

2009-2010 Marketing Plan
Redding Area Bus Authority

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Introduction

The marketing of Redding Area Bus Authority (RABA) services will boost the agency's ridership and revenue as well as increase people's understanding and consideration of RABA services. This marketing plan prepared by Ilium Associates, Inc. provides the strategies and programs to increase ridership and revenue and set a solid foundation on which the agency can continue to become more effective and efficient in the future. It has been prepared as the first year of a five-year program with a second document to be prepared at the end of the first year that covers years 2-5. To align the Plan's activities with the RABA fiscal year, the Plan for year one actually covers a period from February 2009 to the end of the 2010 fiscal year, which is June 30, 2010.

The development of the Plan was based on a market assessment, a telephone survey of area residents, reviews of operational data and prior reports, and several one-on-one interviews. While this information has been included in the appendix for reference, several findings proved critical in this Plan's preparation and are presented next by topic.

Market Potential

- based on the results from the consumer survey, there is interest among non-riders in riding RABA regular route service without improving existing routing and schedules, but with no marketing initiatives in the past several years, little is known on how many of these prospects could actually be convinced to ride
- the Redding market has a large number of one-car households, households with workers and lower incomes, and renter households--all of these are traditionally prime indicators of prospective riders for work, school and shopping trips
- the youth market offers promise. The size of the market is large (10,000) yet only 3% of current riders are youth. Youths generate many trips for school, the mall, employment and recreational activities, but the lack of a fare discount has effectively shut out this market

Service Understanding

- printed schedule information is difficult to understand and does not allow a prospective customer to plan a trip with confidence
- maps on the web are poorly presented and difficult to understand
- web architecture is challenging for users
- the route map is easy to read but has no timepoints, few activity center references and does not emphasize transit centers

Service Convenience

- RABA service is attractive to downtown destinations for certain work trips (County offices, some medical services), but inconvenient to most other work/school destinations. Service to shopping areas is adequate and may be enhanced by improved user amenities such as area map and shelters
- service to Shasta College is inconvenient/infrequent for many people whether students, employees or faculty
- a service day that begins at 6:30 AM effectively reduces the potential for marketing to workers/students with start times before 7:30
- schedules are not coordinated at the Canby Road Transit Center reducing rider access to the many opportunities in this area for employment and shopping
- name awareness is high but it is associated with serving the poor and seniors who have no other means of transportation; service has little or no appeal to workers or students

Demand for Dial-a-Ride-Transportation

- demand for dial-a-ride transport will continue to grow as 41% of the senior population has a disability and 21% of the Redding population over age 5 has a disability
- the affordability and other attributes of the Redding market will continue to attract seniors/retirees
- Redding has the only major medical facilities in a wide area which tends to increase the demand for dial-a-ride type service
- RABA must continue to explore methods to manage dial-a-ride service demand in concert with the agency's financial capability to provide the service

Ridership/Revenue

- the estimated number of daily riders of RABA regular route services is 625 people, with \$2,200 in daily revenue
- 10% of the daily riders are seniors (revenue per day: \$113); and 3% are youth (revenue per day: \$70)
- the 8% ridership growth projected in the SRTP equates to 50-100 new daily riders per year, in addition to retaining all current riders
- In order to reach the 19% farebox goal RABA must attract a significantly greater number of work and school commuters who generate 40 trips a month and typically will generate \$600 a year in revenue

RABA Marketing

- RABA has few relationships with key groups in the community including seniors, schools, job placement, employers, and colleges. Through Ilium's interview process it was determined that these groups would welcome working with the service for mutual gains
- little or no marketing has been done in recent years but when the agency was marketed its ridership grew
- many characteristics of the market (income, vehicle ownership, speed of commute, lack of congestion) indicate a 'value' proposition will be an effective approach. A value proposition positions transit service as a good way to save money as compared to driving, and thinking of RABA as one's second car. Appeals such as more convenient than driving, less stress than driving or good for the environment do not match well with Redding area characteristics

RABA Image

- the existing image, as represented by bus exteriors, signage, print and web is unappealing and bland
- the RABA logo is dated, the typography appears about 20 years old

Redding Media

- the Redding broadcast market includes cities not in the service district. Any use of radio or television for advertising will have at least half (if not more) of the message going to an audience that has no access to the service
- if the bus exterior design can be changed, exterior advertising on bus sides can be accommodated with some of the ad space used for self-promotion, reducing the need for paid media expenditures
- non-riders place a high value on shelters at stops and RABA has a shelter advertising contractor willing to expand the number of shelter locations

Telephone Customer Service

- the overall impression of the telephone customer service was positive, although being placed on hold two of five calls suggests the need to examine call performance statistics, assuming these are available

Service Design and Delivery

- on-time performance has improved but maintaining service to published schedules will always be a challenge because of the size of the RABA service area. Interlining of services needs to be reconsidered as well as any other measures that maintain on-time performance
- the prevalence of multiple social service transportation vehicles begs for consolidation/coordination of these services by one entity. Meals on Wheels, the Medical Center and other vans prowl the same terrain as RABA's dial-a-ride, each serving the same market
- the lack of significant density inhibits ridership as people must walk long distances to access some RABA routes. More formal and informal park and ride lots may help grow ridership by providing convenient places for people to be dropped off or met

Major Employer Market

- among the top 5 employers, two are government, two are medical centers and one is a college
- Mercy Hospital, the largest medical center is located on a route but access is a long, steep walk up a hill; Shasta Medical Center is in downtown and has good transit access, but slightly less than half the employees as Mercy

Fare/Ride Guide Distribution

- the monthly pass is only available at the transit center downtown while Punchcards are available at several retail locations
- Ride Guides are available the downtown transit center

Priority Needs

Once these findings were presented and discussed, a number of priority needs for marketing development were identified. These represent what the marketplace demands for the RABA marketing program to achieve ridership and revenue goals, particularly when no new or re-structured services are anticipated.

1. Increasing Understanding Among the Public of the RABA Services Being Offered (fixed route)
 - current information tools (print and web) are difficult to understand and do not provide adequate information for a potential customer to plan a trip
 - prospective riders must be able to examine RABA routing, schedule information and quickly understand if the service meets their travel requirements (where they want to go, their origin and day/time of travel)
2. Asking, Encouraging, Motivating People to Ride
 - to generate increased revenue, ridership must be increased
 - ridership has been in a steady decline and did not increase even when gas prices spiked. This indicates non-riders do not see RABA as a possible travel alternative, even when their access to a car is limited or if it would save them money
 - people need to see RABA as an option and be motivated to change how they currently get around
 - the last time RABA marketed its services ridership increased; when RABA stopped marketing ridership declined
 - there are many people who could benefit from the service; they live near a route, have lower incomes and/or limited access to a vehicle (35% of Redding households have only one vehicle)
3. Increasing Availability of Transit Information
 - to use transit services people must understand where and when the service is available. The web is an excellent source for providing RABA information but people with lower incomes have lower access to the web
 - people need a basic guide to the service, as a reference, even if they end up calling for more detailed service information
 - the Guide must be widely available so prospective customers can pick it up and have it in their home as a reference
 - most decisions to ride are made while people are at home, and are made on any day and at any time of the year
4. Increasing Ridership Among Students/Youth
 - only 3% of current riders are youth/students, well below the percent of youth in the service area (10%)
 - students/youth travel frequently for school, work and recreation, have limited access to a vehicle and lower incomes, making them a high priority market for riding RABA
 - lack of a fare discount for youth is a major impediment to riding

5. Generating Increased Revenue from Transit and Shelter Advertising
 - revenue can be increased and the revenue-to-cost ratio improved by allowing transit advertising on the exterior of vehicles and increasing the number of shelters with advertising
 - adding standard size ad panels to the sides of buses can attract regional/national advertisers who pay the highest rates
 - allowing ads on bus sides and more shelters can generate \$35,000-\$50,000 more revenue per year
 - adding transit shelters has the added benefit of improving passenger convenience and the sense of security while waiting for the bus

6. Defining a RABA Message
 - part of the consumers' decision process is an understanding of the key benefit(s) of the service; what separates the service from its competition and defines some part of its consumer appeal
 - RABA needs consumers to understand a reason for riding

7. Gaining a Better Understanding of the Needs of Major Employers
 - for ridership and revenue goals to be met in the longer term, RABA must attract more commuters. People who work generate 40 trips a month and over \$600 in annual revenue, and the marketing costs to gain one of these riders are no different than pursuing other rider types who do not generate as much revenue
 - the five major employers in the area are key targets for pursuing Employee Benefit or Commuter Choice type programs, and Shasta College is ideal for a U Pass type program (typically, students ride free for an annual fee paid by the college). Other employers and schools may be interested as well. These programs provide an incentive for employees to use RABA for getting to work (or school), and generate guaranteed revenue
 - little is known of the needs and interests of each of the five major employers (Mercy Hospital, Shasta County, Shasta Medical Center, City of Redding, Shasta College), and in order to develop an appealing proposal for their consideration more market intelligence is required
 - there are other entities that are potential generators of commute-to-work riders, typically agencies/firms in job placement. These entities need to be contacted and provided with an understanding how RABA can get their clients to work

8. Increasing the appeal and visibility of RABA service
 - people are more likely to consider riding when the exterior bus design and signage are visually appealing
 - the appearance of the bus exterior as clean (also waiting area cleanliness/lack of graffiti) will improve perceptions of riding and waiting safety
 - generating awareness is important in prompting investigation of the service by the prospective customer; it is far less expensive and more effective to have the bus exterior generate awareness than purchasing media to achieve the same goal

Plan Organization

The Marketing Plan is organized by the following sections:

- Year 1 Goal and Objective
 - ridership and revenue goal aligned with the 7 Year Financial Plan
 - four objectives for year one to achieve the goal, with specific means of measurement
- Target Markets and Message
 - a description of the types of people marketing messages and media will be directed toward
 - the key benefit to attract prospective customers' interest in trying the service
- Strategies

- the means by which each marketing objective will be met
- Marketing Program
 - includes objective, strategies, program purpose, description, budget and measurement
- Measurement
 - measurement by objective
- Budget
 - summary of expenditures by program
- Schedule

Year 1 Goal

The Plan is devised to meet the forecasted revenue objective for the first year and subsequent years, with the revenue statistic translated to a ridership calculation for strategic and marketing program development.

Goal: generate an 8% increase in ridership and revenue for FY2009/10 as compared to the previous fiscal year as articulated in RABA's Seven Year Financial Plan

- a boarding passenger is a count of every time a person boards a bus whether they pay a fare or use a transfer slip
- a weekday average of 2,750 was based on the average monthly ridership counts in the May to August, 2008 boosted by 8%

Year 1 Objectives

The year 1 objectives meet the needs for immediate increases in ridership and revenue, representing annual progress toward the 19% farebox recovery goal, and for initiating a number of actions that will boost ridership and revenue in future years.

1. execute a ridership development program providing multiple incentives and special appeals to increase ridership by 8%, or an average of 200 boarding riders a day by June, 2010
2. enhance service appeal by updating RABA's image by September, 2009, and measured by annual benchmark survey
3. improve public understanding of the service being operated by June, 2009, and measured by annual benchmark survey
4. increase transit advertising revenues by \$35,000 for FY2009/2010 as compared to the previous fiscal year

Target Markets and Message

These are the groups or types of people Ilium considers prime targets for meeting the ridership and revenue goal. Programs and communications (media and message) will be devised to appeal to these groups.

1. Workers with Incomes Under \$30,000
 - 40,000 people in Redding are employed, many at jobs with medium or lower incomes
 - RABA can save them money, stretching their income
3. Youth/Students
 - they travel frequently, have an open mind to appeals, have limited access to a car
 - 10,000 students/youth reside in Redding, approximately 30% of households in Redding have a youth/student in the household
2. Seniors
 - the market is large with 10,000 households in Redding with at least one senior
 - seniors will help sell RABA to others via word-of-mouth referral
3. Women
 - there are more than 21,000 women in the workforce
 - in households with two workers and one car, women tend to have less access to the vehicle
 - saving money by riding RABA can appeal to women for travel to work, as well as to take their children to school

Message

Part of RABA marketing is communicating to prospective riders a message stating the key benefits of the service. This defines what the service promises to deliver and a reason for considering the service. This message is delivered in advertising headlines and copy, types of promotions undertaken and a positioning statement. The message and positioning statement are based on service delivery and the attributes of the marketplace.

- RABA promises its customers to deliver, each day, safe, clean and on-time transportation
- RABA positions the service as one of value for the consumer's dollar, saving people money as compared to driving

Strategies

This section presents each of the year one objectives and the specific means for meeting each one.

Objective 1: Execute a ridership development program providing multiple incentives and special appeals to increase ridership by 8% or an average of 200 boarding riders a day by June, 2010

Strategies

- increase ridership among youth by providing a discount for multi-ride users
- sell the benefits of riding RABA directly to area employers, colleges and employment agencies
- develop one day 'free ride' days for seniors, shoppers and youth with farebox revenue sponsored by a promotional partner
- execute a rider appreciation event that thanks riders for their patronage and encourages them to invite a friend to try the service
- provide RABA service information and a free ride offer to people who move into a new apartment or home near a route
- increase RABA's presence at community events
- establish local sales representative to implement programs developed and build relationships with the community

Objective 2: Enhance service appeal by updating RABA's image by September, 2009

Strategies

- update the RABA logo and graphic identity for application to service information, uniforms, corporate papers, promotional items
- create a new exterior bus graphic design that enhances the appeal of the service, and allows the addition of transit advertising display panels on both sides

Objective 3: Improve public understanding of the service being operated by June, 2009

Strategies:

- improve the RABA Ride Guide by changing the format of schedule/departure time information
- improve formats of route maps and schedule information on RABA's website
- once service information is improved, distribute it to homes and businesses located along RABA's routes, and publicize its availability
- promote RABA website on all system materials
- increase the number of places RABA Ride Guide is available to the public
- establish local sales representative to implement programs developed and build relationships with the community

Objective 4: Increase transit advertising revenue by \$35,000 by June, 2010

Strategies:

- utilize new exterior bus design to allow transit advertising on both sides of the bus as well as vinyl wraps for the back end
- increase the number of shelter locations with advertising capability

Marketing Programs

The format of this section includes a re-statement of each objective and its strategies, then the proposed marketing programs to be implemented are identified, and metrics used to measure the attainment of the objective. Finally, each program is described in detail including deliverables, timing and cost.

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Marketing Programs

1. Monthly Youth Pass
2. Free Ride Days
3. New Moves Program
4. Bring A Friend/Rider Appreciation Day
5. Community Event Marketing
6. College Marketing
7. Employer Sales Program
8. Marketing Representative

Measurement

- 8% increase in fixed-route revenue to \$590,987
- average of 50 youth passes sold each month
- securing sponsors for two free ride day events, and Bring A Friend promotion
- progress towards reaching agreement with Shasta College on U Pass type program
- execute five events at area employers
- increase of 10% in public awareness of key consumer benefits of RABA as measured by Benchmark Survey

Budget

- \$92,000

Monthly Youth Pass

Purpose

- generate ridership from youth

Target Market

- youth age 17 and under

Description

- develop a monthly youth pass which would provide unlimited rides in a calendar month
- program will include promotional elements and distribution outlets; some outlets could be in schools and, if the commission structure is approved can be a fund raiser for a school organization

Deliverables

- youth pass program including pass promotion, pass distribution, pass production

Pricing

- the current adult monthly pass is priced at 32 rides a month. The senior/disabled pass is priced at half the regular adult fare at \$24 a month (\$41 from zone 2)
- only 3% of daily riders are currently youth, about 20 people a day. The 3% equates to \$1,500 a month in revenue from youth riders. If every one of these riders purchased the Youth Pass the financial exposure would be \$483 a month, assuming no additional revenue from increased youth ridership
- part of the pricing strategy is to make it very appealing for a school group to sell the passes to raise money for their group. We recommend a \$4 commission per pass sold for the first year of the program.
- typically a youth pass would be priced like a senior monthly pass, because most transit systems have a youth cash fare and it is the same as the senior fare. We are not recommending a youth cash fare, only a discount for a commitment of a month's worth of riding. The proposed sales commission also needs to be considered; it is an important part of the sales strategy to motivate some school groups to sell them and generate word-of-mouth referral.
- the recommended price is \$28 a month (\$24 plus the \$4 commission). At that price, the net cost to RABA is \$24, and a total of 20 new riders would need to be generated to equalize the fare revenue

Priority

- high

Timing

- July, 2009

Budget

- \$33,350

Comments

- the budget does not include production of the pass; it does include artwork for the pass
- we will need to decide if we start this program with a typical monthly pass printed for specific months, with distribution and accounting each month, or a monthly pass where the driver would need to punch the correct month the first time the customer boards the bus

Ride Free Day(s)

Purpose

- increase trial among new riders
- motivate ridership by infrequent or former riders
- improve image

Target Markets

- seniors
- youth
- shoppers

Description

- organize, execute promotion with sponsor where a target group rides free for one or more days
- sponsor pays for cash revenue lost for free day, as well as other promotional consideration negotiated between sponsor and RABA

Deliverables

- executed promotion

Priority

- highest

Timing

- as soon as sponsor can be identified; target date of June, 2009

Budget

- \$11,600

Comments

- a Seniors Ride Free day is one option with Wal Mart, Walgreen's or a medical center as potential sponsors
- promotion will most likely include advertising support such as an interior car card, web site mention, driver buttons, poster panel
- another possible Free Day would target youth with sponsorship by the movie theater
- association with well-respected retailer or other entity generates improved image to RABA for their promotional partner

New Moves

Purpose

- increase non-rider knowledge of RABA service (routings and schedules)
- increase investigation/trial of RABA service near new residence

Target Markets

- people who have recently moved
- renters

Description

- using a mailing list obtained from utility records (or another source) mail transit information and promotional offer to people who have recently moved

Deliverables

- mailing list and monthly mailings

Priority

- medium

Timing

- October, 2009
- once program is established it is on-going, with mailings each month

Budget

- \$5,400

Comments

- promotional offer can include free ride coupon and offer for monthly pass at a special one time rate

Bring A Friend/Rider Appreciation Event

Purpose

- increase ridership via retention and seeking new riders

Target Market

- current riders

Description

- event to show current riders RABA appreciates their business
- leverage the appreciation event as means to generate new riders by allowing one rider to bring a friend who rides free with them for that trip/day
- promoted via interior bus cards, banners/posters at transit facilities
- event is one day
- sponsorship will be sought to make up for revenue
- to get free ride benefit riders must have Bring A Friend card; availability of that card provides sponsorship opportunity although to gain maximum promotional benefit wide distribution of the card is required

Deliverables

- executed event

Priority

- medium

Timing

- March, 2010

Budget

- \$5,450

Comments

- farebox revenue for the day and subsequent days (event can attract new ridership on other days even though the offer is no longer valid) will be measured to determine impact of increased ridership and revenue

Community Event Marketing

Purpose

- increase ridership
- establish relationships with community groups to identify marketing opportunities

Target Markets

- general community
- community groups that offer ridership opportunities

Description

- participate in community events to meet prospective riders face-to-face
- meet with community groups, advocates to identify mutually beneficial areas of interest

Deliverables

- participation at community events
- identification of marketing opportunities for increasing ridership in near term or in subsequent years of the Plan

Priority

- high

Timing

- start June, 2009, then on-going

Budget

- \$3,000

Comments

- the event participation part of this program augments work currently done by the contractor; program would be expanded to cover RABA participation at more events and a more formal process of scheduling participation at events

College Marketing

Purpose

- increase ridership among college students, staff

Target Market

- students, staff and faculty at Shasta College, other area colleges/technical schools with direct access to RABA service

Description

- plan and execute program at Shasta College including promotional and informational activities. Program includes participation at orientation, advertising (e.g. school web, posters, banners, e-mail blasts), event attendance, introductory free ride offer, new employee orientation, availability of Ride Guide, fare sales outlet
- seek interest in U Pass type program, or similar type of fare media sponsorship program

Deliverables

- executed Shasta College program including promotional, informational elements
- identification of interest by other schools in RABA college marketing program

Priority

- high

Timing

- Fall semester, 2009

Budget

- \$5,200

Comments

- program begins at Shasta College and it serves as a model for others; efforts are extended to other schools near RABA service based on their interest
- program initially targets students but employee interest may be best ridership generation opportunity

Employer Marketing

Purpose

- increase ridership among people going to work

Target Markets

- commuters
- job seekers

Description

- presentations/sales by Marketing Representative looking to gain employer's interest and participation in promoting public transit to their employees
- setting up and executing promotional/informational programs at individual employers
- presentations/sales by Marketing Representative with firms/agencies that help people get jobs, seeking their participation in having job candidates ride RABA to appointments and work

Deliverables

- programs implemented at employers, job/employment agencies

Priority

- high

Timing

- July 2009

Budget

- \$2,000

Comments

- while the Marketing Representative would target the larger employers initially, the opportunity for increasing ridership extends to employers of any size, at least those with 5 or more employees

Marketing Representative

Purpose

- efficiently execute marketing promotions
- generate sponsors for promotions
- develop transit subsidy programs with major employers
- develop relationships with employment, job placement entities
- establish retail sales network including youth monthly pass distribution
- participate in event, college marketing

Description

- Ilium will hire part-time person who resides in the service area to help execute marketing plan
- person will be responsible for sales and execution including generating sponsorships, setting up retail sales network, establishing relationships with employers, making sales presentations

Deliverables

- half-time sales person for one year

Priority

- highest

Timing

- hired immediately if right candidate is available, budget for 12 month period

Budget

- \$26,000

Comments

- person will be an independent contractor, reporting to Ilium project manager

Objective 2: Enhance service appeal by updating RABA's image by September, 2009

Strategies

- update the RABA logo and graphic identity for application to service information, uniforms, corporate papers, promotional items
- create a new exterior bus graphic design that enhances the appeal of the service, and allows the addition of transit advertising display panels on both sides

Marketing Programs

- create updated logo and graphic identity
- create new graphic design for bus exterior

Measurement

- new paint scheme for bus exterior and bus stop signage
- 10% increase in name awareness among public to 87%
- 15% increase in riding consideration to 38%

Budget

- \$12,000

Image Development

Purpose

- initiate development of an enhanced image so marketing activities implemented in 2009 can use the updated image, and gain benefit from that new look
- develop a single message to communicate to the public that can be used on marketing materials
- initiate development of an updated image so buses purchased in 2009 can have the new graphic when they are delivered in 2010

Description

- work on updating the RABA image is undertaken in year 1 so materials such as the Ride Guide can be prepared with the new look; also at some time in 2009 it is anticipated new buses will be ordered and adopting an updated image to these vehicles will save money since the painting is part of the cost of the bus
- this will be an incremental adoption of an updated image, with the basic graphic identity developed in 2009 and then applied as items come up for re-printing or replacement
- an updated image will aid in our work to gain sponsorships of promotions, and generate increased ad sales revenues
- the work on the message is to generate a set of words or phrase that communicates to the public the most basic reasoning for using the service

Deliverables

- new RABA logo
- new image concept including conceptual design for bus exterior (exact application to a specific bus model is not included)
- graphic identity/style for adoption to promotional, informational materials in Marketing Plan
- positioning statement for use with RABA logo

Priority

- Highest

Budget

- \$12,000

Schedule

- completed in first 60 days of implementation, February/March, 2009

Comments

- three logo concepts and bus concepts will be presented, with final design development of the recommended concept prepared from those three choices

Objective 3: Improve public understanding of the service being operated by June, 2009

Strategies

- improve the RABA Ride Guide by changing the format of schedule/departure time information
- improve formats of route maps and schedule information on RABA's website
- once service information is improved distribute it to homes and businesses located along RABA's routes, and publicize its availability
- promote RABA website on all system materials
- increase the number of places RABA Ride Guide is available to the public

Marketing Programs

- re-design of Ride Guide and website
- rider information campaign
- increased distribution of fare media and Ride Guide

Measurement

- improved design of Ride Guide and route maps/schedules on web completed
- 10 new Ride Guide/Fare Sales locations
- 15% increase in service knowledge among public to 43%

Budget

- \$49,900

Customer Information Improvement

Purpose

- improve prospective riders' understanding of the service being offered
- increase prospective riders' ability to self-plan trips
- clearly communicate to riders, prospective riders service being operated

Description

- revise presentation of schedule and map information on Ride Guide to formats easier to understand
- upgrade image of Ride Guide with new RABA logo, image
- upgrade website per specifications (below) and design new route maps for web, clearly indicating service being operated, stops and additional activity centers
- apply new formats to eye level, poster displays at stops/shelter locations

Deliverables

- new Ride Guide artwork
- revised/updated website including new route maps
- formats for eye level displays

Priority

- highest

Timing

- February-March, 2009

Budget

- \$24,000

Comments

- once these new elements are created, a process for keeping them current needs to be instituted, including schedule coordination for changes in service/routes. Included in this discussion is how major detours are posted on the web (and removed)
- budget for updates needs to be identified. Updates are anticipated annually for the Ride Guide and quarterly for the web
- the format of eye level displays at stops is included in the budget but not production (printing/laminating) or placement
- timing coordinated with any proposed plans for route/schedule adjustments
- need to discuss printing of the new Ride Guide--budget source and procurement

Web Specification

- the design and build phases will take place concurrently with site prototyped in a web browser using HTML and CSS rather than producing multiple image-based prototypes. This will allow us to get the basic feel of the site in action, while any changes in color, position, and type can be made in real time.
- one design concept will be provided
- navigation will be reorganized according to the previously submitted flowchart, but will be only single-level navigation (no fly-out menus)
- schedule pages with maps will be produced. All maps will be static rather than interactive (no zoom, pan or linking capabilities)
- pages will be rebuilt with current technologies (XHTML and CSS) utilizing an established template that will take less time than revamping existing HTML
- site text content will remain unchanged with the exception of minor edits or corrections to information.
- site will be styled according to design concept. Home page will give more focus to the route planning, via a select dropdown in the main area of the page

Rider Information Campaign

Purpose

- increase non-rider knowledge of RABA service (routings and schedules)
- get transit information in the household for use when need arises

Target Markets

- people residing near transit routes/households near RABA service
- seniors
- workers/commuters
- social service, job placement agencies

Description

- using new Ride Guide artwork prepare tabloid for insertion into Record Searchlight
- mail tabloid with letter and free ride coupon to households near routes
- print extra tabloid copies for distribution to community centers, senior housing, employment/job centers

Deliverables

- 4-page tabloid for insertion in Record Searchlight
- packet with letter, tabloid, free ride coupon, envelope
- distribution for mailing and for community centers, etc.

Priority

- highest

Timing

- April-June, 2009

Budget

- \$25,200

Comments

- budget will include postage for mailing
- we will investigate with Record Searchlight option for including 'yellow sticker' on front page on day of insertion
- extra copies of tabloid are less expensive than printing extra Ride Guides, and tabloid size lends itself to being picked-up and opened, and retained for future reference by household

Fare Sales, Ride Guide Distribution Network

Purpose

- establish a wider distribution of RABA information and fare media sales to increase convenience and service awareness
- increase availability of RABA information (Ride Guide) to attract interest by non-riders
- establish relationships with retailers who may become promotional sponsors
- increase use of pre-paid fare media

Description

- set-up network of locations where RABA sells fare media and has displays of Ride Guides
- extends monthly pass sales to more locations; sets-up distribution of youth pass
- new point-of-sale material would be prepared

Deliverables

- enhanced retail sales network for RABA fare media and Ride Guides
- new point of sale materials including plastic counter holder for Ride Guide, window sticker, window poster
- interior bus card with list of retailers

Priority

- high

Timing

- after new Ride Guide is printed, estimated to be months 3-4 of implementation, April-May, 2009

Budget

- \$700

Comments

- will need to review current methods for punchcard fare sales outlet accounting/sales reporting including consignment agreement
- need to have geographic coverage but most important is distribution at key retailers whose customers match well with the profile of potential RABA customers
- need to determine inventory needs for Ride Guide and monthly passes
- if RABA decides to adopt a day pass a robust retail network is required
- will need to plan for re-stocking of Ride Guides

Objective 4: Increase transit advertising revenue by \$35,000 by June 2010

Strategies

- utilize new exterior bus design to allow transit advertising on both sides of the bus as well as vinyl wraps for the back end
- increase the number of shelter locations with advertising capability

Marketing Programs

- identify locations for new shelters
- create new graphic design for bus exterior (same as Objective 2)

Measurement

- \$35,000 annual increase in advertising revenue

Budget

- incorporated in other program elements

Transit Advertising/Shelter Coordination

Purpose

- increase revenues from transit advertising on buses and shelters

Description

- coordinate and assist contractor with implementation and expansion of transit ad shelter program

Deliverables

- successful implementation of the program

Priority

- high

Timing

- start March, 2009

Comments

- coordinate with development of new image for bus exterior, and RABA plans for advertising its services

Measurement/Metrics

Effective transit marketing programs measure their impact and influence on the marketplace including ridership and revenue, community opinion and execution of programs in a timely manner. This section presents the measurements for each objective and a description of the Benchmark Survey.

Objective 1: Execute a ridership development program providing multiple incentives and special appeals to increase ridership by 8% or an average of 200 boarding riders a day by June, 2010

- 8% increase in fixed route revenue to \$590,987
- average of 50 youth passes sold each month
- securing sponsors for two free ride day events, and Bring A Friend promotion
- progress towards reaching agreement with Shasta College on U Pass type program
- execute five events at area employers
- increase of 10% in public awareness of key consumer benefits of RABA as measured by Benchmark Survey

Objective 2: Enhance service appeal by updating RABA's image by September, 2009

- new paint scheme for bus exterior and bus stop signage
- 10% increase in name awareness among public to 87%
- 15% increase in riding consideration to 38%

Objective 3: Improve public understanding of the service being operated by June, 2009

- improved design of Ride Guide and route maps/schedules on web completed
- 10 new Ride Guide/Fare Sales locations
- 15% increase in service knowledge among public to 43%

Objective 4: Increase transit advertising revenue by \$35,000 by June, 2010

- \$35,000 annual increase in advertising revenue

Benchmark Survey

Purpose

- evaluate marketing program by measuring changes in consumer opinion from Baseline Survey done at beginning of project

Description

- Ilium conducted a Baseline Survey at the beginning of the project as the starting point for measurement of consumer opinion as it relates to RABA services. The Benchmark Survey uses the same methodology and question wording allowing a statistical measurement of consumer opinion

Deliverables

- 100 randomly selected interviews of service area population
- memo presenting the results and changes in consumer opinion

Priority

- medium

Budget

- \$9,500

Timing

- May, 2010

Comments

- other methods of evaluation include changes in ridership and revenue, fare media sales, number and amount of sponsorships, increases in ad revenue.

Budget

We have prepared an itemized budget for the implementation of the year 1 Marketing Plan, covering the period from February, 2009 to June 30, 2010. The amount matches the approved budget for marketing implementation in the Ilium contract and is adequate to implement a successful RABA marketing program.

Summary Budget Allocation

The proposed allocation by objective is shown next. In addition to these items the Benchmark Survey is budgeted at \$9,500.

Objective 1: Execute a ridership development program providing multiple incentives and special appeals to increase ridership by 8% or an average of 200 boarding riders a day by June 2010

- \$92,000

Objective 2: Enhance service appeal by updating RABA's image, by September 2009 and measured by annual benchmark survey

- \$12,000

Objective 3: Improve public understanding of the service being operated, by June 2009 and measured by annual benchmark survey

- \$49,900

Objective 4: Increase transit advertising revenues by \$35,000 for FY2009/2010 as compared to the previous fiscal year

- coordination time incorporated into other elements

Total: \$153,900

Program Allocation

The details of the estimates for each program are shown below, organized by objective.

Objective 1 Programs

Youth Pass

- Total: \$33,350
 - radio ads: \$8,000
 - exterior bus ad production, 10 buses: \$2,750
 - billboards (3-5, 4 months): \$12,000
 - poster production: \$1,600
 - designer time for radio, art, billboard preparation: 100 hours

Ride Free Day(s)

- Total: \$11,600
 - assume 2-3 events
 - exterior ad production on 10 buses: \$2,700 x 3
 - poster production: \$500
 - designer time: 10 hours/event

New Moves

- Total: \$5,400
 - 3,600 mailings at \$1.50 per for production, postage, insertion
 - Ride Guide with letter in special envelope

Bring A Friend

- Total: \$5,450
 - exterior ad production on 10 buses: \$2,700

- interior bus ad production: \$500
- banner production: \$400
- Rider Appreciation Day supplies: \$250
- designer time: 16 hours

Community Group/Event

- Total: \$3,000
 - flyers, poster production: \$500
 - event support/supplies: \$2,000
 - designer time: 5 hours

College Marketing

- Total: \$5,200
 - posters/banner production; on campus ads \$4,000
 - designer time: 12 hours

Employer Program

- Total: \$2,000
 - poster, displays, flyers, banner production: \$1,500
 - designer time: 5 hours

Direct Sales/Sponsorships/Promotion Implementation

- Total: \$26,000
 - half-time contract employee for a year period for sales contacts, generating sponsorships, setting up fare sales outlets, presentations to employers, event marketing participation, identifying ridership opportunities among community groups, promotional coordination
 - cost: \$25 an hour, 1040 hours
 - mileage allowance (in travel portion of Ilium budget)

Objective 2 Programs

Message/Image Development

- Total: \$12,000
 - item includes development of a new RABA logo, graphic style for all communications, exterior bus concept and positioning statement
 - application of the new RABA identity to print is in each of the program budgets
 - engineering drawing for a specific bus model is not included in budget
 - designer time: 120 hours

Objective 3 Programs

Customer Information Improvement

- Total: \$24,000
 - designer time for new Ride Guide artwork preparation: 100 hours
 - Ride Guide printing not included
 - designer time for new individual route maps for web: 80 hours
 - designer time for web improvement: 60 hours
 - per specification in program description

Rider Information Campaign

- Total: \$25,200
 - exterior bus ad production, 10 buses: \$2,700
 - billboards (3-5), 2 months: \$6,000
 - tabloid insertion/print (Q: 35,000): \$10,350
 - poster production: \$500
 - designer time for tabloid/campaign development: 80 hours

Fare Sales/Information Distribution

- Total: \$1,400
 - development and implementation is part of Marketing Representative duties
 - budgeted amount includes costs for purchase of point-of-sale displays, posters, window stickers: \$500
 - designer time for preparation of materials: 2 hours

Objective 4 Programs

- time allocated in project coordination budget

Benchmark Survey

- \$9,500
 - direct costs for data collection and tabulations: \$3,500
 - consult time: 40 hours

Schedule

The implementation schedule for the period February, 2009 to June 30, 2010 is displayed on the next page.

RABA Market Assessment

Introduction

The RABA Market Assessment presents Ilium's findings, recommendations and information from examining the RABA market and its services. Each of these will provide the basis for the preparation of the RABA Marketing Plan that will detail the activities to increase ridership, revenue and community value.

The Assessment is organized into three sections. The first presents the key findings from Ilium's examination of RABA service and the marketplace. The second section presents our recommendations for marketing program development, with these being the foundation of the upcoming Marketing Plan. The third section details the information we identified from examining the market for transit in Redding and the transit services being delivered to the public.

Key Findings

The findings are organized by topic, and since all are important to the development of the Marketing Plan there is no particular priority order.

User Information

- printed schedule information is difficult to understand and does not allow a prospective customer to plan a trip with confidence
- maps on the web are poorly presented and difficult to understand
- web architecture can be improved to ease use
- the route map is easy to read but has no timepoints, few activity center references and does not emphasize transit centers

Youth Market

- the size of the youth market is 10,000, yet only 3% of current riders are youth
- lack of a fare discount for youth effectively shuts out the youth market, including travel to school, the mall, employment and recreational activities

Service Convenience

- service is attractive to downtown destinations for certain work trips (County offices, some medical services), but inconvenient to most other work/school destinations
- service to Shasta College is inconvenient/infrequent for many people whether students, employees or faculty
- a service day that begins at 6:30 AM effectively reduces the potential for marketing to workers/students to those starting at 8 AM or later, unless the trip does not have to transfer
- schedules are not coordinated at the Canby Road Transit Center effectively reducing rider access to the area's major retail center and the many opportunities for employment and shopping

RABA Image

- the existing image, as represented by bus exteriors, signage, print, web, is unappealing and bland
- the RABA logo is dated and the typography 15 years old
- awareness is positive but the image is associated with serving the poor and seniors who have no other means of transportation; it has little or no appeal to workers or students

RABA Market Potential

- there is some interest among non-riders for riding RABA regular route service without improving existing routing and schedules, but with no marketing initiatives in the past several years, little is known on how many of these prospects can actually be convinced to ride. The perception among non-riders is that travel times are too long.
- the Redding market has a large number of one-car households, households with workers and lower incomes, and renter households--all of these are prime indicators for prospective riders for work, school and shopping trips

Demand for Dial-a Ride-Transportation

- demand for dial-a ride transport will continue to grow as 41% of the senior population has a disability and 21% of the Redding population over age 5 has a disability
- the affordability and other attributes of the Redding market will continue to attract seniors/retirees
- at \$20 a trip, the cost of dial-a-ride transportation will seriously jeopardize any attempt to reach the 19% farebox goal for the system.

Positioning

- many characteristics of the market (income, vehicle ownership, speed of commute, lack of congestion) indicate a 'value' proposition will be an effective approach

Redding Media

- the Redding broadcast market includes other cities not in the service district. Any use of radio or television for advertising will have at least half (if not more) of the message going to an audience that has no access to the service
- if the bus exterior design can be changed exterior advertising on bus sides can be accommodated, with some of the ad space used for self-promotion, reducing the need for paid media expenditures
- non-riders place a high value on shelters at stops and RABA has a shelter advertising contractor willing to expand the number of shelter locations

RABA Marketing

- RABA has few relationships with key groups in the community including seniors, schools, job placement, employers, colleges and through Ilium's interview process it was identified that these groups would welcome working with the service for mutual gains.
- little or no marketing has been done in recent years but when the agency was marketed its ridership grew

Telephone Customer Service

- the overall impression of the telephone customer service was positive, although being placed on hold two of five calls suggests the need to further examine call performance statistics, assuming these are available
- RABA needs to maintain the loyalty of those who have chosen to ride its services, as it is more cost effective to maintain the loyalty to those who are riding today than to attract new riders.

Service Design and Delivery

- the growth of RABA service has been done without the benefit of service standards, which would have directed the service towards being effective and efficient.
- on-time performance has improved but maintaining service to published schedules will always be difficult because of the size of the RABA service area. Interlining of services needs to be reconsidered.
- the current fleet composition is not entirely suited to ridership or operating conditions. Buses with smaller turning radius but built on heavy-duty bus platforms are required. 35-foot transit buses are too large but passenger vans are not a realistic solution either especially based upon the high number of wheel chair boardings of regular fixed route service
- there are visible examples of transit-oriented development in the RABA service area such as the shelters and amenities at the Safeway Store on North Cypress yet RABA's service design does not accommodate these opportunities
- the prevalence of multiple social service transportation begs for consolidation of these services under RABA control. Meals on Wheels, the Medical Center and other vans prowl the same terrain as RABA services carrying many of the same passengers resulted in a high level of convenience for riders but a significant waste of taxpayer dollars
- the lack of significant density inhibits ridership as riders must walk long distances to access RABA fixed route services. More formal and informal park and ride services would help grow ridership in response to this problem

Ridership/Revenue

- the estimated number of daily riders is 625 people, and \$2,200 in daily revenue is collected
- 10% of the daily riders are seniors (revenue per day: \$113); and 3% are youth (revenue per day: \$70)
- the 8% ridership growth projected in the SRTP equates to 50-100 new daily riders per year, in addition to retaining all current riders
- In order to reach the 19% farebox goal RABA must attract a significantly greater number of work and school commuters who generate 40 trips a month and typically will generate \$600 a year in revenue
- RABA must increase use of prepaid fare media to reach the 19% farebox goal

Major Employers

- among the top 5 employers, two are governments and two are medical centers
- Mercy Hospital, the largest medical center is located on a route but access is a long, steep walk up a hill; Shasta Medical Center is in downtown and has good transit access, but slightly less than half the employees of Mercy

Pre-Paid Fares

- the monthly pass is only available at the transit center downtown while Punchcards are available at several retail locations. The Pass is attractively priced at 32 rides a month, and there is a senior pass and zone passes available
- a Juror Pass is also available, and a free ride to the library on Saturdays is possible

Recommendations

Ilium presents our marketing recommendations organized by 8 categories.

Recommendations--Ridership Development

Needs

- Generate 100 new daily riders
 - Penetrate the youth market
 - Increase service knowledge among residents
 - Motivate people already interested in riding
 - Penetrate commute market with activities aimed at both the employer and the worker
 - Show community RABA is interested in marketing its service
1. Create/Market Youth Pass
 - Create a monthly Youth Pass for those under 18, and establish aggressive price for first year to generate sales--30 trips at senior cash rate, no zone charges. Develop promotional program to launch and sustain sales
 - Negotiate an agreement with the Redding Schools and work with PTAs and PTOs to sell the youth pass to junior and high school students
 2. Service Information into Households
 - Change Ride Guide into a tabloid format and insert in Record Searchlight with free ride coupon.
 - Examine the response of the limited time, free ride offer as test of the size/responsiveness of the potential rider market
 3. Seniors Ride Free on Wednesday Sponsorship
 - Create a 'Seniors Ride Free Wednesday' with corporate/retail sponsor to offset revenue loss. For example, have one of the clinics near to the hospitals underwrite all senior fares in conjunction with the offering of free flu shots, or distributing special product coupons on the bus
 - Will test responsiveness to seniors riding; initiate idea of business sponsorships; increase revenue; upgrade image of service
 4. Create Marketing Organization for Retail Area
 - Aim is to improve transit access for shopping/work, make it easier for employers to recruit/retain employees, reduce traffic congestion, increase sales, promote ridership
 - Establish a Transportation Management Initiative, predecessor to a TMA, in the Mount Shasta Mall, Dana, Churning Creek area
 5. Create/Present Ridership Proposals to Each of the 5 Major Employers
 - Custom proposal to each institution based on the specific need/situation of that entity. The proposal could encompass fares, marketing, added service frequency/routes
 - Two medical centers are the first target, and meeting with their HR department to identify needs is recommended
 - The objective is to have transit presented as an employee benefit, more than simply asking for payroll deduction of transit fares, setting up information kiosks or holding employee informational events. We are recommending for all employees of the medical center (it could be limited to a particular employee classification) receive free travel on RABA (employee ID card is valid for fare) in exchange for a one lump sum payment by the entity
 - RABA has to be willing to accept a small amount of short-term risk for the longer-term benefit of increased revenue and ridership. The offer must be so compelling that the employer would see little risk and no cost in the first year, if they sign a two year agreement
 - in the first year employer pays nothing and all employees receive free access to regular route service. During this year RABA and the employer conduct a number of events and communications to encourage use

- at the 9th month of year 1 RABA presents to the employer the current use of the benefit (rides), and a proposal for year 2 and subsequent years. For year 2 the employer would pay for the transit use in year 2 by the employees based on a formula set forth in the original agreement
- 6. New Resident Program
 - Create New Resident program, either with established local Telco or by using utility bill address change data
- 7. Bring A Friend Promotion
 - This promotion offers current riders, on one day, to ‘bring a friend’ and have the friend ride free with them
- 8. Other
 - Check the Juror Program information packet to ensure the information is correct and encourages the person to try the bus
 - Explore opportunities with the Shasta Lake Senior Center and a similar organization in Anderson to promote group field trips for seniors on RABA to Redding area shopping and recreation destinations, with these places being asked to offer special discounts on admissions or coupons
 - Identify all job training and employment agencies in service area; meet with their representatives seeking opportunities for ticket/punchcard sales
 - Examine opportunity for social service agencies to purchase more fare media

Recommendations—Improve Appeal and Convenience, Safety

Needs

- Increase the appeal of the service especially to women, motivate people to try the service, increase interest in riding, increase interest in employer/business support, improve safety perception
 - Improve the perception of safety while waiting
 - Improve ease of understanding system routes and schedules
 - Increase service information access
- 1. Change RABA Image/Positioning
 - Commit to the development of an enhanced image with updated logo and exterior bus graphic, and application to print, signage, uniforms and web
 - Bus exterior graphic must be developed to accommodate transit ads on bus sides
 - Create a benefits statement/copy platform, positioning the agency as about ‘value for your dollar’ and promote riding RABA by emphasizing saving money over driving
- 2. Improve Information Clarity, Usefulness, Distribution
 - Immediately improve the clarity, accuracy and ease of use of the Ride Guide and Web information (route maps, schedule)
 - Improve the distribution of rider information and fare media. Increase the number of monthly pass outlets. Increase places where Ride Guide is available. Examine point of sale materials/displays and improve
 - Improve the web site architecture and place new maps/schedules on site.
- 3. Improve Perception of Safety
 - Work with Stott Outdoor to develop more bus stop shelter locations in the RABA service area

Recommendations--Dial-a-Ride Transportation Education

Needs

- Demand for service will jeopardize reaching 19% farebox goal; service needs to be available to those who truly need it
- Consumers do not understand the cost of service difference between dial-a-ride and regular route

1. Identify Educational Opportunities, Prepare Program

- Investigate opportunities for educating and training dial-a-ride passengers to use regular route service. Make Travel Training part of the regular complement of services to be offered by the contract service provider.

Recommendations--Media

Needs

- Increase riding consideration, motivate ridership, position the service

Recommendations

- Maximize the use of the advertising opportunity on the bus exterior. Design the exterior bus graphic to accommodate exterior advertising on the sides (and the rear), and to promote the agency image. Use the exterior space for paid advertising and self-promotion, with a guaranteed availability of five bus sides for RABA ads. This will increase revenue and reduce RABA's cost to pay for media from other sources
- Use a tabloid insert in the Record Searchlight to deliver service information into the home. Use the map and departure time information in the Ride Guide as the information base for the tabloid
- Use radio to target teens, and possibly riding RABA to a specific special event
- Use billboards located along routes to deliver general and specific service related messages
- Use social networking sites such as Craig's List, Facebook and My Space to promote use of RABA services especially to younger markets.

Recommendations--Customer Service

Needs

- Maintain high quality service and responsiveness for key information portal

1. Establish Service Standard

- Set the protocol and standard operating procedure for answering a call and ending a call from a customer
- Personnel who answer the phone should be reminded to provide complete responses and not assume the every caller is a regular rider (even if most callers are)

2. Test Responsiveness/Evaluate

- Conduct test calls on a regular basis, either monthly or quarterly
- Examine call statistics for time on hold by hour of the day, if this data is available

Recommendation-Ridership Retention

Needs

- Riders always have options, even when they appear not to
- Retaining current riders and increasing their riding frequency is imperative to meeting ridership goal

1. Rider Appreciation Day

- RABA should value those who ride by staging an annual Rider Appreciation Day in cooperation with local merchants. Typically merchants such as Starbucks and Dunkin Donuts will contribute coffee and donuts for such events.
- Other forms of rider recognition in the form of one-time discounts on passes should be considered

Recommendations-Service Design and Delivery

Needs

- Services must be on-time or new customers will not use the service more than once
- Services must be continually reviewed to meet the needs of the community and the effectiveness of the contractor

Recommendations

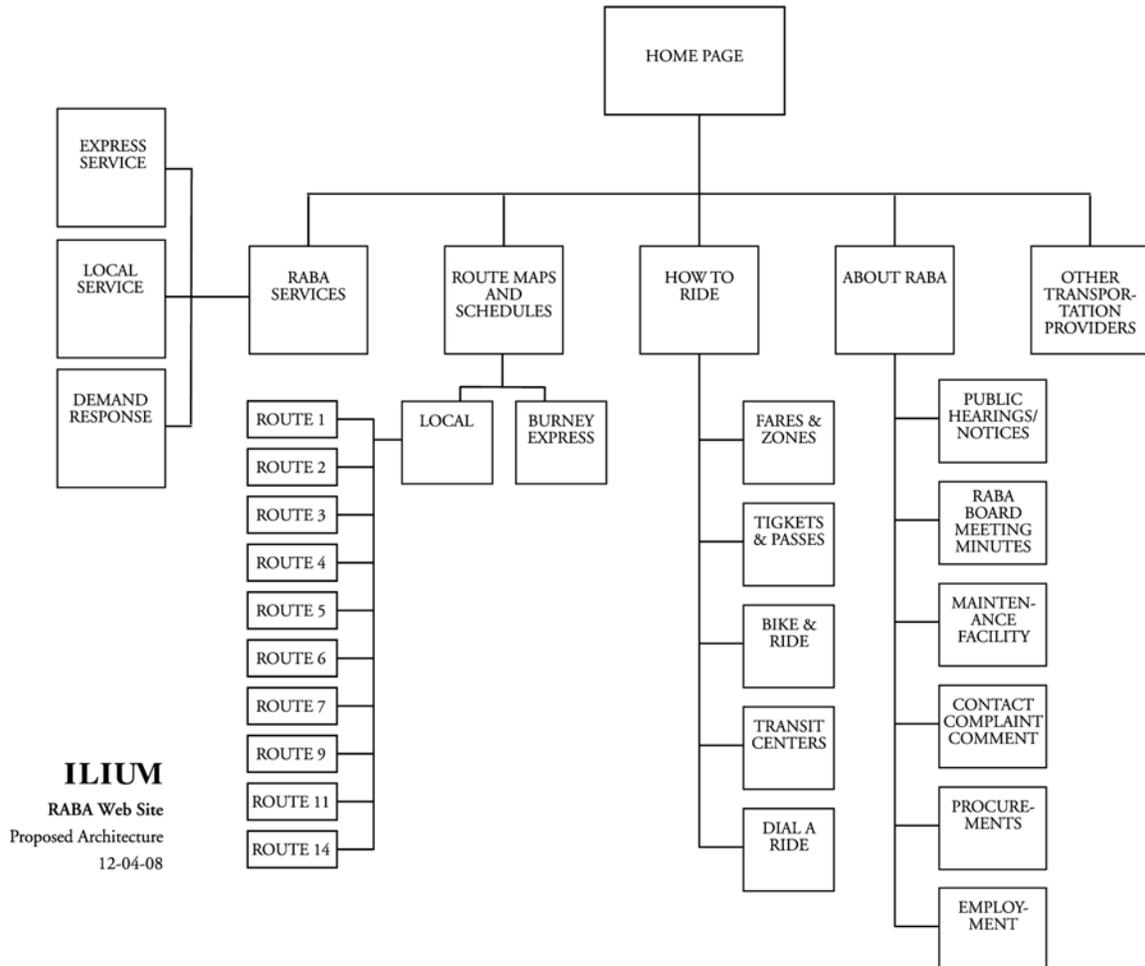
- RABA should develop and adopt service standards for the provision of its fixed route, express and para-transit services
- RABA should develop a fleet management plan to guide the future composition of its fleet and all future bus purchases
- On-time performance should be a key performance indicator of the service contractor in that it is a major factor in the riding decision
- RABA working with the City's Economic Development Department and the Chamber of Commerce should promote transit-oriented development to the development community, as the use of TOD strategies would improve land use
- RABA should act as coordinator of all social service transportation activities to eliminate or at least reduce duplicative transportation services that offer travel to essentially the same target markets
- A network of formal and informal park and ride lots strategically scattered about the RABA service area would help boost ridership as walking distances to fixed route services can be long and present an insurmountable obstacle to ridership

Recommendation--Web

Needs

- Current site needs improvement to be effective, improve usability, reduce frustration, increase service appeal
- Web is the most effective, least expensive option for providing transit information to the public

Proposed Revised Web Architecture



Market Information

As part of the Market Assessment Ilium reviewed a number of documents, conducted interviews and test phone calls, examined information materials and collected information from several secondary research sources. This information is presented in this section along with the market potential information from the recently completed Baseline Survey.

Market Characteristics

We use data from the American Community Survey because it is more up to date (2007) than the last census information. The American Community Survey is a Census Bureau product and it proves quite useful in defining market size and distinguishing characteristics relevant for transit market planning. The following are selected data with comments relating the data to RABA market planning. All of this information is for the City of Redding where the vast majority of the service is available. This does not mean that opportunities are limited to the City, but the Baseline Survey clearly identified the major opportunities for increasing ridership and revenue are in the City of Redding.

1. Households

- There are 36,000 households in the City. There are approximately an equal number of households with at least one person under 18 as over 65 (29%, 27%)
- The number of households with a person under 18: 10,500; households with at least one person 65 or older: 9,666
- We often target some of the marketing to households in addition to individuals as a decision to use transit can be made by a parent, or influenced by any number of household dynamics, particularly access to a working vehicle
- We often are able to deliver detailed service information to a household for about \$1.25 per HH. With 36,000 households the estimated cost to deliver RABA route/schedule information to every household would be \$45,000, or \$12,000 for senior households

2. Youth Market

- Several segments can define the youth market. The primary markets are for travel to school (under 18), and the market for shopping, after school activities and recreation by those that cannot drive and are old enough to use the bus alone. We define that as age 11-15.
- Unfortunately, our data sources do not neatly fit our age segments. From the American Community Survey data there are 12,200 youth in the City of Redding, age 10 to 19. Data from the local radio station defines the market as 12-17 and estimates it at 15,800 in the metro area
- We use an estimate of 10,000 for the 11 to 18 year old market split in half for the 11-15 and 16-18 segments.

3. Student Market

- The American Community Survey data defined the high school population in Redding as 4,700, and the elementary school population (grades 1-8) as 7,239, for a total of close to 12,000
- Making adjustments for age and car availability we estimate the school population for transit at 6,000
- If we could generate a 5% market share for travel to school we would generate 300 new riders who would typically create up to 12,000 monthly boardings (exclusive of transfers) during the school year

4. Commuter Market

- 56% of the Redding population 16 years or older is employed, or 40,000 people
- The number of women in the workforce is 21,000. We focus on women to define the market size for commuting via RABA because women more than men are more likely to consider the bus, and also have less access to a vehicle if there are two workers and one vehicle in a household

- A 2% increase in market share would generate 420 new daily riders, or 16,800 boardings a month, every month
- The breakout by employment category revealed little useful information because the category descriptions were too broad. They showed 33% in management, 32% in sales/office, 19% in service, 13% in retail trade and 25% in education/health care and social assistance.

5. Largest Employers

- The largest employer in the region is Shasta County with 1,900 employees. Next is Mercy Medical Center (1,600), then Shasta Regional Medical Center with 899, City of Redding (860) and Shasta College (700)
- Each of these represents a target of opportunity for a Commuter Choice, transit employee benefit type program, or customized program. The two medical centers offer the highest potential because they have a need to attract and retain a large number of employees, many making less than \$30,000 a year, and may have the greatest need to act faster than the college or local government. While the Mercy Medical Center is far larger than Shasta County MC it is poorly located being on a long hill and a sizable walk from the nearest bus stop. Shasta MC is in the center of town and easily reached by many RABA routes.
- The two governments offer opportunity as they employ many people with regular work hours, but at present they are cutting programs and services and are probably a long term target not an immediate one
- The college is on a RABA route but the routing is circuitous for many. The college administration will have to see a perceived need, such as being able to appeal to a greater number of student candidates, reducing the need for parking, supporting reduction of global warming or something else for them to pursue a U Pass arrangement

6. Travel Time to Work

- The mean travel time to work is 14 minutes
- Less than a 15-minute commute is fast. Commuting by RABA would easily be double that.
- As a result advertising communications will not be believed for speed or congestion, and will need to emphasize other attributes of travel by bus

7. Vehicle Ownership

- Among the 36,000 households in the City, 9% have no vehicle and 35% have only one vehicle (12,600). Even when we adjust the number for households with only one member, and include only one-vehicle households (assuming households with no vehicles have current riders), the statistic is significant for its size (approximately 10,000 households) and potential. Limited vehicle accessibility is a key to gaining riding consideration and overcoming barriers to riding such as travel time, service frequency and transferring

8. Disability

- 21% of the Redding population 5 years or older has a disability (how the percentage relates to ADA certification could not be determined); this equals 17,000 people in the City of Redding)
- The SRTP estimated 16,369 disabled people (5 years or older) in the service area, based on the 2000 Census
- 41% of the senior population has a disability (5,715 people) and the senior population is growing
- Demand response transportation costs five times more than fixed route (\$19.76 per passenger, \$4.21 per passenger)
- In the 2008-15 budget forecast, revenue from dial-a-ride transport was only scheduled to rise at 4% a year as compared to 8% for fixed route
- Based on the size of the disabled population and its future growth, there appear to be sizable potential demand for travel by the disabled, much more than the 4% projection

- Just a small change in the estimate for dial-a-ride use has the potential to overwhelm any other RABA effort to reach 19% farebox recovery, as well as have significant implications for the overall operating budget
- Marketing programs targeting seniors and the under 65 disabled population to ride fixed route transit are vital to attaining the 19% farebox goal

9. Changes in Residence

- 12% of the adult population has moved in the past year to another location in the County/City. This equates to 4,300 people
- When someone moves to a new residence there is an opportunity to gain a new rider (or retain an existing one). A marketing program targeting new moves may be worthwhile investment

10. Income

- 31% of the households in Redding have annual incomes under \$25,000, and 58% have incomes under \$50,000
- The mean retirement income is \$24,600
- Among renters, 56% pay more than 30% of their income to rent. Renters' incomes average about \$33,000 annually
- There are many people in the market with incomes where saving every dollar counts. Positioning RABA as a way to save money, as a good value for the dollar should generate consumer interest in the service
- Pricing related promotions should also motivate a large audience

Ridership Targets

Ilium believes there should be a direct link between proposed programs and specific ridership targets. It is also important to understand the number of people the Plan will need to motivate as a means for developing programs that fit the target number of customers, and for budget allocation.

Ilium examined RABA ridership numbers from May to August 2008 and used them for our baseline ridership assessment. In three of those four months there were 56,000 passenger boardings (one month was 5,000 less), and we have chosen to use 56,000 as our baseline ridership statistic.

This number reflects the number of times a person boards a bus in a month. Since marketing activities are directed to motivate individuals to act we translate this boarding statistic to a number of individuals, and we convert it to a weekday because a weekday time period relates to a marketing activity more effectively than a month.

We estimate 2,500 boardings on an average weekday by dividing the month ridership by 22 (20 weekdays and 4 Saturdays at half the weekday total).

To translate boardings to riders we used the transfer rate of 50%, as reported in the on-board survey work for the SRTP. This yields 1,250 weekday-originating riders. With most people making two trips a day on transit we estimate 625 people using RABA each day.

The 7-year RABA Financial Plan projected ridership growth at 8% annually, or about 50 new people riding RABA each day using the baseline of 625. Since most people do not ride every day the daily ridership target expands to a range of 100 to 150 people, based on assumptions for the number of trips people in the group may generate.

Fifty or 100 new daily riders may appear to be a relatively small number but that is deceiving. The RABA service area population is not growing at a fast rate, and there are no planned service improvements to entice new riders. The population is aging (increasing demand for dial-a-ride) and the economy has slowed to a standstill. Any one of these factors being reversed could aid ridership growth, as long as the service is convenient, dependable and safe. For the near term future, the 100 to 150 new riders will be people who are enticed to try the service and find it convenient to use.

Revenue Targets

We examine revenue in addition to ridership because we want to explore sponsorships and cooperative promotional opportunities.

The average monthly revenue from regular route service is \$50,000, or \$2,273 for an average weekday. The SRTP estimated the percentage of senior riders at 10% of the total, or about \$113 a day (at half fare, no zone charge). Youth (age 16 or less) ridership was estimated at 3%, or \$70 a day.

Both amounts are small, and should be affordable for a sponsor or retailer.

- Movie 10 theaters could sponsor a free ride Saturday for all youth for \$70
- A Safeway or Shasta Outlets could declare Wednesday as ‘seniors ride free day’, and pay less than \$500 a month
- A radio station could sponsor free rides for youth all summer for less than \$5,000, or the newspaper sponsoring ‘free ride Saturdays for all seniors’
- For \$2,500 there could be a free ride day for all riders (actually less considering monthly pass sales), or pay somewhat less and have ‘ride for a buck’ day. This could be paid by a merchant, the clean air agency, an employer or individual

Any of these ideas could be packaged in a proposal including bus advertising, web exposure, driver involvement and the like, and presented to a merchant or media outlet. The benefit to RABA is increased exposure, guaranteed revenue, ridership promotion and the association with a well-respected merchant that will aid the RABA image as well.

Service Convenience

To test the convenience of the current routing and schedule Ilium devised several sample trips that people might consider. We selected a trip to work, one to a high school, one to a retail location for a after school job, and one to Shasta College for these trip types represent prime travel markets for increasing RABA ridership. We used the 2008 Ride Guide to figure out the travel plans.

The analysis shows some potential but there are serious reservations. RABA schedules have not been devised to serve work or school trips, especially those outside of the downtown core or with early report times (as many people with limited car access seem to have). Service begins relatively late in the day, at 6:30 AM, and with the first buses scheduled from the downtown transit center (not where people start their AM trips), AM access is further limited. And, hourly service makes it more difficult for a person to match the bus schedule to an arrival time that is absolutely fixed (start of the work or school day).

There are a number of schools on Rt. 2 and that route has half hour service (clockwise, counter clockwise), even if there is some out of direction travel. Shasta Medical Center has good service as does the County/court offices, and any other employment within a several block walk of the downtown transit center. Access to Mercy Medical Center, the second largest employer in the region, is an issue because of the long walk up the hill from the bus stop.

Another finding concerns the Canby Road. TC. It is located in the heart of the regional retail-shopping district. This area is a major employer with many workers earning minimum wage or slightly more. For teens and seniors the area is a place to go for socializing and shopping. From the perspective of service convenience we see this transit center as important as the one downtown. Yet, the scheduling of the five routes serving the center are not at all coordinated. Each arrives and departs at a different time. This impedes access to jobs and shopping.

#1 Work Trip

The starting point is between Cedars Rd. at Branstetter, destination is Mercy Hospital. The routing is Route 3 to downtown then Rt. 2. Since this is a trip to work we selected the first departure of the day. The first trip on Rt. 3 begins at 630AM. It arrives at the trip origin at approximately 7:10 AM, arriving at the downtown TC by 7:30 AM for the transfer to Rt. 2 departing at the same time (we assume the transfer is timed and therefore could occur). This trip on Rt. 2 is in the counter-clockwise direction so the stop by the hospital is reached at 7:52 AM.

- A travel time of 42 minutes is considered to be competitive and not a barrier to trial
- The earliest the person could report is 8AM or shortly thereafter because the person must walk up the hill to the hospital and get to their office in the hospital, an 8:30 report is more likely. While we do not have shift times for Mercy Hospital most hospitals have early shift times, more like 6 AM or 7 AM.
- Rt. 2 operates clockwise and counter-clockwise on the hour and the half hour. This operation may serve people going to high schools on the other end of the route but adds about 15 minutes to the trip to Mercy Hospital for the particular trip we devised
- Shasta Medical Center although it has notably fewer employees than Mercy may offer the better potential. It is walking distance to the transit center and therefore has access by six routes without need for a transfer. The same trip to Shasta Medical center would have had the person arriving at 7:30 AM and then walking to the hospital in about 10 minutes.

#2 Shasta College Student with an afternoon job at K Mart

Shasta College is served by Rt. 7 every hour at 20 minutes past the hour. For our sample trip the person boards the 2:20 PM bus. This bus arrives at the Canby Road TC at 2:40 PM where the person must connect to Rt. 4 for the trip to K Mart. The next departure on Rt. 4 is at 3:22 PM. with an arrival at K Mart at 3:45 PM.

- This trip is not competitive, an 85 minute travel time would be a significant deterrent to riding
- The five routes serving the Canby Road center are not timed to connect. They arrive at :00, 15, 22, 40 and: 50 past the hour. Even though some routes are only 10 minutes apart, in the opposite direction that are 40+ minute wait
- The lack of a timed transfer effectively reduces the convenience and the market for serving destinations in the area unless they are walking distance (there are many retailers that are) or along the route of origin

#3 Travel to Shasta College (for work or school)

We did not set a specific time because the Shasta College market is for both employees and students. We wanted to examine travel times and access. The results were not positive although the Ride Guide does have a footnote stating 'additional trips during peak times' and that might mitigate the situation.

- Shasta College is served by Rt. 7 with arrivals at: 20 past the hour. The routing is direct from the Masonic Ave. TC, with departures on the hour.
- From the college Rt. 7 serves the Canby Rd. TC via a one way loop including Shasta View Dr., Old Alturas Rd. and Churn Creek Rd. Anyone boarding along this portion of the route going to the college would have to go out of direction to the Masonic Ave. TC before going to the college. Such a travel pattern would be a major impediment to someone wanting to go to the college from those portions of Rt. 7
- Rt. 1 and Rt. 14 serve Masonic Ave. TC in addition to Rt. 7.
- A person boarding Rt. 1 in Shasta Lake at 8:25 AM would arrive at the Masonic Ave. TC at 9 AM, and connect immediately to Rt. 7, arriving at the college at 9:20 AM. This is a travel time of about an hour and competitive in our opinion.
- Unfortunately, this is the only decent connection. The Masonic Ave. TC is in the middle of Rt. 14. If a person lived on the Hilltop Dr. portion of the route, they would travel to the transit center for the connection to Rt. 7. A person boarding at 9:05 AM on Hilltop Drive would arrive at the transit center at 9:12 AM and then wait until 10:00 for the next Rt. 7 departure to the college. A travel time of an hour and 15 minutes.
- From the downtown portion of Rt. 14, a person boarding on Benton Dr. at 6:35 AM (6:30 AM departure from downtown) would arrive at the Masonic Ave. transit center at 6:42 AM and depart on the 7 AM Rt. 7, arriving at the school at 7:20. A trip time of 45 minutes which is considered competitive.

- Five other routes leave the downtown transit center on the half hour, connecting to Rt.14. While those trips require a double transfer and some are out of direction, the total travel time of an hour or 70 minutes might be competitive for someone with limited access to a vehicle. The earliest report time for an employee with these routings would be 8:30 AM, because first buses departing at 6:30 arrive at the downtown center after their first trip at 7:30 AM.

#4 Travel to a Junior High School

We identified two, Sequoia on Sequoia Street and Parsons on Hartnell Ave. Both are on Rt. 5 and Parsons also appears to be walking distance from Rt. 4.

- Sequoia Middle School is 5 minutes from the downtown transit center, so in the eastbound direction a bus would travel by the school at 6:35 and 7:35. The 7:35 arrival would allow for transfers from other RABA routes. The westbound bus travels by the school at 7:25 AM.
- For Parsons Middle School the eastbound bus goes by at 7:45AM and the westbound at about 7:08 AM
- (Parsons via Rt. 4) Rt. 4 has a long loop in its routing and the stop near the school is close to the start of the loop. This effectively limits the access to the area along Churn Creek Rd. between Hartnell and the Canby Rd. TC, and transfer routes to the Canby Rd. TC. The first trip of the day leaves the transit center at 6:22 AM and arrives at Hartnell at 6:30 AM; the next trip arrives at 7:30. Rt. 7 also serves this transit center but the first trip arrives at 7:40 AM, too late to connect. Route 14 arrives at the Canby Rd. TC at 7 AM, for the connection to Rt. 4, so a middle school student residing on Hilltop Drive could get to school by 7:30 AM
- We recognize not knowing the class-start time for either school. If it is 8 AM there is some potential.

RABA Image Assessment

Ilium's Design Director and graphic design team examined the RABA image as represented by the logo, bus exterior graphic, bus stop design and user information (Ride Guide). The image must be relevant and have consumer appeal in order for RABA to generate awareness, consumer appeal and riding consideration. In numerous transit studies the bus exterior is the number one source of awareness for potential riders looking to investigate the service. Every impression made by the image is an opportunity to communicate to consumers about RABA's role and value.

Images have a design life, a period when the image looks fresh and retains its appeal. The typical lifespan of an effectively design transit image is 15 years.

- The RABA logo is a typo treatment only (no mark) that appears old and dated. This typography was current about 15 years ago, and like most typography of that age it is not longer fresh looking or appealing in 2008. An updated typographic treatment would increase consumer appeal and show residents and community leadership that things are changing for the better, and RABA is looking to be an effective, responsive, current public service
- The bus exterior design and color treatment are dated. They make the buses look older than they may be and the service unappealing. The graphic says RABA is not keeping up with the times, or is interested in appealing to new riders. The exterior bus graphic is the most important part of the image. It creates thousands of impressions every day, in the area where service is available.
- While the RABA name is prominently displayed on the bus stop sign, the location and size of the No Parking message reduces the sign's effectiveness and appeal. Effectively the sign is half bus stop and half parking enforcement. The parking element can be placed at the bottom of the sign and use the international symbol and still retain its function
- The map on the Ride Guide is easy to read and follow the routings. There should be a few minor changes including adding more activity centers including public middle and senior high schools. The schedule information must be re-formatted for it is impossible

to plan a trip using it. The overall graphic presentation should be changed to complement changes to the RABA graphic.

An enhanced image will put RABA in the position of re-introducing itself as a valued and respected public service in the community, and increase the likelihood that marketing promotions and related activities will generate consumer interest/response

RABA User Information Understanding

The RABA Ride Guide and information on the website are the major means by which a potential customer learns about the service and determines if the service fits their travel needs. The Ilium design and management team examined the Ride Guide and web information from the perspective of a person seeking transit information, looking for basic understanding of the service, and the ability to travel plan a simple trip.

The map on the Ride Guide was the one element that was easy to understand. Otherwise, the information was difficult, at best, to figure out. It was extremely confusing, time consuming and frustrating to try to figure out the scheduling, even after studying it for a very long time. And, the Ilium team knows transit and has a better understanding of routing/schedules than the typical citizen that would be seeking RABA information.

- The map presentation in the Ride Guide is relatively easy to follow, with a few exceptions. A few small improvements would significantly increase its effectiveness including adding more points of reference, adding time points to the routings, and adding a call out box at the Transit Center locations identifying the routes at that Center.
- The schedule information on the Ride Guide is poorly presented, confusing and is effectively useless in its present format. It needs to be completely overhauled, and we have developed an alternative format for consideration.
- Other information in the Ride Guide was OK but could be edited to improve tone and friendliness, and re-formatted to improve appeal
- The maps on the website were poor--difficult to understand, confusing and frustrating. You could not easily follow the routing. We have developed a new format including showing more activity centers, time points and all stop locations. Showing stop locations is important for it increases the customer perception of safety and dependability, and quickly identifies the closest place of service access.

To use transit service one must have a basic understanding of where it goes and when. Printed and web information provide this information and the means by which a prospective customer can make an assessment if the basic attributes of the service meets their needs. While some people will call and simply ask, others need to see the information to make the assessment and do so at their time and pace.

Customer Service Test Calls

Ilium made five phone calls to the RABA customer service number to get a sense how a new rider seeking information would be treated. Getting specific route and schedule information via phone remains the number one information source for most consumers.

We posed five different questions with the intent to examine the basic function, friendliness, and professionalism of the customer service being delivered, but not the accuracy of the information provided. Calls were made over several days and different times, so we did not know if it was the same person responding to our inquiries.

The overall impression was positive. The person answering the phone was helpful and while not overly friendly, they were professional and were well versed on the service.

- Most calls were answered 'Hello, RABA'. One was answered 'Thank-you for calling the ride', and one said 'Hello, RABA bus'
- Call endings were 'bye', 'ok', 'thank-you'
- All calls are answered by an automated message/menu. Once we pressed three, two of the calls were answered after five rings and one was picked-up right away after a recorded on-hold message. We were placed on hold for two of the calls, one for 9 minutes and one for a minute and 45 seconds
- One of the questions we presented had an incorrect piece of information, and the person quickly identified it and corrected us without making the caller feel stupid
- One of the questions asked what service was being operated on December 26, and the answer was 'regular service'. The correct response should have been 'regular weekday service'

We suspect that most of the calls to the information number are from current riders, and for that group the responses were more than adequate. But, a marketing campaign should generate additional calls to the information number and some re-training in call answering protocols and the needs of potential riders would appear to be a worthwhile investment.

Website Review

We had the Ilium Webmaster examine the RABA website and offer his review.

1. Overall

The navigation could be restructured such that the architecture of the site and the relationships between its parts is reflected therein. In a site this small and simple, proper navigational structure would virtually eliminate the need for a site search or a site map.

For those who know their route number, we can vastly speed up the user experience by offering quick links to all routes from the front page. This can be accomplished via select menus, flyout navigation or both.

Some of the terminology used for links may be a bit too technical or industry-insider-oriented for typical riders. The term "Fixed Route," for example, does little to explain to users what they will find behind that link. Link verbiage throughout the site should be descriptive for both human visitors and search engine robots.

2. Services

The relationship between the services listed and the route numbers that fall under them is not clear. For example, the "Fixed Route Service" page lists the areas served by RABA, but does not say what routes carry out those services. Likewise, the Downtown Transit Center page gives a brief history and description of the DTC, but only mentions three routes (one of which is Anderson Express, which I can't find mentioned anywhere else on the site - presumably this is not one of RABA's routes, and this could be clarified). This is one of several good places to list all the applicable routes and

cross-link them to their corresponding pages. Another place to do this would obviously be the aforementioned Fixed Route page. What routes are included in this group? Listing them and cross-linking them only provides clearer context for the rider on how the site - and the system itself - operate as a whole.

The Services page itself also gets in its own way by including links that are not technically services. For example, the first link here is the "Downtown Transit Center," which is not a service, but a hub in and around which the services operate. It may serve the users better if this was prominently listed in the "How to Use the System" area and/or an "About RABA" area instead.

Also listed on this page are "Other Transportation Providers," "RABA Board Meeting Minutes," "Contact Us/Feedback," and "Maintenance Facility." Since none of these items relate to a proper service of RABA, I'd be inclined to move them out from under the service umbrella and (with the possible exception of "Other Transportation Providers,") move them into an entirely new "About RABA" section.

The Services page should simply list RABA services and include a short description of each. Each of these would link to a home page for that service, which would have links to each route within that service.

3. Maps/Schedules

Each route would ideally be relegated to its own page, which would display a map and a condensed schedule that displays the days and hours of service, lists the key timepoints and specifies when the bus arrives at that stop. This gives the rider a quick visual overview of the route. This route page could then go into more detail, listing all the stops within the given route so riders can pinpoint the exact location of their stops and determine when they can board the bus at those locations. This could be described as the "inverted pyramid" method, giving the broadest and most important information first - for the users that know the area and would recognize their stop on a map at a glance - then continuing to focus in on more detailed information for those who may be less familiar.

4. Site Map

These can be handy, but with a site this small I'd choose to rely more on solid architecture. The navigation itself can double as a site map, and this function could be enhanced with the use of simple, one-level flyout menus that reveal themselves on rollover.

Redding Media

While Redding and Shasta County is a small market by national media standards, there are the typical media outlets as in any sized area. There are at least a dozen radio stations, billboards and shelter advertising panels, broadcast television stations, a daily newspaper and a number of weeklies, and transit exteriors. The web is available to people at work or at home, a mobile advertising display company and others. There is no significant cable television presence.

The radio and television market is defined as Chico, Red Bluff and Redding, the area in between and surrounding, and with Chico a bigger market the television news broadcasts are centered in Chico.

A review of advertising rates show costs in line with the size of the market being reached, which is relatively small. For example, five billboard displays reach half of the total market and cost \$3,250 a month. A radio buy targeting youth/teens was estimated at \$25 for one-60 second spot, with a \$1,000 expenditure reaching 33% of the listening market over a one week period.

These classic media opportunities are augmented by what have been labeled 'non-traditional' media by some including direct mail, event marketing, e-mail offers, sponsorships, etc.

Ilium believes both classic and non-traditional media have a role in the marketing of RABA. We recommend media based a number of factors, some based on our experience and others based on program objectives, target markets, timing and budget.

From our experience we view the selection of media for transit as part consumer marketing, part service marketing, part public service. The classic consumer marketing approach of executing a media campaign encompassing several types of media over a several month period to generate awareness and motivate use does not work. The decision to use transit is not made like the decision to buy a car or clothes or an appliance. Unless someone quickly loses access to a car (and this does happen, but its not a media campaign worth pursuing) the decision to use transit is made after careful consideration of the costs, benefits, convenience, service delivery and service appeal.

Awareness is required in any consumer decision process. Generating awareness for your product or service is the most expensive. Media bombards consumers with thousands of messages every day. To gain some measure of consumer retention an advertiser must be using multiple media sources and at a high rate of repetition, far greater than almost all transit agencies can afford, especially given the way transit purchase decisions are made.

Fortunately for transit, the bus exterior generates the same type of media impressions that radio, television, billboards and newspaper offer. The bus exterior is like an ad for transit that 'is always on', and the impression is made where the service is available (unlike the other ad media except billboards), and the largest number of impressions are made where the service is best (most routes, highest frequency).

This is why Ilium recommends for the generation of awareness, the image as presented by the service logo, exterior bus graphic design, and bus cleanliness) is by far the best choice and the most cost effective choice. The bus exterior is also the logical place to start for the communication of a number of other messages including positioning, service related, and promotional appeals.

A critical part of the consumer decision process is service knowledge, routes and schedules. This type of information can be most effectively delivered on the web, via newspaper (preferably as a insert tabloid) and direct mail, in additional to a robust retail and employer distribution network for the Ride Guide.

Radio is an effective media for transit marketing when the audience is targeted, the need is immediate, and there is a specific call to action. For example, if the target market is youth and the objective is the purchase of a monthly pass, radio can be an excellent choice. If every Wednesday seniors ride free, radio can be effective.

Newspapers have the advantage of being able to deliver in an ad a number of details that other media could not. Using transit requires a certain level of knowledge by the prospective rider and newspaper can accommodate the presentation of routings, departure times, offer details and the like. Seniors read newspapers frequently so communications targeting them should include newspaper.

Television offers high motivational impact and the ability to reach large numbers of people and to change opinion fast. It is relatively expensive to produce a memorable message. For transit it has been effective for major expansions in service, agency name changes, new modes and the introductions of a new image.

Market Potential

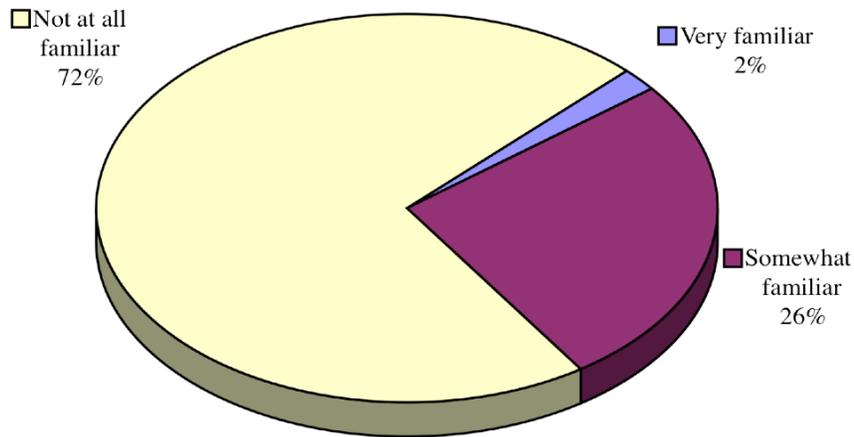
Ilium conducted a survey of residents in the RABA service area as part of the Market Assessment. The results of the survey were presented in a separate document. Important information on the potential rider market is presented as part of the Market Assessment.

1. Service Awareness

When non-riders* were asked how familiar they were with the service, over 70% stated Not At All Familiar. Only 2% were Very Familiar with the service.

- service familiarity is lowest among potential riders, indicating a need for more information and possibly indicating the group of potential riders is lower than reported

Service Familiarity, 2008



*defined as not having used RABA in past year

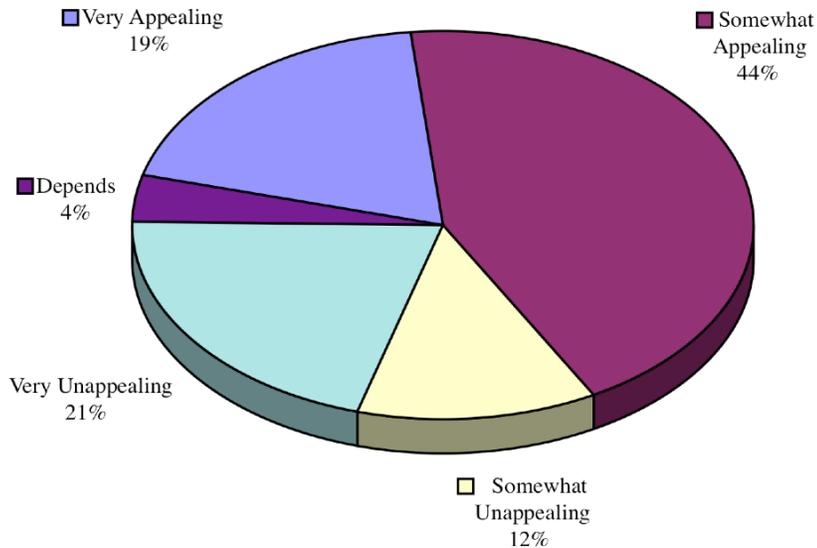
2. Non-Rider Service Consideration and Appeal

Among non-riders, 23% have considered riding RABA in the past year, a very favorable statistic.

Many of the group that has considered riding are female, and between the ages of 25 to 64 (also note fewer are seniors or younger). Each of the three cities is represented in the riding consideration group.

A second question asked about riding appeal in the context of riding RABA at some time in the future. The results show some riding appeal among non-riders, with one-in-five (19%) stating 'riding RABA at some time in the future' was Very Appealing and an additional 44% Somewhat Appealing. The group rating riding in the future as Very Appealing group is predominately female, resides in Redding and is older (50+).

Service Appeal, Non-Riders, 2008



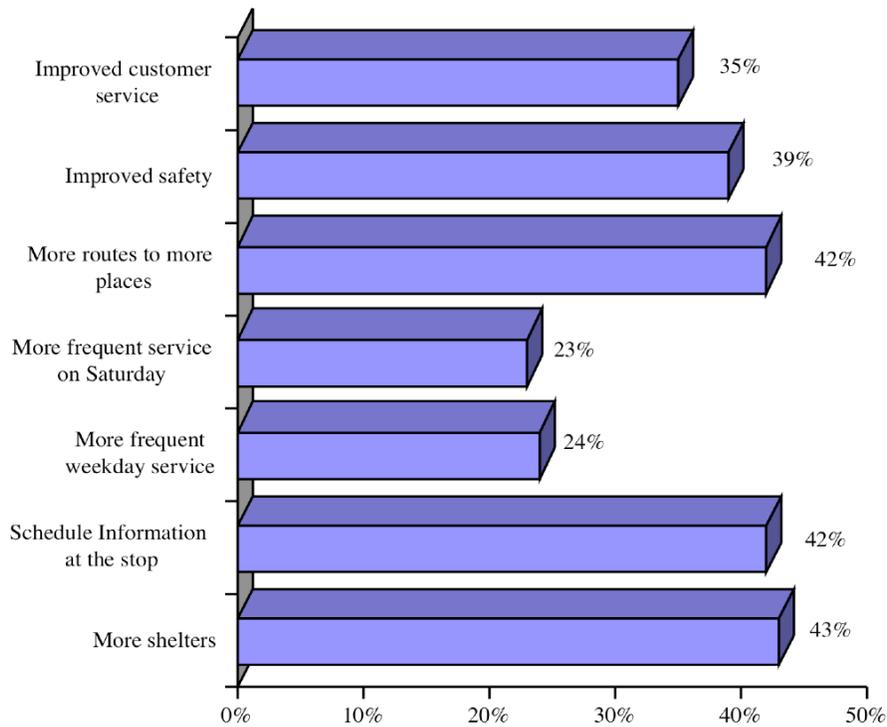
3. Non-Rider Service Preferences

Non-riders were asked to rate a number of proposed improvements using a scale from highest to lowest priority. The chart displayed next shows the percentages for those indicating the highest priority.

The top three preferences are more shelters, more routes to more places and schedule information at the stop. Improved frequency of service, either on weekdays or Saturdays, was not a high priority among the non-rider group. We also note that improved safety was rated highly, corresponding to the high scores for shelters (which provide a perception of safety) and information at the stop (relates to on time performance and safety).

- 'more shelters' was rated as the highest priority much more by women than men (53%, 30%). It was also highly rated by those age 50-64
- more schedule information at stops was also rated highly by those 50-64, and nearly equally by men and women
- improved safety and security was rated highest by those 50 to 64, and surprisingly slightly more by men than women (43%, 36%). Among the three cities, Anderson residents rated safety and security the highest
- among the three cities, more routes to more places was rated the highest by Redding residents
- men more than women rated improved customer service as a higher priority

Service Priority, Non-Riders, 2008

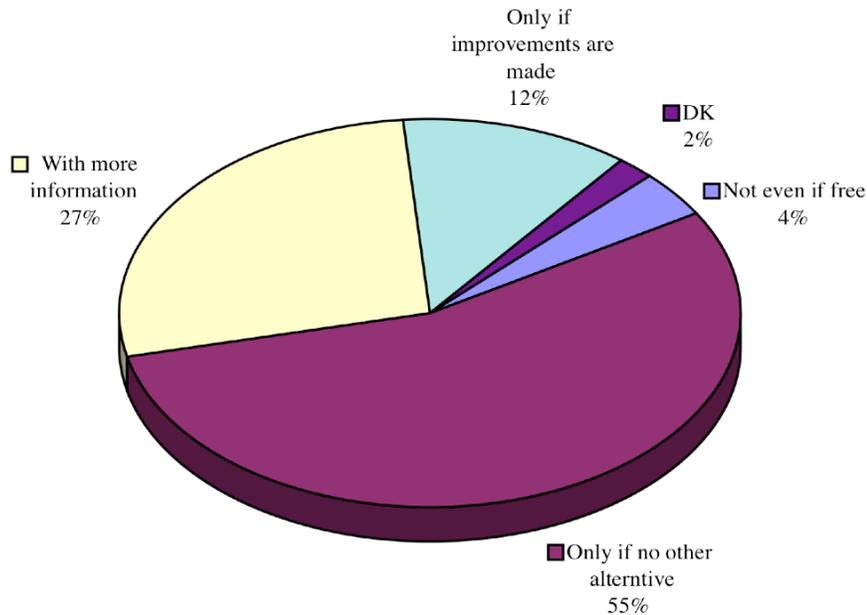


4. Service Potential

Potential riders were identified by asking non-riders their attitude toward riding in the future if improvements were made in RABA service. The improvement was not specified but could be among a range of items including additional frequency or new routes, more information, additional shelters, improved customer service, etc.

The results show a sizable group of non-riders with some interest in riding, with one-in-four (27%) inclined to ride RABA if they receive more information. An additional 12% would consider riding 'only if improvements are made'. We use the first group to define the size of the potential rider market for the term 'with more information' implies increased marketing and communication and not the more expensive improvements in routes or service frequency. Also, since those under 18 were not interviewed this group of potential riders does not include youth. The 27% potential rider group translates to approximately 23,000 people in the service area.

Potential Riders, 2008

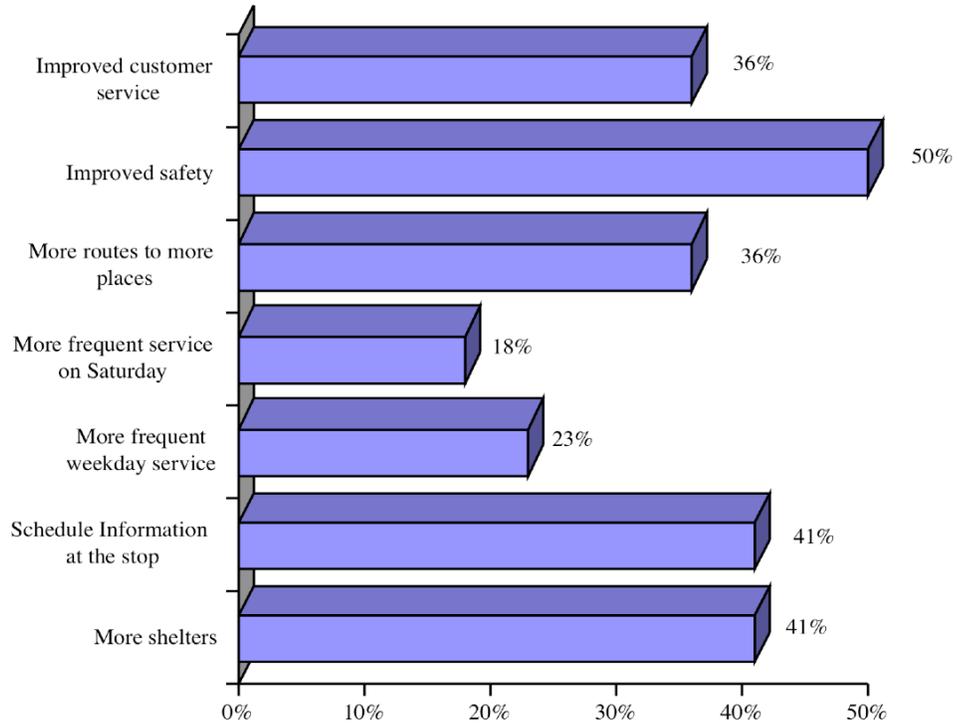


The potential rider group is slightly more women than men (55% to 45%), while 64% reside in Redding, 18% in Anderson and 14% in Shasta Lake.

- 86% are not at all familiar with RABA service near their home
- they already have a positive attitude toward riding. They rated the current service highly at 3.33, and 64% find the idea of riding Somewhat Appealing with an additional 27% see it as Very Appealing
- 68% are regular newspaper readers
- 18% do not know the name of the bus service
- in addition to seeing transit as 'for those without cars', they view 'saves gas' as a reason for supporting transit
- only 23% are currently traveling to work three or more days a week
- they are more likely 55 to 64 years of age than any other age group

Improved safety and security is their number one preference for improving service. Also highly valued are more shelters and information at the bus stop, both of these improvements also relating to perceptions of safety and a sense of security.

Potential Riders Service Preferences, 2008



2008 Baseline Survey Report

Introduction

A survey of residents in the area encompassing the cities of Redding, Anderson and Shasta Lake was conducted in early October 2008 for the development of the RABA marketing program and as a baseline measurement for program evaluation. A second companion survey will be scheduled at the conclusion of the first year of the marketing program. This will be used to measure changes in consumer awareness, attitudes, household penetration and willingness to consider the bus, and aid the development of the marketing program for years 2-5.

A total of 100 residents of Redding, Anderson, Shasta Lake and the area in between were randomly selected and participated in a 10 minute telephone interview. An interviewee had to be 18 years or older, and a resident of the area. While 100 interviews does not allow for much in-depth data analysis, this number of interviews does allow us to portray the marketplace for transit with enough accuracy to develop an effective marketing program and to evaluate it.

This Benchmark Survey is the second transit-related survey of area residents in the past two years. Another community survey was conducted in October 2006 as part of the Short Range Plan. This work interviewed a total of 391 people 16 years or older, and the results are referenced in this document as appropriate.

At the time the interviewing was conducted the price of gasoline was quickly coming down from its peak in 2008, having increased by \$2 a gallon or more in less than a year. In the period prior to and during the interviewing the economy was declining and the public was experiencing the shock of banks failing and stocks rapidly declining. Those major events do not appear to have influenced people's opinions of RABA and may or may not have influenced opinions on riding consideration and willingness to ride.

This memo presents the results of the tabulations and analysis, and is organized by four sections: Community-Wide Findings, Non-Rider and Potential Rider, Media and Characteristics. The questionnaire and complete data file have been enclosed as attachments.

Community-Wide Findings

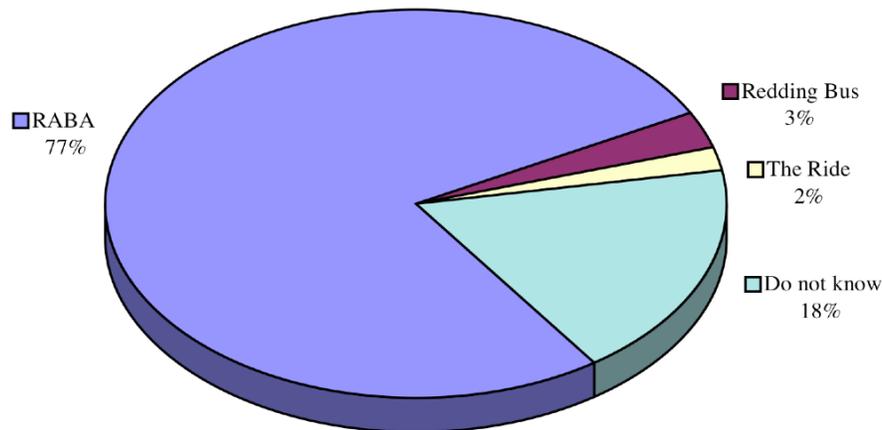
This section includes findings on community opinion on name awareness, use, ratings of the service, and transit value.

1. Name Awareness

RABA has a high level of awareness of its name among area residents with over 80% knowing the formal or informal name of the service. In the 2006 survey the percentage for name awareness was 86%.

People age 50-64 have the highest awareness of the RABA name at 94%, while seniors (65 or older) have the lowest (57%). Among the three areas, name awareness is highest in Shasta Lake (100%) and lowest in Anderson, but still at a high level in Anderson at 73%. In Redding, RABA name awareness is 80%.

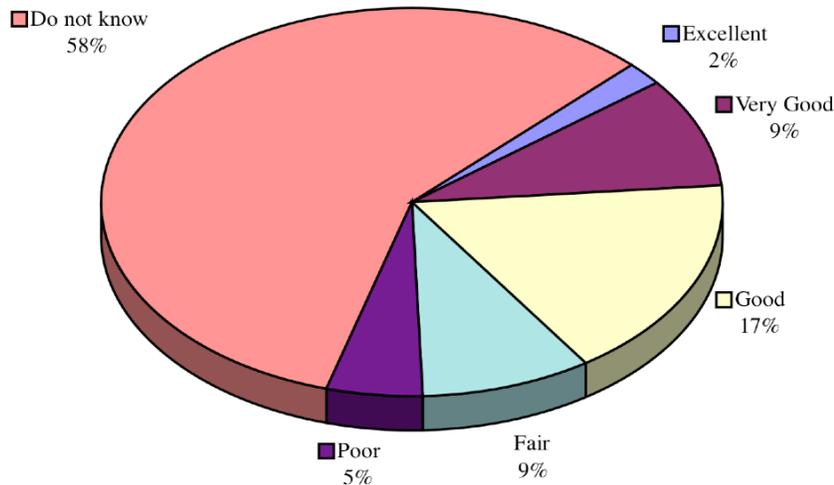
Name Awareness, 2008



2. Service Rating

While most residents know the name of the service, relatively few know enough about the service to even rate it. Nearly six-in-ten residents (58%) do not know enough about the service to rate it. Among those that do know, the ratings are split 28% positive (Excellent/Very Good, Good) and 14% less than favorable (Fair/Poor). The results translate to a mean score of 2.86 using a five-point scale where a five is Excellent and a one is Poor. A score below 3.00 indicates the average of all scores is less than Good, and that finding is not all positive.

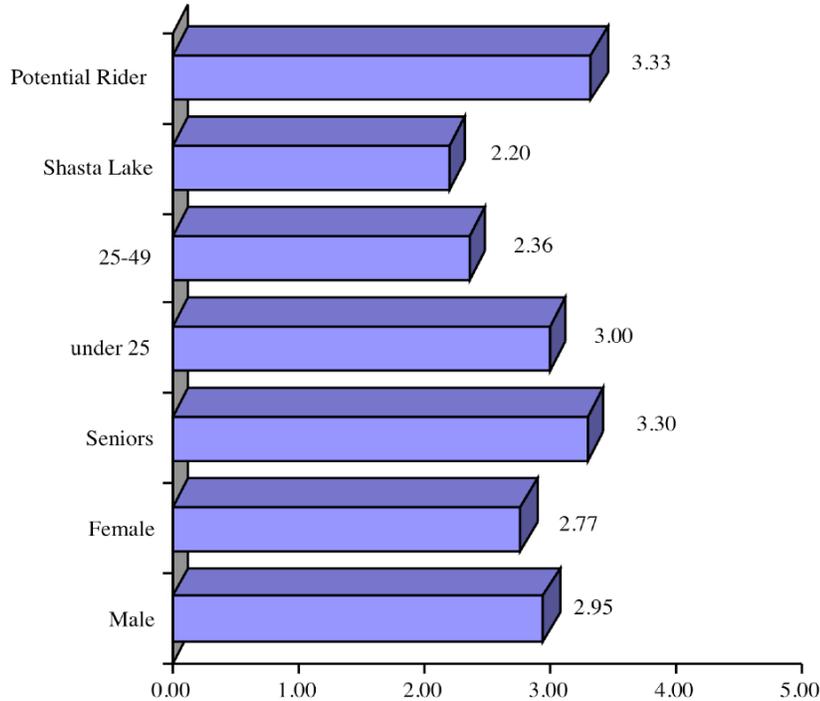
Service Rating, 2008



A number of important findings are revealed when the service ratings mean scores (among those that can provide a rating) are examined by various segment.

- men rate the service higher than women. This is an unusual finding for transit as women typically rate the service much higher than men. This may be for any number of reasons including perceived safety, a poor experience with the service in the past, or just word-of-mouth information
- among all the age groups, seniors rate the service the highest at 3.30. A 3.30 rating is relatively positive and indicates seniors could be a target market
- Shasta Lake residents rate the service the lowest among the three areas, at a very low 2.20. Since there is only one route to Shasta Lake, this would indicate some issues with that route
- potential riders, defined as those willing to ride currently provided service (without further improvements) rate the service positively at 3.33. This finding indicates this group is generally satisfied with current service and only needs motivation and additional information to consider riding

Service Rating, Market Segments, 2008



3. Market Penetration

Market penetration is the percentage of people and/or households that have used the bus service in the past year. The statistic is important because it defines experience with the service encompassing a level of awareness, service knowledge and riding experience. The results show close to one-in-five adults (18%) have used the service in the prior year, and an additional 12% have another household member with recent riding experience. This is the same percentage as identified by the survey work for the Short Range Plan.

This level of riding experience is a very positive finding as, by comparison, market penetration in places similar in size to Redding with a percentage in the low teens is not unusual.

This riding group (18%) is equally men and women, and all age groups are represented. Two-of-three reside in Redding, and 17% reside in Shasta Lake (more than in Anderson).

4. Benefits of Public Transit

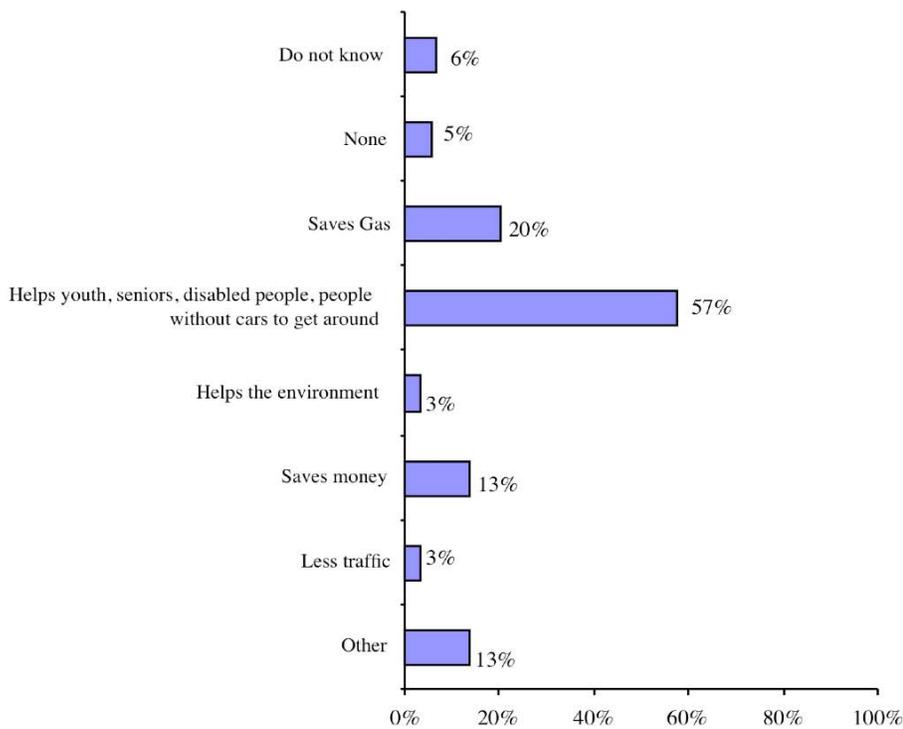
When asked what the greatest benefits are (if any) to having a public bus service in the area most people say it is for people without access to a car, with some specifying seniors, youth and the disabled. The influence of the spike in gasoline cost is also evident with 20% of the responses referencing saving gas.

These results are similar to those from the Short Range Study. In that survey respondents viewed public transit as providing mobility to seniors and the disabled, and for those with a low income. Yet, there were many more references in that survey to transit helping reduce traffic congestion, and transit helping preserve air quality.

Several of the opinions were different based on gender or age.

- people 55 to 64 mentioned a benefit of transit service as ‘for seniors, youth and disabled’, while relatively few seniors gave this reason. Seniors referenced people without cars, without mention of age or disability
- men tended to give broad responses while women were more specific. For example, women specifically mentioned youth, seniors and the disabled as a reason for transit service while men were generic, stating ‘for people without cars’
- No interviewees in Anderson mentioned ‘saves gas’ while 21% in Redding mentioned it

Public Transit Benefit, 2008



Non-Rider and Potential Riders

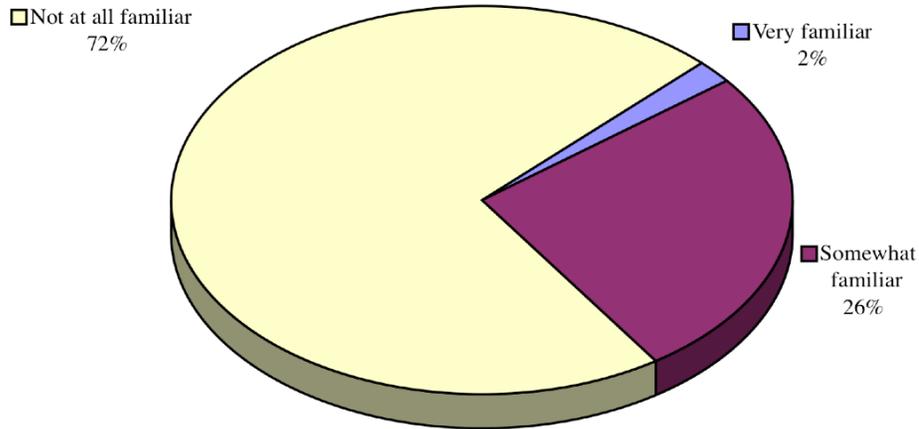
This section presents results from non-riders, defined as people who had not used transit in the past year, and information on potential riders.

1. Service Awareness

When non-riders* were asked how familiar they were with the service, over 70% stated Not At All Familiar. Only 2% were Very Familiar with the service.

- service familiarity is lowest among potential riders, indicating a need for more information and possibly indicating the group of potential riders is lower than reported

Service Familiarity, 2008



* defined as not having used RABA in past year

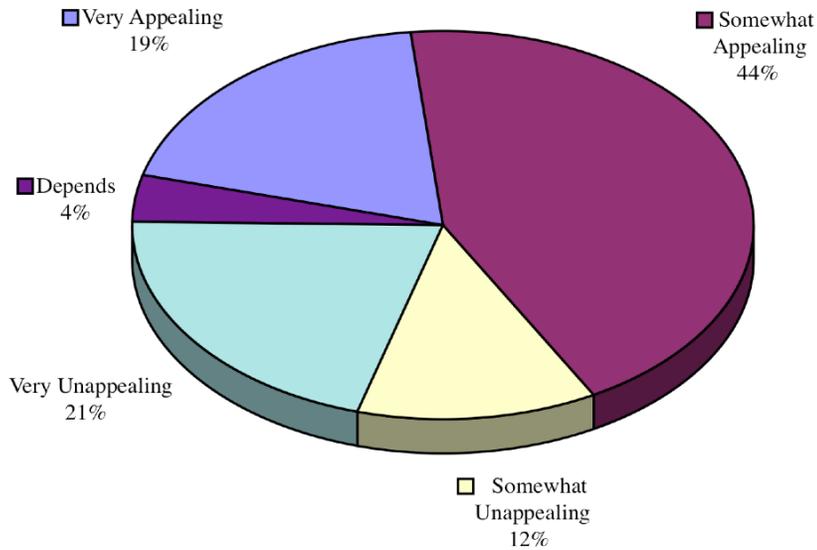
2. Non-Rider Service Consideration and Appeal

Among non-riders, 23% have considered riding RABA in the past year, a very favorable statistic by comparison to similar size transit markets where riding consideration could be half as much.

Many of the group that has considered riding are female, and between the ages of 25 to 64 (also note fewer are seniors or younger). Each of the three cities is represented in the riding consideration group.

The idea of riding RABA at some time in the future has some appeal among non-riders. One-in-five (19%) stated it was Very Appealing and an additional 44% Somewhat Appealing. The group rating riding in the future as Very Appealing group is predominately female, resides in Redding and is older (50+).

Service Appeal, Non-Riders, 2008



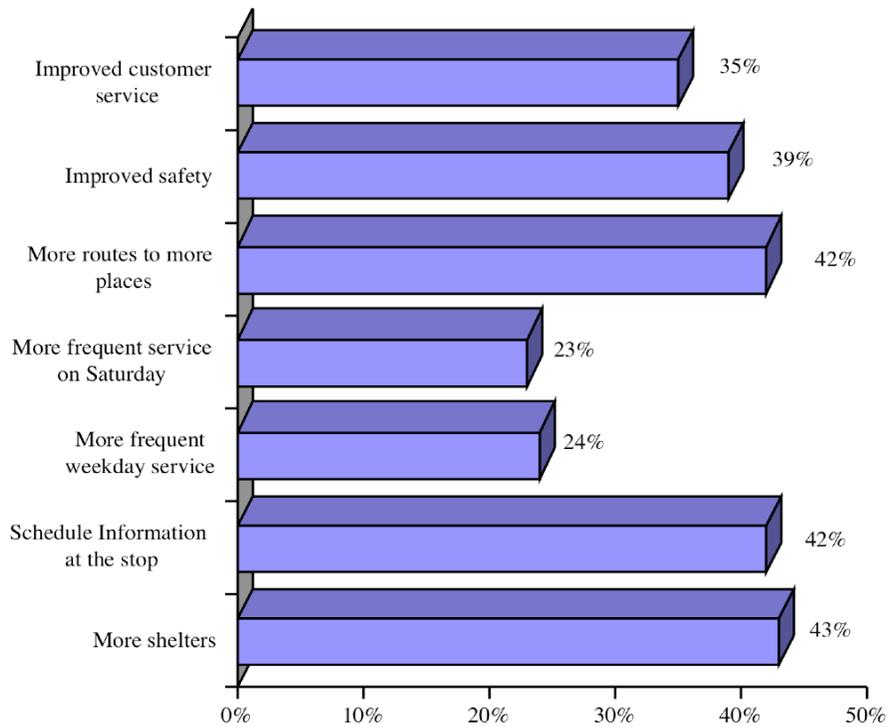
3. Non-Rider Service Preferences

Non-riders were asked to rate a number of proposed improvements using a scale from highest to lowest priority. The chart displayed next shows the percentages for those indicating the highest priority.

The top three preferences are more shelters, more routes to more places and schedule information at the stop. Improved frequency of service, either on weekdays or Saturdays, was not a high priority among the non-rider group. We also note that improved safety was rated highly, corresponding to the high scores for shelters (which provide a perception of safety) and information at the stop (relates to on time performance and safety).

- more shelters was rated as the highest priority much more by women than men (53%, 30%). It was also highly rated by those age 50-64
- more schedule information at stops was also rated highly by those 50-64, and nearly equally by men and women
- improved safety and security was rated highest by those 50 to 64, and surprisingly slightly more by men than women (43%, 36%). Among the three cities, Anderson residents rated safety and security the highest
- among the three cities, more routes to more places was rated the highest by Redding residents
- men more than women rated improved customer service as a higher priority

Service Priority, Non-Riders, 2008

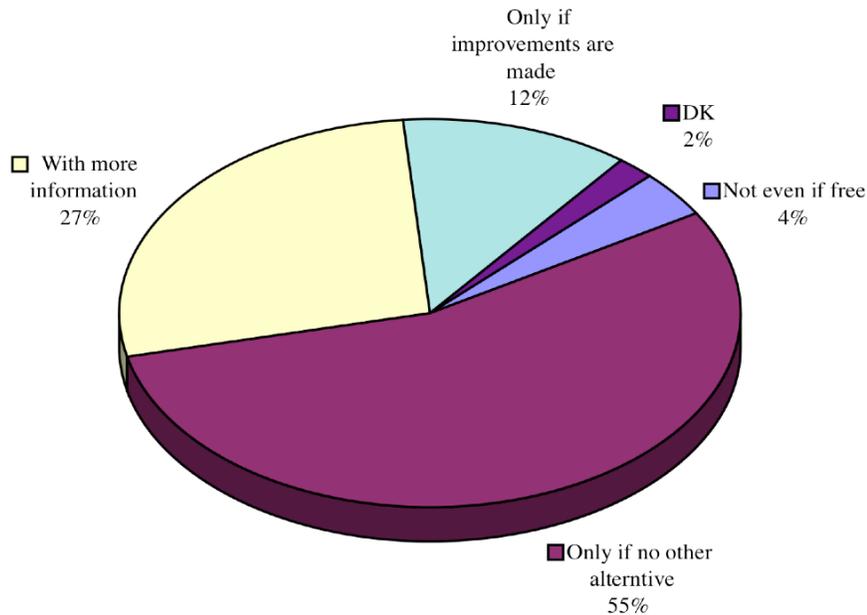


4. Service Potential

Potential riders were identified by asking non-riders their attitude toward riding in the future if improvements were made in RABA service. The improvement was not specified but could be among a range of items including additional frequency or new routes, more information, additional shelters, improved customer service, etc.

The results show a sizable group of non-riders with some interest in riding, with one-in-four (27%) inclined to ride RABA if they receive more information. An additional 12% would consider riding 'only if improvements are made'. We use the first group to define the size of the potential rider market for the term 'with more information' implies increased marketing and communication and not the more expensive increases in routes or service frequency. Also, since those under 18 were not interviewed this group of potential riders does not include youth. The 27% potential rider group translates to approximately 23,000 people in the service area.

Potential Riders, 2008

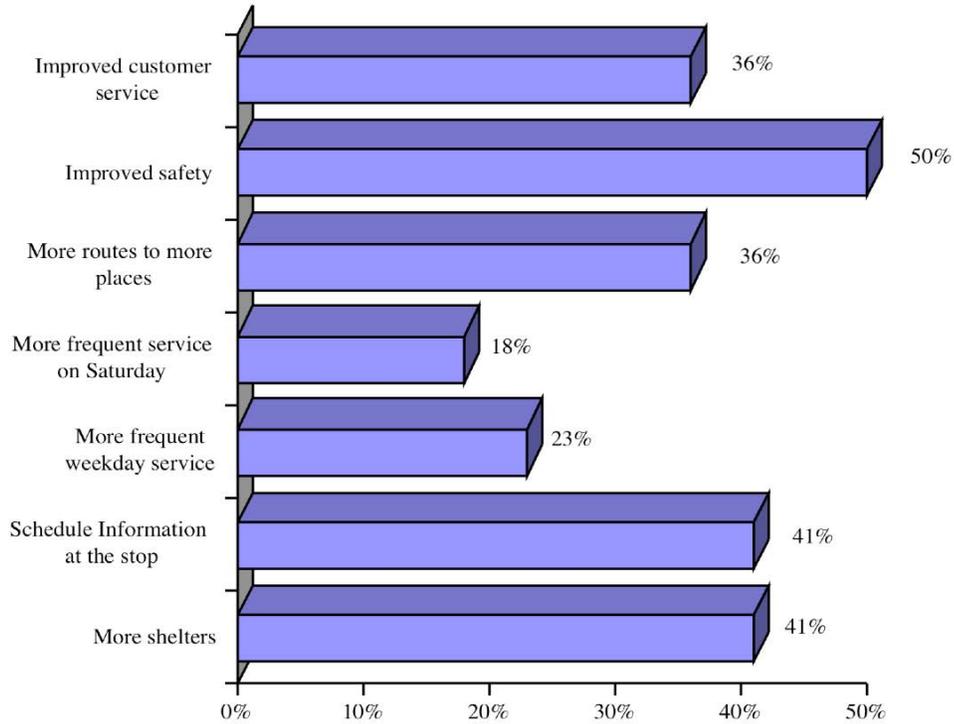


The potential rider group is slightly more women than men (55% to 45%), while 64% reside in Redding, 18% in Anderson and 14% in Shasta Lake.

- 86% are not at all familiar with RABA service near their home
- they already have a positive attitude toward riding. They rated the current service highly at 3.33, and 64% find the idea of riding Somewhat Appealing with an additional 27% see it as Very Appealing
- 68% are regular newspaper readers
- 18% do not know the name of the bus service
- in addition to seeing transit as 'for those without cars', they view 'saves gas' as a reason for supporting transit
- only 23% are currently traveling to work three or more days a week
- they are more likely 55 to 64 years of age than any other age group

Improved safety and security is their number one preference for improving service. Also highly valued are more shelters and information at the bus stop, both of these improvements also relating to perceptions of safety and a sense of security.

Potential Riders Service Preferences, 2008

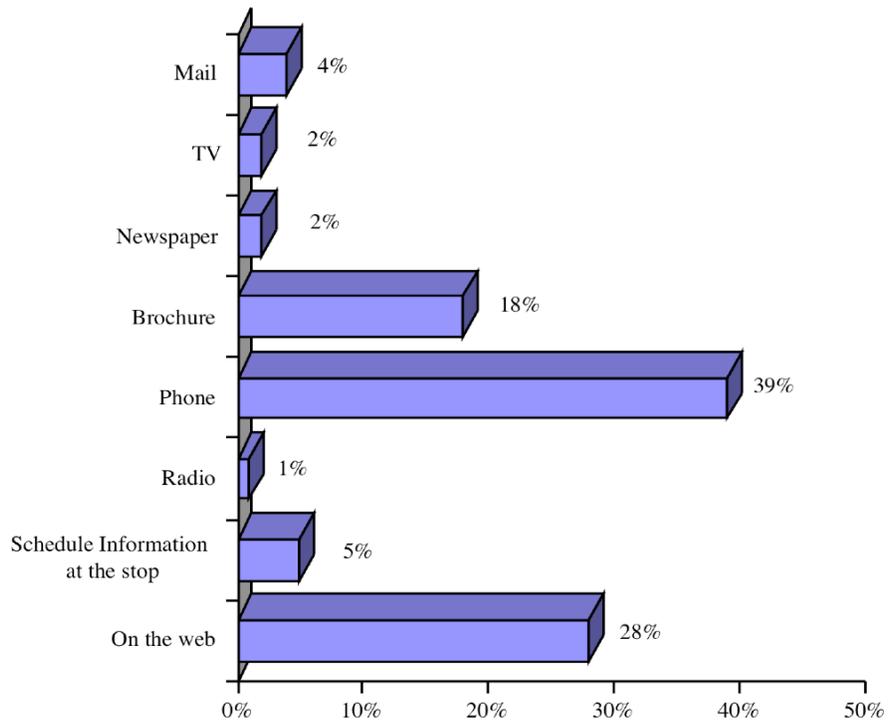


Media

Several survey questions referenced media including the best ways to get transit information, as well as newspaper readership and radio listenership. Most of the respondents, including those showing willingness to ride in the future, read a local newspaper regularly (67%). People who commute to work or school, a possible target market for new riders, listen to the radio on their way to work/school (90%).

When asked about the best way for them to get transit information when they wanted to ride the bus, telephone and on the web were the clear favorites.

Information Preference, Non-Riders, 2008



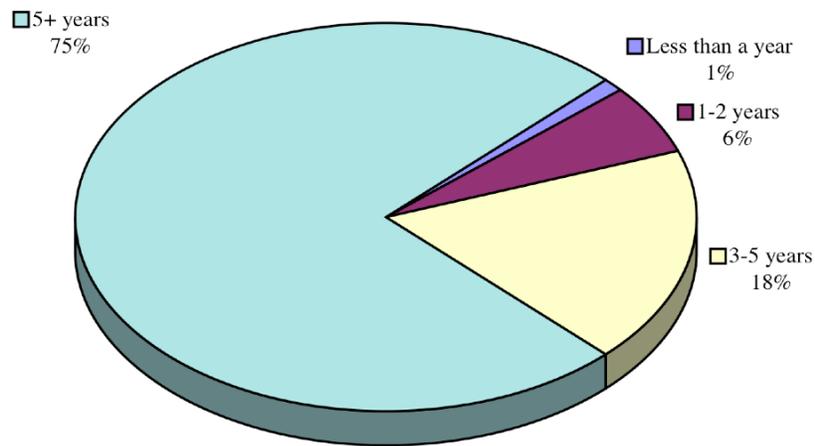
Characteristics

Respondent characteristics are presented next.

1. Residence in Area

The area population is very, very stable with 75% of the residents residing in the area for more than five years, and 93% residing in the area three or more years. This implies their association with bus service and RABA is a long-standing one and convincing them to try the service will be more difficult than if there were more newcomers in the service area population.

Length of Time in Area, 2008



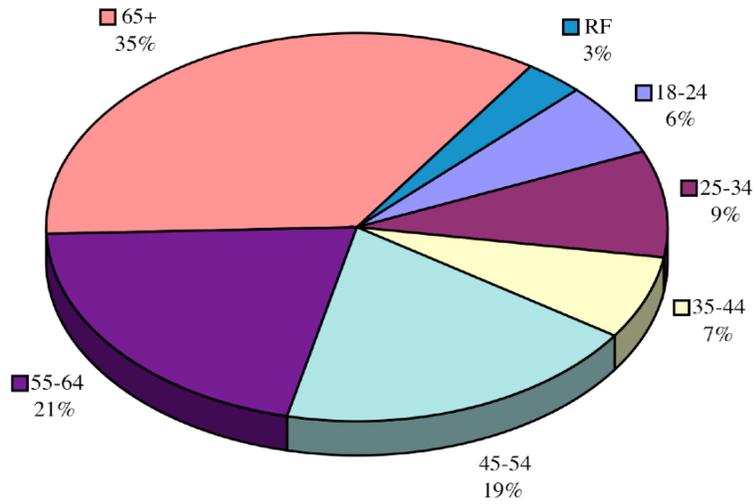
2. Youth in Household

A total of 13% of the households had a youth in the household, defined as someone 12 to 17 years old. Most (69%) of the adults in the household would allow this youth to ride the bus to school, activities or to visit a friend. Only 15% would not, with the remainder not sure.

3. Age

The interviewees were older with 35% being seniors (65+) and an additional 21% between 55 and 64.

Age, 2008



4. Residence

Seven--in-ten (71%) of the interviewees reside in Redding, 15% in Anderson, 7% in Shasta Lake and 7% in between one of these areas.

5. Gender

The interviewees were split 55% female, 45% male.