

# COVID-19 Is Changing How We Commute

As of late summer 2020, COVID-19 is spreading at a rapid pace, while many businesses and schools across the country are beginning to reopen. Like every other aspect of day-to-day life, commuters have to consider the pandemic when deciding how they'll get to work and school. In densely populated urban areas, their decisions can have a major impact on traffic patterns and parking demand.

With infections rates high and mask mandates unevenly applied and followed, many people no longer feel comfortable using mass transportation or rideshare programs. Additionally, employers like the New York Stock Exchange are requiring their employees to avoid public transportation.

2/3 of New Yorkers feel uncomfortable riding trains and buses during the pandemic.\*

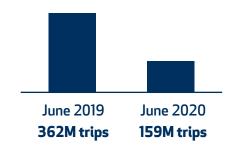
https://www.wsj.com/articles/as-new-york-city-reopens

Local mandates are also impacting commuting options. According to McKinsey, many cities that have reopened are limiting how many passengers can ride buses and trains, forcing people to drive more. On the ridesharing front, Uber reported that rides are down 80%, as many don't feel comfortable riding in someone else's car. Those who are able to drive a personal vehicle are more likely to choose to do so, resulting in increased traffic and demand for parking spaces.

#### Urban Rail Ridership Across the US



## Fixed Route Bus Ridership Across the US<sup>3</sup>



 $<sup>1\ \</sup>underline{\text{https://www.mckinsey.com/industries/travel-logistics-and-transport-infrastructure/our-insights/restoring-public-transit-amid-covid-19-what-european-cities-can-learn-from-one-another$ 

 $<sup>2\ \</sup>underline{\text{https://knowtechie.com/uber-lays-off-another-3000-employees-is-this-the-end-of-rideshare-companies/}\\$ 

<sup>3</sup> https://data.bts.gov/stories/s/m9eb-yevh#transit-ridership

## The Rise in Personal Vehicles on the Road

If commuters continue to choose their own personal vehicles, the increased volume of cars on the road may impact traffic patterns. Because public transportation has historically been widely utilized in the county's most densely populated cities, the highway and bridge infrastructures were not built to operate with such an influx of cars. It's hard to predict how local governments will respond, but they may impose tolls or increase traffic-related fines to discourage unnecessary trips, further increasing the cost of owning a personal vehicle.

### Bracing for the Parking Impact

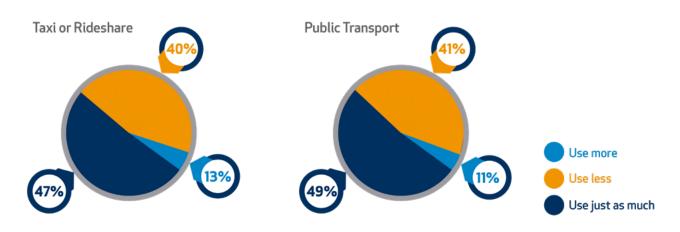
With the concern around COVID-19 transmission driving the shift to personal cars, how can parking facilities adapt to the new influx of cars? And how can parking operators attract customers who are concerned about cleanliness and cost?

In major cities like New York City, Boston, and Chicago, a large portion of the population takes public transportation because it's cheaper and more convenient than driving their own vehicle. The cost of parking a car alone in these cities can reach thousands of dollars per year.

Monthly parking spots average \$400 per month in New York City.4

Now that many people have turned to driving as their main mode of transportation, parking facility operators will have to adjust so that their customers feel safe. They also need to consider how they'll communicate their cleaning efforts to customers. Finally, they need marketing programs and pricing options that alleviate customers' cost concerns, all while preparing for higher-than-usual utilization rates.

## Some experts predict public transportation ridership won't return to normal levels **until mid-2022.**<sup>5</sup>



<sup>4 &</sup>lt;a href="https://monthlyparking.org/nyc-monthly-parking/">https://monthlyparking.org/nyc-monthly-parking/</a>



<sup>5</sup> https://www.weforum.org/agenda/2020/07/masks-subway-disinfectant-how-to-make-commuters-feel-safe-after-covid-19/

## Customer-Attracting Solutions

Parking facilities need to add large and visible signage, implement contactless technology, and make sure employees are visibly disinfecting high-touch point surfaces to ease customer concerns. When customers can see signs that communicate how to safely practice social distancing in the facility, the availability of touchless technology, and the protocols you're taking for disinfection, it demonstrates that you're taking their wellness seriously. That gives current customers confidence in using your facility, and it helps potential guests identify which garages are creating a safe space for them and their vehicles.

Competition is fierce among parking facilities in dense urban areas, especially as many are attempting to make up for the revenue they missed due to the shelter-in-place orders. It's important to differentiate your facility as much as possible. Innovations such as touchless payments and contactless gate equipment are no longer simple conveniences. They indicate that you're taking a holistic approach to improving facility wellness, which can be the deciding factor for a customer who's evaluating whether to park at your facility or another in the same area.







#### **Customer-Attracting Solutions (continued)**

Additionally, many customers are turning to online parking aggregators to reserve and pay for their parking prior to arriving at the garage. Operators who fail to include their facility in these services risk continued revenue loss.

With the right tools to navigate the pandemic, parking operators can create a satisfactory experience for their parkers and build a loyal customer base that leads to sustained revenue.



## **Need Help Adapting your Parking Facility?**

As experts in facility services, ABM can implement disinfection programs and identify revenue-generating opportunities to keep your parking facility one step ahead.

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