

# VIEW FROM CANBERRA

February 16

## Is Demand Responsive Transport the way?

UBER, Micro Transit, DRT (Demand Responsive Transport), in these times of automatic gratification and high customer demand and expectation, what does the introduction of these new transport options mean for traditional bus services? Is this an area that the Bus and Coach Industry has the potential to fill and expand businesses into new transport and transit options and choices?

UBER and its encroachment into the traditional taxi industry has certainly shaken things up. It happened so fast, Government has been catching up to work out where it fits from a regulatory, insurance and liability perspective.

In the US, micro transit is an emerging business model in high density housing and apartment neighbourhoods. Through a Transit App, small 12 seater vehicles are providing a service to pick up passengers who live in the same general vicinity from their front door and who broadly are wanting to travel to the same part of the city. The App works it all out for the operator and the passenger.

Sure, trunk public transport routes operating in frequencies that do not require a timetable and can deliver high volume mass transit by bus or rail, will always continue to be a major transport solution for our major centres.

But when I say major centres, I do not mean just capital cities.

Australia has 18 major cities and an abundance of growing regional centres that are going to change and grow over the next 20, 30 and 50 years. Population is growing and ageing, living circumstances and choices are on the move as people move closer to all the things they want, generation X and Y are staying home longer and not automatically going for their license at 16 or even wanting to buy a car. Take a look at the decline in Vehicle Kilometres Travelled (VKT) by car (per capita), look at the change in car sale trends.

All of this means opportunities for bus and coach businesses to look at their traditional business model and work with Governments and their local communities to add to the types, style of services and the manner they are delivered.

Unlike the Taxi Industry, bus and coach operators need to be ahead of the game, to lead the game in relation to the delivery of future mass transit, social transit and more personalised transport services and how all of these integrate to deliver a whole of trip experience for customers.

Diversification is a long heard mantra and a key to investment portfolios to minimise the risk of losing your nest eggs. The same applies, I believe, for business in general. To meet the challenge of a more demanding society with much higher expectation of personal service, the whole public transport paradigm will, or should I say, "IS" changing right now.

Reflect right now on UBER, take a look at how the Community Transport sector is reviewing how it operates.

The BIC is here to challenge Industry to be forward thinking. Take a look out your backdoor today and you can almost see the change. Understanding and managing change will be a key focus throughout 2016 and future years for the BIC and a major focus of the 2016 National Conference in Perth, November 6-9.

### Bus Australia Network

