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The advantages of
shared mobility for CEOs

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As with any underused asset in an organization, fleet vehicles now deserve renewed attention from the CEO. Attention, not because they are a cost-item to the company that can be reduced, but because they can actually be made to generate income for the organization.

A trillion dollar opportunity and a new value chain

Mobility-as-a-service, or MaaS: It's been quantified as anywhere from a \$750 billion to a \$9 trillion opportunity, and it's forcing a rethink of every part of the automotive, public-transport, and urban infrastructure industries.

In short, a new value chain is emerging, and it looks nothing like what automakers (or even fleet operators) have known before. Whereas before, the OEM sold its vehicles via dealers

(and financial services companies) to end-customers, in the new value chain, the OEM sells vehicles into shared-mobility fleets. Fleet management has a central role to play, as it in-fleets, de-fleets, maintains, cleans, repairs, and recovers vehicles on behalf of mobility operators such as Uber and Lyft.

Mobility operators and MaaS aggregators such as Citymapper, Alexa, Google Maps and Moovit

are closest to the end customer — they are the ones who maintain contact to the customer, while on the left of the value-chain, are contributors and suppliers to the OEMs. **When customers only ever use their smartphones to command transportation, it's the aggregators that give them the choice — operators (ridesharing, ridehailing and carsharing) merely execute it.**



Advantage 1: From cost center to revenue driver

Mobility operators can also include corporate carsharing (CCS) providers — which means this could be a win-win for CEOs. Fleets shouldn't be cost centers. Like any other asset, they can be made to sweat — and generate a profit. **What appears as a necessary evil in your business today, can be a revenue driver within the new, mobility-as-a-service value chain tomorrow.**

Implementing electric and shared vehicles is a sensible first step for CEOs. According to the CB Insights paper, *Auto & Mobility Trends in 2019*, “A growing number of companies are reshaping the way people move themselves, offering mobility solutions as on-demand services to cater to individual travel needs.”

Such measures are not just about shaving off single figure cost percentages — they may be increasingly needed to meet mandated carbon targets, too. The additional, incurred cost of emissions trading or carbon tax on the vehicle fleets can potentially be recouped by corporate carsharing.



Advantage 2: Optimized assets and staff satisfaction

Another opportunity is to add additional modes of transportation and enable corporate fleets for out-of-company sharing.

For urban workforces, the ease of shared mobility is becoming a key employee engagement driver. Access to electric vehicles is even more attractive to employees, especially for the Millennial generation. **To enable the switch, most fleet management and mobility companies are now offering corporate customers turnkey solutions** — which includes the option to install electric charge points at employees' homes, as well workplace car parks and depots. Private usage and charging is then charged separately to the workplace usage, even directly out of the payroll, offering employees a seamless user experience.

Shared mobility can further impact reliance on a personal vehicle, especially for first- and last-mile connections, using micro-mobility options such as bikes and scooters.



Advantage 3: The right software provides a path to profit

The MaaS space is rapidly growing, and automakers have launched a number of services, including car-sharing (GIG Car Share and ShareNow), ridehailing (myTaxi, Blu Smart and Clever Taxi), parking (ParkNow and Parkmobile), electric vehicle charging (ChargeNow and Digital Charging Solutions), and on-demand mobility (such as VW's MOIA). Still, their activities pale in comparison to the levels of investment from the largest global mobility providers, including Uber, Didi, and Grab. A surge in investor interest follows rapid consumer adoption, as micro and electric vehicles provide short-distance transport solutions for urban dwellers.



About the authors

This white paper was developed as a collaboration between industry thought leaders.

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