CARSHARING 2025 – NICHE OR MAINSTREAM?

Executive Summary

Sebastian Riegler, Maria Juschten, Reinhard Hössinger, Regine Gerike, Lars Rößger
Bernhard Schlag, Wilko Manz, Christoph Rentschler, Johanna Kopp

Carsharing 2025 – Executive Summary

Over the last few years the carsharing market has shown considerable dynamic growth. By some, this is viewed as the beginning of a trend tending towards a sharing economy that will result in a completely changed landscape and culture regarding car ownership. Others see this as the result of a stimulus from a newly found diversity of choice and contend that carsharing still is and will remain a niche market. Answering this question is the main focus of the current study: **Carsharing 2025 – niche or mainstream?** An answer to this question, regardless of the direction it takes, helps estimating the potential for further growth of the carsharing market.

Due to its high relevance this question has been investigated multiple times in the past. However, what makes the current study unique is its combination of a deep theoretical foundation (theory of sharing), a broad mixture of qualitative and quantitative methods, and a strong empirical backing. There is a consistent differentiation between station-based (SB) and free-floating (FF) carsharing, and data from people that do not use carsharing as well as individual subjective attitudes regarding the use of carsharing is included in the study.

The socio-demographic profile of carsharing users reinforces previously known patterns: FF users are predominantly young, male, and highly educated. They live in urban areas and earn an above-average income. On the contrary, SB users form a more heterogeneous group that includes households with older members as well as young couples. SB users live in cities of medium or large size and earn an income slightly above average. Due to the growing diversity in offerings the group of carsharing users as a whole is becoming increasingly heterogeneous. This is due to the largely complementary character of station-based and free-floating carsharing: around half of carsharing users make use of the services from more than one provider.

The current study is the first to investigate the importance of individual subjective attitudes that people have towards carsharing. The results reveal strong differences between the individual user groups: People that do not make use of carsharing generally have a lower willingness to share and a strong desire for personal ownership. This is, in strong contrast to SB carsharing users, whereas FF users fall somewhere in between the two positions. The main difference between the groups is that SB users view a car mainly as a means to and end whereas FF users associate a large symbolic and emotional value with a car. Non-users cannot be definitely categorized in this point and constitute a more heterogeneous group.

The complementary character of SB and FF carsharing from a user perspective is most apparent in trip statistics: The main use cases for FF carsharing are short trips within a city, either for leisure or for getting back home. On the contrary, SB carsharing is used for transports and longer vacation trips. In many cases, SB users could not have undertaken these trips without carsharing because they do not own a private car.

In order to answer the central question of the present study regarding the potential capabilities of the carsharing market, three possible scenarios were initially proposed:

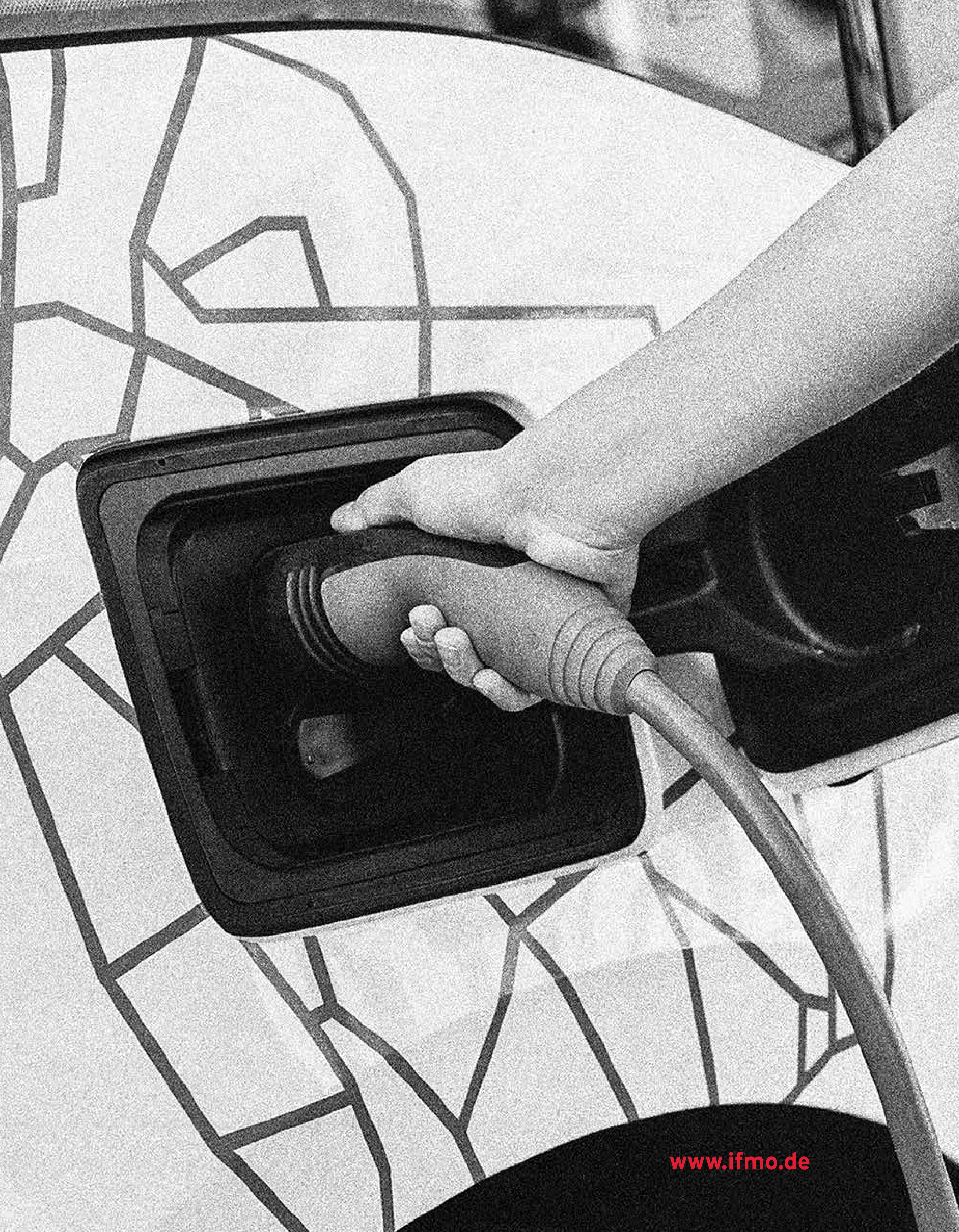
- **Niche**: Carsharing will mostly be used by users that view a car as a means to an end with a disregard for symbolic and emotional values.
- **Substitute**: Carsharing can increasingly satisfy symbolic and emotional needs for users and it is therefore able to provide a viable substitute for private car ownership.
- **Extension**: Carsharing extends the portfolio of mobility choices with additional options and satisfies user needs exceeding a privately owned car.

The results of the present study hint at a combination of the assumptions behind the Niche and Extension scenarios: The additional options provided by free-floating carsharing have extended the carsharing niche by catering to symbolic and emotional user needs. This has made the carsharing market more attractive to customers and resulted in the growth observed over recent years. This development has in turn also benefited providers of station-based carsharing. However, further growth of the market is limited by two factors:

- Private car ownership continues to hold several unique selling points that cannot be substituted by either form of carsharing on a large scale.
- Economic constraints limit the increase in local availability of carsharing to gradual improvements and do not allow disruptive, rapid developments. Until 2025 providers of FF carsharing will most likely not service additional cities. Providers of SB carsharing will increase their offerings in large cities gradually along with increasing demand, as long as it is economically viable to do so. Both types of providers have ruled out the expansion of their services to rural areas.

To this effect the assumption of the extended niche holds.

The niche market for carsharing has been extended and shown strong growth over the last few years, but it will remain a niche market. There are no indications to expect a fundamental change in the structure of car ownership in the near future. Significant changes may only be seen in the future with the advent of autonomously driving cars.



www.ifmo.de