

**INVERS**

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# **INVERS Mobility Barometer**

## **Vol 1: European Car Subscription**

The first edition of our Barometer  
with changing topics

[invers.com](https://invers.com)

August 2022

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# 1

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## Intro

**Getting started with  
definitions and scope**

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# Introducing the **INVERS** Mobility Barometer format

The mobility data jungle turned into  
easy-to-digest insights

The *INVERS Mobility Barometer* is a brand new publication format. We aim to share market insights by publishing selected research results from related industries and learnings from market experts and practitioners.

The Barometer will be always free of charge and will cover different new mobility services. We are very excited to cover the **European Car Subscription Market** in this first edition.

The publication focuses on public information and includes no “insider” knowledge from customers or other stakeholders.



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# Aims and objectives

## How this study can help

This INVERS study aims to help stakeholders from the car subscription industry and beyond to quickly **understand selected key market dynamics, insights and trends.**

Special attention is paid to aggregating and highlighting industry expertise through:

- industry **interviews**
- an industry white paper **meta study**
- and an exploratory desktop study on **existing data points** from some key statistics.

This publication builds on existing insights and provides new insights through industry interviews (pp. 19-25). The data and values presented here may not be representative of the industry as a whole; they're meant to provide an introductory overview of the market.



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# Key elements of our Barometer

Highlighting the “European Car Subscription” market



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## 1: Meta study

We **highlight selected external industry reports and list some external research findings**. By doing so we provide a fast track to existing corporate research findings.

Deep dives we conducted:

- Deloitte (2021)
- Faaren (2022)
- Berylls (2021)



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## 2: Interviews

Additionally we interviewed **eight car subscription experts** about their experience and insights.

Interview partners are active in...

- Austria
- Germany
- Greece
- Norway
- Netherlands
- Sweden
- Switzerland



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## 3: Data Playground

With the help of a **desktop study** we researched publically available data insights to guide and inspire you in your own research.

We looked at four insight categories:

- User
- Usage
- Vehicle
- Market



# What is car subscription?

## Setting the stage

Car subscription fills a gap between existing vehicle service offers such as car rental, leasing and carsharing. The below description by Deloitte (2021, p.9) of this new service offer is very on point:

“Vehicle subscriptions work similarly to other well-known subscription models, e.g., from the music industry: customers pay a flat monthly fee that grants them access to a vehicle (or music) that they can use as they please (within the terms of the contract). Once customers no longer need the vehicle (or music), they have the flexibility to terminate the contract or to upgrade or downgrade to a different vehicle category/type (or account type) that better suits their needs. This gives customers the advantages of leasing/buying (...) combined with those of car-sharing/ride-hailing (i.e., flexible mobility without a prolonged financial commitment or the hassle of vehicle maintenance) in a single convenient product. (...)”

The idea of non-ownership car usage is not new in the industry; there have been services that offer parts of the above mentioned service spectrum. However, the combined product properties, market share, framing, and customer demand are certainly new market developments and explain why we speak of a new, innovative product segment in the industry.

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# Selected product properties

Typical service properties of car subscription services



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## Open contract time

(+ short notice periods)



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## Fast onboarding

(often within days)



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## Digital user experience

(no in-store check-in needed)



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## Hassle-free

(tax, repair, insurance, etc. included)



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## Flexibility to change car

(upgrade/downgrade)

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# Car subscription in Europe

The market is growing and changing



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## European market is growing

- The web traffic of pure car subscription providers in the best-served European markets has grown by 70% from May 2021 to 2022 (MAIF international 2022).
- In 2020, the global car subscription market was valued at 4 billion USD. 2030 revenue is estimated at 13.5 billion USD (Precedence Research, 2021).
- For the EU-5 (France, Germany, Italy, Spain, UK), 100,000-130,000 subscription contracts were estimated to have been newly signed in the industry in 2020. For 2030, the CAR Institute expects 2-4 million annual new contracts (Berylls 2021). A promising growth perspective.



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## More and more market players

- The car subscription market is served and addressed by many **startups**; we interviewed some later in this report. Startups drove much of the early innovation in the industry.
- Additionally, **OEMs** (like Care by Volvo or Lynk & Co., VW, Stellantis or Renault through their acquisition of Spain-based provider Bipi), **dealerships** as well as **leasing and rental companies** are increasingly serving the space.
- The market has been constantly evolving in the past years.

# 2

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## Meta Study

**Key insights and takeaways from other studies**



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# Approach

## How and why we conducted the meta study

In our meta study we highlighted selected external industry reports and aggregated external research findings to provide a fast track to existing research results.

How did we choose the studies for our meta study deep dive?

- Relevance to car subscription
- Major insights
- Ideally a focus on Europe
- Ideally not older than two years
- Focus on corporate publications and findings of business consultancies

In the end, we highlighted ten publications. Each publication has their own industry insider-knowledge and data research methods.

We analyzed three publications in more detail and shared some of their main findings and USPs (Unique Selling Propositions) in our deep dives on pp. 14-16.

# Some corporate studies we enjoyed reading

How to quickly scan and understand the market - studies to look at:

deep dive studies

Publisher	Year	Title	Why read it?
<b>Deloitte</b>	<b>2021</b>	<b><u>Vehicle-as-a-Service: From vehicle ownership to usage-based subscription models</u></b>	Definitions ranging from car subscription to car rental. Thorough overview of the market and insights on future developments.
<b>Faaren</b>	<b>2022</b>	<b><u>Car Subscription Report 2022</u></b>	Aggregated customer insights with concrete data points from Germany such as average subscription rate, gender gap, or EV share.
<b>Berylls</b>	<b>2021</b>	<b><u>Snapshot of the European Auto Subscription Market</u></b>	The paper shows that the market goes beyond startup players and also covers OEMs, non-auto corporates and dealers/rental businesses.
<b>Accenture</b>	<b>2020</b>	<b><u>Unlock the value of mobility services. Turning business models into profits.</u></b>	Perspectives around mobility service market growth before COVID-19, market definitions or barriers to profitability.
<b>Arval</b>	<b>2022</b>	<b><u>Mobility and Fleet Barometer 2022</u></b>	7,500+ interviews with company fleet decision makers. Focus on classic leasing and rental and their relation to new mobility solutions.
<b>BCG</b>	<b>2021</b>	<b><u>Will car subscriptions revolutionize auto sales?</u></b>	Not a paper, but an extensive web article. Brief overview of stakeholder classes in car subscription and market trends in 2021.
<b>Berylls</b>	<b>2022</b>	<b><u>VaaS: From vehicle sales to customer and vehicle lifetime value management</u></b>	Highlights major VaaS trends that impact the car subscription space. n=2,000+, Gen X-Z, private customer survey from Germany.
<b>McKinsey</b>	<b>2020</b>	<b><u>Subscribed to future auto finance yet?</u></b>	Focus on leasing and rental at the beginning of COVID, but includes implications and links to car subscription.
<b>Oliver Wyman Forum</b>	<b>2022</b>	<b><u>How Urban Mobility Will Change by 2030</u></b>	Analyzes 13 mobility services including car subscription. More than 9,000 respondents in 10 countries surveyed.
<b>Simon-Kucher</b>	<b>2022</b>	<b><u>Global Automotive Study 2022</u></b>	Global overview of major VaaS and car ownership trends. 10,000+ customer survey.

# Our three deep dives at a glance

All three papers include recent results and offer overview and insights



## Deloitte

### Vehicle-as-a-Service: From vehicle ownership to usage- based subscription models

Very thorough overview of the market status quo and insights on future developments.

**USP:** The authors do a great job in defining the fuzzy space between car subscription and car rental and other more classic business models. More aggregated market insights.



## Faaren

### Car Subscription Report 2022

The Faaren report is a very visual, graphic, brief 24-page publication.

**USP:** The report stands out by providing aggregated customer insights with concrete data points from Germany, incl. on average subscription rate, the gender gap, and EV share. Fast read and first hand operative industry insights.



## Berylls

### Snapshot of the European Auto Subscription Market

Brief but insightful analysis of selected trends and provider type case studies.

**USP:** The snapshot does a good job in quickly enabling readers to understand the different provider type classes with operator examples. Type classes include for instance OEMs, startups and non auto-corporates.

# Selected insights: Deloitte Report

## Vehicle-as-a-Service: From vehicle ownership to usage-based subscription models

The report focuses on the shift towards car subscription services in the EU5 (France, Germany, Italy, Spain and the United Kingdom) and gives guidance on how to manage the transition. The analysis stands out by putting car subscription into perspective in an increasing VaaS-based mobility product portfolio (p. 9). We also enjoyed and value the “Subscription Product Design Spectrum” analysis (p. 11) that compares subscription to rather traditional vehicle ownership models along eleven product properties.

**10bn €**

**Revenue estimate for 2022**

For France, Spain, UK, Germany, and Italy based on 2021 data

**>22bn €**

**Expected shift to car subscription**

By 2025, in France, Spain, UK, Germany, and Italy alone

**8%** **Market share expected by 2025**

Of all new vehicle registrations in relevant customer segments

**Used cars are trending as well**

Market opportunities not only for new cars

**Trend** **Towards regular flexible revenue**  
Instead of one-off market sales

**Superior** **Customer Experience**  
USP of subscription services

# Selected insights: FAAREN Report

FAAREN

## Car Subscription Report 2022

FAAREN is a German car subscription provider that annually publishes its user-centric and vehicle-analyzing car subscription report. The data is based on a representative sample of 1,000 bookings, with 30 brands and 200 models. Though focusing on one specific offering, it provides ample data for hypothesis generation and business model modelling.

We also interviewed FAAREN's CMO Konstantin in the interview section (p. 20) for more in-depth insights.

**530 €**

**Avg. subscription rate**  
Monthly cost for user

**75%**

**of users are men**  
Gender gap similar to shared mobility usage

**>50%**

**Of users from small cities**  
With less than 100,000 inhabitants

**1.54%**

**Subscription factor**  
Indicates the subscription rate in relation to the gross list price of the vehicle

**55%**

**Book via smartphone**  
56% of which via iPhone

**13 month**

**Avg. runtime**  
Subscription duration

# Selected insights: Berylls Report

## Snapshot of the European Auto Subscription Market

The brief white paper helps readers understand the different provider type classes and highlights top-level trends. The authors showcase four case studies with different car subscription provider types to underline the heterogeneity of the current European car subscription market.

**2 Traditional stakeholder types**  
OEMs and independent dealers/leasing/rental added car subscription to their existing car retail business

**2 Challenger types**  
Startups and non-auto corporates challenge the car retail market via car subscription services

**Up to 4M**

**Potential new contracts in the EU-5 by 2030**

Massive growth expected in car subscription

**VLV+**

**Maximizing vehicle lifetime value (VLV)**

The authors see car subscription as a key VaaS puzzle piece to increase revenue potential

**>open**

**Market has been opening up in the past**

New challengers enter(ed) the market

**100-130K**

**Car subscription contracts in 2020 in EU-5**

The industry started small and is currently gaining traction and growing

# 3

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## Interviews

**Talking to experts from  
the car subscription  
provider space**

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# Listening to car subscription experts

We invited some selected industry experts to share their insights

This barometer edition is a joint effort from many people. External report authors, industry experts, operators, scientists and suppliers, just to name a few sources for our findings. For this section, we sat down with eight industry experts and asked them four questions designed to uncover insights on their company USPs and history.

The subscription providers that we interviewed run their businesses across many European markets such as Austria, Germany, Greece, the Netherlands, Norway, Sweden, and Switzerland.

Our interview takeaways not only build on the previous meta report findings but add further ideas, thoughts, hypotheses, impressions and facts. Topics we touched on include: growth and business strategies, USPs, pivots, electrification, user insights and industry outlooks, among other aspects.

**imove**

**aboDeinauto**

**CARIFY**

**instacar**

**FAAREN**

**FINN**

**ViveLaCar**



## Max-Josef Meier

CEO & Co-Founder at FINN

"FINN revolutionizes conventional car ownership and makes driving as easy as buying shoes online", the company states. The company is active in Germany and the US and wants to grow to a global fleet of 30,000 vehicles until end of 2022. They closed a 110 million USD funding round in summer 2022 which they plan to use for growth in the US and Europe.

[www.finn.auto](http://www.finn.auto)

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### How do you choose the vehicles in your fleet?

We primarily choose them based on our target customer's needs. We at FINN focus on targeting young families and adults in their 30s and 40s, as well as small and medium-sized businesses. As a consequence, we wish to offer relevant cars for those groups in large demand, namely SUVs of all sizes (from XS to XL). Furthermore, we wish to increase the amount of electric vehicles in our fleet to make mobility sustainable and facilitate the adoption of EV's.

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### You started recently in the US. How did that go, and what were major challenges?

The first difficulty was setting up everything from scratch, such as securing fleet financing (200m facility), insurance cooperation, and OEM partnerships, taking us nine months to go live. However, we overcame this difficulty by finding a great insurance partner and securing

200m asset-backed financing for our fleet. Nevertheless, further challenges came up, mainly because of our expansion plans. Due to legal reasons, particularly taxation and regulations, expanding to further US states was not as easy as expected. However, we are excited about tackling these challenges as demand is enormous, and the subscription model is accepted very well in the US.

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### Which European markets do you think work best for car subscriptions?

Overall, markets with the steering wheel on the left-hand side should be preferred as those markets are better suited for remarketing. Other than that, pretty much every market can and will work. Factors that make a market more or less attractive would be the competitive landscape, the rate of EV adoption, and leasing popularity. In this light, for instance, Nordic markets seem like a good fit.

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### Looking into the crystal ball, which market importance can car subscription gain in the coming years compared to classic models like leasing and rental?

Due to several strong trends, we believe car subscriptions will become more and more important in the upcoming years. One of the trends is the overall rise of the subscription economy, with more and more customers demanding flexibility in all aspects of life. In addition, given the transformation of the mobility market towards electric vehicles, subscriptions allow customers to test drive EVs without making long-term commitments. This way, EV adoption is facilitated. Simultaneously, the strong e-commerce adoption, which, according to McKinsey, is expected to grow between 10-25%, makes models such as FINN even more attractive. Lastly, we expect car subscriptions to capture a large part of the auto e-commerce market for new cars, as it is even easier than leasing or financing.



## Konstantin Stenzel

CMO at FAAREN

FAAREN is an international SaaS provider for car subscriptions. They enable automotive companies to become a car subscription provider on their own and define the product according to their own needs. The company was founded in 2018 and publishes the Car Subscription Report annually.

[www.faaren-group.com](http://www.faaren-group.com)

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### How important are USPs in the car subscription market? What are yours?

FAAREN is differentiated by three key USPs.

1. Software solution: with our white label software, the customer can quickly become a subscription provider himself. Our software solution is highly flexible and can be adapted to the individual requirements of each customer.
2. Subscription product: the customer can define his own subscription product. He determines all conditions, such as the subscription prices and has full control over his vehicles.
3. Brand building: our customer offers his subscription product under his own brand and is the direct contractual partner of the subscription customers.

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### In your recent Car Subscription Report 2022, you mentioned that one in four car subscribers are female. Why do we see an underrepresentation of women in car subscription?

Statistically, about 2/3 of vehicles in Germany are registered to men, which is very similar to the subscription model. Also the range of vehicles offered in the subscription is crucial. Women and men have different preferences when it comes to vehicle selection, which influences the gender ratio.

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### What car subscription trends do you foresee for the coming years?

Car subscription enables flexible and stress-free access to mobility. Subscription customers can flexibly choose their contract length, books completely online and can drive the car in a few days. Electrified vehicles in particular benefit from these advantages, as subscription customers do not have to commit for a long duration. New brands such as GENESIS also have an easy entry into new markets with a car subscription model. Both scenarios will be seen more and more.

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### What role does regulation play? What do you wish for from the political side?

The regulations have no direct impact on the distribution of our software to B2B customers. However, there are regulations in the automotive industry, such as the ban on internal combustion engines in the EU from 2035, which affects our customers. In order for our customers to better cope with the new challenges, we are developing new products for them, such as extra services and e-car subscription services. Car subscription customers' demands on how and what they use for their mobility are changing fast. Therefore, e.g., subsidization should go in the direction of the employee's mobility budget.



## Hans Kristian Aas and Jordan Symonds

CEO & Head of Communication imove

imove empowers companies to offer car subscription services through “leading technology and experience”. Their platform enables multi-channel distribution and gives providers the tools to scale their service profitably. Partners include OEMs, dealerships & importers, marketplaces, and non-automotive players like insurance or finance.

[www.imovemobility.com](http://www.imovemobility.com)

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### How does car subscription differ from a rental or leasing car and what do customers love about it?

Car subscription is a flexible alternative to leasing that often bundles other car expenses or services like insurance, maintenance, tire change, etc. into one flat monthly fee. Car subscription is not short-term like a traditional rental. Many car subscription services have a minimum subscription period ranging from 1-6 months depending on the terms and conditions. Users love car subscription because it’s flexible and hassle-free. There is a completely digital booking process and one flat monthly fee that makes car expenses easy to predict. Some concepts also include services like car swap, at-home tire change, and roadside assistance.

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### What is/are your USP/s and why do they matter?

Through our leading technology and experience, we enable providers to offer car subscription services that delight their end-users. Since 2018, we have been operating subscription services and paving the way for how to scale profitably. We operate our

own, fully electric, services in Norway, Sweden, and the Netherlands which enabled us to purpose-build our technology to solve the problems of providers. Our imove Norway EV services have been voted Best In Test and have the highest car subscription TrustPilot rating in the world. End-users have access to their car for a flat monthly rate and only a one month minimum. The subscription includes insurance, roadside, assistance, at-home tire change, tire hotel, and the option to swap cars when needed.

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### What’s your view on the role of a harmonizing tech stack? How do you integrate your hard- and software solutions?

imove EV has installed INVERS hardware in all our cars. We have integrated with INVERS’ API allowing us to have real-time telematics on our fleet. The device sends telematics data to the cloud API which then sends events to our telematics service. “Events” include the car’s mileage, battery level, and car status, for example. This event is also sent as an event update to our back-office system and stored in our database.

Our back-office system is what we work in every day to optimize our service and the integrated data from INVERS is crucial in our decision-making.

We use INVERS data to predict vehicle value and trigger recommendations when vehicles need price adjustments or should be sold out of the fleet.

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### Can you shed some light on your typical car subscriber?

A typical imove EV subscriber in Norway is looking to access a car in a flexible way. Most of our subscribers are urban and have many mobility options, meaning they don’t want to be tied down by a car sitting on the street. They may use the car on the weekends to play golf during the summer months. They may upgrade their subscription to a larger car during the winter months to fit their skis and have a longer battery range to reach the mountains. They’re focused on sustainability, so they feel good about driving electric and being able to turn off their subscription during months they’d rather bike. The average age is under 40 and they don’t want to finance a car, especially considering the long delivery periods, so they prefer subscription cars.



## Dr. Max Kury

CEO at aboDeinauto

aboDeinauto was founded in 2020 by the Baloise Group and the corporate venture builder Bridgemaker. They are based in Berlin, Germany, and focus on bringing used cars into subscription.

[www.abodeinauto.de](http://www.abodeinauto.de)

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**As one of your USPs, you are deploying a fleet of used cars. We are curious to learn about your customer demographics and personas.**

We currently see four primary B2C segments: (young) parents, expats, car enthusiasts, and people within transition periods. Although the personas are fairly heterogeneous, they are united by a common preference for the high flexibility inherent in a subscription. Within the B2B segment, it's typically SMEs who would like to replace their own fleet or leasing deals with more flexible options. Our typical customer is somewhere in his late-20s to mid-40s and predominantly male (roughly 80%). Don't get fooled by this statistic though, as we see a lot of customers registering their (female) partners or spouses as a second driver, indicating that they might have been involved in the decision process. Lastly, while there's a lot of demand within the cities, we also have a broad array of customers living in the countryside.

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**What is the average age of your fleet?**

Overall, the average age of our current fleet is around three years. Since we generally accept all used cars up to 8 years old, we can deduce that most dealers prefer to put their newer used cars into subscriptions.

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**How does/could connectivity technology create additional benefits for your business and your customers?**

In the medium term, we see a lot of potential for telematics systems. Almost no customer (understandably) likes to pay the penalty for excess kilometers driven at the end of the subscription. Tracking his previous mileage via telematics data, for example, would allow us to warn him early on and negotiate an increase in the mileage package with the dealer if necessary. Next to that, it could also ensure a smoother handover for deliveries and give dealers a greater sense of security, as they could check the positions of their cars in subscription if necessary.

Generally, using car data in the right way will allow a much better allocation of resources and will therefore decrease handling costs which we can then use to further improve the customer experience.

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**You are working closely together with local car dealerships. How does car subscription impact their core business?**

For most dealerships, subscription presents itself as an additional revenue stream. In contrast to other providers, we allow our partners to offer the vehicles offered for subscription also for sale at the same time. This is typically well-received, as the additional business does not cannibalize the core business. However, we also see more and more dealers gradually integrating subscriptions into their core business.



## Mathias Albert

CEO at ViveLaCar

ViveLaCar is a mobility fintech start-up from Stuttgart, Germany without its own vehicle fleet. It uses young used and new cars from brand dealers, which are offered for usage on the digital platform in the innovative and flexible subscription concept.

[www.vivelacar.com](http://www.vivelacar.com)

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### **Why is the DACH market (Germany, Austria, Switzerland) seeing a high demand in car subscription services recently?**

Because more and more end consumers are looking for flexible mobility solutions and OEMs, dealers, lease companies and of course car subscription companies are offering various solutions. The demand is rising from month to month. Especially in those insecure times, we live right now, everyone tries to be most flexible and also the social change to EV is easier to start with car subscription. The freedom in mind to walk away at any time is the big advantage in these days.

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### **You also offer white label/ co-branded subscription services. How does this work?**

As the partner of OEMs like Mercedes Benz, Hyundai or BMW group we are offering the IT solution and the whole service to bring cars of these brands under subscription.

Free of charge for the dealer and the NSC, cars are still owned by the authorized network or the NSC and we are offering an additional and very flexible service for the OEM. The market entry is easy, fast and very cheap so the advantages are huge for OEMs and the dealer network to cooperate with ViveLaCar.

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### **How do you work with dealerships and what are they telling you about the market development?**

As we don't own the car, the car dealer is our preferred partner. We calculate the profit for the dealer and offer the car on our platforms. After the car is booked, we handle all the service and cover the credit risk. After the car subscription is terminated the car is going back to the dealer. Trading the car, the stock management and the maintenance is up to the dealer. We keep this business to them. In the last few months we learned that our dealer partners would love to be more involved. So we will shift the handover of the car more and more to our dealers in the future for a better brand experience of the consumer and a better introduction of the car.

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### **What is your view on sharing and how can sharing and subscription complement each other?**

Classic car sharing is interesting for a lot of people but its not the solution if you need your car more or less 2-3 times a week in your hometown and if you would like to choose a special type, brand or model. For that reason we developed ViveLaCar ONE – the worldwide first combination of subscription and sharing. Its created for a closed community of users and can be used with our very innovative ONE app. We will present this world sensation in September this year.



## Antonis Samothrakis

Co-CEO and co-founder at Instacar

Instacar is a Greek subscription company, offering cars, mopeds and e-bikes to their customers. They offer subscription cars from various brands including microcars, SUVs, limousines and classic commuter cars.

[www.instacar.gr](http://www.instacar.gr)

### How is the state of the Greek car subscription industry?

Greece is a market with high potential since not only its vehicle leasing penetration is one of the lowest in the EU, but also its residents' fleet is one of the oldest and not well-maintained. Greeks really need to start updating their vehicles and our offering is the most appealing for their needs.

### How is your multimodal vehicle offering with cars, mopeds, and e-bikes perceived by users? Do users switch from one to another vehicle category?

While our service started with cars as the main vehicles, we saw a margin in the market and decided to expand the range and category of our available vehicles. In big cities like Athens and Thessaloniki, but also in islands, there is an increasing need for vehicles other than cars in order for the quality of life to be improved. That's why we broadened our fleet with many micromobility vehicles.

The available e-bikes/mopeds are mainly targeted at our existing customers, so they don't actually switch from a car to a bike, but they end up with a wider range of vehicle options and adjust their needs to what every vehicle can offer to them. On the other hand, micro-cars are focused on people who just want the cheapest available option for moving in the city center and avoiding the higher cost of driving and maintaining a traditional car.

### What are the main risks in running a successful subscription business?

The main risk of this business category is to stay in the ground, realize what your business is and never think that you are running a 100% tech startup or a SaaS business. We are managing heavy assets and we have to build a great supply chain along with a friendly and helpful after sales service, so high UTR (unique transaction reference) and customer satisfaction can both be maintained. Focusing only on guerilla marketing and PR campaigns will not make this business sustainable.

### What is your perspective on running an asset-heavy/asset-light business? What are the benefits of your choice?

By following a hybrid model approach the benefits are pretty clear. For the asset-light business, we need to deploy almost zero capital to increase our fleet, we build stronger relationships with the suppliers and we make the whole supply chain process smoother. Even the "owned" cars are through operation leasing facilities meaning that at the end of the three or four years of maturity we decide if we want to acquire the car or not.

# Webinar: CARIFY weighs in on connected fleet data

Using connected fleet data to reduce costs and improve customer experiences

In July 2022, we invited CARIFY to a webinar to share insights and stories on using data to increase control and improve maintenance of their fleet.

CARIFY is one of the leading car subscription providers in Switzerland with a fleet of >1,500 cars provided in partnership with >300 dealerships.

We sat down with **Sandrine Ploog**, CARIFY's Head of Operations, to discuss how technology that enables hardware-free access to vehicle telematics data helps them get useful data insights with minimal development effort.

[www.carify.com](http://www.carify.com)

## The trouble with complex fleets

Do not underestimate the value of standardized data when working with multiple vehicle brands and platforms.

## Improved user experience

CARIFY is constantly working on improving their customer experience. The right telematics data enables providers to do this more proactively.

## Diverse uses for data

E.g. vehicle location tracking, mileage alerts, proactive asset protection, avoiding voiding warranties, and optimized user experiences.



**CARIFY's data evolution**

- Relied on dealers and customer support
- Dongles:
  - Logistic and supply chain
  - Mapping dongles to vehicles was difficult
  - Too much hassle for customers
- Hardware-free car connection makes handling large vehicle fleets easy

Watch on demand >

# 4

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## Data Playground

Compiling fresh insights

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# Exploring public data insights

Looking at data previously shared by the industry

We researched publicly available data insights with the help of an explorative **desktop study**, to guide and inspire you in your own research.

We looked at four insight categories, which are detailed on the coming four pages: **User, Usage, Vehicle and Market** (more details on pages 28-31).

This data playground is meant to **stimulate your own research** and give you a quick start on the topic. The presented data is explicitly not industry representative and does not constitute an industry average. Data are individual insights from selected sources.

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Our four insight categories from the desktop-study:

User  
Usage  
Vehicle  
Market

# User insights

Data points from experts and providers

## Also attractive for smaller cities

54% of FAAREN subscribers came from cities <100k  
FAAREN (2022)

## Gen Z drives the most subscriptions

Increasing demand shift from ownership to VaaS services  
Berylls (2022)

## Men > Women

Gender ratio: 75% of subscribers are men  
FAAREN (2022)

## Avg customer age: mid-thirties

In 2021, avg customer at FAAREN was 37 years old. imove states an avg age of "under 40".  
FAAREN (2021), imove interview on page 21

## Private > Business

Care by Volvo had 60% private customers in 2020, Faaren 77% in 2021  
e.g. Autohaus.de (2021) or FAAREN (2022)

## 5 reasons for signing up

Short term commitments • Low waiting times • Peace of mind • Simple contracting • Low-risk exploration  
Berylls (2021)

## Usage insights

Data points from experts and providers

## Brand magnet

91% of Care by Volvo customers after first full UK year were new to the brand

Berylls (2021)

## Approx. 1 year subscription

Typical avg. subscription duration values

FAAREN (2022), Berylls (2022), INVERS (2022)

## Majority drives less than 2,000km/month

Approx. 90% of users drive less

FAAREN (2022)

## Majority of members opt for monthly notice periods

Flexibility is a core customer demand and suscription USP. Example: >90% of Lynk & Co members opt for monthly notice periods

Lynk & Co (2021)

## Consumer preferences vary among countries

e.g. German customers rank flexible car return #1 vs overall low price in USA or China, according to Bain & Company study

Bain & Company (2020)

# Vehicle insights

Data points from experts and providers

## Customers choose from all kinds of vehicle types

Differences arise from private vs. business demand

FAAREN (2022), CARIFY (2022), Autohaus.de (2021)

## 3 out of 4 choose automatic transmission

Automatic transmission seems to be in higher demand

FAAREN (2022)

## Strong push for EV and hybrid

Reasons: inflation and war repercussions. Subscription services see up to 7x more electrification than traditional car sales.

El Español (2022), am-online (2022), imove (2022)

## Driven fleet kms of providers are increasing

British EV subscription provider Onto covered >17 million km with their fleet in 2021 alone.

Onto (2021)

## Fast car delivery: exact time depends on customization level

Standard setups at warehouse mostly available within days vs. customized setups can take longer to arrive at customer doorstep

e.g. Volvocars.de (2022)

## Market insights

Data points from experts and providers

### GER, UK, ESP, CH

Top 4 European markets (based on SEO web traffic analysis of pure car subscription players)

MAIF International (2022)

### Revenue potential for legacy offerings ↗

Some legacy players (e.g. OEM, rental and leasing companies) reported growing revenue shares or a strongly increased revenue potential for subscription stakeholders.

Autohaus.de (2021), Just Auto (2021) and Berylls (2022)

### “Netflix for cars”

The market branding for car subscription can be described as fresh and addressing younger drivers.

e.g. Guardian (2021)

### Early growth often comes with low-code solutions

Continued growth often leads to more code-intensive implementations

FINN (2022)

### Different types of operators provide subscription services

Deloitte named different types of providers incl. platform providers, pure-play subscription providers, leasing/rental, OEMs/captives/dealers

Deloitte (2021)

# 5

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## Trends

**Our Top 5 trends  
within European  
Car Subscription**

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# Highlighting top-level trends

Aggregated observations of the car subscription space



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## 1. Subscription adds flexibility to the new mobility market

Car subscription services address and close a gap between sharing, rental and leasing offers. It's main draw is the flexibility based on changing needs. This gives car subscription a clear USP to other product service offerings.



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## 2. Subscription drives the digitalization of car retail

Car retail is often described as one of the last major industries that's still analog. The highly digital car subscription sales process and customer experience drives the entire segment towards digitalization.



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## 3. Subscription helps to electrify the market

Providers increasingly invest in EV-only fleets or add EVs to their fleets. Subscription often brings users first experiences with electric cars or newer electric models.

### Examples:

Market success of EV-only players such as imove or Onto as well as the share of electric vehicles in mixed (EV/ combustion) service offers.

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# Highlighting top-level trends

Aggregated observations of the car subscription space



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## 4. Increased appetite for data

Providers of subscription services show an increased appetite for integrated data. Reasons are: making the fulfillment of their base use cases more efficient or enabling fully industry-new use cases.

**Examples:**

Multiple car subscription providers and their need for advanced, integrated data.



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## 5. The market players get more diverse

Many startups were among the pioneers of offering the new subscription service offer. The market is getting increasingly diverse. Many OEMs and legacy players from the car leasing, car rental and dealership landscape are including subscription offers into their portfolio.

**Examples:**

Recent launch of Arval Adaptiv, the success of Care by Volvo or Renault's acquisition of Bipi.

# 6

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## Summary & Outlook

**Main takeaways**

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# Summary and Outlook

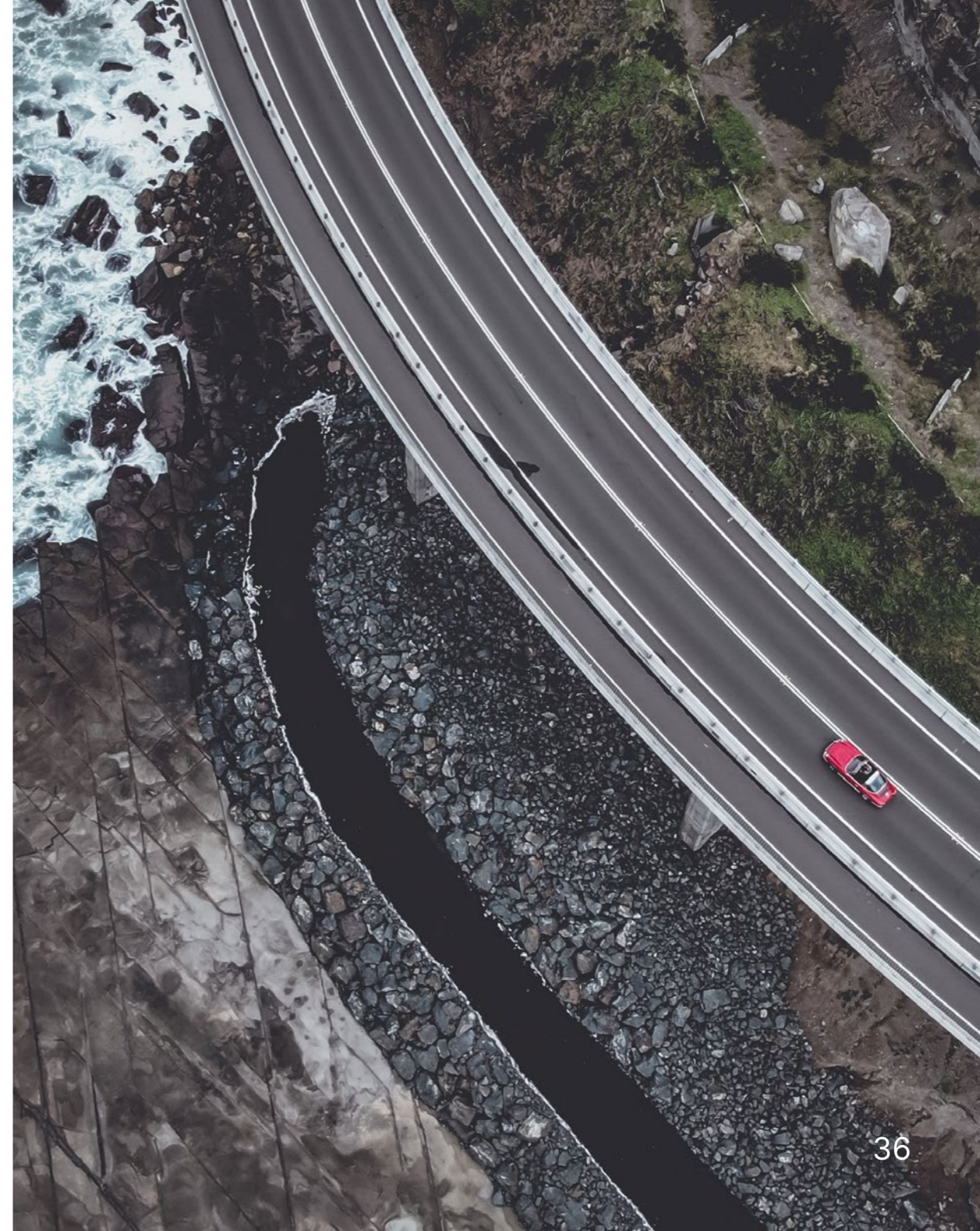
## What to take away from this report?

Car subscription in Europe has been thriving for the past several years. Our meta analysis, among other indicators, shows that the market is set for future growth. Conservatively speaking, market experts expect that the European car subscription market will multiply in size in the near future.

As the market starts to gain maturity, we can observe a diversity of subscription providers whose offers are increasingly integrated with the new mobility landscape.

In our webinar (p.25), we deep-dived into diverse use cases for connectivity solutions such as vehicle location tracking, mileage alerts, proactive asset protection, averting voiding warranties, and optimizing user experiences.

Our industry interviews showed that the different operators' business models come in different flavours and that many operators aim for new markets and invest in customer-centric solutions.





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# Summary and Outlook

## What to take away from this report?

We identified several top-level trends, that show where the market is heading to:

- Subscription adds flexibility to the new mobility market.
- Subscription drives the digitalization of car retail.
- Subscription helps to electrify the market.
- The industry shows an increased appetite for data.
- The market players get more diverse.

Due to car subscription (and other new mobility solutions) the car retail market of the future will look very different than today.

Keep an eye on the other regional car subscription markets. Europe is leading the way in car subscription, but the trend is global.

# 7

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## About & Sources

Who is INVERS and  
reading tips

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# About INVERS

## Who we are

INVERS, inventor of automated vehicle sharing, enables mobility service providers to launch, operate and scale their offerings with integrated hardware and software solutions specifically designed for developers of shared mobility services. As the world's first shared mobility technology company, Invers is developing and reliably maintaining the fundamental building blocks at scale to offer its customers cost-efficient and easily implementable tech solutions.

We act as an independent and reliable partner for operators of services such as carsharing, moped sharing, scooter sharing, ride pooling as well as car rental and subscription with the vision to make the use of shared vehicles more convenient and affordable than ownership.

Customers include Share Now, Clevershuttle, Miles, Getaround, Flinkster, TIER, imove, CARIFY, Bounce and Emmy. The company was founded in 1993 and has locations in Siegen, Cologne and Vancouver. The development takes place entirely in Germany.

[www.invers.com](http://www.invers.com)

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# Want to start-up or optimize your car subscription service?

INVERS can help you connect your fleet, and use data to streamline operations



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## Vehicle tracking

Accurate GPS positioning to know exact location of your assets anywhere.



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## Live mileage check

Inform your customers of any added costs in case you use a monthly/annual km-package. Know when your vehicles are due for their next servicing.



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## Proactive asset protection

Get the insights you need to be proactive with vehicle repairs, service check-ups, or fraud incidents.



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## Optimized user experience

New data-streams from your vehicle enable you to develop new product features for your customers and stand out from your competition.

[Click here to contact our experienced sales consultants](#)

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# Sources

Where we got our info from and further food for thought and reading tips

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# Imprint

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## Suggested quotation

INVERS GmbH (2022): INVERS Mobility Barometer. European Car Subscription. <https://go.invers.com/en/resources/invers-mobility-barometer-car-subscription-2022>