



Marketing Plan

Transit Marketing Management Handbook



April 1976
U.S. Department of Transportation
Urban Mass Transportation Administration
Office of Transit Management
Washington, D.C. 20590

HF
5415
.T724
c.2



TRANSIT MARKETING MANAGEMENT HANDBOOK

MARKETING PLAN

S.C.R.T.D. LIBRARY

APRIL 1976

U.S. DEPARTMENT OF TRANSPORTATION
URBAN MASS TRANSPORTATION ADMINISTRATION
OFFICE OF TRANSIT MANAGEMENT
Washington, D.C. 20590

00852

HF
5415
*T724
c.2

PREFACE

This Marketing Plan chapter of the Transit Marketing Management Handbook has been prepared by Grey Advertising Inc., New York, New York, and Lesko Associates, Washington, D.C., under contract to the U.S. Department of Transportation, Urban Mass Transportation Administration, Office of Transit Management.

The authors would like to extend their appreciation for the assistance of transit systems around the country who offered their advice and sample materials for use in the preparation of this manual. The authors also thank Robert Prowda and Carol Passen, Office of Transit Management, for their help in guiding this document through to its conclusion.

This document is disseminated under the sponsorship of the Department of Transportation in the interest of information exchange. The United States Government assumes no liability for its contents or use thereof.

TABLE OF CONTENTS

| <u>PART</u> | | <u>PAGE</u> |
|-------------|---|-------------|
| I | INTRODUCTION | 1 |
| II | THE PARTS OF THE TRANSIT MARKETING PLAN | 5 |
| | The Business Review | 7 |
| | Marketing Program Goals | 10 |
| | Marketing Program Strategies | 12 |
| | Marketing Program Budget | 16 |
| | The Marketing Action Plan | 19 |
| III | SAMPLE TRANSIT MARKETING PROGRAM PLAN | 20 |

PART I—INTRODUCTION

Planning is the preparation of guidance for future actions. The guidance provided by planning takes the form of an allocation of specific resources (money, people, and time) in specific combinations of activities (strategies) to achieve specific events and/or conditions (objectives and goals). There are three distinct levels of formal planning which may be undertaken in a management environment; they are described as follows:

- (a) Policy Planning is long range in scope (from two to five years) and provides overall guidance and priorities regarding the general objective of the entire organization.
- (b) Program Planning is mid-range in scope (one to two years) and provides policy implementation guidelines in connection with the budget-approval cycle. The program plan provides a means for allocating limited resources to achieve specific goals consistent with the general objective(s) of the organization.
- (c) Implementation Planning is short range in scope (always one year or less) and provides a structure for achieving very specific events and performing very specific activities within a limited time frame and with limited resources. The keystone of implementation planning is the assignment of responsibilities and authority for the performance of specific actions.

The focus of this chapter is on the second type of planning: program planning.

Transit management planning can, and does, take many forms; Figure I-1 below illustrates how a typical transit system may conduct its total planning process.

The five year transit plan from Figure I-1 is the policy plan for the transit system; this plan should be updated on a regular (usually annual) basis to provide the general guidance for all planning activities within the transit system. The current year transit operating plan integrates all of the program activities within the transit system. It is within the transit operating plan that management accomplishes the following:

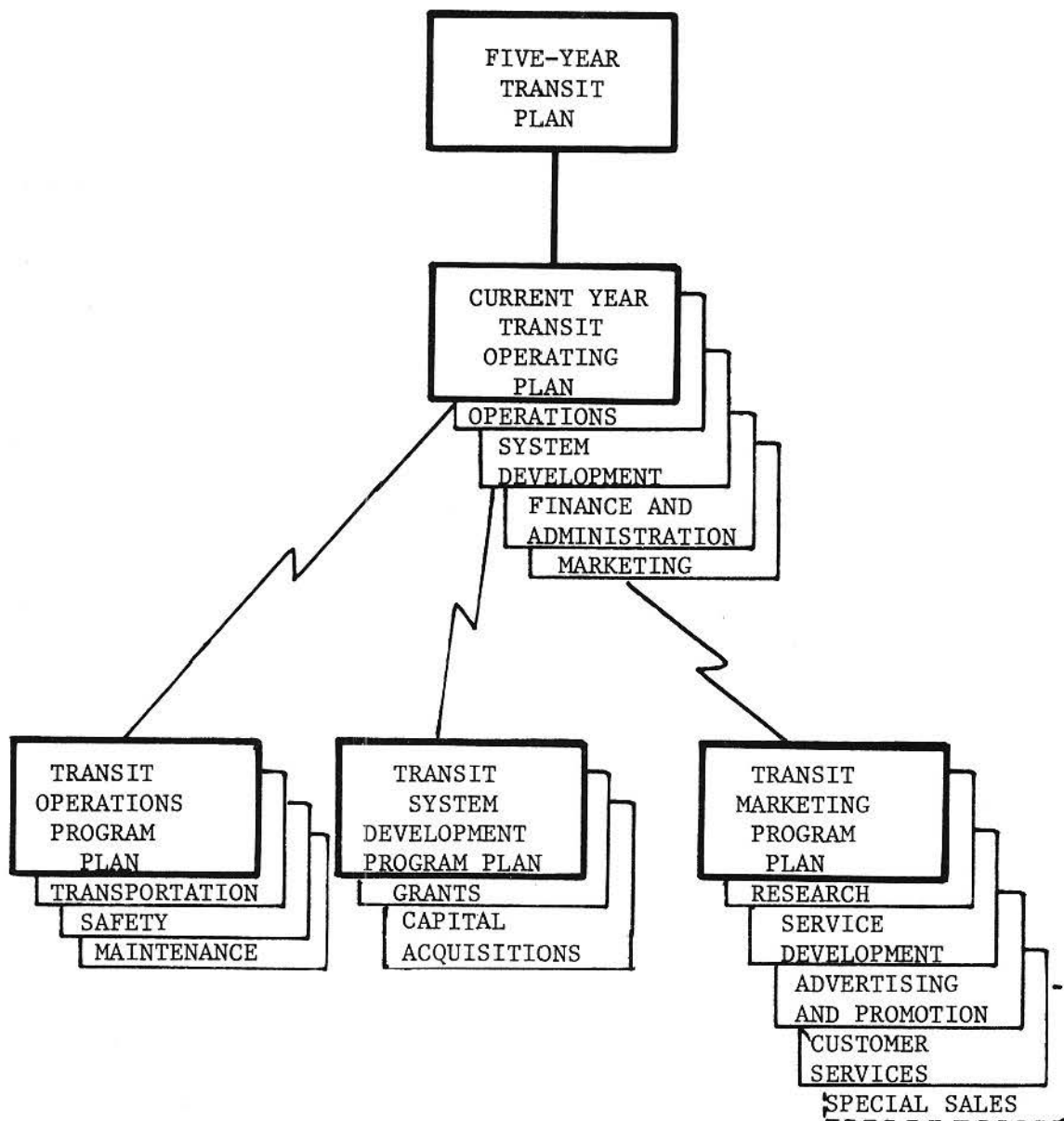


Figure I-1. Transit Plans

- (1) individual program plans (marketing, operations, etc.) are reviewed to insure consistency with the guidelines from the policy plan,
- (2) individual program plans are integrated to insure consistency with each other,
- (3) program goals and strategies are approved,
- (4) resources are allocated to the individual programs and priorities are assigned to specific program elements, and
- (5) the long-range policy plan is revised and updated to reflect the most current situation.

In a transit system which has a thorough and responsive planning process as described above, it is obvious that the transit marketing program plan does not stand alone. A good transit marketing plan will dovetail with all other transit planning activities. If the marketing plan is constructed to anticipate the process of integration, it will stand a much better chance of being approved as drawn. If a transit system does not have a formal planning process or if the planning is incomplete, then there is all the more reasons for the marketing unit to prepare a comprehensive marketing plan. A well prepared plan will benefit the marketing unit in the following ways, even if there is no extensive planning activity in the remainder of the transit system.

- (1) the marketing unit can coordinate, focus, and set priorities for each of its activities through the plan,
- (2) the plan can provide the marketing unit with an excellent means of communicating its analyses, goals, strategies, and resource requirements to top management,
- (3) the plan, once approved by top management, can provide the marketing unit with the formal authority to proceed with its program and to expand its resources,
- (4) the plan, upon approval, can become the formal management tool for marketing management (i.e. the program plan can be directly translated to an implementation or action plan), and
- (5) the plan can serve as the basis upon which the performance of the marketing unit is evaluated.

The marketing program plan discussed in this chapter is based upon a transit marketing function which is fully integrated with all activities of the transit system and which is organized along the lines depicted below in Figure I-2. An approach to marketing program planning is presented in Part II, The Parts of the Transit Marketing Plan. By using this approach to planning, the transit marketing manager can integrate all the transit marketing elements (market research, service development, advertising and promotion, and customer services) and their specific functions into a unified effort.

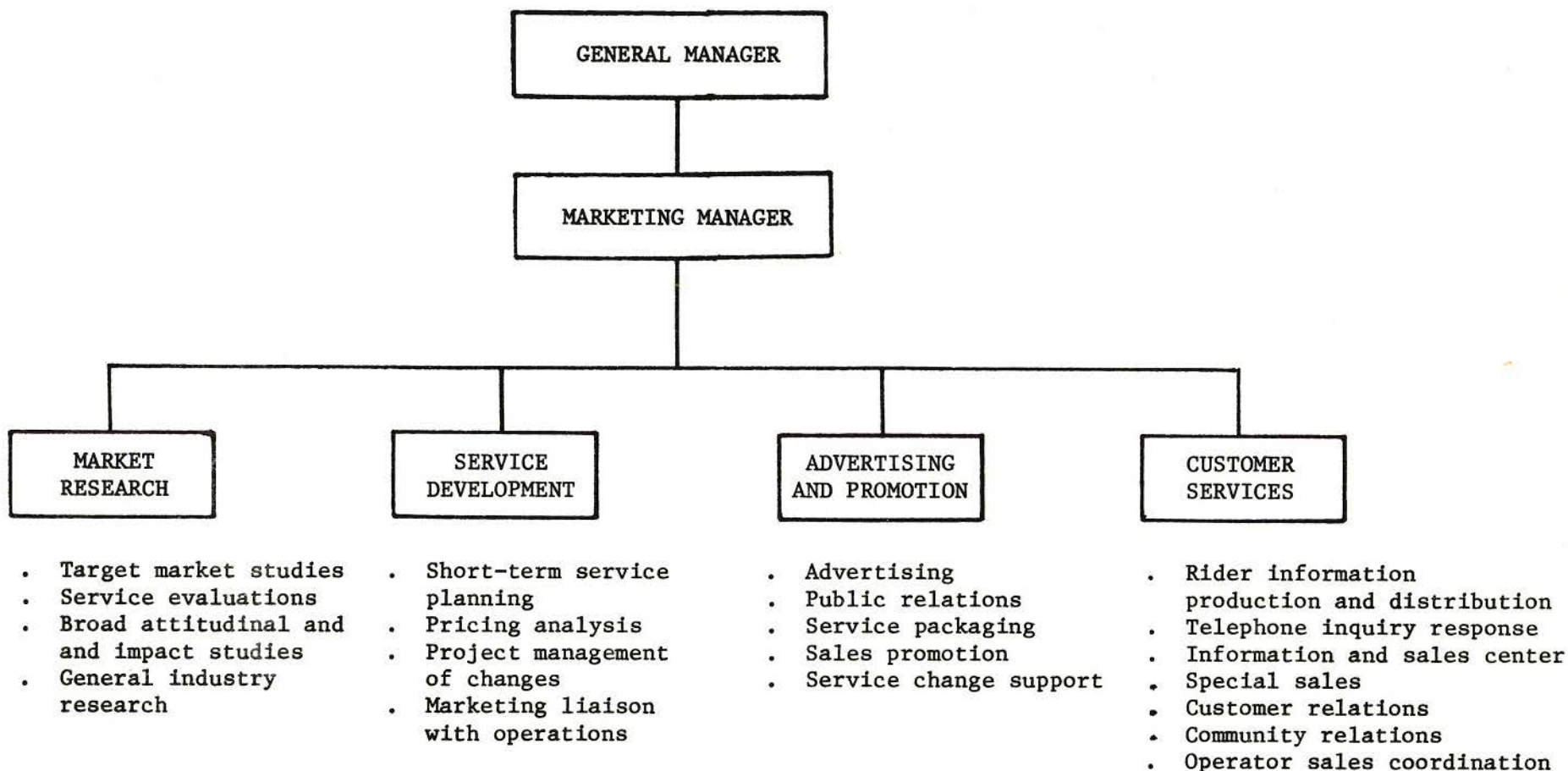


Figure I-2. Transit Marketing Organization and Functions

PART II

THE PARTS OF THE TRANSIT MARKETING PLAN

The transit marketing manager should employ a systematic approach to planning. Such an approach must be flexible enough to accommodate the widely differing activities which fall under the control of the marketing unit. However, the approach must also provide a strong degree of structure to insure that the various marketing activities are coordinated into a unified program and that the marketing program is consistent with the overall objective(s) of the transit system as a whole. Figure II-1 below illustrates an approach to transit marketing planning which is comprehensive and flexible, but which also has the needed structure for program coordination.

The transit marketing program planning approach discussed in this chapter has four primary parts:

- (1) a business review of transit marketing problems and opportunities,
- (2) a statement of the specific goals of the marketing program based on the results of the business review and consistent with the objective(s) of the transit system,
- (3) a presentation of specific strategies for achieving the specific marketing goals, and
- (4) a description of the budget of resource requirements (time, people, and money) necessary to implement the selected strategies and to achieve the marketing goals.

A direct adjunct to the program planning process outlined above is an implementation or action plan for putting the program plan into operation upon receiving approval from top management. Some planners would consider the action plan to be the fifth part of the program planning process; however, for the purposes of this chapter, the action plan will be considered to be closely related to, but distinct from, the transit marketing program plan.

Before progressing with the discussion of transit marketing program planning, the definition of objectives, goals, and strategies should be clarified as used in this chapter. An objective is a broad, long-term statement of purpose while a goal is a specific, short-term statement of future achievement. An organization will rarely have more than one objective but will always have multiple goals.

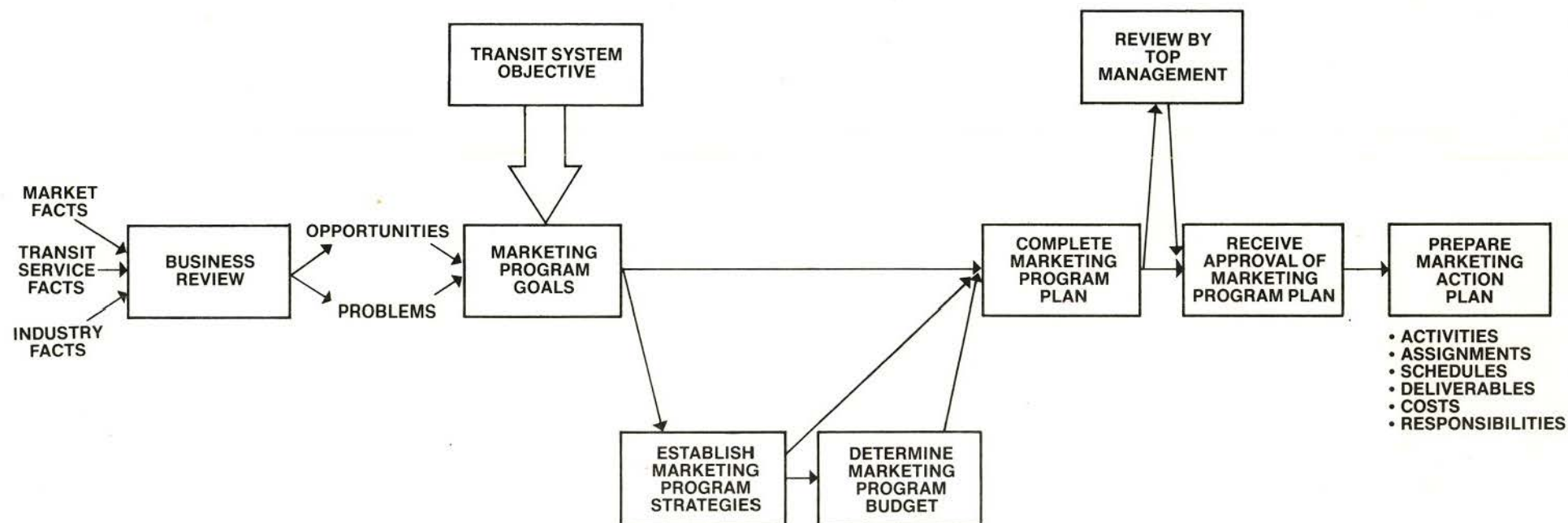


FIGURE II-1. THE TRANSIT MARKETING PLANNING PROCESS

An objective will change very slowly, in an evolutionary manner; goals change regularly and rarely survive for more than a year or two. A strategy is a specific approach to the accomplishment of a goal. In the context of a transit system, the three terms may be illustrated as follows:

Transit System Objective: Provide safe, reliable transportation services to all people in the XYZ metropolitan area at the lowest possible cost.

Marketing Goal No. 1: Increase off-peak ridership by 20 percent in the coming year.

Marketing Strategy No. 1: Through the development of suburban shoppers' special discounts and downtown free-zone fare structures, dramatically improve the utilization of public transit by non-working adults during off-peak hours.

The remainder of this section contains a detailed discussion of the four primary parts of the transit marketing program plan and a brief discussion of the transit marketing action plan.

The Business Review

The marketing program planning process begins with the business review of transit marketing problems and opportunities. A marketing problem is any impediment to the transit system which inhibits it from operating effectively in the marketplace. Problems may derive from internal factors or could be external to the transit system; specifically, problems might involve off-peak ridership declines, adverse changes in housing patterns, a planned increase in fares, and the like. A marketing opportunity, on the other hand, is a favorable circumstance which also may derive from conditions internal or external to the transit system. For example, marketing opportunities might be created by an increase in public awareness of the need to conserve energy, by construction of new high density housing units, or by the development of a new shopping center. Clear statements of such marketing problems and opportunities, supported by the facts and analyses developed during the business review, will provide a sound basis for the remaining parts of the marketing planning process.

The business review is an inventory of all the factors which constitute the transit system's present marketing situation. It is also an analysis of the factors which caused that situation to develop. A comprehensive marketing business review is an invaluable tool for determining and developing ways to identify a transit system's weaknesses, for ascertaining and developing ways to augment a transit system's strengths, for synthesizing the conditions which resulted in past successes and failures, and for determining the probable effects on the transit system's marketing program of conditions likely to arise in the future. To perform the marketing business review, every relevant ascertainable fact about the transit system--services, sales, programs, markets and users, etc.--should be assembled. Much of this information will already exist in transit system records, or be collected by market research studies, or will be readily attainable through general sources. In any case, the greater part of the effort required is a one-time occurrence because the marketing business review can be subsequently updated with relative ease.

The following listing, although by no means definitive, indicates the types of information which will be required during the business review:

Transit Services

- (1) What has been the system's record on service reliability and timeliness? By route? By market segment?
- (2) What has been the system's safety record? By route? By market segment?
- (3) What is the physical appearance of the fleet?
- (4) Are the system's fares structured to encourage increased ridership?
- (5) Are special and promotional fare structures effective in the target market segments?
- (6) Are the drivers and telephone information personnel marketing-oriented?

Revenues and Expenses

- (1) What are the transit system revenues? By months? By days of the week? By market areas? By customer classes? By times of the day? Per capita? By routes? By special services?
- (2) What are the expenses and profits of the transit system? By routes? By market areas? By customer classes? By month, day, time of day?
- (3) What percentage of overall transportation purchases by consumers in the marketplace is spent on public transit services?

Programs

- (1) What are the major results of the transit system's market research analyses? By market trends? By market segments?
- (2) What types of service development projects have resulted in substantial and lasting increases in ridership for the transit system? What types have failed?
- (3) What have been the results of the transit system's advertising and promotion program? By reader/viewer/listener impressions? By size/length/frequency/schedule of ad units? By ridership increases?
- (4) What types of customer service activities have had success in improving ridership? What types have failed?

Markets

- (1) Who are the current customers of the transit system? By location? By income level? By age? By occupation? By size of family? By race?
- (2) Who are the most promising potential customers of the transit system? By location? By income level? By age? By occupation? By size of family? By race?
- (3) What factors most influence the decisions to use or not use the transit system's services? Convenience? Cost? No other choices?
- (4) What is the average daily, weekly, monthly, and yearly amount expended by transit system customers? By customer class? By market?
- (5) What are the attitudes of the customers toward the transit system? Toward the specific services?
- (6) What events in process or likely to occur will influence the level of ridership of the transit system?
- (7) What is the market share of the transit system, versus competitive modes, for specific customer classes? In terms of passenger miles? In terms of numbers of passengers?

Marketing Program Goals

After assessing the marketing opportunities and problems of the transit system through the business review, the marketing plan should state the specific goals of the marketing program. The goals must be consistent with the objective of the transit system, while providing a description of the results which are to be produced by the marketing program. The marketing program goals do not describe what is expected to happen naturally but rather what will be caused to happen as a direct result of the marketing program effort. The transit marketing goals should be focused entirely upon the major areas of marketing responsibility-i.e., market research, service development, advertising and promotion, and customer services. Some guidelines for stating transit marketing goals follow:

(1) The goals should be specific and, if possible quantified. Goals should not be stated in vague, subjective, or generalized terms such as, for example, "Increase system ridership"; better stated, a marketing program goal might be "Increase ridership by six percent to 20 million passengers annually." The more specific a goal statement, the easier it becomes for transit managers to understand, approve, assign priorities to, and allocate resources to achieve the goal. Specificity also makes achievement of the goal measurable and more suitable for future evaluation. The specific quantitative targets for the goals should be based on analysis supported by thorough research of the market facts.

(2) The goals should be realistic and attainable. Since the marketing goals will serve as the basis on which the success of the marketing effort will be measured, it is essential that they not be based on wishful thinking or unrealistic hopes of the marketing staff. If a thorough analysis is performed within the business review part of the marketing plan, realistic and attainable goals should be a natural product of the exercise. Ambitious goals which do not reflect the external limitations of resources or of the political environment are of no help in planning the marketing program.

(3) The goals should be important. The transit marketing program plan should have goals which are of relatively high and equal priorities. There may be many marketing program results which are desirable but not very meaningful when measured in terms of the overall success of the transit system. Listing a large number of minor details as goals will tend to overload and confuse the reviewer of the plan and, therefore, will lessen the chances for acceptance of the major elements of the marketing program. Some sample transit marketing goals are discussed below.

Goal: Increase Ridership - This is much too broad a statement of intent to be of much use to the transit system. The goal could be better stated in any one of the following ways:

- (a) Attain a five-percent increase in ridership throughout the transit system.
- (b) Increase utilization of the ten least traveled routes by ten percent.
- (c) Shift 500 non-work-related trips per day from peak to off-peak periods.

Goal: Reduce Transit System Deficits - Again, this statement is too subjective and general. Even more importantly, there is a real question as to whether or not this goal is a marketing program responsibility. The reduction of deficits could be accomplished by increasing profitable ridership--clearly a marketing function. But deficit reduction could also be achieved by improving operating efficiency, cutting operating costs, or increasing the average fare--none of which is the sole responsibility of the marketing function.

Goal: Improve the Public Image of the Transit System - Improvement of image is a very difficult activity to quantify. But if the image of the transit system is perceived as a marketing problem, it was most likely discovered in the course of a market research activity. Market research findings, therefore, can form the basis for making this goal statement more specific, e.g. "Improve the public image of the transit system by increasing the 'favorable' survey responses to 70 percent of all attitude interviews." Other specific measures of image include numbers and kinds of customer complaints or comments received and adverse letters and editorials in news media.

Goal: Increase Ridership by Developing a More Equitable Fare Structure - This goal is also difficult to quantify, but it may be possible to relate fares to objective criteria such as miles traveled during peak and off-peak periods. Other possibilities would include changing the fare structure to increase fares during peak travel periods or replacing flat fares with a system of zone fares. As an example, a specific goal might be "Decrease the cost per mile to the rider by ten percent during off-peak periods."

It should be apparent that some marketing program goals are obvious, i.e., the need to increase non-peak ridership. Other goals are directly derived from the requirement to correct or forestall a deteriorating situation such as an overall decline in ridership. In addition, the marketing planning process must seek out those marketing program goals

which are not obvious: those which will become apparent only after a thoroughly creative analysis of the marketplace or from a disciplined search and pursuit of opportunities. As an example of this last point, a specific goal might be "Increase ridership among workers who commute in large numbers to industrial parks by 1,000 passengers per day." Development of such a marketing goal depends on a thorough analysis of business locations and travel patterns in the metropolitan area. It also requires some preliminary investigation into the disposition of the employers on such matters as in-plant transit information services, coordinated working hours, and perhaps even financial subsidies to employees. Some investigation and analysis must also be done inside the transit system to explore the feasibility of service developments such as route and schedule modifications to conform to the needs of the workers and employers who would fall within the program activity. Creativity in discovering the opportunity, performing the preliminary analysis, and developing and articulating the marketing goal makes the goal specific, realistic, and important to the transit system.

Marketing Program Strategies

After a set of specific, attainable, and important marketing program goals has been defined, the plan should describe in detail the strategies for action which will result in achievement of the goals. Thus, marketing strategies provide the basis for an action plan to formulate and carry out specific marketing efforts.

In almost every case, a variety of strategic alternatives will have to be considered in developing an approach to each marketing goal; however, each goal will have one, and only one, recommended strategy in the plan. For example, several strategies could be used to achieve the goal of increasing ridership by ten percent. One strategy, based on price, would entail lowering fares, possibly with a concomitant reduction in the quality of equipment and service to compensate for any reduction in fare revenues. An alternative strategy could be to increase fares while, at the same time significantly increasing service, quality of equipment, and performance in order to attract more riders. These two alternate strategies are, of course, diametrically opposite to one another; nevertheless, depending upon local conditions, each could be effective in achieving the goal of increasing

ridership. It should be apparent that no single strategy is appropriate in every circumstance. Accordingly, it is critical to one success of the marketing program that, prior to the determination of a strategy, a careful business review be made to ascertain the specific needs and desires of consumers. This point emphasizes the need for carefully integrating all actions of the marketing plan so that each part can build upon the information and analysis contained in the other parts.

The following example of the development of a marketing strategy to guide an overall action plan is based on an actual situation involving a large metropolitan transit system in the Midwest. A public organization had just taken over a privately-owned system as reduced ridership and increased costs had led to curtailments in service and fare increases. The bus fleet was old and poorly maintained and the telephone information center gave out busy signals or a recorded message rather than personalized information to the majority of callers. After a review of the situation, the public transit commission determined that one major goal for the initial period after takeover should be to improve the image of the system by informing the public that the service would be improved. This message was conveyed to the public in straightforward and honest newspaper ads which described how and when the system would be improved. It was felt that this goal would be realized if the ridership could be stabilized-- i.e., if, in spite of an almost 20 percent loss in the previous year, further losses could be prevented. Three subsidiary goals were established:

- (1) improve the telephone information service by tripling the 900 calls per weekday currently being answered by the operators,
- (2) give immediate attention and visible response to requests for service improvements from the public, and
- (3) improve the appearance and comfort of the bus fleet.

The strategy adopted as a means of achieving these sub-goals had several components:

- o Telephone information service
 - Install additional telephone lines
 - Provide more operators
 - Enhance operator training

- o Response to public requests for improvement
 - Designate a responsible person (ombudsman)
 - Publicize actions taken
 - Hold public discussion meetings
- o Improve bus fleet
 - Replace older buses
 - Install air conditioning

It is important to note that, as is typically the case, implementation of these strategies was not purely a marketing function. It will frequently happen that achievement of a marketing goal will require the active participation of other transit functions in addition to the marketing function; for example, product improvements involving revised schedules or better equipment will most certainly involve the operations and finance functions. This participation must be anticipated; the other functions should be invited to participate in the planning process at an early date if the strategies require their active participation for successful implementation.

In the development of a strategy to achieve a goal, the transit marketing planner should focus on four key marketing concepts: market target, competitive stance, buying incentive, and marketing mix. Each concept is discussed in detail below.

Market Target - This key strategic concept defines in explicit terms the characteristics of the prospective user of the transit system-i.e., the segment of the public which the marketing program must influence. Here it is important to know where these people live; how they are distributed in terms of age, sex, and income; whether they are employed or unemployed; whether they are current riders or potential new users; and their potential willingness to abandon the use of the automobile in favor of public transit.

Competitive Stance - This second concept identifies the transportation mode against which the transit system chooses or is forced to compete. In almost all cases, public transit competes principally with the use of the private automobile. Thus, a transit marketer's competitive stance must take this prime competitor into consideration in all decisions on strategy.

Buying Incentive - This third concept affecting marketing strategy is the selection of those attributes and benefits of the transit system which are most likely to motivate customers to use it. Marketing of public transit does not

involve selling a tangible entity; it is the total transportation service not the bus or the train, that is important to the user. Since people do not normally change their behavior patterns for only one reason, the buying incentive should be multi-dimensional. For example, the program may feature the comfort and ease of public transit in contrast to the strain of driving an automobile in city traffic and, depending upon local circumstances, may also point to the fact that it is less expensive to ride the bus than to pay for gas, tolls, and parking. Thus, a sales proposition must be made to the potential transit customer. It is important to realize that the sales proposition is more than just a part of the advertising strategy; it permeates every aspect of marketing. For example, if a major element is the physical comfort of riding the bus, the proposition should include the assurance that every rider will have a seat, that the drivers will be courteous, and, perhaps, that other amenities such as air conditioning and adequate interior lighting will be made available. Again, this emphasizes the need for integrating every aspect of the marketing plan; the sales proposition (buying incentives) will emerge from the previously defined strategy which, in turn, was derived from the goals.

Strategy decisions regarding the three marketing concepts of target, competitive stance and buying incentive constitute the positioning for the product or service. Positioning is the totality of what a product or service is and how it is sold to the customer. It encompasses the product's reasons for being--that is, its reasons for existing in the marketplace--and is, therefore, the product's most important property. The positioning statement also differentiates the product from competitive offers and provides a precise definition of the competition. In short, it represents the concept or idea which organizes all of a product's marketing properties into a cohesive entity.

Marketing Mix - This final subject area in the strategy section consists of the allocation of a priority of importance or weight to various marketing functions. Because resources are always limited, it is a major strategic decision to determine how physical and financial resources should be allocated vis-a-vis improved product features such as air conditioning, more frequent service, public information aids, promotional fares, advertising programs, and research activities--all of which may improve ridership.

Marketing Program Budget

The final section of the marketing plan deals with the budget. Although the marketing program budget should contain allocations of all available resources (money, time, and people), the discussion which follows will focus on the money resource budgeting issue.

No clear-cut formula exists for calculating a budget; that is, it cannot be stated that a small transit system should spend X percent of revenues on marketing, a medium-sized system should spend Y percent, and so forth. An appropriate marketing program budget for one system, expressed in relationship to total revenue, number of route miles, size of the population served, or other measure, may not be at all appropriate for another system.

Rules of thumb have been used to determine the size of the budget. Such a rule might be that the additional expenditure for marketing, compared to last year's budget, should result in at least a proportional increase in ridership or revenue--or should increase total ridership without an accompanying increase in the subsidy level per ride. Another type of rule of thumb is one in which the marketing budget is related to a goal but not necessarily to individual tasks. An illustration of this type of budget can be found in the case of a West Coast transit system which set a goal to persuade automobile commuters to try the system during the year. The communication budget established to achieve this goal was equal to the cost of one free ride for each automobile commuter. Within this total, the percentages of the budget to be allocated to its components--advertising (radio, newspapers, direct mail or other home delivery, and other modes), sales promotion, and public relations--were developed.

Market data indicate that service companies in general and transit operations in particular spend too little on marketing. A study published in the October, 1974, Journal of Marketing reported that service firms spent only two to four percent of sales for marketing compared to ten to 20 percent for manufacturing firms. This tendency has been compounded by the past efforts of the transit industry to reduce costs through curtailment of what were formerly considered to be non-essential support functions.

Development of the marketing budget requires consideration of two elements:

- (1) the total amount of money to be devoted to marketing, and
- (2) the allocation of portions of the total to various marketing functions.

The marketing program budget can be defined as the cost of all actions required to achieve the transit system's marketing goals. The budget includes all expenditures for each function (market research, service development, advertising and promotion, and customer services). There are three methods generally used to establish marketing budgets:

- (1) subjective budgeting,
- (2) percent-of-sales budgeting, and
- (3) task budgeting.

When subjective budgeting is used, management decides, generally on the basis of judgment and experience, how much money to allocate to each major function, including marketing, of the transit system. When the percent-of-sales approach is used, management decides, again on the basis of judgment and experience, to allocate a specific percentage of sales to marketing. This procedure is relatively simple and can be rationalized in terms of prior-year efforts. A major problem with the percent-of-sales approach, however, is that it considers marketing as merely a dependent variable; as a result, marketing expenditures are often curtailed as sales fall. Such a result is very unfortunate because a period of declining revenues may very well indicate the need for increased marketing expenditures.

The task budgeting approach is the most desirable of the three. It recognizes that the purpose of marketing is to help achieve designated goals and that the amount budgeted for marketing is the investment considered necessary to achieve these goals. A budget decision based on this approach is consistent with the planning techniques discussed previously. It takes into account the desired task and provides the marketing function with the funds required to accomplish it. The basic budgeting consideration is, "What is needed to do the job?". In using the goal or task method of budgeting, the first step is to identify the various marketing activities which must be performed in order to achieve the stated goals. The next step is to determine what each of these activities will cost. For example, the amount of advertising required for each marketing goal and strategy during the year ahead must be established and the cost of this level of advertising must be determined. Similar determinations must be made regarding the requirements and costs for promotion, information services, research, and other activities for each goal and strategy.

On the basis of the task budgeting approach suggested here, the attainment of a specified set of goals is contingent upon the availability of the resources needed to achieve these goals. Ridership cannot be increased by five percent during peak hours if sufficient equipment capacity is not available. The same conditions apply to the achievement of goals which depend on the use of added salespower or added advertising. This illustrates a very common budgeting problem: whether to establish the available resources and then adopt appropriate goals which can be fulfilled with these resources, or to define logically-attainable goals and then determine the resources which will be required to attain them.

There is no simple answer to this problem. The most commonly used procedure is to explore the possibilities at each end of the spectrum and then attempt to reach a reasonable balance or compromise. This is generally done by means of the on-going discussion and negotiation process which takes place between top management and marketing management. The marketing budget, therefore, must reflect the joint thinking of many different people. Management is responsible for providing guidance on desired results and on the availability of financial resources while marketing specialists are responsible for the development of programs to achieve these results and for estimating the costs of these programs.

A good marketing budget reflects considerable discipline and commitment. The temptation is strong, particularly in the transit industry where there is no historical commitment to marketing, to consider the marketing budget one of the more flexible elements in the total budget. Accordingly, whenever financial troubles arise, the marketing budget is frequently the first to be cut; it is more difficult to fire people, defer maintenance, or cancel orders for new equipment than it is to eliminate research projects, cut back on advertising, cancel promotions, or reduce information services. This tendency should be resisted; the marketing budget should be examined on its merits, in competition with other transit functions, and not arbitrarily cut simply because it is concerned with intangibles.

The Marketing Action Plan

As stated at the outset, this chapter concerns the preparation of the transit marketing program plan. However, a brief discussion is appropriate concerning the final step in the marketing planning process: development of the marketing action plan. The action plan is an adjunct to the transit marketing program plan; its function is to show what activities will be carried out to implement the program plan. The action plan is tied directly to the goal-strategy-budget structure of the program planning process; however, it differs from the program plan in its degree of specificity. For each goal/strategy combination contained in the transit marketing program plan, the marketing action plan contains the following types of information:

- (1) a breakdown of all major activities,
- (2) assignments of responsibility by name for each activity,
- (3) a specific activity schedule (in a milestone format),
- (4) a detailed budget breakdown (money and people) for each major activity,
- (5) a detailed description of the marketing tools and techniques (research, promotion, etc.) to be employed within each major activity, and
- (6) a detailed description of the results and/or deliverables to be achieved by the major activities.

A sample marketing program plan is contained in the following section.

PART III

SAMPLE TRANSIT MARKETING PROGRAM PLAN

A sample marketing program plan for a hypothetical transit system (the "XYZ Transit Company") is presented on the following pages as a planning aid. The market facts, analyses, goals, strategies, and budget amounts referred to in the sample plan are for purposes of illustration only; however, they may be considered typical for the marketing function throughout the transit industry.

XYZ TRANSIT MARKETING PROGRAM PLAN

Introduction

The marketing program for the coming year builds upon the solid and innovative improvements which have been implemented during the first five years of the XYZ Transit's existence.

The focus of the marketing program for the coming year will be on "positioning" of XYZ Transit's services, which simply means fitting the right transit services to the right people's needs at the right time and accomplishing all of this by getting the right messages across to the market. This approach is essential because there are few, if any, commodities and services more complex and challenging to market than a public transportation system's services with its many routes and destinations, variety of services, range of fares, alternating hours of operation, and mix of potential customers.

In order to achieve the most effective "positioning" of XYZ Transit's services in the marketplace, the marketing program was planned by proceeding through four carefully developed stages:

- (1) review of transit marketing problems and opportunities,
- (2) selection of specific marketing goals,
- (3) development of a marketing strategy for achieving each goal, and
- (4) preparation of the marketing program budget necessary to implement the strategies to achieve the selected goals.

The XYZ Transit marketing program plan is divided into four parts, which correspond to the planning stages listed above.

A. A Business Review of XYZ Transit

(1) The objective of the XYZ Transit Company is to make low-cost, efficient public transit service available to all residents of the XYZ metropolitan area. Even those who do not now use the service or who do not use it with any degree of regularity must be made familiar with where and how the service is available because future XYZ Transit riders will be drawn from this current non-rider group. Also, as in the case of the oil embargo or a possible EPA in-city-automobile restriction, unexpected and uncontrollable circumstances may suddenly accelerate the use of public transit service. For whatever reasons, market research studies performed in the XYZ metropolitan area indicate that it is extremely important to maintain communication between XYZ Transit and both the riding and non-riding public. Research and experience have also shown that there are significant efficiencies to be gained by employing media approaches with broad circulation and significantly lower cost per-thousand price to reach the market place. A broad-based media dialogue within the general marketplace can readily be extended to reach special, select audiences who may be geographically, demographically, or psychographically distinct from the overall audience. Thus, a broadly-focused communication program is essential and complementary to a targeted marketing effort which seeks new transit riders.

(2) Over the past five years, it has become more apparent that XYZ Transit's employees, especially the drivers, are a very important part of the service being offered to the public. It seems essential that the employees be perceived as an important, on-going means for communicating with the riding public. Because all personnel within XYZ Transit have significant and varying degrees of effect on the development, delivery, evaluation, and change of services to the public, it seems extremely important for all personnel to understand the marketing program goals and their means of accomplishment. Those personnel whose work does not bring them into direct contact with the public also need to understand how the effects of their work affect the public's use of the system. Thus, the marketing program should be thoroughly communicated within the XYZ Transit Company to all personnel.

(3) The most obvious marketing perception about the transit industry is that the sale of service peaks dramatically twice every working day. On the better-performing or "strong" routes, the peaking effect is more obvious than on poorer-performing or "weak" routes which fail to carry a capacity passenger load during the morning and evening peak periods. Both strong and weak routes fail to carry a significant percentage of their potential during the off-peak periods. In order to deal with this market effect by filling the "valley" between the two high ridership peaks, it is essential to analyze the nature of the market services by each individual route. The analysis can pinpoint market opportunities and problems for individual routes during off-peak periods which can be dealt with by service changes and/or fare incentives to encourage increased ridership. In addition, the needs of potential riders along specific routes may be common enough throughout the marketplace to permit system-wide service changes and/or incentives to increase off-peak ridership. Until effective means are found for filling the valleys between the main ridership peaks, XYZ Transit cannot operate within the range of its full efficiency. Thus, the off-peak ridership quest is the most critical task of the marketing program; this task should be centered on the use of transit for shopping and personal business. Finally, it is important to note that the most natural target routes for marketing seem to be those which are now considered strong peak routes. These routes serve many households with transit to and from work. Nonriders residing in households with current riders can be expected to be more prone to use public transit in the off-peak because of their exposure to its use by others in the household. The fact that one person in a household can answer many of the questions about the transit system in a personal way is critical to the selection of these strong routes for emphasis in the marketing program.

(4) After the off-peak period, the next most obvious period for increasing ridership is on the weekend. Weekend ridership patterns faintly reflect the weekday patterns but generally result in much lower ridership levels. There is much opportunity to sell transit services during the weekend because people do different things on weekends than they do during the week. The more leisurely pace of the weekend encourages different behavioral patterns which may be reflected in different transportation needs and, therefore, opportunities for XYZ Transit. Based on preliminary research, there is reason to believe that those non-riders who lack the time to experiment with public transit during the week, probably have a greater inclination to experiment during the weekend.

A further refinement for potential weekend ridership is that, for reasons of prolonged daylight and the promise of better weather, summer weekends are the prime periods for promoting new and increased use of XYZ Transit on weekends. During summer weekends, there are more outdoor activities involving larger crowds with concomitant traffic and parking problems which are solved for the individuals using public transit. It seems reasonable to expect that a large portion of those who will make steady use of XYZ Transit services in the future will have first used the services during the weekends.

(5) The major thrust of the marketing program for selling off-peak transit services should focus on selling XYZ Transit services for use in shopping and personal business. Thus, it is necessary that a strong, mutually-rewarding relationship be established between XYZ Transit and area retailers in both the central business district and suburban shopping centers. For some time, the promotional approach taken by retailers has included the concept of transportation in terms of offers of free parking, claims of convenient location, and other points. To date, little has been done to encourage retailers to recognize and promote XYZ Transit as an important part of the shopping transportation solution. The linking of retailers with XYZ Transit might be more difficult if the 1974 gasoline "crisis" had not demonstrated to both urban and suburban retailers that their business as highly vulnerable to changes in automobile usage. Retailers need to be informed about XYZ Transit services and the potential of these services for bringing more business to the retailers. The potential for increased business can be demonstrated dramatically by the current low ridership (versus capacity potential) during the off-peak periods; this unused capacity can be directly translated into lost sales for the retailers.

(6) It is important to make employers realize the ways in which they benefit from XYZ Transit. If each major employer in the XYZ metropolitan area were made aware of one fact--the number of their employees who take XYZ Transit to and from work on a regular basis--an important first step would be taken to gain employer support for the system. Employer support for transit works to the advantage of every party involved: the employer, the employee, and XYZ Transit. For example, cooperation in fixing working hours to correspond to optimum transit schedules would greatly assist XYZ Transit's performance capability while providing better service to employees. While the overall transit marketing program effort should be designed to establish a greater constituency among employees for creative and increased use of transit services, it is important to make the employer

aware of innovations being used in other cities to reduce peak-hour automobile traffic with the assistance of public transit. Above all, employers need to understand that a growing XYZ Transit system will result in improved services for the benefit of employers and employees. Active participation in forward-looking use of XYZ Transit is a minimum expectation of employers as a fair exchange for the benefits they currently receive from its operation.

B. XYZ Transit Marketing Program Goals

- (1) Increase the measurable awareness of XYZ Transit within the XYZ metropolitan area by 25 percent in terms of positive responses to media research surveys.
- (2) Achieve a 100-percent awareness by XYZ Transit employees of the XYZ Transit marketing program.
- (3) Achieve the following selective ridership increases throughout the XYZ Transit system during the work week:
 - a. 50-percent increase in number of passengers riding on "strong" routes during the off-peak periods,
 - b. 25-percent increase in number of passengers riding on "weak" routes during the peak periods, and
 - c. 50-percent increase in number of passengers riding on "weak" routes during the off-peak periods.
- (4) Increase weekend ridership by 100 percent throughout the XYZ Transit system.
- (5) Enlist the active participation of the 20 largest retailers plus 25 percent of all remaining retailers in a campaign aimed at shoppers during off-peak hours.
- (6) Enlist the active cooperation of the top 100 employers (who employ 25 percent of all workers in the XYZ metropolitan area) in the development of better service and in encouraging the use of XYZ Transit by their employees.

C. XYZ Transit Marketing Strategies

The marketing program for the coming year will be composed of 16 program activities which are designed to serve the six goals of the marketing program as stated in Section B, above. Because of the nature of the marketing program activities, each will contribute to the attainment of more than one goal. The strategy for achieving each goal calls for a specific combination of program activities and results in the total marketing mix of the XYZ Transit marketing program. Each strategy is summarized below; brief descriptions of the marketing program activities are presented following the strategy summaries.

- (1) Strategy for Achieving Goal 1 - Increase the measurable awareness of XYZ Transit within the XYZ metropolitan area by 25 percent in terms of positive responses to media research surveys.

- . Develop an overall market communication theme.
- . Present the system in ways which are compatible with and complementary to the varied current lifestyles of XYZ metropolitan area residents.
- . Develop an increasingly active, goal-oriented relationship with the news media.
- . Explain all working elements (fares, zones, routing, etc.) of the transit system to the public.
- . Compare and contrast transit usage with auto usage when this positioning favors transit.
- . Illustrate the scope and quality of performance of the system to the public.
- . Use inside/outside transit advertising as much and as often as possible.
- . Maintain a broad timetable distribution program.
- . Publicize the XYZ Transit information phone number and the services provided at that number at every opportunity.
- . Focus the broad communication program on the development of the maximum latent demand to be transferred to active ridership in the future.
- . Develop a single, consistent image in all graphic materials.
- . Tune the broad communication effort to special audiences (e.g., handicapped, senior citizens, etc.) from time to time.

The following program activities will constitute the marketing mix for the achievement of Goal 1:

- Umbrella Advertising and Public Relations Campaigns
- Fun Book Folder and Promotion
- Bus Away Folder and Promotion
- Transit Destination
- Public Service
- Rider Guide
- Notice of Service Changes
- Rider Map
- State Fair Promotion
- Bike Bus
- Weekend Pass
- Student Summer Pass
- Route Research/Target Marketing Promotion

(2) Strategy for Achieving Goal 2 - Achieve a 100-percent awareness by XYZ Transit employees of the XYZ Transit marketing program.

- . Explain to all employees the marketing program, goals, and strategies to be accomplished and how the various marketing activities contribute to the effort.
- . Explain in advance and in specific terms whenever direct employee assistance is required.
- . Present all activities to employees in a manner which highlights the benefits to them.
- . Keep all employees informed as to the results of the various activities.
- . Keep all information exchanges specific, brief, and timely, especially if cooperative effort is required.
- . Provide an annual overview of the marketing program to all employees to engender a positive attitude and an interest in the delivery of transit services to the marketplace.
- . Utilize special internal activities (e.g., Advance Flyer/ Feedback Sheets, Bulletin Board and Special Notice Activity, XYZ Transit News, Articles for Transit Industry Press, and Annual Employee Briefing) to support the achievement of Goal 2.

The following program activities will constitute the marketing mix for the achievement of Goal 2:

- Transit Destination
- Weekend Pass
- Rider Guide
- Fun Book Folder and Promotion
- Timetable Distribution
- Rider Map
- Notice of Service Changes
- Umbrella Advertising and Public Relations Campaigns
- Public Service

(3) Strategy for Achieving Goal 3 - Achieve selective ridership increases throughout the XYZ Transit system during the work week.

- . Capitalize on the optimum routing, scheduling, and equipment; strong population base; and positive ridership tendencies on "strong" routes to increase off-peak ridership.
- . Employ the data gained from the Route Research effort to increase both peak and off-peak ridership on "weak" routes.
- . Employ localized media to promote off-peak usage of "strong" routes for shopping trips, recreational trips, evening entertainment trips, and trips to sporting events.
- . Identify the most efficient and productive routes and the related target market segments through analysis of the Route Research data.
- . Employ localized media to emphasize available "weak" route benefits such as exclusivity (e.g., shuttles) or speed.
- . Employ localized media to promote off-peak usage of "weak" routes for shopping trips, recreational trips, etc.

The following program activities will constitute the marketing mix for the achievement of Goal 3:

- Route Research/Target Marketing Promotion
- Central Business/Shopping Center Promotions
- Transit Destination
- Timetable Distribution
- Weekend Pass
- State Fair Promotion

- Rider Guide
- Student Summer Pass
- Fun Book Folder and Promotion
- Rider Map
- Notice of Service Changes
- Umbrella Advertising and Public Relations Campaign
- Public Service
- Bike Bus
- Employer Information
- Bus Away Folder and Promotion

(4) Strategy for Achieving Goal 4 - Increase weekend ridership by 100 percent throughout the XYZ Transit system.

- . Increase the awareness of XYZ metropolitan area residents of fare structures, payment forms, destinations, routes, costs, and conveniences of transit use.
- . Identify rider types (e.g., heavy, medium, light, and non-users) in terms of times and types of potential transit usage in order to assess and then tap into existing latent demand.
- . Capitalize on unusual external conditions (e.g. fuel shortage, gasoline prices, EPA automobile restrictions, etc.) to stimulate ridership increases.
- . Develop new and forward-looking transit services (e.g., Student Summer Pass, Weekend Pass, Bike Bus, etc.) which fit and complement the lifestyles of XYZ metropolitan area residents.

The following program activities will constitute the marketing mix for the achievement of Goal 4:

- Student Summer Pass
- Weekend Pass
- Transit Destination
- Fun Book Folder and Promotion
- Bike Bus
- Route Research/Target Marketing Promotion
- State Fair Promotion
- Timetable Distribution
- Rider Map
- Notice of Service Changes
- Umbrella Advertising and Public Relations Campaigns
- Public Service
- Central Business/Shopping Center Promotion
- Bus Away Folder and Promotion

(5) Strategy for Achieving Goal 5 - Enlist the active participation of the 20 largest retailers plus 25 percent of all remaining retailers in a campaign aimed at shoppers during off-peak hours.

- . Communicate the vulnerability of retail sales when customers are limited to auto use for shopping trips.
- . Communicate the potential transit volume of retail customers as contrasted with current, under-capacity volumes in terms of lost sales.
- . Design complete and active promotions which, through retailers' contributions of effort and expenses, can increase retail business via the increase in transit usage.
- . Inform major retailer groups of the total transit service picture (e.g., routes, frequency, capacities, etc.).
- . Provide materials for use by retailers in their advertising, billing envelopes, promotional and mailing programs, store windows, and store interiors to encourage increased transit use by shoppers.

The following program activities will constitute the marketing mix for the achievement of Goal 5:

- Central Business/Shopping Center Promotion
- Transit Destination
- Route Research/Target Marketing Promotion
- Weekend Pass
- Notice of Service Changes
- Umbrella Advertising and Public Relations Campaigns
- Public Service
- Bus Away Folder and Promotion

(6) Strategy for Achieving Goal 6 - Enlist the active cooperation of the top 100 employers (who employ 25 percent of all workers in the XYZ metropolitan area) in the development of better service and in encouraging the use of XYZ Transit by their employees.

- . Communicate the reliability of public transit, as contrasted with the automobile, for commuting to and from work.
- . Inform employers of the benefits of transit usage to employers, employees, and the community.
- . Demonstrate the direct dollar savings which can be realized by employees who use public transit.
- . Demonstrate how public transit can reduce the strain on employers' parking facilities or the amount of employers' parking subsidies to employees.
- . Emphasize the ability of XYZ Transit to get employees to work on time, especially in foul weather; stress exclusive bus lanes and the like.
- . Promote special employer support and possible subsidy of programs for transit use.
- . Provide educational and promotional materials, information, and support to cooperating employers.

The following program activities will constitute the marketing mix for the achievement of Goal 6:

- Employer Information
- Timetable Distribution
- Notice of Service Changes
- Umbrella Advertising and Public Relations Campaigns
- Public Service
- Bus Away Folder and Promotion

(7) Marketing Program Activity Summary Descriptions

Route Research/Target Marketing Promotion - In this activity, market research surveys will be performed on individual routes to determine transit needs and potential for increased ridership. The neighborhoods to be surveyed will be those serviced by both "strong" and "weak" peak routes. Upon analysis of the survey results, a target marketing campaign will be undertaken to test the effectiveness of marketing tools (advertising, public relations, direct mail, etc.) in selectively increasing the ridership of underperforming routes in specific neighborhoods. The effectiveness of the target marketing effort will be evaluated on a continuing basis. (THIS ACTIVITY SERVES GOALS 1, 3, 4, AND 5.)

Transit Destination - This marketing program activity will be directed at filling the off-peak ridership gaps. Inside and outside transit advertising, together with other efficient mass media, will be used to make the public more fully and regularly aware of the many destinations serviced by XYZ Transit. Although the Point A-to-Point B work trip is the most obvious aspect of transit service, the activity is designed to offset this one-dimensional picture of the system. (THIS ACTIVITY SERVES GOALS 1, 2, 3, 4, AND 5.)

Weekend Pass - This activity will focus on the fact that weekend transit ridership patterns suggest a clear marketing opportunity. Many recreational destination points reached by XYZ Transit will be promoted together with the existing flat-rate (\$1.00), 24-hour weekend transit pass. The activity will continue year-round but particular emphasis will be placed on late spring and summer periods, when transit service seems to be most naturally saleable. (THIS ACTIVITY SERVES GOALS 1, 2, 3, 4, AND 5.)

State Fair Promotion - This activity is one of a series of limited services which will be promoted both as individual services to specific events and as general examples of the versatility and responsiveness of XYZ Transit. Promotion of the service will begin approximately ten days before the start of the event (major collegiate and professional sporting events, holiday pageants, etc.) and will taper off as the date of the event approaches. Heavy emphasis will be placed on the specific target audiences for each event. (THIS ACTIVITY SERVES GOALS 1, 3, AND 4.)

Rider Guide - The result of this customer service activity will be a comprehensive encyclopedia of information on the use of the XYZ Transit system. The rider guide is one of a series of printed booklets and folders; others are described under subsequent program activity headings. (THIS ACTIVITY SERVES GOALS 1, 2, AND 3.)

Student Summer Pass - This activity is designed to encourage off-peak ridership by students during the traditionally lower-ridership summer period; the activity's primary purpose is to develop future full-fare riders. The pass will be sold during the month of May in high schools, junior high schools, and primary schools. It will cost \$15.00 and will permit unlimited transit use from June 1 through September 1. (THIS ACTIVITY SERVES GOALS 1, 3, AND 4.)

Fun Book Folder and Promotion - This customer service activity will produce and promote a guide to all recreational and leisure-time activities in the XYZ metropolitan area. Each of the hundreds of locations named in the folder is keyed to the proper buses serving it. The folder should be of great assistance in the development of off-peak and weekend transit. The folder will be promoted through mass media advertising and will be distributed with the Student Summer Passes and at all XYZ Transit information outlets. (THIS ACTIVITY SERVES GOALS 1, 2, 3, AND 4.)

Timetable Distribution - The transit timetable has consistently been found to be one of the key factors in the "transit buying decision." All types of riders make regular use of timetables to understand, simplify, and plan their use of the XYZ Transit system. As a customer information piece, the timetable plays a critical role in attracting new riders as well as in maintaining veteran riders. Therefore, the current XYZ Transit timetable will be reviewed for design, content, and simplicity of use and the timetable distribution system will be evaluated to insure that timetables are available when and where they are needed. (THIS ACTIVITY SERVES GOALS 1, 2, 3, 4, AND 6.)

Rider Map - This current customer information activity will be revised to provide "light," "medium," and new users of XYZ Transit with a more complete understanding of the services available to them. The rider map will also benefit "heavy" users and stimulate off-peak usage by visually expressing the many destinations served by XYZ Transit. (THIS ACTIVITY SERVES GOALS 1, 2, 3, AND 4.)

Notice of Service Changes - The purpose of this customer information activity is to communicate all service changes to the public before the changes are put into effect. The changes will always be communicated as refinements intended to improve service. (THIS ACTIVITY SERVES EVERY MARKETING GOAL.)

Public Service - This activity is intended to develop a close, working relationship with the media to establish various formats by which those media will present the XYZ Transit theme to the public at no cost. This activity will be supported by the development of concepts such as media transit reports, drivetime traffic reports based on reports from bus drivers, and regular listings in the newspapers of routes and schedules. This activity will seek to expand public awareness of XYZ Transit and will accent the news value of knowing the best way to get to work. (THIS ACTIVITY SERVES EVERY MARKETING GOAL.)

Bike Bus (experimental) - This experimental activity will explore the feasibility of allowing bicycles on some or all coaches during the off-peak hours and on weekends for a slight extra charge. This effort promises to increase revenues, to make good use of off-peak capacity, and to provide a useful community service which reflects favorably on XYZ Transit as a whole. The activity will be implemented initially on shuttle routes which, because they operate as closed loops, would not have their schedules or general service disturbed by the addition of this service. (THIS ACTIVITY SERVES GOALS 1, 3 AND 4.)

Central Business/Shopping Center Promotion - This activity will focus on the development of an informational package to encourage the perception of self-interest on the part of retailers in supporting shopping-by-transit. Advertising and promotional devices will be developed which can be used by retailers to increase the use of transit by shoppers. Initial elements of the retailers' activity will include ad drop-ins to show how to use XYZ Transit to reach specific businesses, store displays, free one-way transit fares with a minimum purchase, transit information mailers which can be placed in monthly statements, and special promotions which provide free home delivery of items purchased by transit shoppers. (THIS ACTIVITY SERVES GOALS 1, 3, 4, AND 5.)

Employer Information - One purpose of this activity is to initiate action on the part of major employers which will ultimately result in transit subsidy programs. An employer information package will be prepared which will identify and quantify the benefits of public transit to both employers and employees. Promotional materials will also be developed for passes, permits, and tickets and to lay the foundation for staggered and flexible working hours. (THIS ACTIVITY SERVES GOALS 1, 3, AND 6.)

Bus Away Folder and Promotion - This activity will consist of the establishment of a free fare zone in the 40 square blocks of the central business district; anyone boarding and alighting within the 40 square blocks on a single trip will ride for no cost. The promotion of this unique service will be designed primarily to encourage use of XYZ Transit by current nonusers and as a bonus to those who do use the system. (THIS ACTIVITY SERVES GOALS 1, 3, 4, 5, AND 6.)

Umbrella Advertising and Public Relations Campaigns -

This activity will serve as the basic communication channel between XYZ Transit and the general public both riders and non-riders. A single theme for the activity will be developed which will emphasize the convenience, economy, reliability, and broad availability of XYZ Transit services. The umbrella activity will be designed to be flexible and adaptable to target promotions aimed at special audiences; similarly, the target advertising and public relations activities must be compatible with the umbrella activity. This activity will provide a continuing public presence for XYZ Transit, particularly through the use of inside and outside transit advertising. In addition, umbrella campaigns will be designed to deliver the XYZ Transit message to the widest possible audience for the lowest per-capita cost. (THIS ACTIVITY SERVES EVERY MARKETING GOAL.)

A summary matrix of marketing program goals and activities is presented below.

D. The Marketing Program Budget

The proposed marketing program budget for the coming year is presented below.

XYZ TRANSIT MARKETING PROGRAM GOALS AND ACTIVITIES MATRIX

| ACTIVITIES | GOALS SERVED | | | | | |
|--|--------------|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 |
| Route Research/Target Marketing Promotion | X | | X | X | X | |
| Transit Destination | X | X | X | X | X | |
| Weekend Pass | X | X | X | X | X | |
| State Fair Promotion | X | | X | X | | |
| Rider Guide | X | X | X | | | |
| Student Summer Pass | X | | X | X | | |
| Fun Book Folder and Promotion | X | X | X | X | | |
| Timetable Distribution | X | X | X | X | | X |
| Rider Map | X | X | X | X | | |
| Notice of Service Changes | X | X | X | X | X | X |
| Public Service | X | X | X | X | X | X |
| Bike Bus (experimental) | X | | X | X | | |
| Central Business/Shopping Center Promotion | X | | X | X | X | |
| Employer Information | X | | X | | | X |
| Bus Away Folder and Promotion | X | | X | X | X | X |
| Umbrella Advertising and PR Campaigns | X | X | X | X | X | X |

PROPOSED XYZ TRANSIT MARKETING PROGRAM BUDGET

| ACTIVITIES | IN-HOUSE REQUIREMENTS | | OUTSIDE PURCHASES (Production Services, Media, Printing, Materials, etc.) | TOTAL |
|---|-----------------------|-----------|--|-----------|
| | PEOPLE (Man-Years) | Dollars* | | |
| Route Research/Target Marketing Promotion | 1.00 | \$ 20,000 | \$ 25,000 | \$ 45,000 |
| Transit Destination | 0.25 | 5,000 | 6,000 | 11,000 |
| Weekend Pass | 0.20 | 4,000 | 4,000 | 8,000 |
| State Fair Promotion (and other special promotions) | 0.40 | 8,000 | 10,000 | 18,000 |
| Rider Guide | 0.20 | 4,000 | 15,000 | 19,000 |
| Student Summer Pass | 0.20 | 4,000 | 5,000 | 9,000 |
| Fun Book Folder and Promotion | 0.20 | 4,000 | 10,000 | 14,000 |
| Timetable Distribution | 0.40 | 8,000 | 70,000 | 78,000 |
| Rider Map | 0.20 | 4,000 | 18,000 | 22,000 |
| Notice of Service Changes | 0.20 | 4,000 | 5,000 | 9,000 |
| Public Service | 0.25 | 5,000 | 3,000 | 8,000 |
| Bike Bus (experimental) | 0.10 | 2,000 | 2,000 | 4,000 |
| Central Business/Shopping Center Promotion | 0.50 | 10,000 | 10,000 | 20,000 |
| Employer Information | 0.50 | 10,000 | 4,000 | 14,000 |
| Bus Away Folder and Promotion | 0.40 | 8,000 | 6,000 | 14,000 |
| Umbrella Advertising and PR Campaigns | 0.50 | 10,000 | 25,000 | 35,000 |
| SUBTOTALS | 5.50 | \$110,000 | \$218,000 | \$328,000 |
| Marketing Program Management | 4.50 | 90,000 | 10,000** | 100,000 |
| PROGRAM TOTALS | 10.00 | \$200,000 | \$228,000 | \$428,000 |

* An Average man-year = \$20,000 loaded with XYZ Transit overhead and fringes.

** Training, recruitment, etc.)