Trends in car clubs and shared transport

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1. Scale of the car club sector in 2016
UK car club sector in 2016

• Two main operational models
  – One way (flexible and fixed)
  – Back to base

• Key operators in UK
  – Zipcar
  – City Car Club/Enterprise
  – E-car club
  – GoDrive (London)
  – DriveNow (London)
  – Co-wheels
  – Hertz 24/7
  – Number of smaller operators
Future growth

• Expansion of flexible operators
  – BlueCity launch in London (Autumn 2016?)
  – Car2Go to return to market?
  – Expansion to other cities outside of London

• Other operators exploring one way offer

• Growth of EVs – determined by provision of operational charge point network

• Go Ultra Low – funding for expanded EV charging network

• Autonomous vehicles?
Car club sector in Europe (1)

• Autolib’ in Paris
  – More than 100,000 members
  – 16,000 rentals per day
  – 3,500 vehicles

• Impacts
  – 120 million zero emission kilometres travelled since Dec 2011
  – ~25% of subscribers have sold a vehicle
  – Reduction of 11% in private car journeys
Car club sector in Europe (2)

• DriveNow
  – Munich, Berlin, Hamburg, Copenhagen, Stockholm etc. and USA
• Car2Go
  – Austria, Germany, Italy, Netherlands, Sweden, Spain and USA
• Ford GoDrive
  – Operating trials in London, Germany, India and USA
• Zipcar
  – Spain, France, Austria, USA
• Other local operators and manufacturers
Growth projections

- London:
  - 171,000 members; 2480 vehicles
- LCCS growth projection:
  - 1 million members by 2025
- England and Wales growth projections:
  - 0.75 million members by 2025 (without policy and funding)
  - 3.3 million members (with supportive policy and funding)
2. Who uses car clubs?
Demographic profile of members

- Graduates living in regenerated inner city locations (19%)
- Older singles living in leafy inner suburbs (14%)
- Wealthy households in accessible city suburbs (11%)
- Other Mosaic types, including
  - Student dominated areas near universities (10%)
  - Ambitious city dwellers in their 20s and 30s (9%)
Why do they use car clubs?

- Hire cars on short-term basis: 68%
- Make trips I can't by other modes: 42%
- Reduce travel expenditure: 19%
- Choice of vehicles: 16%
- It was recommended to me: 16%
- I sold/disposed of a vehicle: 14%
- To be environmentally friendly: 14%
- Problems parking locally: 8%
- Other: 6%
- Reduce car use: 5%
- None of the above: 1%
Journey purpose

- Not generally used for commuting
- Visiting friends and family, shopping, leisure
- More trip chaining
- Sharing journeys
  - Higher car occupancy than average

The average car occupancy for car club cars in London is 2.3 compared to a London average of 1.6.
3. Sector developments
Sector developments

1. UberPOOL
   - Launched in London Dec 2015
   - Operating in San Francisco and London
   - Mixed reviews from London
   - Competitor to 2+ car sharing?

2. Lyft Line
   - Available in Los Angeles, San Francisco
   - Generally cheaper than UberPool and allows more passengers per journey.

• Key questions remain about impacts of on-demand taxis
Taxis / Uber in London

- TfL currently undertaking a regulations review of private hire industry (incl. Uber)
- Supply and demand study to understand size of market and how this has changed.
- Also considering whether minicabs should continue to be exempt from Congestion Charge
- Other cities are looking at ways to regulate new technologies
Sharing Economy review

Unlocking the sharing economy
An independent review
by Debbie Wosskow

The sharing economy life-cycle

Source: PwC analysis
4. EVs in car clubs
EVs and hybrids

Fleet vehicle profile Feb 2016

- Electric Vehicles: 4%
- Hybrid Vehicles: 11%
- ICE: 85%
EVs and hybrids

- Nearly 1,000 individuals in Scotland have been introduced to the EV experience through their local car club
- 68% of survey respondents had tried a car club EV
- 87% of survey respondents had a positive experience using a car club EV
Hydrogen vehicles

Aberdeen to offer Scotland’s first hydrogen cars
Future of EVs in car clubs

- Go Ultra Low cities
  - London, Milton Keynes, Nottingham, Bristol
- Source London?
- Key challenges
  - Establishing a reliable charging infrastructure
  - Purchase / resale price of EVs
  - User familiarity
  - Charging/booking models
- Further subsidies required?