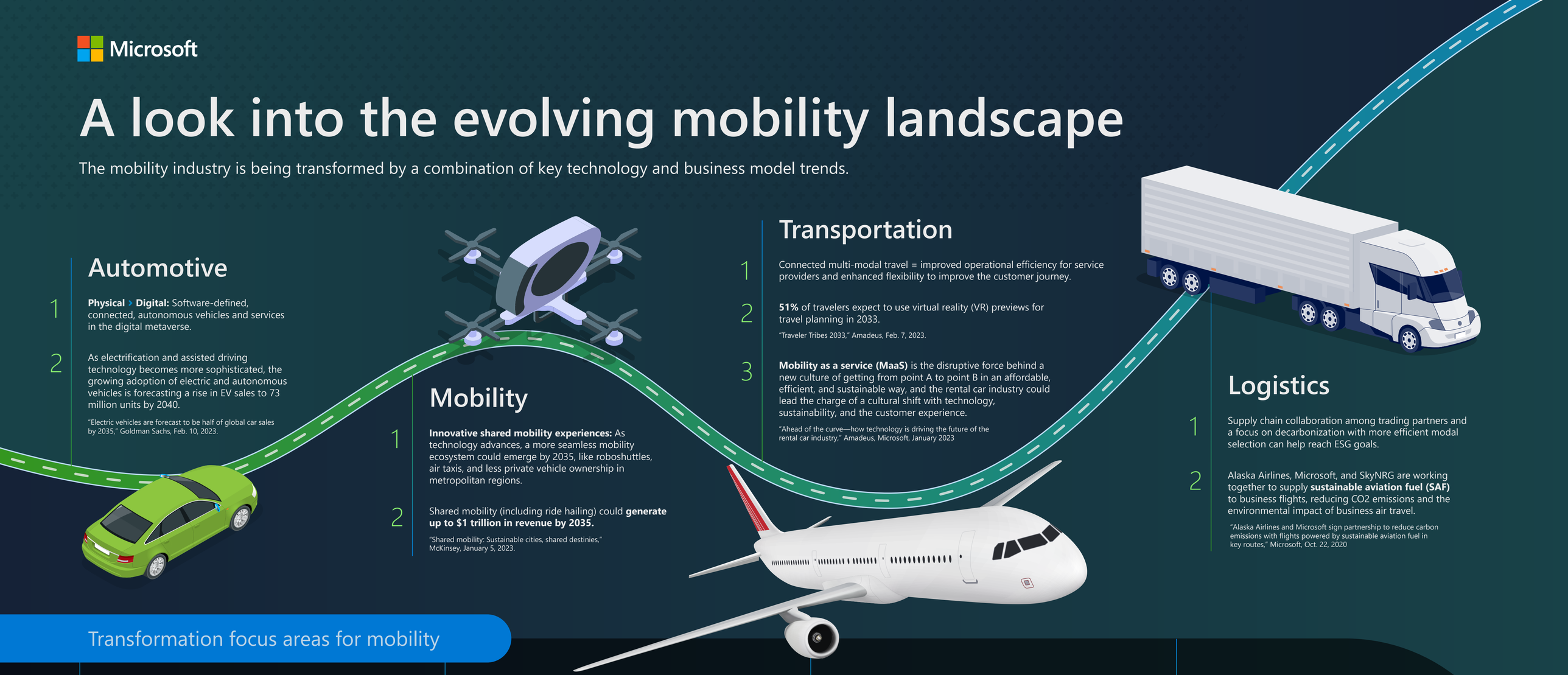
Microsoft

A look into the evolving mobility landscape

The mobility industry is being transformed by a combination of key technology and business model trends.



Automotive

1. **Physical › Digital:** Software-defined, connected, autonomous vehicles and services in the digital metaverse.
2. As electrification and assisted driving technology becomes more sophisticated, the growing adoption of electric and autonomous vehicles is forecasting a rise in EV sales to 73 million units by 2040.

"Electric vehicles are forecast to be half of global car sales by 2035," Goldman Sachs, Feb. 10, 2023.

Mobility

1. **Innovative shared mobility experiences:** As technology advances, a more seamless mobility ecosystem could emerge by 2035, like roboshuttles, air taxis, and less private vehicle ownership in metropolitan regions.
2. Shared mobility (including ride hailing) could **generate up to $1 trillion in revenue by 2035.**

"Shared mobility: Sustainable cities, shared destinies," McKinsey, January 5, 2023.

Transportation

1. Connected multi-modal travel = improved operational efficiency for service providers and enhanced flexibility to improve the customer journey.
2. **51%** of travelers expect to use virtual reality (VR) previews for travel planning in 2033.

"Traveler Tribes 2033," Amadeus, Feb. 7, 2023.

3. **Mobility as a service (MaaS)** is the disruptive force behind a new culture of getting from point A to point B in an affordable, efficient, and sustainable way, and the rental car industry could lead the charge of a cultural shift with technology, sustainability, and the customer experience.

"Ahead of the curve—how technology is driving the future of the rental car industry," Amadeus, Microsoft, January 2023

Logistics

1. Supply chain collaboration among trading partners and a focus on decarbonization with more efficient modal selection can help reach ESG goals.
2. Alaska Airlines, Microsoft, and SkyNRG are working together to supply **sustainable aviation fuel (SAF)** to business flights, reducing CO2 emissions and the environmental impact of business air travel.

"Alaska Airlines and Microsoft sign partnership to reduce carbon emissions with flights powered by sustainable aviation fuel in key routes," Microsoft, Oct. 22, 2020

Transformation focus areas for mobility

Products and Services

"Having a comprehensive software platform from the vehicle to the cloud will reduce the complexity of the software development and the vehicle system integration. In this way we will create the conditions for wireless updates to work just as smoothly and conveniently in vehicles as they do in smartphones." — Dr. Markus Heyn, Member of the board of management Robert Bosch GmbH

Factory

"Thanks to cloud-based connectivity, it's now much easier for us to integrate machines into our landscape. Processes are becoming more transparent and are revealing their optimization potential. At the end of the day, this allows us to raise efficiency, both of the machines and the entire plant." — Thorsten Schulze, Project Manager, Diepholz pilot plant, ZF

Supply Chain

"Using the data correctly, we could achieve a significant automation in certain processes. We have process efficiencies here, and we can drive the decision making in a completely different way. The more we do, the more we learn, and the better we are to derive services out of it for suppliers, partners, customers, dealers." — Lutz Beck, CIO Daimler Truck North America

Customer Experience

"We can help our dealers get to the root cause of a problem without putting a single mile on a vehicle. With HoloLens 2 and Dynamics 365 Remote Assist, our team can service a vast number of dealerships in multiple locations without leaving their office. We're able to cover the country in a much more efficient way. " — Teri Clemmer, Manager, Western USA Field Technical Services at Mercedes-Benz USA

Learn more about the mobility industry's acceleration into the future.