

MASSIVE PROMISES

PRAGMATIC INSIGHTS & PERSPECTIVES

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CITIES AND REGIONS FOR TRANSPORT INNOVATION



The MaaS promise – benefiting all stakeholders



Consumers

- Improved **customer experience** by providing **freedom to move** through multiple **mobility options** based on **preferences** and **circumstances**
- ...triggering a move from **ownership** towards usage as well as a **reduction of overall mobility budget**



Cities/Authorities

- Ability to **orient behavior** towards more sustainable mobility patterns (mass transit, walking, new mobility)
- **Increasing accessibility** and **inclusiveness**
- **System-level optimization** of **flows** and **assets**



Mobility Solutions Providers

- **Real-time optimization** of each of the mobility offerings
- **Expanded access to all mobility needs expressed** and reducing acquisition and customer support costs
- **Provision of an additional channel** for engaging with users



Which evolutions over past 24 months?



Increased interest by Cities and Authorities

Accelerated digitalization of PT ticketing and payment

Regulations and standards, esp. in Europe (MDMS, ITS)

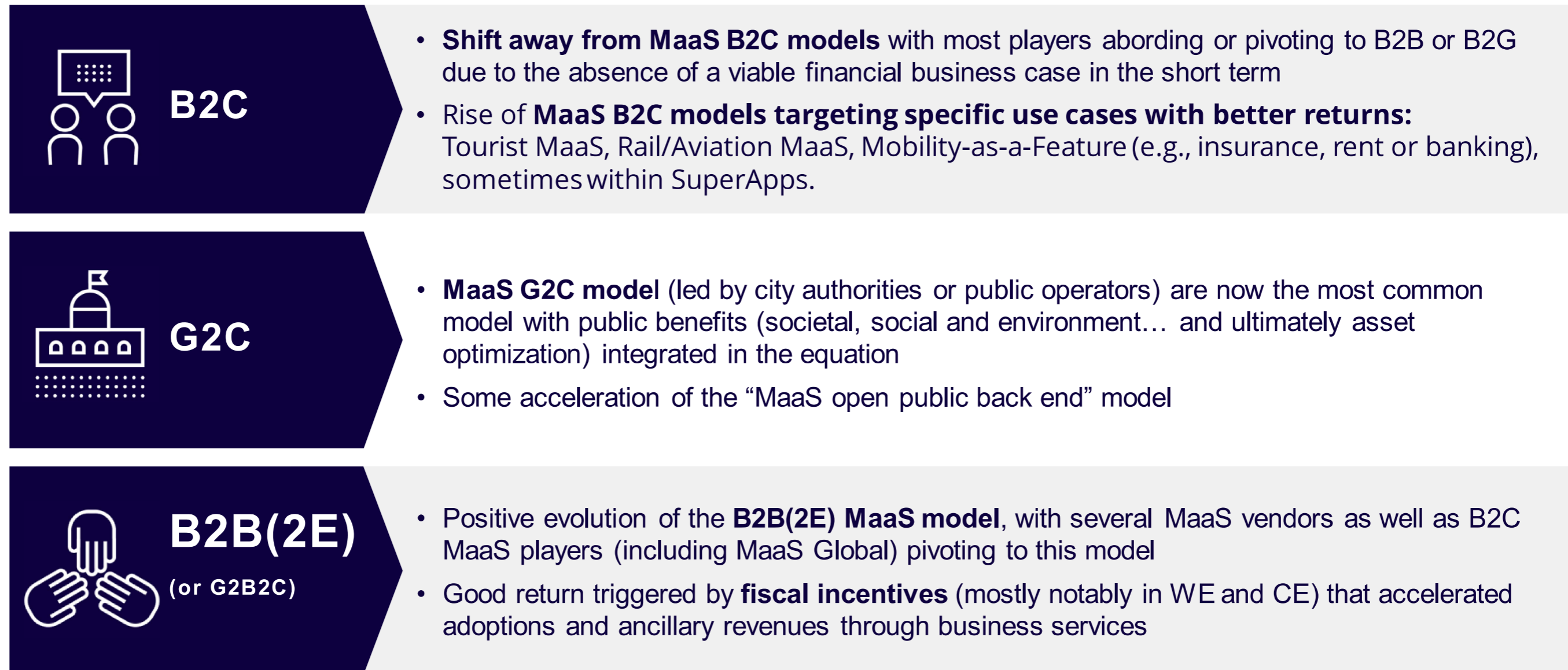


'one size fits all' offerings with limited integrations

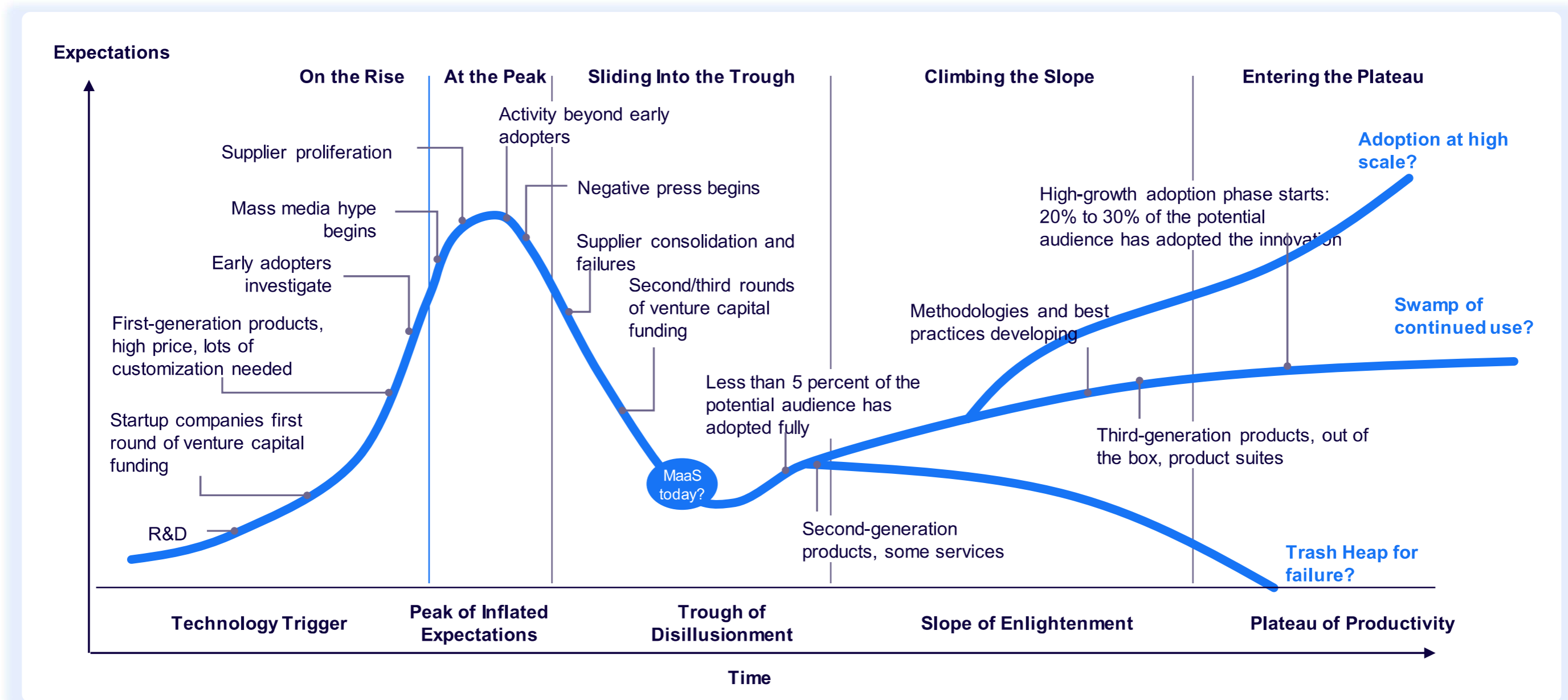
Limited scaling, and low adoption level of existing offerings

Limited impact on mobility patterns & performances

MaaS business models and offerings

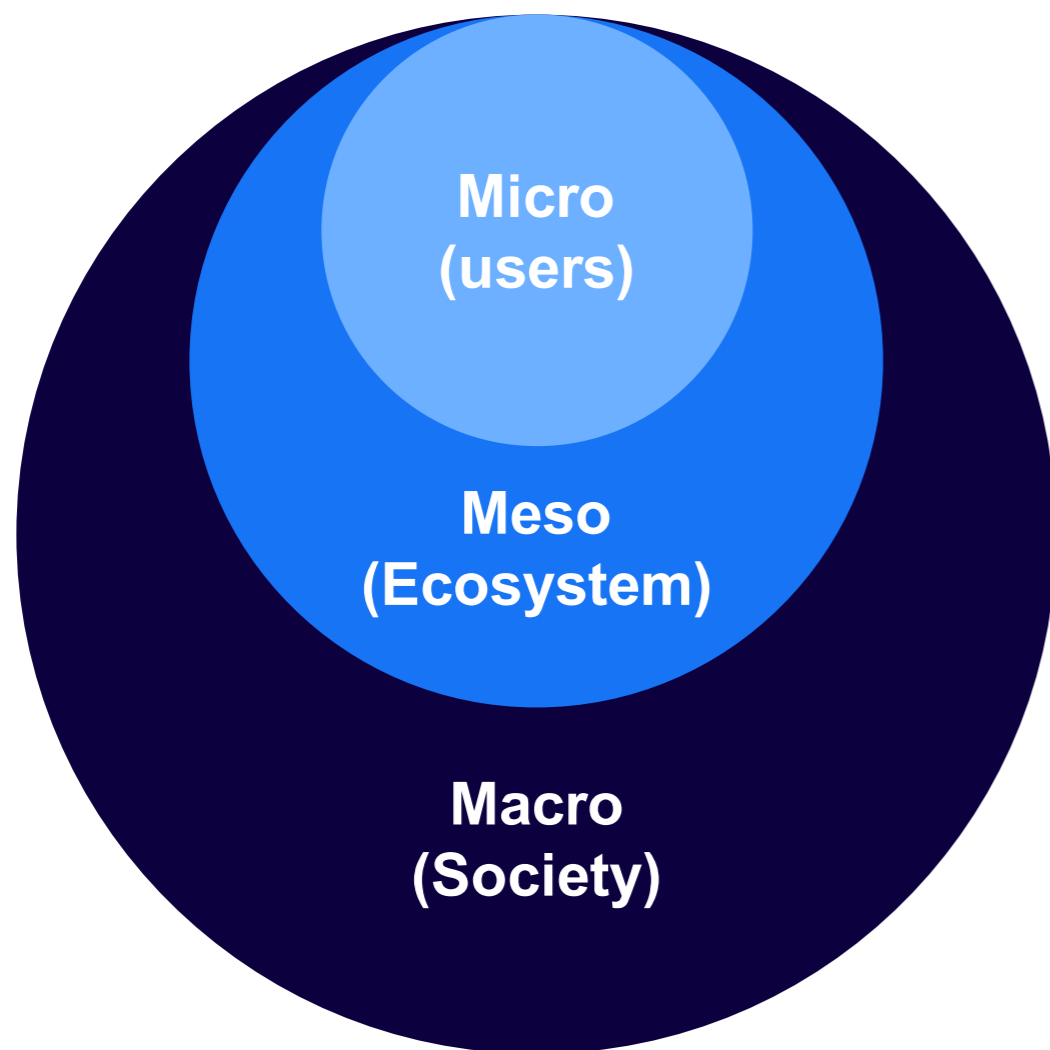


Have we reached the bottom of the trough of disillusionment?



Source: Gartner Group Hype Cycle, Dave Algozo, Arthur D. Little analysis

Putting the impact of MaaS in perspective



Micro – effects on the user/usage (behaviour, attitudes)

A few studies showing real effects. Mostly stated preference studies or small tests



Meso – Economical effects, eco system

Many studies focused on co-operation, driving forces and barriers, less on business models and economical sustainability



Macro – effects on society and environment

Few studies, mostly modelling

MaaS has not delivered on promises – not yet and not as far as we know



A few studies showing real effect

- Access to MaaS influences modal choice...
- ...but not proved to replace car ownership
- ...and mostly attracts “mode agnostics”
- Bundling/ subscriptions can lead to more significant behavioural changes
- Stated preference: 10-15% would absolutely be MaaS customers

Pilots: Gothenburg 2014, Vienna 2014, Helsinki 2019, Stockholm 2019, Ghent 2019, Sydney 2020, Brussels 2021, Turin 2022, Switzerland, St Etienne 2020, Gothenburg 2020, Vancouver 2020, Netherlands x 7 2020....



... three problems when attempting to verify the impact of MaaS

1. Lack of large-scale implementations to date, most of which are limited to ‘level 2’
2. Lack of proper evaluation of most pilots and services in operations that are not sharing data
3. Most studies are conducted in urban setting (vs. rural and peri-urban)

Putting the impact of MaaS in perspective – What are other learning



What we know has worked

- Complementing sales channels can help increase PT ridership
- Matching services. e.g., Public transport and micromobility
- MaaS can work (and trigger a viable business case) if it is answering to specific use cases
- Mobility budgets for employees support a positive business case for MaaS B2B2E
- People combining mobility solutions themselves...



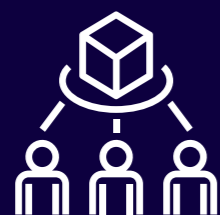
What we know has not (yet) worked

- Building an international one-size-fits-all B2C service. MaaS is not the Netflix of mobility
- Recruiting MSPs (use cases often misaligned)
- Creating value by just putting many services into one app
- Synergies between MaaS and other services/ Features is still an open question
- Making money

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The root causes of the lack of progress



**Lack of demand
for MaaS?**



**Lack of viable
business case across
the value chain?**



**Offerings not
matching
the demand?**



Sub-Optimal MaaS Enablement?

The root causes of the lack of progress



Lack of demand For maas?

- The percentage of intermodal trips in cities (i.e., using different modes in one journey) is typically less than 5%, excluding walking,
- ... but there seems to be a good demand for 'multimodal life' (i.e., using different modes for different journeys) which MaaS can facilitate



Offering not matching demand?

- Insufficient investment in the necessary physical solutions & infra.
- Lack of attractiveness and relevance of the included mobility services
- MaaS offerings often insufficiently matching specific use cases



Lack of business case?

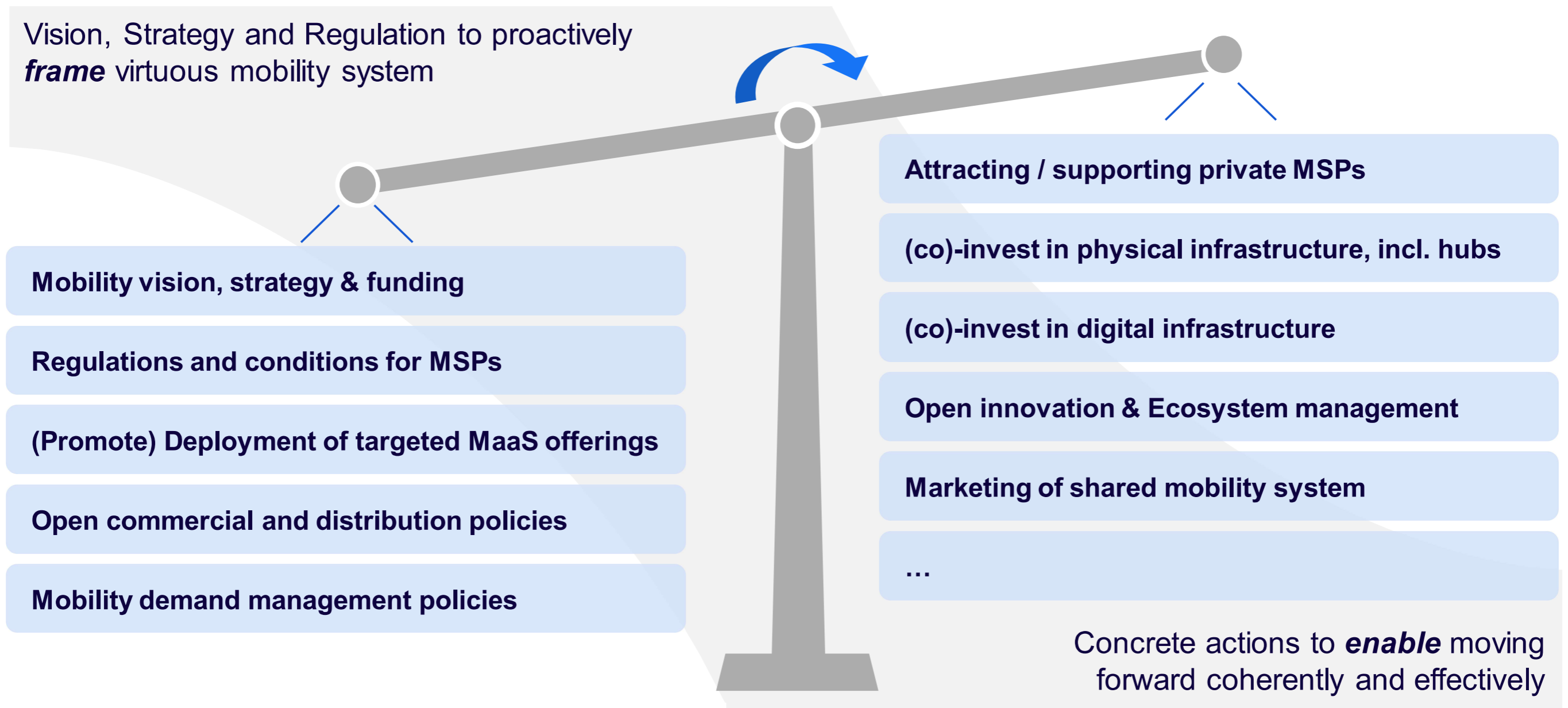
- Apart from specific use cases, the business case for operators, vendors and MSPs (except for micro-mobility) is challenging due to low margins and volumes
- Money is to be found in the economy of car ownership – something that MaaS still needs to tap into



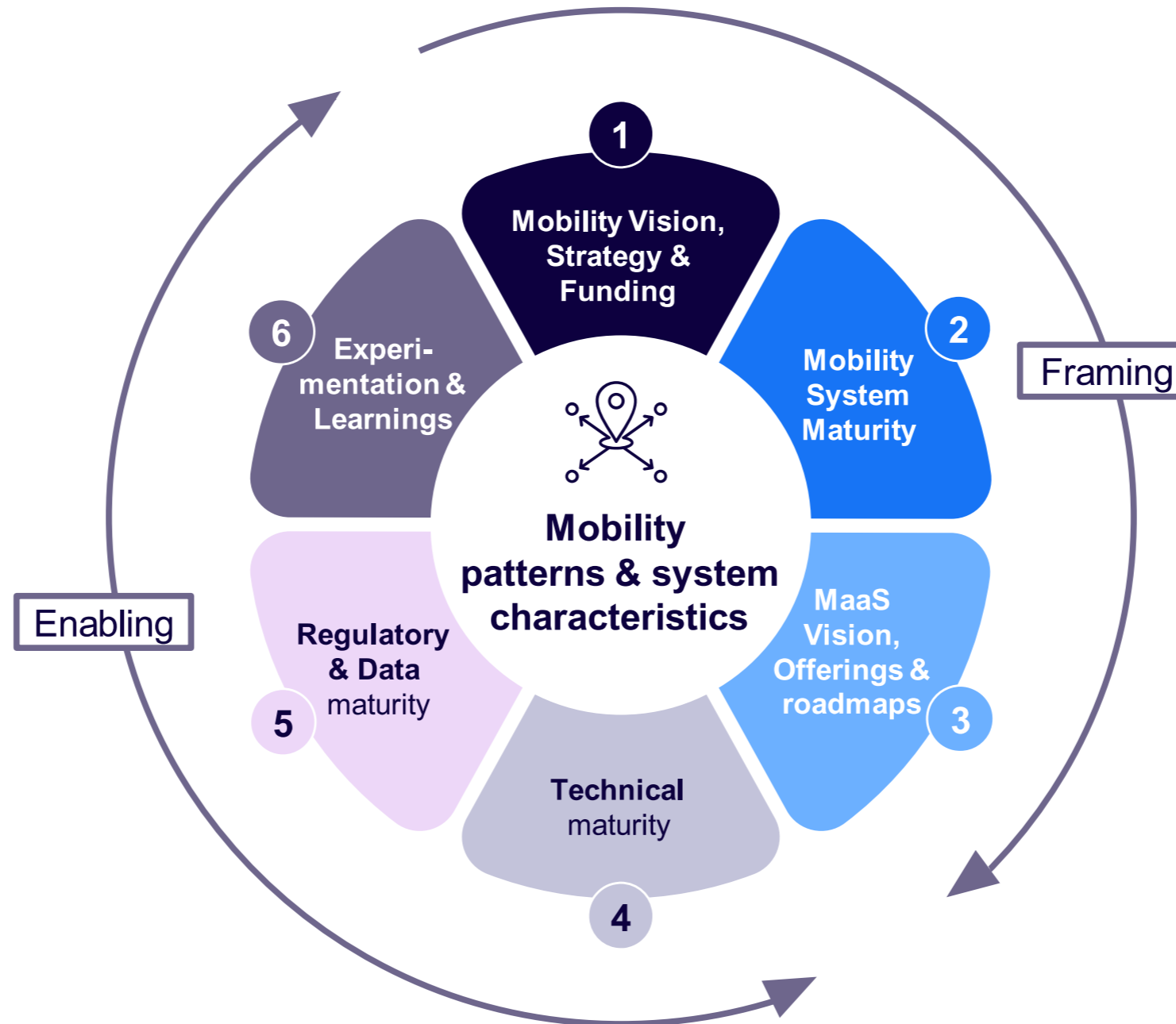
Suboptimal enablement?

- Lack of collaboration between PTO, MaaS providers and MSPs
- Few PTOs allow third-party ticket reselling, and even fewer allow reselling of flexible tickets/subscriptions. Regulations still insufficient

Important role to play by public in terms of *Framing & Enabling* MaaS



What Cities and Authorities can do





Despite some progress in MaaS enablement and offerings over past years, **MaaS is not delivering on its promise...**



We are probably close to the **'trough of disillusionment'**. Whether, and how, we can climb the **'slope of enlightenment'** is the key question



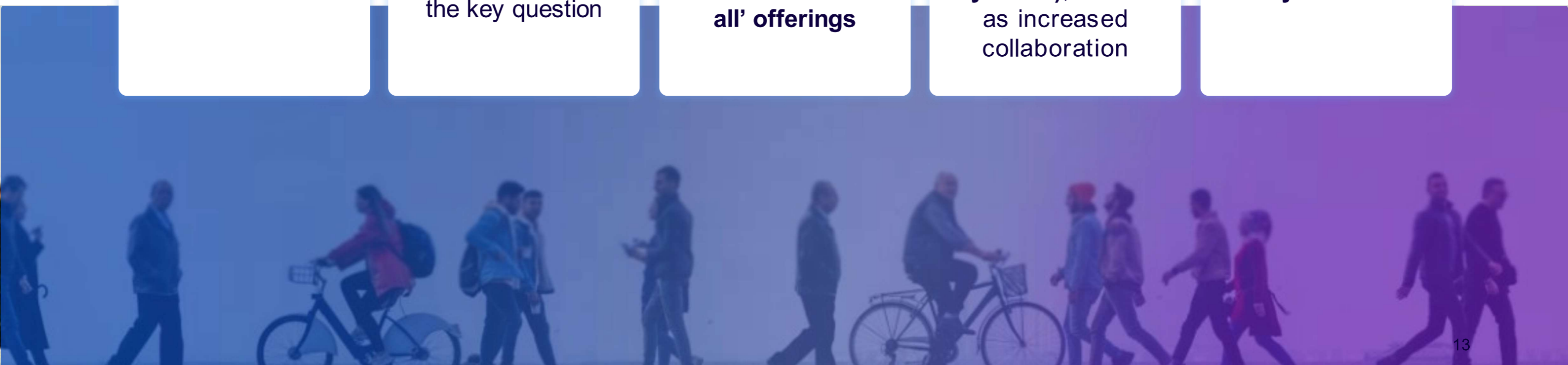
As with most innovations, **first steps towards 'plateau of productivity'** are taken by targeted use cases, not with a **'one size fits all'** offerings



Moving ahead **require a more comprehensive approach** to frame and enable **virtuous mobility system (powered by MaaS)**, as well as increased collaboration



Cities and transport authorities have a key role in setting the **right priorities to help fully extract value at system level**





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