

**4<sup>th</sup> Working Group Meeting**  
**Cluster: Customer Relations and Marketing**  
**9<sup>th</sup> – 10<sup>th</sup> October 2008**  
**Minutes**

**List of participants**

Dziekan, Katrin	University of Technology Berlin	Expert
Gusaroviene, Modesta	Vilnius Transport	Expert
Harjo, Andres	Tallinn Transport Department	Expert
Jasko, Tamara	BKV Zrt	Expert
Kasik, Jan	Jacobs Consultancy spol.s.r.o.	Expert
Sarman, Viorica Aurelia	Uniunea Romana de Transport Public	Expert
Tonks, Phil	Bus users UK	Expert
Carles-Tolrà, Jorge	Transports Metropolitans Barcelona (TMB)	Cluster partner
Wutzel, Hannes	Wiener Linien	Cluster partner
Barta, Franz	Socialdata	Cluster leader
Erl, Erhard	Socialdata	Cluster leader

The fourth WG meeting of the “Customer Relations and Marketing” cluster took place on the 9<sup>th</sup> and 10<sup>th</sup> of October 2008 in Prague. The main objective of the meeting was to discuss the monitoring and analysis of the public transport market and to identify tools and methods for its improvement.

The entire meeting was hosted by UITP, while the local organisation was done by Dopravni Podnik Praha (DPP) the local public transport operator. The customer relation cluster meeting was moderated and recorded by Socialdata.

The working group meeting started on the 9<sup>th</sup> of October with a short introduction of participants and a presentation of objectives for the meeting. Three of the seven participating experts were already at one or more of the three previous WG meetings in Barcelona, Zagreb and Leipzig while four experts were new to the group. The overall aims of the meeting were to discuss the situation regarding the monitoring and analysis of the PT market in Europe in general and in countries in transition in particular. Besides this good practice examples were collected and reviewed and some guidelines to improve the current situation were set up.

The objectives (sent to experts in advance of the meeting as part of a briefing paper) were:

- Discussion of the importance of monitoring and analysis of the (public) transport market
- Identification of deficits
- Presentation of good practice examples
- Reporting own experiences
- Identifying problems of measuring the (public) transport market
- The role of monitoring and analysis for the planning of hard and soft measures
- Identification of goals for improving the monitoring and analysis of the (public) transport market
- Development and discussion of approaches to improve the monitoring and analysis of the (public) transport market
- Discussion of transferability of existing solutions

In advance of the meeting a questionnaire had been sent to all experts invited for the meeting. A total of five experts filled in the questionnaire; the outcomes of the expert survey were presented after the introductory session:

- Monitoring used by all respondents, normally including passenger counts, ticket sales and sometimes image of public transport; Travel behaviour and potential customers were only monitored in half of the cases.
- Same instruments often used by different stakeholders (city authorities, PT operators, PT authorities), however with big differences regarding regularity, analysed topics and level of detail. Only in some cases a complimentary range of instruments is used.
- Need for improvement was identified regarding regularity of monitoring, financing of monitoring and the further use of the collected data.
- Most respondents pointed out PT operators often only monitor the PT market therefore leaving out a lot of potential customers.
- Customer expectations are better frequency and punctuality, cleanliness, safety and cheaper services.
- In general the collected information is used to improve services (changes, new services), timetables and for tariff planning.
- In the areas of marketing and customer relations the information is used for the planning and targeting of information campaigns, the improvement of service quality and for tariff planning. It is also important to remember that the monitoring and analysis of the (public) transport market should be one task of marketing departments as they are the ones making most use of the collected data.

The expert survey also showed that the differences between west and east are smaller than differences within different countries. There were good and bad examples both in Western and Eastern Europe. The outcomes of the survey and further questions sparked some interesting discussions within the group with experts pointing out similarities and differences in their cities (countries).

After that an open round discussed the importance of monitoring and analysis of the PT market and ways to improve it. Experts confirmed that monitoring and analysis is important to keep and recruit new customers.

At the beginning there was a discussion what the PT market is. There are two approaches: the transport view and the economic view. Monitoring and analysis plays an important role not only in the primary market analysing the relationship between the PT operator and the people (both customers and non-customers) but also in the secondary market between PT operators and politicians (society). Intensive market research can strengthen the position of PT significantly in this regard. The market can also be divided into different local markets including besides the above listed the relationship between a PT operator and his competitors be it other operators or other modes.

From the transport point of view it is still common practice to neglect an important segment of the market by only comparing motorised individualised modes and PT leaving out walking and cycling. While leaving out walking and cycling gives PT a higher mode (and by this higher importance) it also ignores two modes which can be important supporters of PT.

The question of who should be responsible and who is responsible for the monitoring of the PT market was intensively discussed. After some discussion it was agreed that normally the organisation responsible for selling the tickets is more interested in the monitoring of the public

transport market. The fact that PT is a subsidised service has also a significant impact on the monitoring of the market. In cases where subsidies are provided based on vehicle kilometres the interest of PT operators and authorities to keep their customers and to gain new customers is significantly reduced as is their interest in monitoring the market. Therefore the provision of subsidies should always be connected with the guarantee to keep and gain customers and to provide high quality services. In this regard the importance of customer satisfaction and its measurement has already been discussed in previous meetings.

An overview of the monitoring instruments used by participating experts clearly reflected the above listed general issues.

A number of presentations both on the first and second day of the meeting gave some interesting insights into the situation of monitoring and analysis in different countries:

Jan Kasik presented on the use of monitoring instruments in the Czech Republic and on the situation of the transport marketing and public transport especially. A separate document shows the contents of his presentations.

Katrin Dziekan presented on what people know about their public transport options providing some interesting insights into the mind of people and stuff for further discussions.

The second day started with a presentation of the monitoring system of the Wiener Linien by Hannes Wutzel. One important aspect that came out of his presentation was the need to use different monitoring instruments to analyse different issues and to create a full picture of the (public) transport market including surveys, counts and the direct dialogue with customers and potential customers.

Two main instruments are used to count customers automatic counts and manual counts with the manual counts being used to check and further improve the outcomes of the automatic counts. Complaint management using different avenues of contact (Service points, call centre, postal, internet) also plays an important role. However most of the information is collected by market research based on surveys. The Wiener Linien use two external consultants to provide them with the necessary data but also to analyse the collected data. The data has been collected yearly over a period of 15 years allowing not only the creation of an actual picture of the situation but also long-term comparisons.

In the following discussion the need for surveys to learn about the expectations of potential customers was stressed. And it was emphasised that also in Eastern European countries the expectations towards the PT services are growing by knowing experiences from Western Europe.

A special point in the discussion was the need and possible education to “civilised” behaviour to reduce complaints and negative experiences.

Phil Tonks gave a presentation on Bus User UK and on the use of mystery shopping surveys as part of his organisations efforts to monitor and improve the quality of bus services in the UK.

Viorica Sarman provided a presentation on the outcomes of an expert survey implemented in Romania and based on the previously described general survey. The detailed outcomes of the survey will be presented in a separate document. Due to time limitations it was not possible for her to present it as part of the event.

Then the experts were divided into two groups and two exercises were given to each group:

**Exercise 1 (group1):** Your PT organisation is planning a marketing offensive. As basis for this you would like to undertake an analysis of potentials. **What are the objectives for the analysis of potentials? What are the requested outcomes of the study?**

The experts would want to target in their survey on the one hand private car users, pedestrians and, if existing, competing PT operators to identify the potentials for new users and on the other hand existing users. To find out more about the current use of different modes they would include in the survey the measurement of journey patterns. They would also include the analysis of different socio-economic backgrounds (e.g. students, workers, elderly,...). Based on the collected information they would develop and implement marketing efforts targeting the different groups with specific offers.

**Exercise 2 (group1):** You are the director of market research in an integrated transport authority, which is planning a new tariff system. **What are your suggestions to learn about possible chances and risks of this plan?**

Their approach would be to collect information on current journey patterns and what they are currently paying for their trips. They would use an external consultant to analyse the collected data with computer simulations and develop new tariffs based on the collected data. If possible the new tariffs should be tested in a small area.

The survey should include questions regarding their willingness to pay more for better quality and their preferences regarding ticketing systems (mainly simple versus targeted tariffs). The research has to cover both the current situation and the possible chances and risks for the future.

**Exercise 1 (group 2):** Starting point: Your organisation is planning a travel behaviour survey. For the tender you have to prepare a briefing note which contains the following information. **What are the objectives for the survey? What are the requested outcomes of the survey?**

The objectives of the survey would be to improve

- ticketing and tariffs,
- information and
- the line network .

Expected outcomes of the survey are details on the following topics:

- How people move
- How often they travel
- From where to where
- What modes they used
- Why they used them
- For what activities
- Time of travel

**Exercise 2 (group 2):** Political goal: Increase of PT-Share by 25 % within 10 years. You would like to install a monitoring system to check the achievement of this goal. **What should be the aims of the monitoring system? What instruments / methods should be chosen? What indicators would you choose?**

The main aim of the monitoring system should be high accuracy (above 98 %) regarding the changes achieved. It should also provide the information from where the increases in PT came from allowing by this a better market segmentation.

As instrument the experts would recommend a postal survey collecting data (travel diaries) on either one or two reference days. High response rates would be necessary to ensure the validity of the outcomes. In the case of public transport operators tickets could play the role of incentives to motivate participants to send back the survey. Indicators could be the share of PT trips of all trips (above 500 m) and the number of motorised trips of all trips (above 500 m).

When speaking about the need for and value of monitoring and analysis of the (public) transport market it is really important to keep in mind that every city is unique. There are so many variables to take into account that it is simply impossible to arrive at conclusions for one city based on the data collected in another city. Therefore it is really important to have validated data on the (public) transport market, both to keep and gain customers (by planning services and marketing measures) and to convince decision makers to invest in public transport.

Summary:

Monitoring and analysis of the (public) transport market provides the:

- basis for knowledge of customers
- foundation for all marketing and services
- learning about expectations of customers

Important lessons learned are the need to reduce the number of tools and to instead concentrate on central indicators. When implementing surveys enough time should be planned in for / spent for the analysis of the collected data. It is central that the collected information is used to promote decisions and not to delay them.

In order to find out more about the wishes of people it is necessary to collect not only quantitative but also qualitative information.

Generally speaking market research is relatively new for the Eastern European countries but nevertheless there is a rising understanding that they are important for the monitoring of both users and non-users.