

# Decentralized Ridesharing System Using Blockchain

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**Abstract** - In today's world, the practice of ridesharing has been increasing steadily in popularity, moving outside of urban settings and into suburban and rural areas. Our proposed system aims to decentralize the ride-sharing system by maintaining the rider's trip and transaction details on the blockchain. Because the entire transaction would be publicly verifiable, trust issues would be minimum, and payment fraud issues will be easily checked and remedied. Due to the blockchain's anonymous nature, everyone's identity will be kept confidential. As a result, security and privacy standards will be reinforced. The transaction will be visible, secure, and efficient as a result of the entire system. Although various systems and methodologies have been proposed to decentralize the ride-booking systems, the concepts have been mostly theoretical and lack proper practical implementation.

**Key Words:** ridesharing, blockchain, privacy, security, transaction

## 1. INTRODUCTION

The rise of digital technologies and cryptocurrencies over the past decade has brought significant changes in many industry sectors. The proposed decentralized ridesharing system is built on the Ethereum blockchain network. With most of the current ridesharing methods being controlled by central authorities and big corporations, there is a need for a decentralized system in public domain to make sure that ridesharing system becomes smoother. It's also necessary to make sure that the privacy of the user is not compromised and the data is not hackable. Therefore, it is best to use a blockchain network to carry out all these transactions to make them verifiable in the public domain. In this way the data is also secured and at the same time verified by the public. Smart contracts can be deployed on the blockchain network to make sure that the integration takes place properly. It is crucial that smart contracts are used to ensure that transparency and confidence is established in the system. To understand the emergence of blockchain technologies in the transportation industry and the various efforts made to make the system decentralized several methods have been reviewed.

## 2. LITERATURE REVIEW

In today's world, ride-sharing is becoming a popular mode of transport. [1] shows how ride-sharing can reduce traffic in a city to a great extent and potentially decrease the number of cars up to 31%. In ride-sharing, one of the most important

aspects is the effective matching of riders to share rides and finding drivers for those riders [2]- [8].

With blockchain technology on the rise, significant efforts are being made to incorporate this technology in the transportation sector. Meshkani [9] suggested an empirical ride sharing method where individual users can share their ride with only a single user. Lei [10] and Abbas [11] have suggested decentralized data management systems that are integrated with blockchain and IoT to provide better transparency, data sharing and tracking.

Over the past few years, many attempts have been made to improve and better the existing ride-sharing and travel applications. According to a survey conducted in [12], blockchain technology and cryptocurrencies has the potential to dramatically change the working of the existing ride-sharing applications. [13] proposed a blockchain framework for connecting autonomous vehicles while [14] proposed further adding a credit based intelligent vehicle communication framework that includes biometric features.

Wang [15] introduced a secure and privacy-preserving decentralized collection system of traffic information on the blockchain, TrafficChain, by taking advantage of edge computing. For making payments and transactions easier in blockchain, [16] proposed a Decentralized conditional Anonymous payment (DCAP) method as an alternative to traditional currency and transaction method, furthering the concept of a cashless economy. A similar effort was made by [17] to ensure that the third party services in the travel industry are eradicated and a transparent system based on using smart contracts and blockchain can be implemented.

[18], [19] suggested using a decentralized application to share rides incorporating some privacy preserving algorithms to ensure more privacy to the users. Li [20] has also proposed a similar feature by proposing a blockchain-enabled identity verification for safe ridesharing leveraging zero-knowledge proof.

S. C. -K. Chau [21] sheds light on the principles of decentralized ride-sharing and vehicle-pooling mechanisms based on stable matching and showed how several fair cost-sharing mechanisms can achieve high social optimality. Taking this study further with practical implementation, this paper aims to create a decentralized ride-sharing system using blockchain.

### 3. PROPOSED METHODOLOGY

After reviewing the architecture of centralized ridesharing systems, our proposed system aims to tackle the various issues that riders and drivers face. It was observed how the presence of a centralized body controlling the ride-sharing application affects both riders and drivers. One of the primary reasons for this is the commission fee. In a centralized ride-sharing system, the middle man takes a commission fee from the rider leading to higher price values for riders and a lower amount (Payment done by riders - Commission) for drivers.

Centralized applications are also extremely vulnerable to hacking. If this application is somehow hacked millions of people's private information can be exposed. Decentralized cryptocurrencies and applications have a different approach. They allow users to carry their own data, as opposed to relying on centralized bodies and middlemen to secure that data in exchange for using their platforms.

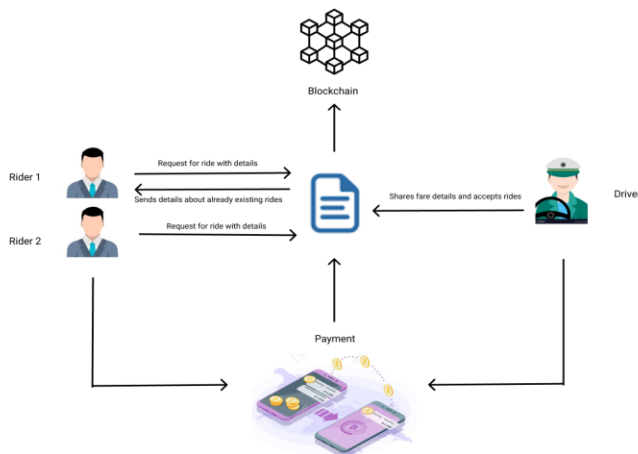


Fig -1: Architecture of Proposed System

Smart contracts are used to store the main details about the ride like the source, destination, price, and the public key of the user who is initiating the contract. By using this, the data is transparent, trackable and irreversible. At the same time this also ensures that the privacy of the user is not breached. The rider can share any rides from the available blockchain by paying for it via the cryptocurrencies. As soon as the transaction is complete, the changes are visible on the main blockchain and the ride can't be shared anymore.

### 4. IMPLEMENTATION

Our proposed system has been broadly divided into 3 modules: User interface, Smart contracts, and backend client. The user interface is meant for the user to enter the ride details and easily share the ride. The user interface also shows the ride history which is stored on the blockchain. This ride history is visible to any user who tries to share a ride.

The smart contracts are intended to make sure that the data being entered is traceable, transparent and irreversible. The details of the rides to be shared are stored on the blockchain with the help of the smart contract and cannot be changed at any cost. This ensures that the network is safe and secured. The backend client is used to transfer the data entered by the user to the smart contract and vice versa.

The rider/driver who wants to share the ride can enter the required details and can post it on the blockchain. He then has to pay a small amount of gas fees to make sure that the transaction succeeds. The other rider can just view it from his account. If he wants to share the ride at the given cost, he can just share the ride by paying the price of the ride and the required gas fees.

### 5. RESULTS AND DISCUSSION

This system is completely decentralized and is using blockchain. The blocks in blockchain are storing the following information: Gas fees used, the gas limit, the timestamp of the time when it was mined, and the hash of the previous block. The hash values are stored so that the block can be linked to the previous blocks.

It also stores the hash value of the current block and the to and from addresses of the transaction along with the amount transferred. All this information is stored on the blockchain and cannot be tampered with. If there is any change in the data then the hash value of the entire block changes and the blocks won't be connected. These values of timestamp and way of transaction can be determined using smart contracts.

BLOCK NO.			
GAS USED	GAS LIMIT	MINED ON	BLOCK HASH
TX HASH			
FROM ADDRESS	TO CONTACT ADDRESS	GAS USED	VALUE

Fig -2: Block Diagram

BLOCK 49			
GAS USED	GAS LIMIT	MINED ON	BLOCK HASH
140935	6721975	2022-04-13 12:23:24	0xc518888168bf6e04498b120d5f2f280ba64f72b88630ea43724d63f2ef356ef1
TX HASH			
0x9512e9fc60b68394364cf667ecd44336f66dc83e90bf8e9d3493f209f02f68			
FROM ADDRESS	TO CONTRACT ADDRESS	GAS USED	VALUE
0x18186c99328a48f2c285e8b36f7204172f9001e8	MarketPlace	140935	0

Fig -3: Block mined when user is creating the ride

This is the block (Fig -3) created when someone wants to put up a ride for sharing. As we can see this is the information stored on the block like the sender address, contract address, block hash, transaction hash, gas limit and gas used. Since this is used to create a ride that hence the value of ethers is 0.



Fig -4: Snapshot of the transaction details when Block 49 was created

This is the transaction (Fig-4) created when the user put up the ride for sharing. The sender's address, gas value, gas limit, etc. are listed in the transaction. It also has the data of the transaction and other details related to the contract deployed.



Fig -5: Details of the smart contract stored on the Block

As we can see in the above figure (Fig -5), here the details sent by the user are stored. The to and from address along with price is stored and that's how the data is being stored on the blockchain.



Fig -6: Block mined when the user is sharing the ride

Similarly, this block (Fig -6) is the block mined when the user was sharing the ride. And similar to the above blocks this also stores information in a similar manner.

The below table (Table -1) lists the different transactions and the details of the transaction like the from address, to address, gas fees, price and the hash value of the block that has been mined. As we can observe when the user is putting up a ride to share the gas value is around 0.000000000000140000 ETH, however, when he wants to share the ride the gas fees comes down to 0.00000000000059000 ETH. In the first transaction, the user is putting up a ride to share. Since the data is being sent to the smart contract deployed, the address is to the smart contract's address. Hence the price is also 0.00 ETH. In the second transaction, the user is sharing the ride and has to

pay 1.00 ETH with the gas fees. However the details are sent to the address of the smart contract and hence the address remains the same.

Table -1: Transaction Details

Transacti on ID	From address	To address	Gas Fee	Price	Block Hash
0x9512e9f c60b6839 4364cf66f 7ecd4433 6f66dc83e 90bf8e9d 3493f209f 02f68	0xe1818dc 09328f8a fbc205e8b3 6f72b417 2f00d1e8	0xe3dfb6f 8Aaa3452 75828dbf 3379cf8a b8929343	0.000000 0000001 40935 ETH	0.00 ETH	0xc5180 88168bfe 604498b 120d5f2f 280ba64f 72b8063 0ea4372 4d63f2ef 356ef1
0xd1dbc9 953b1582 48015df6 4b4a66e3 b7fb79b1 6707a583 c65413ea 06adbbf4 64	0xe3dfb6f 8Aaa3452 75828dbf 3379cf8a b8929343	0xe3dfb6f 8Aaa3452 75828dbf 3379cf8a b8929343	0.000000 0000005 9174 ETH	1.00 ETH	0x012d2 00ddb97 f51f5d9e af3ba39 79189fe5 d43a791 d5c3c5f8 5ee773a 2e8b77
0x2dd59c1 a685ac49c 86a50924 97c29ce34 1e955ac21 e605ddc4 013a9c502 5228	0xe3dfb6f 8Aaa3452 75828dbf 3379cf8a b8929343	0xe3dfb6f 8Aaa3452 75828dbf 3379cf8a b8929343	0.000000 0000001 40983 ETH	0.00 ETH	0xc315b 1716756 1a06fad b6db1d80 6219619 e6d422f1 904628e b7c86d3 39e18fb0
0x0f51888 49c5913f7 aa8a93d5a 913534b4 2a3d8f6e0 b98d580e 212097b5 6fe72f	0xe1818dc 09328f8a fbc205e8b3 6f72b417 2f00d1e8	0xe3dfb6f 8Aaa3452 75828dbf 3379cf8a b8929343	0.000000 0000005 9174 ETH	1.00 ETH	0x42554f 2098c1f3 11370a7 3c8c7b7 8732e17 6e5127fe 2ff63162 9311842 e309bc

Using smart contracts and the blockchain it has already been ensured that the data is secured and immutable. Hence it's enhancing the security, safety and privacy of the users. The middle man has also been removed in this system and it is more transparent. The blocks in the blockchain stores the time when the transaction was actually executed. Some of the improvements of the decentralized ridesharing system have been discussed below.

**Table -2:** Comparing Centralized and Decentralized Systems

Parameters	Centralized Ridesharing Systems	Decentralized Ridesharing systems
Security	All of the data is stored in a central server controlled by the big corporations and hence the data might not be safe.	The data is stored on the blockchain which is immutable and cannot be changed at any cost.
Safety	The safety of the rider depends on the person who is driving the vehicle. All of these details are with the central authority and hence it might be unsafe.	Since the blockchain is publicly verifiable, the safety of the riders is not compromised.
Privacy	The data of the rider and his/her personal details and bank account details are shared with the central authority and that can be misused.	Even though the blockchain is publicly verifiable the data of the user and the crucial details are kept safe and encrypted hence the privacy of the user is not breached.

## 6. CONCLUSION AND FUTURE WORK

This research pioneered a new field of study: decentralization of ride-sharing systems. Based on the results, it can be seen how the decentralized ride-sharing system can dramatically change and revolutionize the ride-sharing systems by providing fast, secure and efficient transactions without the interference of any centralized identity. Using this system, riders can connect directly with drivers via the blockchain decentralized network thereby reducing the additional costs incurred as a result of the use of several middlemen. Our proposed system also supports pseudonymous identities and provides users with a safe, permanent, and unbreakable link to their personal data. Our future work will include making this system more user-centric for wider adaptation and adding more safety protocols to ensure the safety of users as well as the driver.

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