

WHAT WE HAVE LEARNED THIS FAR?

MOBILITY AS A SERVICE : CATALYZING MARKET CO-CREATION STRATEGY

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1. What you have told us in the interviews



The interview agenda

1. Mobility as a Service (MaaS) sector

- What are the most significant challenges and shortcomings of the Finnish MaaS sector?
- Who would be the most influential and/or crucial actors to speed up the growth of MaaS in Finland?
- In what role do you see your own organization in the development of MaaS?

2. Potential of MaaS-collaboration

- What would be the benefits of collaboration to develop MaaS in Finland?
- Who should be involved in the collaboration, in order for it to benefit you?
- Who would benefit of the collaboration?

3. Interviewee priorities

- What elements do you believe to be the most important ones to ensuring that a collaboration platform for MaaS in Finland would be successful?
- For the collaboration to benefit you, what are the three most important elements it should provide to you ?

4. MaaS ecosystem: development suggestions

- How interested would your organization be to participate in the development of a MaaS-ecosystem?
- What are the advantages for you/your organization of participating in this development?
- What do you believe you/your organization could contribute to the ecosystem and its other members?
- How can we best ensure that the ecosystem continues to evolve and create value for its members?
- How should such an ecosystem be structured? What should be the action plan, schedule, budget, administration, etc.?



The need for public-private complementarities

- The most crucial element in the realization of MaaS is the **involvement of public transport agencies**, given the central role they play in transportation. However
 - There is a threat of public sector taking roles that private sector should have
 - Cities act is not suited for MaaS operator business. The problem is that cities tend to call for bids for long periods of time, and when the bid is won, nothing goes forward in that area during the time of the service contract.
 - Finland is also restricted by organizations, which hold monopolies in individual cities or regions and limit progress.
- The city can have several different roles when shaping the field of mobility as a service. However, **these roles should be complementary** to the roles of the private companies, and in this respect the dominant business models are still emerging.



Technology; a Finnish strength or weakness?

- **Technology** has a role to play and especially in exporting Finnish solutions. Having Finnish companies manufacturing cars, mobile work machines, trams, buses, and autonomous vessels provide these companies with leverage to support innovations in public transport systems and enter export markets.
- One open question is the direction provided by the Finnish government. It has appeared that **biofuels** are the main priority, but may there be some changes now due to the indication from the European Commission that the Finnish view on how to calculate the impact of forest usage in CO₂ emissions?



Collaboration is needed

- The field of MaaS is very disperse and led by **independent experts**. Many of the country's leading private-sector companies represent leading expertise in necessary areas of the field, but their efforts are yet to be unified. This also leads to challenges in getting messages through.
- Challenge of Finland in developing MaaS solutions are in its **small size**, the lack of sufficiently large volumes to ensure that systems piloted here are capable of scaling up to meet the demands of more populous areas.
- For a genuine transition towards MaaS to take place there must be a **change in the mindset of the consumers**. The Finnish mentality is still strongly reliant on private cars.



Legislation has a key role to play

- **Ministry of Transportation and Communications' impact is most relevant in the development of legislation, both introducing new regulations as well as dismantling old, prohibiting regulations.** Another key aspect of the Ministry's contribution is in identifying the public sector's role in the transportation systems of the future, no longer simply enabling different operators, but ensuring the successful operation of the city's transportation system as a whole.
- Large institutions that can move MaaS forward are the Tax Administration and public transport companies. In the current system MaaS has a problem in the current way taxes and exemptions are handled. The VAT level of MaaS services is unclear. **There exist tax incentives for cars and public transport which are not present for MaaS services.**



MaaS - challenges and threats identified

- MaaS applications are easy to produce and there is a low entry cost to the market. **The challenge lies in getting a large market share.** This may eventually lead to a winner-takes-most situation where the competitive position is held with larger customer base, not with better technology.
- The **current structure of transport networks does not fully support** MaaS travel chains. There is an ostensible need for private leasing. In Finland, the dialogue is focused on combining train, bus and taxi travel even though other modes are needed too.
- Challenges of MaaS today are the **integration of public transport to MaaS and reimbursed travel.**
- Finding the right business models is a big challenge.



What is needed?

- **INVESTMENTS.**
- **BEST PRACTICES.**
- **MOMENTUM.**
- **COMMON UNDERSTANDING.**



2. How we could collaborate

Collaboration – identified expertise

- Electrification of mobile work machines and vehicles
- Charging infrastructure
- Wireless and wired communication
- Automated driving
- MaaS-service integration for automated vehicles
- Organization of demonstrations and pilots
- Ticketing
- Public sector integration
- Interest group coordination
- People flow management



Collaboration – wishes and requests

- Open and transparent collaboration
- Ecosystem that is open for new entrants
- Development must be beneficial for all participants and public sector as a whole.
- Identification of business cases that are profitable early on
- Prevention of monopolies
- A clear definition of project goals and scopes
- Management of privacy concerns between competitors
- Good visibility of demonstrations
- Focus extended beyond MaaS-services
- A clear understanding of the customer and user perspectives



3. Conclusions

Action needed!

- Based on the findings from the interviews, we see the development of mobility services as a two-pronged process.
 - On one hand, there are several technologies (e.g. 5G, electrification, autonomous driving) that must be in place for mobility services to radically transform the field of transport.
 - On the other hand, mobility services will call for new types of business models, often with a strong integration between public and private service providers
- The most important card, by a wide margin, was

Promoting pilots and demonstrations.

- So let's come back to this in our group discussions!



Thank you!



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