In 2015, Deloitte embarked on a journey to help our clients systematically explore the evolution of The Future of Mobility and work closely with them to transform how their organizations and communities can succeed in the new mobility ecosystem.

We have been working to accelerate realizing the enormous promise The Future of Mobility offers... *More people and goods will move faster, safer, cheaper, cleaner, and with greater accessibility, inclusivity, and equity than ever before.*

Today, we will explore the evolution of the Future of Mobility, and discuss the range of potential implications the COVID-19 pandemic may have on this trajectory.
Global evolution of transportation and mobility
Challenges to architecting a “fit for purpose” mobility ecosystem

Global populations continue to increase dramatically, with urbanization also rising...

...Rising congestion causes safety issues, infrastructure is increasingly strained and rising inequality to access limits connections to employment and services.

Private innovations for mobility services are often focused on single modes and are uncoordinated. Innovation must be coordinated to solve mobility issues, not just symptoms.

The Future of Mobility is redefining how people move from Point A to B

In response to cities’ growing challenges, new mobility ecosystems are emerging with the promise to deliver **seamless, integrated intermodal transportation** faster, cheaper, safer and cleaner than today.

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Activating Seamless Integrated Mobility Systems (SIMSystems)

For the past three years, we have been collaborating with The World Economic Forum to explore how leading cities around the world are activating their respective SIMSystems; while approaches vary, cities ubiquitously must grapple with four centers of gravity.

Our common findings across cities:

- Political will is a key determinant
- Governance structures matter
- Pilots are not always the answer as seamless mobility requires ecosystem thinking
- A clear vision requires making trade-offs
- Successful mobility systems require partnerships, funding and talent
- Having data is necessary, but not sufficient

Mobility Centers of Gravity:

- **Individual Journeys vs. Systemwide Optimization**
- **Public Sector Leadership vs. Private Sector Leadership**
- **Data Openness & Transparency vs. Privacy & Security**
- **City-Regulated vs. Market-Led Innovation**

The future of goods movement is also challenged by lack of integration

Global logistics systems and players across nodes of the supply chain are also adapting innovation rapidly, but are experiencing different variations of similar obstacles causing inefficiency.

**High Fragmentation**
Disparate ecosystems players have limited connectivity to each other; it can take ~30 logistics organizations over ~200 interactions for a simple shipment from East Africa to Europe.

**Manual Processes**
24M hours spent managing freight contract rates globally.

**Under-Utilization**
1 in 4 trucks drive empty in the U.S. and Europe and 25% of 8 million U.S. commercial vehicles sit idle at least one day per week.

**Delay**
Ships can spend up to 10 days languishing in backup anchorage waiting to berth.

**Limited End-to-End Visibility**
$1.7T in estimated annual losses among U.S. retailers due to out-of-stocks and overstocks.

**Regulations**
Carriers face significant compliance regulations imposed by federal, state and local authorities, including increasing sustainability requirements.

**Final Mile**
Immense costs to deliver goods to distinct, and low density destinations.

**Consumer Preferences**
Rapidly increasing e-commerce and expectation of faster delivery.
The COVID-19 pandemic is having a massive impact across global transportation and logistics systems.
Mobility and transportation sectors at a crossroads
Twin crises will alter the trajectory of the future of mobility

COVID-19, the public health response, and the economic fallout are raising fundamental, even existential questions for players across the mobility spectrum.


The Future of Mobility practice and Deloitte Insights recently launched a new paper:

Mobility scenarios look at how people and goods move

Distinct scenarios provide predictions for three to five-year outcomes following the COVID crisis, shaped by **duration and severity of the pandemic**, and the **extent of the government’s response**

### The Passing Storm

The pandemic is contained effectively by governments, but is not without **lasting, and uneven, economic repercussions**

- **Enduring shifts in some mobility trends**
- Most providers and governments **return to status quo roles**
- “Typical” business cycle **downturn dynamics play out**, with consolidation across the board

### Lone Wolves

A prolonged pandemic spurs governments to adopt isolationist policies, shorten supply chains, and increase surveillance

- **Governments accrue greater authority** in combatting COVID-19
- **Cities force data sharing and actively regulate mobility** via top-down monitoring to **meet systemwide goals**
- Data privacy cybersecurity give way to **increased government oversight**

### Good Company

Governments around the world struggle to handle the crisis alone, with **large companies stepping up as a key part of the solution**

- **Public goods** (including transport) are increasingly **provisioned** by the **private** sector who **offer seamless transport** for customers
- Individuals are **open to sharing mobility data** with private sector
- Mobility technology **advances quickly**

### Sunrise in the East

China and other **East Asian nations** are more effective in managing the virus and take the reins as primary global powers

- **Mobility Innovation, R&D and value chains consolidate in the East**, to the detriment of businesses in the West
- **Robust government data collection** becomes the norm to actively manage and address **system-wide challenges**

Source: The futures of mobility after COVID-19, Page 6, [https://www2.deloitte.com/content/dam/insights/us/articles/6739_fom-covid/DI_FoM-COVID.pdf](https://www2.deloitte.com/content/dam/insights/us/articles/6739_fom-covid/DI_FoM-COVID.pdf)
“No regret” moves

Uncertainty should not be synonymous with inaction. The following are actions and trends we predict will persist, irrespective of which scenario plays out. These will be the basis for our no regret moves - where we play and how we win.

- **Trip substitution via digitization**
  Telework, telemedicine, and e-learning become the new normal hence the need for mobility is reduced. Mobility is likely to never return to pre-coronavirus levels.

- **Focus on safety**
  The concept of safety is expanded to include sanitisation and hygiene. New measures are implemented in order to minimise contact and verify cleanliness.

- **Reliance on e-commerce**
  Health risks of venturing to brick-and-mortar stores coupled with stay-at-home orders accelerate the shift towards e-commerce and the technologies facilitating it.

- **Reconfigured mobility landscape**
  Uncertainty across the mobility ecosystem will see business models emerging to solve new use cases and consumer preferences.

How do we continue to catalyze our communities and coalesce the mobility ecosystem to develop new solutions and sustainably, inclusively transform our cities?