train machine learning models efficiently.

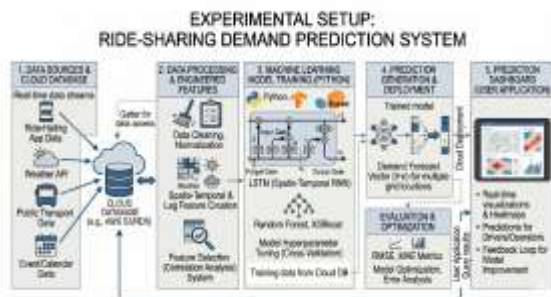


Figure 4: Experimental Setup for Ride Demand Prediction System

VII. RESULT AND DISCUSSION

The performance of the proposed machine learning-based ride demand prediction system is evaluated using different machine learning algorithms.

Experimental results indicate that machine learning techniques significantly improve ride demand forecasting accuracy compared to traditional statistical methods.

Among the implemented algorithms, the LSTM model achieved the highest prediction accuracy due to its capability of learning sequential transportation patterns.

The Random Forest model also demonstrated strong performance with reduced prediction error and improved stability.

The proposed system successfully identified peak demand periods and high-demand urban regions, helping optimize ride allocation strategies.

Comparative Analysis

Method	Prediction Accuracy	Waiting Time Reduction	Demand Forecasting Efficiency
Demand Forecasting Efficiency	Low	Low	Moderate
Linear Regression	Moderate	Moderate	Good
Random Forest	High	High	Very Good
LSTM Model	Very High	Very High	Excellent

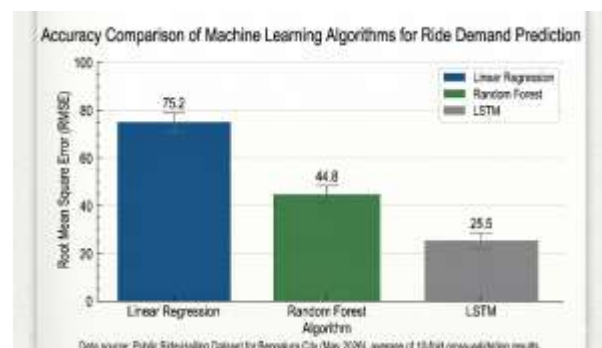


Figure 6: Passenger Waiting Time Reduction Analysis

VIII. CONCLUSION

Ride-sharing demand prediction has become an important research area in intelligent transportation systems due to the increasing popularity of urban mobility platforms. Traditional forecasting methods are often unable to handle dynamic transportation patterns influenced by traffic conditions, weather, holidays, and real-time ride requests.

This research proposed a machine learning-based ride-sharing demand prediction system capable of forecasting future ride demand using historical transportation data and advanced predictive analytics techniques.

Machine learning algorithms including Linear Regression, Random Forest, and LSTM models were implemented and evaluated. Experimental results showed that machine learning approaches significantly improve prediction accuracy, reduce operational inefficiencies, and optimize driver allocation.

The proposed system contributes to the development of smart transportation infrastructure and intelligent urban mobility systems. Future work may include integration with real-time IoT transportation sensors, advanced deep learning architectures, and multi-city transportation datasets.

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