

Looking to Turn Bike Share into a Business?



We Can Help.

Bike share is in high demand. Just about everywhere you go, you see a bike share program. According to the National Association of City Transportation Officials, residents and tourists in US cities took 35 million bike share rides in 2017, up 25 percent from 2016.

However, large city-wide bike share programs are usually licensed or commissioned by the city, and often subsidized by the city as part of the mass transit infrastructure. Plus, most city bike share systems offer free time periods (i.e. first 30-minutes free) or low monthly rates. In other words, profit is not their motive.

So how can you make bike share a business? By using our bike share system to create Automated Bike Rental stations, you can provide bikes on-demand right where people want to rent them. With our system, you can put bikes right where they are needed, without having a physical bike shop or retail location. We can provide you with everything you need – equipment, technology, training and support – to help you jump start your business.

Here are eight tips to help you start and run a successful automated bike rental business.

1

Know Your Target Market

With automated bike rentals, the best market to target is tourists. Why?

Tourists have more money to spend, are more impulsive in their decision-making, and will be more likely to use bikes for longer periods of time to explore your community, nearby trails and popular destinations. If you want to learn more about tourism in your area, talk to your local tourism board or chamber of commerce. They will likely have information on tourist numbers, demographics, most popular activities and destinations, and efforts to attract tourists to your area. They may also offer ways for you to solicit and market to tourists before they arrive in your community.

2

Location, Location, Location

Just like with retail, having the right location(s) can make or break your success. If the best locations in your community are public spaces such as parks, trailheads and city parking lots, you will need to first talk to your city planner or administrator about permitting. Getting permits to operate a private, for-profit business on public lands can be difficult, but not impossible. Some cities/towns already have initiatives or incentives to provide alternative means of transportation or reduce traffic congestion. Some cities/towns have grant money to do just this, but lack the experience or resources to operate a bike rental or bike share business. This is where you may be able to create a public-private venture.

In addition to placing bike stations on public land, another – possibly better – option is to operate your business on private land by partnering with businesses that share your goals, including:

- Hotels
- Restaurants
- Parking Lot Operators

The most receptive businesses will be ones with an interest in attracting tourists, and locations with available parking or areas where bikes can be located. You may be able to rent space from these businesses, or negotiate to get the space for free in exchange for advertising on the bikes. Some business may want to work with you simply to drive more traffic to their location.

Hotels in particular are idea candidates. For hotels, you can also offer coupon codes that the hotel can provide its guests for free periods. This gives you options for negotiating compensation from the hotel for placing the bikes in their location as an amenity to their guests.

3

Brand Your Bikes

Depending on where you will be placing the bikes, we can decal/brand the bikes with your logo or that of local businesses (such as a hotel/restaurant). This gives you an opportunity to negotiate with local businesses to secure bike space, charge placement fees to the business, or sell advertising/sponsorship on the bikes. Bikes with a business name on them will promote the business everywhere they go.

Bike Branding Guideline

Artwork format: High Resolution .JPG
(also provide .EPS or .AI file if available)
Maximum decal size on bike: 2"H x 10"W
Note: Wide format logos work the best.



Once your order is confirmed, you will receive a **Branding Guide** with information on the locations, sizes and types of artwork we need to produce the decals for your bicycles and racks. The primary locations for the branding are the sides of the bike frame and the top of the bike rack. If you want to add advertising to the bikes, we offer four-color printed basket side panels that are easily changed whenever you get a new advertiser.

4 Business Registration, Legal and Insurance

In today's world, setting up a business can be very easy. But if it's your first time starting a business, it's best to consult with a lawyer to determine the right type of business to create, draft articles of incorporation, register your business name, register and protect your brand name, create your website, etc. If you go for it without the help of a lawyer, you can find good information on sites such as LegalZoom.

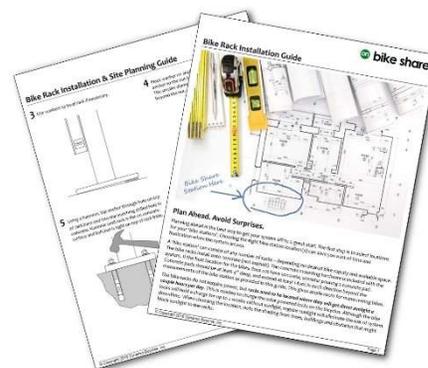
You will also need to secure business insurance. It's no surprise that we live in a litigious world, so it's important that you protect yourself and your business. Although our system provides a waiver that all riders have to accept in order to access the bikes, this is just your first line of defense. You will want to make sure you have liability and general business coverage that will protect you from the unexpected. If you have a local agent to work with, great; if not, we can recommend national insurance providers that specialize in insurance policies for bike rental and bike share operators. When working with your insurance company, emphasize that this is a bike rental business, with automation used to help riders access bikes on-demand, without needing a retail location.

5 Installation – Site Prep

First, the On Bike Share bicycles use solar-powered locks, so the racks need to be located where the bikes can get a couple hours of direct

sunlight each day. Second, you will need to determine how many bikes will fit in the desired location. On Bike Share will provide you with a **Site Planning Guide** that will help you determine how much space you need for each bike station, and provides guidelines for spacing the racks using different configurations.

Third, the On Bike Share racks are best mounted to concrete. However, if the best location has asphalt, paver stones, or if it is only a temporary location, we offer modular base platforms for mounting the racks. These base platforms each hold two racks and make it fast and easy to place bikes right where you want them.



On the day of installation, you will place the racks in the desired locations and mark these locations. You or an on-site facilities person

can drill the holes into the concrete for securing the racks. The rest of the rack installation is done with a hammer and wrench and takes about 5-10 minutes per rack. The mounting hardware is included with the racks.

Bicycle Assembly. The bicycles are fully tuned prior to shipping, but need to be partially broken down to fit in the shipping boxes. The bikes will arrive about 85% assembled in the box. The final assembly can be done by an on-site person using the tools and instructions/video provided with your system. Final bike assembly takes about 15-20 minutes per bike. The bikes come pre-branded with your logo.

6 System Launch

The two keys to a successful launch are communication and education. Pre-announcing that the bike share system is coming will help build excitement and demand for the bikes. If you think of yourself as a retail business, many of the same

marketing and promotional tactics apply. This may include promotion in local tourism guides or websites, promotion in local papers, partnerships with local businesses, and on-site promotion and launch events.

Launch events are a great way to kickstart your program, demonstrate the bike checkout/return process, and familiarize riders with the bikes and App.

Education is equally important to program success. For tourists, providing a map on the bike or at the bike station

highlighting nearby cycling routes or popular destinations will encourage riders to use the bikes and keep them longer. You could also leave promotional literature at visitor centers and local businesses.



7

On-Going Management

On Bike Share provides comprehensive training on the Admin software through both self-guided and live training sessions. The training shows you how to set rate plans, create coupon codes, add your logo to the App, edit the waiver form, view problem reports, and monitor bike use.

The On Bike Share system is cloud-based – meaning there is no software for you to install. You can login to the Admin software to monitor and manage your system from just about anywhere.

For your riders, they will download a free App from the Apple Store or Google Play Store. Riders will use the App to provide contact information, enter credit card information, and accept the waiver form. The App is map-based, so it will show riders where the bikes are

located, and how many bikes are available. When at a bike station, riders use the App to select the bike they want to ride and the App will unlock the bike from the rack (uses the phone's Bluetooth to communicate with lock). The Admin software records and tracks bike use in real-time, and provides reports and logs of all bike and rider activity.

The Administrators are encouraged to check the Admin software regularly to proactively monitor use, address any problem reports, and communicate with riders as needed. During the first 30-60 days after launch, Administrators should budget up to 30 minutes per bike, per week for answering questions, responding to rider inquiries, checking on bikes, and learning the system. After the launch phase, this time commitment will be reduced.

8

Bike Maintenance

The On Bike Share bicycles were designed for high durability and low maintenance. However, bicycles still need periodic inspections and maintenance to keep them operating safely and reliably.

If you choose to do this maintenance yourself, your system includes a bike toolkit, and the recommended bike maintenance schedule that covers routine safety inspections and periodic bike maintenance. The Admin software provides software for tracking and recording this maintenance. This is important for legal record keeping, and helps you stay efficient with your time.

If you would like someone else to do the bike maintenance, we can arrange this through our partner Velotooler. Velotooler offers On Bike Share customers comprehensive and affordable on-site bike maintenance plans. These maintenance programs cover all essential bike operational and safety items, prolong the life of the bike, and help maximize bike availability. ■

If you have questions, feel free to contact us at info@onbikeshare.com or at 401-475-8094.