Subscription on mobility – instead of car ownership

hans.arby@ubigo.me

UbiGo
URBAN MOBILITY

Some facts about everyday travel:

- Everyday travel is not a hobby

- It is not about getting from A to B

- Car ownership is a mobility insurance

- It has to be better (save time, money or mental energy)

- It is not (so much) about technology and API's

- It is not just about What and How, it is also about Who

- There is a lot of money in Mobility

Subscription on mobility – instead of owning a car

Concept and service design

UbiGo @Region Midtjylland

The Business Model Canvas

Designed for: MaaS-Operator/UbiGo *Designed by:* *On: Iteration:*

Key Partners	Key Activities	Value Propositions	Customer Relationships	Customer Segments
IT-platform & transaction handling Public Transport Local franchisee	Prucurement Service and market development Analytics IT-development	Easy, flexible, priceworthy, rewording everyday travel – without having to own a car	Subscriptions Bonus Feedback/control Travel Warranty	Urban Households Businesses (employers, stores etc)

Key Resources		Channels	
Negotiation and market competence Customer base Brand & franchise-concept	No-admin business travel and increased accesibility Less congestion emissions, Investments etc	App (info, book, pay,. Check...) 24/7 support Partners PR, W-bM	City (Trafic Mgmt, Mobility Mgmt)

Cost Structure	Revenue Streams
Warranty Key personel Support Marketing IT- maintenence & development	Travel service margins Franchising-fees Add-on for businesses Interest

www.businessmodelgeneration.com

[Skriv text]

Den flexible trafikanten – en affärsmodell för en samlad mobilitetstjänst

Sammanfattning av en kreativ studie med kunden och affären i centrum

November 2011 - Version 1.0
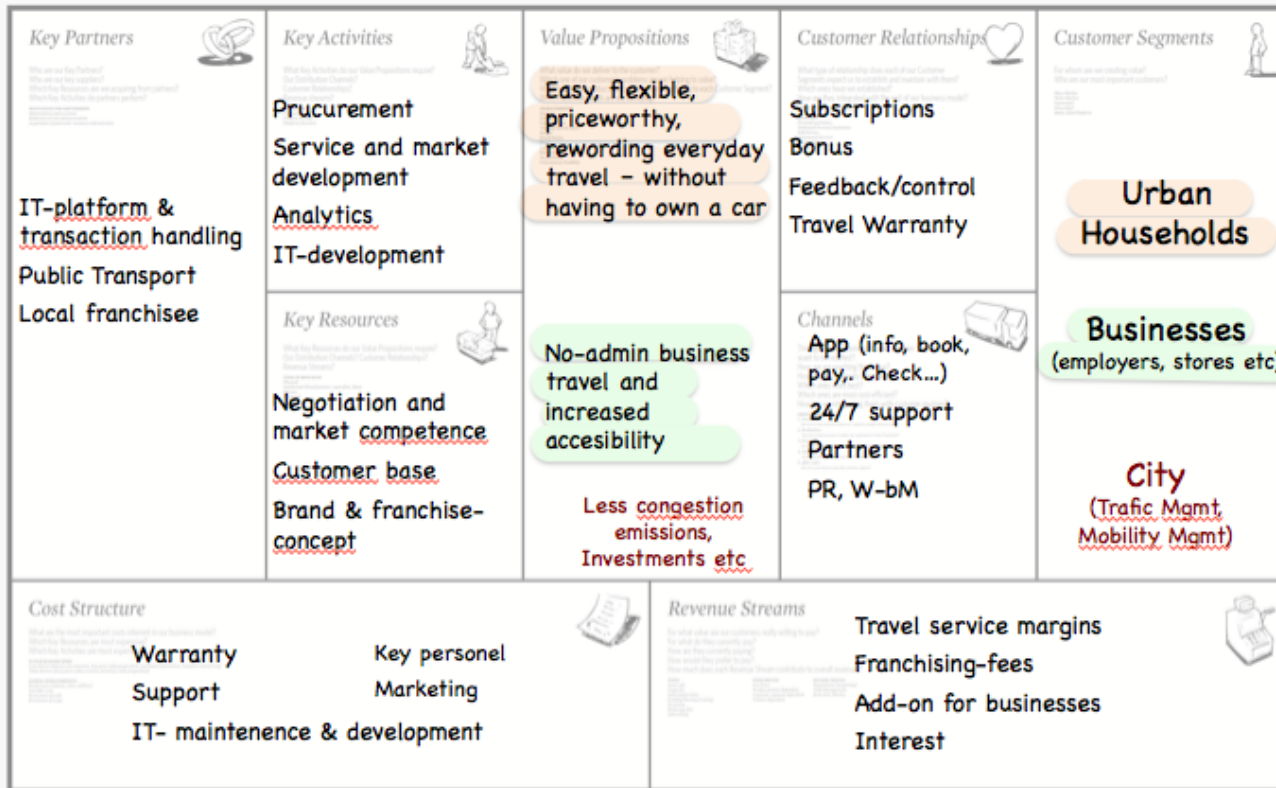
70 households paying households

6 months

Flexible subscrip

20 cars in storag

0 drop outs

>12 000 booking

2.5%	13.5%	34%	34%	16%
INNOVATORS	EARLY ADOPTERS	EARLY MAJORITY ADOPTERS	LATE MAJORITY ADOPTERS	LAGGARDS
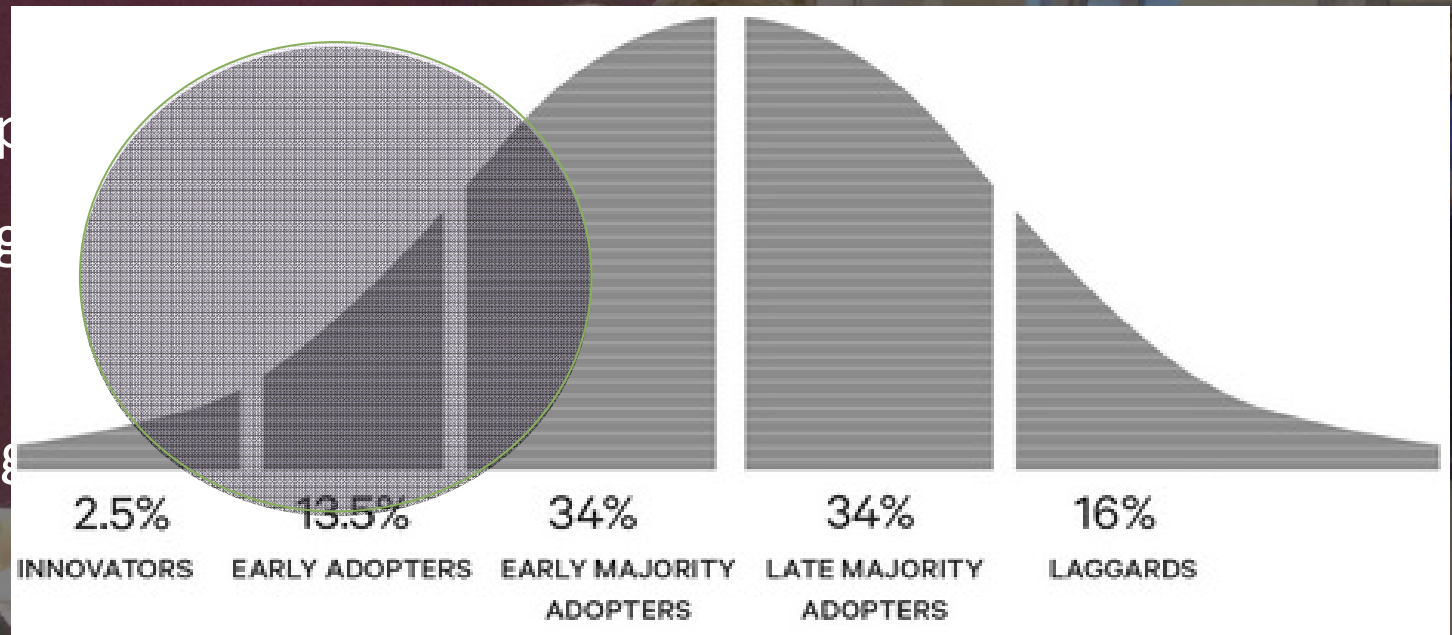
- **Curios and quite demanding = early adopters**

Who joined:

• A majority lives in apartments, works full-time

• They have a driver's licence, but typically do not own a car

• A large majority was not in car- or bike-sharing schemes

• Similar travel patterns as their average neighbour

Who didn't join?

• Similar socio-economic profile, but with greater access to a car

• Curiosity (to a lesser extent) + convenience and testing living without a car

• Those we met said no due to:
  • Cost
  • Travelling too little – or mostly by bike and by foot.
  • Carsharing sites too far away

CHALMERS

Before

Convenience Economy

Curiosity

Environment

At the end

Convenience Economy

Environment Curiosity

More on www.ubigo.me

Published papers

A selection of Chalmers' evaluation results are presented in various national and international forums, e.g.:

ITS World Congress in Detroit in September 2014 discussing traveler's motives for adopting the service – read it here.
https://publications.lib.chalmers.se/publication/204386

International Conference on Mobility and Smart Cities in October 2014 in Rome discussing the added value of the service – read it here.
https://publications.lib.chalmers.se/publication/204389

Annual Meeting of the Transportation Research Board in January 2015 in Washington, D.C. discussing challenges in integrating stakeholder perspectives – read it here.
https://publications.lib.chalmers.se/publication/204597

ITS World Congress in Bordeaux in October 2015 discussing changes in travel behavior and mode choice – read it here.
https://publications.lib.chalmers.se/publication/215086

For the latest updated list, click here.
http://publications.lib.chalmers.se/search/index.xsql?
start=0&doSearch=true&query=ubigo&submit01=Search

Please feel welcome to contact the author(s) if you have any questions about the articles or presentations.

Contact: Jana Sochor, Ph.D., Postdoctoral researcher
Design & Human Factors Division
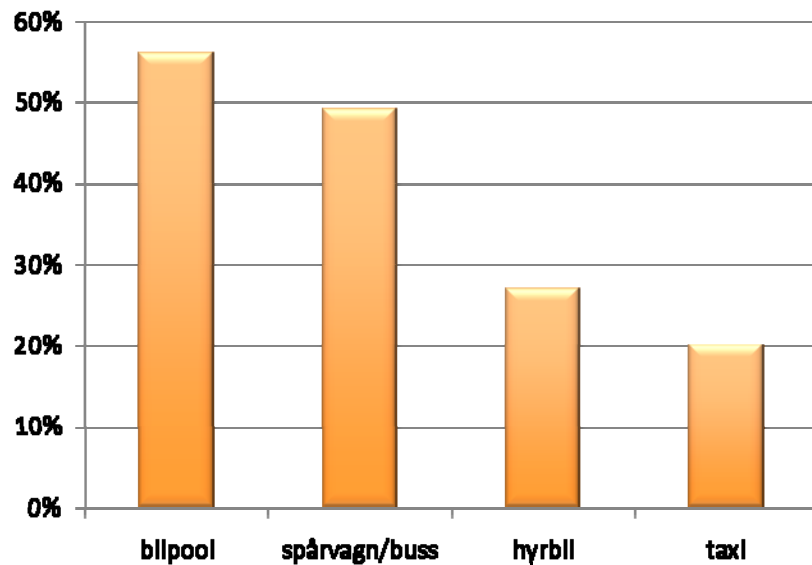Department of Product & Production Development
CHALMERS UNIVERSITY OF TECHNOLOGY

Advantages

They say that….

- It has become easier to pay for the travel

- The service has given them better control of their travel expenditures

- The service has given them access to more modes of travel

UbiGo @Region Midtjylland

Has more often used…

Bar chart showing percentages:
- bilpool: ~56%
- spårvagn/buss: ~49%
- hyrbil: ~27%
- taxi: ~20%

CHALMERS

50% have changed mode of transport
and/or

40% changed the way they plan trips

and/or

25% changed the "travel-chains"

30% did not change their travels

Service	Monthly Subscription	Used
Public Transport	2 220 days	1 920 days
Car (rental + sharing)	904 hours*	620 hours*
+ Taxi, cycle + add-ons		
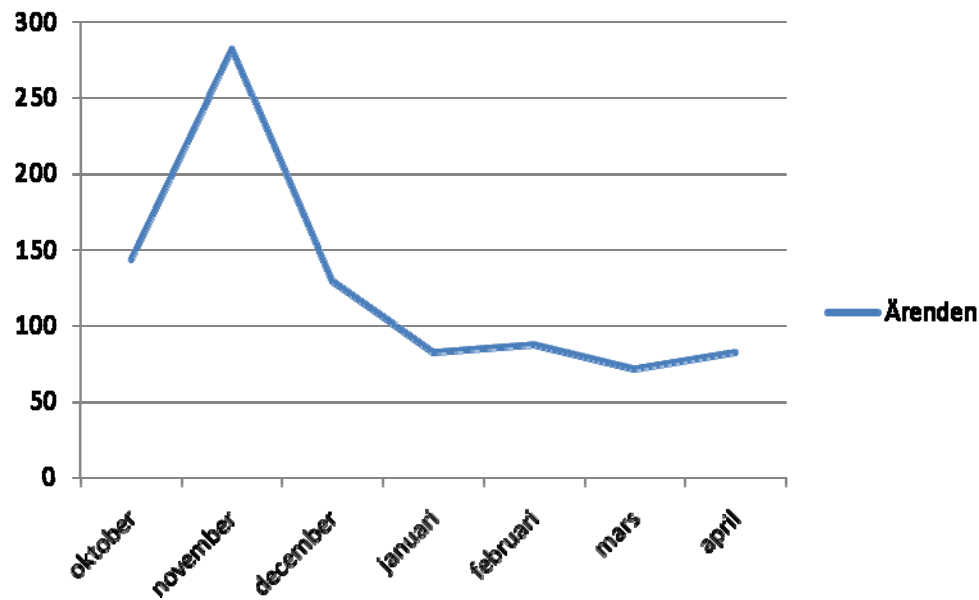
Associations

Simple   Priceworthy   Smooth   Smart

Convenient   Future   Cost effective   Fast

Practical   Innovative   Wise   Modern

Environmental friendly   Göteborg
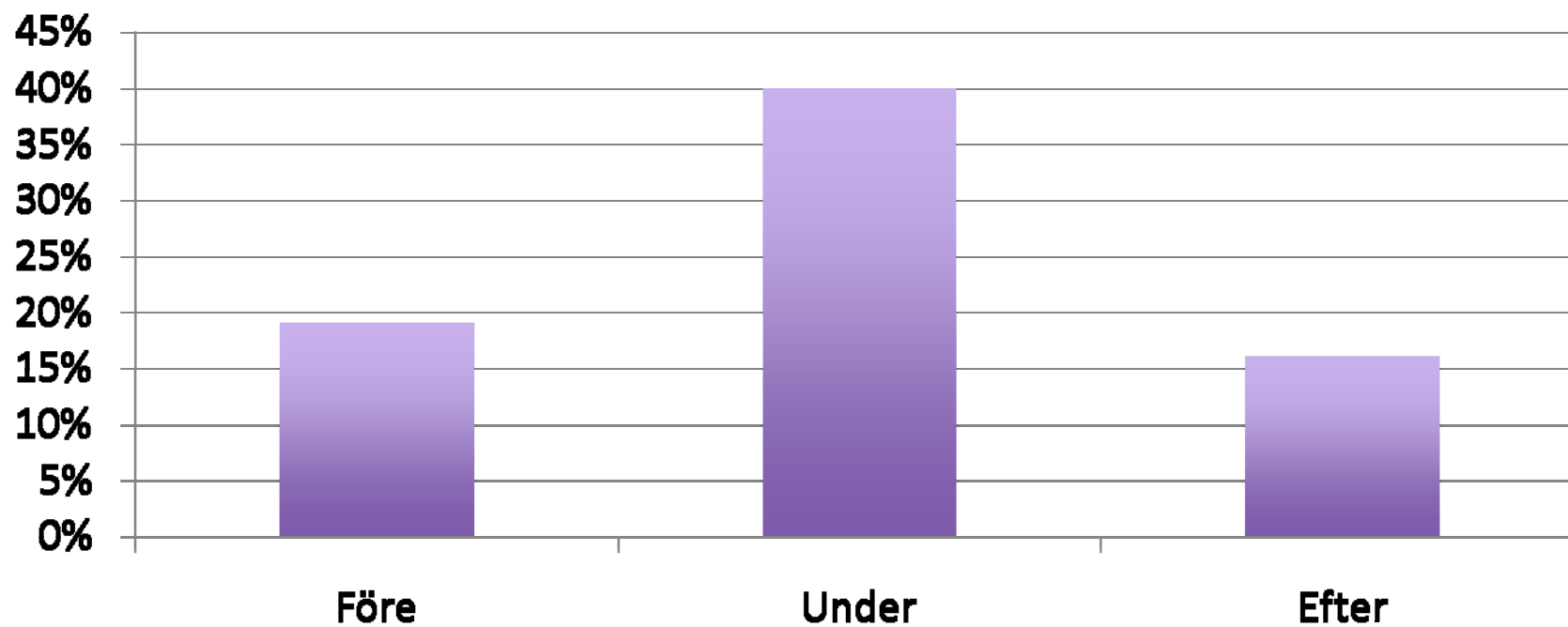
raison d'être

- 50% say that the changed behaviour will remain

- 32% say that the changed behaviour will remain if
  - "… we can use a **punch-card system like the one in UbiGo**"
  - "… if it will be **as easy to travel**"

- 17% say the changed behaviour will NOT remain
  - due to moving
  - "… because I will not **have access to UbiGo**"

OECD ITF Award for Promising Innovation:

"…. putting customers' needs at the heart of its approach to reduce car use and specifically noted 'the good potential for replicability'."

UbiGo @Region Midtjylland

Key success factors

- Simplicity

- Flexibility and control

- Low thresholds

- Self service

- **Public transport**

Who is the (initial) private customer?

- It's not for everyone (and that's the point)

- Can handle 80-90 % of all trips without a car – without too much extra effort

  – Typically living in a quite dense part of a city

  – Good public transport

  – Limited number of – or quite expensive – parking space

And the rest of the region?

But - who should do the job?

An Ecosystem of Business Models

UbiGo @Region Midtjylland
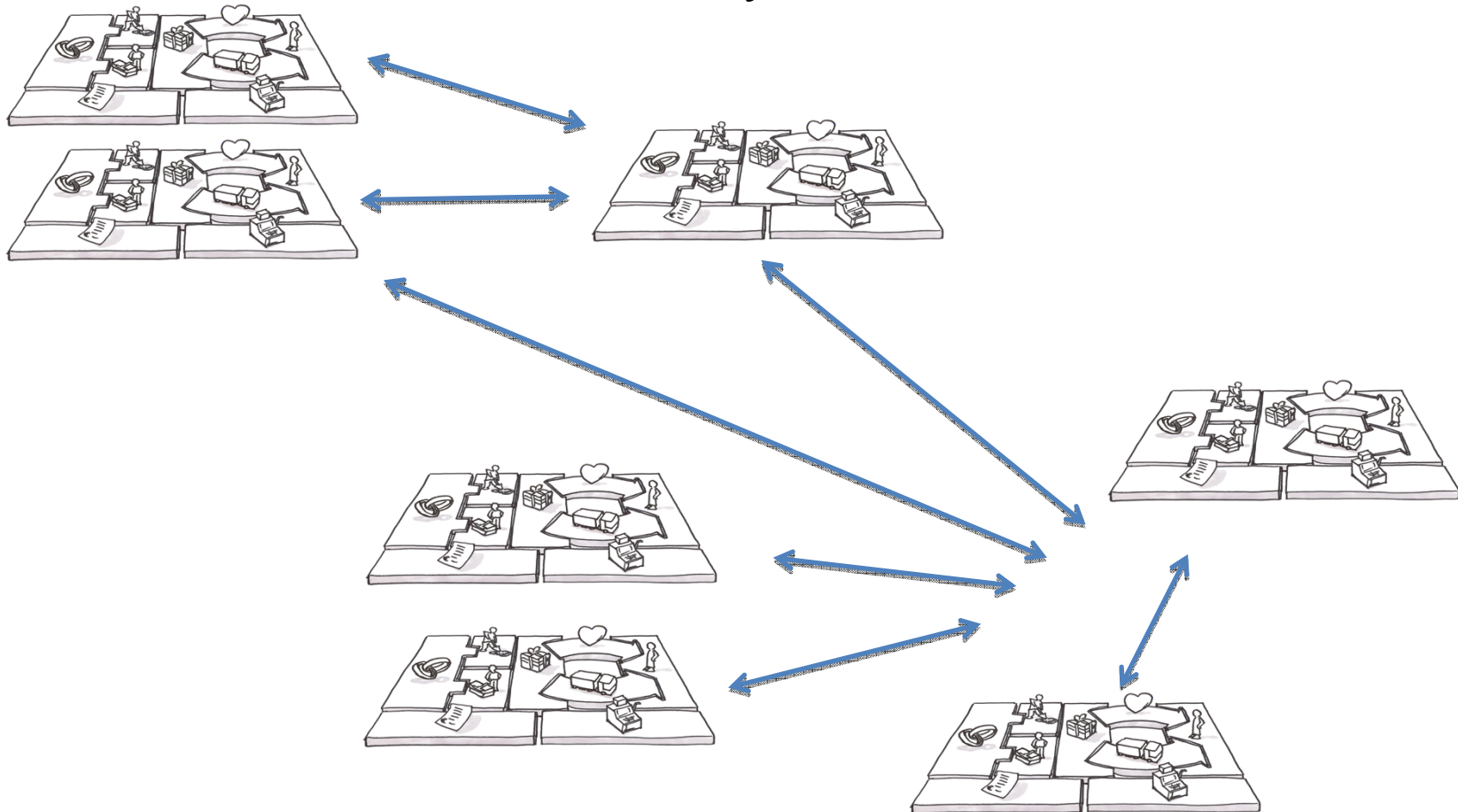
First Mover Matrix

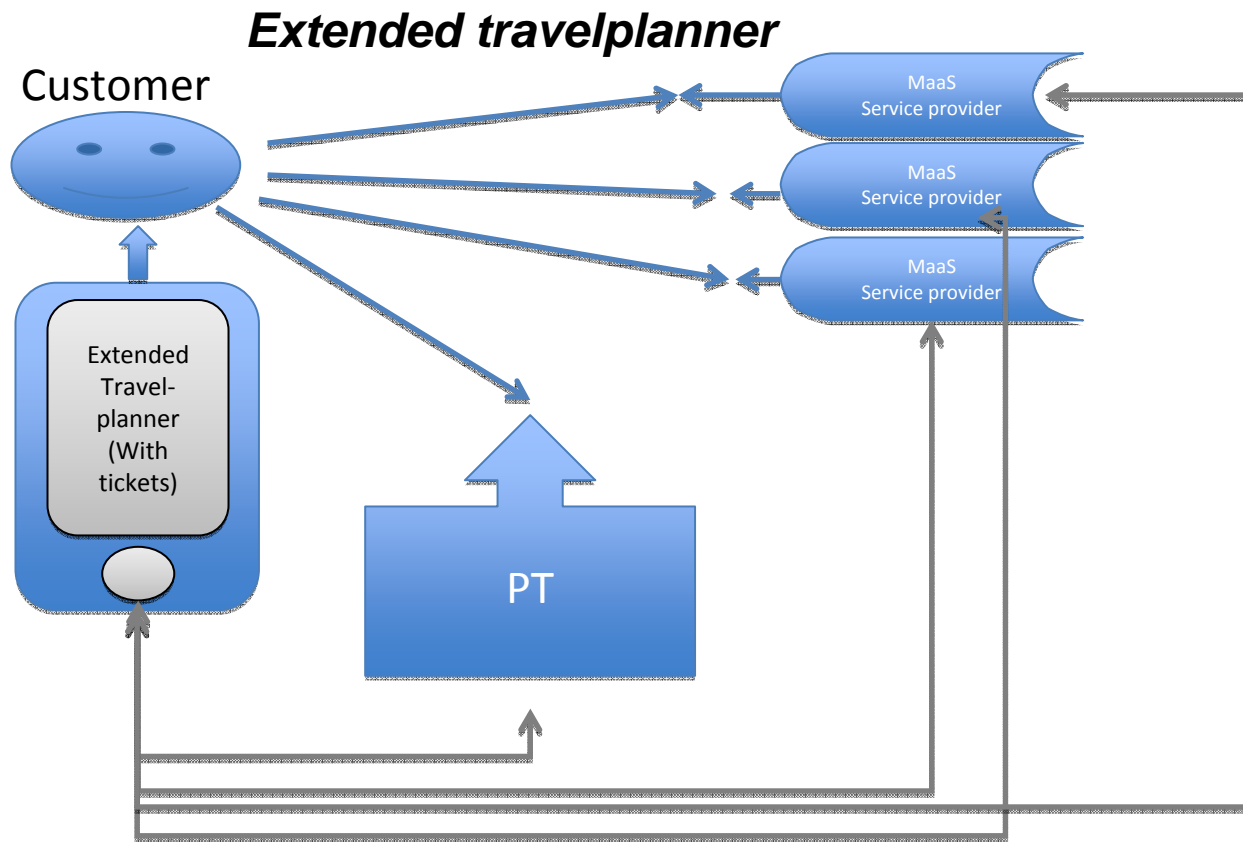| Complementor Co-Innovation Challenge			
		Lower	**Higher**
Innovator Execution Challenge	**Lower**	Quadrant 1: *First in Gets the Win:* Baseline level of early-mover advantage	Quadrant 3: *Hurry Up and Wait:* Reduced level of early-mover advantage
	Higher	Quadrant 2: *Winner Takes More:* Increased level of early-mover advantage	Quadrant 4: *Depends:* Level of early-mover advantage depends on which challenge is resolved first

UBER

UbiGo

Key success factors

- Simplicity
- Flexibility and control
- Low thresholds
- Self service
- Car sharing
- **Public transport**
  - Has to be the base
  - Is a public monopoly
  - Is local/regional and political
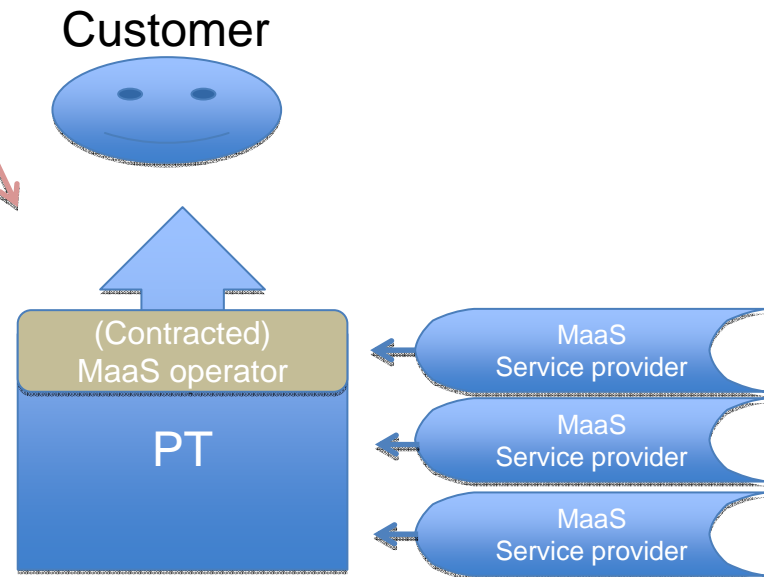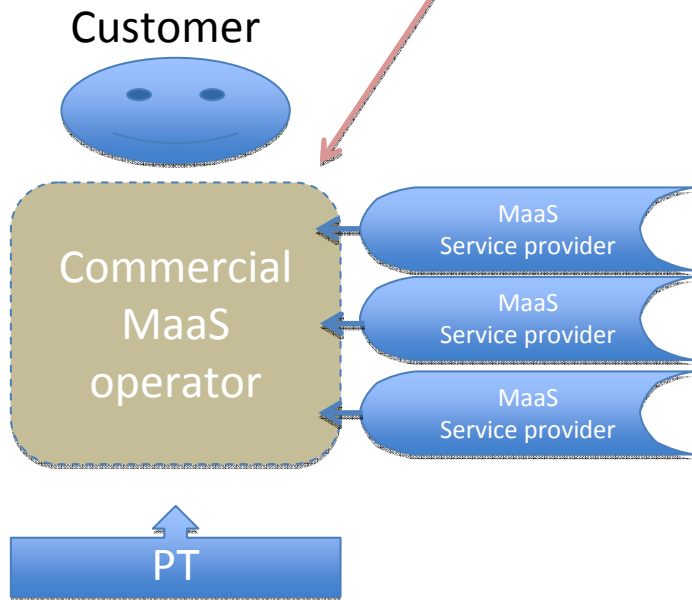 - ==> concession/reseller agreement

UbiGo @Region Midtjylland

The Business Model Canvas

Designed for: MaaS-Operator/UbiGo

Designed by:

On:

Iteration:

Key Partners

IT-platform & transaction handling

Public Transport

Local franchisee

Key Activities

Prucurement

Service and market development

Analytics

IT-development

Key Resources

Negotiation and market competence

Customer base

Brand & franchise-concept

Value Propositions

Easy, flexible, priceworthy, rewording everyday travel – without having to own a car

No-admin business travel and increased accesibility

Less congestion emissions, Investments etc

Customer Relationships

Subscriptions

Bonus

Feedback/control

Travel Warranty

Channels

App (info, book, pay,. Check...)

24/7 support

Partners

PR, W-bM

Customer Segments

Urban Households

Businesses (employers, stores etc)

City (Trafic Mgmt, Mobility Mgmt)

Cost Structure

Warranty   Key personel

Support   Marketing

IT- maintenence & development

Revenue Streams

Travel service margins

Franchising-fees

Add-on for businesses

Interest

www.businessmodelgeneration.com

Everybody needs to gain something –
Somebody needs to take the lead
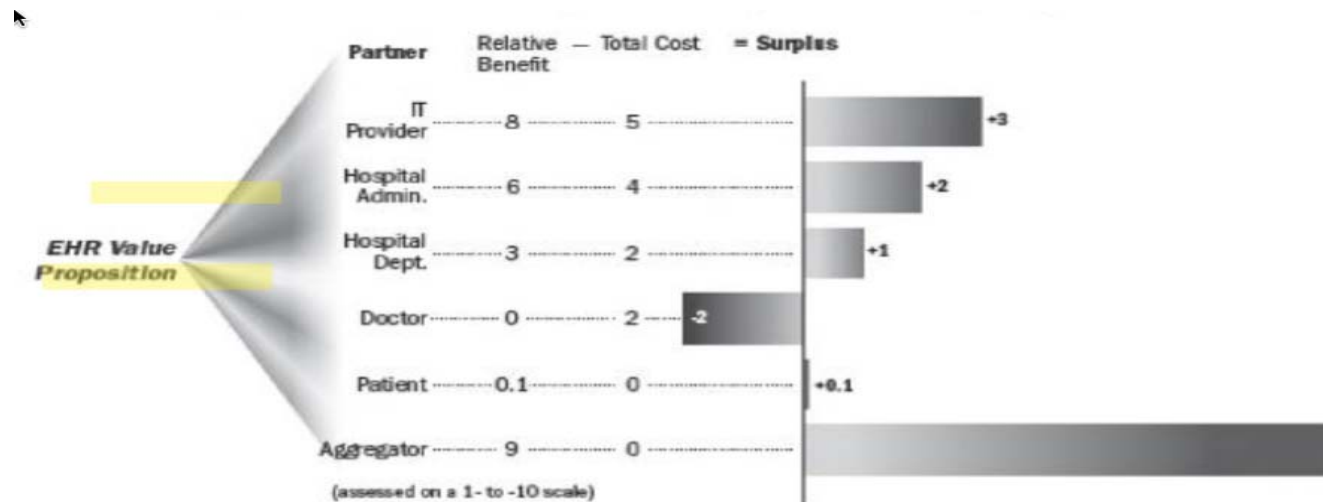
Leadership Prism, Ron Adner
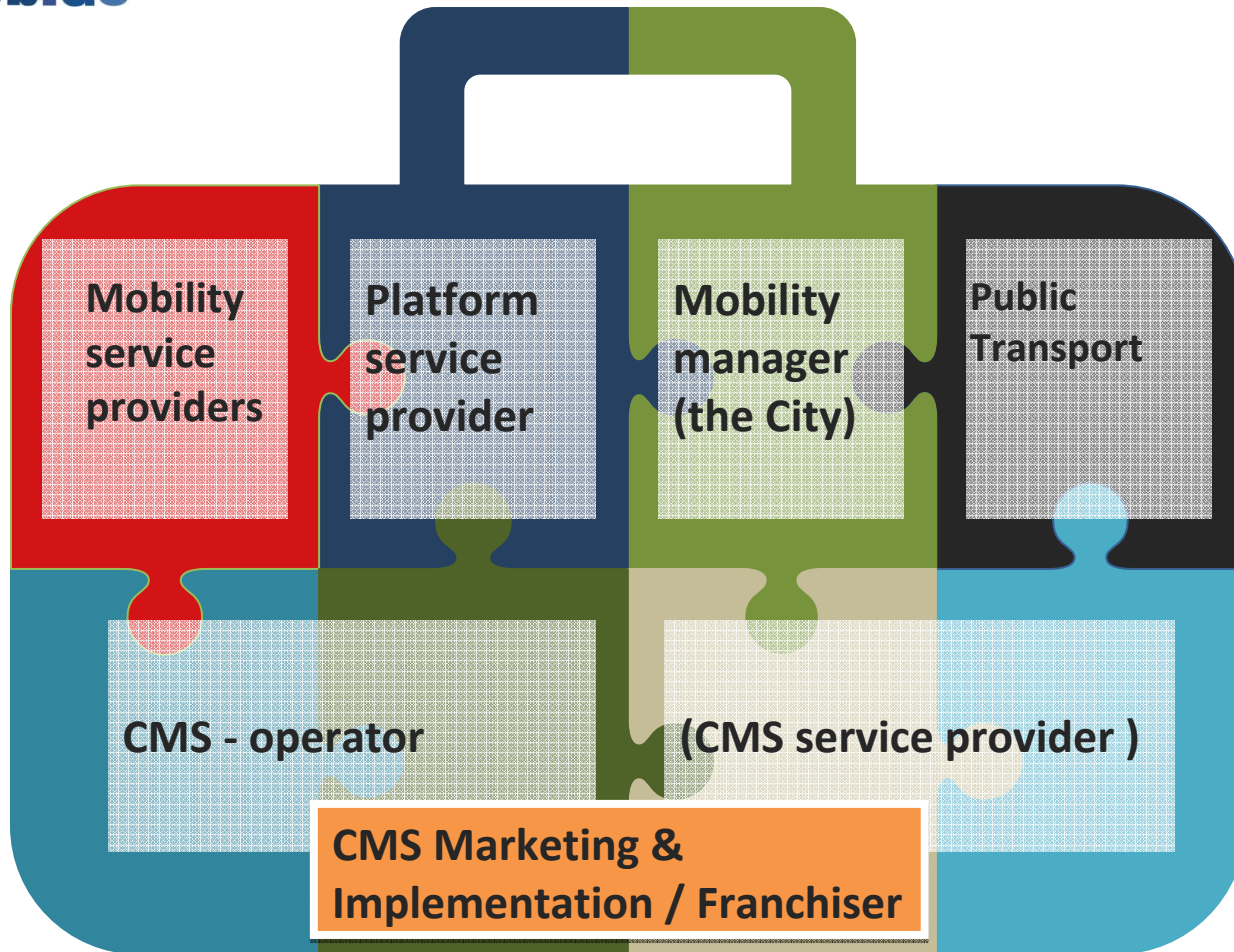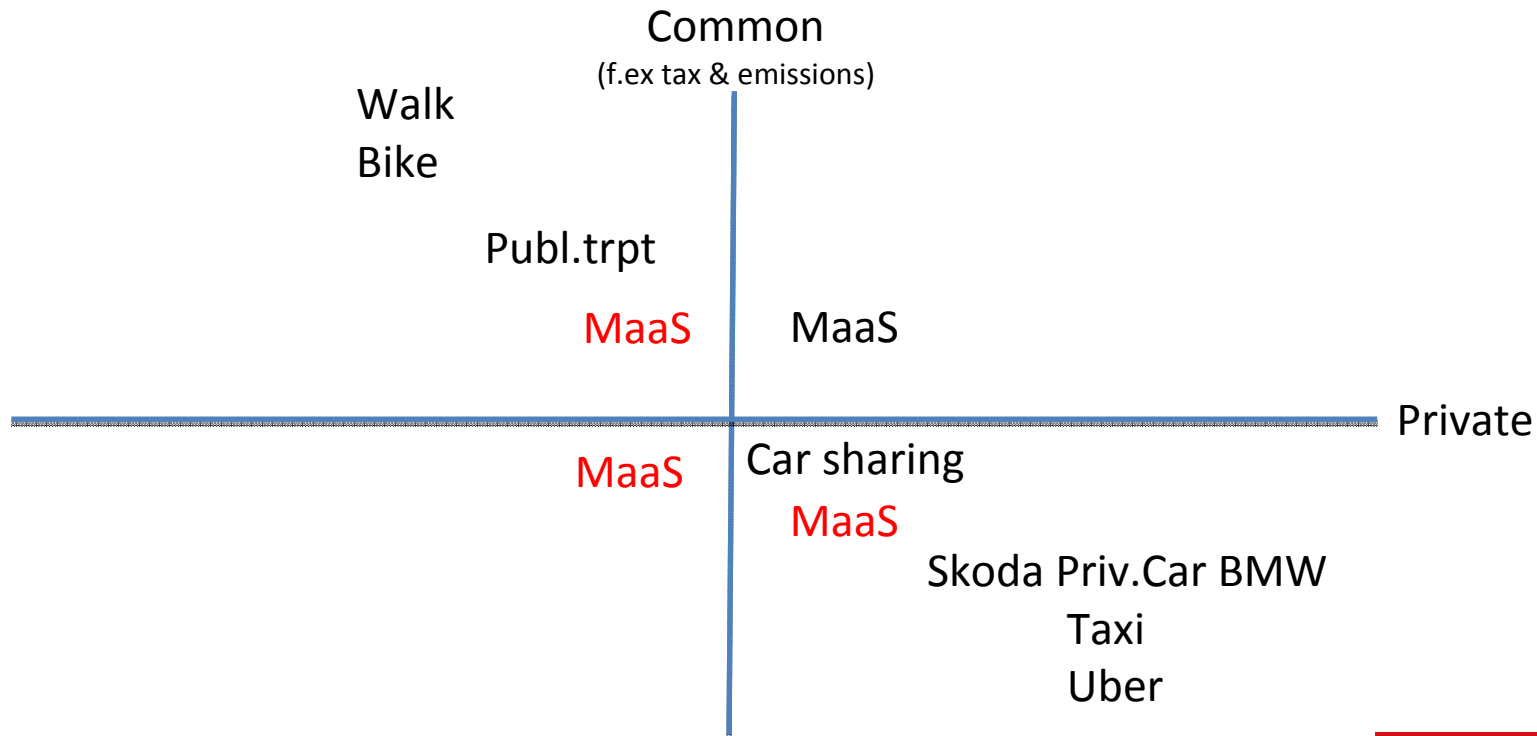
Public Transport is a great thing –
make is as available as possible!

Reseller agreements – mixing public and commercial service

• Transparency

• Fair pricing and fair use of tax money

• Control of brand and quality

• Added value – not just "UbiGo's"

• Concession procurement or open market?

• More than just ticket-API's

What's in it for cities/regions and public transport?

• Supports an everyday life without having to own a car

• Supports sustainable cities

• Reaches segments that public transport providers can't win by themselves

• Secures the role of public transport in a changing landscape by integrating new innovative services instead of loosing the battle

• Creates a reliable mobility platform also for people living outside cities

UbiGo 3.0

Thank you!
www.ubigo.me

Image: CBS