Case Study
Wireless Fleet Management

Cingular Wireless Helps Zipcar Answer a Unique Consumer Need for Network Coverage and Reliability

A Strategically Located Network of Vehicles Creates a New, Low-cost Transportation Service.
Residents of large, pedestrian-friendly cities often forego the traffic, parking hassles and expense of owning a vehicle and use public transportation for their daily commutes. However, frequenters of public transit systems in these cities still occasionally need the use of a vehicle for a few hours, for example, when their destination is underserved by public transit or when they need to transport heavy or cumbersome items.

Enter Zipcar, a car sharing service based in Cambridge, Massachusetts. This innovative, membership-based service uses Cingular Wireless technology to remotely monitor its assets and serve its customers. Hourly fees are as little as $8.50 per hour, and include gasoline, parking, XM Satellite Radio and even insurance. Zipcar technology is now being used in 8 states and 21 North American cities. Its unique approach to an underserved consumer need has become a marketing success story. The company is also serving an increasing number of businesses who find the service an economical alternative to their own fleet, taxis or car rentals.

Zipcar Relies on the Cingular Data Network to Meet Customer Demand.
The Cingular data network provides the coverage and speed to make Zipcar’s service efficient and reliable. Zipcar administers everything from its Cambridge headquarters. Members can reserve a vehicle either online or

Company:
Zipcar

Industry:
Transportation: Car Sharing

Challenges:
• Pioneer a new business model for car ownership – car sharing.
• Remotely monitor location and maintenance status.
• Build a secure system to control and monitor member access.
• Accept member reservations and transmit data in real time.
• Maximize the efficiency of existing assets.
• Build a system that easily scales to new markets with increased demand and locations.
• Create a superior user experience that is easier to use than an ATM.

Results:
• Membership and number of vehicles more than doubled in 2004.
• Access and monitoring systems handled hundreds of thousands of self-service reservations.
• Accurate, timely vehicle-use information resulted in efficient revenue forecasting and collections.
• Zipcar reports 40% of members were so pleased with the service that they either sold their cars or decided not to buy one.
by telephone. Specialty “black box” devices – a custom circuit board, processor and modem – installed in all Zipcar vehicles, receive the reservation information via the Cingular Wireless network. The Zipcar reservation process is very secure and reliable because every member is issued a unique “Zipcard” upon joining. This Zipcard is authorized for use via the Cingular GSM/GPRS data network when a reservation is made.

Timely Customer Service
Zipcar members can quickly reserve an available car near them, choosing from cars and locations within walking distance from their location. The Zipcard authorization process occurs typically within seconds of making a reservation. Members go to the location of the car they’ve reserved and hold their Zipcards in front of a special window decal. Their membership and reservation time is read and validated, and only then does the system unlock the car door and enable the ignition.

Members use the car, returning it to the same location, ready for the next reservation. Usage information is sent to Zipcar’s servers and the member’s account is automatically charged.

Remote Asset Management
Zipcar uses the GPRS network to monitor its cars’ systems for security and billing purposes, as well as maintenance checks. Zipcar can remotely monitor miles driven, the time the car was used and engine functionality such as battery voltage and fuel level. If a Zipcar member forgets to turn off the lights, for instance, the car sends a message to Zipcar so that a maintenance person can be immediately dispatched. In addition, minor problems with the vehicles can be detected and corrected before they become a problem for a driver. This reduces maintenance costs for Zipcar and ensures a positive customer experience.

“Cingular’s coverage is fantastic. They are in every major and minor market that we’re in and expanding to. We have not had a single problem with coverage in any of them.”

Roy Russell
Chief Technical Officer
Zipcar
The Zipcar Fleet Management Solution Delivered by Cingular Wireless Has:

- Differentiated Zipcar from car ownership and car rental. The innovative system has created compelling consumer and business value. A unique selling point – complete 24/7 self-service access and hundreds of convenient locations – allows Zipcar to better serve the needs of its target markets.

- Provided the means for timely service when its customers need it, any time of day or night. The ready availability of a car when a member needs it increases the frequency of a member’s use and strengthens customer loyalty.

- Allowed Zipcar to remotely monitor its assets. Cars are maintained better, and the locations of vehicles, a substantial company asset, are known at all times.

- Minimized Zipcar’s overhead expenses. Remotely managing both its fleet and its customer service from one central location requires fewer field employees in each market and no brick-and-mortar locations. Additionally, Zipcar’s mode of vehicle distribution eliminates the need for large parking lots of vehicles. No counters, no lines, no waiting. Just driving!

- Ensured smooth expansion to other cities. The broad coverage of the Cingular data network and the expertise of Cingular professionals across the nation will expedite Zipcar’s expansion into new markets.

- Allowed for additional innovation for the near future. The company is already looking at adding Bluetooth® and Wi-Fi technology to its service mix. The wide range of Cingular industry alliances and the dedicated expertise of Cingular will make adding these services a smooth transition for Zipcar as well.

“Cingular’s network has been rock solid reliable. We have not had a single service problem since we started working with them.”

Roy Russell  
Chief Technical Officer  
Zipcar

Why Choose Cingular:

- Network. The Cingular ALLOVER™ network is the largest digital voice and data network in America. The ALLOVER network covers over 270 million people and is growing all the time. The Cingular EDGE network is the fastest national wireless data network, with typical average download speeds up to 135kbps. Coverage is not available in all areas.

- Expertise. Our people and our alliance providers know how to make wireless improve the way any business works. That’s why 95% of Fortune® 100 and more than 80% of Fortune® 500 companies choose Cingular for their wireless solutions.
Applications. Our broad ecosystem of trusted market leaders, including enterprise software and middleware providers, system integrators, original equipment manufacturers and other solution providers, work as a team to provide you with applications specific to your industry.

Service. Cingular provides superior account service with a dedicated team of wireless experts committed to facilitating an end-to-end solution.

For more information and a free ROI evaluation, or to learn more about Cingular solutions for your industry, visit www.cingular.com or call 1-866-429-7222.

“As a startup, we were impressed with the help we got from Cingular shepherding our new device through the FCC, PTCRB, and their own certification procedures.”

Roy Russell
Chief Technical Officer
Zipcar