

Don't give up on dockless bike sharing just yet

Better regulation can unlock the potential of such services, in spite of the troubles faced by some companies running the business

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Dockless bike-sharing services run by private firms made their debut in Singapore in January 2017. Today, two years later, there has been a shake-up, with a few pulling out of Singapore and at least one China-based company facing bankruptcy.

Despite this, dockless bike sharing remains a true innovation that can continue to offer genuine value to commuters, if managed right.

Upon its launch two years ago, the new bike-sharing service model quickly took Singapore by storm. By the middle of last year, these private operators had dominated Singapore's bike-sharing scene, with a total fleet size of more than 100,000 by last September.

Dockless shared-bike systems attracted their fair share of complaints from Day 1, particularly on parking issues. To expand market share, well-funded operators flooded the streets with massive numbers of colourful bikes to attract usage and promote their brands. This, coupled with indiscriminate parking by users, led to bikes cluttering sidewalks and other public spaces in many cities. Bikes were often left

haphazardly, sometimes in disrepair, along walkways or in open spaces.

In March last year, Singapore passed a new Bill to manage dockless shared bikes. Operators are required to apply for a permit to operate the business, pay a registration fee for each bike, and actively maintain the bikes and ensure proper parking.

Failure to comply will result in penalties such as a reduction of fleet size, fines and suspension, or cancellation of licences.

Singapore is not alone in finding ways to manage the issues arising from the complaints. Several cities took a similar approach to regulate fleet size and improve overall service standards.

Geofencing technology plays an important role. Many Chinese cities designated "no parking" areas for shared bikes – including bridges, road carriageways, and areas near major government buildings – that show up as red boxes on mobile phone apps. Parking within these areas will be detected and users will receive notifications via SMS or the app about potential penalties. Changsha has seen an 80 per cent reduction in errant parking in just two weeks after the introduction of geofencing functions in the city.

The situation, however, took a drastic turn, from having too many bikes to too few bikes when users need them.

Before the new regulation kicked in last July, GBikes, oBike and ShareBikeSG ceased operations. Operators cited difficulties in meeting the licence requirements and financing the business under the new regulations.

Ofo China has announced that it is considering filing for bankruptcy, arousing fear among users over whether they can claim their deposits back from the company.

Disruptive technologies, such as dockless bike-sharing systems, are unlikely to be sufficiently managed by existing regulation regimes. It may upset the status quo and could result in public complaints.

REGULATION THAT SUPPORTS INNOVATION

While some regulation is needed to safeguard public interests, it is worth taking a long-term view, and a more open attitude, to ensure that beneficial innovations have time and space to be tested, take root and mature.

Too much attention is being placed on parking issues, and too little discussion is made on the benefits of dockless bike sharing against its unsustainable business model and fierce competition, and the support needed to grow cycling into a viable mode of transport.

Ofo's bike-trip data reveals how dockless bike sharing has complemented Singapore's public transport system to meet the



It takes collaboration between the government, the private sector and the public to plan, regulate and adapt to bike sharing, say the writers. ST FILE PHOTO

short-distance travel demands of people. In January last year alone, ofo bikes, then one of the largest operators in Singapore, made 2.4 million trips in the city, averaging 77,400 trips daily.

A substantial 36.6 per cent of all trips started or ended at, or in close proximity to, public transport nodes such as bus stops, and MRT and LRT stations. More trips were undertaken in towns with good provision of cycling infrastructure and planned park connector networks, such as Punggol, Tampines, Admiralty and Sengkang.

These trips served wide-ranging travel needs, from commuting during rush hours, to recreational uses on weekends.

Unlike public transport services, shared bikes are not limited by operating hours, planned routes or catchments.

Approximately 10 per cent of ofo's total usage in January last year were made between the late evenings and early mornings; 54 per cent of these trips ended at residential areas and had a longer average duration. It offers a viable alternative in areas

with relatively limited public transport coverage, such as the western industrial areas.

As Singapore continues to develop and grow, we are likely to see greater demands on mobility services. Other mobility options such as bike sharing, car sharing, and mobility-as-a-service are gaining popularity.

If cities deem bike sharing to be an important transport mode, long-term and well-thought-out strategies are needed to define cycling's position in the transportation system and formulate supporting policies.

HOW OTHER CITIES MANAGE BIKE SHARING

Bike sharing could be an opportunity to adopt new visions and planning practices for cities.

It also takes collaboration between the government, the private sector and the public to plan, regulate and adapt to the new service model. In Hangzhou, China, the local authorities proposed a ratio of one employee for every 80 bikes. Such maintenance staff will manage the assets, redistribute

bikes and remove errantly parked or damaged bikes from the streets.

In Tokyo, bike-sharing operators cooperated with companies with available parking spaces and local retailers such as convenience stores and fast-food chains such as McDonald's and Starbucks to establish dedicated bike-parking spaces on their premises. Tokyo's experience demonstrates that cooperation within a larger ecosystem can create win-win situations.

The public should be involved, too. In the US city of Chicago, public outreach programmes were carried out to publicise the rationale for the bike-sharing scheme, with details such as its purpose, how users can participate, expected issues and responses to frequently asked questions. New York City set up dedicated community feedback channels to gather public comments on its shared-bike pilot programme.

Therefore, a collaborative and experimental approach involving progressive, flexible and supportive regulations should be adopted to allow new innovations to grow.

At the same time, stakeholders could adopt a more welcoming attitude towards innovations, and demonstrate a willingness to use them in a responsible manner.

Forecaster and writer Anthony Townsend once pointed out: Technology for a smart city won't work unless there are two other key ingredients – both the people in government and the population need to buy into its value proposition. There needs to be a more widespread appreciation of both the benefits and the limitations of technology.

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