



Car Features... That Require Subscriptions?

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Introduction

- Netflix, Spotify, Hulu, Disney+
 - All examples of common subscription services
- Automobile industry has recognized this value
- What's a sham and what's a necessity?
- We will get into several examples of subscription services in cars, and we will let you decide.

GMC's OnStar

- GMC's Onstar
 - First "big" subscription service
- Originally simple, have adapted to modern technology
- Multiple plans, ranges from \$25-\$50 per month



Automatic Crash
Response



Emergency
Services



Security
Services



Turn-By-Turn
Navigation



Hands-Free
Calling



Vehicle
Diagnostics



Tesla's Connectivity and Audi Connect

TESLA

- \$99/year
- Features
 - Live Traffic Visualization
 - Live Camera
 - Internet
- Already Included Functionality. Need to purchase subscription.

Audi

- Ranges from \$365 - \$499/year
- Features
 - Basic Wi-Fi
 - Traffic Visualization
 - Parking Information
- Already Included Functionality. Need to purchase subscription.



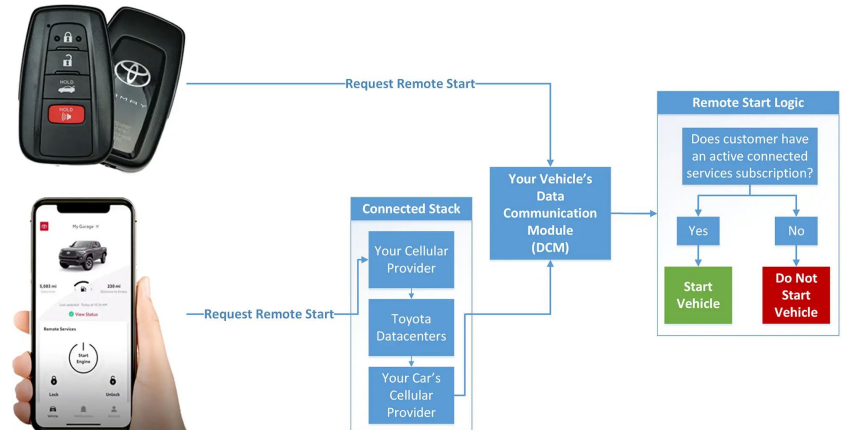
TESLA

Tesla's AutoPilot and Full Self-Driving Capabilities

- Paying for software that controls driving
- Autopilot
 - Traffic-Aware Cruise Control and Autosteer
- Full Self-Driving
 - Above and auto-lane change, auto-park, summon, and beta technologies such as navigate on auto-pilot, stop sign and traffic control
- Anywhere from \$99-199 a month

Toyota and Remote Start

- Toyota released a Remote Services package
 - Remote start
- Backlash as there is no cellular connection with fob and car
- After 3/10 years of free period, service cuts off
- \$8 a month or \$80 a year

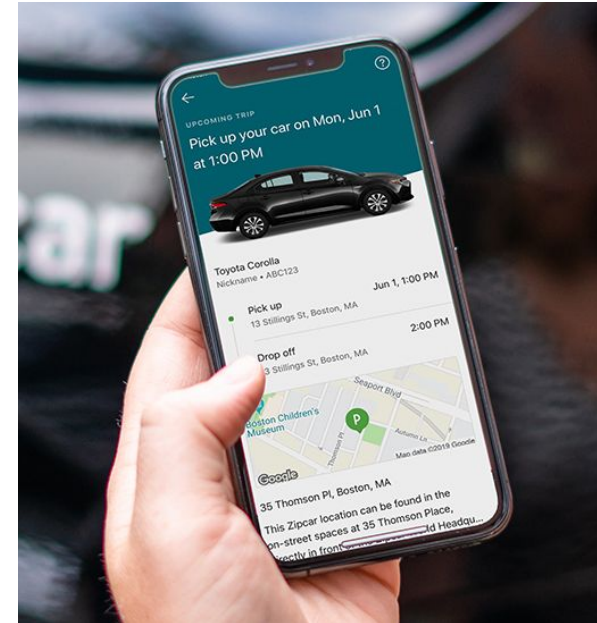




Zipcar



- \$70 annual or \$7 monthly subscription
- \$11 - \$20/hr driving rates
- Access to different types of cars
 - SUV, Large Van, Luxury vehicle, Off Road Vehicles, etc.
- Round trips only
- Affiliated with over 600 Universities including Virginia Tech





Our Thoughts

Potential Issues

- Some of these systems need a backend to confirm for subscription registration
 - Longevity of these systems?
 - System updates
- Public relations issue
 - How will consumers react when you lock down a feature that doesn't require backend.

Future of Subscription Models

- What would a world look like where access to a fleet of autonomous cars is available via a subscription service?
 - Robotaxi - Tesla's Autonomous Taxi

**At what point is it a sham and
at what point is a subscription
valid?**

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**What do you see the future of
subscription models with
autonomous vehicles being?**

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References

- <https://www.tesla.com/support/full-self-driving-subscriptions>
- <https://www.audiusa.com/us/web/en/inside-audi/innovation/audi-connect.html>
- <https://www.tesla.com/support/connectivity>
- <https://www.zipcar.com/pricing>