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The effect of tailored information for the uptake of carsharing, evidence from a field experiment in Oslo

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BeSmå forskningswebbinarium 25.09.24

Available at SSRN: http://dx.doi.org/10.2139/ssrn.4898417



Private cars are parked 95% of the time (Shoup, 2011)

and take up a lot of public space



NEED shift from car ownership and car use



toward shared and public transport, and active mobility (walk & cycle) (EEA 2024)

Carsharing

is a membership-based self-service, short-term car access system with a network of vehicles in urban areas for which members pay by time and/or distance (Millard-Ball et al., 2005)

...can offer a solution to both traffic problems and the need for parking space in urban areas (Ortega Hortelano, 2022)



- provide easy & affordable car access to those who need it occasionally (Shaheen and Cohen 2007, Nenseth 2018)
- reduce cars on the street, car usage, car ownership, congestion and emissions (Kent and Dowling 2013), (Khan & Machemehl, 2017), (Chen & Kockelman, 2016)
- make mobility more efficient and economically rational: fewer cars & lower fixed costs (Baptista et.al. 2014, Frenken 2017)



Barriers to carsharing

- **Social norm:** car ownership provide status
- **Status-quo:** car ownership is often the default option
- **Sunk cost**: car owners underestimate cost of additional driven distance (Arkes & Blumer, 1985)
- Inaccurate beliefs:
 - underestimation costs of ownership (Andor et.al. 2020) (Gossling et al.2022)
 - only compare operational costs of own car with cost of carsharing
- Imperfect information:
 - 1/3 Norwegians did not know what carsharing was (Nenseth, 2019)
 - Don't know which services are available/convenient

If carsharing is economically more efficent than owning a car for many, why aren't we all carsharing already?



Can tailored information stimulate the uptake of carsharing for car owners?

What we did

- Carsharing calculator to show costs and benefits of carsharing vs car ownership
- Test the effect of information provision on carsharing uptake with RCT field



What we found

Average treatment effect of 15%, about 400 extra new members in 6 months



Field experiment



AEA RCT Registry

- Target population: people with high marginal (individual and social) gain of switching to carsharing: ~46 000 car owners in Oslo with old and under-used car (diesel & gasoline)
- Target behavior: start using carsharing (switching)
- Randomization: postcode level
- Stratification: existing carsharing member
- **Treatment:** e-mail with information + survey to
- ~ 20 000 car owners
- Information provision: carsharing calculator
- **Outcome variable:** new carsharing members per month per postcode (obj. data)



The website







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	Control	Treatment	
Variables	Mean	Mean	p-value
	(sd)	(sd)	
Population	1,260	1,338	0.239
-	(617)	(714)	
Number of car owners	284	300	0.341
	(165)	(182)	
Number of cars	331	350	0.344
	(199)	(216)	
Number of electric cars	34.7	37.1	0.373
	(27.4)	(28.5)	
Number of diesel/gasoline cars older	231	243	0.365
than 4 years	(131)	(145)	
Carsharing users BK in 2021*	30.6	35.8	0.161
Ŭ	(31.7)	(42.5)	
N	215	192	

Table 1: Summary statistics at postcode-level for control and treatment group with p-values from hypothesis test t-test. Statistics provided by SSB and by Bilkollektivet in 2021.

*Number of active users in July 2021. Two postcodes from the treatment group and one from the control are missing as users in these postcodes were zero then.



ATE=0.36 members per month/postcode

Discussion and Conclusion



Strengths

• (Pre-registered) RCT: strongest and most reliable evidence

information provision *caused* an uptake in carsharing

- Successful randomization T&C groups are balanced
- Carsharing company did not affect control or treatment postcodes differently
- Carsharing calculator useful tool for both businesses, consumers and policymakers

Weaknesses

- We look at different post-treatment periods for robustness. Results are not completely robust
- No individual level data, only aggregated at the postcode level
- May be some spillover due to open information (underestimating the effect)
- We only got data from 1 of the 4 carsharing companies (underestimating the effect)

Conclusion

- Tailored information can stimulate the uptake of carsharing
- The effect of the nudge is a statistically and economically significant & generated 400 new members (15%)
- Replication of this study is highly encouraged as the nudge could be context dependent
- Scalable and relatively low-cost tool, useful for city governments wanting to stimulate carsharing and reduce the car fleet (supplement to other policies)
- Need to be careful to stimulate non-car owners/users as it could increase car use.

Study the effect on car ownership

Replication in Bergen (individual level data)

Future Research



THANKS FOR THE ATTENTION

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