

**Transportation Report to
Priorities and Finance Committee**

2018 June 28

**ISC: UNRESTRICTED
(PFC2018-0776)
TT2018-0905**

Page 1 of 8

Bus Rapid Transit Network Marketing Strategy (PFC2018-0776)

EXECUTIVE SUMMARY

The City is building four Bus Rapid Transit (BRT) routes that will fill important gaps in the rapid transit network, and provide efficient, reliable and convenient transit service for Calgarians. The new network will serve key travel destinations and enhance cross-town transit connections, supporting a diversity of trip types and providing major improvements in the speed, reliability, convenience and customer experience of travel options. These routes will provide enhanced public transportation to 53 Calgary communities with a combined population of 320,000 people. As part of the implementation, Calgary Transit is also reviewing 25% of existing bus routes to develop a more effective bus network that makes efficient use of the BRT infrastructure investments.

Given the significant investments in improved transit service and infrastructure across the city, and the large number of current and potential new customers that will have new/revised transit options as part of BRT implementation, it will be important to effectively communicate the scope of the network changes to Calgarians, as well as promote the enhanced service to increase awareness and attract new customers. Transit industry best practices and case studies have demonstrated unique branding and targeted marketing are beneficial to effectively communicate the higher value of BRT service options and attributes, and attract more new users and retain existing riders.

Administration evaluated multiple options in the development of the BRT network marketing strategy. The marketing and communications tactics outlined in the recommended Option 2 support existing customers through significant route changes, while also increasing awareness of the BRT service, promoting the brand and important value dimensions, using industry best practices and expanding audience reach. This option provides a balanced approach to meeting the overall marketing strategy goals and maximizing return on investment given current financial constraints.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee recommend that Council approve funding option 2 and allocate \$366,000 to Calgary Transit Program 110 from the Fiscal Stability Reserve for the Bus Rapid Transit Network Marketing Strategy.

PREVIOUS COUNCIL DIRECTION / POLICY

At the 2013 January 14 Combined Meeting of Council, report TT2012-0833, RouteAhead: A Strategic Plan for Transit in Calgary, was approved containing the Bus Rapid Transit (BRT) network as a short-term priority for expansion of the rapid transit network.

Action Plan 2015-2018 allocated capital funding to the commencement of the BRT network through Program 566.

BACKGROUND

The City is building four Bus Rapid Transit (BRT) routes that will fill important gaps in the rapid transit network, and provide efficient, reliable and convenient transit service for Calgarians. As outlined in RouteAhead – A Strategic Plan for Transit in Calgary, the BRT network is an important part of The City's overall transportation plan and will provide Calgarians with

Bus Rapid Transit Network Marketing Strategy (PFC2018-0776)

significantly improved options to travel across the city using public transit. The service is an important investment to accommodate the evolving travel needs of Calgarians, as well as the city's current and future growth. The 17 Avenue S.E., North and South Crosstown BRT routes will begin service in fall 2018, and Southwest BRT will begin service in 2019.

BRT is a fast, reliable bus service achieved through infrastructure improvements such as dedicated bus lanes, transitways and transit priority at traffic signals (queue jumps, signal priority). It is a cost-effective and flexible approach to providing a high quality rapid transit service, at a lower construction cost than Light Rail Transit. BRT routes have fewer stops than a regular bus route, allowing them to travel farther in a shorter amount of time while still directly connecting customers with major destinations.

The City of Calgary's BRT network includes both enhanced service and infrastructure. There has been significant planning and engagement work conducted on the BRT projects, and the network has been adapted to suit the needs of the communities and the customers it will serve. The new network will serve key travel destinations and enhance cross-town transit connections, supporting a diversity of trip types and providing major improvements in the speed, reliability and convenience of travel options. In addition to improved service attributes, there have been significant enhancements in customer experience amenities such as larger platforms and shelters (BRT stations), heated shelters, improved lighting, and next bus arrival time information. The four BRT routes will provide an enhanced level of service to 53 communities containing 320,000 people. Ridership on these BRT routes is expected to grow to over 30,000 passenger trips per day by 2024.

As part of the BRT network implementation, Calgary Transit is reviewing 25% of existing bus routes to develop a more effective bus network that makes efficient use of the BRT infrastructure investments. The 2018 Transit Service Review is ongoing and focused on the catchment areas around 17 Avenue SE, North and South Crosstown BRT. In total, these existing routes serve over 70,000 passenger trips per day across 99 communities.

Given the significant investments in improved transit service and infrastructure across the city, and the large number of current and potential new customers that will have new/revised transit options as part of BRT implementation, it will be important to effectively communicate the scope of the network changes to Calgarians, as well as promote the improved connectivity, convenience, reliability and customer experience amenities to attract new customers. Industry best practices and case studies have demonstrated that enhanced marketing approaches are required to most effectively communicate the higher value of BRT service options and attributes, and consequently attract more new users and retain existing riders. This includes unique branding for the rapid transit service and stations, as well as targeted marketing strategies to distinguish the enhanced service. These efforts seek to create positive awareness and perceptions, and promote user (e.g. cost, convenience, efficiency) and societal (e.g. environmental, social) benefits.

Overall, the goals of the marketing strategy for Calgary's new BRT network are:

1. To inform existing Calgary Transit customers about the significant changes to their current bus route network, and which revised transit options are best for them.
2. To inform existing Calgary Transit customers about the enhanced BRT service and customer experience amenities that are being implemented.

Bus Rapid Transit Network Marketing Strategy (PFC2018-0776)

3. To increase ridership by attracting new customers and increasing usage from occasional transit customers, through improved awareness of the enhanced value of the BRT service among Calgarians.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Marketing Calgary's BRT

The City of Calgary is looking to build awareness around the benefits and improvements offered by the new BRT routes and supporting route changes, in order to encourage more Calgarians to try out the new service. Marketing Calgary's BRT will include the following:

- Naming the BRT service
- Branding campaign
 - Tactical deployment
 - Success measurements and feedback

The following provides a summary of key BRT rider benefits and attributes, which also directly relate to the most important value dimensions for public transit service noted from Calgary Transit Customer Satisfaction and Non-User surveys, and One Calgary citizen and business engagement (reliability, safety, value for money/quality, convenience):

1. Convenience – Fewer stops, signal priority, queue jumps, dedicated lanes, next bus arrival time displays.
2. Travel Time and Reliability – Use of Transit Priority infrastructure gets customers to destinations faster and more reliably.
3. Comfort and Safety – Enhanced CCTV, enhanced lighting, heated shelters, larger platforms.
4. Connections – Access to more major destinations, fewer transfers to get to final destinations.

Naming the BRT service

Research was conducted to evaluate other municipalities' BRT implementations along with best practices for transit. Municipalities across the country have launched BRT service to meet transit challenges. Transport Canada's (Urban Transportation Showcase program, 2008) evaluation of BRT program launches and services included the following best practices:

1. Create a separate identity: It is important to clearly delineate the enhanced service as a signature offering that is different from regular bus service. This helps to establish or brand the service as a premium transit offering and has been shown to help attract non-transit users. A distinctive name, logo and colour scheme or graphics is recommended for stations, printed materials, and potentially vehicles..
2. Focus on the positive and unique features of the service: Communications and marketing should emphasize the unique and higher value features of the service such as speed, reliability, service frequency and span, and comfort. Common features that are marketed on many U.S. BRT systems include:
 - a. faster or more efficient than traditional bus service;
 - b. more convenient;

Bus Rapid Transit Network Marketing Strategy (PFC2018-0776)

- c. less expensive than driving and parking;
 - d. alleviates traffic congestion; and,
 - e. better for the environment.
3. The Waterloo region's BRT was launched as iXpress, and the marketing and branding component cost \$500,000 over two years, or five percent of the project's \$9.25 million dollar budget.
 4. Viva BRT service in the York region has spent up to \$300,000 on annual marketing and communications consulting (please note full cost figures are not available).

Embarq, an international organization consulting with municipalities, analyzed BRT networks and the communications and marketing campaigns associated with each of the service launches in multiple cities. Focusing on Canada, the report found:

"Another way of avoiding the stigma often associated with traditional bus transport is to not use the term bus in the new systems name. In York Region, the majority of residents did not hold the public bus service in high regard. As a result, the city made an explicit decision to differentiate its new VIVA BRT service from existing bus services and position VIVA as a new, high-quality alternative... once VIVA was successfully positioned and received positive feedback from the public, York Region rebranded all other bus services under the new VIVA brand."

In summary, launching a dedicated brand for Calgary's new BRT network will:

1. Help citizens/customers easily differentiate the new BRT service from other existing bus routes, and understand its improved value dimensions and customer experience amenities.
2. Differentiate services through improved way finding and signage systems which will help citizens navigate the transit system better.
3. Give the marketing and communications efforts alignment, identification and differentiation to build awareness.
4. Personify the service for increased adoption and acceptance.

The Name

MAX will be the name of Calgary's new BRT service that forms the newest addition to the rapid transit network. MAX sets the service apart from the current BRT and other bus service offered today with a simple and memorable name that expresses the maximum level of service available for Calgary Transit bus customers. The MAX service provides riders with maximum convenience, maximum reliability, maximum comfort, and maximum efficiency to get transit riders where they need to go.

MAX service will begin in the fall of 2018, and service implementation will also include over 40 route changes to local bus service across three quadrants of the city. In order to support educating customers about local route changes, introduce the MAX service, and promote MAX's benefits to Calgarians, three options to reach customers were evaluated.

Marketing Options, Evaluation and Recommendation

Option 1 – Baseline service communications

This option is an information campaign focusing on existing Calgary Transit customers whose routes will be changed in conjunction with BRT implementation (70,000 daily passenger trips), in order to effectively inform them of route changes and the introduction of the MAX service. This

Bus Rapid Transit Network Marketing Strategy (PFC2018-0776)

option is a minimum baseline to take care of our existing customers if one of the other two options are not approved.

This option targets regular and heavy transit users along the affected routes that are changing as part of BRT implementation. It leverages City-owned low cost digital channels such as web, social media, transit app and online promotions with a greater portion of the funding allocated to strategic user group communications and utilizing transit assets to educate affected riders.

Tactical elements are detailed in Attachment 1.

Objective:

- Educate only affected, existing transit bus customers whose routes will be changing (70,000 daily passenger trips) about route changes and additions along the MAX lines

Investment: \$168,000

Option 2 – Service communications and modest promotion

This option includes all of the tactics in Option 1 plus increases the reach and amplifies the promotion tactics of the campaign. It creates more opportunities for Calgary Transit customers, non-users and Calgarians in general to be aware of the MAX service and its benefits and enhanced value dimensions, as well as encourage ridership. This option positions MAX as part of Calgary Transit's rapid transit network, highlighting the reliability, connections, convenience and comfort that customers and potential customers can expect when they take MAX. It will use strong branding and copy to set MAX apart from a typical bus or LRT service, as well as position its fit with the overall transit network.

This option targets regular, heavy, occasional and potential transit users along affected route lines. It also focuses on improvements to the transit website and app to encourage usage of lower cost digital channels for wider promotion, while balancing the need to leverage transit assets via print in the form of posters, bus wraps and signage. Tactical elements are detailed in Attachment 1.

Objectives:

- Educate affected, existing transit bus customers whose routes will be changing (70,000 daily passenger trips) about route changes and additions along the MAX lines
- Increase awareness among all Calgary Transit customers (336,000 daily passenger trips) about MAX, and the route changes that support MAX.
- Raise awareness of the MAX service among Calgarians near the BRT routes (approximately 320,000 in 53 communities) to attract further ridership for the MAX service.
- Introduce colour scheme to support branding.
- Update website to reflect branding and promote MAX features and customer-focused benefits.

Investment: \$366,0000

Option 3 – Large scale communication and service marketing

This option includes all the tactics in Options 1 and 2 plus further increases the reach, promotion and campaign scale to more customers and Calgarians. This robust option includes a full website overhaul including implementing video, customized templates and route plan features, which will also serve Calgary Transit's needs in the future.

Bus Rapid Transit Network Marketing Strategy (PFC2018-0776)

This option targets regular, heavy, occasional and potential transit users across the city. A significant increase in digital advertising, app development and bus print assets extends the reach and exposure across the city versus targeting only along the MAX routes. It also further enhances the website by updating the content management system for better functionality and user experience. Tactical elements are detailed in Attachment 1.

Objectives:

- Educate affected, existing transit bus customers whose routes will be changing (70,000 daily passenger trips) about route changes and additions along the MAX lines.
- Increase awareness among all Calgary Transit customers (336,000 daily passenger trips) about MAX, and the route changes that support MAX.
- Raise awareness of the MAX service among half of Calgarians (623,000) to further attract ridership for the MAX service.
- Update Calgary Transit website user experience and functionality enhancements.

Investment: \$677,000

Recommendation

Administration recommends Option 2 for the BRT network marketing strategy. This choice leverages the minimum baseline Option one funding to support existing customers through significant route changes, while also increasing awareness of MAX service, promoting the brand and important value dimensions, using industry best practices and expanding audience reach. Option 2 provides a balanced approach to meeting the overall marketing strategy goals and maximizing return on investment given current financial constraints. Success measures and feedback loops for this option include:

- 80 per cent of affected Calgary Transit riders understand the route changes, and what bus they need to take including MAX. Measurement via Calgary Transit rider intercept surveys.
- Monitoring and analysis of Calgary Transit service line calls, 311, social and traditional media monitoring, and online analytics.
- 311 data comparative to the last major service review change done by Calgary Transit in the northwest and centre city.
- 50 per cent of all Calgary Transit riders understand the route changes, and what bus they need to take including MAX. Measurement via Calgary Transit customer satisfaction survey.
- 25 per cent of all non-transit riders are aware of the MAX service. Measurement via Calgary Transit customer satisfaction and non-user surveys.
- Ongoing evaluation of MAX and overall transit ridership.

This option also aligns with how Viva and iXpress (York and Waterloo comparisons) promoted BRT offerings by branding an enhanced bus service.

Stakeholder Engagement, Research and Communication

Public feedback on the marketing of new transit services was collected as part of engagement conducted during the development of RouteAhead – A Strategic Plan for Transit in Calgary. The Calgary Transit Customer Advisory Group has also been previously consulted on marketing initiatives for new transit service. Through this engagement our Customer Advisory Group found value in providing a unique visual identity for enhanced services such as the BRT, which

Bus Rapid Transit Network Marketing Strategy (PFC2018-0776)

provide greater awareness in the quality of service to be provided. Significant customer and community engagement has also been conducted over 2018 on the BRT network and associated route changes.

Strategic Alignment

The BRT network was identified as a key short-term priority for the development of the primary transit network in the Calgary Transportation Plan, RouteAhead, and Investing in Mobility.

RouteAhead provides direction to enhance the marketing and promotion of existing and new transit services and customer experience improvements, in order to increase customer awareness and attract greater ridership. Particular emphasis is placed on pursuing enhanced branding and marketing of the rapid transit network, to showcase the convenience, value and improved amenities to customers and all Calgarians.

Social, Environmental, Economic (External)

Public transit options allow citizens to take part in a variety of economic and social activities. The Canadian Urban Transit Association has outlined the public health benefits of public transit to include improved urban air quality and increased physical activity, which can lower the risk for many diseases.

The appropriate quantity and quality of transit service and complete communities attract higher levels of ridership, decreasing the economic and environmental impacts associated with urban travel. Providing rapid transit service plays a key role in Calgary's overall mobility plan. In addition to the direct transit customer benefits, investment in public transit benefits the broader community by:

- helping revitalize corridors and main streets,
- providing mobility choice,
- connecting employers to an expanded workforce
- supporting Greenhouse Gas reduction, and
- supporting redevelopment, particularly at Transit Oriented Developments (TOD).

Public transit provides choice, expanded opportunity to move and connect with the community, with a more convenient and socially inclusive mode of travel. Marketing the value and benefits of new rapid transit service options will increase customer awareness of the services and attract new riders to transit.

An effective marketing and communications strategy needs to focus on all allowing access to all Calgarians through multiple channels and various languages. Given the diversity of Calgarians, a variety of tactics will be required to be successful.

Financial Capacity

Current and Future Operating Budget:

Approval of Option 2 will add \$366,000 to Program 110 in the 2018 Calgary Transit Operating Budget.

Current and Future Capital Budget:

There are no capital budget implications associated with the recommendations in this report.

Bus Rapid Transit Network Marketing Strategy (PFC2018-0776)

Risk Assessment

Information is a key element of Calgary Transit's Customer Commitment. Existing communications resources and channels will be used to inform current customers about the network changes; however, it will not be possible to communicate the significant scope of the changes as effectively, and promote the value and benefits of the new BRT service and amenities to a wider audience without the requested additional funding for enhanced marketing and communications. Given the major capital and operating investments that have been made in the BRT network, there will be a significant missed opportunity to improve awareness of the higher-quality service and build new ridership across Calgary if funding is not allocated. An additional risk is potential negative citizen perception of spending additional funding to market the BRT service; however, minimum baseline funding is required to communicate operational changes and support existing customers through changes to their route network.

REASON(S) FOR RECOMMENDATION(S):

The implementation of the BRT network is a major step forward in expanding the rapid transit network in Calgary. In addition to the introduction of new BRT routes, there will be revisions to dozens of existing bus routes across the city to improve transit connectivity and make efficient use of the BRT infrastructure investments. The recommended Option 2 will allow for effective communication of the scope of the network changes to existing Calgary Transit customers, as well as wider promotion of the enhanced connectivity, convenience and customer experience amenities to attract new customers and build ridership.

ATTACHMENT(S)

1. Attachment 1 – Calgary Bus Rapid Transit Network Communications & Marketing Options