14th Global Forum on Tourism Statistics

23-25 November 2016, Venice, Italy

Long-distance ridesharing has had an impact on domestic tourism travel in France since 2010

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SESSION 6 - MEASURING THE SHARING ECONOMY

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Introduction[1]

Private individuals in France are increasingly swapping and sharing goods and services, cutting out the number of intermediaries between producers and consumers. The trend has led to a set of practices called collaborative consumption. Swiftly spreading new information and communication technology has impelled its popularisation and widespread growth.

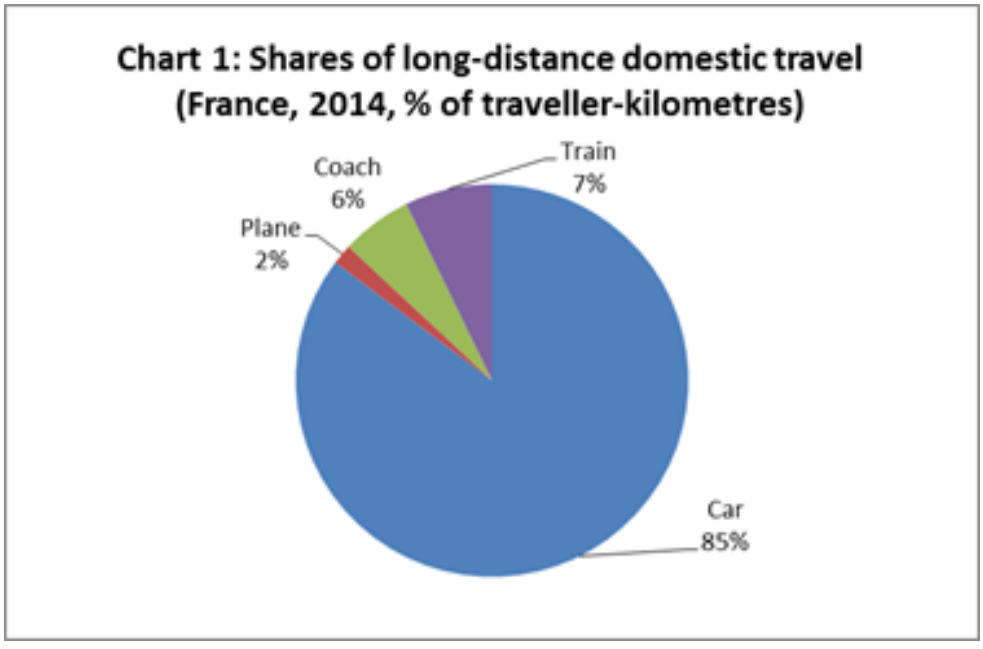
Occasional ridesharing — private individuals sharing a vehicle, tolls and fuel costs to make a single journey — is one of the collaborative consumption practices that has grown the most in recent years. Ride-sharers who meet up on the Internet also pay the website a commission. The journey is a long-distance trip[2] to or from home[3] that, in most cases, can be regarded as tourist travel. The expenses are considered tourism transport costs.

The rise of long-distance ridesharing has had an impact on the other means of transport used by tourists and excursionists. The survey set out to measure the effects of replacing other means of transport, especially rail, with ridesharing.

1. A LOOK AT DOMESTIC PASSENGER TRANSPORT IN FRANCE

Domestic transport involves journeys or parts of journeys that take place on a given country's territory (regardless of the passengers and the vehicle's nationality, starting point or destination). In France, for international journeys, domestic travel only accounts for the portion that takes place on French soil.

In 2014, private vehicles (primarily cars) accounted for 85% of domestic long-distance travel in France. That figure has barely changed since 1990, although the share of private transport has dropped very slightly in recent years.



[1] The paper reflects the efforts of the author and his own opinions.

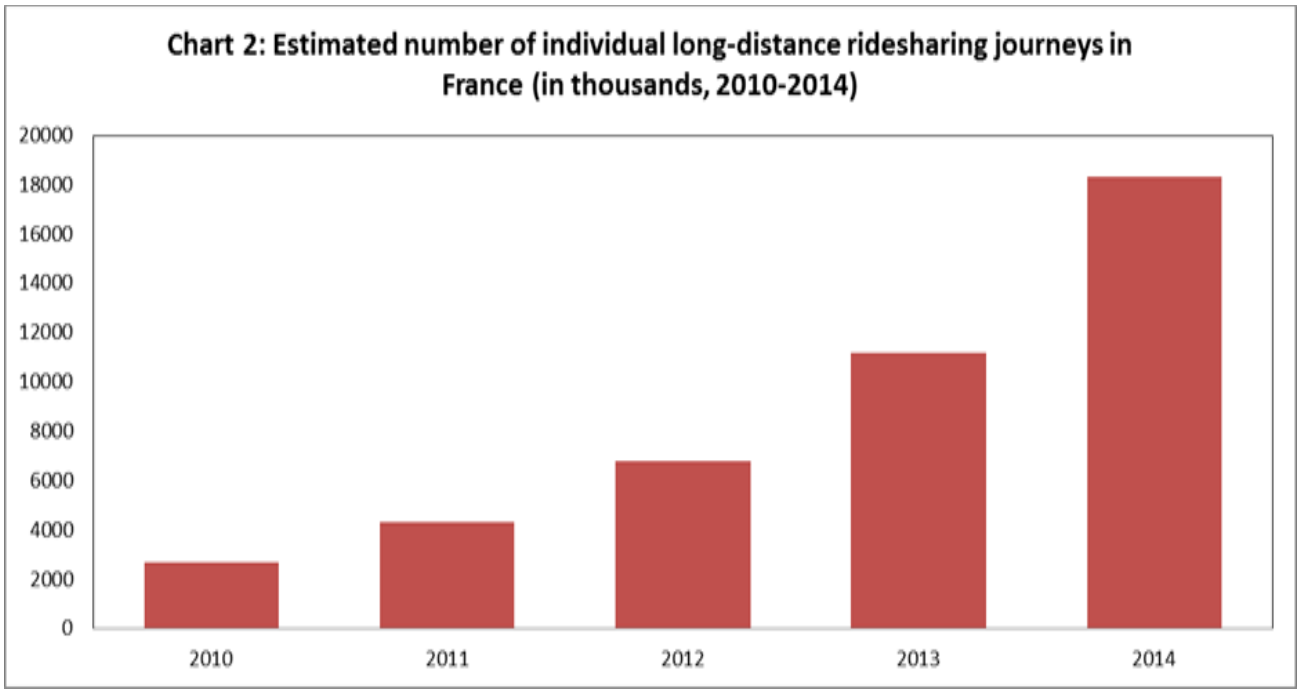
[2] Over 80 kilometres as the crow flies, according to the Ministry of Transport.

[3] The ADEME survey revealed that less than 4% of long-distance ride-sharers undertook journeys several times a week between home and work or home and school.

Key: 85% of long-distance domestic journeys were made by car in 2014.
Source: Vingt-cinq années de transport intérieur de voyageurs (May 2016, Ministry of Transport).

2. THE RISE OF LONG-DISTANCE RIDESHARING SINCE 2010

Ridesharing is nothing new. Hitchhiking, which has been around a long time, is a form of ridesharing. Blablacar dominates long-distance ridesharing in France with a 95% market share.
BlaBlaCar, a community ridesharing platform launched in 2006, is available on the web and mobile apps. It was free until 2011, but users must now pay a fee equivalent to around 12% of the ride-share's price. The website puts drivers and passengers wanting to share a journey and the related fuel costs and tolls in touch with each other. Drivers post the number of available seats and passengers book them online. The average journey is 364 kilometers. BlaBlaCar dominated the market in 2015: with 20 million users last year, it is the world's leading ridesharing service.
The following chart shows the estimated number of individual long-distance ridesharing journeys per year made by private individuals in France using all ridesharing websites. The estimate was based on fragmented data: newspaper articles and blablacar.fr. The main problem is that Blablacar does not release the number of journeys per country, but the world total.

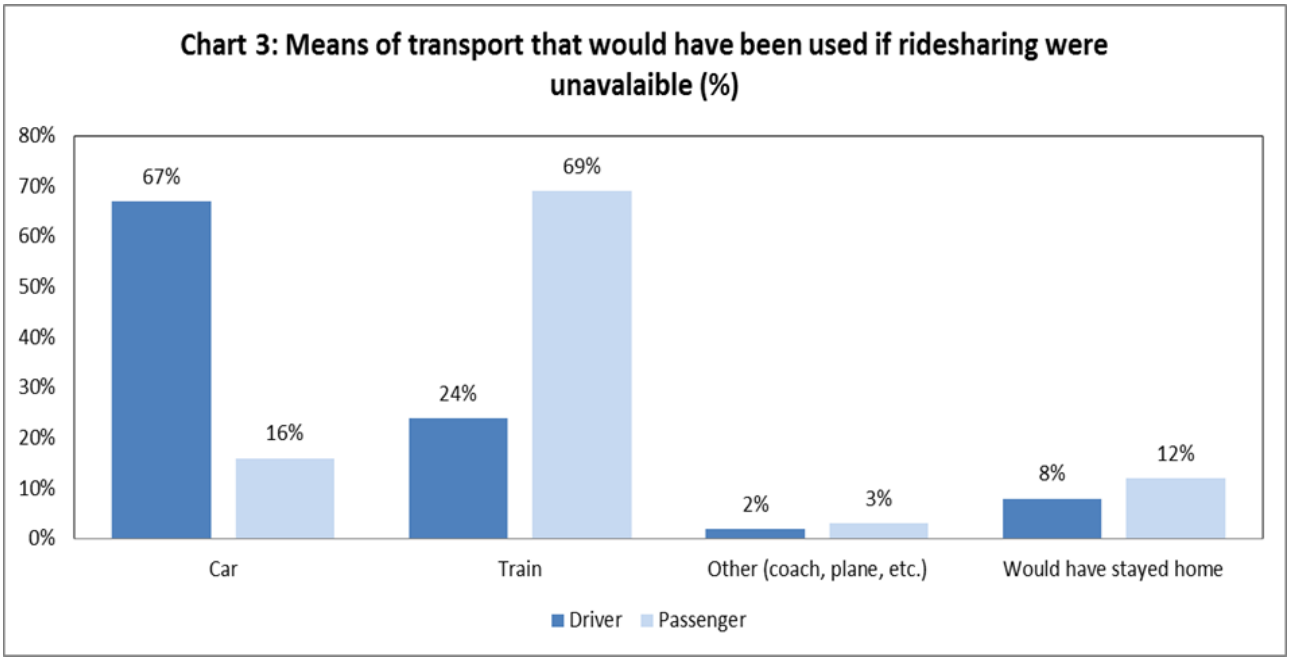


Key: around 12 million long-distance ridesharing trips were made in France in 2013.
Sources: various articles, blablacar.fr and the author's calculations.

The number of ridesharing journeys has soared from approximately two million in 2010 to around 18 million in 2014. No estimate exists for the number of informal trips (people who met by word-of-mouth or on a website and kept in touch with each other without continuing to use the Internet).

3. THE ADEME[4] SURVEY OF LONG-DISTANCE RIDE-SHARERS

In September 2015, ADEME published the findings of a survey of travelers who use various websites that put occasional ride-sharers users in touch with each other, including blablacar.fr.
The survey revealed that the average occupation rate of ride-sharers' vehicles is 2.2 people for long-distance journeys without ridesharing[5] and 3.4 people with ridesharing. On average, Blablacar users spent €22 per journey and saved €36.40 on what they would have paid for another means of transport if ridesharing were unavailable.
The respondents were asked what their alternatives would have been if ridesharing were unavailable. If they had not used ridesharing to make the most recent journey, 67% of drivers would have taken their own cars (or a rented car) and 69% of passengers would have travelled by train.



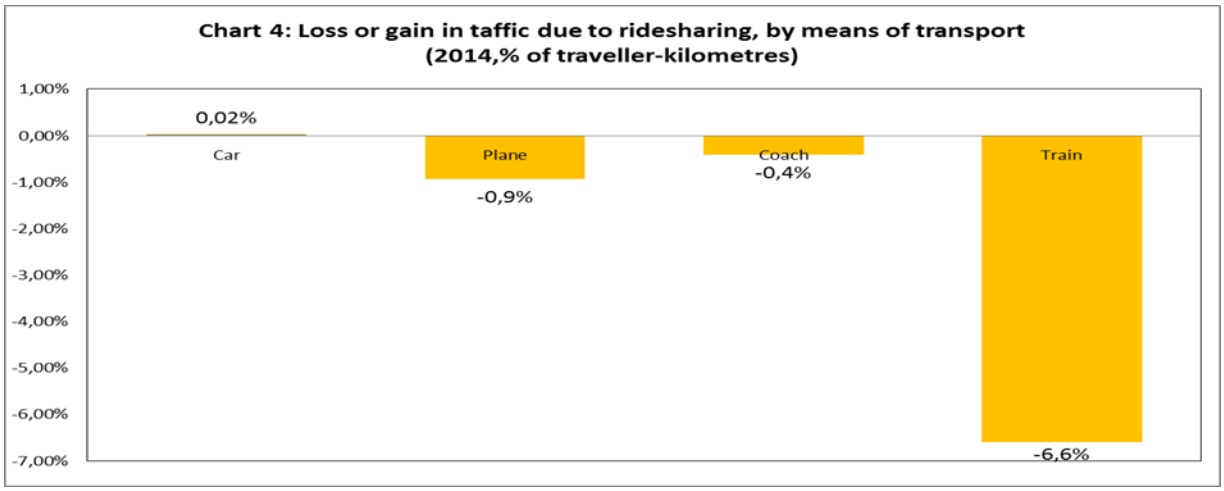
Key: without ridesharing, 8% of drivers would have stayed home.
Source: survey of long-distance ride-sharing users (September 2015, ADEME).

4. THE IMPACT OF RIDESHARING ON OTHER MEANS OF TRANSPORT

The impact on other means of transport was calculated based on the survey findings presented above and on the estimated number of individual occasional ridesharing journeys. It is expressed in traveler-kilometers. Chart 4 shows the proportion of traffic affected by ridesharing in 2014.
The automobile seems to be the only means of transport ridesharing has encouraged. Occasional ridesharing users have partially abandoned the other three means of transport. If ridesharing were unavailable, 8% of drivers would have stayed home, adding to the number of vehicles on the road. In contrast, a number of drivers and passengers would have travelled by car, decreasing the number of vehicles on the road: it seems

[4] The French Environment and Energy Management Agency (ADEME) participates in implementing public environmental, energy and sustainable development policies.
[5] Figure from "Vingt-cinq années de transport intérieur de voyageurs" (COMMISSARIAT GÉNÉRAL AU DÉVELOPPEMENT DURABLE, Etudes et documents no. 148, May 2016).

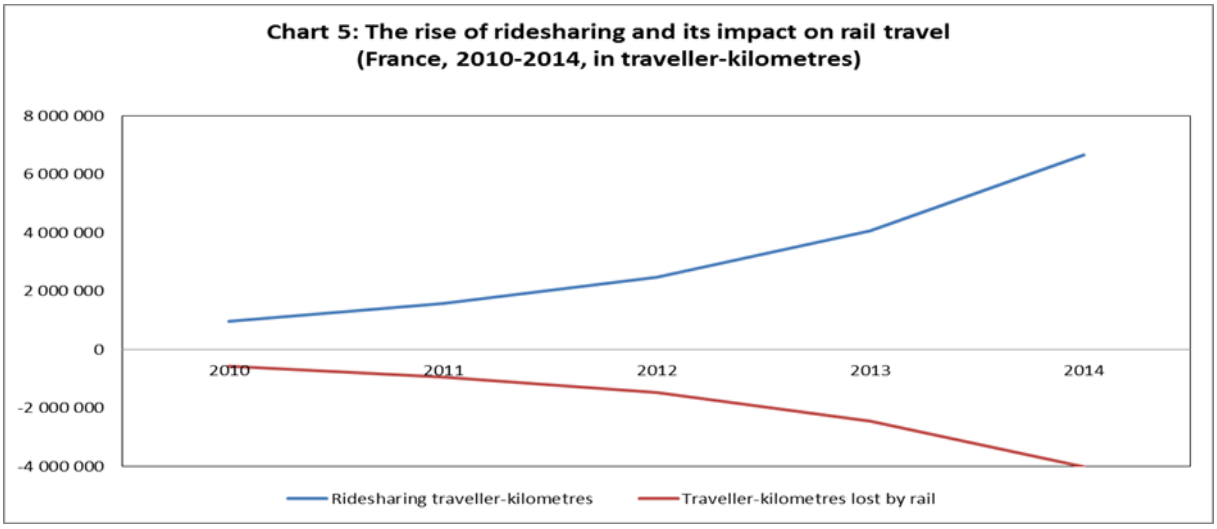
that those individuals would have used more cars than the number presently used in ridesharing (approximately 5% more at the most). However, the resulting increase of total road traffic is marginal (0.02%). The impact on air and coach traffic is statistically insignificant: less than 1%. The only substantial impact is on passenger rail traffic, which fell by 6.6%.



Key: long-distance automobile traffic rose by 0.02% in 2014 because of ridesharing.
Sources: ADEME survey, Ministry of Transport and the author's calculations.

5. THE IMPACT ON RAIL TRAVEL[6]

By applying the average number of kilometers travelled to the number of individual occasional ridesharing journeys per year and the number of lost train journeys, the estimated number of ridesharing traveler-kilometers in 2014 can be put at over six million and the number of traveler-kilometers lost by rail at approximately four million.

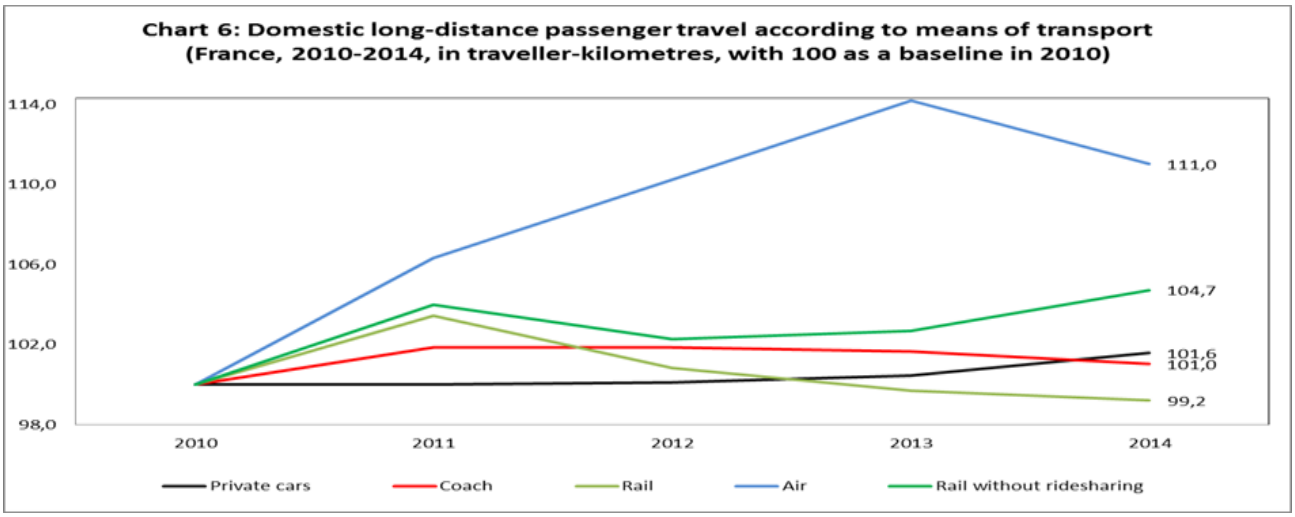


[6] The Société Nationale des Chemins de Fer (SNCF) accounted for 99% of long-distance passenger rail transport in France in 2014.

Key: long-distance ridesharing accounted for over six million traveler-kilometers in 2014.
Sources: ADEME survey, Ministry of Transport and the author's calculations.

6. MEANS OF LONG-DISTANCE PASSENGER TRANSPORT IN FRANCE: 2010-2014

Based on the above estimates, a fifth curve showing what train travel would have been if ridesharing were unavailable can be added to the curves illustrating changes in the four main means of long-distance passenger transport. Between 2010 and 2014, domestic air transport was the means of transport that grew the most in traveler-kilometers, rising by 11%.



Key: if ridesharing were unavailable, domestic long-distance passenger train travel would have risen by 4.7% in 2014.
Sources: ADEME survey, Ministry of Transport and the author's calculations.

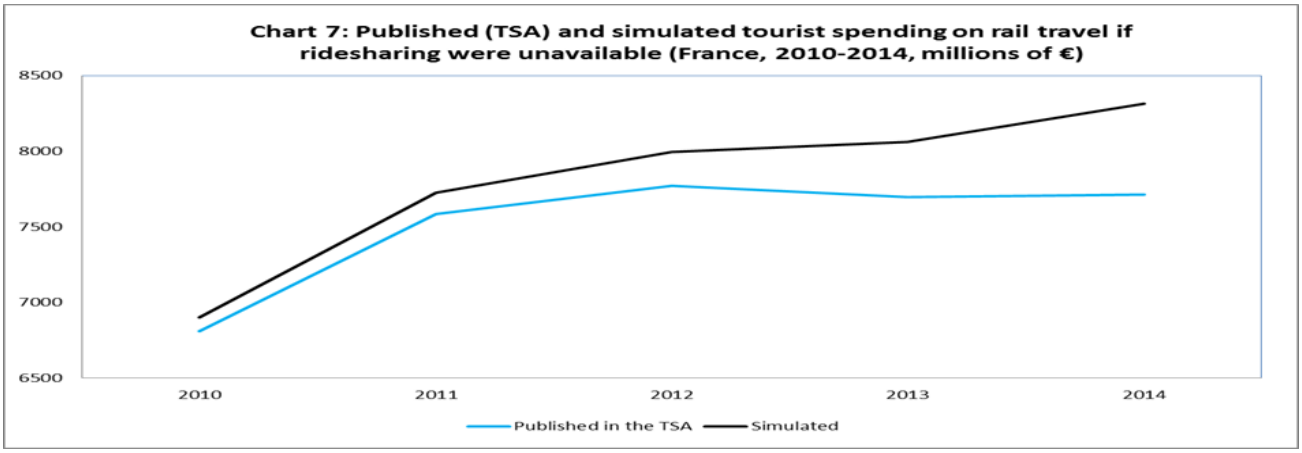
The rail-without-ridesharing curve was obtained by factoring out occasional ridesharing and adding the traffic shortfall estimated above to the train transport curve. If ridesharing were unavailable, rail would have become the second-fastest growing means of transport between 2010 and 2014: the index would have risen from 100 in 2010 to 104.7 in 2014. With the availability of ridesharing, it was the only means of transport that decreased, from an index of 100 in 2010 to 99.2 in 2014.
The hypothesis can be put forward that rail is the only means of transport affected by ridesharing. The decrease in traffic for other means of transport is an insignificant 1%.

7. THE LOSS OF RAIL TRANSPORT TURNOVER DUE TO RIDESHARING

The Directorate-General for Enterprise 2015 Tourism Satellite Account (TSA) presents tourist spending on train travel in current Euros between 2010 and 2014. The specific nature of rail transport in France means that French operators account for 99% of traffic. Domestic traffic in traveler-kilometers therefore corresponds to the amount of spending published because the TSA presents spending on journeys operated by French carriers[7].

[7] The Tourism Satellite Account published only takes account of spending on international travel to or from France and means of transport operated by a national carrier.

Chart 7 has two curves. One represents spending on passenger rail transport published in the TSA, the other a simulation based on adding the annual amount obtained by multiplying the average savings that ride-sharers declared by the number of individual journeys that rail lost due to ridesharing.
In 2014, the estimated loss of rail passenger revenue caused by ridesharing was put at approximately €600 million (with the understanding that a possible adaptation of the offer could also have a cost). The rates published in the TSA seem to have changed the most for 2013 and 2014. The 2013 rate appears to have increased by 0.8% instead of decreasing by 1.0% as published. For 2014, it seems to have risen by 3.1% instead of 0.2% as published.



Key: if ridesharing were unavailable, tourists would have spent slightly less than €8.5 billion on rail travel in 2014.
Sources: Tourism Satellite Account (Directorate-General for Enterprise), ADEME survey and the author's calculations.

CONCLUSION

Occasional ridesharing has soared in France since 2010. With the exception of rail, it has had little impact on other means of transport used by tourists and excursionists. Ridesharing may increase road traffic very slightly. Ride-sharers spent approximately €400 million on fuel and tolls in 2014. Drivers would have spent around the same amount anyway if ridesharing were unavailable, but it allows them to split expenses with passengers.
Long-distance rail traffic fell by nearly 7% in 2014 because of ridesharing. The estimated loss of revenue attributable to lower train ticket sales is put at approximately €600 million. Without qualitative questions in the ADEME survey, it is impossible to know how ride-sharers may have spent the money they saved.

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