

RIDEAMIGOS - SHIFTING FROM ANNUAL TO DAILY PARKING

Summary

In an effort to reduce 'lock-in' for paid parking on campus and increase transport flexibility for employees at Massachusetts Institute of Technology (MIT), a major university in the Northeast of the United States shifted from annual parking permits to daily parking charges with RideAmigos' support. This shift led to a measurable reduction in parking demand and increased transit use among commuters.

Company background

RideAmigos is a commute management solutions company, set up to take cars off the road by empowering commuters to make smarter transportation choices. Its mobile and web-based tools and apps combine innovative technology with proven principles of behavioral science to optimize employee commutes.

The mobility context

This initiative was put in place at MIT. The university has good public transport accessibility and charges for parking. When the university put this measure in place, it was experiencing severe parking pressure and looking for alternatives to expensive new parking infrastructure.

Best practice

Commuters who invest in an annual or monthly parking pass are subject to what behavioral scientists call "lock-in" bias. Once parking is paid for, it is less desirable to choose an alternative. The university had two objectives: to reduce parking demand and to increase the use of universal transit passes.

Shifting from annual to daily parking charges provided employees with more flexibility to rethink their mobility habits since they could save on parking fees by using public transportation. The cost of daily parking was capped at the total for an annual pass so that all university employees (approximately 10,000) were able to benefit from this measure.

Results

Shifting to daily parking charges resulted in net savings to the university when accounting for the reduction in future parking infrastructure expenditures. The measured benefit was an 8% reduction in daily parking demand and a 10% increase in transit pass usage among employees.

Overcoming challenges

The shift from annual to daily parking charges required support from multiple stakeholders. To manage this shift, RideAmigos worked closely with the HR, Parking and Sustainability Departments, as well as a research team from the university. Processing daily charges required greater alignment and faster data sharing between parking and payroll departments.

With the help of RideAmigos' [commute hub](#) software solution, the university could automate the processing of parking charges with employee payroll and provide a simple user interface to help commuters understand their options.

[Contact RideAmigos](#)