

17 Travel and Mobility Startup Post Mortems

Content from [CB Insights](#). Travel Tech Essentialist just extracted the Travel startup examples and changed many of the links which were taking to non-existing pages)

Hipmunk (closed in 2020)

Title: Four years after being acquired, Hipmunk is shutting down

Product: Hipmunk

Founded by Adam Goldstein and Reddit co-founder Steve Huffman, Hipmunk was one of the first metasearch travel sites that allowed users to compare flights, hotels, and car rentals from multiple websites. It gathered \$55M in funding before being acquired by SAP Concur in 2016, which struggled to integrate the search engine. Its co-founders made a bid to take over the startup before it shuttered but were rejected. As SAP Concur spokesperson Alex Vaught told Skift,

We carefully considered all potential avenues for Hipmunk and Concur Hipmunk and determined that it was in the best interests of our travelers, customers, our people and SAP Concur to terminate the service and retain all of the intellectual property.

Local Motors (closed in 2022)

Title: Local Motors, the startup behind the Olli autonomous shuttle, has shut down

Product: Olli

Local Motors – the company behind Olli, an autonomous shuttle – closed down operations in January. Olli was an all-electric vehicle designed to operate in closed environments, such as college campuses and hospitals. While there was some buzz surrounding the announcement of its spring 2021 pilot partnership with Pacific Western Transportation – to bring shuttles to the city of Toronto, CA – the launch itself largely fell under the radar.

Local Motors' closure came only a few months after president and COO Vikrant Aggarwal took over as CEO and expressed the company's intent to scale up production. Local Motors has yet to release a statement on the matter.

Former VP of sales and customer success Chris Stoner commented on his time at the company,

"The autonomous vehicle space is an exciting emerging market with plenty of opportunity. Experiencing first-hand the skill and dedication of the people I worked with, I have no doubt AVs (like Olli) are the future of transportation."

Stay Alfred (closed in 2020)

Title: [Stay Alfred to permanently close down](#)

Product: [Stay Alfred](#)

Apartment rental startup Stay Alfred was hit hard by the pandemic, as shutdowns forced the company to close its properties and investor interest dried up. The startup, which had raised \$62M in funding, announced it would permanently cease operations in May 2020. According to Short Term Rentalz, CEO Jordan Allen said in an interview with the Spokane Journal,

"My heart's broken in a lot of ways," Allen told the newspaper. "We were trying to sell off assets, but there just aren't a lot of buyers out there."

He added that, in hindsight, he would have looked to adopt more of an ownership business model rather than concentrating so heavily on a master lease model.

Pillow and ApartmentJet (2020)

Title: [Expedia Shuts a Short-Term Rental Biz It Created From 2 Acquisitions](#)

Product: [Pillow](#) and [ApartmentJet](#)

In 2018, Expedia acquired rental management software startups Pillow and ApartmentJet in an approximate \$54M deal. [Expedia](#) combined the startups to form a platform to help landlords and

tenants offer short-term rentals. According to Skift, Expedia shut down the platform in May 2020 as Covid-19 decimated the demand for its services,

Expedia Group CEO Peter Kern and senior executive Barry Diller have been reorganizing the online travel agency for several months, cutting costs, consolidating teams, and trying to simplify what they agree has been a less-than-efficient and complex web of businesses.

The Expedia Group spokeswoman said factors that led to the demise of its multifamily business grew out of the Covid-19 crisis, which hurt urban demand and complicated investment in supply.

Trover (2020)

Title: Photo-sharing startup Trover, started by Rich Barton and acquired by Expedia, is closing down

Product: Trover

Another Expedia acquisition felled by the pandemic is photo sharing platform Trover. Founded in 2011 by Rich Barton and Jason Karas, Trover aimed to connect travelers through images and experiences shared on the site, which shut down in August 2020. The startup raised \$12M before being acquired in 2016 by Expedia. According to GeekWire,

"I'm really proud of what Jason and the team built with Trover," Barton told GeekWire in an email Wednesday afternoon. "Exploring the world seems even more important now that we are living our lives in such close proximity to our homes, longing for adventure. Of course, I fully respect and understand Expedia's decision, given the hurricane that has hit the travel industry."

Wimdu (2018)

Title: Wimdu, Rocket Internet's Airbnb clone, to shut down this year 'facing significant business challenges'

Product: Wimdu

The vacation rentals marketplace announced that it would be shutting down by the end of 2018 due to "significant financial and business challenges."

"The stakeholders and management are working closely with the staff; primary goals are the fair treatment of employees affected by the closure and the management of forward bookings for our guests and hosts," an announcement on the site reads. "All guests and hosts having 2018 bookings - with a check-in date occurring before or on the 31-December-2018 - will be carried out professionally and reliably. All guests with 2019 bookings - with a check-in date occurring after the 31-December-2018 - will be contacted separately to deal with their respective booking."

GoBear (2021)

Title: [Financial services firm GoBear closing business](#)

Product: [GoBear](#)

Despite having raised \$17M in fresh funding in May 2020, Singapore-based fintech GoBear announced it would wind down operations earlier this year. The startup, which offered a financial products comparison tool, cited its inability to raise new financing and the pandemic's downward pressure on consumer demand for products like travel insurance as reasons for its failure. The Strait Times reported:

In a statement, the fintech firm said Covid-19 has made the operating and fund-raising environment "very challenging," despite the firm having made progress in its growth and transformation plans last year.

The factors included a prolonged period of weakened demand for some financial products and services, in particular travel insurance.

Tink Labs (2019)

Title: [Hong Kong's first unicorn closes down](#)

Product: [Tink Labs](#) (aka Hi Inc.)

In one of the largest startup deaths this year, Hong Kong-based Tink Labs, which provided free-to-use smartphones in hotel rooms, ended its services in over 600,000 hotel rooms across 82 countries. According to the Financial Times,

Interviews conducted by the FT with several former employees have painted a picture of an organisation that pursued growth too aggressively, falling back to earth when its profits did not meet its vision. [Founder] Terence Kwok declined to comment on "potential ongoing labour disputes" or "business transaction details" in terms of outstanding bills. "I am trying to do what I can, but a lot of things are now out of my hands," he said.

Top 10 (2015)

Title: [London hotel ranking startup Top10 raised \\$12 million in funding – but now it's shutting down](#)

Product: [Top 10](#)

The hotel industry is particularly challenging given the size, reach and budgets of the big players. At Top10 we did an amazing job innovating in this tough space, but ultimately the competitive landscape made it too expensive for us to scale, and for that reason we decided to close the company.

Juno (2019)

Title: [Gett Announces Closure of Juno and Strategic Partnership With Lyft](#)

Product: [Juno](#)

New York ride-hailing app Juno was shut down by parent company Gett in November. The company had long struggled with profitability, and reportedly lost \$1M a day. It had previously raised \$30M from [Jordache Ventures](#) and [Rakuten](#) before getting acquired by [Gett](#) in 2017. According to the press release,

Juno is shutting down in New York today as a result of both Gett's increased focus on the corporate transportation sector and the enactment of misguided regulations in New York City earlier this year.

Arrivo (2018)

Title: [Hyperloop startup Arrivo is shutting down](#)

Product: [Arrivo](#)

The company hasn't announced its shutdown, but The Verge shared some information:

Futuristic transportation startup Arrivo shut down its operations this week, *The Verge* has learned. All of the company's 30 or so employees were furloughed in late November, with about half being completely laid off at the end of that month ... Now, the Los Angeles startup is shutting down because it hasn't been able to secure new funding, these people say. Remaining employees were informed Friday via text messages seen by *The Verge*, or by phone.

Chariot (2019)

Title: [Ford learned the hard way that the world didn't need a better bus](#)

Product: [Chariot](#)

The Ford-owned shuttle transportation company announced its decision to cease operations in a blog post:

Following significant consideration, we have decided to close the Chariot operation. Friday, January 25th is the last day we will offer service on commuter routes in the U.K., and Friday, February 1 will be the last day we will offer service on our commuter routes in the U.S. We will cease all operations across the US and in the UK by the end of March.

Beepi (2017)

Title: [Car startup Beepi sold for parts after potential exits to Fair, and then DGDG, broke down](#)

Product: [Beepi](#)

Riding on the hype of transportation startups and marketplaces, Beepi may have raised too much, too soon. "They were running the business to raise money, and then to get someone else to take it on," was how one person described it.

One investor in the startup said that the founders were too aggressive in pushing for higher valuations. Indeed, co-founder Alejandro Resnik, the CEO, told the WSJ in 2015 that it was looking to raise a “monster round” of \$300 million at a \$2 billion valuation to fuel its national expansion.

Shuddle (2016)

Title: [Shuddle shuts down its 'Uber for kids' transportation service](#)

Product: [Shuddle](#)

For over two years, the company touted safe and reliable transportation for children via its family-focused ride-sharing service.

“We worked hard to find the financial resources that would allow us to continue to grow, but ultimately could not raise the funding required to continue operations,” the letter explained.

In 2014, Shuddle received a cease and desist letter from California regulators for failing to register with TrustLine, a company that runs background check for adults working closely with children. Reports surfaced last year that the company had yet to take action, despite CEO Nick Allen’s assurances that its own background checks “exceed current requirements.”

Leap Transit (2015)

Title: [Behind the Failure of Leap Transit's Gentrified Buses in San Francisco](#)

Product: [Leap Transit](#)

Leap Transit [was] a start-up that had aspirations of revolutionizing urban transportation.

Leap, which raised \$2.5 million from some of the industry’s best-known investors, charged riders \$6 to get across San Francisco, nearly three times the cost of riding a city bus. Its primary draw was luxury. Each bus had a wood-trimmed interior outfitted with black leather seats, individual USB ports and

Wi-Fi. The buses also offered a steady stream of high-end snacks, sold via app.

I had come to see the buses to find out what it looks like when a start-up bites the dust. The luxury vehicles were up for auction; Leap filed for bankruptcy in July.

Bluesmart (2018)

Title: [Another smart luggage maker shutters in the wake of airline ban](#)

Product: [Bluesmart](#)

The connected luggage company shared the following note on its website:

We have bittersweet news to share. The changes in policies announced by several major airlines at the end of last year—the banning of smart luggage with non-removable batteries—put our company in an irreversibly difficult financial and business situation. After exploring all the possible options for pivoting and moving forward, the company was finally forced to wind down its operations and explore disposition options, unable to continue operating as an independent entity.

Travellllll.com (2016)

Title: [Travellllll Post-Mortem](#)

Company: Travellllll.com

If your monetisation strategy is advertising, you need to be marketing to an *enormous* audience. It's possible to make a little money from a lot of people, or a lot of money from a few people. Making a little money from a few people doesn't add up. If you're not selling something, you better have a LOT of eyeballs. We didn't.