



**Australian Government**

**Department of the Environment,  
Water, Heritage and the Arts**

# **Coles Cuts Kilometres with Carpooling**



**myCarpools**

More traffic on the internet and less on the roads™

Australian Greenhouse Office Case Study -  
Coles Group Limited Carpooling with MyCarpools.com.au

# Coles Cuts Kilometres with Carpooling



Carpooling or ridesharing is well established and increasing in some countries, such as in Canada, as a response to peak hour traffic congestion, car parking shortages and as a way for people to reduce emissions and the costs of getting to and from work.

In some parts of the US, such as in California, there are specially signposted points along highways where commuters can pick up people willing to share a ride. With two or more people on board the motorist can take advantage of transit lanes.

In Australia carpooling has not yet become a common practice, however, large employee or service organisations are increasingly investigating carpooling systems for a variety of reasons including:

- Alleviating carparking congestion at the workplace;
- As an employee benefit to assist employees reduce commuting costs, and;
- As a means of making a positive contribution to the environment.

This case study looks at the experience of Coles Group Limited, one of Australia's largest corporations, and its successful introduction of an internet based carpooling system at their company headquarters.



## The Situation

Coles Group Limited headquarters in Tooronga, a suburban area 9 kilometres south east of the Melbourne CBD, is the daily destination of nearly 3,000 Coles Group employees.

There is limited public transport available and the majority of employees drive to work. Flexible work hours and conditions mean that not all employees travel to and from the site during the traditional traffic morning and evening peak hours, nonetheless parking at the site has always been relatively tight. As well as parking under the building, employees also utilise a car park adjacent to the building.

In mid 2005, the Office Facilities Management (OFM) department was advised that a major development was planned for the adjacent car park which would increase the pressure on available parking. The OFM Manager prepared a list of options to respond to the situation. Carpooling was identified as a way to both reduce the demand for car parking and also deliver environmental benefits. All options were discussed with senior management and it was agreed to proceed with a carpool system.

## The Journey

The OFM team began gathering and reviewing information about carpooling and investigating how other companies had instigated carpooling arrangements. A survey of the Tooronga employees was also conducted to gauge interest. With such a large number of employees based in the Tooronga headquarters it was clear that any system to introduce or operate a carpool had to be computer based.

Based on these actions, OFM provided a written brief to the Coles Group IT Department recommending the establishment of an IT application to facilitate carpooling. Coles Group IT originally intended building and supporting a carpooling service in-house, however, a review of the marketplace identified several potential suppliers.

Any service selected had to meet Coles Group standards of data security, privacy, service availability and a number of legal undertakings in relation to insurances, access to the database and use of the data. Further the service had to be user friendly and accessible only to Coles Group team members.

IT investigated a number of potential suppliers and commenced negotiations with two organisations. After evaluating whether the service providers met all of the Coles Group technical, legal and security requirements, IT recommended the use of Carpool-it.com (Aust) Pty Ltd.

## Team Players

OFM had to liaise with a number of departments across the organisation during evaluation and implementation phases of the service, and obtain a number of appropriate approvals before launching carpooling.

The Coles Group teams involved in the carpooling initiative were:

- The *Office Facilities Management team* who have ownership of the carpooling initiative. OFM were responsible for developing the process, providing team members with information about the service via the OFM intranet and the ongoing management of the service;
- *Property Services* – this team was involved during the initial stages due to the redevelopment of the adjoining land;
- *Information Technology* – IT was responsible for sourcing, testing and recommending an appropriate online tool to facilitate carpooling. The team has had an ongoing role in advising on and testing customisation of the service and some functional upgrades;
- *Legal* – this team was engaged to ensure that the online tool, processes and communications were all within company guidelines and relevant laws (including privacy regulations);
- *Corporate Affairs* – this team became involved when the service was preparing for launch, and was also responsible for drafting all communications, in conjunction with OFM, to launch carpooling.

From the time carpooling was identified as a possible response to the changed car parking arrangements it took several months to modify and launch the Carpool-it.com system. During this time, OFM developed a thorough understanding of how the service would operate, and potential incentives and disincentives.

In the immediate lead up to the launch of the service comprehensive information about carpooling was placed on the OFM intranet. Additionally, OFM promoted a number of incentives made available by Coles to carpool participants that included:

- reserved parking in the basement car park of the Tooronga headquarters;
- a guaranteed ride home should a carpool arrangement fail after participants had carpoled to the site, and;
- participation in monthly prize draws for which the prize was a \$500 Coles gift card.

Promotional information also highlighted expected reduced travelling costs for participants and the environmental benefit that their carpooling activity would produce.

## The IT Solution

Carpool-it.com offer a 'closed' and company branded internet portal that is invisible to the outside world but accessible to Coles Group employees from within their intranet, or via the internet when external to the Coles Group offices.

People register online and describe their commuting behaviour in terms of departure point, destination, days and times of travel and a number of personal preferences. The Carpool-it.com system presents a list of potential carpool matches, ranking their suitability with a percentage score.



*Matching page from MyCarpools upgraded version of the Carpool-it.com service*

Users can access a small personal profile of listed potential carpool matches without any contact details or other private information being revealed. Users can then send an invitation via the Carpool-it.com system to a potential match. A person receiving an invitation to carpool can access the personal profile of the other party, and use the Carpool-it.com system to accept or decline the invitation. If they accept, an email address, or a phone number if preferred, is released to be used for communication directly between the two parties.

Once a carpool group has been formed Carpool-it.com's sophisticated route mapping software and database management allows very reliable calculations on the road kilometres not travelled as a result of the ride sharing activity. This data can then be used to calculate fuel savings and emissions avoided.

Several aspects of Carpool-it.com's service were attractive to the Coles Group IT department. Chief among them was the willingness of Carpool-it.com's team to work with Coles Group to customise a solution to ensure compliance with all technical, information, service reliability and data security requirements. Carpool-it were also willing to consider suggestions and make changes to the Coles Group portal relating to useability and additional reporting functions.



## Coles Group Carpool-it.com Portal Launch

The service was launched in August 2006. In the first few days more than 100 participants registered with the service and carpool matches were being made immediately. By the end of the calendar year there were more than 246 registered users and 84 active carpools had been formed, some of them with two passengers, i.e. three people in one car.

Between the launch of the system in early August 2006 and the end of April 2007 the single occupant vehicle trips eliminated by the carpool teams were estimated to have:

- avoided 464,552 road kilometres or an average of about 5,100 kilometres for each of the approximately 90 active carpools operating over the 8 month period;
- saved approximately 43,000 litres of fuel and 9000 litres of LPG;
- delivering direct cost savings of approximately \$51,000 in avoided fuel costs alone to the participants plus unknown savings in avoided road toll and parking costs and reduced vehicle wear and tear;
- directly avoided the emission of at least 101 tonnes of carbon dioxide; and
- removed approximately 90 cars from the roads at peak hour.

Estimated fuel savings and avoided road kilometres are conservative as the system automatically calculates the quickest feasible route between two points and multiplies the distance by the manufacturers published optimal fuel efficiency for each type of car. This calculation does not include fuel used while stopped at lights or in traffic jams, and of course most vehicles will be running considerably less efficiently than when new. Carpool-it.com are working on improved software and systems of recording and reporting reduced trips to increase confidence in the calculation of savings presently produced by the system.

Carpool participants almost universally report positive experiences in arranging and running a carpool. They are happy with the incentives offered by Coles Group and are finding the cash savings from simply sharing the commuting activity to be worth the effort.

The incentives provided by Coles Group were almost certainly instrumental in motivating participants to initially register and trial the service. Active carpoolers report that the most popular incentives are (in descending order):

- Reserved parking
- Reduced travel costs
- Environmental benefits
- Prize draws; and
- Meeting people and making new friends

The guaranteed ride home has been used only 12 times since commencement, while the active carpools have participated in at least 11,500 successful carpool trips in the first 8 months of operation of the service.

At that time that Coles was looking for an online solution and when this case study was written Carpool-it.com (Aust) Pty Ltd was operating its service via [www.carpool-it.com](http://www.carpool-it.com). This services has since been improved and upgraded to the [www.mycarpools.com](http://www.mycarpools.com) service.

Carpool-it.com (Aust) Pty Ltd is committed to continuous improvement and upgrading of the MyCarpools service and aims to have MyCarpools recognised as the state-of-the-art in this field. Reducing vehicle and commuting emissions is one of the most difficult areas of energy efficiency. MyCarpools is one of the answers to that problem.

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