



DRIVING VALUE

GRAB'S ECONOMIC
CONTRIBUTION TO MALAYSIA

January 2025





CONTENTS

Foreword	2
Definitions of Key Terms	4
Executive Summary	6
1.0 Grab and its Services in Malaysia	9
2.0 About This Study	12
2.1 Objectives and Methodology of this Study	13
2.2 How Consumer Spending Flows Through the Economy	14
3.0 Grab's Economic Contributions to the Malaysian Economy	16
3.1 Grab's Contributions to National GDP	18
3.2 Grab Supports Earning Opportunities and Contributes to Household Incomes	19
3.3 The Economic Contributions of Grab's Operations	20
3.4 The Economic Contributions of Driver-Partners	22
3.5 The Economic Contributions of Merchant-Partners	23
3.6 Sectors that Benefit from Grab's Activities	24
4.0 Beyond the Numbers: Socio-economic Benefits from Grab	26
5.0 Conclusion	28
Appendix: Description of Economic Effects	29

Foreword

As Malaysia continues on its journey to becoming a leading digital economy in Southeast Asia, the sharing economy has significantly contributed to Malaysia's digital economy by fostering innovation, expanding digital platforms and promoting more efficient use of resources.

Many segments of society have benefited from the sharing economy. Gig economy jobs have enabled many to work as drivers, delivery agents, or hosts – and on their own terms. This flexibility has allowed many to work around their other existing responsibilities and jobs. This source of income has been a boon for many Malaysians, contributing to the broader digital economy.

Platforms like Grab, Airbnb and many others have enabled individuals to monetise their assets, such as vehicles or homes, by connecting them with consumers through digital platforms. This has created a new wave of business opportunities, increased market efficiency, and driven digital adoption across Malaysia.

The low-barrier entry to accessing digital platforms has also encouraged more Malaysians to start their own businesses by leveraging the Internet for income generation, contributing to the development of the digital entrepreneurial ecosystem. The democratisation of access to goods and services drives consumption through digital platforms, strengthening online payment systems, digital wallets, and other e-commerce solutions.

Platforms like Grab are playing an essential role in shaping the future of our nation's economic landscape, in line with the government's policy to drive digital transformation and innovation. By delivering innovative solutions, Grab has consistently contributed to Malaysia's growth, creating new economic opportunities, enhancing the lives of millions, and fostering partnerships between the public and private sectors.



For over a decade, Grab has been a key driver of economic growth and opportunity creation in Malaysia. In 2023, Grab's services contributed an estimated RM9.9 billion in value-added, constituting 0.5% of Malaysia's GDP. Additionally Grab created up to 277,237 earning opportunities and generated an estimated RM3.7 billion in household income – resulting in strong multiplier effects that ripple across various sectors of the economy.

Looking ahead, Grab's continued partnership with both the government and industry stakeholders will be important in driving Malaysia's economic growth and sustainable development. We are confident that Grab will continue to provide value for Malaysians, empowering them to thrive in an increasingly digital and interconnected world.

GOBIND SINGH DEO

Minister of Digital

Definitions of Key Terms

Term	Example
<p>Output refers to the goods and services that a business creates. It excludes the materials and inputs used internally by the business unless they are major investments (for example, buying a new machine to increase production), building up stocks, or internal usage.</p> <p>For this study, “output” refers to “gross output”, which can be represented by the total sales made by a firm or industry without netting off the use of materials or inputs or intermediate consumption.</p>	<p>A food manufacturer produces RM500,000 in products that are sold to customers.</p> <p>Hence, the output produced is RM500,000.</p>
<p>Value added is the difference between the gross output and intermediate inputs (materials, labour, equipment) used to make those products. It shows how much of the final value comes from the work done by workers and the equipment used in production. Value added measures how much a business, industry, or sector contributes to the economy¹.</p>	<p>The manufacturer uses RM300,000 of raw materials to produce the output. The remainder of RM200,000 goes towards its profits and workers' salaries.</p> <p>Value added amount: $RM500,000 - RM300,000 = RM200,000$.</p>
<p>Gross Domestic Product (GDP) is the total value added by all economic sectors or producers, including net taxes on products.</p>	<p>Malaysia's GDP was RM1.8 trillion in 2023 (before adjusting for inflation, also called nominal GDP).</p>
<p>Partners refer to independent third parties external to Grab who provide the relevant services to Grab application users. Partners include (a) driver-partners who access work through the Grab app, providing mobility services or delivering food, groceries and parcels to the local resident population; and (b) merchant-partners who offer their products on the GrabFood and GrabMart platforms. Partners are not Grab employees or staff.</p>	<p>A restaurant that participates on the GrabFood platform is considered a merchant-partner.</p> <p>An individual who drives to offer point-to-point passenger services via GrabCar is considered a driver-partner.</p>

Notes:

¹ Bureau of Economic Analysis (2018) *What is gross output by industry and how does it differ from gross domestic product (or value added) by industry?*



Term	Example
<p>Compensation of employees refers to the pay or benefits, either in monetary or other forms, that a company gives to an employee for the work they perform over a period of time².</p> <p>For this study, household labour income or earnings refers to the compensation employees receive in return for their labour, as reported in the Malaysia Input-Output (I-O) tables.</p>	<p>Out of the RM200,000 in value added of its products, the manufacturer pays RM100,000 to its employees in salaries and other benefits.</p>
<p>Earning opportunities refer to the number of individuals who earn an income, either on a full-time-equivalent or part-time basis, from Grab's economic activity. This includes the full-time equivalent jobs supported across the operations of Grab and its merchant-partners, the combined supply chains of Grab and its merchant- and driver-partners, as well as the average number of driver-partners who earned an income via the Grab platform at least once a month.</p>	<p>If there are 10,000 active driver-partners using Grab's platform and 10,000 full-time employees supported by Grab's activities across the supply chain, then Grab's activities have thus supported 20,000 earning opportunities.</p>

Note on the use of the terms “earnings”, “employment”, or “job”

We refer to “employment” using an economic definition. This refers to individuals working in return for monetary or other compensation (wage, commission, or profit). This includes those in self-employment who may not be formally employed by a business.

The use of the terms “employment”, “jobs”, or “earning opportunities” should not be interpreted as describing a contractual form of employment between Grab and its partners, nor does it imply that Grab partners are considered employees of Grab under existing labour law. Merchant-partners may hire employees on a formal basis based on their commercial decision-making. While some of these jobs are supported by Grab-related activities, they are not Grab employees but rather those of the merchant-partners.

Similarly, “compensation of employees” or “earnings” refers to the economic concept of individuals receiving pay or benefits in return for their labour. We use the term “earnings”, which for this study includes the salaries of workers hired across the supply chain and the earnings by Grab partners.

Notes:

² Department of Statistics Malaysia (2024) *Glossary*

Executive Summary

Key Highlights

- In 2023, Grab services unlocked up to RM9.9 billion in value added, constituting 0.5% of Malaysia's GDP. This includes the effects of additional purchases and sales made by partners as their businesses grow through the Grab ecosystem.
- Grab's activities unlocked up to 277,237 earning opportunities in 2023. This includes the number of active driver-partners earning income from the platform, as well as workers employed or supported by Grab, its merchant-partners, and the combined supply chains of Grab and its merchant- and driver-partners.
- These earning opportunities generated up to RM3.7 billion in household incomes for partners and employees across the Grab ecosystem and its supply chains, providing individuals with the means to improve their quality of life.

Founded in 2012, Grab has been part of the Malaysian economy for over a decade. It has played a positive role in delivering new forms of services for its users and providing earning opportunities for its driver- and merchant-partners, as well as the workers in their combined supply chains.

This study aims to quantify Grab's contributions to Malaysia's economy across four main mobility and delivery services: GrabCar, GrabFood, GrabExpress, and GrabMart. We measure Grab's contributions to GDP, as well as the additional earning opportunities and household incomes that Grab supports³.

We use the Input-Output (I-O) Analysis based on data published by the Department of Statistics Malaysia and Grab's financial data for its Malaysian operations. This analysis measures the effects generated by an initial amount of spending on Grab services via higher input purchases by Grab's partners and increased consumer spending from the additional earnings.

Notes:

³ This study references 2023 data provided by Grab, a company listed on Nasdaq. Neither Nasdaq, Inc. nor its affiliates makes any recommendation to buy or sell any security or any representation about any company's financial condition. Investors should undertake their own due diligence before investing. © 2024. Nasdaq, Inc. All Rights Reserved. Nasdaq.com.



Our analysis finds that for the year 2023:

Grab services unlocked RM9.9 billion for Malaysia's GDP

- Grab services contributed up to RM9.9 billion in value added to the Malaysian economy. Thus, Grab contributes around 0.5% to Malaysia's GDP.
- 88% of this contribution is delivered by Grab's merchant- and driver-partners who offer their products and services on the Grab ecosystem.
- For every RM1 in value added directly generated by Grab and its partners, an additional RM1.50 was generated for the broader economy via multiplier effects.

Grab services unlock up to 277,237 earning opportunities

- Grab-related activities created up to 277,237 opportunities for individuals to earn an income. This means that for every 64 individuals in Malaysia's labour force, one has an earning opportunity directly or indirectly supported by Grab.
- The Grab platform has enabled individuals and businesses to generate up to RM3.7 billion in additional household income. This figure includes the salaries earned by Grab employees, earnings by driver-partners, revenue by merchant-partners for Grab-enabled sales, as well as incomes for workers across their combined supply chains.

These numbers do not fully capture the socio-economic benefits generated by Grab services. For instance, Grab also supports local tourism, helps fill gaps in public transport, and improves road safety due to its in-app ride safety features⁴. Furthermore, other Grab services not included in this study, such as GrabPay and those by subsidiaries such as GXBank and Jaya Grocer, help improve financial access and inclusion while supporting businesses in going digital.

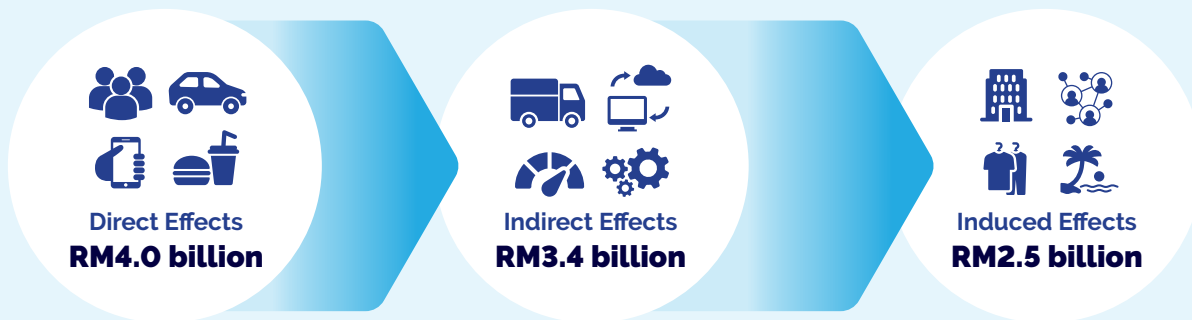
This study highlights how Grab's activities in Malaysia positively affect the economy. Many industries benefit from the increased demand generated by Grab and its partners. Malaysians also gain from the additional earning opportunities that Grab supports.

Notes:

⁴ Grab ESG Report (2023), Grab Editorial (2023) *Tourism is returning to Southeast Asia and Grab's superapp is ready to serve travellers*

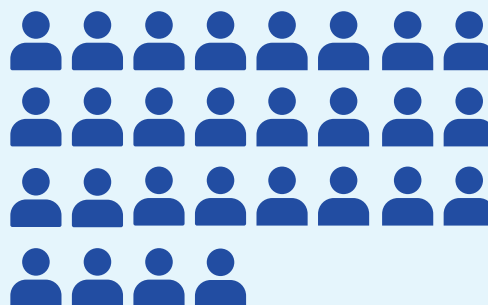
In a Nutshell: Grab's Economic Impact in Malaysia

Total Impact on GDP **RM9.9 billion**

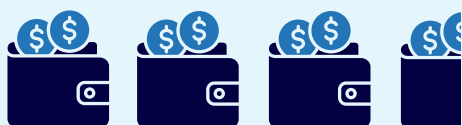


277,237

individuals hold earning opportunities unlocked by Grab activities



Each icon represents 10,000 individuals



Each icon represents RM1.0 billion in household income supported

RM3.7 billion

in household incomes supported by Grab activities



1.0 Grab and its Services in Malaysia



Grab is now a leading superapp in Southeast Asia, operating across the delivery, mobility, and digital financial services sectors. Serving over 700 cities in eight Southeast Asian countries – including Malaysia – Grab enables millions of people to order food or groceries, send packages, hail a ride or taxi, pay for online purchases or access services such as lending and insurance, all through a single app. Grab's mission is to drive Southeast Asia forward by creating economic empowerment for everyone and serving a triple bottom line: delivering financial sustainability and positive social and environmental impact in Southeast Asia. Grab offers a range of delivery and mobility services, four of which are the focus of this study:

Mobility: Grab's mobility offerings connect driver-partners with consumers seeking rides across various multi-modal mobility options, including private cars and taxis.

- **GrabCar** is a ride-hailing service that allows passengers to book rides to reach their destinations and matches them with a driver-partner via the Grab platform. Before bookings are confirmed, the app provides passengers with prices and vehicle class options. In 2023, Malaysia-based users have booked over 200 million rides for their business or personal needs.

Deliveries: Grab's deliveries platform connects driver- and merchant-partners with consumers to create a local logistics platform, facilitating on-demand and scheduled delivery of a wide variety of daily needs, ready-to-eat meals, and groceries, as well as point-to-point package deliveries.

- **GrabFood** is a food-delivery service that allows users to order food deliveries from a wide range of food and beverage businesses from their homes or offices. In 2023, Malaysia-based businesses have used the Grab platform to deliver 140 million consumer orders. Most of these are local businesses that do not have their own in-house delivery services. GrabFood allows them to make additional sales via online deliveries enabled by the Grab platform.
- **GrabExpress** is an on-demand delivery service that allows users to send documents, parcels, products, and other items. Users can send items from their current locations without visiting a postal facility. Users also benefit from features like live-tracking and automatic insurance. In 2023, GrabExpress partner-drivers have helped Malaysian users make over 6 million deliveries
- **GrabMart** is an on-demand grocery delivery service where users can purchase a wide range of household items and have their purchases delivered to their homes immediately or scheduled in advance. In 2023, Malaysian users have made nearly 7 million purchases via GrabMart for their daily needs.



Grab's activities across its financial services, enterprises, and new initiatives segments are not included in this study. However, these segments have economic benefits due to their positive interactions with Grab's mobility and delivery services and the broader economy.

2.0 About This Study





2.1 Objectives and Methodology of this Study

The objectives of this study are:

- To estimate Grab's economic impact on the Malaysian economy in terms of its value added contribution to national GDP.
- To quantify the additional earning opportunities and household incomes that are unlocked by demand for Grab's services.

To quantify Grab's impact on the Malaysian economy, we use an I-O model that describes how money flows from one sector of the economy to another. These flows include:

- Consumer spending in purchasing goods and services from businesses.
- Businesses purchasing inputs for production and paying their employees.
- Employees using their earnings for their personal spending needs.

The model used for this report is based on Malaysia's official I-O Tables, the latest edition of which is based on 2021 data and published in 2023 by the Department of Statistics Malaysia. Using the tables, we analyse how money flows between different sectors of the economy. For instance, we expect spending in the food and beverage sector to increase the sales of vegetables, meat, and other ingredients. The I-O analysis allows us to trace these spending flows. The I-O Tables also provide industry ratios for the gross value added proportion of gross output, which allows us to estimate the contribution of increased spending on the national GDP.

The data used to estimate Grab's economic contribution is obtained from 2023 data on final sales made by Grab's various businesses. This includes the revenues received by Grab, its driver-partners, and merchant-partners. Similar to how spending on food and beverages spills over into other sectors, we use this information to identify how spending on Grab services interacts with the rest of the economy.

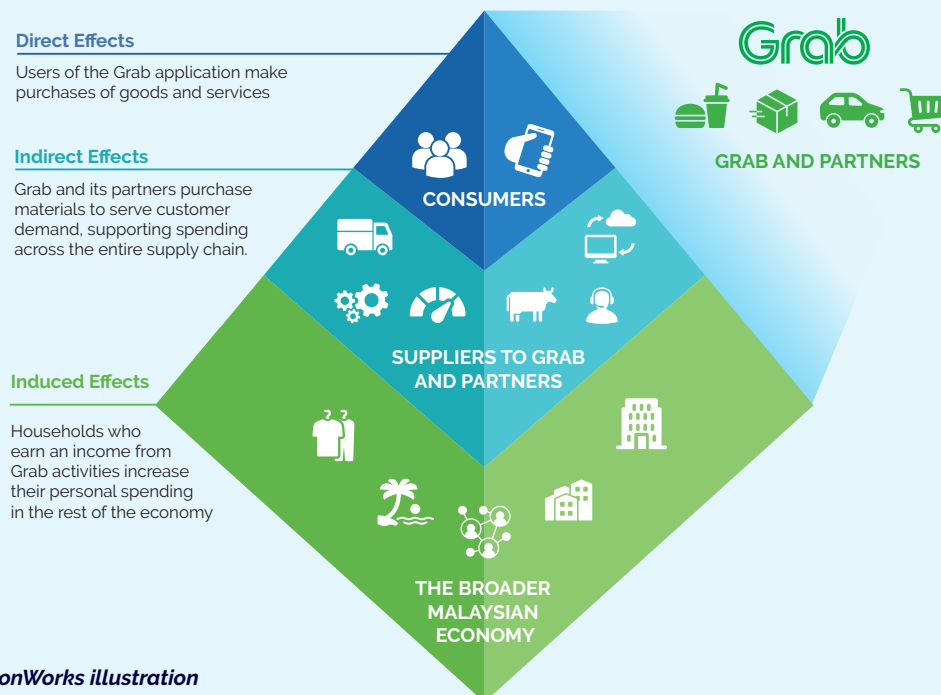
2.2 How Consumer Spending Flows Through the Economy

Spending in one sector of the economy impacts the others through several ripple effects. There are several ways in which these ripple effects occur:

- **Direct effects** refer to the immediate economic impact when consumers purchase products and services from a company or industry.
- **Indirect effects** refer to the impact from further rounds of spending when companies buy more materials and equipment from their suppliers to meet consumer demand. These suppliers will in turn procure more inputs in order to supply the required materials and equipment.
- **Induced effects** occur when workers in businesses across the supply chain experience higher incomes and spend some of the extra money they earn.

Figure 1 shows how purchases by Grab's users across the different services impact the rest of the economy.

Figure 1: Direct, indirect, and induced impacts from demand for Grab services



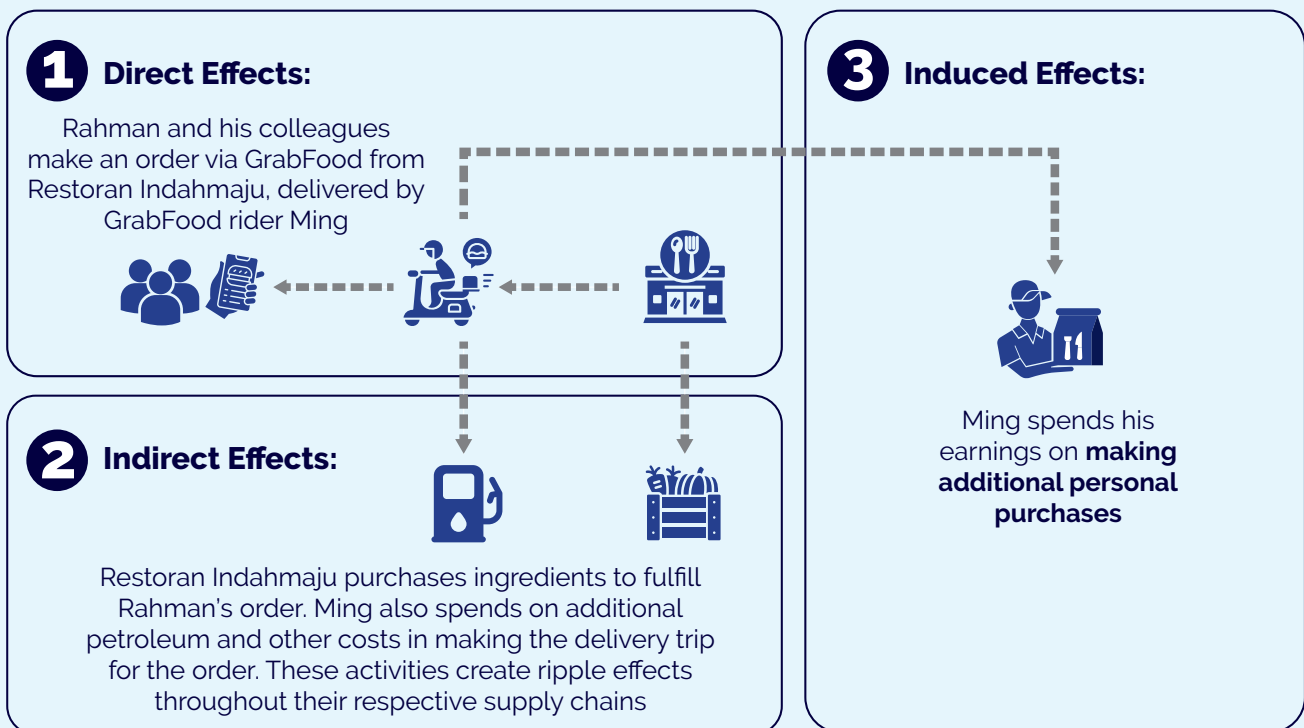
Source: EconWorks illustration



For an example related to Grab, consider how spending on GrabFood deliveries creates various levels of economic impact⁵:

- Rahman and his colleagues in the office order a meal delivery via GrabFood. The amount that they spend, which goes towards Grab, GrabFood rider Ming, and Restoran Indahmaju, generates the direct effects of the economic contribution on value add, earning opportunities, and household incomes.
- Restoran Indahmaju has to purchase the ingredients and pay for other costs, such as electricity and gas, to prepare the meal. Similarly, Ming has to buy and use petrol for his motorcycle. These purchasing activities and the associated ripple effects through the supply chain generate the indirect effects of the economic contribution.
- Ming and the workers at Restoran Indahmaju may use some of the extra money earned to buy themselves new items. This represents the induced effects of the economic contribution.

Figure 2: Direct, indirect, and induced impacts from a GrabFood order



Source: EconWorks illustration

3.0

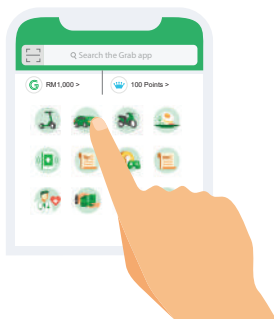
Grab's Economic Contributions to the Malaysian Economy





Our results show that Grab has significantly contributed to the Malaysian economy by adding to the national GDP, unlocking additional earning opportunities for Malaysians and encouraging businesses to hire more workers.

To understand this impact further, we can identify the three main parties involved in the provision of Grab's services, each essential in delivering value to the Malaysian economy and individuals:



Grab, as a company, operates and maintains the mobile application and associated technologies, registers and supports its driver- and merchant-partners, and provides other corporate services in operating the platform.



Merchant-partners, via GrabFood and GrabMart, sell meals and other consumer goods via the application.



Driver-partners are involved in transporting passengers (GrabCar) or delivering consumer orders (GrabFood, GrabMart, GrabExpress).



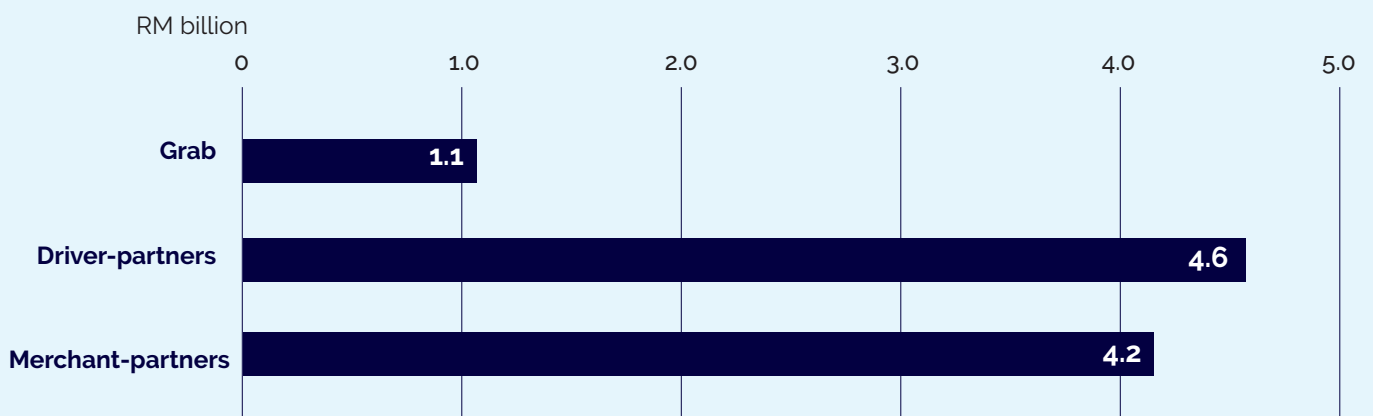
3.1 Grab's Contributions to National GDP

- In 2023, Grab and its partners have unlocked up to RM9.9 billion in economic value added, contributing 0.5% to Malaysia's GDP.
- 88% of this value added contribution comes from Grab's driver- and merchant-partners who operate across the different Grab services.

Consumer spending on Grab services helps generate economic activity across the combined supply chains of Grab and its partners. The buying and selling activity supported by demand for Grab services helps businesses within the Grab ecosystem grow, in turn contributing to the broader Malaysian economy.

In 2023, Grab-related activities unlocked up to RM9.9 billion in economic value added, contributing 0.5% of Malaysia's GDP. For comparison, this is similar to or larger than the economic contribution of the aviation (0.4%) or accommodation (0.5%) sectors in Malaysia⁵. Taken together, every RM1 in value added generated by customer spending on Grab is "multiplied" throughout the economy, leading to a further value added contribution of RM1.5 to Malaysia's GDP⁶.

Figure 3: Grab and its partners' value added contribution to the Malaysian economy



Source: EconWorks analysis and illustration

Notes:

⁵ Calculated from the I-O tables.

⁶ In economic terms, this includes indirect and induced effects on spending.



3.2 Grab Supports Earning Opportunities and Contributes to Household Incomes

- In 2023, Grab unlocked up to 277,237 earning opportunities for its partners and employees across the supply chains of Grab's activities.
- This means that just over 1.5% of Malaysia's labour force, or one in every 64 individuals, benefit from the earning opportunities that Grab enables.
- These earning opportunities cumulatively generated up to RM3.7 billion in household incomes.

Grab benefits Malaysians by unlocking earning opportunities, either by allowing driver-partners the means to supplement their income or by supporting jobs either through direct employment with Grab or its merchant-partners, as well as within the combined supply chains of Grab and its merchant- and driver-partners.

In 2023, Grab's activities across the four focal services were estimated to have unlocked 277,237 earning opportunities for individuals in Malaysia. In the context of Malaysia's labour market, this means that 1.5% of Malaysia's labour force benefit from the earning opportunities enabled by Grab. To illustrate, this is approximately the total population of a medium-sized district in Malaysia, such as Hulu Selangor in Selangor, Alor Gajah in Melaka, or Miri in Sarawak⁸.

A large majority of this comes from the opportunities made available for driver-partners to provide their services in Grab's transport and delivery businesses. This is further expanded by the jobs that merchant-partners and suppliers create as a result of the increased business enabled by Grab.

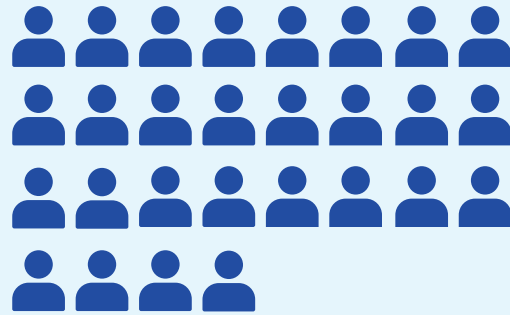
In monetary terms, these earning opportunities allowed individuals to collectively earn up to RM3.7 billion in household income. This is a net figure after accounting for costs such as petrol and vehicle maintenance for driver-partners, or ingredient and material costs for the merchant-partners. The household incomes unlocked constitute 0.6% of the total employee compensation in the Malaysian economy for 2023.

Notes:

⁸ Department of Statistics Malaysia (2024) *Population Tables for Administrative Districts*

Figure 4: Earning opportunities unlocked by Grab-related activities

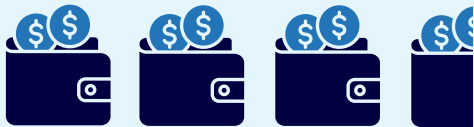
277,237
individuals hold earning
opportunities unlocked by
Grab activities



Each icon represents 10,000 individuals

Source: EconWorks analysis and illustration

Figure 5: Household incomes supported by Grab-related activities



Each icon represents RM1.0 billion in
household income supported

RM3.7 billion
in household incomes
generated by unlocked
earning opportunities

Source: EconWorks analysis and illustration

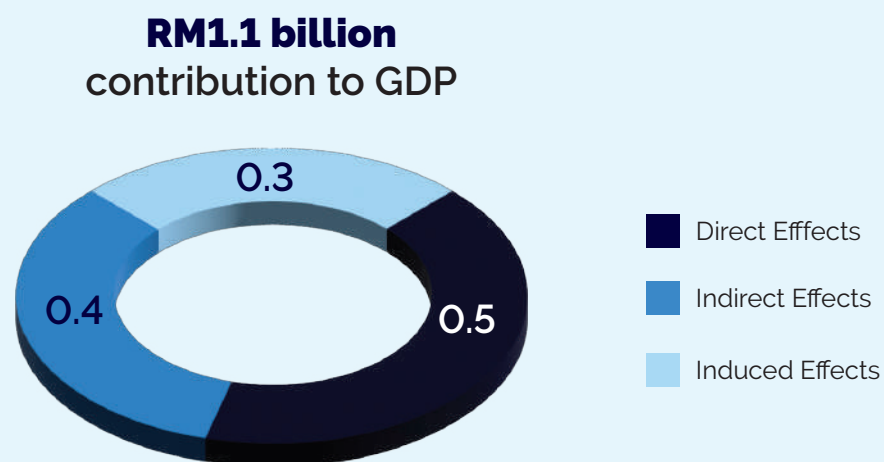


3.3 The Economic Contributions of Grab's Operations

As a technology company, Grab plays a key role in developing the technology and applications that underpin the Grab platform, as well as registering and supporting its partners. This ensures that the Grab ecosystem functions well both for partners and consumers. Grab's operational activities deliver significant economic benefits via the employee salaries of Grab and its suppliers, as well as the profits of firms across different levels of the supply chain. In 2023, this amounted to RM1.1 billion in value added, accounting for 0.06% of Malaysia's GDP.

- RM0.5 billion of this is the direct value added impact from Grab's Malaysia-based operations in providing corporate and technology services for the platform.
- RM0.4 billion is generated by indirect effects from the increased business activities of Grab's suppliers. This includes firms selling equipment and providing business services (accounting, consultancy, administrative support) to Grab.
- RM0.3 billion in induced effects is generated when workers in Grab and its supplier firms spend their incomes on additional purchases of goods and services for their personal use.

Figure 6: Grab's corporate activities deliver RM1.1 billion in value added



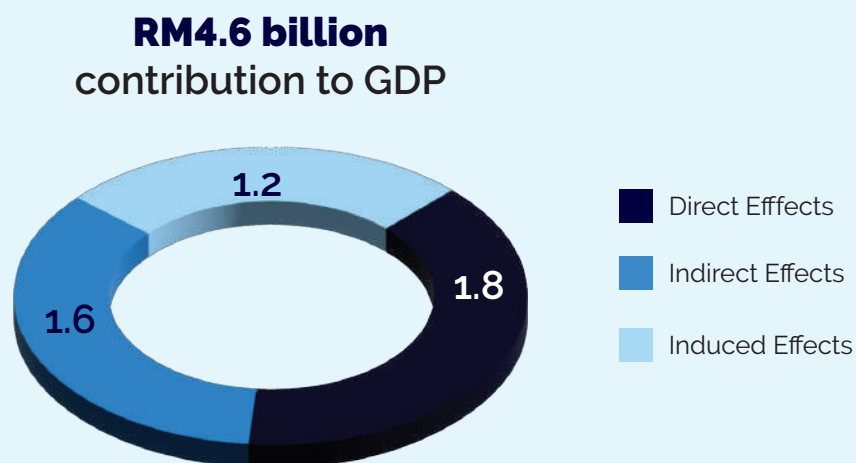
Source: EconWorks analysis and illustration

3.4 The Economic Contributions of Driver-Partners

Driver-partners generate nearly half of the total value added from Grab-related activities through the income opportunities they receive on the platform, highlighting their crucial role in the Grab ecosystem. This is due to the large number of driver-partners operating in Malaysia and their purchasing activities. In 2023, driver-partners contributed RM4.6 billion in value added, accounting for 0.25% of Malaysia's GDP.

- RM1.8 billion is the direct value added impact from driver-partners transporting passengers and delivering meals and parcels to fulfil orders by users of the Grab application.
- RM1.6 billion is generated by indirect effects, primarily from the additional sales of petroleum, vehicle maintenance services, and other inputs used by driver-partners in providing their services via Grab.
- RM1.2 billion in induced effects is unlocked when driver-partners and employees in the firms that supply them make additional personal purchases from their incomes.

Figure 7: Driver-partners deliver RM4.6 billion in value added



Source: EconWorks analysis and illustration

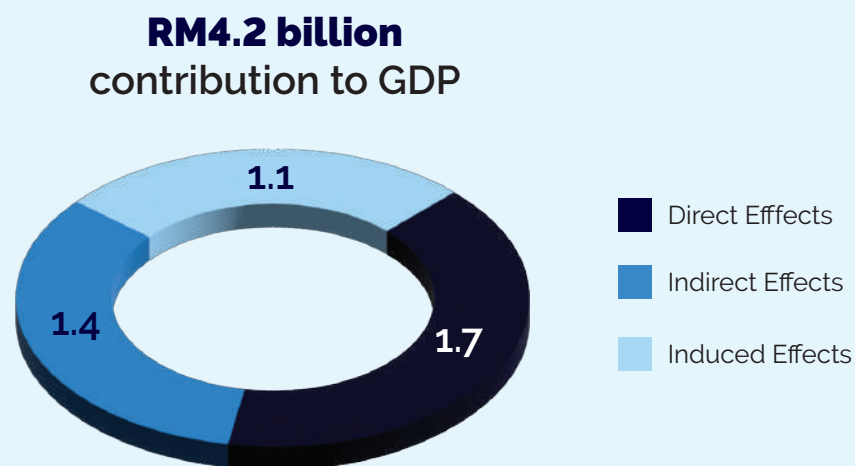


3.5 The Economic Contributions of Merchant-Partners

Merchant-partners are also a vital component of the Grab ecosystem, delivering almost 40% of the total value added contribution to the Malaysian economy. The additional sales from merchant-partners, whether restaurants on the GrabFood platform or retailers on GrabMart, deliver this component of the value added contribution. In 2023, merchant-partners contributed RM4.2 billion in value added, accounting for 0.23% of Malaysia's GDP.

- RM1.7 billion of this is the direct value added impact from the Grab-enabled sales of merchant-partners.
- RM1.4 billion comes from indirect effects that arise as merchant-partners purchase more materials and ingredients from their suppliers to cater to Grab-enabled sales.
- RM1.1 billion in induced effects is generated when the workers in merchant partners and their suppliers spend more in the economy as a result of their higher incomes.

Figure 8: Merchant-partners drive RM4.2 billion in value added



Source: EconWorks analysis and illustration

3.6 Sectors that Benefit from Grab's Activities

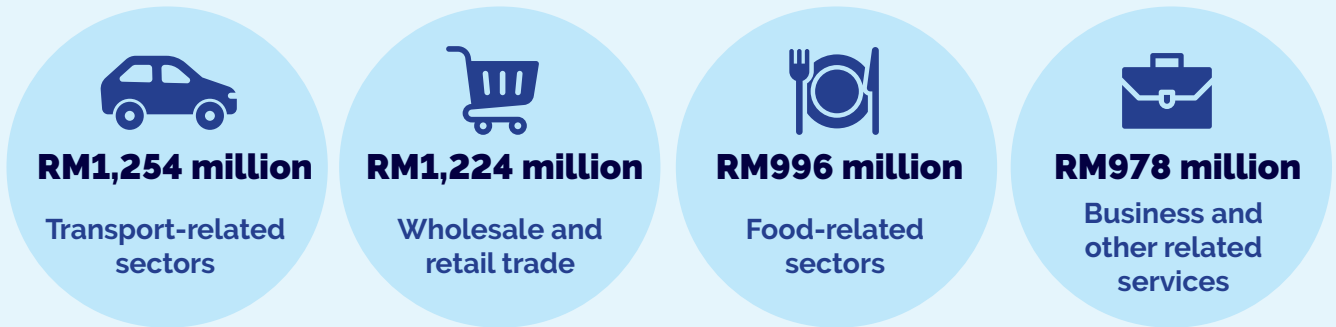
The economic activities that Grab supports in Malaysia extend across a wide range of sectors, reflecting the multi-faceted nature of Grab's mobility and delivery services. Due to the multiplier effects, consumer spending on the Grab platform supports businesses and earning opportunities across these other sectors,

- **Transport and vehicle-related sectors:** GrabCar's passenger transport services and the delivery services of GrabFood and GrabExpress support activity in various transport-related product and service sectors - notably the increase in the demand for petrol, vehicle maintenance and repair services.
- **Food-related Sectors:** GrabFood merchants, when fulfilling orders from the Grab platform, increase their purchases from a wide range of food-related sectors. This includes ingredients such as vegetable and animal products as well as other meal-preparation costs such as natural gas and energy.
- **Retail Sector:** GrabMart supports activity in the retail sector by enabling consumers to purchase a wide range of daily-use items and groceries remotely. This is reflected in increased business for the retail and other consumer-goods-related sectors.
- **Other services:** Sectors such as insurance, finance, business and professional services, and warehousing also benefit from higher sales through their indirect involvement with the Grab platform. This happens as Grab and its partners purchase these services to support their expanding businesses.

A detailed breakdown of this impact is available in the methodological note.



Figure 9: GDP spillovers from Grab-related Activities



Source: EconWorks analysis. The sectors are based on 20 sectors with the largest GDP impact, excluding the GDP contribution made by Grab directly



4.0 Beyond the Numbers: Socio-economic Benefits from Grab

Beyond the measured economic impacts, Grab's platform and ecosystem also provide socio-economic benefits for various communities across Malaysia. These benefits include improved convenience for users and businesses, as well as positive health and environmental impacts.

Furthermore, Grab's offerings in the financial services, enterprise services, and new initiatives segments also have positive interactions with Grab's on-demand transport and delivery services. These interactions further expand these socio-economic benefits.

These include, but are not limited to:

- **User convenience:** Grab provides users with time savings and convenience through its one-stop application for their ride-sharing and food delivery needs, including hassle-free bookings for point-to-point transportation. This is particularly beneficial for the elderly or those with mobility challenges, who can access these services from their homes.
- **Improved connectivity:** Grab complements public transport by filling gaps in end-point access and providing point-to-point travel in suburban and rural areas. This enhances access to more locations and neighbourhoods, facilitating local tourism and recreational activities.
- **Improved digitisation of business processes:** Merchant-partners improve their business processes by adjusting their existing operations to meet demand from the Grab platform. This includes promoting cashless transactions and digital record-keeping.
- **Financial inclusion:** Grab enhances financial inclusion by providing digital financial services, enabling expanded and faster access to banking and other financial services, especially for underserved parts of society. For instance, Grab partners who may not qualify for traditional bank loans can access credit within the Grab platform.



- **Safety and trust.** As a global brand, Grab promotes safety and trust. Users from beyond Malaysia can rely on having a trusted provider of mobility services when they visit Malaysia.

In addition to the socio-economic benefits, Grab also unlocks opportunities for individuals with diverse needs and circumstances to earn an income to support themselves and their households. The flexibility of the Grab platform significantly benefits individuals whose circumstances make it harder to undertake full-time, fixed-hours employment. This includes individuals with caregiving responsibilities to family members, persons with disabilities, retirees, or individuals who want to supplement their primary income. This, in turn, improves their economic well-being by enabling them to invest in skills training or meet urgent expenses.

Furthermore, the ability for drivers and merchants to “multi-home” by operating on different platforms alongside Grab means that they can access multiple channels of digitally-enabled sales at the same time. Because of this, individuals can earn multiple earning streams from different platforms⁸.

Notes:

⁸ The household income estimates contained in this report only include income derived from Grab-related activities. Income derived from other platforms is not included in these estimates.

5.0 Conclusion

In its twelve years of operations in Malaysia, Grab has positively contributed to the Malaysian economy by offering consumers new, convenient ways to access transport and food services. Additionally, Grab enables partners to access additional earnings and sales opportunities through the platform.

Based on the services covered in this study, Grab has made a significant positive contribution to the broader Malaysian economy:

- Grab services contributed, directly or indirectly, up to 0.5% of Malaysia's GDP in 2023. This included partners' additional earnings and profits made by selling their goods and services within the Grab ecosystem.
- Every RM1.0 of value added directly generated from the Grab platform contributed a further RM1.5 in value added to the overall economy via multiplier effects. This includes the purchases of raw materials and intermediate goods by Grab's partners and additional spending from the income supported by Grab.
- Grab's services unlocked earning opportunities for up to 277,237 individuals to increase their incomes. These earnings opportunities support over RM3.7 billion in household incomes.

This report focuses only on Grab's on-demand transport and delivery services. Therefore, the estimates of economic impact in this report do not fully reflect the total economic contribution that the Grab ecosystem, as a whole, makes to the Malaysian economy.

Beyond the quantified economic impacts, Grab's platform and ecosystem also provide socio-economic benefits for various communities across Malaysia. These benefits are enhanced when considering the positive interactions between Grab's on-demand transport and delivery services and the broader Grab ecosystem, benefiting millions of Malaysians in everyday activities.

Grab's presence in Malaysia has delivered many benefits to its users and partners. As Grab's user base grows, more partners will be encouraged to participate in the platform and vice versa. This further improves the benefits and experiences for all stakeholders and allows individuals across the Grab ecosystem to improve their quality of life.



Appendix: Description of Economic Effects

Business Segment	Direct Effects	Indirect Effects	Induced Effects
GrabCar	<p>Economic contributions (value add, household income, and earning opportunities) resulting from payments made by consumers and received by Grab and drivers-partners:</p> <ul style="list-style-type: none">■ Fares■ Tips■ Other additional charges	<p>The increase in economic activity across the combined supply chains of Grab and its partners resulting from:</p> <ol style="list-style-type: none">1. Purchases made by driver-partners in providing ride-hailing services such as:<ul style="list-style-type: none">■ Fuel■ Vehicle maintenance2. Spending by Grab in the provision of corporate and support services	<p>Economic contributions resulting from additional personal spending from the unlocked earning opportunities by:</p> <ol style="list-style-type: none">1. Grab employees2. GrabCar driver-partners3. Employees in businesses in the supply chains of Grab and driver-partners
GrabFood	<p>Economic contributions resulting from payments made by consumers and received by Grab for the following services:</p> <ol style="list-style-type: none">1. The restaurants (merchant-partners) preparing the meals,2. The driver-partners who deliver the meals	<p>The increase in economic activity across the combined supply chains of Grab and its partners resulting from:</p> <ol style="list-style-type: none">1. Purchases made by GrabFood merchant-partner restaurants to fulfil meal orders sold via Grab:<ul style="list-style-type: none">■ Ingredients■ Utilities2. Purchases made by delivery-partners in the provision of delivery services3. Spending by Grab in the provision of corporate and support services	<p>Economic contributions resulting from additional personal spending from the unlocked earning opportunities by:</p> <ol style="list-style-type: none">1. GrabFood merchant-partners and their staff2. Driver-partners who earn income from delivering the meals3. Grab employees4. Employees in the businesses in the supply chains of Grab, driver-partners, and merchant-partners

Business Segment	Direct Effects	Indirect Effects	Induced Effects
GrabExpress	Economic contributions resulting from payments made by consumers ordering an on-demand delivery and received by Grab and the driver-partners conducting the delivery	The increase in economic activity across the combined supply chains of Grab and its partners resulting from: <ol style="list-style-type: none"> 1. Purchases made by GrabExpress delivery-partners in providing delivery services: <ul style="list-style-type: none"> ■ Fuel ■ Vehicle maintenance 2. Spending by Grab in the provision of corporate and support services 	Economic contributions resulting from additional personal spending from the unlocked earning opportunities by: <ol style="list-style-type: none"> 1. Grab employees 2. GrabExpress driver-partners 3. Employees in businesses in the supply chains of Grab and driver-partners
GrabMart	Economic contributions resulting from payments made by consumers purchasing groceries: <ul style="list-style-type: none"> ■ Delivery fees to delivery-partner ■ Prices of groceries to merchant-partner 	The increase in economic activity across the combined supply chains of Grab and its partners resulting from: <ol style="list-style-type: none"> 1. Purchases made by GrabMart retail partners to fulfil orders made via Grab 2. Purchases made by GrabMart delivery-partners 3. Spending by Grab in the provision of corporate and support services 	Economic contributions resulting from additional personal spending from the unlocked earning opportunities by: <ol style="list-style-type: none"> 1. GrabMart merchant-partners and their staff 2. Driver-partners who earn income from delivering customer orders 3. Grab employees 4. Employees in the businesses in the supply chains of Grab, driver-partners, and merchant-partners



About Econworks

EconWorks was founded in 2022 to provide economically rigorous advisory services to companies, investors, public sector bodies, and other entities. We combine deep knowledge of economics and public policy with a wealth of experience working in the region to help clients navigate the evolving regulatory environment in Southeast Asia and the broader Asia Pacific. Our clients include institutional investors, corporations, and government agencies. We advise on areas of competition economics, regulatory affairs, and other areas of economic policy.

Our team comprises professionals with rich experience working in the public and private sectors. Team members have played crucial roles in policy and regulatory development in Malaysia, including developing the competition law framework, advising on international trade negotiations, and economic policy development in areas such as aviation policy, retirement savings, and state-owned enterprise reform.

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