

Bird e-scooters set to fly in Charlottesville

An analysis of how Bird should enter
UVA's transportation market



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UBIKE did not fly in Charlottesville



[CavDaily: UBIKE Suspended](#)

Agenda

Executive Summary

1. Bird's Value Proposition
2. UVA's Current Transportation Market
3. Key Factors to Successful Integration

Recommendations

Risks and Mitigation Plan

Q&A



Executive Summary

1

Bird's Value Proposition

Capitalize on Bird's current positioning in the e-scooter space

Recommendation

Develop a strong pilot program, targeting early consumer adoption, to create a strong foundation for Bird at UVA

2

Transportation Market

Emphasize user experience in comparison to competitors at UVA

3

Integration

Operate in conjunction with university and consumer preferences

Bird's Value Proposition



is a rapidly growing e-scooter company

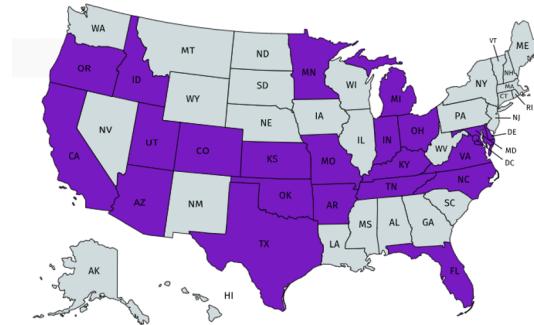
Total financing at **\$418 million**

73 cities across the United States

17 universities across the United States

Total number of users at over **2 million**

“Be free from traffic and pollution”



Bird's strengths

Market

Integration

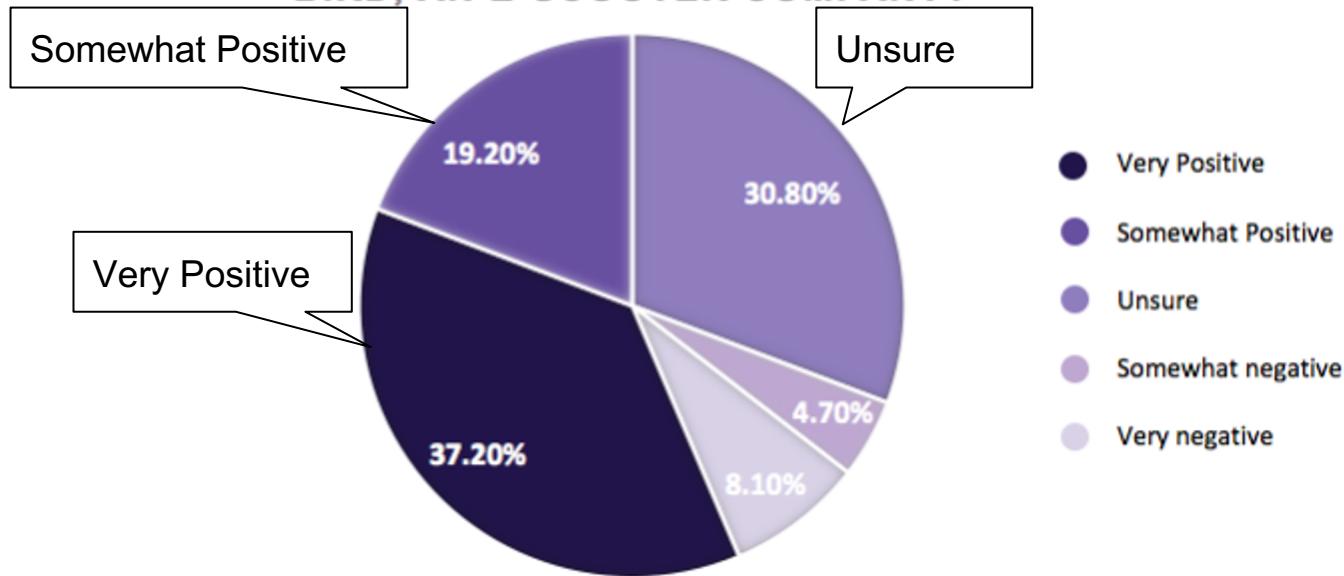
Recommendation

Risks



56% of UVA students view Bird positively

HOW WOULD YOU DESCRIBE YOUR CURRENT OPINION OF BIRD, AN E-SCOOTER COMPANY?



Bird's strengths

Market

Integration

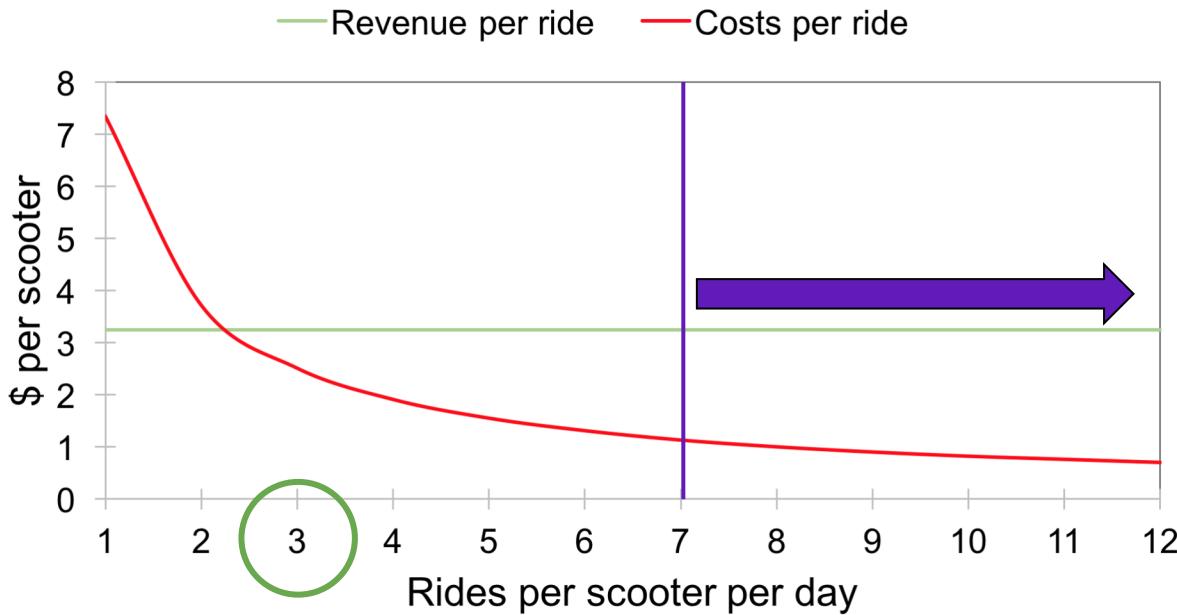
Recommendation

Risks



Scooter rides per day are key to Bird's success

More scooter rides per day generates more profit



At 3 rides per scooter per day, Bird starts to become **profitable**.

However, Bird should aim to become profitable **within the first month** of launching at UVA.

Source: [Bird financial assumptions](#)



Bird's strengths

Market

Integration

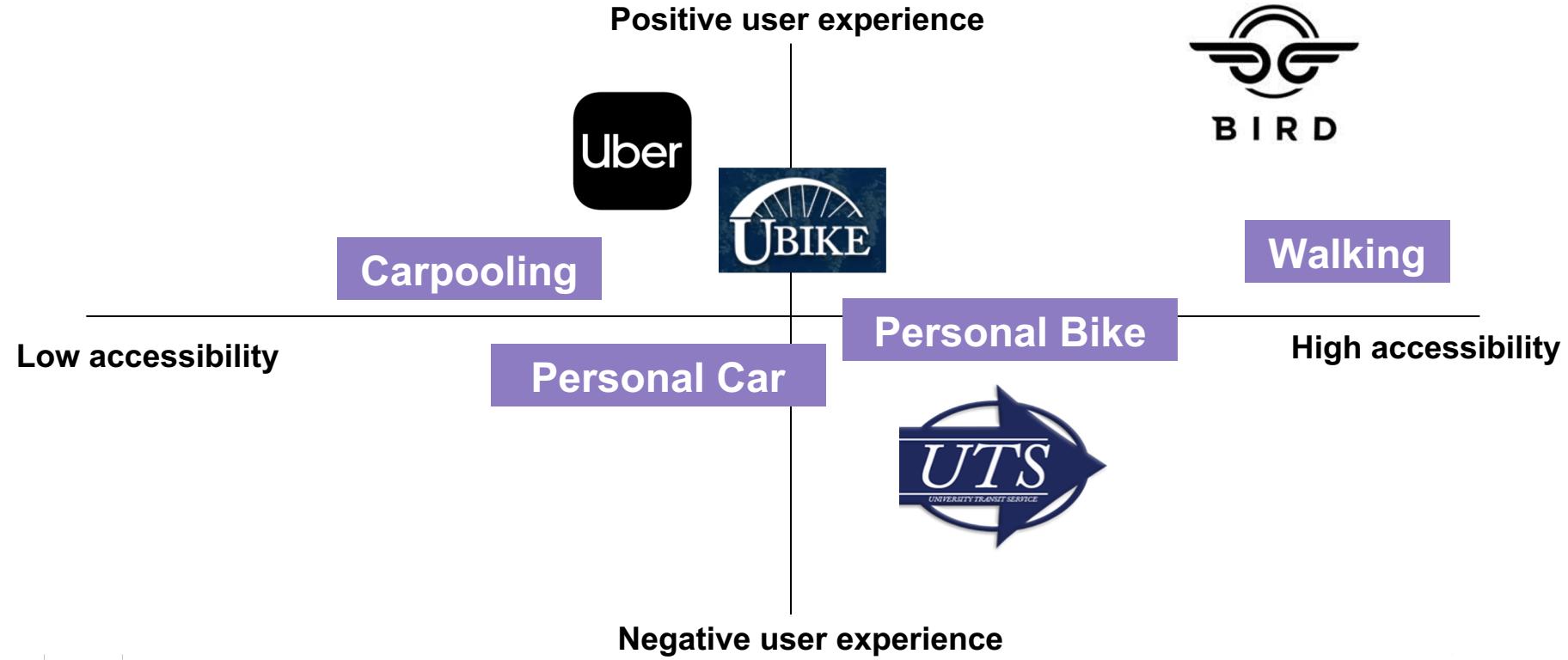
Recommendation

Risks



UVA's Current Transportation Market

Bird should position itself carefully



Bird's strengths

Market

Integration

Recommendation

Risks



UVA transportation market is lacking

Potential Opportunities

Transportation method	Affordability	Accessibility	User experience
E-scooter	●	●	●
UBike	○	○	○
Bus	●	○	○
Uber/Lyft	○	○	●
Personal Car	○	●	○
Walking	●	●	○



Bird's strengths

Market

Integration

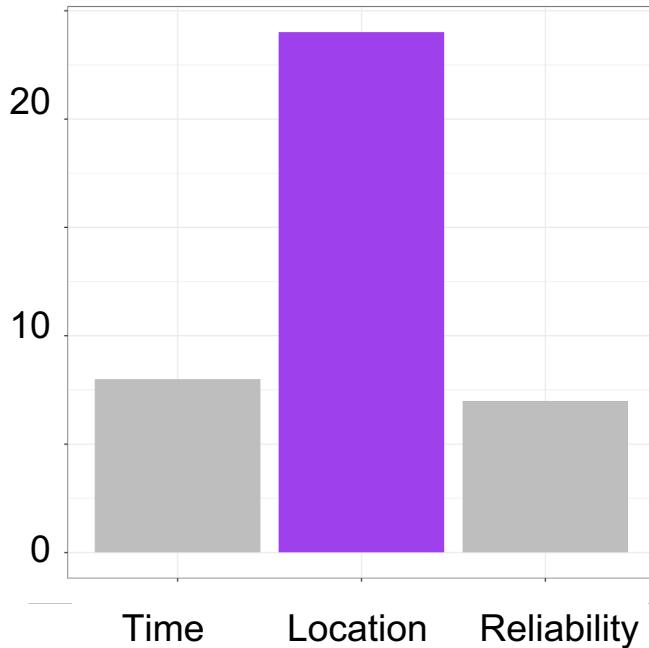
Recommendation

Risks



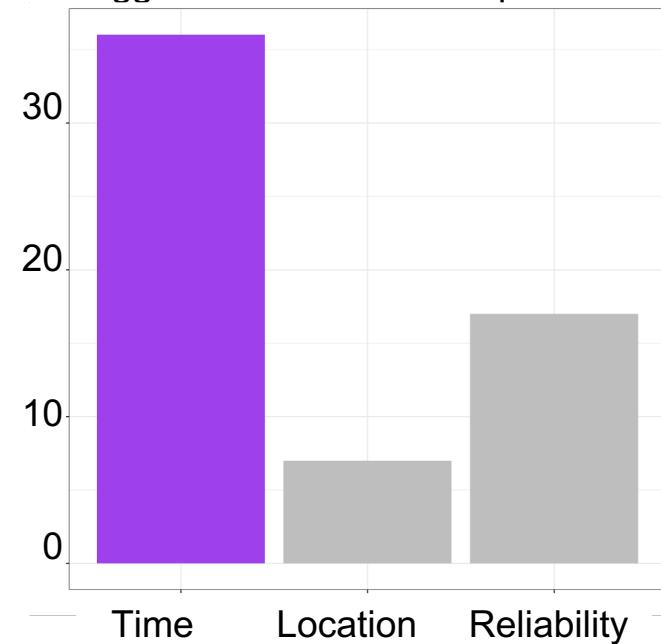
Capturing two ends of the market

Biggest frustration for non-riders



VS.

Biggest frustration for frequent riders



Students' biggest frustration with UVA's transport system varies based on ride frequency.



Bird's strengths

Market

Integration

Recommendation

Risks



User experience and functionality are crucial

Use UVA transport **0 times per week**,
26% of respondents.



Majority have **very positive** opinion of Bird
More likely to use personal cars

Use UVA transport **5+ times per week**,
40% of respondents.



VS.

Majority are **unsure** of their opinion of Bird
More likely to use UVA's bus system



Bird's strengths

Market

Integration

Recommendation

Risks



Key Factors to Successful Integration

"We won't just launch on a university without prior approval... At UVA, we have to be cautious, obviously, with riding on the Lawn. We meet with the university on Monday. -- Their main concern is because the lawn is historic and there's not much foot path there."

Cameron Kilberg

Senior Manager of Government Affairs at Bird

“We won’t just launch on a university without prior approval... At UVA, we have to be cautious, obviously, with riding on the Lawn. We meet with the university on Monday. -- Their main concern is because the lawn is historic and there’s not much foot path there.”

Cameron Kilberg
Senior Manager of Government Affairs at Bird

University regulation is a significant hurdle

Other Campuses

While Bird currently services 17 campuses, it has also been banned from a few. Issues listed include:

- Lack of prior communication (UNC - Chapel Hill)
- Students riding Bird scooters while intoxicated (UC - San Diego)
- Abandoned Birds due to lack of battery charge (Loyola Marymount)



University of Virginia

"The addition of e-scooters to an area with a high level of pedestrian traffic raises a number of safety concerns."

- *Obey all traffic laws*
- *Do not operate, park, or re-charge these vehicles on sidewalks or in University buildings*
- *Be aware the University Housing prohibits these vehicles from being brought inside residence halls*
- *Park in designated hubs for U-bike parking.*

Gloria Graham

UVA Associate Vice President for Safety and Security

Source: [Slate.com](#), Call with Bird Representative, UVA Dean Allen Groves



Bird's strengths

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Risks



“We won’t just launch on a university without prior approval... At UVA, we have to be cautious, obviously, with riding on the Lawn. We meet with the university on Monday. -- Their main concern is because **the lawn is historic and there’s not much foot path there.”**

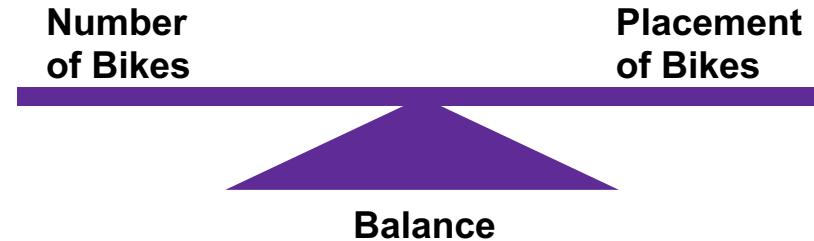
Cameron Kilberg
Senior Manager of Government Affairs at Bird

Takeaways from UBike

Which transportation options do UVA students prefer?	<i>Number of Responses</i>
Personal Car	70
Carpooling with others	29
Zipcar	1
Uber or Lyft	30
Walking	157
UVA Bus system	113
Personal Bike	15
UBike	1

“Bikers who are following bike lanes are thrust into traffic and a state of panic when the bike lane abruptly ends.”

- Cavalier Daily



Current infrastructure needs improvement

Lack of bike lanes, hilly terrain, brick sidewalks, and high traffic periods between classes impinge upon Bird's success.



1

Clearly communicate expectations.

2

Create more bike lanes for safe riding.

3

Use geofencing to allow parking and riding only in designated areas.

Source: UVA Parking & Transportation



Bird's strengths

Market

Integration

Recommendation

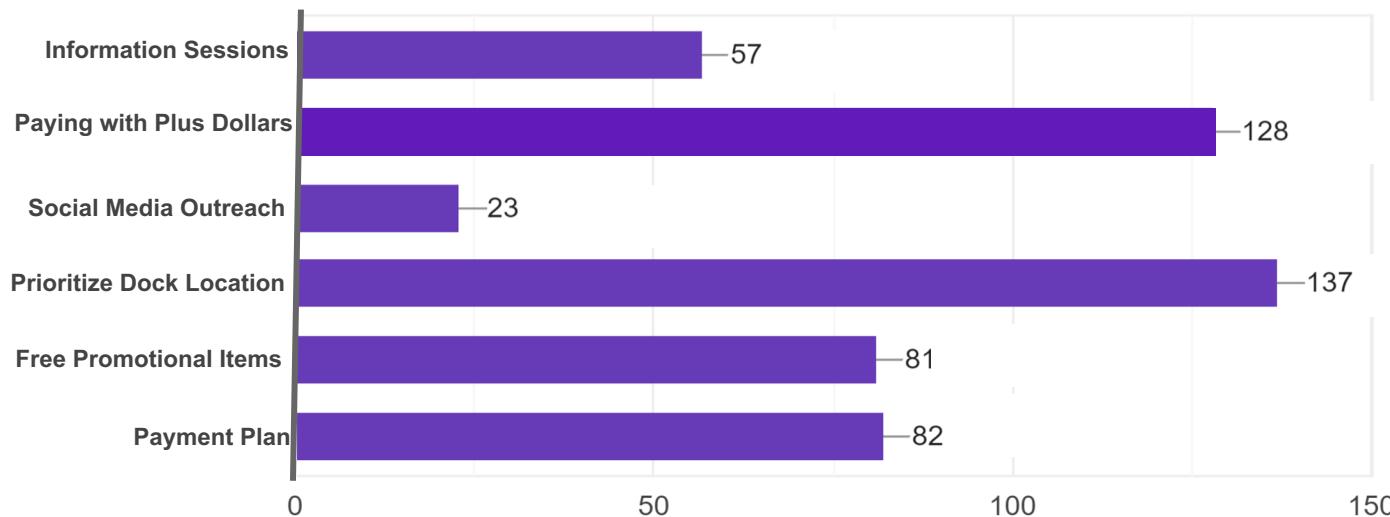
Risks



Students prefer location, payment options

7. If Bird were to bring its e-scooters to UVA, which of the following ideas would make it most successful? Please choose at most three options.

166 responses



Recommendations and Risks

Recommendation

Company	Competition	Integration
Look at effective ways to increase early adoption	Focus on distribution streams	Clear communications with administration
Make up for sunk costs	Create a “swipe” system or membership for convenience	Work with parking and transportation office

Promotions: Get people onboard quickly, information sessions, brand ambassadors

User Experience: More “Bird Nests” for better accessibility on & off grounds, swipe/membership system

Geofencing: Method of keeping track of scooters and location legality

Quick Adoption & Successful Pilot Program



Risks

Risk	Likelihood	Severity	Mitigation
Bad Customer Impression/University Relations			<ul style="list-style-type: none">• Strong Promotion• User-friendliness/Convenience• Communication with UVA Administration
Risk of Other Scooter Companies Entering			<ul style="list-style-type: none">• Establish brand name• Consider account perks
Loss of Revenue (Not Enough Riders)			<ul style="list-style-type: none">• Pilot Program Feedback• Analyze Distribution Streams
Liability (Riders Getting Hurt)			<ul style="list-style-type: none">• Pre-access waiver• Presentations on user safety



Q&A

Appendix



Exhibit 1: [Public perception of e-scooters by city](#)

Exhibit 2: [Public perception of e-scooters by income](#)

Exhibit 3: [Short trips rule the roads - Share of vehicle trips by distance, 2017](#)

Exhibit 4: [Financial assumptions](#)

Exhibit 5: [Uber/Lyft Case Study - Promotions Work](#)

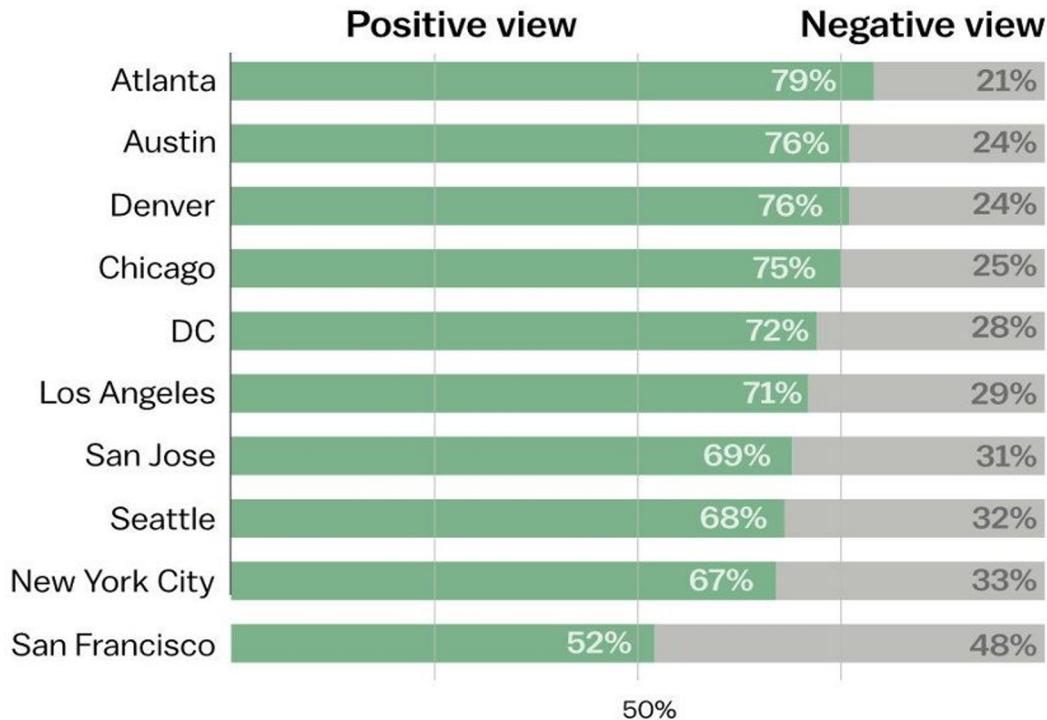
Exhibit 6: [How many times per week do you use UVA's transportation options?](#)

Exhibit 7: [Which of the following transportation options do you use the most often to get around UVA?](#)

Exhibit 8: [How satisfied are you with UVA's current transportation options?](#)

Exhibit 9: [Bird needs a unique strategy to stand out](#)

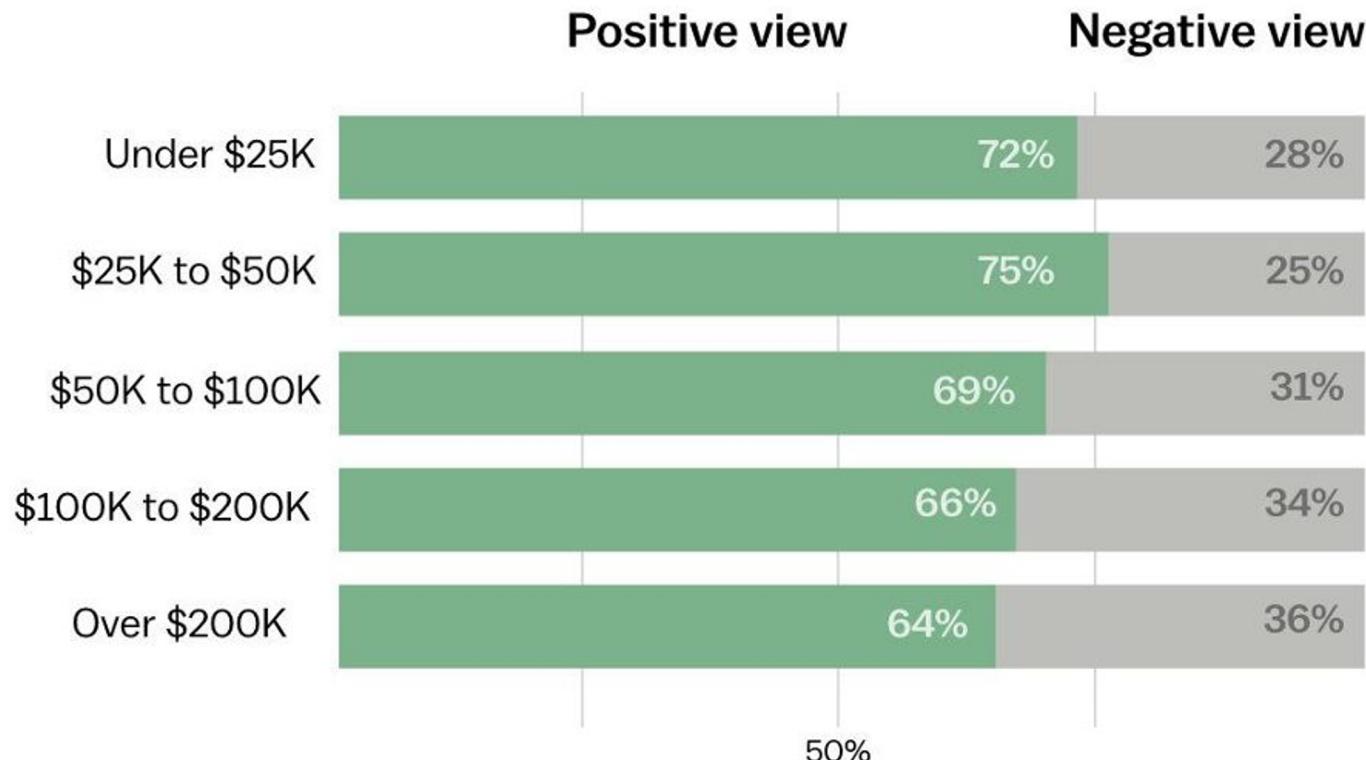
Public perception of e-scooters by city



Source: Populus 2018 Groundtruth

Vox

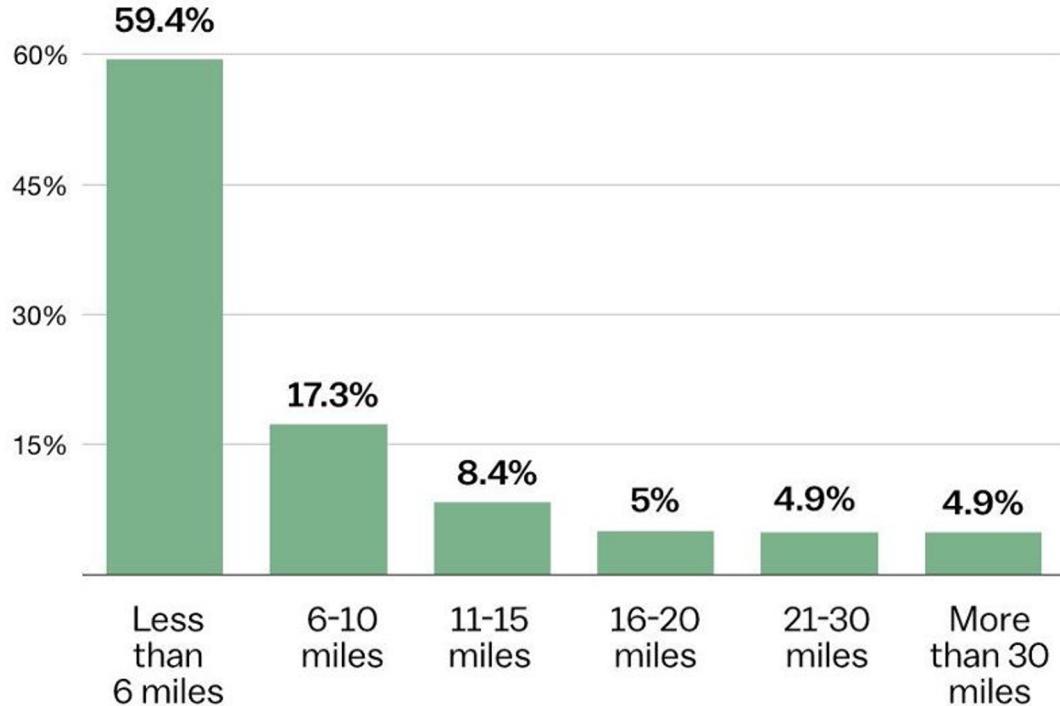
Public perception of e-scooters by income



Source: Populus 2018 Groundtruth

Short trips rule the roads

Share of vehicle trips by distance, 2017



Source: US Department of Energy

Vox

Financial assumptions for Bird entry to UVA

1. Make assumptions

Total bike cost	\$400.00
Variables	
Bike Usable Life	300 rides
Maintenance every...	21 days
Maintenance cost (avg)	\$20.00 per maintenance interval
Number of rides per day per scooter	7 Rides
Average ride length	15 Minutes
Card processing cost	3.00%
Scooters charged by users	90.00%
Cost to charge bike by user	\$5.00
Cost to charge bike by Bird	\$18.00

2. Calculations

Unit economics

Charge per ride	\$1.00
Charge per minute	\$0.15
Revenue per ride	\$3.25 $(Minutes * Charge per minute) + Charge per ride$
Card Processing	\$0.10 $(Card processing cost * Revenue per ride)$
Maintenance cost per ride	\$0.14 $Average maintenance cost / (maintenance day interval * number of rides per scooter per day)$
Charging costs (user)	\$0.64 $(Scooters charged by users * cost to charge bike per user) / number of rides per day per scooter$
Charging costs (Bird)	\$0.26 $(Scooters charged by Bird * cost to charge bike by Bird) / number of rides per day per scooter$
Costs per ride	\$1.13

Profit per ride

\$2.12

Getting to break-even

Rides	189 $Total bike cost / profit per ride$
Days	27 $Total scooter rides to get to breakeven / number of rides per day per scooter$

Uber/Lyft Case Study: Promotions Work

09/2013: BU and UCLA Growth Strategy

Boston University Uber partnership

- Provided special promo codes that got new riders free or discounted rides
- Distributed coupons on Chegg that advertised free Uber ride codes

UCLA Lyft partnership

- Partnered with Greek organizations and student groups to market themselves as a safe and reliable mode of transport, as well as provide free rides for specific, off-campus events

Today: Uber/Lyft Have Exploded

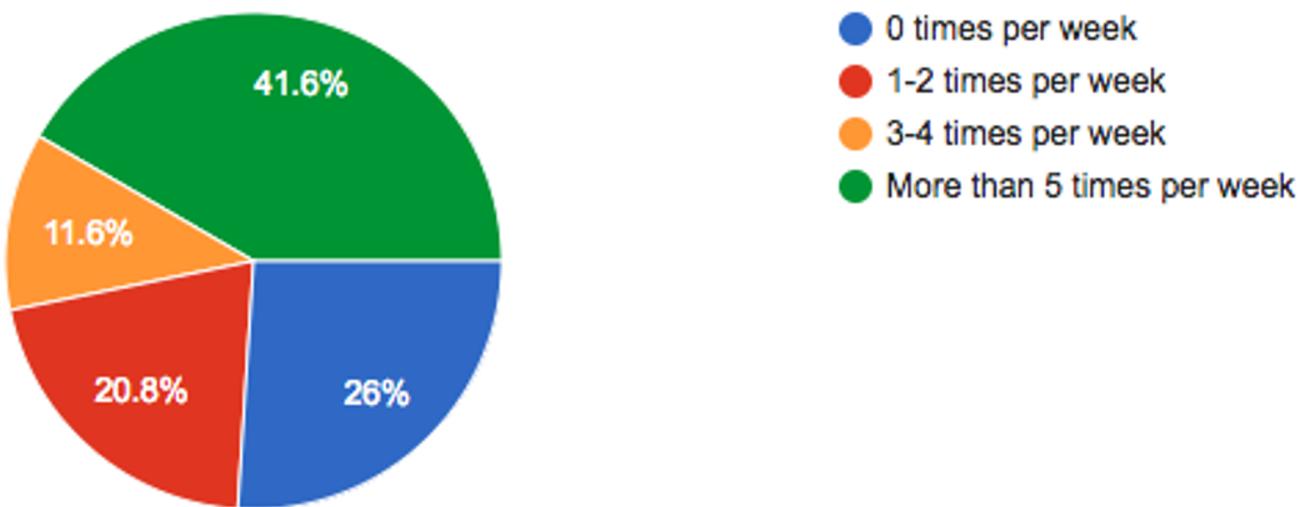
- Since 2013, Uber trips to neighborhoods in Boston have increased by over 250%

- Lyft spent \$96.1 million on marketing in the first half of 2015, more than twice its net revenue in the same period
- Los Angeles passengers saved more than 11.2 million travel hours in 2017 because of Lyft — time that is valued at \$428 million

Source: <https://www.usatoday.com/story/news/nation/2013/09/11/lyft-uber-for-university-students/2800477/>,
<http://business.time.com/2013/06/27/rideshare-battle-shifts-to-l-a-city-tells-uber-lyft-sidecar-to-stop-picking-up-riders/>,
<https://www.boston.com/news/technology/2015/10/27/the-rise-of-uber-in-boston-by-the-numbers/>,
<https://www.latimes.com/business/technology/la-fi-0105-lyft-growth-20160105-story.html>,
<https://www.bizjournals.com/losangeles/news/2018/01/16/lyft-drove-221-million-into-los-angeles-economy.html>

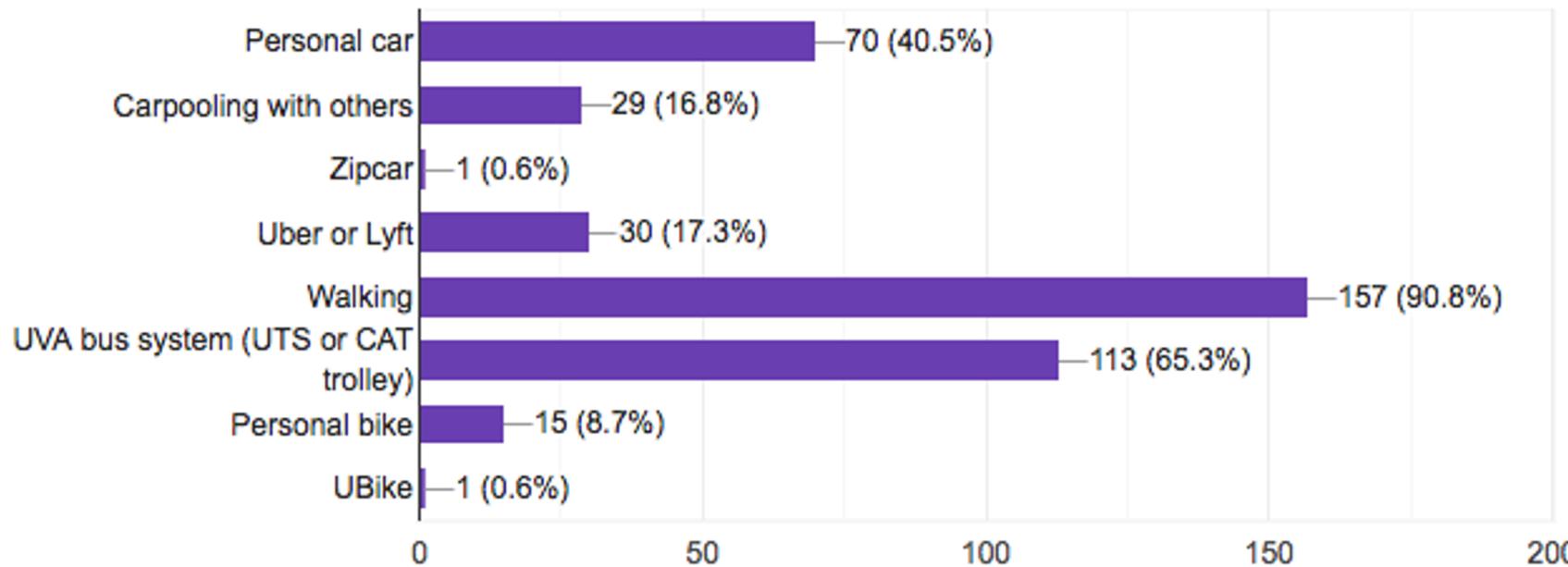
2. How many times per week do you use UVA's transportation options?
(i.e. UTS bus system, CAT trolley, UBike)

173 responses



3. Which of the following transportation options do you use most often to get around UVA? Please choose at most three options.

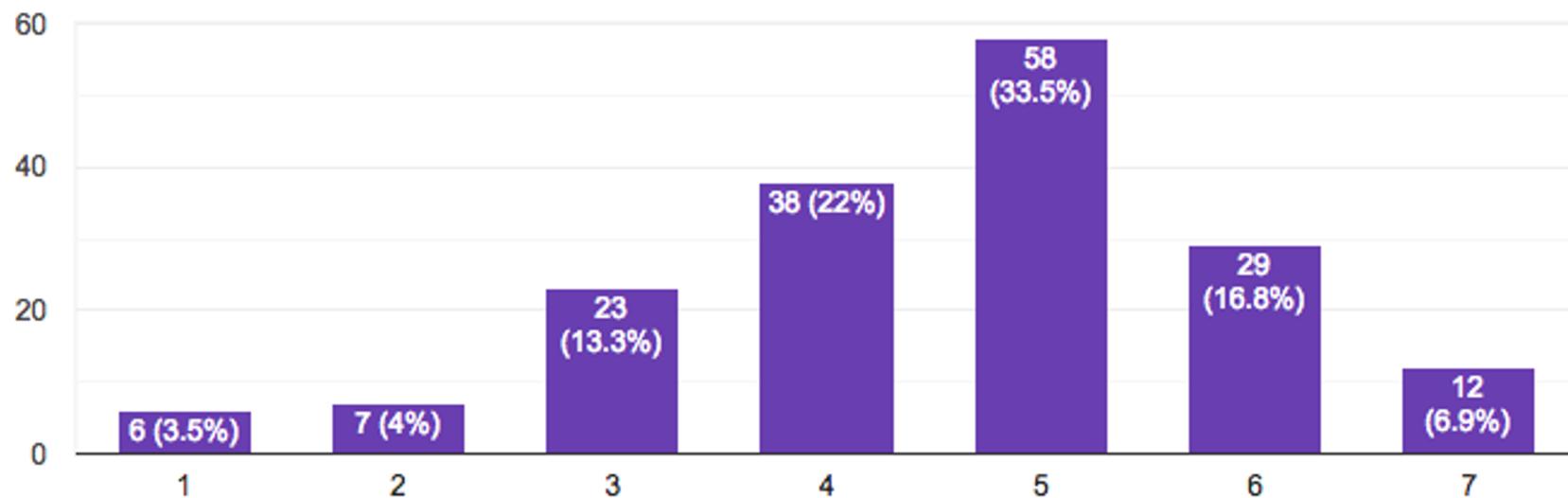
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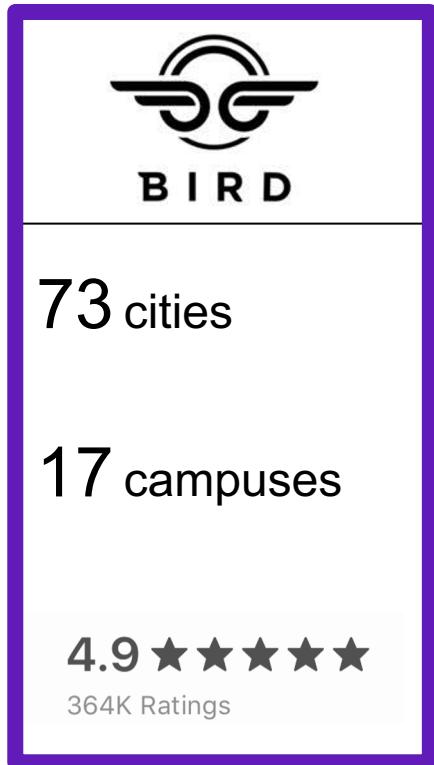
4. How satisfied are you with your current transportation options?



173 responses



Bird needs a unique strategy to stand out



Bird needs to differentiate itself to stand out to
1) university administration, and 2) students.



Bird's strengths

Market

Integration

Recommendation

Risks

