Mobility as a Service - European model of digital era transport,
Sampo Hietanen
CEO, ITS Finland
The Opportunity, The Disruption
Digital tsunami is hitting transport sector

Four key technologies as enablers

- Mobile broadband
- Positioning
- Smart phones
- Automated vehicles

16.10.2015

Internet of traffic
ARPU (Average Revenue Per User)

In Transport ~300 €/month

Telecom ~30 €/month

Private car usage < 4%

10 000 000 000 €

Market reshaped

Decline of car ownership

New means of transport

Sharing economy

Servicizing

Expensive traffic space

Internet of Vehicles

Self driving vehicles

Apps for traffic

MaaS
Change in behaviour create strange curves
CarSharing in Hannover

400 cars today

4,000 cars in the future?
VALUE DRIVERS IN DEVELOPING MAAS’S VISION

ECONOMIC DEVELOPMENT

SUSTAINABLE DEVELOPMENT

ECOLOGIC DEVELOPMENT

SOCIAL DEVELOPMENT

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The Solution – Mobility as a Service
WHAT IF ALL TRANSPORTATION WAS CONVERGED...
... AND TAILORED TO YOUR NEED AS MONTHLY PACKAGES
Mobility as a Service is the Spotify of Transport

**Urban commuter package for 95 € month:**
- Free public transport in home city area
- Up to 100 km free taxi
- Up to 500 km rental car
- Domestic public transport 1500 km

**15 minutes package for 135 €/ month:**
- 15 minutes from call to pick up by shared taxi
- EU wide roaming for shared taxi at 0,5 €/km
- Free public transport in home city
- Domestic public transport 1500 km

**Business world package for 800 €/month:**
- 5 minutes pickup in all EU
- Free taxi in home city
- Lease car and road use
- Taxi roaming worldwide

**Family package for 1 200 €/month:**
- Lease car and road use
- Shared taxi for all family with 15 minutes pickup
- Home city public transport for all
- Domestic public transport 2 500 km
It’s all about Service Level Agreement (SLA)

It’s easy

We make it easier

Symbols: MobiGo
DETERMINANTS OF TRAVEL NEEDS ARE THE BASIS FOR PRICING AND SERVICE LEVEL AGREEMENTS (SLA)

- Urgency
- Speed
- Wallet
- Habits / Attitude / Skill
- Weather
- Route
- Luggage / Co-riders / Gear
- Physical Condition

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It scales because the components are already there -- and growing.

Vienna:

Sydney:

Rio de Janeiro:
It also scales towards other services. There is 90 new minutes to a day.

The long term aim of the MaaS ecosystem is to enable the innovation of novel services linked to its core business. The first mobility service is created by combining the existing services that are essential to deliver seamless mobility.

Second, the objective is to connect sharing services to the ecosystem. This requires some legislative issues to be resolved at least in Finland.

The third cycle of service innovation is to enable the creation of new services related to moving packages, goods and cargo in a tailorable manner.

Finally the MaaS ecosystem fosters the innovation of entirely new complementary services that challenge the existing norms.
MaaS the European approach
Meanwhile in Europe?

“Uber is the hottest private tech company around. Its growth is incredible. The ride sharing app is on track to make $2 billion in revenue this year. Its valuation has surged 400% over the last year to $18 billion. It has gobbled up more than $1 billion in investments from top names like Google Ventures, BlackRock, Fidelity Investments, Kleiner Perkins and Menlo Ventures.”

“Lyft Inc. raised $530 million from investors including Japanese online shopping company Rakuten Inc. as the U.S. ride-sharing service seeks to expand and compete better with Uber Technologies Inc.”

“Rakuten agreed to invest $300 million and will acquire a 11.9 percent stake in the San Francisco-based on-demand car service provider, the Tokyo based company said in a statement on Thursday.”

“Chinese taxi app Travice gains $600 million investment from Softbank, Alibaba “
Helsinki ranked #3 in innovation by citie.org

“Helsinki’s vision of mobility on demand, a fully integrated public and private transport ‘one click’ solution, carries the scale of ambition you would more typically expect from a tech start-up and is defining mobility as a service agenda globally.”
Transport systems will become consumer business

THE AIM IS HERE

SERVICE PROVIDERS
(INTERNATIONAL BRANDS)
• Combinations for target groups
  • Different packages for targeted groups
  • Clearing for transportation, networks and services

TRANSPORTATION PROVIDERS
• Vehicles, public transport, rentals, parking, taxis, ride shares, car shares etc.

NETWORK PROVIDERS
• Planning, investments, maintenance

Mobility as a service, MAAS
Transport as a service, TAAS
Infrastructure as a service, IAAS
Three ways for markets to evolve

Winner takes all

Public transport takes all

Roaming ecosystem

Mobility as a Service (aggregators)

Transportation providers
European advantages

- Robust mobile internet
- Big, developed market
- Good public transport
- Roaming policy background
MAAS VISION: THREE PHASES IN ESTABLISHING THE MOBILITY-AS-A-SERVICE -ECOSYSTEM

FIRST COMMERCIAL OPERATOR(S)
Business approach is vital in a major paradigm shift. The market driven approach ensures that the new state of the art consumer services evolve. The commitment of current traffic operators allow the creation of first-in-the-world operator’s minimum viable product. Business sets the pace.

BUILDING THE ECOSYSTEM
An ecosystem is needed to cover all aspects of MaaS development. The ecosystem includes the integration of both public and private transportation systems. The ecosystem involves both government, cities, traffic operators as well as businesses. Public authority must adapt its role to become a dynamic partner for commercial mobility operators.

SHAPING THE SOCIETY
New digital transportation services enable new modes of transport and new service models. Also public and private transport will converge. New services need a) new type of (de)regulation and b) new ways to organise the public transport. The government will no longer organise the transportation services, but rather procures the service level (SLA) and enables new ecosystemic business models.

GOVERNMENT ROLE
Embrace, co-finance, support key players, international visibility
Involve, enhance, promote, activate the SME’s, export activities
De-regulation, market driven public procurement

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