DELIVERABLE 2.3

MARKET SEGMENTATION REPORT

WP 3: Development & Implementation of Marketing Campaigns

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*Velo*Città

Market segmentation, market research

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Twinstone introduction

Twinstone is a young and passionate company working on **change**. We believe change is important to contribute to Living and Sustainable Cities together with our clients.
Twinstone works on **economic sustainability,** because we think we can reach large volumes of customers, residents and companies by doing this. Thus we can achieve better and lasting results and involvement and stimulate behaviour changes.
Twinstone's strength lies in marketing, business development and business creativity. We work on consultancy, concepts & products, marketing & education and events in our **six focus areas**: Living City, Working City, SmartMobility, Education, CityMarketing and Loyalty. Twinstone works for and together with municipalities, companies and institutions.

Twinstone performed several projects in the field of SmartMobility, especially on BikeShare.
Since 2010 we have been involved in several BikeShare projects for the cities Rotterdam, The Hague and Maastricht. For these cities we provided BikeShare consultancy, business case engineering, research and marketing.

Twinstone is a **marketing company**. Whilst working on change, we are challenged to influence and stimulate **behaviour changes and choices** by customers, residents, companies, employees, etc.
Our projects cover a variety of segments. For cities like Rotterdam, The Hague and Maastricht, specifically on BikeShare, we researched the potential commitment of companies (for their employees and commuters), leisure (for their customers and guests), municipalities (to achieve their policy targets and support CityMarketing) and universities (for their students and employees).

Twinstone has an extensive experience and expertise on marketing and communication, both online and offline. We are used to work together with other agencies and the marketing & communication departments of our clients.

At Twinstone we do not only provide consultancy and marketing expertise, we also have **entrepreneurial** knowledge and experience since we undertake several independent business activities like *SlimWonen* and *GoodStart*. This entrepreneurial experience adds specific value to the services of Twinstone. This entrepreneurial knowledge and experience is the main feed for advice and suggestions on **business engineering**. We are focused on **business performance and progress**.

Assignment

The VeloCittà assignment:

a) Provide guidance about market segmentation regarding BikeShare Systems (**BSSs**);

b) Lead the market research (gather BSS information from each case study, collect key data on current customers and develop a questionnaire for surveys per site and target group, give instructions to the survey staff, etc.).

Twinstone stayed within the scope of the assignment; market segmentation.

We stress the need for further development of business case performance and business development on more elements than (only) market segmentation.

Imagine if we could invent something that cut road and rail crowding, cut noise, cut pollution and ill health – something that improved life for everyone, quite quickly, without the cost and disruption of new roads and railways.

Well, we invented it 200 years ago: the bicycle.

Boris Johnson

Method

- *Twinstone enjoyed working on the VeloCitta assignment. It was a challenge to perform teamwork with 6 sites in 5 countries within a tight timeframe. Due to the huge amount of work we had we allowed the sites more time to deliver their data. We enjoyed and appreciated the enormous commitment of the 6 sites.*
- *The data provided interesting information and sometimes surprising results, especially the* ***interviews****. With these results and the* ***new marketing segmentation approach*** *Twinstone sees good opportunities for further development of the BikeShare business case at the different sites.*

Twinstone worked on: (A) Desktop research, (B) surveys & interviews, (C) general & individual recommendations.

A. Desktop research

For the VeloCitta market and segmentation research Twinstone studied the 6 VeloCitta sites.
UK: London (Southwark, Lambeth), Poland: Krakow, Italy: Padova, Spain: Burgos, Hungary: Szeged.
The VeloCitta sites were compared to other European and American sites that run a BikeShare System. We compared the systems and searched for best practices and learnings.
Combined with Twinstone's expertise on market segmentation and business case engineering the obtained information helped us draft the **surveys** and **presentations for the interviews**.

B. Gather additional information: Surveys and interviews

Twinstone set up 2 different **surveys** for (a) employees, commuters, residents and student (45 questions) and (b) tourists and day visitors (34 questions) to be performed by the local organisations on the 6 sites. Together with the sites the most optimal planning and best locations for performing the surveys were established.
Every site had to perform 300 surveys, divided into 6 target groups. The number of surveys per target group differed. The sites performed the surveys with a team from July till the end of October. Twinstone provided the survey in English and the sites translated the surveys into their local language.
Most of the sites performed the surveys in teams. Almost all of the target groups were surveyed by all of the sites. The only exception is the target group *commuters* in Szeged.

Twinstone designed an **interview** for the sites in order to speak to several representatives of different market segments. These interviews were also executed by the local organisation.

Twinstone supplied (a) a presentation, (b) interview questions, (c) instructions and (d) a shortlist of branches/ company 'leads'.
The sites performed their own interviews between July and October. How many organizations the site interviewed differs. All the sites, except London Lambeth and London Southwark, performed the interviews.
At first not all sites were enthusiastic to do the interviews, but in our opinion these interviews delivered the most valuable information. The interviews are in line with the new market segmentation that Twinstone recommends.
We were pleased to hear that some sites were surprised by the results of the interviews and decided to do more interviews. We advise to have a review/ evaluation of the interviews and plan more interviews. This way the sites can start thinking about business case development and see opportunities for cooperation and sponsorships.

Twinstone also provided an online survey. Only Padova used this survey for the target group *students*. A lot of students (720) responded to the online survey.

C. Deliver: General analysis and recommendations & individual recommendations per site

General analysis and recommendations on market segmentation

In the general recommendations we described our specific knowledge on change and business case engineering.

Individual recommendations per site on market segmentation

The individual recommendations per site are described with the input of all the target groups/ all the results of the surveys and interviews.

New BSS Market segmentation

Why market segmentation?

This report deals with the opportunities of market segmentation in BSSs.

Market segmentation is relevant, because it can have a substantial impact on the performance of the BSS.

Proper market segmentation should have an impact on:

- **Requirements**: Since different segments (might) ask for different service levels.
- **Business performance**: Since it provides different segments of value/ revenue.
- **Business development**: Since it helps to focus on the development of (new) products & services targeted on the specific needs and demands of the various market segments.
- **Public interest**: Since not only the contribution to the business case differs per segment, but also the contribution to the public interest.

Recommendation ... step up to a more business case approach

Make it business ... step by step

It is an understatement that running a BSS is not per se a profitable self-supporting business case. In the vast majority of BSSs worldwide strong financial support of (local) municipalities is required.

The need for financial support might be provided, since most cities value the development of cycling into an important mode of transport in their city. Therefore they are willing to invest in cycling and in the BSS. But this financial support might change, therefore it is important that the BSSs work on their business performance in order to become (more) independent.

In general we see that the BSSs were mostly run as a (semi) public service and not as a business case (or not enough). Changing this is a huge challenge, but it is necessary. A true **transformation** is needed (all over), including for example: pricing and other conditions, quality/ service levels, cost management, procurement management, sales, marketing, partner development, business development.

This report focuses on one subject: Market segmentation.

Twinstone introduces **a new market segmentation for BSSs** which can lead to better business performance and better business development.

Note: Market segmentation is just one element, more action is required.

Content

The report consists of two parts.

- ## Part I, market segmentation in general

  This part gives an overall insight into market segmentation opportunities and requirements. This insight can be useful if optimizing market segmentation is already at stake. But it can also help to shape the potential of (further) gradual development towards optimised segmentation.

- ## Part II, VeloCitta cities marketing segmentation

  Deals with the market segmentation in the 6 specific VeloCitta sites.

> Every time I see an adult on a bicycle, I no longer despair for the future of the human race.
>
> ***H. G. Wells***

Part I, Market segmentation (general)

First considerations

Hygienic factors and *Gamechangers* need close attention and involvement within the specific segments. Their impact may differ per segment.

Hygienic factors

The potential for BSSs and city cycling in general strongly depends on the performance concerning a set of hygienic factors. Most important are:

1. **Safety:** Is it safe to cycle in the area? This is related to the cycling culture and the quality of the (cycle) infrastructure. Cities such as Paris show that cities can develop their cycling culture and infrastructure quite fast.
2. **Ability:** Are people already familiar with cycling? Do they know how to cycle? Are they comfortable with cycling?
3. **Enthusiasm:** Are people enthusiastic about cycling, do they support the idea of more cycling in their city in general? Is it safe and do they feel safe?

It might be necessary to address the hygienic factors prior to or simultaneously with the further rollout and segmentation of BSSs.

Gamechangers

Next to the hygienic factors 'gamechangers' can have a strong impact on the potential for success of the BSS and market segmentation. Most important are:

1. **Coverage & Service levels:** What is the coverage of the BSS? Does it cover a substantial part of the city, including relevant shopping centres, railways/ public transport station(s), locations/ offices of important employers, main attractions, etc.? The coverage and the service level which can be reached are decisive for the potential of success.
2. **Geographical conditions:** Is the landscape suitable for cycling? If the landscape is (too) hilly, this could limit the potential for BSSs, at least for mechanical bikes.

3. **Traffic congestion:** Traffic intensity, especially traffic congestion, has a big impact. The more mobility problems a city has regarding motorised vehicles, the better the opportunities for BSSs and cycling in general.
4. **Parking availability & conditions:** Parking conditions (for cars) are also important. Most favourable for a BSS is a severe shortage of parking availability and/ or high parking costs. This accounts for parking in parking garages and street parking. Further cooperation with local municipalities on parking policies can be crucial (BSSs are helped by limited parking places and high parking fees).
5. **Public transport:** A good public transport system works in favour of BSSs. A BSS can provide the 'last mile' solution for transport (combined with public transport).

We consider the impact of climate and ownership as less relevant.

- **Climate:** Climate conditions (rain, cold) do have an impact on BSS opportunities, but tend to be overvalued. Even Holland and Denmark (Copenhagen) enjoy an enormous amount of city cyclists, even though it seems windy and rainy there throughout the whole year..
- **Ownership:** The impact of ownership (of private bicycles) also tends to be overvalued as a negative element. In Copenhagen more than 80% of the residents have their own bicycle, the BSS nevertheless was one of the first in Europe and operates successfully.

> The bicycle is a curious vehicle. Its passenger is its engine.
>
> *John Howard*

Market segmentation traditional classification

*Too often the BSS seems to focus on only one or only a few segments (and gives rather poor attention to or even excludes others). We recommend as starting point to address and include **all** segments in order to make sure that no opportunities are missed. Only after careful study and analysis segments can be excluded (for example operational/ quality issues, investment risks, etc.).*

The 6 traditional segments

In general

- The various segments should provide mutual strengthening, not only to acquire more customers and more rides, but also to optimise the operation of the BSS. Commuters for example use the BSS within a different timeframe than tourists and day visitors.
  To optimise the operation (and exploitation) it makes sense to address both segments.
- A complete analysis of all available information and figures per segment is necessary in order to set targets and to prepare operations.

1. Residents

- Involving the residents is not only important because of the volume and revenue potential, but also because of the required (long term) support for the local BSS. This especially applies when financial support - and therefore political support - for the BSS is required.
- A high percentage of ownership of private bicycles is not necessarily a disadvantage, since people therefore know how to drive a bicycle and value cycling. Copenhagen and Amsterdam have a percentage of up to 85% of ownership of private bikes, nevertheless the local 'semi-BikeShare scheme' is successful (Amsterdam – Public transport bike, 'OV fiets').
- Ability to cycle and a positive attitude towards cycling in general are crucial, but can develop over time. In Paris – a city without a bicycle tradition – the scheme grew from 1.500 to more than 20.000 bicycles in just 7 years' time.
- The segment residents can push volume, because in general they represent a high volume of potential customers. These potential customers can be provoked to start using the BSS by various occasions throughout the year. Occasions can be related to shopping, events, work, free time, curiosity, weather conditions, congestion, stolen own bike, broken own bike, etc. The scheme should be able to convert these occasions into (first) rides and a first positive customer experience.

2. Commuters

- Commuters can provide a consistent and voluminous group of customers who use the bicycle every day or at least on a regular basis (during the week). Such a consistent demand is good for the business case, since it provides a consistent revenue stream.
- Performance on service levels is more important for commuters in a way. To become and stay a part of daily (mobility) routine, the service levels should be very high. Availability of sufficient bicycles and hubs are crucial. Customer service and customer communication should be outstanding.
- High service levels for commuters can be more difficult to meet, because of the peak demand during rush hour and a unilateral traffic to (in the mornings) or from (at the end of the day) the offices.
- For this segment launching/ show customers can be recruited; the municipality and other governmental organisations for example (with large numbers of employees). Recruitment of show customers can be relevant for the success of the BSS.

3. Employees

- Besides for commuters the BSS might also be interesting for other business occasions and for other employees. Short business trips during the day (including trips to the public transport station) could be done using the BSS.
- For this segment launching/ show customers can also be recruited; the municipality and other governmental organisations for example (with large numbers of employees and a substantial amount of daily business trips). Recruitment of show customers can be relevant for the success of the BSS.

4. Visitors (1 day)

- Short stay visitors can also provide an interesting volume potential for BikeShare. Most cities have insight into the numbers of short stay visitors and the main purposes of their stay, so that the potential and the requirements can be studied and set.
- Because of their higher number and their tendency to visit the city a few times every year this segment needs careful attention.
- The variety of the usage in this segment generally is wider, which puts lower constraints on the service level.

- The BSS can support **CityMarketing** in general and - more specific - can open new areas for visitors. Route applications and the availability of docking stations (in less well known parts of the city) might stimulate visits to these new areas.
- A recent study (carried out in The United States) shows that visitors who travel by bicycle, return to the city more often and spend more money during their visits than visitors who come by car. The study could be relevant for those cities and areas where retail claims that more parking capacity for cars is needed, instead of more support for BSSs and city bicycles in order to support retail revenues.
- In this segment **business travellers** could also be included, such as conference participants or regular business travellers (who came by plane/ train).

5. Tourists (+ 1 day)

- We make a distinction between visitors and tourists, because the dynamics of these segments differ.
- The BSS can support CityMarketing in general and - more specific - can open up new areas for visitors. Route applications and the availability of docking stations (in less well known parts of the city) might stimulate visits to these new areas.
- Recent study (carried out in The United States) shows that visitors who come by bicycle, return more often and spend more than visitors who come by car. The study could be relevant for those cities and areas where retail claims that more parking capacity is needed, instead of bicycles in order to support retail revenues.
- Since the popularity of BSS is increasing, the chance that tourists already had a BikeShare experience in another city or in their own city increases. Therefore they might be more used to the idea of using the BSS.
- In this segment **business travellers** could also be included, such as conference participants or regular business travellers (who came by plane/ train).

6. Students

- The segment *students* deserves attention. Although students tend to save on mobility costs, the opportunities are still good.
- Research from the University of Rotterdam (the Netherlands) shows that more than 30% of the students think positively of BSSs and are willing to use it when BikeShare is available.
- The fact that younger people/ students tend to value **sharing** more than possession might have a positive impact on their attitude towards BikeShare.
- The fact that younger people/ students tend to value **sustainability** more might also have a positive impact on their positive attitude towards BikeShare.
- Twinstone thinks that it helps strengthen the image of the local BSS when more segments use the BSS. In that perspective it has an additional value to involve the (young) students.

It is by riding a bicycle that you learn the contours of a country best, since you have to sweat up the hills and coast down them. Thus you remember them as they actually are, while in a motor car only a high hill impresses you, and you have no such accurate remembrance of country you have driven through as you gain by riding a bicycle.

Ernest Hemingway

New segmentation ... Someone is Paying For Me!

Twinstone introduces: A new market segmentation for better performance ...

In order to develop and improve the business case performance of BSSs, it is important that the number of clients and rides increase to an optimal level. In order to push the number of clients and rides Twinstone introduces a new market segmentation.

We focus on rides that are free, rides that are paid for by someone else (hotel, retail, employers, etc.). Therefore our new market segment is '**Someone is Paying For Me**' (**SPFM**).

'Someone is Paying For Me' (SPFM) ... 8 sub-segments

Twinstone introduces a new segmentation based on the segment 'Someone is Paying For Me' (sponsored rides). SPFM distinguishes 8 sub-segments:

1. **Paid because I am a loyal (and valued) customer** (Loyalty marketing)
2. **Paid by redemption of loyalty points** (Loyalty marketing/ value services)
3. **Paid because I am going to be a retail, leisure, event customer** (Sales incentives)
4. **Paid by my employer** (Best employer and Sustainable company)
5. **Paid by my hotel** (Sales incentive/ Value services and Sustainable hotel/ Green Key)
6. **Paid because part of a specific project** (Public interest project)
7. **Paid because of public interest** (Public interest goals)
8. **Paid because BSS completes the service** (combination public transport)

Please find more information on each segment below (page 17/ 21).

In all segments SPFM contributes to **sustainability performance** of the company.

This performance can be measured and outlined in figures regarding: bicycle miles, CO_2 reduction, health impact, congestion impact, etc.

Wake up ... it's new

One might think that the introduction of SPFM segments is not that new. As a matter of fact that's what we thought ourselves. Then we realised that we experienced little trouble in getting the cities involved in the surveys and questionnaires focused on the traditional segments (tourists, commuters, residents, students, etc.).

But we experienced more resistance and hesitation whilst interviewing companies, institutions, etc. (asking them what type of services they require, discussing with them what their specific needs, comments and complaints are and convincing them to become a SPFM partner).

Wake up ... you have two customer profiles now

For the BSSs the sponsored rides have two customer profiles:

- the customer that is enjoying the ride
- the customer that is paying for the ride

It is important that the BSS develops and provides services in order to optimise the customer experience of both profiles.

Wake up ... different segments, different needs

The specific needs, opportunities, risks, etc. should be analysed and accommodated per segment (and for both customer profiles). This should open up a whole new market of BikeShare related services and provide new opportunities:

- **The business and operation dynamics should be analysed:** potential, targets, Critical Success Factors, requirements (service levels).
- **A lead list of potential sponsors (paying for the rides) should be identified:** banks targeting preferred banking clients, utility companies targeting green energy clients, etc.
- **A lead list of potential partners should be identified (if these services are not going to be developed and provided by the BSS):** partners who provide additional services for specific sub-segments, for example: speed service handling bike return, fruit service, dry cleaning, grocery service, apps, performance feedback, sustainability consultancy, ...
- **Specific services should be identified, developed and provided:** docking station location (nearby), priority bikes, reservation services, e-bikes, safety & driving courses, weekend bike-discover course, route assistant (app), mobility assistant (app), burn fat/ feel good, customer feedback, customer community, apps, mobility consultancy, research & database consultancy, bicycle repair shop, marketing communication services, ...

Wake up ... different segments means different sales & marketing

The potential partners for sponsored rides can differ strongly in profile, requirements and needs. The partners might also need a different Sales & Marketing package.
This entails more effort that should be rewarded, since a SPFM partner provides larger volumes/ more revenues for a longer period of time. Furthermore the volume potential of a SPFM partner is easier to estimate/ predict. Therefore operations can prepare for it.

And still ... individual clients benefit from SPFM

Twinstone recommends considering the SPFM clients as the main focus and most important customers. In the slipstream of providing optimal services to this specific segment, services are provided to clients who pay for the rides themselves. These individual clients benefit from the scale, capacity and quality that has been put into operation because of the SPFM clients.

'Someone is Paying For Me' (SPFM) ... more information on the 8 sub-segments

In general

- *The various segments should provide mutual strengthening, not only to acquire more customers and more rides, but also to optimise the operation of the BSS. Commuters for example use the BSS within a different timeframe than tourists and day visitors.*
  To optimise the operation (and exploitation) it makes sense to address both segments.
- *A complete analysis of all available information and figures per segment is necessary in order to set targets and to prepare operations.*

1. Loyalty marketing: Paid because I am a long term customer

Companies might want to reward their (loyal) customers in order to increase appreciation and loyalty and strengthen their brand positioning (in general). BSSs provide an excellent opportunity to do this. Loyal customers can be rewarded with free rides when visiting the BikeShare city. This loyalty reward could even be combined with specific events (perhaps also sponsored by the company).

The company might only select a specific segment of his loyal customers to offer free rides, for example only the preferred banking clients of a bank, only the customers who have been clients of a utility company for more than 5 years, etc.

The specific advantage of this service is that the company and its customers value the offer (of a free ride), but only a relatively small part of these customers actually have the opportunity to use this offer and enjoy a free ride. So the company partly pays for an offer that is valued but not used by their customers.

Free rides could also be a part of a specific marketing campaign aiming for new customers. For example: 'subscribe to smartphone Vodafone X and enjoy London in a smart way this month', etc.

2. Loyalty marketing/ value services: Paid by redemption of loyalty points

BikeShare rides can be an interesting redemption option for existing loyalty schemes. Loyalty cardholders could redeem their points for a discount (Miles & Money) or a free ride (Miles only).This new redemption option contributes to the positioning of the loyalty scheme and has an impact on sales opportunities of that scheme. For example: AirMiles, Nectar (UK), Hilton/ HHonors, Radisson Blue/ Club Carlson.
The loyalty scheme is not necessarily a national scheme. It might also be attractive for a small local loyalty initiative, for example the loyalty scheme of a (new) set of shopping streets.

3. Sales incentives: Paid because I am going to be a retail, leisure, event customer

The smartphone provides all sorts of additional opportunities to provide new services to BikeShare users. As a sales incentive retailers could offer potential customers (day visitors, tourists, employees) a discount or a free ride if the customer buys a (specific) product at their shop during the day. For example: 'welcome in Burgos, let me (retailer X) pay for your bicycle today if you're going to have lunch, dinner, coffee at X'.

4. Best employer: Paid by my employer

The employer could have a number of reasons to pay for BikeShare rides for his employees:

- It helps his employees to stay fit, which has a positive impact on performance and absenteeism. (Research Cycle to work Alliance (UK), 44.000 respondents, February 2011: employers view the disposition of BSS/ bicycles to their employees as a loyalty instrument (to stay within the company longer) and as a tool to improve their health/fitness.)
- Depending on the local situation the availability of a BSS could help save time caused by congestion. Often cycling in the city centre is faster than travelling by car. Also most of the time it is easier to make an estimation of travel time per bicycle than an estimation of travel time per car.
- BikeShare could also contribute in cutting costs of travel expenses (car, parking fees).
- Besides all these 'functional' advantages, it also contributes to the performance of sustainability of the company. This not only proves to be relevant for clients (brand positioning, transforming into business), but also for recruiting new young talent.

There are various possibilities for paying for the rides:

- Only for commuters by offering them a BikeShare subscription.
- For all employees (also those living closer to the company location) by offering them a BikeShare subscription.
- For commuters and other employees on a basis of compensation (afterwards), only if asked for. This will limit usage.
- Compensation for travel costs during work hours, from the office to specific destinations within a bicycle ride range (of 5 km).

5. Sales incentive/ Value services: Paid by my hotel

It is more common already that hotels offer rent-a-bike services to guests. We noticed that hotels in general have a positive attitude towards extending bicycle services and outsourcing this to the BSS. The BSS can replace the individual rent-a-bike service.

The BSS offers additional advantages for hotels:

- The BSS contributes to CityMarketing, which attracts more visitors and tourists (for the hotels). The BSS helps visitors and tourists to explore the city on a different level. They discover more, possibly leading to a return visit.
- The hotel can use the BSS as a sales incentive element in providing Green Key/ sustainable rooms or conference accommodations in their Green Key/ sustainability package.

6. Public interest project: Paid because part of a specific project

There can be different temporary projects in a city, area or neighbourhood where BikeShare can contribute, infrastructural or housing projects/ renovation for example. Work on a bridge, tunnel, cross point or complex could give additional congestion for a period of time (we have seen effects for 18 months).

Installing or intensifying BikeShare in that specific area (perhaps combined with special conditions/ discounts) can provide relief for the problems/ negative consequences of these projects.

Besides that it can also be used as an introduction or pilot for BikeShare. Based on this pilot further decisions can be made concerning BSS implementation after the project.

7. Public interest goals: Paid because of public interest

BSSs provide revenues in the - commercial - business case. Next to these commercial benefits the BSS also delivers benefits/ scores regarding the public interest. For example:

- **Mobility**: Opportunity for more people to cycle/ start cycling, less congestion, more use of public transport, less hinder by parked private bikes;
- **Economy**: Improvement of business climate, better performance on City Marketing, impact on work opportunities;
- **Sustainability**: Better performance on sustainability (fossil energy and Co_2 reduction);
- **Health**: Impact on health (residents), because of (more) cycling.
- **Social return**: Redistribution and repair of bicycles.

Identifying public interest as one of the key segments helps in justifying support from the municipality or institutions. This could be financial, but also ***in kind support***.
In order to address the *in kind support* options we recommend to draft a **wish list** with all *in kinds suggestions* in which the municipality can contribute.

8. Paid or supported because BSS completes the services of ...

BikeShare can contribute to the services of public transport. The BSS can be the last or the first mile after or before using public transport. So it is also in the interest of public transport (railway, bus, subway and tram) to combine services and form a partnership.
Therefore possible partnership of cooperation with the (local) public transport should be investigated.

This partnership could involve all kinds of elements, such as:

- Package deals: For example a Business Subscription: train & BikeShare (perhaps to be extended with other services: newspaper, fruit and beverage). Or a discount on BikeShare if you come by ... (bus) ...
- Better locations and routing: Better locations for BikeShare hubs and attractive and short routing to these hubs.
- Marketing: Cooperation on marketing (and sales).
- Data: In general there will be opportunities for the BSS and the public transport operator to work together on data collection and data mining (and marketing).

I want to ride my bicycle

Queen, Freddie Mercury

Part II Case study per site

Case study Burgos - Bicibur BikeShare System

Facts and Figures Burgos

Please find the facts and figures about the Bicibur BikeShare System in Burgos below. These facts and figures were supplied by the BSS. These facts and figures are important to understand the segmentation.

Burgos	
General information	
Start system	2006
Population	179,000
Students	6,500
Commuters (per day)	157,520
Operation	
Amount of bikes	180
Amount of docking stations	18
Amount of users	500
Costs of the system for the users	An annual fee of 15 euros
Way of registration	Form/ money transfer
Max. duration of the hire period	2 hours
Management/ launching partners	
Organization	Council
Partners	Operator (2 parties)
Sponsors	No
Marketing	
Main target groups	Students, employees and tourists
Marketing campaign	No campaign, limited awareness of the BSS
Other	
	Problem: theft and vandalism
	Public transport is cheap (€0,45 to €1 per day)
	Combination public transport and BSS
	Most students have their own bikes
	Tourists do not know the system

Segmentation

Please find the segmentation per target group below. The results are based on the surveys and interviews.

- The amount of completed surveys differ per target group. Please see the attached resume for the numbers.
- Note: Some questions have multiple answers.
- Note: Not all the respondents filled in all the questions; this is why numbers can differ per question.

Residents

60% of the residents that responded live less than 5 km from their work and 31% lives between 5 and 10 km from their work. The residents use their bikes mainly for leisure (83%). Only 29% uses their bike to travel from home to work, whilst **77%** wants to use it more often for commuting. It is important to have more discussions with companies in the area about how to stimulate employees to cycle to work more often (in case they live close enough, less than 5 km, or 5-10 km if they can use e-bikes).

Distance between residence and work		
less than 5 km	21	60%
5-10 km	11	31%
11-20 km	0	0%
more than 20 km	0	0%

The surveyed residents that live further away from work do not use their bikes in combination with public transport (only 3%), whilst **46%** would like to make use of this combination.
To be able to provide this option, it is important to speak to the Public Transport department again (because of this research a meeting was set up between the BSS and the Public Transport department), as they seem to be open for conversation about this combination.

All residents in Burgos know the Bicibur bike, but only 40% knows how to use the bike. Only 20% used the bike, whilst **63%** would like to use the bike more often.
The registration is too complicated. You have to fill in a form at the office, make a copy of your ID, deposit money (€15,-) and show your proof of deposit to the office. It is important to make it easier to register, for example by online registration and online payment. Registering through a mobile app is also an option, as the PT Department is interested as well.

74% of the residents are not aware of any BSS marketing campaigns.
They consider strong points of the BSS could be: convenience, health, fastness and value for money. The weakness of the system is danger (dangerous to drive a bike).

Employees

Almost all the surveyed employees live less than 10 km away from their work (69% between 0 and 5 km, 29% between 5 and 10 km). Only 29% of all the surveyed employees are using their bikes for travelling to work, whilst **60%** would like to use a bike more often.

None of the employees use their bike in combination with public transport, whilst **46%** would like to make use of this combination.
There are **no docking stations** in the industry area, although this is an important area. Since the industry area is outside of the city centre (5 km), employees do not travel to work by bike and employers never thought of a BSS as an incentive for their employees. Some companies (like Bridgestone Hispania and MS Techno SL) already showed their interest in a BSS and are willing to pay for a docking station in front of their office (this could also be in the public area). Previously this was not possible, because the docking stations are public. It is recommended to place docking stations in the industry area and let companies sponsor and sign up for their employees in advance.
If employees consider the distance from home to the office too far to travel by bike (5-10 km), e-bikes can be a solution (although more expensive).

What are your main destinations where you use a bike?		
Work or school	10	29%
Friends or family	18	51%
Grocery/ shopping	14	40%
Leisure	29	83%

For which destinations would you like to use a bike more often?		
Work or school	21	60%
Friends or family	24	69%
Grocery/ shopping	21	60%
Leisure	26	74%

All the surveyed employees know the Bicibur BikeShare system. 74% of them know how the system works, but **only 17%** of them used the system. The registration is too complicated and takes too much time.

Commuters

Of the surveyed commuters only 9% lives less than 5 km from work, 63% lives 5 to 10 km from work, 23% 10 to 20 km and 6% more than 20 km. **Only 3%** of them are using a bike to travel from home to work, whilst **71%** would like to use a bike for travelling from home to work.

None of the surveyed commuters use a bike in combination with public transport, but **46%** is interested in traveling this way. The target group knows too little about the system and the opportunities of the system, especially the combination with public transport. The PT and mobility department are enthusiastic about promoting BSSs in a better way and are interested in looking into agreements with different entities. This can be a big opportunity for the BikeShare System.

Do you use a bike in combination with public transport?		
Yes	0	0%
No	35	100%

Would you like to use a bike in combination with public transport?		
Yes	16	46%
No	19	54%

All the surveyed commuters are familiar with the BSS. Also, 71% knows how the system works. **Only 31%** of the commuters used the system, whilst **71%** is interested in using the system more often.

Students

85% of the surveyed students own a bike. Most of the students use their bike for leisure (84%). 55% of the students use the bike to travel to the University, whilst **64%** would like to use a bike more often to travel to the University.
Although already 64% of the surveyed students are willing to travel more by bike, even more students should be willing to do this, because 92% of the students live close to the University.

More than 50% of the students only travel by bike 0 to 1 times a week. Given the number of bicycles owned by students and the intention to travel more by bike, this number has to grow.

How often do you cycle during the week?		
0-1 day	58	58%
2-3 days	21	21%
4-5 days	6	6%
6-7 days	12	12%

88% of the students know the BSS and 56% of them know how the system works, but **only 20%** used the system. Students think of themselves as a dominant group that could use the BSS. They consider BikeShare as an opportunity for them, because it is healthy to cycle and it is good value for money. It is an opportunity to speak to the University about an agreement for their employees and students (and sponsoring).

Do you think there is a dominant group that tends to use the BikeShare system in your city?		
Residents	37	37%
Employees	12	12%
Commuters	14	14%
Tourists	13	13%
Day visitors	5	5%
Students	69	69%

Tourists

There are several hotels in the city centre of Burgos, close to the BSS docking stations. Tourists, for example in Hotel Mesón del Cid and Hotel La Puebla, asked the employees for cycling possibilities, but still more than half (56%) of the tourists travel by public transport.

The first reason for tourists to travel by public transport instead of by bike can be the complicated registration process. If hotels decide to make pre-registrations, it will be easier for tourists to hire a bike.

The costs of the system are low (the interviewed hotels agreed on this), therefore the hotels can also provide the bikes as a service to their customers.

Do you know the Bicibur Bike?		
Yes	5	10%
No	45	90%

The second reason for tourists not to travel by bike is because **only 10%** of them know the system and only 8% of them know how the system works. **None** of them used it, but **90%** of them are very interested in using the BSS.

Day visitors

Day visitors know even less about the BSS than tourists**. Only 10%** knows the Bicibur bike and 6% knows how the system works. **None** of them used a bike from the system, whilst **82%** is interested in using a bike more often.

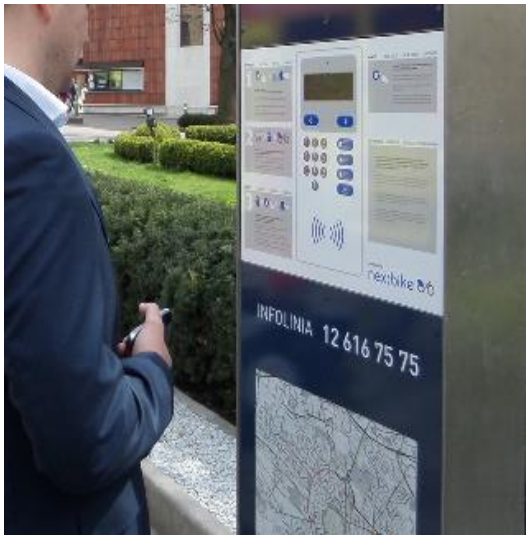
Recommendations for day visitors and tourists are the same: they have to familiarise themselves with the system and registration should be simplified (for example: pre-registration can make it easier for them to use the system).

Opportunities and recommendations

1. The **Public Transport** department is open for a conversation about cooperation. Work together and promote using the BSS for the first/ last mile in combination with public transport.
2. Simplify the **registration process**. It is complicated to register, because you have to fill in a form, make a copy of your ID, deposit money and show a proof of deposit to the office. Online registration and payment is much easier and quicker.
3. Make the **website** available in **English** as well.
4. Make more docking stations available in the **industry area** for employees to use the BSS in combination with public transport.
5. **Contact more companies** in the industry area and let them pay for/ sponsor the docking stations.
6. Make a **package deal** for companies (subscription in advance for employees, subscription in advance for customers, loyalty program and sponsored docking stations).
7. **Improve marketing;** at the moment the scores are too low. Set up marketing campaigns for specific target groups.
8. Team up with **the University** (docking stations in front of the entry).
9. Team up with **hotels** (pre-registration for guests).
10. Develop or use a readymade mobile app.

Note: Read the part about the new segmentation 'Someone is Paying For Me' (SPFM), page 15 - 21. It is important to develop and use the 8 segments of SPFM.

Case study Krakow - KMK Bike



Facts and Figures Krakow

Please find the facts and figures about the KMK BikeShare System in Krakow below. These facts and figures were supplied by the BSS. These facts and figures are important to understand the segmentation.

Krakow	
General information	
Start system	2008, new operator in 2014
Population	758,334
Employees	204,897
Students	204,891
Tourists (per year)	6,900,000
Visitors (per year)	8,950,000
Operation	
Amount of bikes	230 (aim: 1500 bikes in 2015/ 2016)
Amount of docking stations	29, only in the city centre (aim: 150 stations in 2015/ 2016)
Costs of the system for the users	Registration is free, 0-20 min free, 21-60 min 0,50 euro, 2nd and 3rd hour 0,80 euro, 4th hour or longer 1,10 euro per hour
Way of registration	Only online, barrier for older users. The online registration is only available in Polish
Management/ launching partners	
Organization	Municipality
Partners	Operator is appointed by the municipality
Sponsors	No, totally funded by the municipality
	Lack of political support
Marketing	
Main target groups	Employees in the city centre
Marketing campaign	No marketing plan or campaign
Other	
	Good public transport, a lot of ticket selling points, a single trip costs about 1 euro

Segmentation

Please find the segmentation per target group below. These results are based on the surveys and interviews.

- The amount of completed surveys differ per target group. Please see the attached resume for the numbers.
- Note: For some questions multiple answers are possible.
- Note: Not all the respondents filled in all the questions; this is why numbers can differ per question.

Residents

Residents mostly (76%) use their bikes for leisure. Almost all the surveyed residents live close to their work (51% less than 5 km and 43% 5 to 10 km). They travel to work by public transport, whilst 77% has a bike and **76%** wants to use their bikes more often.

A reason for not travelling by bike is the lack of infrastructure, the low level of awareness and/ or the lack of incentives (indicated by the municipality). Another reason not to travel by bike can be that there are only docking stations in the city centre.

Residents are an important target group, especially because they live close to their work and would like to use their bikes and KMK bikes more often. They appreciate cycling and their image of cycling is positive, healthy and fast and that it is good value for money. **41%** of them are of the opinion that it is dangerous, because of the lack of infrastructure.

What is your image of cycling?		
Positive	65	87%
Negative	0	0%
Safe	39	52%
Dangerous	31	41%
Healthy	68	91%
Unhealthy	4	5%
Good price	67	89%
Expensive	3	4%
Important	50	67%
Not important	11	15%
Fast	52	69%
Slow	19	25%

Employees

The employees that were surveyed for VeloCitta in Krakow live between 1 and 20 km from their work. They are all able to ride a bike and 82% owns a bike. They use their bikes mainly for leisure (82%). Only 38% travels to work by bike, the others use their car (50%) or public transport (58%) to travel from home to work.

Do you use a bike in combination with public transport?		
Yes	3	5%
No	57	95%

Would you like to use a bike in combination with public transport?		
Yes	34	57%
No	26	43%

Only 5% of the employees use a bike in combination with public transport, whilst **57%** would like to use a bike in combination with public transport.
The interviews with the employers revealed that there are no docking stations close to the offices. This is the reason why employers do not stimulate employees to use the BSS. The docking stations are highly desired by the employers, and they are willing to pay for it.
Companies are also interested in using a BSS in combination with a mobile app.

Commuters

The surveyed commuters (92%) live between 11 and more than 20 km from work. 88% of them use a car to travel to work. 48% of them pay for parking. A lot of commuters travel by public transport (76%). But **only 12%** uses public transport in combination with the bike, whilst **40%** would like to use this combination.

24% of the surveyed commuters receive a financial compensation for travelling from home to work, therefore the average daily costs for commuters are quite high. **None** of the surveyed commuters think their employer would like to subscribe to or compensate for the BSS, **whilst** the interviews reveal that the employers are willing to subscribe and pay for their employees. This is a chance for the BSS.

Do you receive a financial compensation for travelling from home to work?		
Yes	6	24%
No	18	72%

Do you think your employer would subscribe to or compensate for the bike?		
Yes	0	0%
No	23	92%

Students

The surveyed students generally are very positive about cycling (92%). They are of the opinion that cycling is quite safe (53%), healthy (87%), important (68%), fast (73%) and that it is good value for money (81%).

81% of the students own a bike and every surveyed student can ride a bike, but only 47% of the students use their bikes to travel from home to the University. The students mostly travel to the University by public transport (85%). **84%** of the students would like to travel more by bike in general and **61%** of the students would like to travel more by bike to the University.

Would you like to use a bike more often?		
Yes	63	84%
No	12	16%

What destinations would you like to use a bike more often for?		
Work or school	46	61%
Friends or family	21	28%
Grocery/ shopping	12	16%
Leisure	42	56%

Students are of the opinion that cycling has become more common since the introduction of the KMK Bike.

48% knows how the system works. Whilst they think of themselves as the dominant target group (74%) that tends to use the BSS, they are **not** aware of campaigns or other promotional actions.

We recommend speaking to the University about BSSs and a possible docking station/ sponsoring or compensation for the employees.

Tourists

More than half of the surveyed tourists (56%) use a car during their visit to Krakow and 77% of them use paid parking. Since they are willing to pay for parking, they might also be willing to pay for BikeShare, about €0,75 to €1,20 for one hour.

What maximum amount could you pay for 1 hour rental?		
0-2 PLN	10	19%
3-5 PLN	25	48%
6-8 PLN	6	12%
more than 9 PLN	10	19%

65% of the surveyed tourists would like to use a bike more often during their visit. **Only 52%** of the tourists know the system and 67% has never used the system before.
The website of the KMK Bike is only in **Polish**.

Hotels are interested in the BSS as well. The interviewed hotels already provide free bikes to their guests. Instead of buying and repairing these bikes they could cooperate with KMK Bikes. The hotels can combine rental for guests and employees, as they indicated to consider paying for the employees to be able to use the BSS. In combination with sponsoring this would be a chance, as one of the hotels **already showed interest** in promoting their sport club inside the hotel on the KMK Bike.

Day visitors

The results from the surveys for the day visitors are almost the same as for the tourist. Even less day visitors know the KMK Bike (**only 32%**). They do not know how the system works, and they have almost never used a KMK Bike.

Do you know KMK Bike?		
Yes	8	32%
No	17	68%

There is an opportunity, because they want to use a bike and they are very positive about cycling (they are the **most positive group** of all the target groups). They are of the opinion that cycling is safe, healthy, important, fast and that it is good value for money. They are willing to pay even more for the bike than the tourists. It is important to reach them by marketing and to make pre-registration possible.

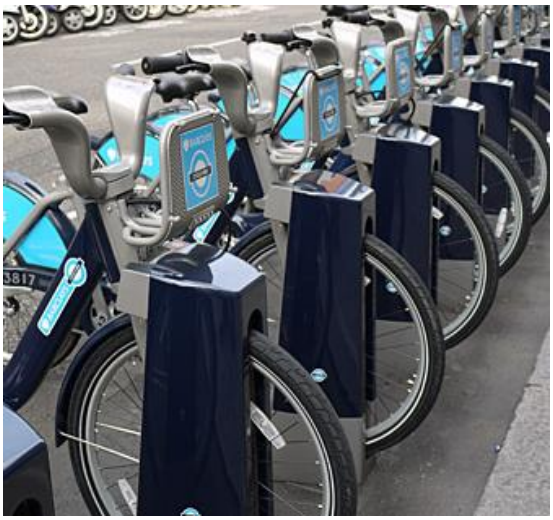
What is your image of cycling?		
Positive	23	92%
Negative	1	4%
Safe	18	72%
Dangerous	6	24%
Healthy	23	92%
Unhealthy	1	4%
Good price	24	96%
Expensive	0	0%
Important	24	96%
Not important	0	0%
Fast	21	84%
Slow	3	12%

Opportunities and recommendations

1. **Make more docking stations** available outside the city centre.
2. **Contact more companies** in the industry area, because they are willing to pay for a docking station in front of their office and they are willing to pay for their employees.
3. Offer a combined deal for companies (subscription in advance for employees, subscription in advance for customers, loyalty program and sponsored docking stations).
4. Combine **public transport** and BSSs.
5. Make the **website** available in **English** as well.
6. **Improve marketing;** at the moment the scores are too low. Set up marketing campaigns for specific target groups.
7. Team up with **the University** (docking stations in front of the entry).
8. Team up with **hotels** (sponsor deals, pre-registration for guests).
9. Develop or use a readymade mobile app.

Note: Read the part about the new segmentation 'Someone is Paying For Me' (SPFM), page 15 - 21. It is important to develop and use the 8 segments of SPFM.

Case study London Lambeth - London Cycle Hire Scheme



Facts and Figures London Lambeth

Please find the facts and figures about the London Cycle Hire Scheme in London Lambeth below. These facts and figures were supplied by the BSS. These facts and figures are important to understand the segmentation.

London Lambeth	
General information	
Start system	July 2010
Operation	
Amount of bikes	1207
Amount of docking stations	43
Amount of users	6337
Amount of rentals	514,528
Costs of the system for the users	Annual membership 90, 24h registration £2, 7 days £10. Charge is according to duration: 30 min to 1h £1, 1:30h £4, 2h £6, 2:30h £10, 3h £15, 6h £35, 24h £50
Way of registration	Online or at the docking station
Max. duration of the hire period	24h
Management/ launching partners	
Organization	TfL (funding), strong political support
Partners	External operator
Sponsors	Barclays 2009 - 2015: £20 mil. New sponsor not yet announced
Marketing	
Main target groups	Focus more on residents, students and local employees
Marketing campaign	Yes
Other	
	Peak hours between 7 AM and 10 AM
	Problem: stereotype of cyclist (sportive, fast, men)
	Problem: more and other users necessary, for example with a lower income
	Average rental duration: under 30 min (under 2 miles)

Segmentation

Please find the segmentation per target group below. These results are based on the surveys and interviews.

- The amount of completed surveys differ per target group. Please see the attached resume for the numbers.
- Note: Some questions have multiple answers.
- Note: Not all the respondents filled in all the questions; this is why numbers can differ per question.

Residents

87% of the surveyed residents travel between 11 and 20 miles to work several times a week. The majority (73%) travels to work by public transport. 29% of the public transport travellers used a bike for the first or last mile(s) of their journey.

48% would like to use public transport in combination with a bike more often. This is an opportunity for the BSS, because 59% of the surveyed residents own a bike, others could use a bike of the cycle hire scheme (from home to public transport) and all could use the bikes from the cycle hire scheme to travel the first or last mile(s).

Cycling is an opportunity, because the surveyed residents are positive about it and are of the opinion that it is healthy, important, fast and that it is good value for money. They also are of the opinion that it is **dangerous**.

What is your image of cycling?		
Positive	101	93%
Negative	8	7%
Safe	40	37%
Dangerous	66	61%
Healthy	107	98%
Unhealthy	1	1%
Good price	101	93%
Expensive	7	6%
Important	65	60%
Not important	42	39%
Fast	81	74%
Slow	26	24%

Almost all the surveyed residents know the BSS and they also know how the system works (77%). They are of the opinion that by introducing the BSS, cycling became more common, healthy and flexible.

The residents do not know the campaigns and they did not influence them (**92%**).

Employees

Public transport is the most popular way to travel to work by the surveyed employees (91%).

But biking also is quite popular, 52% of them use a bike to travel to work for about 1 day a week. **66%** would like to use a bike more often and would like to use their bike or the BSS in combination with public transport (**67%**). More than half of them (56%) have already used bikes from the cycle hire scheme, mostly 1 or 2 times per person. They used it to travel to work or for leisure.

It can be an opportunity to talk to employers in the area, as **43%** of the employees think their employers would subscribe to or compensate for a bike.

Do you think your employer would subscribe to or compensate for the bike?		
Yes	51	43%
No	67	57%

Commuters

The results for the surveyed commuters are almost the same as the results for the employees.

The commuters also mostly travel to work by public transport (56%). Some of them (42%) are using public transport in combination with a bike and **61%** is enthusiastic about using this combination more often.

A big difference with the results for the employees is that the commuters **do not think** that their employer would like to subscribe to or compensate for the bike (**81%**). Maybe more commuters would be interested in using a bike (or a bike in combination with public transport) if they believe their employer would like to pay.

Do you think your employer would subscribe to or compensate for the bike?		
Yes	11	19%
No	46	81%

Students

65% of the students in London Lambeth own a bike, but they only cycle max. 1 day a week (69%). They are of the opinion that cycling is dangerous (**55%**). They travel to the University by public transport.

Only 29% of them have used public transport in combination with a bike, whilst **71%** is interested in using this combination of transport more often.

The surveyed students are willing to use a bike more often (**68%**). They know the system, but **only half** of the students know how the system works.

They see themselves as an important target group, on whom new marketing campaigns should focus. Only **24%** of the students know the marketing campaigns of the Cycle Hire Scheme London. These campaigns have had a low impact on students (**4%**).

The group *students* can be a potential target group. It is important to speak to Universities for cooperation, sponsoring and pre-registration.

Are you aware of any marketing campaigns of the BikeShare System?		
Yes	19	24%
No	59	76%

Did these campaigns have any impact on you?		
Yes	3	4%
No	75	96%

Tourists

80% of the surveyed tourists know the system and 65% of them know how to use the system. Estimations of tourists of how much they think a one hour ride costs differ, but they are willing to pay between £0-5 (55%) and £5-10 (30%).

The system, marketing and payment are not the problem, however **only 20%** has used the system. Also 20% would like to use it more often. **80%** of the surveyed tourists say not to be willing to use the BSS more often.

No one thinks the system is safe (they consider it dangerous to cycle in London).

55% of the surveyed tourists are of the opinion that safety is the weakness of the system.

Would you like to use the bike more often?		
Yes	4	20%
No	16	80%

Day visitors

The results for the surveyed day visitors resemble the results for the segment tourists. Day visitors also know the system (87%), know how to use the system (73%) and are willing to pay an amount of £0-5 for a rental period of one hour (they are willing to pay a little less than tourists). As opposed to the tourists, day visitors would like to use the BSS more often (**60%**).

67% of the surveyed day visitors are of the opinion that it is dangerous to cycle in the area.

What do you think are the weaknesses of the system?		
Uncomfortable	0	0%
Dangerous	10	67%
Inconvenient	1	7%
Unhealthy	0	0%
Slow	0	0%
Costs	1	7%

Opportunities and recommendations

1. **Safety** is a huge issue and needs further attention:
    a. Probably in both infrastructure and marketing communications (publish facts & figures on safety (also in comparison with car, walking, ...)
    b. Provide helmets (rental)

    c. Show safe routes (for tourists and day visitors)
    d. Provide a workshop 'how to travel by bike safely'
2. Speak to **companies** in the area about subscription or compensation for employees that are using a BSS/ encourage them to stimulate the usage of a BSS.
3. Offer a combined deal for companies (subscription in advance for employees, subscription in advance for customers, loyalty program and sponsored docking stations).
4. Combine **public transport** and BSSs.
5. **Improve marketing;** at the moment the scores are too low. Set up marketing campaigns for specific target groups (especially for students).

Note: Read the part about the new segmentation 'Someone is Paying For Me' (SPFM), page 15 - 21. It is important to develop and use the 8 segments of SPFM.

Case study London Southwark - London Cycle Hire Scheme

Facts and Figures London Southwark

Please find the facts and figures about the London Cycle Hire Scheme in London Southwark below. These facts and figures were supplied by the BSS. These facts and figures are important to understand the segmentation.

London Southwark	
General information	
Start system	July 2010
Geographical situation	Southern part of the borough is hilly
Population	288,300
Students	27,044
Operation	
Amount of bikes	500, 15 to 20 bikes per station
Amount of docking stations	30
Amount of rentals	524,281
Costs of the system for the users	Annual membership £90, 24h registration £2, 7 days £10. Charge is according to duration: 30 min - 1h £1, 1:30h £4, 2h £6, 2:30h £10, 3h £15, 6h £35, 24h £50
Way of registration	Online or at the docking station
Max. duration of the hire period	24h
Management/ launching partners	
Organization	TfL (funding), strong political support
Partners	External operator
Sponsors	Barclays 2009 - 2015: £20 mil. New sponsor not yet announced
Marketing	
Marketing campaign	Yes
Other	
	The north is dense, the south is green/ hilly - difficult for BSSs, perhaps e-bikes?
	Well-arranged public transport
	Users are mainly Londoners, workers, male and white
	Casual users (mostly residents) are also mainly male and 73% is younger than 35 years
	Opportunity Students

Segmentation

Please find the segmentation per target group below. These results are based on the surveys and interviews.

- The amount of completed surveys differ per target group. Please see the attached resume for the numbers.
- Note: Some questions have multiple answers.
- Note: Not all the respondents filled in all the questions; this is why numbers can differ per question.

Residents

56% of the residents own a bike and 60% of them use it for max. 1 day a week.

They are of the opinion that cycling is positive, healthy and fast and that it is good value for money, but they also are of the opinion that it is dangerous (**64%**).

What is your image of cycling?		
Positive	108	81%
Negative	25	19%
Safe	48	36%
Dangerous	85	64%
Healthy	125	94%
Unhealthy	7	5%
Good price	125	94%
Expensive	7	5%
Important	97	73%
Not important	35	26%
Fast	109	82%
Slow	23	17%

69% of the surveyed residents would like to use their bike more often, especially for traveling to work or school or for leisure. The surveyed residents think they are the dominant target group that tend to use the BSS (47%). They think commuters and students are potential target groups for the BSS.

Employees

Most of the surveyed employees (58%) use public transport for travelling from home to work. 52% of them also use a bike. 41% has already used a bike in combination with public transport.
67% would like to use a bike more often and **60%** would like to use a bike more often in combination with public transport.

64% of the surveyed employees have already used the BSS, but not on a regular basis. **58%** of them would like to use the bike more often.
Combining the BSS and public transport can be an opportunity. It is important to speak with several employers and to suggest a cooperation regarding docking stations in the area, pre-registration and/ or sponsoring.

How often did you use the bike over the last two months?		
0-2 times	54	64%
3-5 times	13	15%
6-10 times	4	5%
more than 10 times	14	16%

Commuters

The distances the commuters have to travel to their work differ. Most commuters travel less than 5 miles or more than 20 miles. 79% of the commuters use public transport to go to work. They do cycle, but only max. 1 day a week (69%). If they cycle, they mostly cycle for leisure (76%). The reason for cycling little could be that they are of the opinion that it is dangerous (**45%**).

Distance between residence and work		
less than 5 miles	12	41%
5-10 miles	5	17%
11-20 miles	3	10%
more than 20 miles	8	28%

31% of the commuters use a bike in combination with public transport, whilst **59%** is willing to use this combination more often.
76% of the surveyed commuters do not receive a financial compensation, and **69%** of them think their employer would **not** subscribe to or compensate for the BSS. Commuters see themselves as the second dominant target group that tend to use the BSS (41% (after tourists with 52%)).

Students

53% of the students live less than 5 miles away from the University. 19% of the students travel 5 to 10 miles. Their number one transportation mode is public transport (74%). Because students do not have to travel that far, cycling could be an opportunity for them, and especially for the BSS, since less than half of the students (49%) own a bike.
They would like to cycle more often (**68%**), but they are of the opinion that cycling is quite dangerous (**55%**).

Only 33% of the students use public transport in combination with cycling, whilst **60%** is interested in this option.
They are familiar with the scheme (89%) and know how to use the scheme (67%). **59%** of the surveyed students would like to use the bike more often. They are willing to pay between £0-5 an hour. Students are not aware of any marketing campaigns (**72%**), and if they noticed these campaigns they had little impact on them (6%).

Are you aware of any marketing campaigns of the BikeShare System?		
Yes	33	28%
No	83	72%

Did these campaigns have any impact on you?		
Yes	7	6%
No	109	94%

The students see themselves (63%) as the most important potential target group for BSSs and new marketing campaigns. It is important to speak with the Universities about cooperation and (sponsored) docking stations in front of the Universities, since students are a potential target group.

Tourists

Almost all of the surveyed tourists (86%) in London have heard of the BikeShare system. 53% of the tourists know how the system works, 57% of the tourists know people who have used the system and 49% of them have use the system themselves. In the last case they have used it 1 to 5 times. The tourists had a positive experience using the BSS. It is remarkable that only **2%** of them are of the opinion that it is dangerous. **69%** is willing to use the scheme more often.

Tourists are an important target group as well. It is an opportunity to talk to hotels about sponsoring and pre-registration, as the tourists are enthusiastic of cycling in London. Because of the hilly south, e-bikes can be an option (although this entails a different cost structure).

What is your experience using the bike?		
Positive	27	53%
Negative	0	0%
Good price	25	49%
Expensive	0	0%
Easy to use	22	43%
Hard to use	3	6%
Safe	24	47%
Dangerous	1	2%

Day visitors

Almost all of the surveyed day visitors (95%) have heard of the BSS. Also, 78% of them know how the system works. They are not sure how much a one hour ride costs, but they are willing to pay between £0-5.

46% of the surveyed day visitors have used a bike from the scheme, mostly one or two times. **66%** would like to use a bike more often, but they are of the opinion that cycling in London is dangerous (**51%**) and slow (31%).

What do you think are the weaknesses of the system?		
Uncomfortable	2	3%
Dangerous	30	51%
Inconvenient	7	12%
Unhealthy	1	2%
Slow	18	31%
Costs	9	15%

Opportunities and recommendations

1. **Safety** is a huge issue and needs further attention:
    a. Probably in both infrastructure and marketing communications (publish facts & figures on safety (also in comparison with car, walking, ...)
    b. Provide helmets (rental)

    c. Show safe routes (for tourists and day visitors)
    d. Provide a workshop 'how to travel by bike safely'
2. Speak to **companies** in the area about subscription or compensation for employees that are using a BSS/ encourage them to stimulate the usage of a BSS.
3. Offer a combined deal for companies (subscription in advance for employees, subscription in advance for customers, loyalty program and sponsored docking stations).
4. Combine **public transport** and BSSs.
5. **Improve marketing;** at the moment the scores are too low. Set up marketing campaigns for specific target groups (especially for students).

Note: Read the part about the new segmentation 'Someone is Paying For Me' (SPFM), page 15 - 21. It is important to develop and use the 8 segments of SPFM.

Case study Padova - GoodBike Padova

Facts and Figures Padova

Please find the facts and figures about the GoodBike Padova below. The sites delivered these figures to Twinstone in the site templates. These facts and figures are important to understand the segmentation.

Padua	
General information	
Start system	July 2013
Geographical situation	Car banned in city centre
Population	209,679
Employees	93,000
Students	58,000
Commuters (per day)	48,000
Tourists (per year)	607,000
Operation	
Amount of bikes	250
Amount of docking stations	28
Costs of the system for the users	Registration for a day, week, month or year. Registration costs differ from 8 to 25 euros.
Way of registration	Online or through a store
Max. duration of the hire period	No limit
Management/ launching partners	
Organization	Municipality
Partners	External operator, the politics wanted to start with the system, but there is little trust between the operator and the municipality
Sponsors	Environmental ministry, private associations (funding partners)
	Management depends on advertising revenue
Marketing	
Main target groups	Students and residents. Note Padova: lack of student target group
Marketing campaign	1 campaign, 'yes we bike', non-effective communication campaign
Other	
	Padova is a student city

Segmentation

Please find the segmentation per target group below. These results are based on the surveys and interviews.

- The amount of completed surveys differ per target group. Please see the attached resume for the numbers.
- Note: Some questions have multiple answers.
- Note: Not all the respondents filled in all the questions; this is why numbers can differ per question.

Residents

76% of the surveyed residents own a bike. They mostly use their bikes for leisure (89%). Padova has a **car banned city centre,** therefore cycling can certainly be an opportunity for residents. Residents can use their bikes more often for groceries/ shopping, visiting family and friends (bike or combination bike and public transport) or for travelling to work (bike or combination bike and public transport).

Traveling to work by bike is an opportunity, because the majority of the respondents live only 1 to 10 km from their work. **67%** of the residents responded with a 'yes' to the question '*would you like to use your bike more often?*'. Instead of only using the bike for leisure, 31% likes to use the bike to travel to work, 20% to visit friends and family and 11% to do groceries.
58% would like to use the combination bike and public transport (whilst **only 13%** is using this combination at the moment).

What destinations would you like to use a bike for more often?		
Work or school	17	31%
Friends or family	11	20%
Groceries/ shopping	6	11%
Leisure	29	53%

Employees

Only 27% of the surveyed employees use a bike to travel to work. Their image of cycling is positive. Employees are of the opinion that it is healthy, important and that it is good value for money. But they also are of the opinion that it is dangerous (**44%**).
The interview with (employees/ civil servants of) the municipality also made evident that cycling is considered as dangerous, because there is **no insurance coverage** for it.

The municipality is of the opinion that it is important to stimulate cycling and is willing to **solve** the problem of insurance coverage for employees who are using their own bike or are willing to use the BSS during work hours. To encourage the employees, they are also willing to provide a **helmet**.

Of the surveyed employees **86%** would like to cycle more often in general and **49%** would like to cycle more often to work. Only 15% use their bike in combination with public transport, whilst **61%** would like to travel this way. The surveyed employees also have to know for sure if there are bikes available (or will probably make a reservation for a bike).

Also, the interviewed **employers** are interested in providing subscriptions to the BSS for their employees for the last km. But it is important that there are docking stations close to the offices/ industry area.

Do you use a bike in combination with public transport?		
Yes	9	15%
No	45	76%

Would you like to use a bike in combination with public transport?		
Yes	36	61%
No	16	27%

Other important feedback from the interviewed companies is that they did not know the system could also work for employees. They are interested in this option. It is important to address **marketing campaigns that are also designed for/ focused on employers**.

Commuters

Almost all of the surveyed commuters (97%) have a bike and already 33% is using their bike in combination with public transport to travel to work. The other 65% is using a car to travel to work, but more commuters would like to use the combination public transport and cycling (**71%**).
To stimulate this, it is important to speak with the employers (the same as employees).

Only 3% says to receive a financial compensation from their employer for traveling from home to work. To the question 'do you think your employer would subscribe to or compensate for the bike?' a lot of surveyed commuters answered they do not know, and 12% thinks their employer would. The interviews showed us that **more employers seem willing to pay for the system than the employees think**.

Do you receive a financial compensation for travelling from home to work?		
Yes	2	3%
No	35	53%

Students

Most of the surveyed students travel to the University by public transport (80%), but also the bike (72%) and car (**39%**) are commonly used to travel from home to the University.
Almost half of the students who travel by car also pay for parking. Park&Bike, with free parking facilities and docking stations outside the city can be an opportunity.

The Padova GoodBike could also be an opportunity for (University) employees. Already 4,300 employees (teachers and staff) are cycling to the University. During the interview with the University they told us to be interested in a docking station in front of several locations of the University. They were also interested in using a mobile app for the BSS.

Students would also like to use the bike more often in combination with public transport. As 80% of them are using public transport, a docking station close to the University could also provide for this combination to be possible.

Would you like to use a bike in combination with public transport?		
Yes	71	71%
No	29	29%

Tourists

Only 25% of the surveyed tourists have heard of the Padova GoodBike and 17% of them know how to use the system. Despite the fact that most of the surveyed tourists do not know the system, **58%** would like to use a bike more often. The tourists are **willing to pay more** for a one hour rental than the BSS actually costs.

What maximum amount could you pay for 1 hour rental?		
€0-5	5	42%
€5-10	4	33%
€10-15	0	0%
€15 or more	0	0%

Day visitors

Because Padova has a car banned city centre, cycling can be an opportunity for day visitors.
86% of the day visitors would like to use a bike more often, however only **43%** of the day visitors know GoodBike Padova. **29%** of the day visitors know how to use the system.

The use of the system in combination with public transport can be an opportunity. The Padova hospital wants to cooperate with this. A lot of visitors come by train.
The hospital is interested in a docking station in front of the entry, for visitors to use the bike to travel from the train station to the hospital.

Opportunities and recommendations

1. **Safety** is a huge issue and needs further attention:
    a. Probably in both infrastructure and marketing communications (publish facts & figures on safety (also in comparison with car, walking, ...)
    b. Provide helmets (rental)

    c. Show safe routes (for tourists and day visitors)
    d. Provide a workshop 'how to travel by bike safely'
2. Cooperate with the **municipality** on promoting cycling for employees.
3. Investigate if it is possible to place **more docking stations** outside the city centre (close to the industry area).
4. Show companies the number of bikes at docking stations (online or by mobile app) and provide a reservation service for employees.
5. Speak to **companies** in the area about subscription or compensation for employees that are using a BSS/ encourage them to stimulate the usage of a BSS. Work together with companies; they are willing to pay for or contribute to docking stations close to their offices.
6. Offer a combined deal for companies (subscription in advance for employees, subscription in advance for customers, loyalty program and sponsored docking stations).
7. Combine **public transport** and BSSs.
8. Focus on employees of the **University** by cooperating with the University (sponsoring/ subscription).
9. Research the possibilities for **Park&Bike** (especially for students).

10. **Improve marketing;** at the moment the scores are too low. Set up marketing campaigns for specific target groups (especially for employers).
11. Investigate if cooperation with the **hospital** is possible (docking station in front of the entry).
12. Pre-registration for tourists and day visitors.
13. Sponsoring by **hotels**.
14. Website also in **English**.
15. Develop or use an existing mobile **app**.

Note: Read the part about the new segmentation 'Someone is Paying For Me' (SPFM), page 15 - 21. It is important to develop and use the 8 segments of SPFM.

Case study Szeged - City Bike Szeged

Facts and Figures City Bike Szeged

Please find the facts and figures about the City Bike Szeged below. These facts and figures were supplied by the BSS. These facts and figures are important to understand the segmentation

Szeged	
General information	
Name of the system	City bike
Start system	October 13
Geographical situation	Bad weather conditions, quite good infrastructure
Population	90,121
Students	30,526
Tourists (per year)	205,921
Operation	
Amount of bikes	100
Amount of docking stations	12
Costs of the system for the users	1h €0,66; 2h €1,30; 3h €2; 4h or 1 day €6
Way of registration	Registration by phone or online. Website is only in Hungarian, registration fee is 1 euro
Max. duration of the hire period	15h
Management/ launching partners	
Organization	Private company
Sponsors	The EC supports 77% of the system for the first 3 years, after that the private company will run the system
	Difficult to convince the government of BSSs/ lack of public/ private subsidies
Marketing	
Marketing campaign	No research about segmentation or strategy
Other	
	System only works from 6 AM until 9 PM (after 9 PM the bikes are collected because of theft)
	Cheap public transport (1,30 single ticket)

Segmentation

Please find the segmentation per target group below. These results are based on the surveys and interviews.

- The amount of completed surveys differ per target group. Please see the attached resume for the numbers.
- Note: Some questions have multiple answers.
- Note: Not all the respondents filled in all the questions; this is why numbers can differ per question.

Residents

The surveyed residents in general use public transport for traveling. They use public transport to travel to work (89%), to visit friends and family (72%), for leisure (61%) and for shopping/ groceries (56%). After public transport the car is the most popular transport mode. More than half of the surveyed residents use paid parking when they use the car.

If you go by car, do you have to use paid parking?		
Yes	30	56%
No	25	46%

81% of the surveyed residents are familiar with City Bike Szeged, however only **28%** knows how the system works and only **6%** has used the scheme.

This is remarkable since the residents are **very positive about cycling**. They are of the opinion that it is healthy, important, fast and that it is good value for money.

On the question '*how much are you willing to pay max. for a one hour rental period of the City Bike?*' 54% is willing to pay between 0 and 5 euro and 39% is willing to pay between 5 and 10 euro.

Residents can be an interesting target group, since using the BSS is probably cheaper than going by car and using paid parking.

What is your image of cycling?		
Positive	52	96%
Negative	3	6%
Safe	26	48%
Dangerous	27	50%
Healthy	54	100%
Unhealthy	0	0%
Good price	49	91%
Expensive	3	6%
Important	32	59%
Not important	21	39%
Fast	48	89%
Slow	5	9%

Employees

Most of the surveyed employees travel to work by public transport (58%). They usually do not (83%) use public transport in combination with a bike to travel the last km and they are not very interested in using a bike to travel to work (**24%**).

64% of the surveyed employees would like to use a bike more often in general. They would like to use it especially for leisure (55%) and visiting friends and family (28%).

What destinations would you like to use a bike for more often?		
Work or school	12	16%
Friends or family	21	28%
Groceries/ shopping	7	9%
Leisure	42	55%

67% of the surveyed employees would like to use the City Bike Szeged more often. More than half of the surveyed employees receive a financial compensation from their employer, but **only 21%** believes their employer would subscribe to or compensate for a bike. It is worth looking into this.

Students

Only 16% of the surveyed students own a bike. Despite this, students are very positive (99%) about cycling. They are of the opinion that it is safe (80%), healthy (99%), important (87%), fast (96%) and that it has good value for money (97%).

Do you have a bike?		
Yes	12	16%
No	64	84%

64% of the surveyed students would like to use a bike more often and **70%** of them would like to use the City Bike Szeged more often.
Since the introduction of the BSS the image of cycling has changed and cycling has become more common in Szeged (61%).

It could be an opportunity to discuss this outcome with the University. Students see themselves as the second most important group of potential users. During the interview the University mentioned that advertisement was an opportunity; the feedback from the surveyed students could be convincing for them. This could be an opportunity for sure if it is combined with docking stations in front of the University and with sponsoring.

Do you think there is a group of new potential users on which a (new) marketing campaign should focus?		
Residents	60	79%
Employees	5	7%
Commuters	5	7%
Tourists	25	33%
Day visitors	3	4%
Students	55	72%

Tourists

Only **25%** of the surveyed tourists have heard of City Bike Szeged. From this 25% only **8%** knows how the system works.
The reason tourists are that unfamiliar with the system could be because the website and registration is only in Hungarian. An English website would be a good idea for tourists, since **86%** of the surveyed tourists would like to use the City Bike more often. They are also willing to pay for the system.

What maximum amount could you pay for 1 hour rental?		
0-5 euro	16	31%
5-10 euro	19	37%
10-15 euro	15	29%
> 15 euro	1	2%

The interviewed **hotels** also thought the BSS could be an opportunity for tourists. Hotels can do pre-registration, make reservations for guests.

Day visitors

Most of the surveyed day visitors (67%) travel between the 0 and 5 KM during their stay in Szeged. They all know how to bike but they mostly use public transport (83%). The reason could be that **46%** of the surveyed day visitors are of the opinion that cycling is **dangerous**.

38% of the surveyed day visitors know the BSS and **17%** knows how to use this. This low number can also be the result of the lack of information in English. The surveyed day visitors are interested in using the bike more often (**58%**) but only when the price is not too high (between 0 and 5 euros for one hour).

What maximum amount could you pay for 1 hour rental?		
0-5 euro	23	96%
5-10 euro	0	0%
10-15 euro	0	0%

Opportunities and recommendations

1. Work together with **companies**, they are willing to pay for docking stations in front of their offices.
2. Target employers with specific **marketing campaigns** as well.
3. Speak to **companies** in the area about subscription or compensation for employees that are using a BSS/ encourage them to stimulate the usage of a BSS.
4. Offer a combined deal for **companies** (subscription in advance for employees, subscription in advance for customers, loyalty program and sponsored docking stations).
5. Cooperate with the **University** (docking stations in front of the entry).
6. Pre-registration for tourists and day visitors.
7. Sponsoring by **hotels**.
8. Website also in **English**.
9. Develop or use an existing mobile **app**.

Note: Read the part about the new segmentation 'Someone is Paying For Me' (SPFM), page 15 - 21. It is important to develop and use the 8 segments of SPFM.