

Introduction

+ The Cornerstone of Transit Marketing



It will always come down to the basics.

How do you increase transit ridership? How do you enhance the perception of your agency within your community? And how do you increase support for the funding of future transportation initiatives?

These are all important questions which warrant even more important answers. In fact, these fundamental questions dictate the most basic growth and development of your transportation agency.

But before these questions can be addressed, a strategic marketing plan must be developed. Think of it as your long term road-map for the next three to five years. It will dictate who your brand is, what it stands for, its goals, and how those goals will be met.

Without a plan, your agency will be reactive – reacting to environmental priorities, regional sensitivities, and the latest in advertising trends. Instead of sacrificing precious farebox revenue with quick and easy methods, take a back-to-basics approach to marketing – and then apply it to this niche industry.

A strategic plan will implore you to embrace proactive planning, cost-efficient campaigns, and most importantly – long term, market-

driven, targeted, and successful decision making – all of which work together to promote your brand in the most effective way possible.

Considering the constant evolution of new, effective marketing tactics, your marketing plan should be refreshed on an annual basis. Did you know over the course of five years, online advertising revenue surpassed that of all print magazine advertising?¹ How does that affect your marketing portfolio? As other small, medium, and large organizations all realized the benefits of online advertising, you may have also questioned whether or not your organization's marketing efforts are in-line with the most current trends.

By now, you've identified a selection of marketing tactics that help promote your brand. And year after year, you continue to utilize these same activities. But without first determining how effective those activities are, how do you know if you're best utilizing the public's funds? With each year, your internal priorities will also evolve – requiring the evaluation of tried and tested tactics to determine which of your marketing activities provides the highest return-on-investment.

While your strategic plan will certainly focus on the next year's marketing and promotional activities, your marketing plan should be much broader than a simple outline of events, ad campaigns, and press releases.

Let's review the elements that must be incorporated into your plan:

Market Research

The cornerstone of any marketing activities is market research. Anybody can blanket the community with a general marketing message. But why waste your limited marketing monies on people who won't consider using public transportation – despite your weekly advertisements in the local paper.

Your community survey will only go so far. It's certainly valuable to learn how many people know about your transportation system, but how many of those people would actually use it? What needs to happen for these plausible riders to be weekly riders? What newspapers and radio outlets are those potential riders loyal to? And how valuable is the Internet to those low-income and senior

¹ Source: JupiterResearch; Wall Street Journal ; www.wsj.com

demographics – how much do those results conflict with what you “think”? All these questions must be answered in your market research.

Target Markets

You might think you already know the answer – who is your target market? Is it the community youth? Seniors and disabled-persons? What about the growing number of commuters seeking a more affordable method of traveling from Point A to Point B on a daily basis? Knowing your target market is half of the equation.

Now, you need to know how each target market responds to different market strategies. Are you segmenting your marketing collateral for different cultures? Would you respond to an advertisement in a language that wasn't the one you speak at home? Furthermore – what percentage of your audience is language-isolated? Why wouldn't you make it as easy as possible for potential riders to learn as much about your transportation system? Knowing who your target markets are, and what they “need” from you is vital to your agency's success.

Competitors

Any other company would prepare a detailed SWOT analysis – why wouldn't you? With fuel prices bouncing in today's environment, understanding your agency's strengths, weakness, opportunities and threats/limitations is an important element of your marketing plan. How does your transportation agency stack up against the personal automobile? What features does the auto inherently offer that your transportation system lacks? How can you rectify that, and what role does your marketing message have in the positioning of your brand?

Quality of Marketing Deliverables

It's a fact. The product holding the largest market share in the transportation industry is the personal automobile manufacturers. So why wouldn't your agency produce campaigns with the same refinement and creativity that any of the world's automakers would? You don't have the same marketing budget – but you know your customers and their needs better than anybody.

Chances are, your background isn't in marketing, advertising or public relations. Chances are even higher that you don't have the



time to manage or even plan these activities on your own. The health and growth of your transportation agency depends on you. So why not surround yourself with the best personnel available to carry out creative, quality marketing deliverables?

Branding

Perhaps one of the most delicate decisions your agency will ever make is your brand identity. What will your identity be, what will it represent? Will it be a nod to a regional landmark? Will it represent the benefit of your system? Will you use an acronym or will you personify your brand?

More importantly, what is your brand personality? And how does that personality speak within your marketing and advertising materials? Now, how does your brand translate to art? What does it look like? Is it easily translatable to your system brochure – what about a driver uniform?

Direct Mail

Is direct mail an element of your marketing portfolio? If it's not, it needs to be. Direct mail is a cost-effective, low quantity, method of increasing your agency's trial ridership. More importantly, direct mail yields itself to highly-targeted marketing. Are you launching a new route? Rather than run a community-wide advertisement, why not distribute route-specific free ride direct mail pieces.

When your operators collect those free ride passes, follow-up with those trial riders to determine what made your transit agency attractive. By nature, direct mail is a numbers game, but you can control your success in the quality of your lists. Whether it be postcards, self-mailer brochures, or promotional pieces, your agency will benefit from an organized direct mail campaign.

Radio

As a working adult, when do you listen to the radio? Most likely, if you do, you do it on your way to and from work. Chances are, aside from your low-income, senior, and student demographics, commuters are also a key target market. Are you sponsoring traffic reports with your value message? With U.S. commuters spending an average of

46 hours in traffic every year, you have a captive audience that's seeking a better way to spend their time.²

However, you must also recognize that every year, more and more working adults are adopting the mp3 culture. This means fewer people are listening to free radio. The moral? Every year, you must evaluate if this decreasing media channel is worthy of your limited marketing dollars.

Television

Television is another popular media channel that is struggling due to the emergence of new technologies. Consider the impact of digital systems which enable the recording and fast forwarding of live television – especially commercials. While a select few companies might pay \$3 million for a 30-second commercial during a major sporting event, television is probably not the most effective marketing channel for your transportation agency. Instead of focusing on the advertisement elements of television, why not work with local news networks to foster a partnership that discusses local priorities – transportation being one of them.

Assert yourself as the authority figure by being the local expert on all things transportation. Being a visible character within your region validates your transportation agency as a viable, trustworthy organization. You may be attracted to public access channels – but before proceeding with any television campaigns with local partners, consider the return on your investment. How many viewers does your public access channel carry – and of those viewers, how many are plausible transit riders? More importantly, if you're embracing a targeted marketing mindset, how does television advertising fulfill this approach?

Consider the Los Angeles market, one major affiliate's coverage area stretches over 18,000 miles – in which 46 transportation agencies exist!³ While Los Angeles may be the anomaly, the same is true for your market – be it in a different magnitude. Simply put, if you're using television as a media channel, can you guarantee your marketing monies are being used to target only your target market?

² <http://awesome.goodmagazine.com/transparency/012/trans012delays.html>

³ <http://www.catransit.com/links/calinks.html>



Print

Your transportation agency should utilize a wide variety of print-specific advertising. It's certainly a more static channel than the Internet (which can be updated at a moment's notice), print remains a viable marketing alternative.

Your agency's system map and timetable brochure is quite possibly the most important component of your marketing portfolio. Is your brochure readily available? Are brochures available on your vehicles, at the community's busiest landmarks, at schools, social service agencies, and government buildings?

Make it as easy as possible for potential riders to use your system and put the information in their hands. Furthermore, is your brochure available in more than one language? What does your market research tell you? What percentage of your community is language isolated? And is it significant enough to translate the brochure into a second or third language? If your market research says there's a need, chances are, if you meet that need, you'll realize increased ridership.

Outside of your brochure, how are you reaching out to the community? What do your print advertisements say about your transit agency? Are you leveraging customer testimonials or are you expecting a potential rider to take your word for it? Do a quick review of your local newspaper on a week-to-week basis. Are you seeing the same advertisements – the same style – the same message? There's a reason for it. Brand and message repetition sells. Repeat your message. Drill it into your customer's head. A constant brand style and message helps reinforce your agency's value message and establishes a recognizable print presence.

Outdoor

Billboards are perhaps one of the most visible outdoor advertising medias – but do they necessarily provide a significant return? You'd think considering the audience of billboards (persons driving) that billboard artwork would successfully reach your target market. Unfortunately, billboards historically do not yield a significant return.

Does your agency have onboard advertising opportunities – either interior or exterior? Are they fully utilized every month? If they're not, why not take advantage of these open slots with your own advertisements? Even better, do you have vehicles running on the same routes daily? If you do, why not make those advertisements



route specific? Your vehicles run hundreds of square miles on a daily basis – so why not take advantage of that large coverage area by promoting your system, on your system? There's no better method.

What about those potential residents walking your community's streets? Chances are, if your residents are walking, they're likely to consider using public transportation. Instead of only promoting your transportation agency with a simple bus stop sign, why not make each bus stop a specific learning center, with a system map, bus arrival times and contact information? It's not only a great benefit for current transit users, but it puts important transit information in the hands of potential riders, in their environment.

Community Outreach

How do you interact with the community you serve? Any organization can produce promotional items – whether it be recycled pens, mouse pads, or coin purses. While these are all excellent, memorable, reusable items that increase your brand awareness, what are they doing to enhance your positioning in your community? Consider partnering with regional multi-family dwellings and apartment complexes to establish a structured brochure distribution program.

Are you working with the large employers in your community? Chances are, they've identified somebody in the Human Resources department that is responsible for rideshare and commuting. Why not provide these companies with a shell of information specific to their location and that routes that serve their location? Are you working with any local schools to give back to their cause? Why not offer free transportation to and from sporting events or sponsor events? You want to be recognized in the community – but more than that, you need to make sure your visibility is aligned with other reputable organizations.

The key to your community involvement is the face-to-face, grassroots interaction between you (the face of the agency) and your customers. Foster relationships with your clients, build trust, and they'll work on your behalf to grow your rider base. More than spending time with your clientele, listen to what they have to say. Of course, your market research is valuable, but what you learn in intimate conversations contributes to sincere market-driven strategies.



Online

Do you know what percentage of your riders have daily access to the internet? How about what percentage of them have personal cell phones? Despite your low-income and senior age majorities, you might be surprised at the technological intellect of your passengers.

Your agency's website is the face of your brand. It's introduced to hundreds of potential (or current) riders on a daily basis. So you must make every effort to make your website as accessible as possible. Are your route maps image or text-based? Is your website accessible via mobile technology? Do you have timetables available for download to a PDA? If your transit agency is currently employing a next bus arrival system, have you considered mobile alerts if a bus is running late? Do you have a subscription service on your website that passengers can sign-up for to receive text messages or email blasts about service changes?

Most likely, your agency has covered those senior, disabled, low-income passengers and is attempting to bite into the commuter market. If this is the case, you must cater to their needs. These business people live in the go. In order to be considered a viable option, you need to satisfy their need – not just by getting them to work or home – but presenting them with information in a way they demand it.

If you're like me, you covet the brand recognition the Google corporation has grown. As a transit agency, why not take advantage of the Google name? Are you aware of Google Transit? If you aren't, you need to be. And if you are, you need to be actively working to convert your transit data into the Google Transit Feed Specification format. Google offers a free trip-planning service on their global platform. Brand visibility of that sort is unparalleled – embrace and leverage it. If you've incorporated your agency into the Google family, did you execute a soft launch, or did you ring some bells about it?

Your community knows the Google name. And by aligning yourself with such a global brand, people are going to listen. This is an amazing way to further gain quantifiable earned media for your brand. And ultimately, you're making it easier for current, and prospective transit riders to learn more about the benefits of your service.



Public Relations and Special Events

If you're one of hundreds of transit agencies currently facing limited funding, you'll want to refine your public relations efforts. Public relations, in its simplest form, is mediating the way your agency communicates with the general public. Good PR will result in earned media – free media coverage (whether it be online, televisions, print, etc.) resulting from a public relations activity.

Any agency can put together an annual media release schedule – and you should, it's extremely important (nobody wants to saturate an unwilling market). But are you comfortable enough to personally invite the editors of the major print publications in your community to “try transit” on their way to work? If you are, pitch a community service story that follows each editor from home on their way to work.

I managed this campaign in one of California's Central Valley communities. As a result, we received a 4 page spread in the community's largest print publication. A similar print buy would have cost the agency thousands of dollars and resulted in a marginal return.

Are you making an effort to become a part of your community's lifestyle? It's more than standing at a booth on Arbor Day, Earth Day, and Bike-to-Work day. It's about incorporating your brand as an important element in the community.

Do you offer free rides to seniors during your off-peak hours? Do you sponsor any holiday promotions? A holiday light tour? Do you ever thank your riders for being loyal? Why not reward them with iced water on a hot day or hot chocolate and coffee on a cold morning? Have you considered identifying your brand as the “official” transit system of a local sporting team? Take one driver and one vehicle out of service and charter your team to its away games.

This is about you connecting with your riders in a way that usually isn't tangible. It's more than taking riders from here to there. It's about involving your agency in the interest of the community.

These 13 elements are all equally important and equally complex. We've just scratched the surface of each one of these components of success. Over the next few months, we're going to dive into each part of the strategic marketing plan and uncover easy, cost-effective, high-impact methods of growing your transit ridership.