

# THE FUTURE OF MOBILITY

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# INTRO: THE FUTURE OF MOBILITY

# THE NEW MODEL FOR MOBILITY OFFERS FAR GREATER CHOICE AND *ACCESS* THAN EVER BEFORE

The rise of Mobility-as-a-Service (MaaS) has fundamentally shifted our relationship with transportation, choice, and the ability to lead a better life. This is a massive shift for people and businesses around the globe, one that greatly expands how we move ourselves and our things. Today the promise of mobility is bigger: We don't have one mode of transportation requiring us to live near a bus stop with a bus that comes once an hour, nor are we required to own a car in a city jammed with congested highways. **Now, mobility gives us broader access than we've ever had before, a variety of transportation options, and notably more quality choices to suit our needs.**

This shift means mobility now represents so much more than convenience. It's having the freedom and ease to get where we need to go to live full, healthy lives—from home to school and from work to the park—in a variety of ways that are both more environmentally friendly and accessible for people around the world.

But this future is still being built. As our lifestyles continue to evolve, people are frustrated with the lack of options available to them. To meet consumers' evolving and diverse needs, the future of mobility requires an investment in infrastructure. Now more than ever, transportation companies must design for people-first access, with services that inspire and guide us to better lives.



In this report, we dig into what’s driving the rise of MaaS and offer a solution for mobility brands to play a more prominent, inspirational role in the MaaS ecosystem by focusing on people’s needs and using brand as a strategic tool to develop new, innovative forms of access.

The biggest risk for transportation and auto companies of not doing so? Being commoditized within this new paradigm.

We begin with a reality check—the existential threat facing transportation incumbents as MaaS becomes the norm—followed by a look at key shifts in consumers’ mobility behavior based on our proprietary global research. Finally, we’ll illuminate the path forward, validated by insights gleaned from our interviews with leading MaaS brands: a step-by-step journey through R/GA’s Brand as an Operating System (Brand OS) approach. This interactive Brand OS playbook offers insights into five key areas mobility companies will need to address in order to succeed in MaaS.

Ready to get started? Buckle up.

# LET'S START WITH OUR DEFINITION OF MOBILITY-AS-A- SERVICE:

A set of services which provide access to transportation in response to customers' evolving mobility needs. Often integrating trip planning, payment applications, and multiple forms of transportation such as cars, bikes, and scooters, all within a single platform.

Although MaaS originated as an urban solution, it's evolving throughout the globe and introducing consumers to entirely new forms of transport, such as micro-mobility and electric or autonomous vehicles.

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# THE SPEED: THE ACCELERATION OF MAAS AND THE RISK FOR OEMS

# WHAT DOES THE RISE IN MOBILITY MEAN FOR AUTO INCUMBENTS?

# 02

As the mobility service model gains traction with consumers, we're already seeing immense growth. Global mobility service revenue is expected to double in the next few years—growing to \$1298B by 2024 from \$616.1B in 2020<sup>1</sup>. Two prominent ride-hailing providers, Spain's Cabify and China's Didi, reached profitability as of 2020. The growing market has led to both a rise in new entrants and growth for early players.

At the same time, traditional OEMs are being hit hard, experiencing a decrease in personal vehicle purchases, down 19.4M units from 2018.

<sup>1</sup>. Statista, *Mobility Market Outlook: Mobility Services*, 2020.

# THE RISE IN MAAS SERVICES PUTS TRANSPORTATION OEMS AT RISK OF BEING COMMODITIZED IN THE FUTURE

Transportation incumbents are at risk of being commoditized as their position and value to the customer is disrupted by MaaS services. The dangers of commoditization are vast - vehicle manufacturers risk a diminished value position as hardware suppliers, car rental, and public transit companies may be relegated to the role of fleet managers.

Figure 5 outlines this disruption, by showing how MaaS leaders will sit at the center of the customer relationship relegating OEMs to commodities for large MaaS services, rather than mobility solutions for individual customers. If this happens, incumbents who once defined auto and transportation will fail to capture the full value to be gained as a hub within the MaaS ecosystem, which will eventually pose an existential threat to their survival.

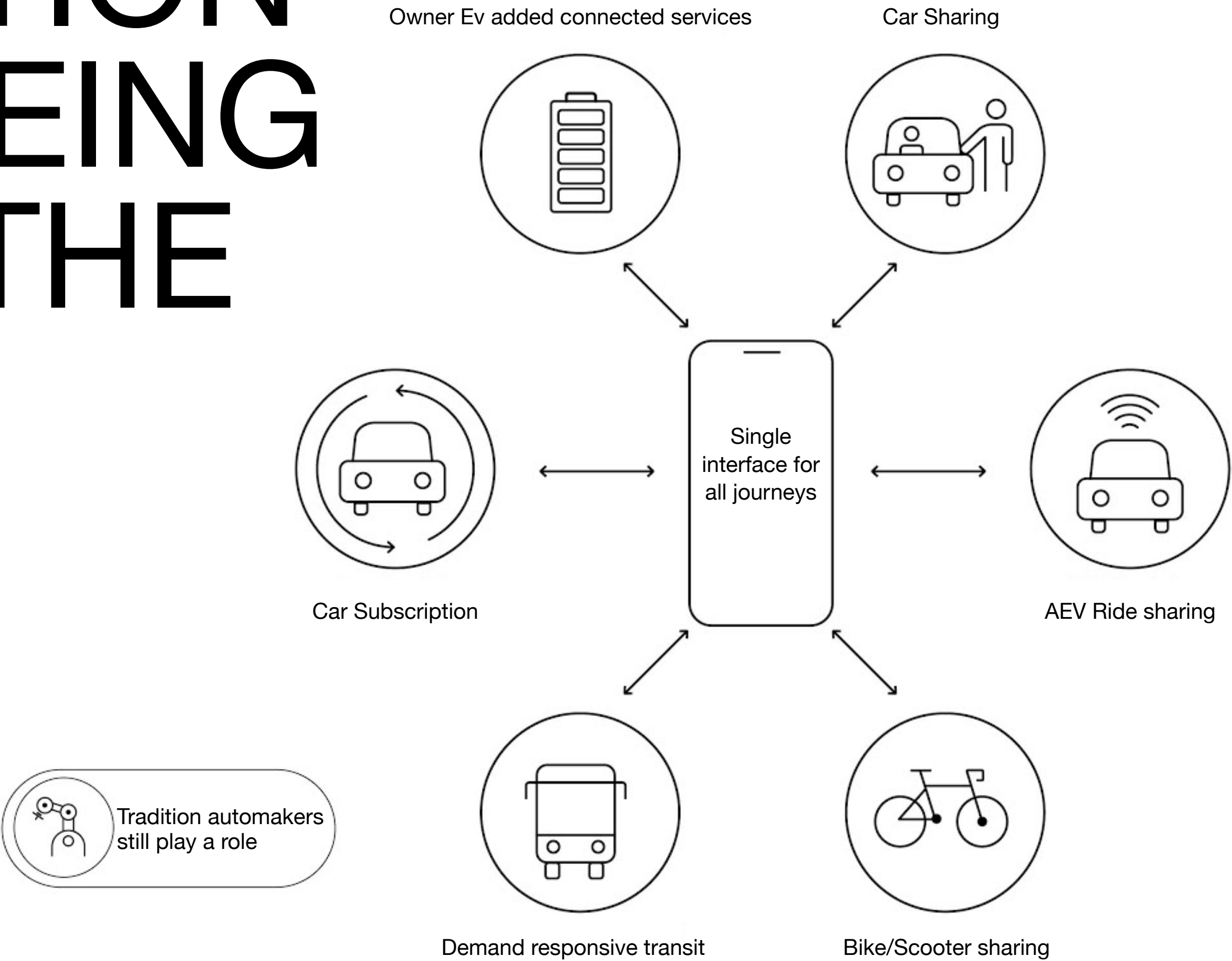


Figure 5: A single interface sits at the middle of customers mobility needs

# FOCUSING ON INNOVATION IN VEHICLE MANUFACTURING PROVIDES SHORT-TERM BENEFITS BUT POTENTIALLY SERIOUS LONG- TERM RISK

Most prominent MaaS companies are new economy technology companies like Uber or Didi. This is helpful to keep in mind when we compare what auto OEMs are doing to innovate. Many have focused the bulk of their innovation efforts not on MaaS, but in new Electric Vehicle (“EV”) and Autonomous Vehicle (“AV”) technology. A projected \$300 Billion will be invested in EV within the next decade<sup>2</sup>, and at least \$16 billion<sup>3</sup> has already been invested in AVs worldwide—a move that has been highly incentivized by governments across the globe.

This focus on EVs and AVs, while potentially lucrative in the short term (particularly given EV incentives), represents a potentially fatal flaw: the continuation of an existing business model focused on vehicle manufacturing.

While investments in AV and EV will enable OEMs to play a role in MaaS as both types of vehicles become part of the MaaS ecosystem, the OEM customer relationship could become compromised if OEMs are exclusively used as mobility hardware.

Around the world, governments are putting pressure on MaaS providers to electrify. In India, the government has hinted they’ll require ride-hailing providers to convert their fleets to 40% electric by 2026<sup>4</sup>. In the US, Los Angeles announced a similar mandate for mobility providers Uber and Lyft by 2028.

2. Reuters, Exclusive: VW, China spearhead \$300 billion global drive to electrify cars, January 2019.

3. MES, Why are companies investing so much in autonomous vehicle technology?

4. Forbes, The Electric Future of Mobility As A Service, January 2020.

# MANY CONSUMERS MAY FIRST EXPERIENCE EVS THROUGH MAAS VIA CAR SHARING OR OTHER RELATED SERVICES

In contrast to their popularity in MaaS, personal EVs are currently being used by only 2.8% of the population globally, a marginal increase from 2.5% in 2019<sup>5</sup>. The main barrier to adoption? Lack of charging infrastructure. 64% of consumers consider this a disadvantage to EV ownership. This low adoption rate presents a challenge for OEMs, who will need to build charging stations ahead of consumer demand.

Instead of purchasing their own EVs, many consumers may first experience EVs through MaaS, often via car sharing directly from other consumers who own an EV. For example, Tesla owners with the average Model X Tesla report being able to earn \$1,000 every month through car sharing<sup>6</sup>. This trend is priming consumers to adopt new MaaS-first behaviors, putting further pressure on ownership.

5. BloombergNEF, Electric Vehicle Outlook, 2021.

6. Mashable, [Tesla EVs cost too much, so drivers turn to car-sharing](#), September 2020.

# AVS ARE DRIVING AN INCREASE IN MAAS SERVICE ADOPTION BY LOWERING COSTS

“

As [an AV shuttle service] expands and becomes more affordable, [it] could be a connection between suburban areas and the city center. If it costs less, and is on-demand without the need to walk to a bus stop, it gives people good motivation to use it.

”

Yovav "Jay" Meydad  
Chief Growth & Marketing Officer, Moovit

AVs present different but equally problematic issues for OEMs. As AV becomes integrated with ride-hailing services, AV robotaxis are projected to cost about 28% of the fare of non-AV taxis— reducing the price for consumers and increasing the accessibility of ride-hailing services.<sup>7</sup>

Although this future is further away in the U.S., and mature MaaS companies have faced profitability pressure leading them to distance themselves from AV in the immediate term, this future is already being realized in China with a pilots by AutoX and Didi, and support from the government.<sup>8</sup>

We spoke to MaaS leader, Moovit, who hypothesized that as AV availability expands outside of cities, adoption of MaaS will increase as costs are reduced.

7. NGPF, Question of the Day: How much cheaper are autonomous robo-taxis to operate compared to private cars (in dollars saved annually)?, March 2018.

8. FastCompany, China's cities will soon be crawling with self-driving robotaxis, September 2020.6. Mashable, Tesla EVs cost too much, so drivers turn to car-sharing, September 2020.

# BUILDING A SUCCESSFUL BRANDS STARTS WITH UNDERSTANDING YOUR CONSUMERS

Ultimately, it's not so much about AV versus EV or car sharing versus ride-hailing. Designing a successful MaaS ecosystem starts first and foremost with understanding customers' needs.

This is what drives the single interface, or all-in-one app. How can one brand meet a multitude of customer needs for a variety of contexts and occasions?



# // THE MOBILITY PLAYERS WHO OWN THE CONSUMER RELATIONSHIP WILL PLAY AN OUTSIZED ROLE AS THE MAAS ECOSYSTEM MATURES

The integration of every necessary mobility option into a single app offers consumers frictionless access. At the center of it all is a MaaS platform owning a direct relationship with consumers and, in some cases, drivers.

Why does that matter? These direct relationships enable MaaS organizations to continually gather data and make more informed innovation decisions based on a deep understanding of consumers' needs and behaviors.

While auto OEMs have not factored MaaS into their business model in the past, many incumbents are beginning to rethink their role in the future of MaaS as consumer trends shift and new MaaS organizations enter the market.

As the new MaaS ecosystem takes shape and consumers continue to adopt MaaS rather than purchase personal vehicles, transportation incumbents—most notably OEMs, transit companies and rental car companies—will need to reposition their approach to mobility and the role they play in consumers' lives.



# / 02 SUMMARY:THE SPEED

The Speed		Better Route
Ignition	/ Maturing MaaS services are positioned to disrupt OEM incumbents and commoditize them	<b>/ As MaaS matures, OEMs must find ways to avoid commoditization and differentiate themselves. At the heart of it is building consumer relationships</b>
Acceleration	/ Focusing on EV and AV may provide short-term benefits but long-term risks as MaaS disrupts the industry	

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# THE SHIFT: CONSUMERS' EMERGING NEEDS AND MOBILITY BEHAVIORS

CAR SHARING IS  
ESTIMATED TO  
REACH 36 MILLION  
USERS BY 2025,  
AND THE USERSHIP  
FROM RIDE HAILING  
AND TAXI SERVICES  
ALONE HAS GROWN  
TO 1.4 BILLION  
CONSUMERS<sup>9</sup>

## WHAT'S ON CONSUMERS' MINDS WHEN THEY APPROACH TRANSPORTATION AND MOBILITY?

Our global survey and research set out to discover how and why consumers were accessing MaaS services today and to decode the implications of these behaviors for transportation incumbents and mobility companies around the globe.

What we found, unsurprisingly, was that MaaS is on the rise as on-demand transportation options have exponentially increased in the last decade. Consumers' preference to own a personal vehicle is declining worldwide as people can rely on an ecosystem of mobility services that meet different needs.<sup>10</sup>

9. [Future of Carsharing Market to 2025](#), Frost & Sullivan, August 2016.

10. Statista, [Mobility Market Outlook: Mobility Services](#), 2020.

Lifestyle changes, such as remote work, are also driving this shift toward using mobility services. As a result, people will need more flexible mobility options to accommodate everything from location (congested urban areas v. sprawling suburban regions) to new models for work.

But people are concerned that their needs won't be met in the future.



**73% OF RESPONDENTS  
WORRY THEY WILL NOT  
HAVE THE TRANSPORTATION  
FLEXIBILITY TO MEET THEIR  
FUTURE NEEDS.**

WHILE 89% OF  
PERSONAL VEHICLE  
OWNERS SAID  
THEIR VEHICLES  
GIVE THEM A SENSE  
OF FREEDOM, 73%  
WISH THEY COULD  
DRIVE THEIR  
PERSONAL VEHICLE  
LESS

It's clear that while people still very much value the freedom to go anywhere at any time, consumers' desire to drive their own vehicles less frequently further supports the trend away from vehicle ownership—particularly when other options like ride-hailing exist.

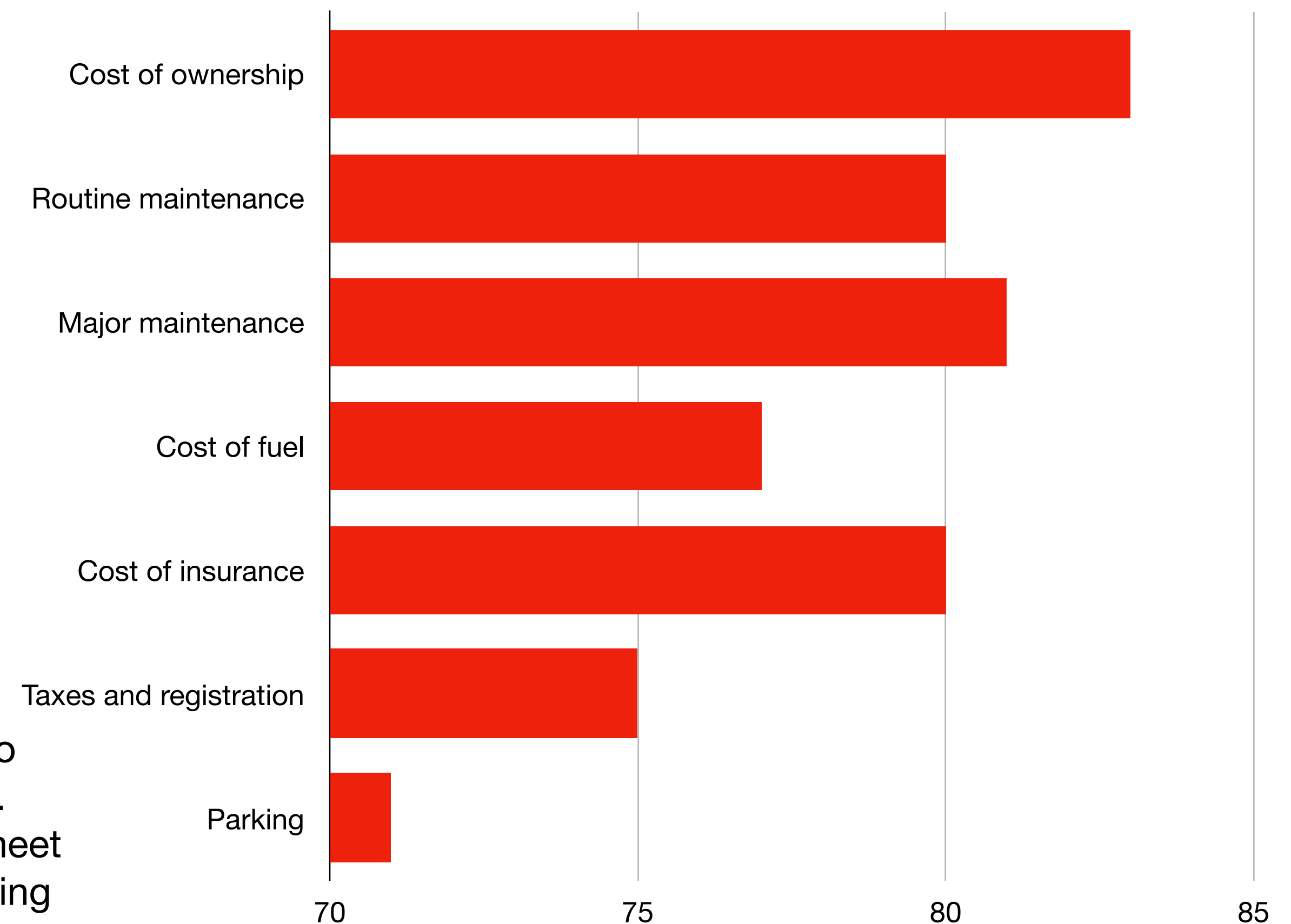
Enter: Mobility-as-a-Service.

# WITH MAAS, PEOPLE CAN CHOOSE WHICH TYPE OF TRANSPORTATION THEY WANT TO TAKE, WHEN THEY WANT TO TAKE IT.

While owning a vehicle comes with significant costs—from initial purchase to maintenance and insurance—MaaS offers freedom via flexibility and access. Consumers have the choice of more dynamic and personalized options to meet their evolving transportation needs at a similar or lower price point. This finding is impacted by the existing infrastructure—everything from public transit to WiFi access—which can dramatically vary from place to place.

## THE COST OF PERSONAL VEHICLE OWNERSHIP CAN OUTWEIGH THE BENEFITS

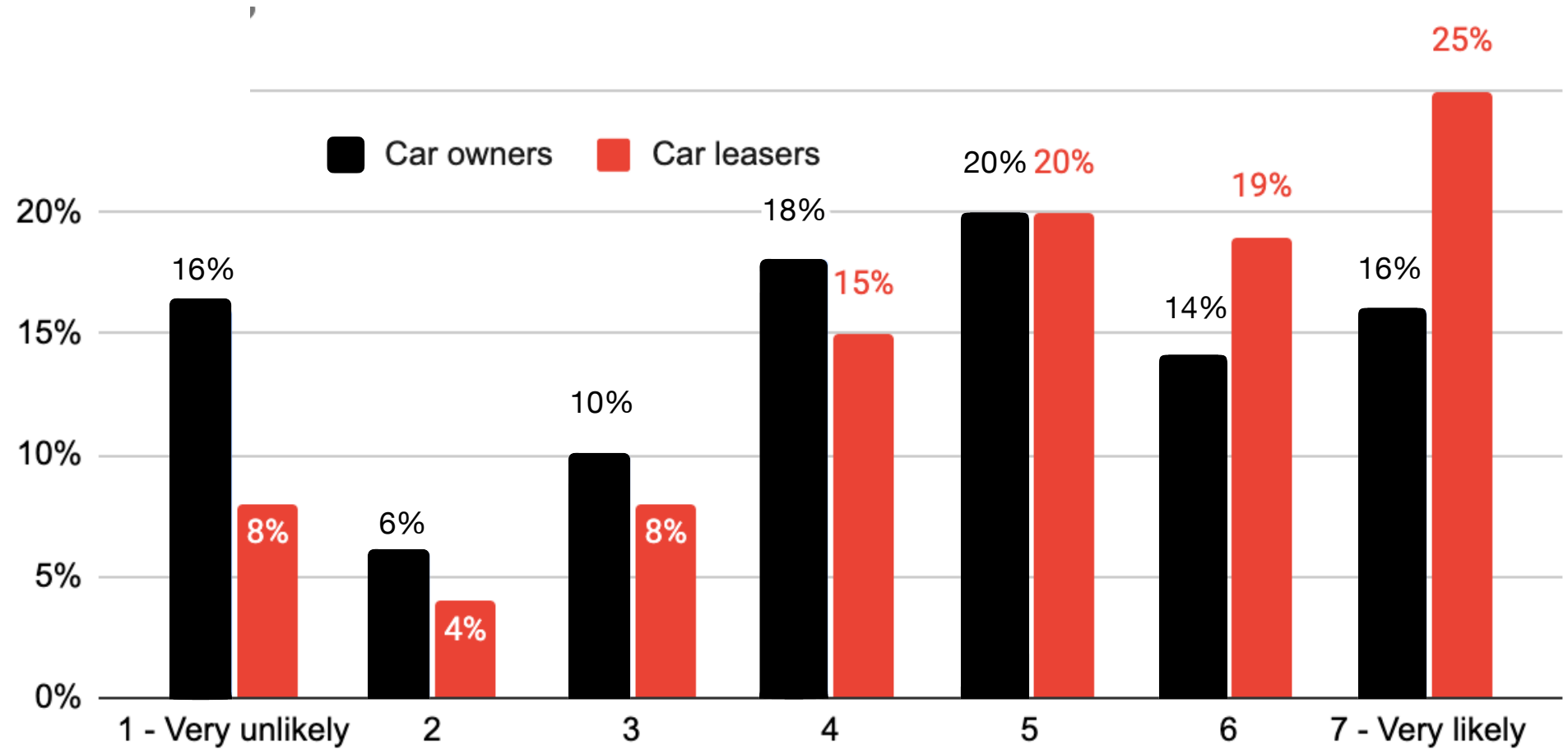
Figure 1: Percentage of consumers that agree somewhat or agree a lot with the following downsides of automobile ownership





# 50% OF PERSONAL VEHICLE OWNERS AND 64% OF LEASES ARE WILLING TO GIVE UP THEIR VEHICLES IN FAVOR OF MAAS OVER THE NEXT 10 YEARS

How likely would you be to rely on mobility services like ride-hailing, car sharing, and scooter or bike rentals enough to consider giving up owning or leasing your own car in the next 10 years?



Our survey results also showed a correlation between MaaS use and the likelihood to give up an owned or leased vehicle. As consumers use MaaS services more frequently, they’re more likely to see MaaS options as a viable replacement for their personal vehicles.

This isn’t unique to urban consumers. In fact, our survey found that 85% of all consumers, including those in suburban and rural environments, want to try new transportation options.



While lack of occasion to use MaaS and cost dissuade a significant number of people, two of the primary remaining barriers preventing consumers from using MaaS more frequently are lack of nearby availability and safety concerns.

This shifts the challenge for organizations focused on MaaS: Expanding MaaS beyond urban centers requires removing barriers rather than changing mindsets. In some cases, namely emerging economies, it also requires building infrastructure to support MaaS.

This is good news for mobility brands. As brands provide new services and expand their reach in suburban and rural areas, we'll likely see higher adoption rates for MasS among all consumers, regardless of where they live and work.

Top barriers to using a MaaS brand more frequently	
Lack of availability in my area	35%
Safety concerns	35%

What prevents you from using mobility services such as ride-hailing, car sharing, and scooter or bike rentals more frequently?	
Lack of availability in my area	33%
Safety concerns	32%
I don't have any additional occasions to use these services more than I currently do	30%
High cost	27%
I don't have any occasions for use that make sense for them	26%
They are not top of mind for me	19%

Figure 3: Primary barriers cited by consumers to increased MaaS usage

Beyond barriers, when we looked more closely at the key factors determining whether consumers will replace their own vehicle with MaaS services, we found consistent global trends. Once a MaaS service is accessible to people based on requirements like cost and availability in their area, people are more driven to use a specific service based on what the service represents and its added value. The significant drivers are:

- 1. ACCESS TO MULTIPLE SERVICES IN ONE ACCOUNT
- 2. FUN TO USE EXPERIENCE
- 3. REWARDS AND POINTS
- 4. BRAND REPUTATION

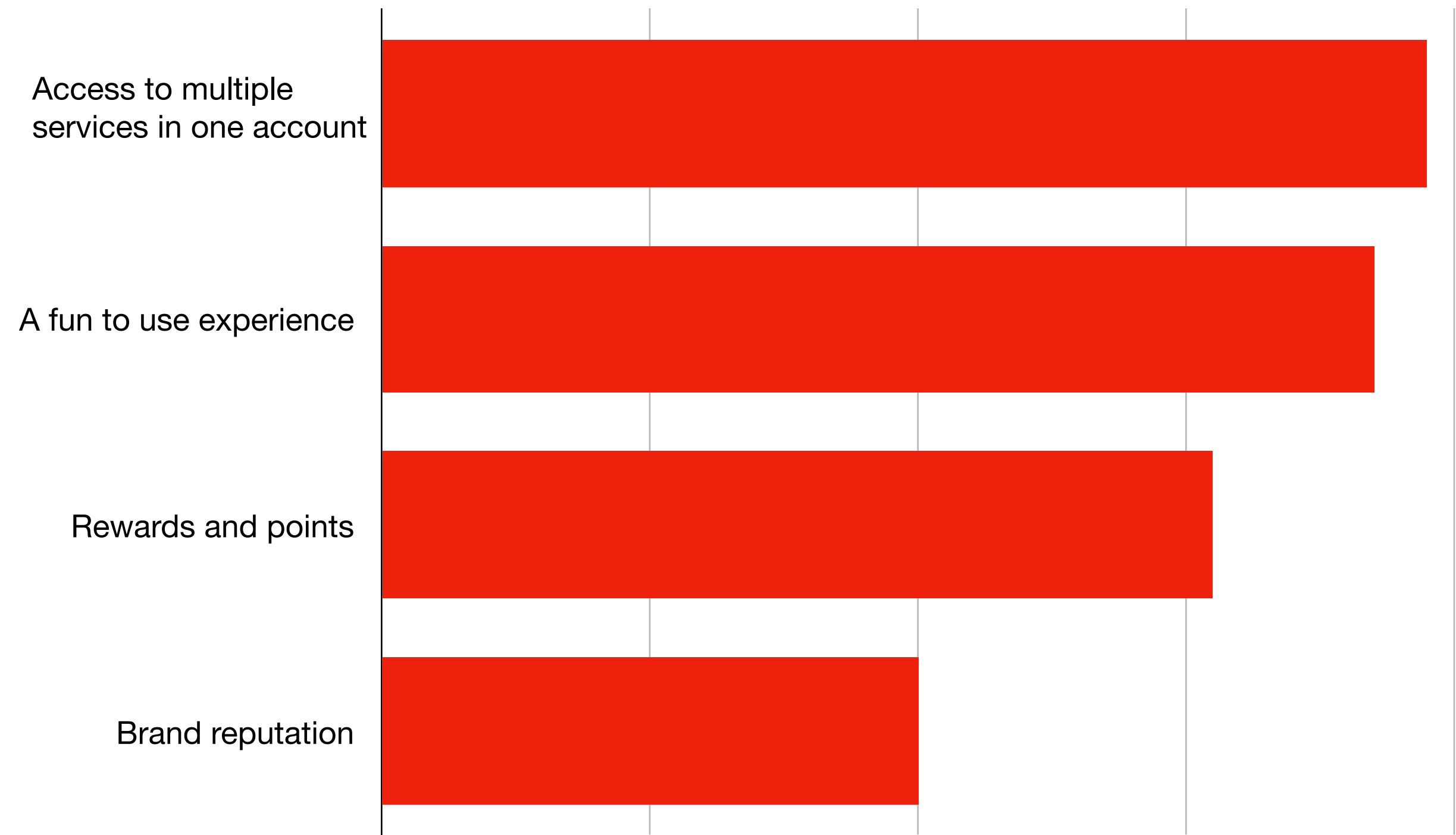


Figure 4: Regression model (relative strength of coefficients charted) of the relationship of importance of MaaS attributes and reliance on using MaaS services; (sig. at 99%)

# CUSTOMER RELATIONSHIPS WITH MAAS BRANDS ARE WITH THE APP, NOT THE VEHICLE

While MaaS began with separate ride-hailing or bike-sharing offerings, the services have grown increasingly integrated. People now use one branded app to plan a trip, reserve a ride or a car, determine a route, order dinner, and simultaneously pay for it all—on-demand.

As noted earlier, integrating mobility options into a single app offers consumers frictionless access and brands a direct customer relationship. Adding various services into the app experience only increases the brand's position in the customer's life.

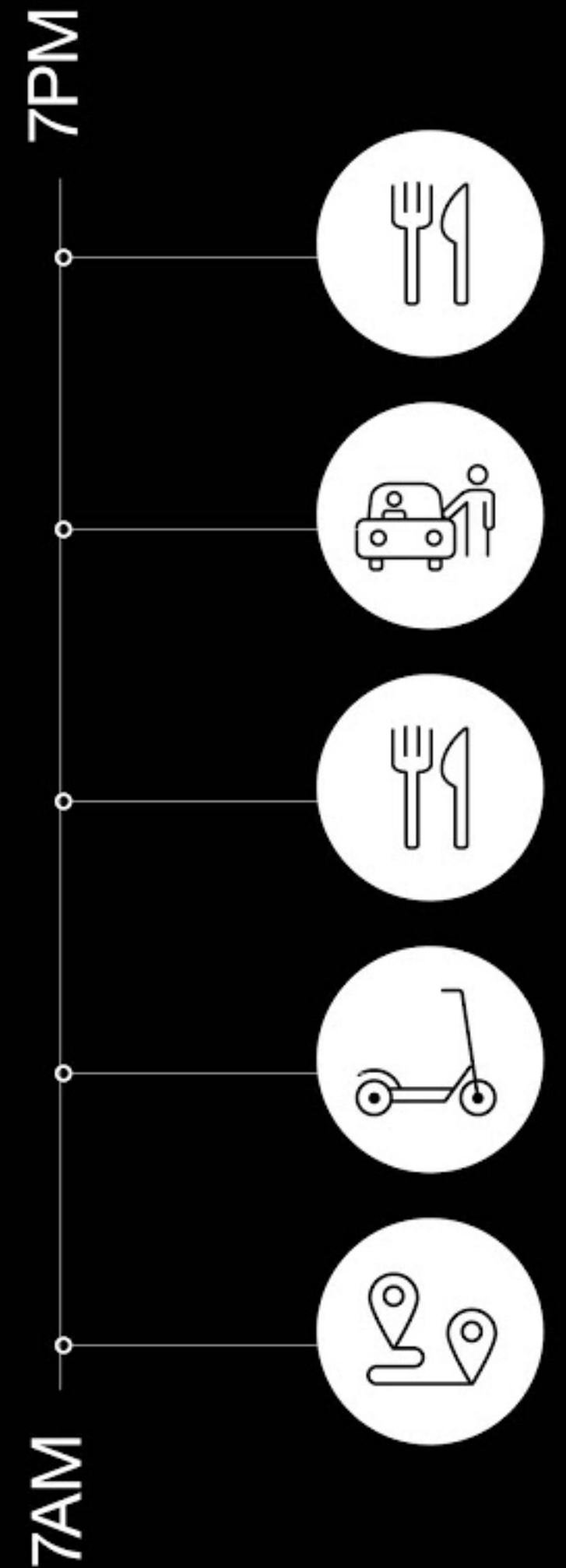
# MOBILITY APPS ARE EXPANDING TO BECOME ALL-IN-ONE PLATFORMS

The rise of the super app offering consumers complete access to services is exemplified by Southeast Asian apps Gojek and Grab, which allow consumers to hail a ride, order food, and make a payment all on one platform.

Similarly, consumers can find information for nearly any kind of transportation service—from public transit, ride hailing, and car rental to cycling and driving options—on route optimization apps Citymapper and Moovit.

“WE SAY THAT IF YOU ARE A GOJEK CUSTOMER, BETWEEN 7AM AND 7PM YOU CAN USE OUR APP FIVE DIFFERENT TIMES. YOU CAN GET TO WORK, GET HOME, PLAN YOUR ROUTE, AND ORDER YOUR DINNER IN ONE APP.”

Gurnoor Dhillon  
VP Head of BD & Innovation, Gojek



# / 03 SUMMARY: THE KEY CONSUMER SHIFTS

The Shifts	
Consumer Needs	/ Consumer needs are becoming more diverse, <b>shifting preferences from owning personal vehicles to accessing services</b>
Increased Freedom	/ MaaS services provide unprecedented freedom to many consumers, <b>even more so than driving their own vehicles</b>
Consumer Relationship	Integrated apps sit at the center of future MaaS ecosystems, <b>shifting the consumer relationship from the vehicle they own to the mobility service they use</b>

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# THE SOLUTION: USING BRAND AS A STRATEGIC TOOL



# WHERE TO START: BRAND AS A STRATEGIC TOOL TO WIN IN MAAS

As we've outlined, MaaS is an entirely new model focused on mobility services, rather than products, with a different set of considerations and approaches when it comes to partnerships and experiences.

While automotive OEMs have largely focused innovation efforts on EVs and AVs, some have also invested heavily in MaaS. BMW Group and Daimler AG recently reported a collective \$1.13 billion in a joint venture for sustainable urban mobility solutions since 2018.<sup>11</sup>

Results from OEM investments, however, have been mixed. Many companies have found it challenging to roll out services in markets where MaaS brands are already leading the way.

Still, this shift toward MaaS is necessary for auto incumbents and requires a fundamentally different business model—from low-frequency purchase cycles managed by dealerships to high-frequency interactions with consumers that build brand value. This means that incumbent OEMs not only need a strategy, they need a systematic, comprehensive approach that addresses every mobility feature consumers want and need today.

11. Automotive IQ, The hidden gold beneath the BMW/Mercedes shared mobility venture, April 2019.

# TO WIN WITH CONSUMERS, MAAS COMPANIES MUST FOCUS ON *HOW* THEIR BRAND ADDRESSES WHAT CONSUMERS WANT AND NEED

Quick refresh: Let's look back at the key factors consumers consider when choosing a mobility service once it meets threshold criteria, including being affordable and safe:

- 1. ACCESS TO MULTIPLE SERVICES IN ONE ACCOUNT**
- 2. FUN TO USE EXPERIENCE**
- 3. REWARDS AND POINTS**
- 4. BRAND REPUTATION**

# CONSUMERS' TOP REASONS FOR USING MAAS DIRECTLY CORRESPOND TO OUR BRAND AS AN OPERATING SYSTEM APPROACH FOR INCUMBENTS

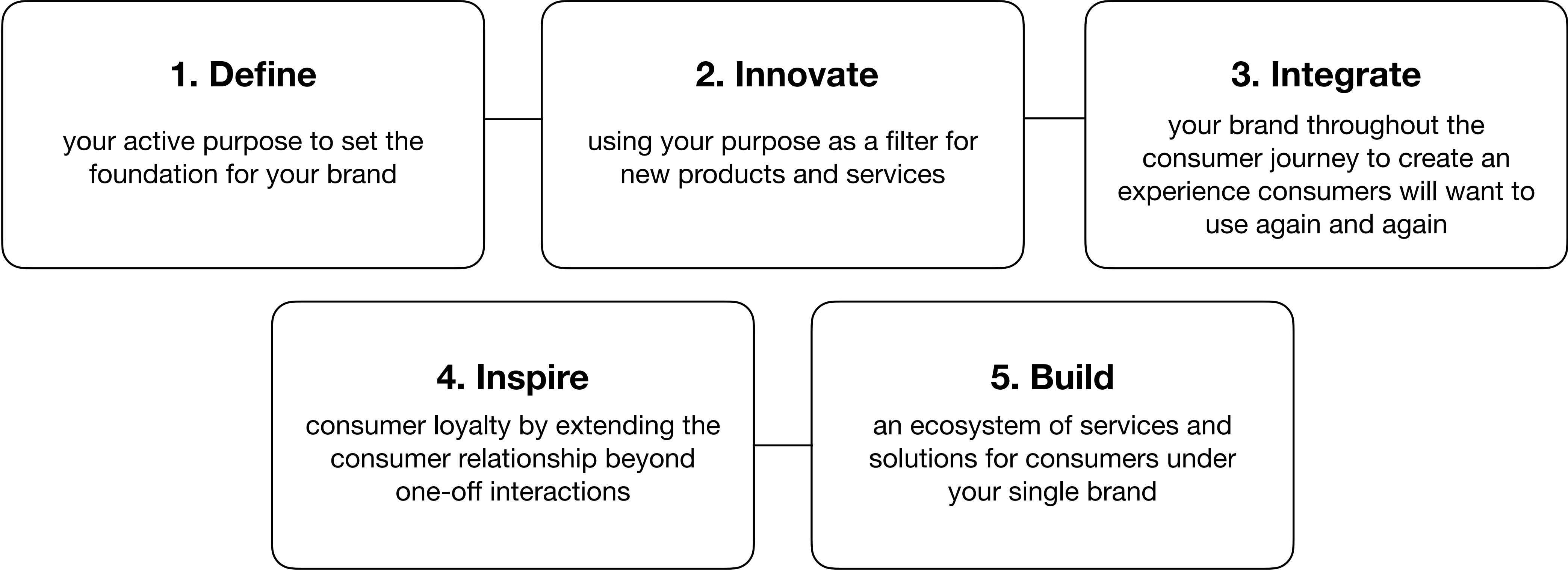
When brand is used as a strategic tool it can serve as the essential bridge between the business and its customers: Born from a purpose rooted in unique consumer needs, it serves as the filter to guide innovation, business decisions, partnerships, and also as a tool to motivate employees with a clear, exciting mission.

This is why we refer to our approach as Brand as an Operating System (Brand OS)—with an emphasis on how organizations can **systematically** apply brand every day to build customer experiences that resonate and ecosystems that intuitively reflect new, evolving needs.

For auto incumbents and MaaS players, Brand OS provides a solution for how to enter the MaaS market with a strong, differentiated purpose positioned for success.

In this section, we'll guide you through every step of building a Brand OS.

# BUILDING THE BRAND OPERATING SYSTEM:



Step 1: Set the foundation

# DEFINE YOUR BRAND PURPOSE

# BRAND PURPOSE

This is the foundation of Brand OS. The brand purpose is a strategic statement articulating the role a brand intends to play in consumers' lives. As organizations seek to differentiate themselves in the crowded MaaS market, purpose becomes not only a guide but a vehicle for innovation, defining the consumer experience, designing relevant offers, and weaving together mobility services in ways that are so relevant they become intuitive.

Establishing a clear brand purpose is essential for developing a trusted brand reputation, a quality that consumers highly value. 94% of our survey's respondents cite brand reputation as a factor when deciding which mobility service they'll regularly use.<sup>1</sup>

How does an organization, particularly an incumbent with an existing brand, distill its brand's purpose or create a net-new purpose for its MaaS brand to attract both new and existing consumers? It starts with understanding your customers while also taking account of your organization's unique value proposition.

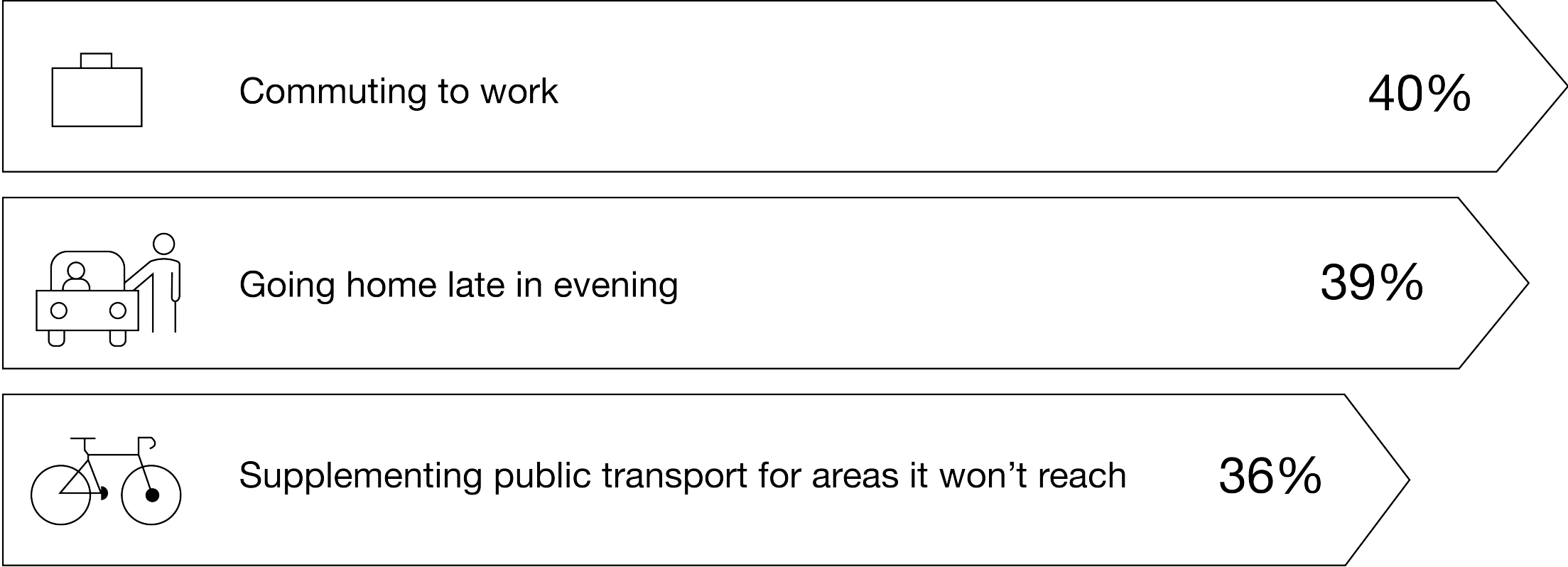
\*R/GA - Future of Mobility - 2021

# ESTABLISHING A DIFFERENTIATED BRAND PURPOSE

To establish a distinct purpose, brands need to understand consumers’ needs, behaviors, and mindsets in different contexts. We analyzed the differences between consumer behavior as it relates to Functional and Dynamic occasions by looking at the range of contexts in which MaaS is used. This allowed us to identify the high-value opportunities for auto incumbents to consider in the future.

Elements	Pre-COVID-19 how often were you using ride-hailing services for the following?											
	Commuting to work	Supplementing public transport for areas it won't reach	Day trips	Transporting children or others who cannot drive	Errands such as shopping	Transporting large items	Visiting friends or family	Going to social events	Going home late in the evening	Returning home after drinking	Times when driving your own automobile was undesirable	Times when you needed to reach a destination faster than public transport allowed
Total (qualified)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Rarely or never	28%	24%	32%	41%	31%	43%	26%	21%	21%	29%	34%	23%
Less than once a month	14%	19%	17%	16%	15%	19%	20%	22%	18%	17%	18%	20%
Once a month	18%	22%	19%	16%	22%	17%	22%	25%	22%	21%	20%	23%
2-3 times per month	22%	25%	19%	18%	21%	15%	22%	22%	26%	23%	20%	24%
Weekly	18%	11%	13%	9%	11%	6%	10%	10%	13%	10%	8%	11%
>2x a month	40%	36%	32%	27%	32%	21%	32%	32%	39%	33%	28%	35%

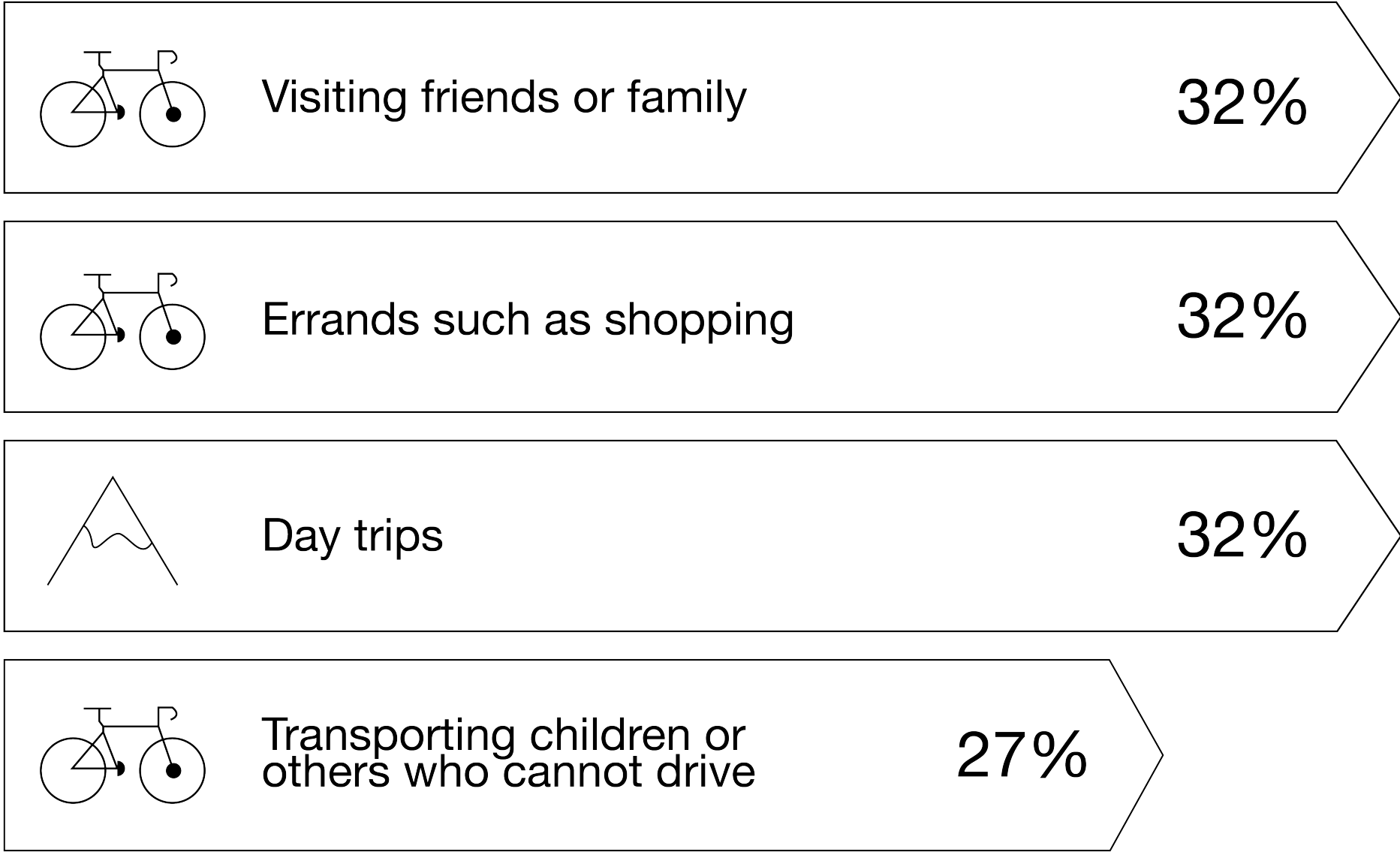
## 01 Functional Occasions



WE IDENTIFIED TWO PRIMARY CATEGORIES OF HIGH-FREQUENCY AND HIGH-VALUE OCCASIONS FOR MAAS USE: FUNCTIONAL MAAS CONSUMER OCCASIONS AND DYNAMIC MAAS CONSUMER OCCASIONS.

Functional MaaS consumer occasions are primarily destination-to-destination mobility services, such as commuting to work (40%) and coming home late (39%).

## 02 Dynamic Occasions



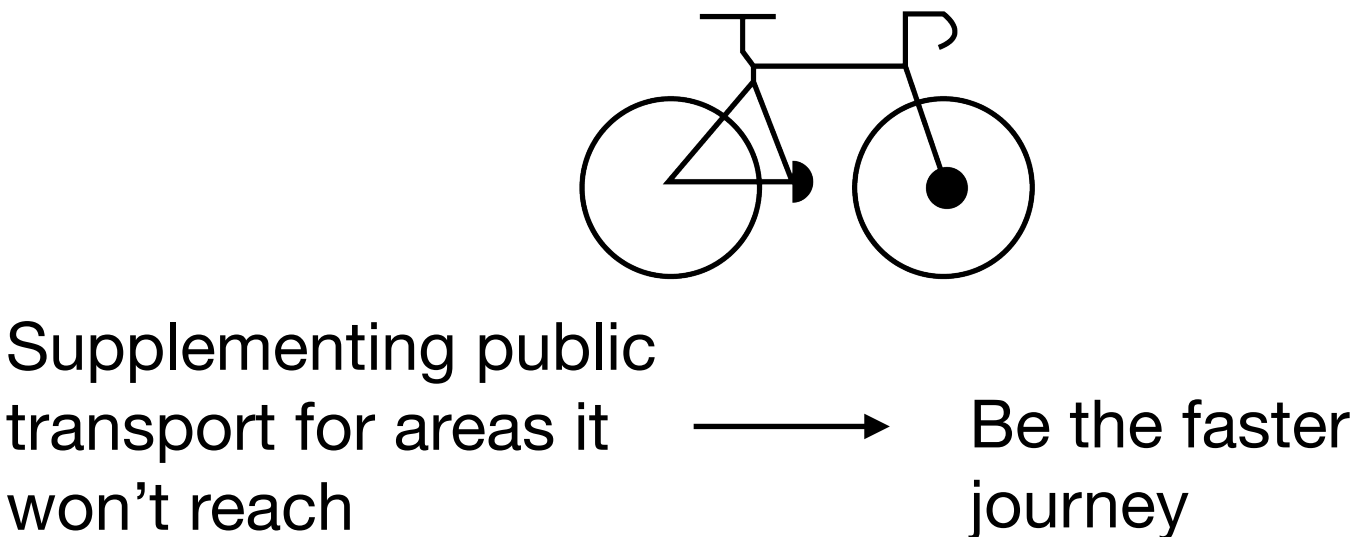
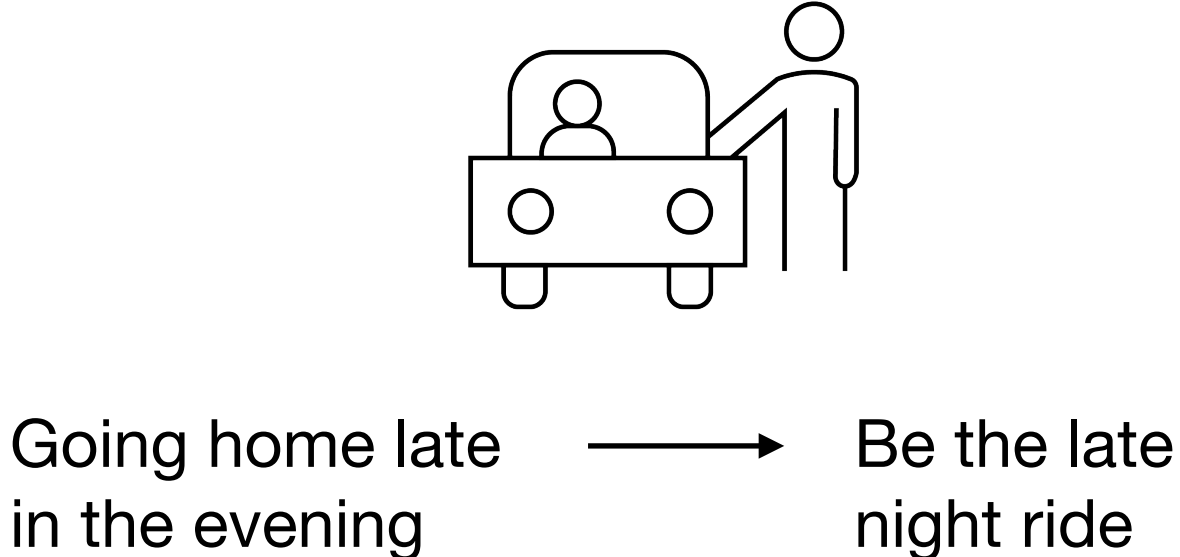
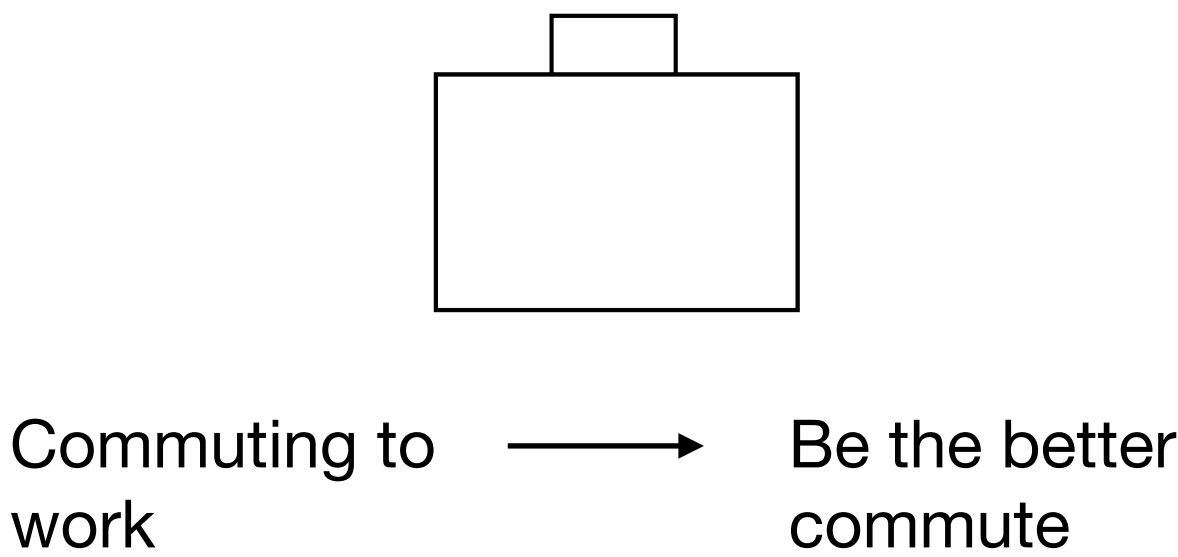
In contrast, increasingly popular Dynamic MaaS occasions, while also common and often daily, exemplified instances where consumers were simply going from A to B, and their decisions involved emotional as well as functional mindsets. These occasions included needing a service for errands such as shopping (32%) and transporting children or others who cannot drive (27%).



For the most part, MaaS brands have had success growing a customer base around Functional occasions. The value that brands can provide here is clear: “better” and “faster” optimized mobility.

# FUNCTIONAL OCCASIONS: RESULT IN COMPETING ON OPTIMIZATION

Competition each time a user needs MaaS  
Low brand loyalty  
Speed and cost matter most  
Offerings are similar

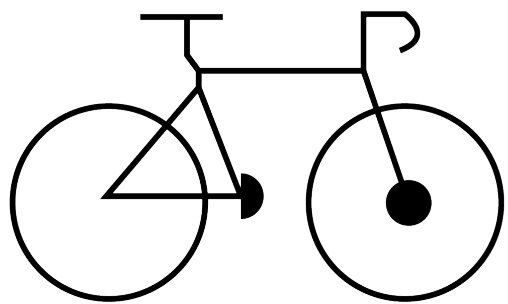


Dynamic occasions, however, present new opportunities for brands to truly differentiate themselves—by leveraging the promise of freedom, independence, and choice (how to get from A to B to C) that MaaS can provide. These Dynamic occasions offer a path for new brand roles and a chance to meet consumers where they’re not yet served.

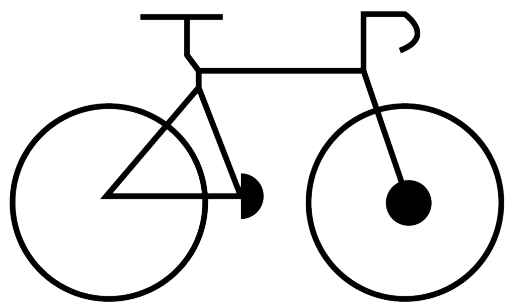
By leaning into occasions around new mobility needs and defining their purpose according to them, organizations can dramatically increase the value they provide and connections they create with consumers, while also differentiating themselves for the future.

# DYNAMIC OCCASIONS: COMPETING THROUGH BRAND

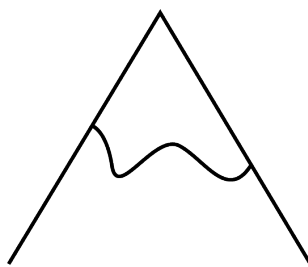
Competition at beginning of MaaS adoption  
High brand loyalty  
Experience and use case matter most  
Offerings are differentiated



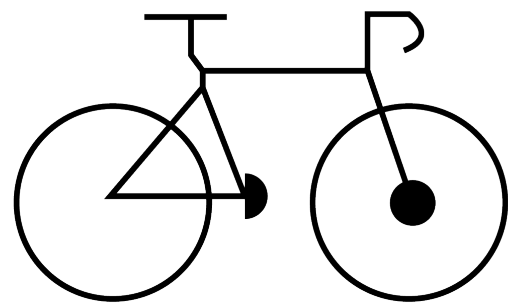
Visiting friends or family → Support human connection



Errands such as shopping → Support self-fulfillment



Day Trips → Support exploration



Transporting children or others who cannot drive → Support Independence

Our interviews with executives at leading MaaS companies revealed key insights into how they apply their purpose to differentiate their brand. Many MaaS leaders around the world leverage their brand purpose as a strategic tool. Some brands focus directly on the transportation needs of people and things, such as Uber’s purpose to “Reimagine the way the world moves for the better” and Getaround’s purpose to “envision a world in which all cars are shared.”

Others offer a broader vision, such as Gojek’s “using technology to improve the lives of users” and Gett’s “Believing in a future where our software helps businesses thrive, by empowering people to be their best on the go.”

# WINNER IN THE SPACE / EXAMPLE

TURO

**Turo (San Francisco, USA)** is a car-sharing service where consumers can rent cars through a peer-to-peer marketplace platform. Turo’s purpose, “Put the world's billions of cars to better use,” inspires consumers and owners to get more shared value from vehicles by facilitating easier, flexible access.

Turo is focused on consumers’ nuanced needs for specific types of vehicles—from a long trip to a few hours of moving stuff between apartments— and its purpose embraces this consumer reality.

“MaaS has provided frequent touchpoints and contextual opportunity in the consumer’s life for brands like us to expand into new business areas.” (Andro Vrdoljak, Head of Business Development and Strategic Partnerships at Turo)

# DEFINE YOUR BRAND PURPOSE CONSIDERATIONS

What role will you play in consumers' lives?

Might you prioritize high-value emerging opportunities around new needs instead of efficiency?

How will your existing brand and purpose inform your MaaS services?

What mobility occasions will be most relevant to consumers?

Step 2: Innovate new services

# USE YOUR BRAND FOUNDATION AS A CATALYST FOR INNOVATION




# BRAND AS THE FILTER FOR INNOVATION

The second component of Brand OS focuses on applying purpose as a filter for innovation, guiding incumbents away from commoditization, or lower-value innovation, and toward true success.

In an increasingly crowded MaaS market, it can be near impossible to know where to place your innovation bets. Although not traditionally part of corporate strategy, a signature brand purpose is essential for steering an organization's investments in MaaS. Purpose-driven innovation helps to define how you will innovate to stand out among your competitors.

# LEVERAGING BRAND TO DRIVE INNOVATION

It's no surprise to see that leading Maas brands are using their purpose a north start, enabling them to innovate how they move people, and also how they move goods, provide information, bank the unbanked and offer other (often necessary), points of access to their customers

-  Customer
-  Driver
-  Cancelled (killed) service

	Moving People											Moving Goods				Info Services			Banking				Insurance			Online Services						Offline Services											
		Ride training	Taxi training	Ridesharing	Coach services	Carpooling	Public transport operation	Micromobility	Carsharing	Designated driver	Robotaxi	Electric vehicles		Food Delivery	Courier	Shopping service	Freight		Multimodal route finder	Parking finder	Public transit backend sys		Payments	Digital wallet	Credit	Bill payments		Car insurance	Health insurance	Other insurance		Movie/Event ticketing	e-Commerce	2nd hand car marketplace	Hotel booking	Streaming	Gaming		Car maintenance	At home services			
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Gojek		👤	👤											👤	👤	👤							👤	👤	👤	👤	👤	👤	👤	👤		👤	👤			👤	👤				✖	✖	
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Some of the leading mobility players leverage their brand foundation both as a filter for innovation and as inspiration for ways to increase the value they offer consumers. This allows them to expand their partnership base or offer services atypical of a traditional mobility company.

We spoke with industry leaders in the MaaS market to understand how they utilize their purpose to guide their innovation decisions toward success and found some notable best practices in our interviews with Moovit and Gojek.

# WINNERS IN THE SPACE / EXAMPLES

MOOVIT

GOJEK

**Moovit** is an Israel-based mobility planning app that integrates crowdsourced data and provides real-time transit information to its consumers. Its purpose, “to simplify urban mobility throughout the world,” guides its expansive partnerships to empower consumers with real-time information.

Moovit has integrated over 300 different global companies into their platform ranging from local bike-sharing services to mobile ticketing applications like Cubic and Wondo. The result? A MaaS brand that extends beyond transportation to focus more broadly on intelligent navigation. “We want our users to feel like they’re using a local product that’s connected to what’s happening in their city. We build services and partner with other brands to create a local product that makes users feel like we truly understand their city and can navigate it with ease.” (Yovav "Jay" Meydad, Chief Growth & Marketing Officer at Moovit)

**Gojek** entered the market as an Indonesian scooter-sharing service but has quickly built itself into an on-demand technology solution that offers consumers multiple points of access to daily necessities. Gojek’s brand purpose, “using technology to improve the lives of users,” has guided a service portfolio far beyond that of traditional mobility brands, including wallet services for the unbanked and POS equipment to facilitate their drivers' livelihood.

“We don’t want to disrupt, we want to enable. We believe that everyone should use the technology for their own benefit. Our mission is to remove daily friction of consumer needs, so we invest in services and partnerships that want to solve a problem and deliver on our purpose.” (Gurnoor Dhillon, VP Head of BD & Innovation at Gojek)

# USE YOUR BRAND AS A CATALYST FOR INNOVATION CONSIDERATIONS

Is your purpose used as a tool to filter for innovation in how to better serve consumers through a MaaS offering?

Does your purpose help you say both yes, and no and define which MaaS services are relevant?

How might your current purpose extend to unexpected but relevant new areas of access within Mobility?

Step 3: Implement brand into experience

CREATE AN  
EXPERIENCE  
CONSUMERS WANT  
TO USE AGAIN AND  
AGAIN

# PURPOSE-DRIVEN EXPERIENCES

Where purpose provides a filter for innovation to guide MaaS brands towards differentiation, purpose-driven experiences are what bring the brand purpose to life. The purpose should be woven into every interaction consumers have with the brand. And here’s why it’s essential: An enjoyable user experience is a key factor that consumers use to decide whether they’ll repeatedly use MaaS brands as an alternative to their own vehicles.

	An easy to use app experience	A fun to use experience
Not important	5%	16%
Somewhat Important	35%	48%
Very important	60%	36%

Given that most MaaS brands offer a variety of services to meet consumers’ needs, it’s critical to consider how the entire ecosystem fits together. The brand purpose is essential for providing that sense of consistency and ensuring that organizations are meeting the consumers’ needs they set out to solve.

As MaaS usage expands in urban and suburban markets, the need to provide relevant experiences for consumers based on their unique, location-based needs will increase. Companies that take occasion and context into account when designing the consumer experience are the ones that will get ahead—and succeed—in new markets.

# WINNERS IN THE SPACE / EXAMPLES

GETT

GETAROUND

**Gett** was founded in 2010 and is headquartered in Israel. It offers a B2B service—business travel-related needs on a global and local level—for its corporate consumers’ employees via a cleanly designed travel dashboard. The experience embodies its purpose, “believing in a future where our software helps businesses thrive, by empowering people to be their best on the go.”

The company focus is directly in keeping with the theme we identified for dynamic occasions: independence. With Gett, employees have the freedom to choose how they want to travel. “Corporations were being left with the responsibility to manage ground transportation for employees across a variety of different services based upon each employee’s preference. We saw that there was an opportunity to optimize the corporate experience by consolidating the booking and riding and even payment onto a single B2B platform.” (Keren Fanan, Chief Commercial Officer at Gett)

Gett’s platform addresses the business travel pain points for every stakeholder involved: It’s a familiar service for corporate employees, easy to manage across a variety of travel partners for businesses, and allows MaaS partners to retain a direct consumer relationship.

**Getaround** is a peer-to-peer car sharing service that allows owners to turn the average twenty-two hours of idle time for owned vehicles into a revenue-driving opportunity. Getaround’s purpose reflects the brand’s intention to drive the shift towards community-driven mobility: “We envision a world in which all cars are shared.”

Getaround believes that mobility not only doesn’t require ownership but that ownership actually makes mobility harder. “You settle for owning a car that isn’t ‘great’ because you buy it based upon the consideration that you are buying a car for the needs you’ll have over the next three, five, ten years. Picking a great car for what you need now without worrying about tomorrow is the hard problem to solve.” (Sam Zaid, Founder & CEO at Getaround)

Getaround’s purpose-driven experience has not only been consistent during global crises like Covid-19 but positioned the business to grow. Despite the expectation that lockdowns and isolation would hinder Getaround’s sharing-based business, the brand has seen an increase in “road trips” and “escaping the city trips,” particularly in the United States. Getaround’s commitment to its purpose both prepared the brand for both the uptick and led to innovative safety standards like disinfection and contactless delivery.

CREATE AN  
EXPERIENCE  
CONSUMERS WILL  
WANT TO USE  
AGAIN AND  
AGAIN

How does the brand purpose help to guide and define your customer experience?

Does every interaction with your brand feel cohesive and connected to your purpose?

Does the experience you've designed inspire your customers to return, to recognize you and to use you in increasingly expanded ways?



Step 4: Inspire consumer loyalty

EXTEND THE  
CUSTOMER  
RELATIONSHIP BEYOND  
TRANSACTIONAL  
INTERACTIONS

# PURPOSE-DRIVEN LOYALTY

Brand loyalty is the product of an ongoing successful relationship between a customer and a brand. It's built on a continuous exchange, where both the brand and customer reap value, historically in the form of benefits or rewards. Most loyalty programs have relied on a transactional conception of loyalty, which involves offering benefits like discounts, points, rewards, and/or exclusive access to services after a consumer makes a purchase from a brand.

Purpose-driven loyalty goes further and builds membership with a brand, by offering benefits to consumers at the moment of transaction, and also by extending the relationship beyond the moment of purchase— before and after—providing more relevant benefits and opportunities to engage consumers for functional and emotional value repeatedly, and in doing so, turn customers into lifetime members who identify with the brand.

While benefits like post-purchase rewards and points related to products can drive recurring use, they are not ownable to one brand. When done well, purpose-driven loyalty uses the brand's purpose to guide a broader vision for rewards beyond a single product, and to build connection with consumers in a specific, ownable way that strengthens an emotional bond because a customer feels heard and met by the brand.

To create a differentiated loyalty experience, MaaS brands should supplement purpose-driven rewards and points with relationship touchpoints that build emotional connection before, during, and after the point of purchase or download. The Dynamic occasions we uncovered (supporting human connection, self-fulfillment, exploration, and independence), presents a rich landscape for brands to engage and build the emotional connection which drives unique, ownable loyalty in MaaS.

We have found that MaaS leaders build loyalty with their consumers by providing personalized, data-informed benefits—services and solutions for consumers’ unmet functional and emotional needs—before and after the moment of transaction.

As we continue to see MaaS players looking to increase consumer loyalty, brands have a great opportunity to design Dynamic occasions in ways that increase the ongoing value exchange and emotional connection with consumers.

# WINNER IN THE SPACE / EXAMPLE

GOJEK

**Gojek’s** purpose of “using technology to improve the lives of users,” enabled the brand to drive loyalty through data-informed consumer experiences that drove recurring use.

Gojek learned that its most loyal consumers ordered food near their destinations, most often consumers' homes. This behavioral insight enabled Gojek to start targeting ride-hailers with GoFood promotions based on the consumers’ destinations. Gojek also recognized that people who spend time exploring the GoFood social feed tend to have bigger orders. To capitalize on this, Gojek started sending links to the GoFood social feed right before meal times, encouraging consumers to explore more food options. Rather than just “reward” consumers for consistent use, Gojek drove loyalty to its service by adding unique value for consumers before and after the moment of transaction.

# DRIVE LOYALTY BY MEETING CONSUMERS' UNMET EMOTIONAL NEEDS

How will we use our purpose to build a credible shared belief with our customers so that they become loyal members of our MaaS brand?

What emotional connections do we want to instill throughout our relationship with our customers and why?

What are the business-critical collective behaviors needed to sustain and grow loyal MaaS members?

Step 5: Build an ecosystem

# UNIFY A SUITE OF SERVICES AND SOLUTIONS UNDER YOUR BRAND

# PURPOSE-DRIVEN ECOSYSTEM

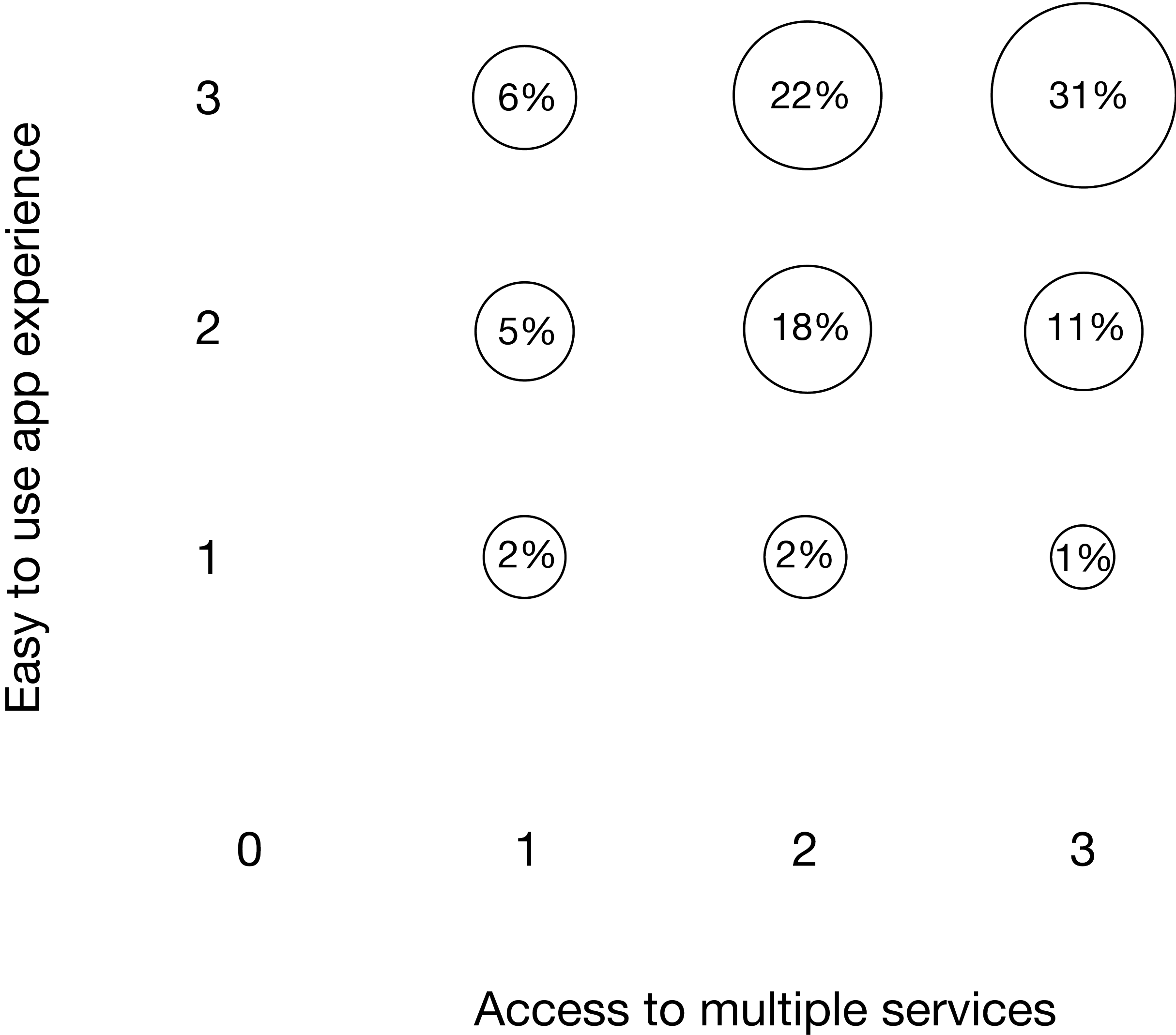
A purpose-driven ecosystem connects a brand's service offerings in a way that mutually benefits the brand, its consumers, and its partners. Companies do this by integrating all of their services and experiences under a single, high-value brand.

For example, when R/GA built the Nike+ ecosystem, Nike's value to its customers shifted from performance apparel to overall performance by including fitness and health services. In MaaS, building an ecosystem can shift a brand's offering from one specific ride-hailing or bike-sharing service to a full suite of mobility solutions. This increases the overall value the brand provides. By aligning internal and external services to benefit the consumer, a purpose-driven ecosystem can create a truly differentiated brand offering.

Our research indicates that if a MaaS brand can deliver a seamless, cross-service experience, consumers are more likely to use the service repeatedly. A purpose-driven ecosystem connects a variety of services and partnerships in ways that benefit the consumer and enable a brand to expand its service offering beyond its traditional, singular role.

By integrating relevant internal and external services, MaaS brands can expand the scope of their role in consumers' lives and position themselves at the center of the consumer relationship. This allows auto incumbents to become much more than hardware or a single-service solution. Instead, consumers have compelling reasons to repeatedly engage with the brand through owned and partnered services.

Our research showed that brands need to seamlessly integrate and provide access to other brand services within their own consumer experience to drive recurring value. 82% of consumers consider access to multiple services on an easy-to-use app experience to be a key factor when deciding if they'll use a MaaS service more than once. At the same time, it's critical that every connection within the overall brand experience feels relevant.





# WINNER IN THE SPACE / EXAMPLE

**Moovit** is an Israel-based mobility planning app that integrates crowdsourced data and provides real-time transit information to its consumers. With a purpose to “simplify urban mobility around the world,” Moovit’s connected ecosystem benefits from the network effects of consumer adoption.

“By adding crowdsourced information, we were able to have the largest coverage around the world and the largest database. The community helps us maintain the accuracy of the database by tracking traffic or bus stops being moved. Sometimes the official transit providers might not give information from these one-week projects (like a closed bus stop), so our database is largest and most accurate.” (Yovav "Jay" Meydad - Chief Growth & Marketing Officer at Moovit)

Moovit’s purpose-driven ecosystem connects user data and services to make the consumer journey as seamless and convenient as possible. Every consumer interaction across all of its services leads to better insights that can improve the consumer experience and lead to relevant, value-add partnerships in the future.

# BUILD AN ECOSYSTEM THAT PUTS THE BRAND AT THE CENTER OF THE CONSUMER RELATIONSHIP

How might you better connect your existing services to benefit your consumers and partners?

How can you build partnerships with other MaaS services to more holistically deliver on your purpose?

Which future consumer needs will you need to address through partnerships?

This paper began with a bold premise about the future of mobility and MaaS: It has the opportunity to tangibly improve people's lives across the globe by offering greater access, choice, and ultimately, freedom.

Although this shift has been in play for decades, our global consumer research and interviews with MaaS leaders indicate that it will only accelerate over time, with services that range from traditional ride sharing to more dynamic, and democratized, forms of access.

This poses questions for people – about how they want to use new forms of access and whether they'll own an automobile at all in the future. The larger challenges and opportunities, however, lie with automobile incumbents as they plan not only how they'll innovate, but how they'll evolve and play a role in designing better lives for people in the future.

The keys to successfully building a defensible role and brand in MaaS depends not on trends or incentives but on a deep understanding of people's needs based on how they live today and how they'll live tomorrow.

This sets the real foundation for a relevant, distinctive solution – a MaaS brand as an Operating System. This type of brand is strategic, it understands people, filters innovation based on tangible needs, and builds the components of an inspiring experience and ecosystem that serves as a true partner to its customers.

The Dynamic occasions we identified are likely only the tip of the iceberg for leaders looking to define and win in a MaaS-dominated future. The brief is clear: It's time for mobility leaders to uniquely recognize the call for greater access in ways that further true progress.

AT A GLANCE...

Mobility-as-a-Service (MaaS) has fundamentally shifted how we understand transportation.

Today, mobility isn't just about having one mode of transportation. It's about having access to a variety of transportation options and the quality of those options available. Now more than ever, transportation companies must make space for people-first experiences that allow for a differentiated brand offering.

### **THE EXISTENTIAL THREAT TO OEMS:**

Not only are personal vehicle purchases significantly decreasing, OEMs risk losing their value and direct relationship with consumers.

Focusing on EV and AV innovation instead of MaaS can provide short-term benefits but carries a certain amount of long-term risk.

OEMs need to reposition their approach to MaaS and the role they play in consumers' lives.

### **CONSUMERS' EMERGING NEEDS AND BEHAVIORS:**

As consumers' lifestyles adapt, they want more freedom and flexibility.

What else is speeding up MaaS? Congestion in cities, high traffic, parking, and the desire for personalized services, to name a few.

As consumers use MaaS more frequently, they're more likely to consider giving up their personal vehicles.

A desire for more transportation options isn't unique to urban consumers.

Our survey showed "lack of availability in my area" (33%) and "safety concerns" (32%) as the primary barriers to adoption.

## **USING BRAND AS A STRATEGIC TOOL:**

Mobility players who own the consumer relationship will play an outsized role as the MaaS ecosystem matures.

Brands must seamlessly integrate access to other services within their own easy-to-use consumer experience—an app—to drive recurring value.

To win with consumers, brands need a comprehensive, systematic approach that addresses every mobility feature consumers want today.

Every element of the consumer experience needs to feel relevant and purpose-driven.

## **BY THE NUMBERS:**

While 89% of personal vehicle owners/lesers said their vehicles give them a sense of freedom, 73% wish they could drive their personal vehicle less.

50% of personal vehicle owners and 64% of lesers are willing to give up their vehicles in favor of MaaS over the next 10 years.

Car sharing is estimated to reach 36 million users by 2025, and the usership from ride-hailing and taxi services alone has grown to 1.4 billion customers.

Global mobility service revenue is expected to grow to \$1298B by 2024 from \$616.1B in 2020.

To connect with us on mobility research, email us at [futurevision@rga.com](mailto:futurevision@rga.com).

To discuss mobility opportunities for your brand and have a deeper look into local-market data from our study, please get in touch with [stephen.larkin@rga.com](mailto:stephen.larkin@rga.com).

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# GLOSSARY OF TERMS

**AV:** Autonomous vehicles - A vehicle that can travel from a starting point to a predetermined destination in autopilot mode using various in-vehicle technologies and sensors, including adaptive cruise control, active steering, anti-lock braking systems, GPS navigation technology, lasers and radar, which may be considered a “Level 4” or “Level 5” AV.<sup>12</sup>

**Auto OEM:** Automotive Original Equipment Manufacturer - A company that manufactures and assembles new vehicles (for purposes of this paper we did not include automotive parts manufacturers).

**Car Sharing:** A model of car rental for short periods of time, often by the hour. The owner of the cars are mainly private individuals, and the car sharing entity owner (the platform) is distinct from the car owner.<sup>13</sup>

**EV:** Electric Vehicle - A vehicle that is partially or fully electrically powered.

**MaaS:** Mobility as a Service - A set of services which provide access to transportation in response to consumers’ evolving mobility needs. Often integrating trip planning, payment applications, and, multiple forms of transportation, such as cars, bikes and scooters, all within a single branded platform to access on demand. (This is our own R/GA Definition)

**Micro Mobility:** A range of small, lightweight vehicles operating at speeds typically below 25 km/h and driven by users personally such as bicycles, Ebikes, electric scooters, electric skateboards, shared bicycles, and electric pedal assisted (pedelec) bicycles.<sup>14</sup>

**Ride Sharing:** An arrangement in which a passenger travels in a private vehicle driven by its owner, free or for a fee, especially as arranged by means of a website or app.

**Route Finding:** Includes navigation, route optimization, transportation options, and turn by turn direction services.

12. Gartner, Information Technology Glossary, June 2021.

13. Wikipedia, Carsharing, June 2021.

14. ITDP, The Electric Assist: Leveraging E-bikes and E-scooters for more livable cities, December 2019.

## Methodology | Quant

In fielding our survey, we set out to better understand the shifting landscape of mobility services and car ownership. To do so, we surveyed consumers to understand their views towards emerging MaaS players and personal vehicle ownership. We included users of four different types of mobility services in our survey: ride hailing, car sharing, scooter sharing, and bike sharing. The survey was in field from [August 30 - September 30, 2020. We used the Decipher survey platform, and the sample was sourced via the Lucid Sample Marketplace. The survey was translated into the predominant language spoken in each country.

We surveyed 5,084 consumers across China, Germany, Australia, Brazil, India, UK, Mexico, Argentina, Colombia, and USA. consumers were sourced evenly from each country - each country accounted for about 10% of total respondents. Of those respondents, about 80% (3,985) were MaaS users and about 20% (1,099) were non-MaaS users. Respondents were split almost evenly between male (2,553) and female (2,511), with a portion of respondents identifying as non-binary / other. The average age of our respondents was 38.

Respondents who qualified for the survey met demographic criteria, and quotas were also used to ensure the intended proportion of MaaS and non-MaaS users. Questions were included to better understand the habits, preferences, and attitudes depending on whether the respondent was a MaaS user or a non-MaaS user.

Our survey included a variety of question types (single select, multi select, rating, ranking, and open-end) following this structure:

- Screening questions to determine recent service usage and car ownership status as well as segment/quota assignment
- General attitudes about MaaS services and car ownership
- Reasons to use MaaS services and nature of usage
- Benefits and shortcomings of personal vehicle ownership
- Willingness to give up personal vehicle and switch to MaaS
- Barriers to entry to MaaS
- Psychographics
- Demographics

In this report, we have surfaced insights from the full surveyed population. Our data set allows us to conduct targeted analysis for particular regions/countries and mobility services, including: reasons for adopting MaaS, shifting and emerging mobility needs, pros and cons of personal vehicle ownership, barriers to increase MaaS adoption, and more.

In order to qualify for the survey, respondents had to:

- Live in one of the countries covered by the scope of the research
- Be between the ages of 18 and 64
- Be assignable to either the current MaaS user audience or the non-MaaS user audience

# GLOBAL DETAIL- SAMPLE SIZES

		Characteristic	Total	Country	Total	MaaS User	Non User
Total Sample	5,084	Female	2,511	China	516	419	97
		Male	2,553	United States	510	396	114
		Non-binary/ Prefer not to say	24	Germany	482	367	115
				Australia	460	342	118
				Brazil	525	410	115
				India	509	414	95
		Age 18-34	1,716	United Kingdom	514	399	115
		Age 35-49	1,745	Mexico	527	414	113
		Age 50-64	1,623	Argentina	520	406	114
				Colombia	521	418	103

## **Methodology | Quant**

We also conducted interviews with leaders in the OEM and MaaS spaces. The interviews served to provide us with the perspectives of executives within the mobility and transportation space, and helped us better understand the findings from our research. The executive insights both pushed and further affirmed our point of view for the future of mobility as a service.

We conducted 11 interviews consisting of OEM and MaaS leaders. While the interviews were structured, the nature of the conversations was flexible to best allow for the interviewee to provide insights on their expertise and from their point of view.

THANK  
YOU