

## Marketing Strategies

### Summary

Marketing is an essential pillar of success for public-transport providers. As the vast majority of public-transport trips are already (or will be in countries with increasing rates of motorisation) made either free of choice or only based on subjective reasons, it is a necessary to win new customers and keep existing customers with the company.

Public transport can only retain and strengthen its position in the transport market through a combination of hard and soft measures, including integrated marketing campaigns and ongoing dialogue with its customers. High-quality service provision has to go hand-in-hand with marketing measures to make the general public aware of the advantages and possibilities of using public transport.

### Aims, objectives

- Win new public transport customers.
- Improve the relationship with regular customers and bind them to the company to make them loyal customers.
- Communicate the strength of the service.
- Inform about service changes, extension of services and price revisions.
- Increase customer satisfaction.
- Improve the image of public transport and the company's brand and image.
- Strengthen the passengers' emotional bonds with the company.

#### IN PRACTICE

### Nuremberg – Personalised Travel Planning (IndiMark®)

Between 1996 and 2008, as part of a long-term, public-transport marketing campaign, more than 20 personalised travel planning projects using the IndiMark® (Individualised Marketing) brand were implemented in Nuremberg, Germany. This dialogue-based marketing approach enables targeted households to make better decisions regarding their travel options and encourages them to use public transport more often. Information is provided according to the individual needs of households and individuals.

Thanks to an intensive dialogue approach it is possible to identify relevant households, i.e. those for whom a more intensive use of public transport is possible through further motivation and provision of information. The interested households are offered a large variety of free information materials and other free services from which they can then choose themselves. Information materials, such as local



travel maps and stop-specific timetables, are delivered directly in person.

The projects covered the whole city, targeting all households without preliminary exceptions. The long-term make-up and continuity of the programme in Nuremberg makes it one of the largest and most intensive public transport-related marketing campaigns in Germany and Europe. The level of information for both customers and non-customers improved significantly, as did the image of the involved public transport operator. By now, every area of the city has been covered by the project. Taking into account that some households have already been targeted a second time, nearly 800,000 people have been addressed in the projects. In practice, this means that all residents have been involved in the project at least once. The impact of IndiMark® resulted in a sustainable increase of public transport. This was achieved in a cost-efficient way working mainly with already existing infrastructure. In some projects, the approach was used to accentuate the effects of infrastructure improvements.

### Useful hints

- A thorough understanding of the market in general, and of one's position in it in particular, is the main requirement to plan and carry out successful marketing measures.
- Marketing campaigns often work better when they are linked with other issues, for example when they advertise changes in the public-transport service or when they frame a prominent event.
- Single marketing activities should be part of an overall strategic marketing approach and either follow the company's goals or even define them.
- If there is no marketing department in existence, use external consultants (with experience in public transport marketing).



- Use cost/benefit analysis of successful public-transport marketing activities to convince the company's management of their potential.

### Possible problems

- Limited understanding of the transport market and of the position of public transport therein
- Marketing campaigns that are too blatantly designed to improve the company's image can be considered intrusive, which decreases their efficacy
- General lack of appreciation for the significance of marketing in public transport companies
- Increasing competitiveness
- Limitation of marketing to the application of a number of single measures, such as advertising, direct marketing or passenger information, instead of strategic marketing approaches
- Limited understanding of marketing as an investment
- Missing evaluation of marketing activities to show the benefits.

### IN PRACTICE

#### Reading Buses: Simplification of services (user friendliness)

Reading Transport Ltd. is one of the few remaining municipal bus companies in the UK. Since 2004, Reading Transport Ltd. and Reading Borough Council have made significant investments to upgrade the quality of Reading's main urban bus routes and to improve its awareness in the public.

As overcomplicated information materials and route designs were common criticisms of the public transport provider, part of the marketing strategy was a simplification of the service. The new services further improved their user friendliness by using colour codes for different bus routes. The project was framed by a marketing campaign that introduced the new system.

The routes of the Reading area have been branded as Premier Routes, with each route or group of routes allocated a distinctive colour. Therefore, the buses which follow a specific route are easy to distinguish by their route specific bright colour. In order to identify and distinguish the different routes, the colours are also indicated on all bus maps and other information materials which are widely provided to the public.

Premier Routes provide a weekday daytime frequency of three to eight buses per hour, depending on the route. Other routes, including rural routes and non-premier urban routes, operate at a lower frequency, varying from several buses a day to two buses an hour. These services can easily be identified by their grey colour on maps and other information material. Harmonised with that the routes are covered by a fleet of buses with a new silver and charcoal grey livery. Simply seeing a bus gives an indication of not only which route it takes, but also how frequently it goes. This new design was aggressively marketed both towards Reading Buses' existing customers and the general public.

*(Further information regarding in practice (Case Studies) can be found on the SPUTNIC website <http://www.sputnicproject.eu/sputnic-meetings.php>.)*