Drop Mobility

Drop Mobility is a leading micro-mobility solutions provider headquartered in Toronto, Canada and operating across multiple markets in North America through its US subsidiaries. Founded in the spring of 2017, their city-first partnership mindset has allowed them to extend the service to many municipalities and campuses in a quick time.

They were the first North American smart bike company to partner directly with a city and launch a hub-based bike share system in Canada. Since then, Drop has expanded rapidly to the US markets where they operate and support thousands of vehicles (including e-bikes, pedal bikes and electric scooters) in a number of cities.

Mobility Services

- Shared E-bikes
- Mobile application
- Fleet management program

Website

- [https://dropmobility.com/](https://dropmobility.com/)

Contact

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References

- City of Rialto, CA
- RideKC (Kansas City, MO)
- Blue Bikes NOLA (New Orleans, LA)

Experience

Drop currently has partnerships and bikeshare contracts in over two dozen cities across North America, and provides software products that support bikeshare in multiple other cities across the globe.
In one of their larger scaled deployments with over 400 bikes, Drop partnered with Blue Bikes Nola to bring back bike share to New Orleans in the summer of 2021. This is an example of a public private partnership where Drop supported the goals of the City, non-profit operator, local bike advocacy groups, and a title sponsor. New Orleans is a dynamic market and Drop balanced prioritizing the local needs of the community (including a thriving equity program called Blue Bikes for All) while also providing transportation options to tourists, visitors, and students.

**Services**

Drop has a flexible operations philosophy and believes that there is no “one-size fits all” approach to administering a bike lending service. They work with city partners to determine the best solution for achieving a sustainable, well-utilized and efficient bike lending system that works for the unique needs of the community. If the program resources and findings dictate that a turnkey approach is the most optimal solution for their needs, then Drop will tailor operations to meet that need. Drop works within the available resources and existing infrastructure and believes in expansion in collaboration with the community partner’s and city’s mobility plans and goals.

Drop uniquely operates across the entire stack of micromobility, from nuts and bolts of hardware to unique software solutions to influencing government policy and regulation. This allows Drop to quickly adapt in the rapidly changing micro-mobility environment, and implement solutions while coordinating with strategic partners and users.

**Equity**

To Drop, equity is about geographical access and accessibility for the underrepresented and underserved communities. They are able to ensure access of vehicles to those underserved areas through their operations team and dashboard. The local operations team is advised to maintain a certain minimum density of bikes in low-income neighborhoods or neighborhoods without adequate transportation lines. Drop tracks bike availability in specifically marked equity zones through the operations dashboard to ensure a regular rebalancing of bikes to such zones.
They utilize a number of options to promote equitable access to the service and leverage and build upon existing city equity programs. Drop offers a variety of accessories, adaptable components and accessibility vehicles needed to support those with disabilities.

**Engagement**
Drop believes in a system that is accessible to all, regardless of income or access to financial services. In each and every market in which Drop operates, they have built out a robust and comprehensive equity program that addresses the local needs of the market. To do this, Drop works directly with public leadership to determine the local needs of the community, build out the goals of the program, and define the criteria for qualification. They then partner to identify communication channels to the equity markets, and form a plan for outreach and engagement.

**Access without Smartphone**
Drop is able to allow users to take out a vehicle without having a smartphone, or having a credit card or bank affiliation. In some special cases they allow using dial in or text or coupon based unlock features.

**Financial**

**Cost**
Drop uses the following cost sharing model with partnering agencies.

For start-up costs this includes 80 to 85 percent of equipment procurement, 10 to 15 percent of system set up costs (website, app development, IT infrastructure, etc.), and 5 to 10 percent of labor and Miscellaneous (permit fees, site planning, etc.).

For ongoing operation costs this includes 45 to 50 percent of operation costs (system balancing, customer service, app services), 40 to 45 percent of maintenance costs (parts, leases, labor), and 10 to 15 percent of general administrative costs (insurance, marketing).

Capital investments and operations, some administrative and system specific employee costs should be covered by an awardee’s CMO couch.

**Pricing**
Below is a list of the typical pricing to use as a reference, although these can be modified based on conversations and engagement with partners.

- Pay as you go option: $1 to unlock + 15 cents per minute
- Memberships: $25 per month, $50 quarterly and $100 annual
- Passes: $10 for a 24 hour pass or subsidized weekly passes, seasonal passes
- Discounted access: subsidized student, equity pricing, etc
- Special access: sponsors, city staff, corporate partners, etc
- Others: event pricing, coupons, etc

With a heavy emphasis on collaboration and partnership rather than forcing a standard model, Drop works with their partners to determine the most effective pricing options for ensuring equitable access and sustainability of the program.

**Revenue**

Drop requires revenue that is then used to continue system operations and to fund expansions. The agreed upon revenue depends on the system set up. Drop designs each system to meet the unique needs of the community so there is not one formula to determine the minimum revenue requirement.

Drop often offers a revenue share model if an entity is operating the system with only Drop Mobility support. In some cases, Drop receives all revenue in order to provide capital for a system of an appropriate scale using the funding available.

Drop often offers a 90%/10% revenue share split where Drop Mobility takes the bulk of the revenue. However, this is adjustable so that Drop can provide a system that best fits within the financial constraints/requirements of the system they are working in.

**Financial Sustainability**

Because Drop Mobility works in a collaborative public-private partnership model with cities and other municipal agencies, they are able to support sustainable systems with a flexible business model. The infrastructure light hub model also contributes to the sustainability of a system and creates an agile system that can evolve to meet new needs and is easily scalable to the correct fleet size for any community.

Drop Mobility’s overall strategy for ensuring successful systems takes into account the beginning operations period when a system is not profitable. Drop plans for this through long term forecasting, capital leasing options, careful and organized parts ordering processes and by working with the
municipalities to utilize non-financial contributions (such as unused warehouse space).

Data
Data Ownership: All anonymized data gathered from customers during sign-ups belongs to the partners and operators. In addition to receiving analyzed reports in a customized presentation and on an agreed-upon cadence, partners have 24-hour access to real-time, backend tracking so they can pull raw data on their own timeline.

Data sharing: Drop Mobility is a partner-driven organization and believes in sharing all relevant and useful information with partners, with an eye toward user privacy and data security. Drop can share any data that partners find useful such as demographics, ridership data, start and end trip locations, estimated greenhouse emissions avoided, individual cost savings, etc. Drop knows that historical data helps stakeholders identify trends and make strategic decisions when planning for the future of the system. This data is then offered to partners in periodic reports and graphs, culminating in a final pilot report.

Data Storage and safety: The dashboard stores rider details, rate plans and trip histories. Currently, riders are identified by name, email, phone number or unique rider ID that is assigned during account setup. Each rider has their own account page that displays all relevant account information. Data security is of utmost importance. All pass, membership and related purchases are run in a transaction-protected sandbox and processed through their service provider, Stripe, which is PCI compliant.

Data protection: During the payment process, all user names and addresses are anonymized in all non-encrypted environments, and all app access is encrypted over HTTPS and TLS with audit trails. In addition to securing all payments, Drop carries a cyber liability insurance policy.