

The Open Market for parking



Revolutionise the parking experience

The Open Market for parking is a standard model embraced across much of Europe. As the name suggests, this model allows multiple phone parking providers to compete against each other, allowing motorists to choose the provider which best suits their needs – convenience, unique features, user experience and value.

According to a new Local Government Information Unit (LGiU) parking survey, UK Councils say that quality of service and convenience for the motorist are the key criteria used to select a phone parking provider. Both of which the Open Market is designed to improve.

However, the UK has historically operated a 'winner takes all' model, where most local authorities appoint a single phone parking provider via a procurement process, to exclusively manage all parking inventory.

A sole supplier model often presents challenges to authorities, such as increased resources, costly and protracted procurement processes, and the inability to share best practices or gain a cohesive view of the parking situation in neighbouring locations across different suppliers.

In the recent LGiU survey, only 1 in 3 Councils say the current tender model is either cost or time efficient. An Open Market model significantly reduces or removes these challenges.

To adopt the Open Market, a local authority connects to a parking hub. The hub is a simple and secure technology that allows phone parking providers to access all available parking inventory, so motorists can choose which app to use to pay for parking. This technology platform drives an innovation-focused market and healthy competition between suppliers to improve motorists' experience.

UK local authorities have started to move towards the Open Market model using the Department for Transport funded National Parking Platform (NPP). The NPP has undergone years of development, piloting and testing in order to process a high volume of transactions.

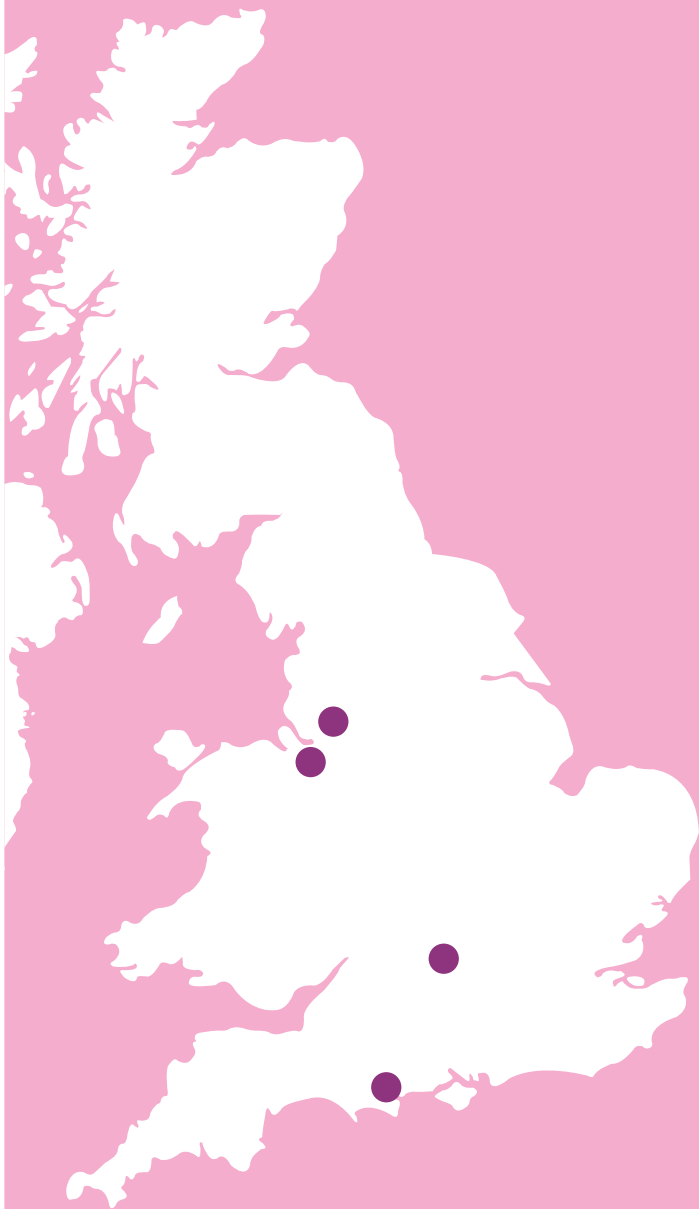
This publicly-owned platform aligns with LGiU's survey of government officials and parking managers – 44% prefer a Government-funded hub and only 3.5% prefer a private sector hub.

Another benefit of the Open Market is added resilience across parking payment infrastructure. If one provider experiences an outage, alternative providers are available on the hub. As a result, a Council can continue to enforce and not experience any loss of income, which can happen under the current model when a single phone parking provider experiences a technical failure.



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Manchester

In September 2021, Manchester City Council launched the first NPP pilot. Four phone parking providers, including RingGo, have since competed for motorists in several off-street locations.

The pilot has proved successful. The Council immediately saw cashless penetration grow as motorists adopted app-based payment solutions. During the first 17 months of operation, RingGo experienced a 67 percent increase in usage. Following the success at the initial five locations, the Council added 10 additional sites.

Cheshire West and Chester

On 1 February 2023, Cheshire West and Chester Council became the latest local authority to implement the Open Market model using the NPP. This Council has offered equal commercial terms to phone parking providers, allowing each provider to compete for motorists' custom, incentivising development and innovation to achieve this. Based on preliminary volumes, the signs are already encouraging.

Currently, four parking providers are offered across 12 car parks and three on-street locations. A fifth parking provider is expected to enter the market soon, demonstrating that healthy and dynamic competition is stimulated by Open Market conditions.

The preliminary experience in both Manchester, and Cheshire West and Chester indicates it creates a competitive market, with parking sessions spread across multiple phone parking providers.

Bournemouth, Christchurch and Poole

At inception in May 2021, cash accounted for over 80 percent of all payments. Now, machines collect less than half of total parking revenues. This saves the Council expenditure on machine cash collections, banking and machine repairs.

Before forming a single unitary authority, Bournemouth, Christchurch and Poole each had a different phone parking provider. So, it made sense to expand the coverage of these solutions to match the Council's new unitary status. The new model received a positive reception from motorists, and many of them took to social media to praise the Council's groundbreaking step.

Oxfordshire

In July 2022, Oxfordshire County Council adopted the Open Market model and was the first local authority to pilot on-street competition. Four phone parking providers, including RingGo, have since competed for motorists in on-street locations.

As with the other rollouts, Oxfordshire County Council saw the willingness of the public to adopt digital services and select their preferred parking solution. This has led to lower costs associated with parking management in on-street locations.

Feedback from the Council is positive, and it plans to extend and expand the inventory available to multiple providers throughout 2023.

Development of the National Parking Platform

As towns and cities are under pressure to improve and integrate services and reduce emissions ahead of net-zero targets, a growing number of Councils welcome this innovation.

This supports LGiU's survey results, which suggest local authorities want a mobility shift towards the Open Market.

83%
of survey respondents favour downloading only one app



Benefits of the Open Market

Operators

- Provide a greater choice for drivers: happier motorists
- Create fair competition: lower barrier to entry for new providers
- Increase resilience: multiple suppliers to rely on
- Save money: increase cashless adoption.

Motorists

- Let motorists choose their preferred app for parking
- Ease of use: reduces inconvenience of downloading multiple apps
- Better customer experience powered by additional services.

Service providers

- Gain focus: creating value for motorists
- Deliver innovation: investment powered by competition
- Simpler, more sustainable business models.

For more information

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