



# WHAT ROLE FOR DIGITALIZATION IN ORDER TO ACHIEVE AN INTERMODAL LEVEL PLAYING FIELD?

## The role of online platforms

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# The challenge of online platforms

- New players are disrupting the transport industry: online platforms such as Uber (urban transport) or Blablacar (intercity transport).
- Commission consultation on the regulatory environment for platforms, online intermediaries, data and cloud computing and the collaborative economy.

“an undertaking operating in two (or multi)-sided markets, which uses the Internet to enable interactions between two or more distinct but interdependent groups of users so as to generate value for at least one of the groups.” Examples: Uber, Blablacar, AirBnB, eBay, but also Google, Facebook, Tripadvisor...

# Legal status under debate

- Preliminary ruling, Case C-434/15, Élite Taxi/Uber, pending before CJEU.

“Inasmuch as Article 2(2)(d) of Directive 2006/123/EC [...] on services in the internal market excludes transport activities from the scope of that directive, must the activity carried out for profit by the defendant, consisting of acting as an **intermediary between the owner of a vehicle and a person who needs to make a journey** within a city, by managing the IT resources — in the words of the defendant, ‘intelligent telephone and technological platform’ interface and software application — which enable them to connect with one another, be **considered to be merely a transport service or must it be considered to be an electronic intermediary service or an information society service**, as defined by Article 1(2) of Directive 98/34/EC (2)[...]?”

**ONLINE PLATFORMS**  
**REDUCE**  
**TRANSACTION COSTS**

# Non-professional providers

- First consequence: Non-professional players can start providing services.
  - Blablacar, UberPOP (but also AirBNB, etc.). So-called “collaborative economy”.
- Efficiency is increased as under-used assets are exploited with more intensity: good for the environment.
- Congestion is reduced as the use and even ownership of vehicles:
  - Stockholm: online platforms have reduced in 37,000 the number of daily trips by car (3% of the total), reducing the number of active vehicles in the city by 18,000 (5%).  
Copenhagen Economics, Economic benefits of peer-to-peer transport services, 25 August 2015, <http://www.copenhageneconomics.com/dyn/resources/Publication/publicationPDF/0/320/1441009386/economics-benefits-of-peer-to-peer-transport-services.pdf>.
  - Paris: reduction of 22,000 vehicles has been estimated for Paris. Each vehicle which uses an online platform substitutes four private vehicles and frees three parking spaces. 6t-bureau de recherché, Usage, users and impacts of private hire services, June 2015, <https://s3.amazonaws.com/uploads.hipchat.com/17604/906311/GmYyD2WeqDCCrc2/Executive%20Summary%206T%20Study%2009212015.pdf>

# Collective transport

- Reduction of passengers in collective transport modes.
- Association of Coach Companies in Spain filed a lawsuit against Blablacar (unfair competition).
  - It was claimed that Blablacar was offering 25% of the available coach seats in the most relevant routes (Madrid-Valencia, Madrid-Granada) at specific times (usually long weekends and alike).
- Impact smaller in railroad transport in Spain, as it is focused on more expensive high-speed trains.
- Is it reasonable to adopt new regulatory measures?
  - Prohibition? More flexibility on rate regulation? Fees to support public service obligations?

# New possibilities

- Possibility to lower the cost to reach the hub (bus-station, train-station, airport), making over-all mobility cheaper and faster.
- Multiplication of multimodal transport.
- Long-term increase of passengers, as they do not own cars.

# Who is the owner?

- Multi-modal trips enhanced by lower transaction costs, but...
- Transport provider could end-up being “put inside a box”, with no contact with the passenger.
- Who will be the interface with the passenger?
  - New online platforms?
  - Google?
  - Traditional transport players?