Business Models and Narratives in the new Dutch Bikeshare Sector

Can narratives of legitimacy explain differences in how various bikeshare business models have performed in the Netherlands to date?

I. Problem

1.1 Rapid market entry into a regulatory vacuum
In 2016 and 2017, there were a large number of new entries into the cycling-based mobility services (CBMS) market in the Netherlands.

1.2 This entry resulted in a rapid increase in bikeshare firm numbers and fleet sizes
- In response, decision-makers ha ve resolved to increase efficiency across the mobility system by utilising different modes for different trips, rather than MVs for all trips.

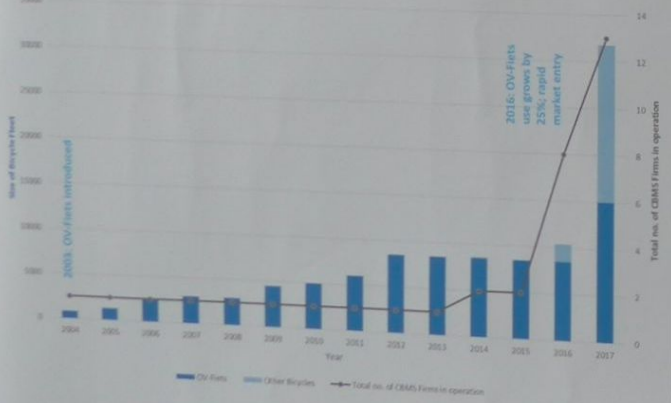
1.3 The resulting visibility of (especially dockless) bikeshare in the public realm led to a public backlash
- Shared bikes in public bike racks were documented in the press and on social media
- Letters to the Editor and editorials discussed pressure on bike parking spaces and public space
- Bikeshare service providers reacted to this in a number of ways, including attempts to shape the narrative

1.4 The City of Amsterdam announced a temporary ban on dockless bikeshare services operating in the public realm (August-September, 2017)
According to spokespersons, this period will end once a policy for bikeshare has been agreed upon. Yet the consequences may include the following:

- Potential bankruptcy/market exit of providers, some of whom are operating without income
- Wait-and-see approach from other, smaller municipalities

1.5 While other municipalities continue to tolerate (dockless) bikeshare, a regulatory vacuum and policy uncertainty persists.
This tension may have the following effects:
- Discouraging further innovation through a heightened perception of risk
- Discouraging smaller municipalities from embracing this technology in its niche/experimental phase through perception of difficulty and 'overlast'

Fig. 1: Evolution of bicycle fleet size and number of firms in the Dutch Cycling-Based Mobility Services Market (Bikeshare), 2004-17



II. State of the Art

This paper forms part of a PhD research trajectory embedded within a Transitions Theory approach, and focussing on the current role of cycling-based mobility services (such as bikeshare) within Dutch urban mobility systems, and their near-future potential to serve as connecting mode at the centre of an integrated, intermodal mobility system. The key bodies of literature this project draws on are as follows:

- **Transition Theory**, to describe the prospects for the CBMS niche to stabilise and upscale itself
- **The New Mobility Paradigm**, especially as a critique on the politics of the existing mobility regime in NL
- **Urban Commons/Transport Justice Theory**, to frame the demands this niche (and the sharing economy in general) make on public space and other resources, and how these can be assessed.

III. Questions

The Main Research Question of this PhD trajectory is as follows:

- What is the role and potential of cycling-based mobility services in the transition of urban mobility systems in The Netherlands?

This paper answers the first Sub-Question derived from the above, namely:

- **Can differences in business models explain initial responses to new* cycling-based mobility services in the Netherlands?**

This question takes the natural experiment currently unfolding in Amsterdam and other Dutch communities as the basis for a case study of a highly contested niche.
** 'new' here is used to exclude the established OV-Fiets system and the traditional bike rental sector.*

IV. Methods

The methods I will use for data collection, and the main bodies of thought that will inform my data analysis, are:

4.1 Data Collection

- **Narrative Analysis of the Dutch Press + Social Media**
  Focussing on narratives of legitimacy, framings of public goods, and on distributional justice questions on the costs and benefits of modes, particularly CBMS.
- **Interviews with Service Providers**
  Defining business models and responses to legitimacy challenges.
- **Interviews with Public-Sector Stakeholders**
  Investigating stated reasons for recent policy decisions and framing of forthcoming policy.
- **[Data Verification]**
  By means of an expert panel.

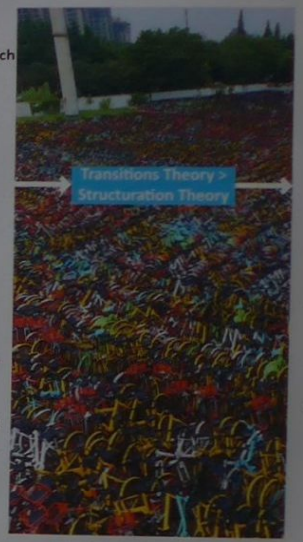


Fig. 2: 'Orphan bikes' from bikeshare firms lie abandoned in Hangzhou, China

4.2 Data Analysis

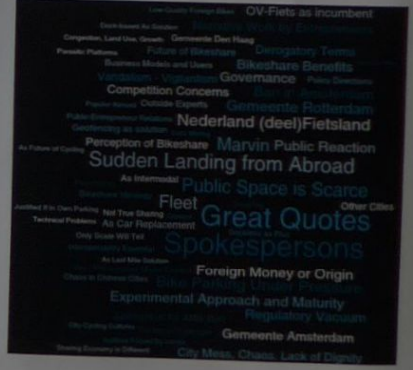
Themes:
- **Multi/Intermodality (4,5)**
- **Mobility-as-a-Service (7)**
  After Ownership
- **Business Models and Value Creation (11)**
  Competition and Regulation
  Public-Private Relationships
  Distribution of (Dis)Incentives
- **Transition Studies (10)**
  Cycling-Based Mobility S ces are a mode, but in which regime?
- **Urban Commons/Transport Justice (??)**
  Whose city? Whose public realm? When does the 'polluter pay'?

V. Discussion and Results

Initial results point to conscious narrative work by many parties to influence the perceived legitimacy of CBMS business models, particularly dockless bikeshare.

Fig. 2 (right): **Extract from a word cloud of initial codes from narrative analysis of publications in Figure 3.**

Fig. 4 (below): **Number of publications including the term 'deelfiets' in the Dutch press, 1994-2017 (LN Krantenbank)**



Notes

Image Credits

Figures 1, 2, 4: Author
Figure 2: Xi Yangjing/Imagine China, sourced (without permission) from Het Financiele Dagblad website, published 9/1/2017, available at: https://fd.nl/ondernemen/1209434/na-china-wil-tiendelbedrijf-ofo-de-wereld-veroveren (accessed 29/11/2017)

Academic Works

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Research and Collaboration Interests:
- Urban Cycling as Connecting Mobility Service
- Finding urban cases for comparison with Dutch contexts
- Case studies of modal integration