



(New, rural) business models, their mechanisms and impacts

BM name	Social or smart ride-sharing
Type	Sustainable mobility
Sector	Services / Transport
Organisational scale	Public-private joint venture
Short description	<p>Social or smart ride-sharing is a public-private joint venture that is to contribute to sustainable mobility in rural areas. It builds on the idea that transport services in particular in rural areas are a form of public goods provision that should be supported by society, and that other forms of passenger transport can and ought to be connected to these same transport services. Ride-sharing can be organised together, and vehicles that are already in use in the rural areas can be used for various transporting jobs, e.g. the carrying of parcels.</p> <p>There are plenty of transport service providers in rural areas. The objective of the joint venture is to increase the number and efficiency of transport trips provided by these entrepreneurs. The profitability of current taxi service providers will improve, and additional business opportunities will become available for new transport entrepreneurs.</p>
Mechanism	Combining public and private passenger and goods transport in rural areas with new models of a sharing economy. The needed coordination is facilitated through a technology platform and applications that integrate all mobility modes and makes them available to customers in an easy way.
Innovativeness	The main innovations are the new ways of providing sustainable mobility services in rural areas, the automated service of bringing all modes of transport together, the creating of a service that lies between traditional public transport and taxi services, and the smart/ICT-based networking and coordination of offers and demand. Innovative is also the emphasis on communality in smart ride-sharing.
Value creation	Mixed
Customers, product/service, revenue streams and main cost items	<p>Customer(s): public sector (municipalities), private customers</p> <p>Product(s)/service(s): transportation of passengers and goods</p> <p>Revenue stream(s): Public operators are obliged to organise several transport services e.g. based on the Disability Services Act and the Social Welfare Act, the Health Insurance Act, and school transport. Other forms of (private) passenger transport will be connected to these same transport services.</p> <p>Main cost items: salaries, vehicles and their maintenance, fuel.</p>
Societal impact	<p>Beneficial:</p> <ul style="list-style-type: none"> • New jobs (for rural entrepreneurs) • Less pollution • Improved accessibility in rural areas <p>Negative:</p> <ul style="list-style-type: none"> • Some (perceived) loss in flexibility
Rural-urban synergies	Improves the accessibility of both areas. Facilitates enhanced connections between urban and rural areas.



Connections with labour market and employment effects	Improves the business of existing transport enterprises, creates opportunities for new businesses and jobs in transportation.
Enabling factors	<ul style="list-style-type: none"> • Demand for more sustainable transportation • Cost reduction (both public and private) • Strong communality in rural areas • More effective use of existing vehicles in the area
Limiting factors	<ul style="list-style-type: none"> • Lacking communality in rural areas • Limiting regulations and legislation • Lack of entrepreneurs
Key partners and actors directly involved	Individual businesses Consumers Civil society (NGOs, CSOs) (Local) government (incl. administration)
Role of (local) government	Customer Facilitator Regulator
Connections with the institutional / policy environment	Regulations on transport services may need to be liberalised, e.g. tractors might not be allowed to be used for some transport purposes. Regulations on what kind of services can be used and combined when it is a matter of a public policy (e.g. disability, welfare, school transport)
Internal/network governance arrangements	In practice this BM can a technical platform, which connects public and private customers with the transport enterprises. Public funding can take place e.g. in the form of public vouchers.
A typical example	The Finnish case ALL ABOARD is based on a cooperation of an NGO, the Central Union of Agricultural Producers and Forest Owners (MTK), and two start-ups, the Kyyti Group and Coreorient. There have been several municipal trials to develop regional mobility services funded by Sitra (Finnish public innovation fund), testing new ways of organising mobility services in sparsely populated areas. On-demand public transport Kyläkyty in Finland https://www.kaikkikytyin.fi/en/solutions/ and Postauto Kollibri in Switzerland: https://www.postauto.ch/de/kollibri Marko Mäki-Hakola, Director of Business Development, MTK
BM references	https://www.kaikkikytyin.fi/en/
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