



Why people are riding Scooters in Australia like never before.

Vehicle and motorcycle sales are down while Scooters continue to buck the trend as Consumers flock to simpler, cost effective transport to beat the traffic chaos.

This year has seen a few notable industry reports released about transport and infrastructure in Australia that highlight interesting trends to our buying behaviour when it comes to cars and bikes. Scooter sales are the only growing category in Australia with 18% volume increase as people try to beat the traffic chaos and change their working habits;

The 2019 Infrastructure Audit revealed Sydney will have the most clogged roads in the near future even though billions are being spent to upgrade them.

LEK Consulting has reported up to 69% of household transport costs are going to private car ownership with few Australians able to own one as we head towards 2050.

There has been the steady growth of part-time employment in Australia climbing to nearly 40% of all jobs as of 2017, Australia now has the 3rd largest share behind Netherlands and Switzerland.

The average age of vehicles has increased to 10.2 years. The FCAI reported that annual vehicle sales for the first half of 2019 continue to show a decline of around 8% year over year across all categories and States in Australia. Motorcycle sales for the first half of 2019 down by 17% and the only category in Australia that has shown growth was Scooters with an 18% increase with Honda leading the way with nearly 40% share of the segment.

So what does this all mean? The economy is driving a lot of change with the current record low interest rate levels trying to spur things along. The quality of cars has improved in the last 10 years with less of a need to upgrade due to their durability. People's lifestyles are changing, the big Aussie dream house looks more like a unit or an apartment these days with a million dollar mortgage to go with it. Although home ownership has dropped by 10% in the last 25 years with 70% of people renting. At the same time traffic continues to get worse with infrastructure upgrades feeling more like a band-aid solution rather than a huge step forward as population numbers continue to grow.

Meanwhile the changing nature of available work opportunities continues to move towards more flexible work forces that are either transient or able to work remotely in an attempt to reduce costs. The rise of Uber Eats, Menulog and the newly launched shift-based jobs platform Freeboh makes it even easier for people to find these emerging job opportunities that are typically paid less than a full time job role. Then of course we have the continued growth of rental and subscription services making it easier for people to manage their spending with low weekly or monthly payments.

Paul Wojtek, Director of Sydney start-up Scootering www.scootering.com.au commented. "People are changing their lifestyle, way of working and spending and it is the very reason I started our scooter rental service. I could see this shift in consumer behaviour and felt the timing was right. Lots of cities across Asia have relied on scooters for many years now so maybe it was inevitable for Australia. People are looking for an economical mode of transport with low cost of ownership, no messy contracts and an easy way to beat the traffic too"

The FCAI results for Scooter vehicle growth in Australia tends to highlight a large shift in how people are using transport for personal and business use. With driverless metro train systems in operation, lots of discussion about autonomous transport becoming a reality with our roads getting more and more congested, could we see the continued decline in car usage with even more restrictions being placed by authorities to push us to use other methods of transport like scooters?

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