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MOBILITY SERVICES: SETTING THE POLICY FRAMEWORK

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The project had three elements:

- A first year review of literature relating to mobility services, including the including identifying what is meant by the term 'mobility service', how and where these are being developed and implemented and the role and motivation of the various stakeholders involved. This report identified a number of areas for additional study, two of which were taken up in the second year.
- Car Sharing: The Motivations of Industry
- The Marketing of Mobility Services

Mobility services are increasingly being put forward as part of the solution to the problems of the transport sector and as having a role to play in a future sustainable transport system. A range of services are claimed as examples of mobility services, but few definitions exist, and these are not necessarily consistent. The discussion of mobility services in the transport sector is mirrored in other sectors of the economy where services are seen as having a key role to play in a future sustainable economy. The literature on services underlines, however, that services per se are not necessarily beneficial for the environment, and a number of concepts have been developed to characterise this issue. Many of these emphasise the need to shift the focus of a service away from a tangible product towards use- and result-orientated services, where the focus is on providing for the intangible needs of the consumers.

Necessarily such a shift requires a change in role of, and relationship between, the service provider and the consumer. The need for government intervention to set the appropriate policy framework is also emphasised. The broader service literature gives many examples from the transport sector in its discussion about services that are beneficial for the environment, ranging from taxis and public transport to car rental, pooling and sharing. This literature also contains many innovative examples where products are being delivered through a more service-orientated approach, and which have environmental benefits. However, the development of a more service-orientated approach faces a number of barriers that are cultural, financial and economic and may yield unexpected environmental impacts. Many of these issues were shown to be equally relevant to the transport sector.

It was noted that while many services in the transport sector could be referred to as mobility services, not all necessarily positively impact on the transport system in the context of the need to move towards a more sustainable transport system. It was proposed, instead, that when we talk of mobility services in the context of a future sustainable transport system, we should talk about services that focus on providing for the needs of the transport user rather than those related to products. Hence, the review of mobility services focused on 'innovative' mobility services, i.e. those that focused on providing for the needs of the transport user, but which are not, at present, a common element of the transport system. Examples of car sharing services were the most common form of mobility service identified, but examples were also found of car pooling, bicycle pooling, innovative public transport and initiatives to integrate better information and ticketing of various modes.

Car sharing schemes vary in the origins, size, commercial motivations and membership. They were found to be more developed in some countries, such as Germany and Switzerland, than in others, e.g. the UK. Studies suggested that car sharing could have benefits for the transport system and for the environment, while allowing

users to maintain comparable levels of mobility, through reduced car trips and the need for fewer cars, but increased use of other modes. Other services were also seen to have benefits. Many of the 'innovative' services are enabled by technological developments, such as the internet and smart cards.

Some level of government has played a role in the development of many of the examples of innovative mobility services that were identified, due to their potential benefits for the transport system, in terms of reducing car dependence, and the environment. Many vehicle manufacturers have also become actively involved in the provision of some mobility services, principally for their potential economic benefits, but also for their environmental benefits. Consumers use such services for a number of reasons, including costs and their perceived reduced impact on the environment.

The report *"Car Sharing: The Motivations of Industry"* gives an account of research that set out to identify the motivations behind manufacturers' involvement in car sharing, as well as ascertaining the views of those in the industry of the potential for car sharing. It suggested that there was little evidence that manufacturers were becoming involved in car sharing as part of a long-term strategy to develop the service-side of their respective businesses. Most manufacturers expect that car sharing, at least in the foreseeable future, is likely to remain a niche market, while retaining a peripheral interest for some manufacturers. Such an interest could be maintained due to the potential advantages in terms to the image of a manufacturer from being associated with an activity, such as car sharing, that has perceived environmental benefits. An alternative motivating factor for manufacturers' involvement in car sharing appears to be the desire not to miss out on an innovative and potentially financially rewarding development in the sector.

However, car sharing is not yet perceived to be a potential area of business expansion by most manufacturers. Some of this reticence is based on the perception that car sharing is a competitor to manufacturers' core business of selling cars. Additionally, as car sharing is a service, it differs significantly from manufacturing and, therefore, requires expertise that manufacturers do not necessarily have. The conditions faced by the car manufacturers would have to change significantly for car sharing to be taken as a serious business prospect for most manufacturers, as well as for their distributors and retailers.

The report *"The Marketing of Mobility Services"* explored how mobility service schemes went about attracting potential users, i.e. how they marketed their respective schemes. Interestingly, environmental considerations are not always the single most important factor underlying the emergence of the scheme. Schemes are set up for other reasons that could be argued to contribute to a sustainable transport system, e.g. improving accessibility and easing congestion, as well as sometimes even to make a profit. Relieving congestion was often a major motivation behind the creation of car pooling schemes, which links directly to the fact that the target audience for such schemes tends to be commuters. Improving accessibility was a more common motivation behind the setting up of bicycle pooling schemes, and these often tend to target public transport users and tourists. Of the three services, car sharing schemes have been set up for the broadest range of reasons, and similarly the scheme's target audience tends to vary including, for example, people in a particular geographical locations or from a particular social group.

The majority of schemes that emerged in response to environmental concerns and congestion did tend to present, respectively, a primarily environmental- or congestion-related message. In comparison, other schemes tended to opt for a mixture of messages in their marketing strategies. Of particular note was the conscious decision of some schemes to avoid using an 'environmental' or 'green' message, as it was felt that this might alienate potential clients, who are not inclined to environmental issues. In addition, the messages used were always positive stressing the advantages of using the service, and were increasingly humorous. The message used in the marketing should be positive and appeal directly to the benefits that an individual using the scheme might experience, rather than alluding to broader, less tangible advantages.