

# ShareWay (Blockchain-Based Ride-Sharing Application)

Amit Saxena  
Assistant Professor  
Department of CSE  
MIT, Moradabad, U.P., INDIA  
Email: [er.amitsaxena79@gmail.com](mailto:er.amitsaxena79@gmail.com)

Anubhav Kumar  
Department of CSE  
MIT, Moradabad, U.P., INDIA  
Email: [anubhav0175@gmail.com](mailto:anubhav0175@gmail.com)

Arpit Dahiya  
Department of CSE  
MIT, Moradabad, U.P., INDIA  
Email: [dahiyaarpit2630@gmail.com](mailto:dahiyaarpit2630@gmail.com)

Ayush Sisodia  
Department of CSE  
MIT, Moradabad, U.P. INDIA  
Email: [sisodiaayush497@gmail.com](mailto:sisodiaayush497@gmail.com)

## ABSTRACT

The ride-sharing industry, though convenient, is largely controlled by centralized platforms that mediate between drivers and passengers. These platforms typically impose high commission fees and offer limited transparency in areas such as pricing, payment allocation, and data privacy. Additionally, centralization creates a single point of failure, making these services susceptible to data breaches and operational disruptions. This paper proposes "ShareWay," a blockchain-based ride-sharing platform that removes intermediaries by allowing direct connections between drivers and passengers via smart contracts, providing secure and transparent transactions. This approach ensures fairer pricing, improved profit distribution, and enhanced data privacy for both drivers and passengers.

**Keywords:** Blockchain, Ride-Sharing, Decentralized Application, Smart Contracts, MetaMask, Secure Transactions

## 1. INTRODUCTION

The ride-sharing industry has significantly transformed urban transportation by offering an alternative to traditional taxi services. Platforms such as Uber and Lyft have made it easier for individuals to find and book rides conveniently through their smartphones. However, these centralized platforms come with inherent challenges. High commission fees imposed on drivers can significantly reduce their earnings. Additionally, the lack of transparency in pricing mechanisms often leaves passengers unclear about fare calculations. Moreover, centralized control over user data poses serious privacy concerns. These platforms collect and store vast amounts of personal information, creating single points of failure that are vulnerable to data breaches and cyber-attacks. This centralization not only raises questions about data privacy but also about the monopolistic control exerted by these corporations over the ride-sharing market. To address these issues, there is a compelling need for a decentralized solution that can provide greater transparency,

enhanced data privacy, and fairer economic terms for both drivers and passengers. This paper proposes "ShareWay," a blockchain-based ride-sharing platform designed to disrupt the centralized model by leveraging the decentralized nature of blockchain technology.

ShareWay aims to eliminate intermediaries by enabling direct connections between drivers and passengers through smart contracts. These smart contracts ensure that transactions are secure, transparent, and tamper-proof. By utilizing blockchain, ShareWay provides a decentralized infrastructure where data is distributed across a network, reducing the risk of centralized data breaches and enhancing user privacy. Furthermore, this approach promises more equitable profit distribution, as drivers retain a larger share of their earnings without the burden of high commission fees.

## 2. LITERATURE SURVEY

The emergence of blockchain technology has revolutionized various industries, including ride-sharing.

Traditional ride-sharing platforms like Uber and Lyft operate on a centralized model, where a single entity manages transactions, user data, and pricing mechanisms. This centralization can lead to high commission fees for drivers, lack of transparency for users, and data privacy vulnerabilities. Blockchain technology, known for its decentralized and secure nature, has been explored to address these issues in the ride-sharing industry. Projects like Arcade City and DAV Network have demonstrated the potential of blockchain to disrupt the centralized ride-sharing model by facilitating direct connections between drivers and passengers through decentralized networks. Despite these advancements, user adoption remains a challenge, as many users are unfamiliar with blockchain technology. Additionally, ensuring the security and scalability of these platforms is crucial for their success. Existing blockchain-based ride-sharing platforms often lack comprehensive integration and fail to address key challenges such as robust user verification and effective dispute resolution. ShareWay aims to address these gaps by leveraging decentralized identity management and smart contracts to ensure only verified users can participate, enhancing trust and security. Furthermore, ShareWay incorporates efficient dispute resolution mechanisms and is designed with a focus on user experience, making it accessible even to those unfamiliar with blockchain technology. In conclusion, while existing blockchain-based ride-sharing platforms have shown promise, ShareWay offers a comprehensive solution to address these challenges, providing a secure, transparent, and decentralized ride-sharing experience.

### 3. RELATED WORKS

The ride-sharing industry has seen significant advancements with the integration of blockchain technology, which promises to address the challenges of centralization. Numerous studies and projects have explored the application of blockchain in ride-sharing, aiming to provide secure, transparent, and decentralized platforms. For instance, research has highlighted the potential of decentralized networks to facilitate direct interactions between drivers and passengers, eliminating the need for intermediaries. Projects like Arcade City and DAV Network have pioneered this approach by using blockchain to create decentralized ride-sharing ecosystems. Arcade City enables drivers to set their own rates and connect with passengers directly, ensuring transparency and reducing costs. Similarly, DAV Network focuses on creating an open transportation ecosystem, utilizing blockchain to connect service providers and consumers without central control. These initiatives demonstrate the feasibility of blockchain technology in decentralizing ride-sharing services and offer insights into

the benefits of reduced operational costs and enhanced data privacy.

Despite these promising developments, there are still several challenges that blockchain-based ride-sharing platforms must overcome. One major issue is user adoption, as blockchain technology remains complex and unfamiliar to many potential users. Studies have emphasized the importance of designing user-friendly interfaces and providing educational resources to facilitate the transition to decentralized platforms. Additionally, ensuring the security and scalability of these platforms is critical for their widespread acceptance. Research in this area has focused on developing robust consensus mechanisms and efficient smart contract designs to enhance the reliability and performance of blockchain-based systems. Moreover, addressing regulatory and compliance issues is essential to gain the trust of both users and authorities. Existing literature suggests that collaboration with regulatory bodies and adherence to legal frameworks can help in achieving wider adoption and acceptance of blockchain-based ride-sharing platforms.

Furthermore, the existing solutions often lack comprehensive integration, failing to address key aspects such as user verification and dispute resolution effectively. Ensuring robust user verification is crucial for maintaining trust and safety within the platform. Various studies have proposed the use of decentralized identity management systems to verify users' identities securely. These systems leverage blockchain's immutability and transparency to create reliable and tamper-proof digital identities. Additionally, effective dispute resolution mechanisms are necessary to handle conflicts between drivers and passengers. Research has explored the implementation of decentralized arbitration systems, where smart contracts facilitate fair and transparent resolution of disputes. By incorporating these features, blockchain-based ride-sharing platforms can enhance user trust and provide a seamless and secure experience. ShareWay aims to build on these insights by integrating decentralized identity management and efficient dispute resolution mechanisms, offering a comprehensive solution that addresses the existing gaps in blockchain-based ride-sharing platforms.

### 4. PROBLEM DEFINITION

During the development of the ShareWay project, several challenges and issues were encountered, reflecting the complexity and innovative nature of creating a decentralized ride-sharing platform using blockchain technology.

One of the major issues was ensuring robust user verification and authentication. In traditional, centralized systems, user verification is straightforward because a central authority

manages and validates user identities. However, in a decentralized system like ShareWay, verifying the identities of drivers and passengers securely and reliably posed a significant challenge. To address this, we had to implement a decentralized identity management system that leverages blockchain's immutable and transparent nature to create reliable and tamper-proof digital identities. This required careful planning and integration of secure verification protocols to ensure that only verified users could participate in the platform.

Another challenge was designing an efficient and secure payment system that could handle transactions between drivers and passengers without intermediaries. Traditional ride-sharing platforms handle payments through centralized systems, but for ShareWay, we aimed to use smart contracts to automate and secure these transactions. Integrating cryptocurrency wallets like MetaMask to facilitate direct payments was a complex task, involving not only technical integration but also ensuring that users could easily understand and use these tools. This involved extensive testing and user feedback to refine the process and make it user-friendly.

Additionally, scalability and performance were critical issues that needed to be addressed. Blockchain networks, particularly public ones, can experience latency and congestion, which could affect the real-time operations of a ride-sharing platform. Ensuring that ShareWay could handle a high volume of transactions efficiently required optimizing our smart contracts and choosing the right blockchain infrastructure. We considered various blockchain platforms to find one that could offer the scalability and performance needed for our use case.

## 5. INDUSTRY/SOCIETY BENEFITTED

The introduction of ShareWay, a blockchain-based ride-sharing platform, presents numerous benefits for both the transportation industry and society at large. By eliminating the need for centralized intermediaries, ShareWay offers a more equitable and efficient alternative to traditional ride-sharing services.

For the transportation industry, ShareWay reduces the reliance on centralized platforms that often impose high commission fees on drivers. These fees can significantly cut into drivers' earnings, creating financial strain and dissatisfaction. By leveraging blockchain technology, ShareWay allows for direct transactions between drivers and passengers through smart contracts. This not only ensures that drivers retain a larger portion of their earnings but also promotes fairer pricing for passengers. The transparency

provided by blockchain also means that all transactions are recorded on a public ledger, reducing the potential for disputes and fostering trust among users.

In addition to economic benefits, ShareWay enhances data privacy and security. Centralized platforms typically collect and store vast amounts of personal data, making them prime targets for cyber-attacks and data breaches. ShareWay, however, uses a decentralized approach where user data is distributed across the blockchain network. This reduces the risk of data breaches and ensures that users have more control over their personal information. As a result, passengers and drivers can participate in the ride-sharing ecosystem with greater peace of mind, knowing that their data is secure.

From a societal perspective, ShareWay contributes to a more inclusive and resilient transportation system. Traditional ride-sharing platforms often face operational disruptions due to technical issues or cyber-attacks. In contrast, ShareWay's decentralized structure means that there is no single point of failure, making the platform more resilient to such disruptions. This ensures continuous service availability, which is particularly important in urban areas where reliable transportation is essential for daily activities.

Moreover, ShareWay promotes a sense of community and trust among its users. The platform's transparent nature allows users to see how fares are calculated and how payments are distributed, fostering a more cooperative and fair environment. This can lead to increased user satisfaction and loyalty, further driving the adoption of decentralized ride-sharing services. In conclusion, ShareWay's innovative use of blockchain technology offers significant benefits to the transportation industry and society by providing a secure, transparent, and equitable alternative to centralized ride-sharing platforms.

In addition to enhancing economic fairness and data privacy, ShareWay has the potential to significantly reduce the environmental impact of transportation. By promoting ride-sharing and optimizing route planning through decentralized technology, ShareWay can help reduce the number of vehicles on the road, leading to lower carbon emissions and reduced traffic congestion. This shift can contribute to cleaner air quality and more sustainable urban environments. Furthermore, the decentralized nature of ShareWay encourages community participation and local engagement, as users have a direct stake in the platform's success. This can foster a sense of collective responsibility and cooperation, ultimately leading to more socially conscious and environmentally friendly transportation practices. By integrating advanced features such as real-time ride matching and dynamic pricing, ShareWay not only enhances convenience and efficiency but also supports a greener and more connected society.

## 6. Flowcharts:

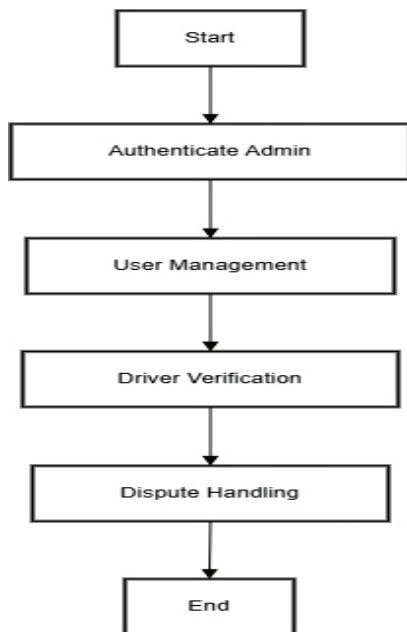


Fig 6(a) Administrator Module Flowchart

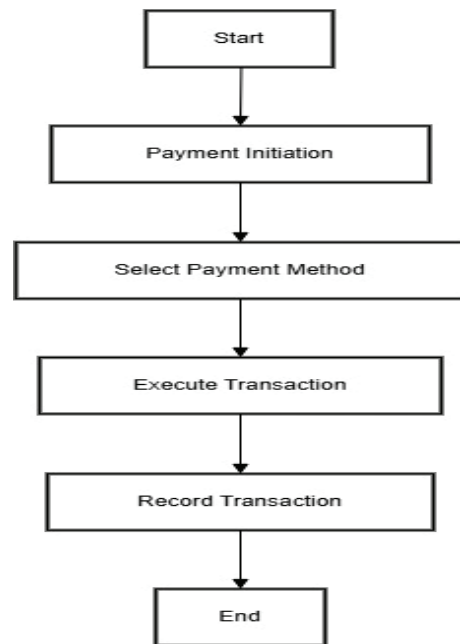


Fig 6(c) Payment and Transaction Module Flowchart

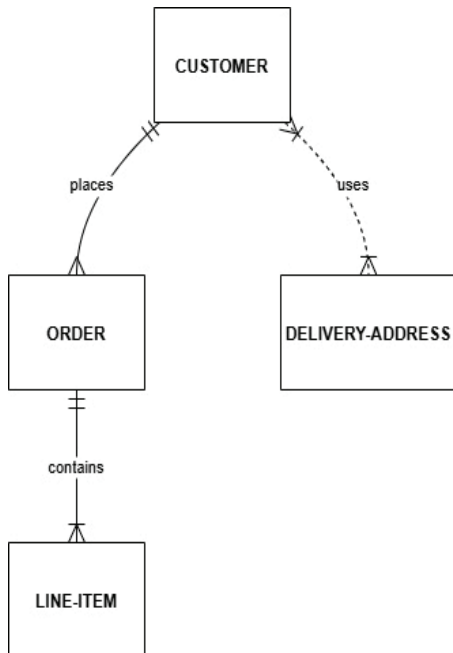


Fig 6(b) User Authentication Module Flowchart

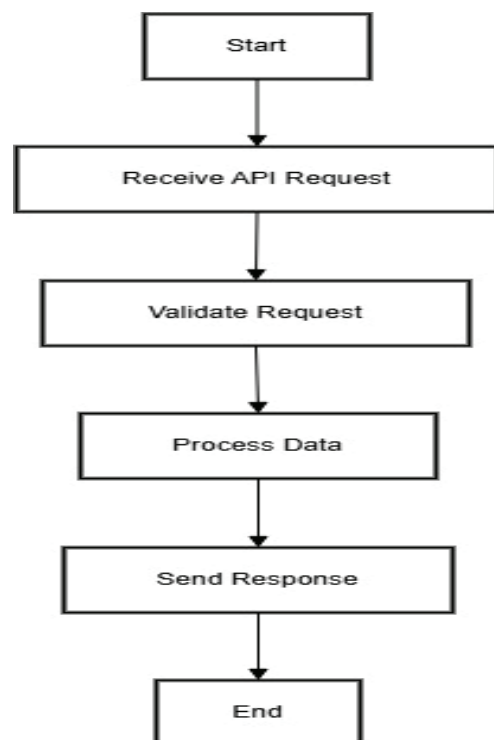


Fig 6(d) User Authentication Module Flowchart

## 7. CONCLUSION

In conclusion, the centralized nature of current ride-sharing platforms presents significant challenges, including high commission fees, lack of transparency, data privacy concerns, and susceptibility to operational disruptions. The ShareWay project addresses these issues by leveraging blockchain technology to create a decentralized, transparent, and secure ride-sharing platform. By eliminating intermediaries, ShareWay allows for direct transactions between drivers and passengers, ensuring fairer pricing and better profit distribution.

The use of smart contracts and decentralized identity management enhances trust and security, while efficient dispute resolution mechanisms ensure a reliable user experience. ShareWay not only benefits the transportation industry by reducing reliance on centralized platforms but also enhances data privacy and security, contributing to a more resilient and inclusive transportation system. This innovative approach demonstrates the potential of blockchain technology to transform traditional industries and offers a promising solution for the future of ride-sharing. Future work will focus on addressing technical challenges, expanding features, and promoting widespread adoption to realize the full potential of decentralized ride-sharing.

## 8. FUTURE DIRECTIONS

Looking forward, the development and implementation of ShareWay open several promising avenues for future research and enhancement. One key direction is the integration of advanced features such as dynamic pricing algorithms that adjust fares based on demand and supply in real time. This could ensure more efficient allocation of resources and optimize earnings for drivers while providing competitive pricing for passengers.

Another potential area for exploration is the incorporation of real-time tracking and navigation features. By integrating GPS and mapping services, ShareWay can offer improved route planning and real-time ride tracking, enhancing the overall user experience for both drivers and passengers.

Scalability remains a significant challenge for blockchain-based applications. Future work could focus on exploring scalable blockchain solutions such as Layer 2 protocols or sharding to handle a high volume of transactions efficiently. This will be critical to ensure that the platform can accommodate a growing user base without compromising on performance or security.

Furthermore, fostering a strong community around ShareWay will be essential for its success. Engaging with users through continuous feedback and implementing community-driven improvements can help build trust and loyalty. Educational initiatives to increase blockchain literacy among users can also facilitate broader adoption.

Regulatory compliance is another critical aspect that needs attention. Working closely with regulatory bodies to ensure that ShareWay adheres to local laws and regulations will be crucial for its operation in different regions. This includes addressing legal concerns around cryptocurrency transactions and data privacy.

Lastly, exploring partnerships with other decentralized applications and services can create a more robust ecosystem around ShareWay. By integrating with decentralized finance (DeFi) platforms for payment processing or utilizing decentralized storage solutions for data management, ShareWay can leverage the strengths of the broader blockchain community to enhance its functionality and resilience.

## REFERENCES

- [1] N. Szabo, "Smart contracts," *extropy*, vol. 16, 1996. [Online]. Available: <https://www.fon.hum.uva.nl/rob/Courses/InformationInSpeech/CDROM/Literature/LOTwinterschool2006/szabo.best.vwh.net/smart.contracts.html>
- [2] S. Nakamoto, "Bitcoin: A Peer-to-Peer Electronic Cash System," 2008. [Online]. Available: <https://bitcoin.org/bitcoin.pdf>
- [3] A. Dorri, S. S. Kanhere, R. Jurdak, and P. Gauravaram, "Blockchain for IoT security and privacy: The case study of a smart home," in *2017 IEEE International Conference on Pervasive Computing and Communications Workshops (PerCom Workshops)*, Kona, HI, USA, 2017, pp. 618-623. doi: 10.1109/PERCOMW.2017.7917634.
- [4] X. Liang, J. Zhao, S. Shetty, and D. Li, "Towards data assurance and resilience in IoT using blockchain," in *MILCOM 2017 - 2017 IEEE Military Communications Conference (MILCOM)*, Baltimore, MD, USA, 2017, pp. 261-266. doi: 10.1109/MILCOM.2017.8170858.
- [5] "DAV Network: The Decentralized Network for Transportation," DAV Network, 2018. [Online]. Available: <https://dav.network>
- [6] M. Crosby, P. Pattanayak, S. Verma, and V. Kalyanaraman, "Blockchain technology: Beyond bitcoin," *Applied Innovation Review*, vol. 2, pp. 6-19, Jun. 2016.
- [7] V. Buterin, "A Next-Generation Smart Contract and Decentralized Application Platform," *Ethereum White Paper*, 2013. [Online]. Available: <https://ethereum.org/en/whitepaper/>