

# THE NEW COMMUTE

HOW LYFT SHUTTLE COULD REVOLUTIONIZE MASS TRANSIT. **BY CHRIS CLAYTON**



**W**hen Lyft began beta testing its latest service in June, the Twitterati were quick to the scene. There was something familiar about the new product—a carpool called Shuttle that makes multiple stops along a set route during peak commute times. “Stop everything!” tweeted @TheLincoln. “Silicon Valley just invented . . . the bus.” Though such jokes seemed to forget that Lyft is essentially a high-

concept taxi, they did spawn interesting conversations about the future of public transportation.

With bus ridership declining in cities across the United States, some view Shuttle as a radical reimagining of a broken system. Lifehacker.com tested the service in San Francisco and found it a convenient, affordable alternative to the city bus as well as traditional Lyft rides.

Lyft’s director of transportation policy, Emily Castor, says the new service is unlikely to make a big dent in bus ridership. “The real bogeyman is private

car ownership,” says Castor. “The majority of the country drives to work in personal vehicles.” Lyft’s purpose, she says, always has been to cut down on traffic congestion—and Shuttle is the next logical step toward that goal.

The company’s oft-repeated creation story bares this out. In 2005, 20-something Logan Green visited Zimbabwe and was amazed by its robust ride-share economy. Green returned home to the U.S. and, with John Zimmer, launched the Facebook app Zimride to help facilitate

long-distance carpools. Zimride evolved into Lyft in 2012, and it is now America's second-largest ride-sharing service next to undisputed king Uber.

Of Lyft's multiple services, Shuttle most closely aligns with Green's transformative vision. Unlike a traditional Lyft ride, which picks you up and drops you off at locations of your choice, Shuttle requires passengers to walk to and from predetermined stops (yes, like a bus). Fares for the service range from \$3 to \$4 a ride—significantly less than most door-to-door journeys. And while you might share your Shuttle with a stranger or two, you'll do so in the same cars used for other Lyft rides and with the same drivers (those expecting a big bus with a giant pink mustache above its bumper will be disappointed).

Slate's Will Oremus and others have argued that Shuttle remains out of reach for low-income riders due to

its cost and the fact that you need a smartphone to book a trip. Castor says Lyft is working with partnership organizations in cities around the country to dispatch rides for people

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**Classic:** The original ride-sharing service that Lyft debuted in 2012. Now available to 94 percent of people in the U.S.

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**Lyft Plus:** When you need some extra space, order a car that seats six or more.

who don't have a mobile phone or Lyft account. She adds that you can also access Lyft via its website.

Though it's too early to draw conclusions about Shuttle's impact on its pilot markets, preliminary ridership data might calm those who worry that Lyft's intentions aren't 100 percent pure. "The most popular Shuttle route in San Francisco goes to and from a commuter train station," says Castor. "This reinforces how different transit options can fit together." It's a prime example of what transit wonks call a "last-mile solution" for those who

live far from train stations and other public transportation hubs.

Still, many Shuttle routes are main commuter thoroughfares—typically the busiest bus lines. Brian D. Taylor, a professor of urban planning at UCLA, believes it's possible that Lyft and Uber could negatively impact public transit ridership, but only if a long list of complex hypotheticals became reality—if ride-shares account for a much higher percentage of trips than they currently do, for example. Says Taylor: "While there are good reasons for public policy makers to worry about transit's role in providing mobility for those without and for supporting the economic vitality and livability of cities, I'm skeptical that Lyft or any other private operator offering for-profit transit service on a few high-demand routes is likely to exacerbate any of the many problems that public transit is asked to ad-

dress." In other words, public transit has bigger fish to fry.

To that end, it makes sense that Lyft—a company that has long positioned itself as the altruistic hero to Uber's conquering villain—would offer Shuttle routes exclusively in areas that lack sufficient public transit. Castor points to a test route in Chicago that connects the transit-under-served South Side to downtown, but she also acknowledges that Shuttle's reason for being is consistent with a mission "to fill the most empty seats in a car," which explains its focus on commuter corridors. Lyft has a business to run, and from that perspective, industry analysts such as Martín Utreras at eMarketer see Shuttle as a way to gain a competitive edge in a busy marketplace.

"Lyft is going after an untapped market with Shuttle," Utreras says. "You have to look at economies of

scale. A lot of people were like, 'You just invented the bus.' But if they can prove that they can execute [Shuttle] in a way that attracts consumers, they can replicate it city to city, country to country. If they prove that market and demand is there, that might move the needle in terms of future valuations." (Lyft is currently valued at \$7.5 billion thanks to a \$600 million funding round earlier this year as well as the company's ambitious plans for self-driving cars.)

For now, Shuttle remains in its exploratory phase. "Routes could change," says Castor. "The power of this service is the ability to learn from utilization, take that info and make Shuttle better. If demand is in a different location, we can make those adjustments quickly." Call it "microtransit" or "on-demand commuting." Just don't call it a bus—not yet anyway. ▽



  
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