Focus Group Summary – How to encourage car club use

Introduction

CoMoUK commissioned a series of focus groups to explore the barriers for people joining car clubs and the potential to address these challenges and encourage people to join through different marketing focuses.

The groups covered a range of different demographic groups, including location type (urban/suburban/rural), income level, and different age groups/life stages. All participants had the potential to join a car club (were old enough, had a driving licence, and lived somewhere that has an existing car club), but aren't currently members.

41 people in total took part in 8 focus groups.

The format of the groups was to first discuss the participants existing methods of travel, before looking at their attitudes to car travel and introducing the concept of car clubs. The groups then talked about how they could see car clubs fit with their current travel needs and what barriers they saw to becoming a member.

Current travel behaviours and could car clubs work for them

A summary of the key findings from the 8 focus groups is outlined below. This includes participants' impressions of car clubs, barriers to joining car clubs, and opportunities for marketing and communications targeting different audiences.

Different types of location

The research highlighted some key differences in transport habits and attitudes between people who lived in inner cities, suburbs, and small towns.

Inner city

People living in cities often viewed driving as stressful, with congestion and parking seen as key issues. Whilst driving was not always seen as the preferred option, it was still viewed as aspirational and as a way to "escape" from the inner city.

In these locations, people often use a broad range of modes of transport, choosing the most appropriate means for each journey.

Opportunities for marketing

The main opportunity for marketing in the inner city is to highlight the ways car clubs alleviate the stresses of car ownership while still allowing the freedom and benefits of access to a car.

Suburban

Most participants living in suburbs had children and had a busy family life. Car dependence was high, and many relied on the car to meet the needs of their children.

Congestion and parking in city centres was an issue for some, and many commuted by public transport to avoid parking issues where they work.

Opportunities for marketing

This is an audience with more limited opportunity to sell the concept of a car club to. They consider car ownership as vital. Marketing to this audience should highlight how a car club can be a cost effective and low hassle option for people who commute by public transport and may not need to use a car that often (or who own an underutilised second car) .

Small towns (populations of a few thousand)

Limited public transport in these areas means that people are car-dependent. Everyone in this category had access to a car, although not everyone owned one.

Public transport was considered limited and unreliable, although some people used buses for local journeys or for nights out in the nearby city.

When asked to consider life without a car, many people said that they would not be able to continue to live where they do car and would have to consider moving to a different area.

Opportunities for marketing

The restricted transport options in these areas mean that this audience will be difficult to market car clubs to. The main marketing opportunity is in the replacement of the second car. Bringing to life how a car club might work in this environment would be a key marketing tool..

Life stages

Whilst the research looked at a range of demographic groups, the differences in attitudes and behaviours around travel choices fell most clearly into groups based around life stages.

Students

These were aged 19-25, including a mix of car owners and non-car owners.

Defining travel needs: freedom, confidence, good value

Students associated cars and car ownership with freedom and the ability to be spontaneous, and car owners were in demand for giving their friends lifts. However, it was recognised that cars were often under-utilised. Whilst cars were viewed as exciting, many also viewed them as stressful – as many had only passed their driving test recently and they were not confident drivers.

Opportunities for marketing

This will be a difficult audience to market to, as car clubs do not appear to offer the best value option compared to Uber, public transport, and active travel. This group utilises a variety of travel options and are big users of Uber. In addition, many students face confidence issues around driving.

However, there is potential to promote the fact that car clubs offer access to a car at a lower age than car rental. There is also the opportunity to promote the flexibility of car clubs and that it can be utilised in a similar way to Uber, although the need to return the car club vehicle to the same location at the end of the booking prevents them from being truly comparable to Uber.

The environmental benefits are also more of a consideration for this group, as is the connection between lower car ownership and being more active.

Working Pre-Family

These were aged 18-30, mostly car owners.

Defining travel needs: convenience, control, "my space"

This group associated cars and car ownership with control and flexibility – being able to go wherever they wanted, whenever they wanted. In particular, they wanted to be able to plan their lives around flexible working hours.

This group was unique in placing a high value on having "their own space" in a car, where there could store their possessions and listen to their own music. They also viewed cars as a cost-effective means of transport.

However, there was a recognition that cars were often under-utilised, with many who worked in the city commuting by other modes of transport, leaving their cars at home during the week and only using them at weekends. In addition, many recognised that having a car made them lazy, as they used the car for journeys that could easily have been made by other modes.

Opportunities for marketing

This group was identified as having the greatest potential to market to, as cars are often unused during the working week. Marketing to this group would need to highlight that car clubs can still offer the control, flexibility and ease of owning a car.

Addressing concerns around whether the car club vehicles would be available when they needed them would also be key. The idea of a car club being the smart choice if their car is sitting unused for a lot of the working week and the possibility of cost savings needs to be a prominent message.

Families

These participants were aged 25-60, all car owners.

Defining needs: convenience, reliability, economical

This group associated cars and car ownership with peace of mind (the reassurance of always having a car there when you need it). However, car ownership within this group is no longer viewed as

aspirational, but as functional. Cars are seen as a necessity (being flexible and reliable), and the cost of car ownership is seen as a necessary evil.

Given that families often travel together, driving becomes a more cost-effective option than public transport.

Opportunities for marketing

This is the life stage where there is least opportunity for marketing to, due to the high reliance on cars within the family. The opportunities lie around the second car and whether children need their own car when they pass their driving tests. Reinforcing peace of mind and reliability is crucial to this group. The idea of a family membership appealed to those whose had a second car for when children came back from university or college.

Over 60s

This group was a mix of car owners and non-car owners.

Defining needs: independence, convenience, confidence

The attitudes of this group were clearly divided between those who lived in small towns and those who lived in cities.

Rural participants viewed car ownership as essential (the only mode of transport where they didn't need to plan). They also felt driving was the most convenient form of transport (flexibility of timings) and felt that cars were a status symbol (they grew up believing they represented freedom).

Urban participants who didn't own a car viewed car ownership as unnecessary, saying that their transport needs were met by a combination of public transport, lifts and taxis. They found driving stressful because of a lack of confidence and had made the conscious decision to give up driving. As they had a bus pass, they viewed driving as expensive by comparison.

Opportunities for marketing

There is no potential to market to non-drivers who have actively chosen to stop driving.

There is limited potential to market to rural audiences, who are car-dependent and want to hold onto the freedom and convenience that car ownership provides.

There may, however, be some potential to market to people approaching retirement, as they start to consider best value options, questioning the need for a car/second car.

Other demographic groups

The other demographic groups covered by the focus groups did not have significantly different attitudes to each other. It was clear that life stages and location are the factors that most strongly influence travel attitudes and behaviours.

It is interesting to note that the cost of car clubs was not a key determining factor to any demographic groups, even those on low income. The primary barriers to joining a car club did not revolve around cost and were similar across all income groups.

Attitudes to car ownership

The attitudes to car ownership are broadly similar across the audiences. Car ownership was viewed as offering freedom, flexibility and the potential to be less organised and less restricted.

Those who already own a car were fearful of the idea of having it taken away from them, worrying they would have to change jobs or move to a new house and that it would impact their family lives, meaning children couldn't go to activities.

Several barriers to car ownership were identified - the main one being expense. Car ownership also raised concerns around the associated responsibility, the administration, parking (both finding a space and parking charges) and the environment (to a lesser extent).

Even with these barriers, most of those who did not own a car saw car ownership in their future, with the exception of those who had made a conscious choice not to own a car.

Defining benefits of car clubs

Participants across all demographic groups agreed on the defining benefits of car clubs. These can be broken down into functional and emotional benefits.

The functional benefits were seen to be that car clubs are:

- less hassle than car hire and car ownership
- a cost-effective option for people who can't afford or don't need a car.

There was also a perceived benefit that car club membership would provide them with access to great parking spaces across the city. It was evident that there was widespread confusion around the back-to-base model, with participants being under the impression that each car club bay was available for use by any car club vehicle.

In terms of emotional benefits, people felt that a car club could:

- "lift the burden", offering a stress-free alternative to car ownership
- offer the freedom of car ownership
- encourage a more active lifestyle by enabling reduced car ownership
- benefit the environment by improving air quality and reducing the number of cars on the road

Awareness of car clubs and barriers to membership

In order to explore the barriers to car club membership, the focus groups first looked at the level of awareness of the car club concept. The majority of participants had no awareness; only three had considered membership, but they had decided that it didn't suit their lifestyle.

Participants used car hire as the main comparative benchmark. In this context, car clubs were not perceived as the best value option when thinking about using the car for longer periods. In addition, the lack of a separate mileage charge and the better car selection available through car rental was more appealing. However, there was acknowledgement that car clubs offer more convenient access.

None of the participants instantly understood a car club being a car replacement proposition. However, some started to question the need to their 2nd or 3rd car and others identified car clubs as a potential supplement to car ownership.

Some viewed car clubs as journey enablers for short journeys. The comparison then became with Uber and taxis. The fact that car clubs are back-to-base became the main barrier for it being a viable alternative to Uber / taxis.

Digging further down into the barriers revealed that the key challenges that need to be addressed are:

- Convenience – how far away is the nearest car? Is it too far to walk if carrying luggage?
- Reliability – would there be a car available when it was needed?
- The information gap - there were many questions as to how car clubs worked, including in relation to payment, fuelling process, cleaning, delays, car seats, insurance and accidents.
- Value for money – the membership fee was lower than many expected, but the idea of a membership cost is a barrier when the car club's usefulness is questioned. Many found it hard to compare directly the costs of a car club versus car ownership, and a number felt that the car club was simply too expensive for long journeys.

Overcoming barriers

The first task in overcoming these barriers is to move the comparison of car clubs away from car hire and make it comparable to car ownership. This comparison happens because the charging structure for car clubs and car rental are similar, and therefore relatively easy to compare. By comparison, a large proportion of the costs of owning a car are upfront or annual (e.g. purchase, tax, insurance), which makes it hard to compare the cost of ownership to the cost of using a car club.

 It is currently unlikely for many people that car clubs can be viewed as a replacement for their own car; however, there is an opportunity to show that car clubs can make reduced car ownership a realistic and viable option.

A key message for marketing is how car clubs can alleviate the negatives of car ownership (stress, administrative headache, etc.). This should be communicated alongside the additional benefits of membership, including the environmental benefits and how this can enable a more active lifestyle.

The four core barriers (convenience, reliability, information gap and value for money) would then need to be overcome. The information gap can be addressed by:

- Greater on-street visibility and explanation on the street as to what a car club is and how it can be used.
- Promoting user experiences and testimonials, to enable audiences to see how a car club could fit their lifestyle. These could also be used to alleviate concerns.

- Using simple step-by-step videos to explain how a car club works
- Highlighting if there are free trials of car clubs.
- Showcasing the app-based systems available, as these are expected by many audiences.

Concerns around convenience and reliability can be allayed by:

- Defining the distance to the nearest car club vehicles in easily understandable terms, e.g. less than a bus stop away.
- Providing reassurance on reliability. This could potentially be done in a number of ways, such as providing data around: the average time from booking to pick-up (which may reassure users that they can be spontaneous); how many cars there are in the area; and the range of cars on offer.

Suggestions for overcoming concerns about value for money include:

- Make comparing the cost of car ownership to car club membership easier
- Offer inclusive packages (e.g. for £x/month, you get car club membership plus x hours of usage and x free miles) to make the cost clearer upfront
- Focus marketing on the good value car clubs offer for short journeys
- Offering reduced membership or free trials

The barrier of the car clubs in Scotland all being 'back-to-base' models could be overcome by introducing a one-way car club, where the car could be dropped off within a zoned area (similar to schemes in London): however, this would be a change to the operational model and this model is unlikely to be viable outside large cities.

While the barriers are similar across all the audiences, to overcome these will require car club marketing to be tailored to the specific needs and desires of each audience.

Summary

Travelling by car is still viewed as the ideal mode of transport, with car ownership being aspirational for many.

Awareness and understanding of car clubs was very low. Understanding the concept of a car club was influenced by the audience's frame of reference and was most readily compared to car hire. This means that there is a good opportunity to increase awareness and shift the perception of car clubs by focusing on how it is different to car hire and the unique benefits that car clubs can offer.

When understood, the car club has appealing features but the lack of information and uncertainty in how it would work in practice means that participants projected its use to others. The focus groups found that different attitudes to cars and transport in general could be most clearly defined by life stages. The fours key life stages identified were: students, working pre-family, families and over 60s. There is an opportunity to market car clubs by showing how they could work for these different audiences.