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Abridgment

Components of a Transit Marketing Program

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In spite of a marketing consciousness that has emerged among transit planners and operators, there has been little discussion of what a marketing program should include, or how it should be organized. Such terms as market research, user information, and target markets are widely used; however, little attention has been directed toward how these and other elements might be integrated to achieve a unified transit marketing program.

ORGANIZING TRANSIT MARKETING ELEMENTS

The first step in coordination of the marketing program is organization of its components. The following types of marketing activities are available to the transit operator: (a) market research, (b) market planning, (c) service planning and development, (d) pricing strategies, (e) communication channels, (f) public relations, and (g) passenger amenities and other services.

Market Research

Market research helps to complete the communication cycle between buyers and sellers by providing feedback from customers to providers of the good or service. It provides information on consumer attitudes and needs as well as pointing out service opportunities. Marketing studies that apply to transit include (a) demographic profiles and target market research, (b) attitude surveys, (c) communication effectiveness evaluations, (d) evaluations of service performance, (e) concept test research, (f) alternative pricing strategy research, and (g) promotional program evaluations.

The Marketing Plan

The marketing plan provides a blueprint for phasing, organization, and control of the marketing program. The plan components would include

1. Establishment of objectives to give the program direction and purpose;
2. Situation analysis to identify current and future market position under various conditions;
3. Setting of priorities to channel resources toward specific objectives;
4. Development of detailed programs to enumerate program components, budget requirements, staff assignments, and project phasing requirements; and
5. Regular update of the plan.

Service Planning and Development

The process of service planning and development includes the addition of new services, deletion of obsolete services, and service modifications. Service planning and development should ensure that local transit services serve the travel desires of the community. The process would include (a) searching for new service ideas, (b) impact assessment, (c) development of a service prototype, (d) planning and execution of a market test, and (e) an evaluation of the potential for full-scale implementation of the service.

Although there are benefits to a good service development program, there are also obstacles to the development of such a program. Extensive service development programs can increase short-term expenses and require expensive new equipment; consumers may be slow to accept and use new services; and, if there have been many past failures, the company may be reluctant to at-

tempt new or modified services. These limitations must be recognized; however, service planning and development can help to ensure that transit services do not become obsolete as new travel needs emerge. The feasibility of transit as an alternative mode rests with its effectiveness in meeting changing community needs.

Pricing Strategies

Transit service pricing is tied to community objectives as well as to the marketplace. Each community must determine the degree to which transit is expected to be self-supporting and then set prices accordingly. Pricing strategies can be broadly grouped into two categories: (a) price variations based on time period, clientele, and type of service; and (b) short-term price discounts for promotional programs.

Communication Channels

The ways in which transit service information reaches the general public can be described as communication channels. These channels can be grouped into six categories:

1. Printed materials,
2. Point-of-purchase information,
3. Advertising,
4. Telephone information services,
5. Inquiry handling, and
6. Direct mail.

The effectiveness of information distribution networks will depend on four factors: (a) their content and clarity, (b) their success in satisfying consumer needs, (c) how well information pieces are coordinated with promotional programs, and (d) the ability of management to carry out, maintain, and continually update information-dispersal programs.

Printed materials include information on route location, time of service, fares, connecting routes, and how to use the service. Examples of printed materials include route and schedule brochures and systemwide maps.

Point-of-purchase information that is clear and complete is critical to the consumer. The average individual purchases a wide variety of consumer items and has become accustomed to having complete information available at the point of purchase. Unless transit duplicates these expectations, the nonusing public may decide that the risk of boarding the wrong bus overshadows the benefits of transit use. Examples of point-of-purchase information are bus stop signs, vehicle head signs, and information disseminated by drivers.

"Advertising communicates a message through selected media with the intent of influencing people to purchase a product or service or react in an otherwise desired manner. . . . Advertising helps create a better atmosphere where sales can be made" (1, p. 6-1). It familiarizes prospective buyers with a company and its product or service, which can ultimately make the sale of the product or service easier. The use of advertising to promote transit services must recognize the characteristics of advertising media relative to transit services, such as the following:

1. Most media forms have audiences and subscribers over a wide geographical area, whereas transit services are usually not available to that same area;
2. The time and space constraints of media advertising limit the amount of information that can be transmitted about transit services; and

3. Advertising that seeks to encourage new riders may not be appropriate in cases where transit services cannot be expanded to accommodate increased ridership.

Advertising, if used judiciously, can support other marketing activities by making the public familiar with the service, inducing inquiries for more information, and providing broad notification of service expansions or special programs. The following are common advertising media: (a) newspaper and magazine advertising, (b) radio and television advertising, (c) outdoor advertising (billboards), and (d) vehicle advertising.

Telephone information services are vital to dissemination of transit information to the public. The ability to respond to public inquiries about service changes, new services, and clarification of information supports user comprehension of the service. The public has come to rely heavily on the telephone for its many information needs and it is often the means first perceived as an information source. The telephone number of the transit property should be easy to locate in the telephone directory, and it should appear under several headings. It should also appear prominently on all printed materials, bus stop signs, and advertisements.

Direct mail can either be accomplished through door-to-door distribution or by use of post office mail. Direct mailing may have unique applications to the marketing needs of transit services. Specific geographical areas can be designated to receive information. Significant amounts of information can be included in direct mail packets, such as routes and schedules, how-to-ride brochures, and systemwide maps.

Inquiry handling is a means to handle requests for information. Various methods are available to encourage interested individuals to obtain detailed transit information. An inquiry is a positive show of interest by consumers, and a means for handling such requests is essential where mailback forms are used.

Public Relations

Public relations is one of the least expensive marketing activities and can help to focus attention on company accomplishments to earn public appreciation for the provider. In general, publicity programs include the planning, creation, and placement of favorable news items, as well as face-to-face contacts with various segments of the public. This public would include users of the service, employees, potential users, the community at large, and elected and appointed officials. In addition to the media, there are several other techniques of communicating with specific publics including: (a) annual and quarterly reports, (b) speakers at community meetings, and (c) employee communications programs.

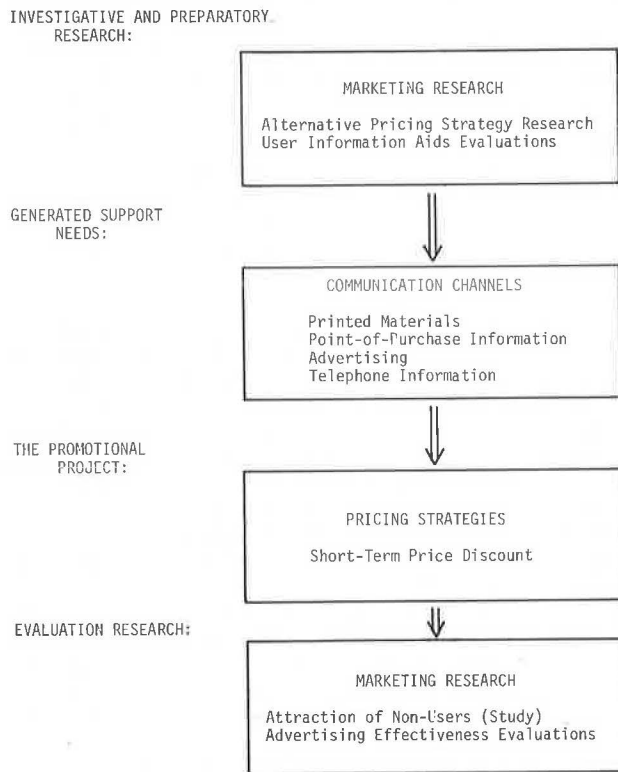
Passenger Comforts, Amenities, and Other Services

Although this category of activities is not always considered within a traditional marketing context, passenger amenities nonetheless contribute toward improving the quality of transit services as well as improving the image of the provider. They should serve a basic human need and provide a well-defined consumer service. Passenger amenities typically associated with transit services include (a) bus stop shelters, (b) bus stop benches, and (c) priority seating and boarding for the elderly and handicapped.

INTEGRATION OF MARKETING PROGRAM ELEMENTS

A study by Liff (2, p. 57) concludes that "... people's

Figure 1. Coordination of promotional program elements for short-term price discounts.



attitudes toward transit or their utilization of transit does not appear to be significantly dependent upon information service. This finding negates the hypothesis... that more complete and effective information about transit routing and scheduling would increase ridership." That hypothesis may reflect a common attitude within the transit field, namely that individual marketing elements are capable of independently promoting transit services. This is probably not the case for most elements within a transit marketing program. Each tool and activity has a specific role to play, and that role may be support- or evaluation-oriented, rather than to directly promote transit services. For example, if short-term price discounts are used to encourage new riders (promotion), bus stop signs would be needed to direct and reassure new riders (support) and research would be needed to determine how many new riders were attracted to the service (evaluation). Each marketing element must therefore be treated as part of a larger program instead of as an independent project. To illustrate, let us assume that a short-term price discount promotional program is to be undertaken. How would various marketing elements relate to one another? Figure 1 shows schematically how different elements in a short-term price discount promotion might be coordinated, and general descriptions of the different functional categories are given below.

Investigative and preparatory research provide data that guide the promotional program. It could identify the prospects for attracting new riders with a short-term price discount. It could also predict the financial effects of the promotion and the adequacy of information materials to be used by new riders.

Generated support needs refer to those items that will

be required once a promotional program is implemented. For example, if a short-term price discount promotion is undertaken, some advertising would be required, along with clear printed information and bus stop signs. Unless such support materials are available and easy to understand, prospective riders may not be willing to risk using the bus and the promotional project may not achieve its objectives.

The promotional project is that activity intended to induce new ridership, in this case the short-term price discount. In other situations, advertising or new service additions might be considered a promotional activity. Although other elements are no less a part of a marketing program, taken by themselves they may not perform a promotional function.

Evaluative research determines the effectiveness of the promotional project. This type of research can point out weaknesses in the promotional program and its supporting elements. It can also help to determine whether increases in new transit patronage justify the cost of the promotion.

Figure 1 implies (on a representative basis) that separate marketing components are interdependent and must be coordinated. Upgrading of the marketing program can be done on a systematic basis when the role and interdependence of all elements is understood. For example, it may be more appropriate to spend initial budget allocations on upgrading user information aids (to improve information accessibility) than to spend large amounts of money on promotional advertising. Finally, the marketing director should be better able to pinpoint deficiencies in the program if the role and interdependence of marketing elements are well understood.

RESEARCH NEEDS

This paper provides a general framework for building a unified transit marketing program. To be of use to transit managers, however, this general framework needs to be operationalized. A series of recommended practices for each marketing tool and activity could be useful to transit managers. These recommended practices could include suggested approaches to bus stop signing, route and schedule brochures, and example surveys for marketing research. A series of marketing handbooks that concisely outline recommended practices, recommended program priorities, phasing requirements, and examples of how to handle specific problems would help managers with limited staffs to conduct coordinated marketing programs. The information in these handbooks would be based on state-of-the-art data as well as on research that had identified the most effective methods of approaching specific problems. If transit marketing programs are to achieve cost-effectiveness throughout the country, marketing information must be made available to transit managers who are attempting to solve large-scale problems with small-scale budgets and staff.

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