

## EXPERIENTIAL & VALUE DRIVEN RIDE IN ECO-FRIENDLY WAY: CASE OF YULU

Dr. Sapna Modi, Professor, ITM Business School, Navi Mumbai, Maharashtra, India

**Abstract-** It is very common to witness vehicles whizzing throughout the day in every Indian city today, leaving behind a trail of smoke. Air pollution is a major and growing risk factor for ill health in India, contributing significantly to the country's burden of disease. As per the Global Burden of Disease comparative risk assessment for 2015, air pollution exposure contributes to approximately 1.8 million premature deaths and 49 million disability adjusted life-years (DALYs) lost, ranking it among the top risk factors for ill health in India by the end of 2020. It is observed that air pollution exposure slows lung development in children, affects cognitive development, and has resulted in high levels of mortality from respiratory infections. The elderly segment is more likely to develop chronic respiratory and cardiac illnesses as a result of long-term exposure and are more susceptible to heart attacks and strokes during episodic high pollution events.

Conventional motor vehicles with high fuel economy is the most cost-effective way to improve energy efficiency and reduce carbon emissions in the transport sector. As part of their contribution to sustainable transport, these vehicles reduce air pollution and greenhouse gas emissions. But all of these is for the short term. Now just imagine, if these vehicles were to be replaced by cycles. Air pollution would be greatly reduced, vehicular traffic on the roads would decline. These environment-friendly cycles are the need of the hour with vehicular pollution posing a serious health hazard. They can prove to be sustainable, green and better versions of transportation.

**Keywords:** Air pollution, disability adjusted life-years (DALYs), gas emissions

### I. INTRODUCTION

#### YULU'S START- UP STORY:

The focus of the entrepreneurs in India has changed from just making profits to be the facilitators for a societal change. They no more want to talk about far-fetched goals; as they believe in reality working towards bringing about the changes in environment and lifestyle of public.



Amit Gupta, co-founder and CEO at Yulu and co-founder at InMobi, is one such entrepreneur who believed in bringing about the change. After running the Revenue and Operations functions for many years on a global platform, he led an ambitious initiative for InMobi which potentially changed the world of advertising and to top it all, it created a multi-billion business for InMobi. After giving InMobi the stability and running it successfully, Amit started his second venture-Urban last-mile mobility solution "YULU". At a time when India was warming up to app-based bicycle sharing service which is already quite popular in countries such as China. Amit Gupta was committed to solving the traffic, environment and health related problems, which has become a big social problem in the country over past few years. He aimed to make an impact using technology. In the year 2017 with Naveen Dachuri, RK Mishra and Hemant Gupta, YULU launched its bike-sharing service in Bangalore with a few hundred bicycles.

"Yulu's vision is to bring down the level of traffic congestion by providing a scalable, affordable, efficient and clean solution for the first mile, last mile, and short distance commute.

*On being: Why YULU? Amit Gupta said:*

*“We strongly believe that short commute mode can be made more Efficient, Affordable and GREEN, thereby ensuring that future generations will have a healthy environment to live. We want to replace big personal vehicles with a smaller form factor that does not require fossil fuel”.*

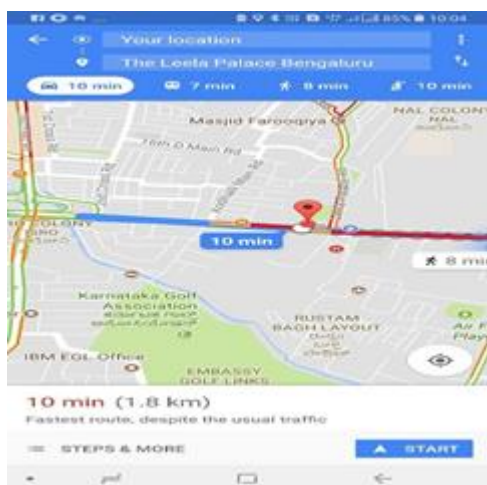
Yulu has aligned itself with India’s top priorities namely “Make in India”, “Clean India”, “Green India”, “Digital India”, “Cashless India” and “Adoption of Aadhaar”, which has led to a strong support from the government at state and national level. Amit Gupta believes in sustainable development which is critical to any business. Sustainability is a global challenge which requires innovation. Many organisations have publicly committed to innovating towards environmental, social and economic sustainability, but behavioural gap remains. To foster the effectiveness of these ventures, there is an urgent need to understand the conditions for successful innovation towards sustainability, backed by empirical evidence. Research estimates that the market size of shared mobility space under bicycles is currently close to \$8-10 billion globally and is expected to grow beyond \$1 billion in India by 2022.

### **NUTS AND BOLTS- MADE EASY AND CONVENIENT FOR USERS**



Yulu is a technology driven mobility platform to enable Integrated Urban Mobility across public and private modes of transport. Yulu’s Public Bicycle Sharing Service is driven by state-of-the-art technology that includes a sophisticated mobile application, GPS and IoT (Internet of Things) Machine Learning and Artificial Intelligence technologies. It is India’s first, truly dock-less system that is driven by the only smart cycle that’s MADE IN INDIA and powered by solar energy.

As consumers, it is extremely easy to get a Yulu bike. Registered users can open the app near a Yulu bike, unlock it with a phone and sensor. Users can unlock a bicycle by scanning the QR code on bicycles and then can ride away. They can also lock the bike with the app.



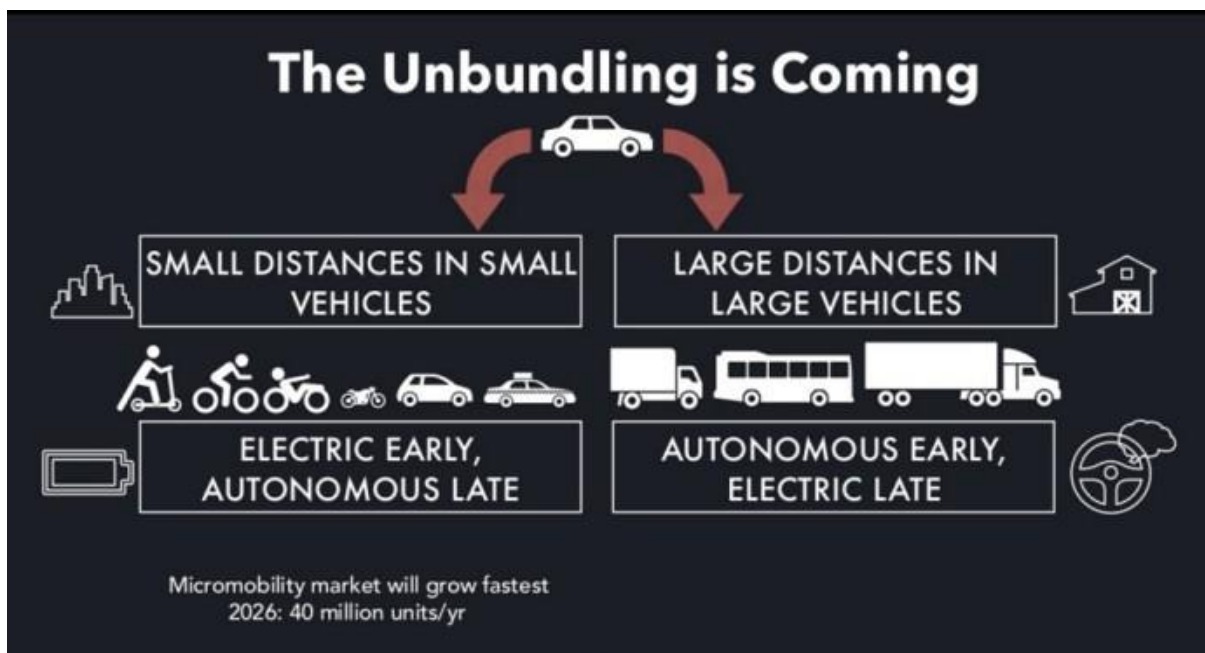
The service includes unique features of finding the nearest cycle zone (Yulu Zone), scanning the QR code on the cycle that automatically opens the IoT based lock and paying through Digital Wallet. One can do payments in Yulu using Paytm, Google Pay, PhonePe, UPI, and credit and debit cards. Unique feature of the service includes YULU KEEP that allows users to take the cycle for a COMMUTE from home to office and

back, where they can KEEP the cycle for the night without being charged for holding the bike. The powerful platform includes sophisticated Logistics management to help with sweeping and balancing services to ensure availability of cycles as per demand.

Mapping algorithms are used to see patterns and locations of many zones of low supply high demand and vice versa during rush hour. A large flat-screen television occupies a corner of Yulu’s office, where the tech team makes these matches possible. For security measures and to prevent theft a loud alarm goes off if someone tampers with the dockless mechanism. While this works for ordinary Yulu bicycles, it also works for the newly launched electric bikes - Yulu Miracles. While one office corner holds the mapping screen, another holds the prototype of the Miracles.

**YULU- CREATING, COMMUNICATING, AND DELIVERING VALUE:**

Delivering value to customers is important to any organization. To be willing to pay, a customer must derive value from a market offer. There are two aspects to customer value: desired value and perceived value. Yulu’s vision is to decongest urban traffic by providing a scalable, affordable, efficient and clean mode of transportation.



**Image Courtesy: Oliver Bruce**

Micro mobility solutions such as electric bikes, scooters and bicycles not only address air pollution problems at a low-level, but also free up cars and larger vehicles for multi-person mobility and reduces congestion on the roads.

This unbundling of mobility options like split among cabs, public transport, electric scooters and bikes for the Indian market is part of a larger push to make India’s transport system less reliant on larger vehicles, especially when travelling short distances.

**Creating a smooth road towards customers experience:**

India is hitting pollution level with larger discharge of carbon in air. Reasons could be many like air pollution, industrial pollution, domestic pollution etc. This is the time to rethink on our consumption pattern of petrol for whatsoever reason to prevent future environmental and health hazards.

Yulu- with its Value of Social and Economic stability has launched YULU Cycles and YULU Bikes. It promotes peddling for eco-friendly, clean and green environment, and healthy Life to its users.

Yulu Move and Miracle is a light weight, smart lock enabled bicycle which effectively solves the first mile, last mile and short distance commute challenges. It is virtually dockless, robust body, unisex anti-rust frame with high-quality compounds.

Yulu has tied up with its electric cycle sharing app “Uber” to offer bicycle rentals to its customers. In its current form, the Uber app redirects a customer to register on Yulu, instead of directly offering to book

the service from the app. It offers bicycles and electric scooters with a maximum speed of 25 km per hour and requires no licence or helmet for usage.

Yulu brings forth two versions, one called the Yulu Move, which is a cycle and the other, Yulu Miracle, which is an electric bike. In all, they present the most advanced vehicle sharing solution presently available in the city.

#### **Getting started:**

First, users must download the Yulu app from Play store and register for the service. One must make a minimum deposit of Rs 100 in their digital wallet to get started. Once registered, the person will gain access to a fully functional app that will show them all the pickup points in the city, and they can go to the nearest one to rent a cycle.

At the pickup point, the rider will need to scan the QR code available on the lock with your mobile phone. The lock will open automatically on successful verification. One can then take the cycle anywhere he wishes to and when done with the day's ride, park it at any of the Yulu Zones available around. They need to ensure to close the lock manually and press the end ride button in the App. The charge for the ride will be deducted from the balance available in the wallet.

#### **Generating interest and liking:**



Yulu is application driven and customers can book the cycles/bikes from their mobile after downloading the app. Customers can know nearest cycle zone to their area and the number of cycles available there. In case the cycle selected by customer is faulty (improper Breaks, seat adjustment, they can raise the complaint through the app.

One can also know the distance travelled in kilometres, calories burnt and carbon in gm per ride. Route taken is also known.

Yulu offers discount coupons and promotion codes to give customers the best savings. To use a coupon, one needs to simply click the coupon code and enter the code when checking out at the store. It also offers referral free rides to the ones who refer Yulu cycles to others. They promote through print media, referrals and word of mouth.

#### **Adoption made easy and affordable:**

With a fleet of beautiful & functional vehicles powered by GPRS, GPS and Bluetooth technology it gives freedom to rent as per convenience of time and location. You can rent it from any pickup point, drop it at any drop point in the area, or simple take it home.

Yulu Move charges Rs 10 for the first 30 minutes and then Rs 5 for every 30 minutes. There are pause charges as well so if the ride is not ended and kept on pause, then there is a charge Rs. 5 for every 30 minutes and Rs. 30 maximum between 6:00pm to 10:00am.

The charges of Yulu Miracle (electric bike) are a little different from that of Yulu Move (cycles) with Rs. 10 for unlocking the bike, then Rs. 10 for every 10 minutes of the ride. The pause charges are Rs. 5 for every 30 minutes and Rs. 90 maximum between 6:00pm to 10:00am.

#### **CHALLENGES AND CHALLENGERS:**

Yulu's biggest challenge is theft of its cycles and bikes. Many of these issues have been dealt with in conjunction with the community. Due to this challenge, Yulu had to scale back its plans of launching

operations in 10 cities by this year, and now is going for launch in 5-6 cities. Mumbai, Delhi NCR and Hyderabad are some of the cities Yulu is penetrating, while also planning to deepen its presence in Bengaluru, Pune and Navi Mumbai.

*Talking about one episode of missing cycles in 2018, Amit Gupta said:*

*“When the company set up a Yulu zone in a new location in Bengaluru, people registered and used its bicycles, but the very next day, all the cycles were gone. The Yulu Zone was empty. Thanks to the on-board IoT device, the company was able to track the missing cycles, but locals refused to return them citing the INR 100 security charge paid to Yulu. On the intervention of local community leaders who were approached by Yulu, the cycles were returned promptly”.*

From finding parking spaces to maintaining 24×7 availability of the bicycles at every Yulu Zone is not an easy job. The company purchased a slew of Tata Ace trucks to meet the service and availability requirements.

Challenge is not just about meeting the demand but also rising to the challengers. Yulu is not the only one in Bengaluru but is challenged by VOGO, Bounce, Moby and others.

Catering to the same space, VOGO which has partnered with Ola, has a completely different model. VOGO operates scooters and escooters which need driving licenses and registrations. The company charges INR 5 per Km and INR 0.5 per minute for every ride. In contrast, Yulu offers bicycles and escooters which do not need any driving license and vehicle registrations for riding. The company's charges are also comparatively less. This makes things easier for Yulu and lowers the maintenance cost as well.

It is estimated that market size of shared mobility space under bicycles is currently close to \$8-10 billion globally and is expected to grow beyond \$1 billion in India by 2022. Yulu had raised \$7 Mn in funding till March 2019, and is backed by investors including Blume Ventures, 3One4, Wavemaker Partners, Incubate Fund India, Grey Cell Ventures and more. Future for cycles and escooters is very bright, but will YULU sustain its **BIG share?**

#### REFERENCES:

1. <https://www.ceh.org.in/wp-content/uploads/2017/10/Air-Pollution-and-Health-in-India.pdf>
2. <https://www.bizencyclopedia.com/article/the-success-story-of-the-yulu-bikes>
3. <https://www.franchiseindia.com/brands/yulu.28780>
4. <https://inc42.com/startups/yulu-gets-ready-to-tackle-city-traffic-congestion-and-drive-indias-micromobility-future>
5. <https://inc42.com/startups/yulu-gets-ready-to-tackle-city-traffic-congestion-and-drive-indias-micromobility-future>
6. <https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/bajaj-auto-pumps-in-8-million-into-mobility-startup-yulu/articleshow/72237145.cms>
7. <https://yourstory.com/2019/09/behind-scenes-yulu-electric-vehicles-ev-startups>
8. <https://yourstory.com/2019/09/ev-startup-yulu-collaborates-delhi-metro-ncr>