Research on Promotion Strategy Optimization of Shared Bicycles——Taking Kunming City as an Example

Yufei Hu
Kunming University of Science and Technology Oxbridge College, Kunming City, Yunnan Province, 650000, China

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Abstract: The sharing of bicycles has become a hot product for people in the streets and lanes. Its appearance has facilitated people's lives and solved the short-distance travel problem of people's "last mile". Its cause of introduction to the market is little known, but it is worth learning. Taking Kunming City as an example, this paper analyzes the causes of the successful launch of Mobike bicycles from the perspective of shared bicycles.

1. Introduction

Since the reform and opening up, China has gradually formed a diversified urban transportation system consisting of rail transit, buses, cars, motorcycles and non-motor vehicles, which has facilitated the various travel needs of residents. However, this has also brought many problems, especially environmental pollution, road congestion, and frequent traffic accidents, which have become an urgent problem to be solved in urban transportation. With the continuous development and progress of the society, “green, healthy, efficient and safe” has become a new requirement for modern urban transportation. As a new green transportation vehicle, public bicycles are environmentally friendly, convenient, flexible and healthy, which is conducive to alleviating traffic pressure and supplementing urban public transportation. Therefore, in the face of the current negative externalities of urban transportation, the development of public bicycles has become an important choice for many cities at home and abroad.

Slow traffic is getting more and more attention. Environmental pollution and traffic congestion have made people find that green sustainable development of slow-moving transportation is necessary and feasible, so slow-moving traffic is indispensable in urban comprehensive transportation planning. According to statistics, as of January 2017, nearly 500 cities and regions in China have built public bicycle rental systems, investing about 2 million bicycles, and renting 6 million people a day [1].

The advantages of public bicycles are huge. First, no waste gas, no noise pollution, can effectively optimize the urban environment; second, low-carbon transportation, energy conservation; third, bicycle resources sharing, people can reduce or even not need to buy private bicycles; fourth, relative to other modes of transportation, less investment, The effect is quicker; the fifth is to facilitate the connection with the bus station and improve the coverage of the bus network, which can be extended to urban commercial points, public buildings, communities, schools and scenic spots.

The development of public bicycle transportation in China is not mature enough. In recent years, many public bicycle projects in many cities in China have experienced various problems in their operation due to lack of professional evaluation, including the unreasonable layout of rental points, resulting in the convenience and accessibility of bicycle rental points. Caused some unnecessary losses. For example, the early public bicycle system in Wuhan initially invested a large number of public bicycles but was seriously damaged and disposed of due to poor management in the later period, resulting in huge waste of resources.

The rapid development of commercial shared bicycles has had an impact on the use of public bicycles. Since 2016, all kinds of commercial shared bicycles including ofo Xiaohuangqi, Moby Bike, Cool Cycling, Yonganxing, etc. have been continuously developed and promoted in large and
medium-sized cities in China, with novel styles, scan code rental, no The advantages of pile parking and accurate positioning have attracted a large part of the use of people, especially young people, which has challenged public bicycles, especially in terms of technological innovation and service upgrading.

As an important capital city in southwestern China, Kunming has a rapid growth in urban motor vehicle ownership, but there are still insufficient road transportation infrastructures and mixed traffic phenomena. According to the “Analysis of China's Major Cities' Traffic Analysis in the Third Quarter of 2016” released by Gaode Map, Kunming ranks fourth among the nation's congested cities, so the choice of bicycle-based travel has a certain advantage in Kunming residents. Therefore, after sharing bicycles into Kunming, they were enthusiastically sought after by the public. At present, three shared bicycles have entered in Kunming, namely OFO, Mobai and Yongan. However, while sharing bicycles and winds, it also exposed many problems, such as the unreasonable distribution of shared bicycles and the lack of timely maintenance of damaged vehicles. These issues directly affect user satisfaction and loyalty, as well as the use of shared bicycles. Therefore, this paper takes Kunming City as an example to study the optimization of the promotion strategy of shared bicycles, and then realize the green travel and alleviate the traffic congestion in Kunming, which has certain reference significance [2].

2. The Characteristics of Urban Public Bicycles and the Theoretical Basis of Production

Compared with private products, public goods have two basic characteristics: non-exclusiveness in terms of benefits and non-competitiveness in consumption. The non-exclusiveness of benefit means that once the product is supplied, no one can be excluded from the consumption of the product.

According to the two basic characteristics of public goods, public bicycles have limited non-exclusive and insufficient non-competitiveness, not strictly public goods (ie "pure public goods"). However, according to Buchanan’s “club product” theory, judging whether a product belongs to a public product does not depend entirely on non-competitive and non-exclusive, as long as it is an article or service provided by the organization or collective for collective interest through the collective organization. That is, public goods, public bicycles can be called quasi-public products. The public interest of public bicycles is reflected in their positive externalities. Positive externalities mean that the income of individual enterprises or individuals is greater than their individual income, that is, “interest spillovers”. Bicycles are characterized by low energy consumption, low noise, no pollution, and high accessibility. They are veritable green vehicles. Bicycles can be used for personal transportation and exercise. In the society, the implementation of public bicycles can effectively solve the problem of accessibility of large-capacity public transport such as subways and buses, and effectively solve the "last mile" problem of citizens' travel. Public bicycle projects have an inestimable effect in alleviating urban traffic pressure and reducing urban pollution. The solution of these problems is of great significance to the effective operation and sustainable development of the whole society, and also reflects the “interest spillover” of public bicycles [3].

Under the established conditions, when the resource allocation is such that the improvement of one's welfare will inevitably cause the welfare of another person to be impaired, this resource allocation is an efficient resource allocation. Configuration efficiency requires that the marginal cost (MC) of resource allocation equals the marginal benefit (MB). One of the important characteristics of public goods is that when a consumer is added, the marginal cost of goods is zero. According to the configuration efficiency condition (that is, the marginal cost is equal to the marginal benefit), the allocation of resources to achieve social marginal benefits is also zero. In other words, all people who can benefit from the provision of public goods should be allowed to consume these goods. Therefore, configuration efficiency has actually implied a kind of - and only an effective state of public goods supply, that is, when the social marginal benefit (MSB) of public goods is equal to the marginal cost (MSC) of providing these public goods. Determined production supply. Therefore, the optimal supply of public bicycles should be an effective supply state, that is, when the social
marginal benefit (MSB) of the public bicycle is equal to the production supply determined when the marginal cost (MSC) of these public bicycles is provided.

3. Public Bicycle Promotion Strategy Optimization Recommendations

3.1 From the Government Level

Rationally divide the responsibilities of the company and the government, and strengthen cooperation between the governments of the company.

The existing Guangzhou Public Bicycle Management Co., Ltd. is state-owned, and Guangzhou Ruitu Bicycle Rental Co., Ltd. is privately owned. The two have not achieved effective complementarity. The government and enterprises have each contracted themselves. Guangzhou Public Bicycle Management Co., Ltd. purchases self-vehicles at a cost of about 580 yuan per vehicle, while the usage is quite high and the recently popular ono bicycle cost is only over 200 yuan. The side reflects the inefficiency and cost of the government alone. The government should be responsible for guiding, enterprises to compete for management rights and responsible for specific business operations. At the same time, due to the public welfare of public services, the government should sell part of the income projects to enterprises and promote the sustainable development of public services.

Public bicycles are quasi-public products, and the role of local governments in the construction of quasi-public products is a key factor affecting the development of quasi-public products. Slow traffic and bicycle travel should be included in the overall planning of urban transport. (1) Change the situation that the bicycle road is encroached by the motor vehicle road, and incorporate the construction of the bicycle road network into the overall traffic planning. (2) Pay attention to the planning of public bicycle service outlets, combining the surrounding population, the status of public transportation stations, and road traffic conditions. (3) Unify the outlets, rental points and prices of public bicycles, realize the use of bicycles to pass the loans, and benefit the people and the people, so that the "last mile" problem can be effectively solved.

Since the Guangzhou municipal government did not truly incorporate public bicycles into the urban public transportation system, the government is reluctant to increase its financial subsidies. As a quasi-public product, public bicycles require continuous financial subsidies to enable public bicycles to develop and develop. Moreover, the root cause of the financial situation is that the private sector cannot effectively provide public goods to meet public demand. Therefore, the government has no obligation to increase financial subsidies for public bicycle construction and is obliged to disclose the financial subsidies for public bicycle development. Policy support is a strong backing for the development of public bicycles. The government should adopt policies to incorporate public bicycles into the urban public transportation system. It requires urban transportation departments to rationally design bicycle lanes, and to separate motor vehicles in space by setting guardrails and isolation belts. Non-motor vehicles should increase penalties for illegal bicycle traffic, ensure traffic safety, and improve traffic efficiency [4].

The government should supervise how the company manages the deposits paid by the citizens. Companies should be required to set up special accounts for user deposits and prepaid funds, implement special funds, and require disclosure of the management model of funds. For enterprises with large scale operations and stable operations, enterprises may be encouraged to use partial deposits for investment, but strictly limit the proportion and scope of investment by enterprises to maintain the liquidity and safety of the deposit. The government should supervise the pricing of rented bicycles by enterprises and ensure that public bicycle projects have certain public welfare. Urban management should actively rectify the bicycle rental market in Guangzhou, standardize bicycle rental procedures, and customize the market exit compensation policy for bicycles that are not standardized in private rental stalls.

3.2 From the Company Level

The majority of the success of public bicycles stems from the scale effect. It is necessary to
improve the current status of the two public bicycles, to achieve regional connectivity, to facilitate the access of bicycles across regions, to share fixed costs and management costs, and to achieve economies of scale.

At present, there are few supporting facilities for bicycle storage points in Guangzhou, and the service kiosks can be intensively utilized through cooperation and leasing. Commercial services such as travel consultation, beverage sale, lottery sale, and auto training registration can be added to achieve “one pavilion multi-purpose”. In Hangzhou, the service kiosk cooperated with Guangfa Bank and Hangzhou Bank to carry out the transformation of Yinting; cooperated with mobile to build a mobile service base station, and promoted the commercial development of the service kiosk. Guangzhou should choose to fully expand tourism consulting, beverage sales, advertising, newsstands and other services according to the province's own situation.

Public bicycles in Paris still maintain an initial annual fee of 29 euros when raising public bicycles in many other cities. On the one hand, it contributes to the stable use of the membership deposit and on the other hand helps to increase income.

Establishing a local public bicycle brand and developing peripheral products are also important aspects. Guangzhou public bicycles can combine local characteristics and tourist attractions, cooperate with stakeholders to promote urban public bicycles, establish local public bicycle brands, promote brand peripheral products such as cups, mobile phone bags, shopping bags, etc., and on the official website, sell. In addition to the naming of bicycle brands, the brand image of the company must have all aspects of market positioning, grade positioning, cultural positioning, etc., and more importantly, the grasp of the global system. In addition, you can also use bicycles to red envelopes, bicycles to accumulate carbon credits for snack movie tickets, and other activities to reward the "sportsman" of cycling bicycles, in order to encourage people to travel green and increase the use of bicycles.

In the DART practice model, dialogue, acquisition, risk assessment, and transparency are four important practices for companies to build a value-creating environment. The bicycle operating company should strengthen dialogue with users and establish a service information platform to engage users in dialogue, obtain effective information and enhance the sense of experience, such as selecting online outlets and design schemes through online voting and commentary. Meet the needs of users, ensure that information and resources are highly transparent, reduce information asymmetry with users, and establish a good trust relationship with users. Second, companies should regularly maintain and repair bicycles to reduce the risk of cycling accidents and protect users' private information. Creating a good civilized social atmosphere and promoting civilized construction are also the social responsibilities of the company [5].

4. Conclusion

The new form of shared bicycles has also developed various problems, such as the accuracy of bicycle positioning, the timeliness of maintenance, and the rationality of the number of distributions. The satisfaction among users is not high. The shared bicycle travel mode has been widely accepted by residents, but the shared bicycle service platform still has many shortcomings in vehicle distribution and service maintenance. Only by constantly discovering problems and solving problems can we more satisfy the user's travel needs, thus enabling shared bicycles. Get positive and healthy development.

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