

How socially conscious GoGet is changing Australian transportation

When Bruce Jeffreys and Nic Lowe founded the GoGet car sharing service in 2003 with just three vehicles shared among 12 neighbors, they could not imagine the meteoric success they would eventually reach. Since 2013, GoGet has amassed more than 3 million bookings and now holds 15 percent of Sydney's drivers as its members. GoGet's path to success is a story of how a socially conscious idea can explode through smart leveraging of community relationships.

The right idea at the right time

"The idea was one car shared amongst a group of people," Jeffreys recently told Andrew Warner at the Mixergy Podcast. "It was about having a car that was accessible to many people. It was a very simple idea...when I saw it happening in San Francisco, it made me realize if it can work for Americans, it might work for Australians," he said.

It was the right idea at the right time. Australian urban areas had been battling extreme vehicle congestion and a lack of enough parking spaces. Owning a vehicle was becoming increasingly cumbersome and expensive. A 2016 [Austroads Congestion and Reliability Review](#) by Deloitte showed that Sydney has some of the slowest and most congested roads in Australia and New Zealand. The National Roads and Motorists Association also showed that in 2014 the average cost of owning and operating a private vehicle in Sydney is more than \$5,000 per year for a small and fuel-efficient car.

Despite this, GoGet's road to massive growth was not smooth. For the first 10 years, the company grew slowly, spending many years trying to overcome a cultural affinity among Australians for car ownership.

"I think the biggest thing is training the member, giving the member information...(because) members educate members," Jeffreys said.

Building relationships

GoGet first tested the idea of car sharing on a hot day at a local festival, handing out flyers and watermelon. In their informal conversations with appreciative visitors, they began to plant the idea that customers don't have to own a car, or rent an expensive car just to run a few errands for a couple of hours. Another strategic relationship that helped convince customers of the convenience of car sharing was establishing a partnership with IKEA in 2012, which allows store customers the convenience to take their furniture home with GoGet vehicles.

The major key for GoGet, however, has been getting the councils on board. The councils are responsible for giving parking permits, so at first the company had to

park its cars in limited grey areas where council laws did not prevent them from operating. Understandably, interested drivers had a hard time finding and accessing GoGet cars.

“In the early days, the councils, they’d never heard of car sharing and there was zero interest,” Jeffreys said.

GoGet decided to reach out to the councils by hosting a conference for councils and policy people keynoted by transport expert. They were able to build momentum by convincing the North Sydney Council to give GoGet designated spaces for their cars that were marked with the GoGet logo.

“You get fined if you park in it if you’re not a CarShare car. They really got the ball rolling. From there, other councils then joined,” Jeffreys said.

The results are clear. GoGet is currently has the biggest market share of the three car sharing companies operating in Sydney. A review commissioned by the International Carsharing Association indicates that about 20,000 Sydney residents are now using car-sharing services with more than 805 vehicles. Considering that the population of Sydney alone is expected to grow by 22 percent in the next decade, the Sydney council’s cooperation with car sharing has played a major role in making sure that vehicle congestion in the city doesn’t also increase. Sydney now has 10,000 fewer vehicles than it would have had without supporting car sharing.

Being socially-conscious

The key for GoGet was also to show that the benefit of car sharing goes beyond just reducing urban vehicle congestion, reducing vehicle ownership costs, and freeing parking spots. The councils were convinced by the environmental benefit of car sharing, because reducing vehicle congestion naturally means reducing vehicle CO2 emissions.

In 2016, transport was the third largest source of emission in Australia, according to the Australian Climate Council, and 85 percent of transport-based emissions came from road vehicles. While the similar American service Zipcar only charges an hourly rate for car usage, GoGet decided to charge less per hour while adding on a fee per kilometer.

“For us, an important thing was that we don’t want people driving too much. That was part of the rationale of the program,” Jeffereys explained.

Looking ahead

Since 2013, GoGet car sharing has led to 37 million fewer vehicle kilometers driven, has removed 20,000 vehicles from Australian cities, and has reduced vehicle kilometers driven by 20,000. It has also freed 80 kilometers of curbside parking.

“To us, it wasn’t clever. We had no money. We didn’t know if it was going to work. So we really just did what we could. The most important thing...is we trusted the members. I think that’s the key thing,” Jeffreys said.

GoGet has also launched separate car share services for seniors and people with disabilities, and has created a car share management system allowing universities and governments to reduce their fleet sizes by half. Always placing a higher importance on making a difference over profit, GoGet worked hard to make sure they provided a socially conscious service. It paid off. We live in a society that admires both innovation and social activism, and the old-school perception that businesses should only care about profit no longer appeals. As GoGet’s story shows, a business can be successful, but first it must connect with people and prove that it cares.