Why New Mobility Providers Fail to Attract Car Drivers: A Behavioral Accounting Perspective

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Abstract

New mobility offers, such as microtransit and scooter sharing, have failed to change travel patterns of current car users. We take a cost perspective and show that behavioral accounting effects lead to a skewed cost perception, thus reducing competitiveness of alternatives. Conducting an empirical exploration of urban travelers, we show that car drivers estimate traveling cost not rationally but depending on trip characteristics and are influenced by cost education. Segmentation analysis shows that particularly habitual and technology-averse consumers are susceptible to this effect. We illustrate that new mobility offers are ill-adjusted to preferences of car travelers, but are more attractive to current transit users, possibly leading to cannibalization. Consequently, we propose targeting work instead of leisure trips, reducing gaps in price perception, and adopting segment-specific marketing techniques as strategic means for mobility providers and regulators to address car drivers.

Keywords: *Urban transport; Mental accounting; Consumer archetypes*

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