

S T A F F R E P O R T

SUBJECT: FY 2017 Marketing Plan

FROM: Dennis Mochon, Senior Marketing and Communications Specialist

DATE: May 23, 2016

Action Requested

Review and recommend proposed FY 2017 Marketing Plan to the Board of Directors for approval.

Background

As a part of the annual planning for the upcoming fiscal year, staff has drafted the FY 2017 Marketing Plan and is presenting it to the Projects and Services Committee for informational purposes and feedback.

Discussion

The FY 2017 Marketing Plan (Attachment 1) has been developed in conjunction with the recently approved Wheels Forward system changes. The plan includes eight target market initiatives that all focus on the goal of increasing ridership. As such, specific goals have been identified in the plan for each of the initiatives that include the following:

- Launch of new services and products
- Marketing new brands
- Marketing within target area of Santa Rita Road in Pleasanton
- Marketing of Easy Pass at Las Positas College
- Marketing to promote new Route 580X.
- Marketing new Wheels On Demand service in Dublin
- Maintaining the High School Wheels Ambassador Program and the Travel Training Program
- Participating in public outreach events

The FY 17 Marketing Plan is fully supported by a balanced budget and partially funded through grants. The FY17 budget will be sent to the Board in June.

Next Steps

If approved by the Board, the FY2017 Marketing Work Plan will begin on July 1, 2016.

Recommendation

Endorse and forward to the Board of Directors for approval.

Attachment:

1. FY 2017 Wheels Marketing Plan



MARKETING PLAN
FOR
LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY

Fiscal Year 2016/17

INTRODUCTION

The FY2016/17 Marketing Plan has been developed in conjunction with the proposed system changes to the Wheels bus system, the planning efforts of which involved substantial research efforts, including stakeholder input from a wide variety of business, healthcare, educational, government and other community leaders; on-board surveys of more than 1,000 Wheels customers; a telephone survey of 600 households within the LAVTA service area; and demographic information from various sources to understand population density, employment density, housing markets, and other population characteristics.



Related to marketing, the key findings were as follows:

Currently, six percent of residents in the Tri-Valley categorize themselves as Wheels riders. However, residents were asked about their likelihood of riding a Wheels bus once a month or more if it came within a block or two of their home, ran often and went directly to within a block or two of their destination. Overall, 36 percent of respondents said yes. In looking more closely at the responses to the same question, 45 percent of respondents who ride BART to work said yes. Thus, key target markets are residents living within a short walk of Rapid service, especially in areas on the Rapid routes that offer fast, direct service into BART stations.



Additionally, 60 percent of residents disagree with the statement that Tri-Valley freeway traffic is tolerable, 74 percent say it is worse than a few years ago, and 61 percent agree (34%) or are neutral (27%) with the statement that they would be more comfortable in traffic on a Wheels bus than in their car. Trips requiring travel on the I-580, especially those travelling to the BART stations, should be targeted to the extent possible as fertile ground to secure new riders.

Finally, Tri-Valley residents have high household incomes with 73 percent reporting an income of \$75,000 or higher. In line with this they are highly non-transit dependent with 85 percent saying they have an equal or greater number of cars than licensed drivers in the household. Accordingly, the vast majority of residents are choice riders that will only be convinced to use Wheels if the value offering can be perceived as an improvement over driving alone, with travel to close proximity of destination and speed of trip being the two biggest influencing factors.



In conclusion, the Wheels bus system redesign offers an easier-to-use route network, with more direct routes to key destinations, reduced duplication, and the introduction of more frequency, including the realignment of Route 30 (known as The Rapid) to the key destination of

Las Positas College, and the addition of Rapid 15-minute all day frequency on Route 10, which is a key intercity route. Additionally, the redesign offers improved weekend and late evening service. These improvements, along with several strategic initiatives, such as Wi-Fi and other improvements on Express Routes and Rapid buses, a new Phone App, and improved bus stops, are not only opportunities to better retain current ridership (current turnover on Wheels is 30%), but are new opportunities to establish target markets with the best potential to attract significant numbers of new customers to the Wheels bus system.

FY 2016/17 Marketing Goal, Objectives and Target Markets

LAVTA's overall marketing goal in FY2016/17 is to increase ridership. To achieve that goal, this Marketing Plan will address a variety of specific objectives.

- **Launch of New Services and Products:** Attract new customers and better retain existing customers by promotion of the August 2016 system improvements, including the redesign of the Rapid (Route 30), the introduction of 15-minute all day Rapid service on Route 10, the introduction of the 580X service from Livermore to BART, and other services. Moreover, the promotion of new products, such as V2.0 of the agency's website, a new phone app, and engaging social media will support new and existing customers.
- **Market New Brands:** The Wheels brand is associated with service that predates the 2016 system wide changes. The brand is also seen as potentially neutral and not particularly attractive to new customers. The introduction of fresh brands for the new services will assist in attracting and maintaining customers.
- **Target Market:** Build ridership through strong focus on the marketing within target area of Santa Rita Road in Pleasanton where households will have a 5-minute walk or less to Rapid service. The goal is to find and assist households in these target areas whose work and other regular destinations are also within a 5-minute walk of public transit.
- **Target Market:** Build ridership by introduction and strong focus on the marketing of an Easy Pass at Las Positas College
- **Target Market:** Build ridership through a direct mailing/door hanger campaign to households that live within a 5-minute walk of 580X stops. Also, take advantage of earned media and limited mass marketing to promote the 580X.
- **Target Market:** Build ridership through direct mailings and TNC technology the new Wheels On Demand service for City of Dublin.
- **Target Market:** Build ridership by maintaining the High School and Travel Training Ambassador Programs.
- **Community Outreach:** Participate in a limited number of public outreach events for community goodwill and customer awareness.



Marketing Strategies

This section forms the core of the Marketing Plan. It defines in more detail the goals and marketing plan for each of the Target Areas identified in the previous section.

LAUNCH OF SYSTEM IMPROVEMENTS AND PRODUCTS

Objective

Attract new customers and better retain existing customers by promotion of the August 2016 system improvements, including the redesign of the Rapid (Route 30), the introduction of 15-minute all day Rapid service on Route 10, the introduction of 580X service from Livermore to BART, and Wheels On Demand. Moreover the promotion of new products, such as V2.0 of the agency's website, a new phone app, Wi-Fi on Rapid and Express buses, engaging social media, and improved bus stops will assist in retaining new and existing customers.



Target Market

New and current customers in general within the service area.

Goal

Market system improvements to realize an increase in ridership by 10%, or by 165,000 within 18 months of implementation. Additionally, included in this ridership goal is a reduction in customer turnover by 2.5% due to the improvements in the services and the introduction of new products.

Strategies

- Design new timetables, brochures and on-street static inserts for bus stops (includes new branding).
- Install new bus stop signs, relocate bus stops no longer active in system, and implement new bus stop maintenance plan.
- Develop information/marketing plan to announce and promote service changes to general public. Heavy emphasis on BART connector services (10 of 12 routes have a terminus at BART stations), and Rapid connection to Las Positas College). Marketing to include newspaper, radio, press releases, earned media, bus cards, social media posts, employer e-blasts and TV 30.
- Implement V2.0 of website to include a video library and special sliders and pages for the Rapid routes, college Easy Pass, SmartTrips Program, Wheels on Demand, and new phone app.
- Create and release the agency's first Phone App.



Tactics

- Utilize on-call graphic designer to produce new timetables, brochures and on-street static inserts.
- Hire firm to (1) plan and move of eight Rapid bus shelters to the new alignment of the Rapid, (2) eliminate bus shelters past their useful life in

areas no longer served, (3) relocate bus shelters that are in good condition but no longer served, (4) install and/or repair of solar lighting in select bus shelters, and (5) improve cleaning and maintenance of all bus shelters in the system.

- Utilize the on-call website developer to create V2.0 of website.
- Hire firm to produce first three videos for library of website.
- Hire firm to create the agency's first Phone App.

Timing

- Produce timetables, brochures and on-street static inserts in June for August launch. Rebrand these products in December.
- Engineering for relocation of Rapid shelters begins in May. Relocation begins in summer 2016. Elimination/relocation of other bus stops begins in summer of 2016.
- Website work begins immediately, with rebranding of the site in August.
- Phone app to be created in September w/new branding for a October launch



Budget

Timetables/Brochures/On-street Changes	\$60,000
Mass Marketing to promote system changes	\$20,000
Bus Stop Improvement Program	
Eng/Site improvements/relocation of Rapid stops	\$325,000
Relocation non-Rapid shelters	\$75,000
Deferred maintenance/new bus shelters	<u>\$383,000</u>
Total	\$783,000
V2.0 of Wheelsbus.com	
Slider/Pages (Rapid, Smart Trips, Phone App, etc.)	\$9,000
Video Library	\$10,000
Web hosting/misc.	<u>\$8,500</u>
Total	\$27,500
Phone App	\$175,000
Wi-Fi Project	\$50,000



PROMOTION OF THE NEW BRAND

LAVTA currently has two brands: One is Wheels, which is used as the agency's operational name for all bus services and agency materials. The second is the Rapid, which is a 15-minute all day bus rapid transit route that will operate between the three Tri-Valley cities post service changes. Ad agency PAVLOV is currently working to develop a new, attractive operational brand and sub-brands for the following services: 1)

local/neighborhood bus service; 2) express service; 3) bus rapid transit light service; 4) real-time, dynamic ridesharing service and 5) paratransit service.

Objective

The objective at the conclusion of the rebranding project is to promote the new brands of core services provided by the transit agency.

Goal

The goal is to market the new brands sufficiently to attract new customers in an effort to reach 165,000 new rides a year within 18 months.

Strategies

- Develop marketing outreach plan to inform target audiences of new brand while reinforcing the system changes.
- Focus on BART Connecting services and the new Rapid connection at Las Positas College.
- Complete Phase I changes



Tactics: Phase I

- Change brand on timetables/maps, brochures, and on-street inserts.
- Change the branding on the buses w/bus wraps
- Change the brand on website, phone app, and social media tools
- Change the brand/design of bus stop signs at all stops

Timing

The service changes in the bus system will take effect on August 15, 2016. The rebranding study will finish in the early fall.

- Buses to be rebranded in September and October
- Website, phone app and social media tools will be rebranded in September for an October launch.
- Bus stop signs will be rebranded and manufactured in September and installed in October and November.
- Timetables/maps, brochures and on-street inserts will be produced and installed in December for minor system changes in January.
- Rebranding “launch” event will be in January and the marketing of the new brand will continue through June through the various marketing efforts included in the marketing plan.



Budget

Rebranding Study	\$35,000
Rebranding of buses	\$95,000
Rebranding of bus signs	\$60,000
Rebranding of website, phone app, social media	\$8,000
Rebranding Launch	<u>\$25,000</u>
Total:	\$223,000

TARGETED RIDERSHIP SMARTTRIPS: SANTA RITA

Objective

Fixed route service is most attractive when the bus travels within a short walk from your home, operates frequently and runs directly to a block or two of where you need to go. There are three identified target areas along the routes offering Rapid service in the Tri-Valley where residents can easily and quickly access the Dublin/Pleasanton BART station—a key focus for increased ridership. FY2016/17 focuses on individualized marketing along the Santa Rita Road target area where over 6,500 households, or more than 15,000 residents, reside within a 5-minute walk of Route 10 with new Rapid service. Subsequent years will focus on Dublin Blvd in Dublin and Portola Ave in Livermore.



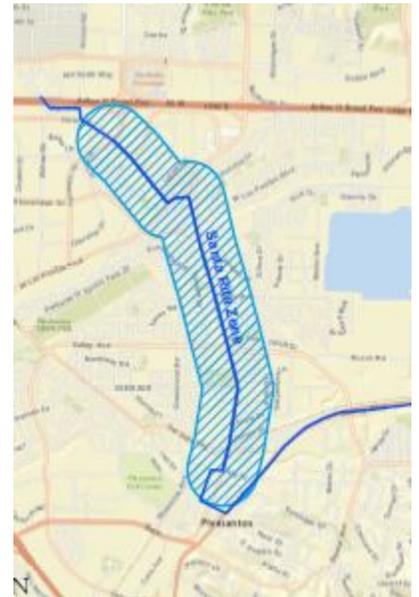
Primary Project Goals for SmartTrips: Santa Rita

- Reduce drive alone trips
- Reduce vehicle miles driven by area residents and employees
- Increase awareness and raise acceptability of all travel options
- increase walking, biking, transit, ridesharing trips by 14% each
- Increase neighborhood mobility and livability.

Project Co-Benefits

- Fewer cars on neighborhood streets
- Increased air quality
- Higher level of awareness and acceptance of climate-friendly transportation options
- Greater mobility and increased travel mode choices
- Awareness and utilization of existing resources from the cities and community organizations.
- Decreased reliance on the automobile and neighborhood pride

Specifically, the goal is to have 20% of target area residents, or 2,000 households, request SmartTrips materials or participate in several events. Additionally, a major aim is to add 1,000 new e-mail contacts to a monthly transportations options e-newsletter, InMotion, as a result of the program. The goal for ridership on transit is to see an increase of 14%, or 20,000 rides a year along the Santa Rita Road corridor.



The project will evaluate residents' shifts in travel behavior using a household travel diary and opinion survey administered before and after the program. Those surveys will measure the reduction in drive-alone trips, and the corresponding increase in walking trips, bicycling trips, transit trips and rideshare trips. Finally, the survey will estimate the annual vehicle miles savings by residents annualized, as well as the corresponding reduction in carbon dioxide emissions.

Strategies

The Tri-Valley has invested in developing bicycle and pedestrian infrastructure. Additionally Wheels has redesigned its bus system to be easier to use and frequent in key corridors. However, while infrastructure and redesign investments do lead to more walking, bicycling and transit, those investments alone do not maximize the potential for mode shift. Enhancing pedestrian, bicycle and transit infrastructure investments *with* transportation options strategies can be effective strategy to accelerate mode shift from single occupancy driving trips to walking, bicycling and transit. Individualized marketing programs such as SmartTrips in other cities has been shown to be a particularly effective approach to targeting trips that originate in residential neighborhoods.

"Who knew there were so many resources for getting around, most without a car! This is a great promotion."

SmartTrips incorporates an innovative and highly effective individual marketing methodology, which hand-delivers packets of information to residents who wish to learn more about their transportation options including transit, walking, bicycling, ridesharing and combining trips. The program features transit, biking and walking maps and information as well as organized activities which get people out in their neighborhoods or places of employment to shop, work and discover how many trips they can easily, conveniently and safely make without using their car. Success is tracked by evaluating qualitative and quantitative results from surveys and other performance measures.

Tactics

The program will begin on February 1, 2017 and end on October 31, 2017. The SmartTrips: Santa Rita project will invite residents in the target area to order a travel tools SmartKit (a customized information packet containing local transportation resources such as maps and brochures as well as a small incentive of their choice). In addition to the customized information packets, SmartTrips: Santa Rita will host events such as group walks, guided bicycle rides, and workshops.

The program is currently planned to offer the following materials and services to all the residents in the target area:

Customized Information Packets (SmartKits)

All residents in the target area will receive mail-order forms and will be invited to place a customized packet order through the, postage-paid, mail-in order form or online order form. Materials offered include maps, brochures, transit schedules and travel tools that will aid in walking, biking, transit use and ridesharing. SmartTrips: Santa Rita has a goal of staff delivering 3,000 customized SmartKits to homes by bicycle.



Newsletters

These mailed or electronic communications will be customized to the target area and include information and resources, as well as news on project events. The print newsletters will be sent to all target area residents, while the electronic communications will be sent only to program participants. Three print newsletters will be sent over the course of the project to every household in the target area.

Events

The program will host eight group walks and bicycle rides, and helpful workshops that were open to all residents in the community. Most events will be planned to begin and finish in the target area, thus giving residents the direct experience of good routes to walk, bike, and travel where they live. The project will also host six community events inside the target neighborhood and offer activities such as free helmet giveaways, helmet decorating, kids traffic safety garden and more.



E-mail Communications

Weekly e-mail updates include event notices and news will be sent to participants who submit their e-mail address.

Website

The Tri-Valley SmartTrips: Santa Rita website page on the Wheels website will include the online order form for the customized packets, events listings, and electronic versions of the materials, links to helpful resources and general project news and information.

Social Media

Electronic and print communications will be supplemented by posts on Facebook and Twitter two to three times a week with tips, news, and resources.

Other Communications

Event announcements and other program information will be communicated through City and community group event calendars, flyering at local businesses, posters at neighborhood community centers and the electronic newsletter, InMotion. During the program, target area households who had not yet ordered a SmartKit receive two mailed reminder postcards with the information about how to order a customized packet.



Timing

September 2016

- Before survey in the field
- Neighborhood notifications and community input on activities/events

October

- Finalize planning and partnership agreements
- Finalize sponsorships and coupons
- Begin materials development

November

- Continue materials development

December

- Continue materials development

January 2017

- Finish material development

February

- 1st Newsletter
- Materials ordered and assembled

March

- 1st SmartTrips Order Form sent
- Begin filling resident's orders
- Materials delivered to participating businesses

April

- 2nd Newsletter
- Residents order forms mailings and deliveries continue
- Options Ambassador and Volunteer Trainings

May

- Residents order forms mailings and deliveries continue
- Activities/Events

June

- 3rd Newsletter
- Residents order forms mailings and deliveries continue
- Activities/Events

July

- Residents order forms mailings and deliveries continue
- Activities/Events

August

- 4th Newsletter
- Activities/Events

September

- Activities

October

- 5th newsletter



- After survey in the field

November

- Compile project evaluations

December

- Final Report written and posted online

Budget

The first project in the Tri-Valley SmartTrips program is being funded by a TPI grant from the Metropolitan Transportation Commission (MTC). It is anticipated that the program will run for multiple years in different areas of the Wheels system through additional funding from MTC. The project budget is estimated at \$20 per household in each project area. The SmartTrips: Santa Rita project has an estimated 6,500 households with a project budget of \$130,000, plus 15% contingency of \$20,000.

TARGETED RIDERSHIP LAS POSITAS COLLEGE EASY PASS

Objectives

FY2016/17 will focus on the introduction of an Easy Pass Demonstration Project, allowing unlimited access to the Wheels fixed route system for students, faculty and staff at Las Positas College for the academic school year. With 9,000 students attending the college, many travelling via BART or ACE, the combination of having Rapid service on Route 30 and the Easy Pass could lead to higher than anticipated ridership gains.

Target Market

Students, faculty and staff at Las Positas College

Goal

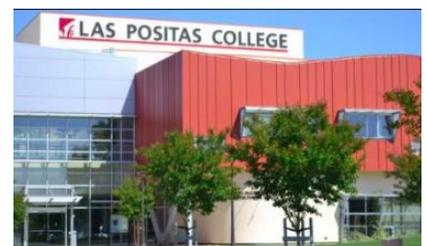
Increase the number of rides to the college in the first academic year by 75%, or 25,000 rides. Continue the Easy Pass with a long-term funding strategy.

Strategy

Create a transit culture with Las Positas College students using the realigned Rapid—easy, fun, fast, low-cost, and convenient.

Tactics

- New student orientation material w/swag
- Link on college website homepage
- e-mails and direct mailings through college
- WheelsBus.com slider and dedicated page
- Hire intern to produce engaging social media and interface with Las Positas College students



- Promote phone app
- Daily social media engagement w/contests aimed at college students. -
- Open line of communication w/social media (respond to good and bad)
- Ads on campus (bathrooms, billboards, info kiosks, etc.)
- Ongoing collaboration with student government and student clubs
- E-blasts to students
- Earned and paid media with school newspaper
- Regular table in quad/school events w/swag & incentives
- Editorials/testimonials in the school newspaper and social media
- Rapid shelter with amenities, including a kiosk for info
- Flyers on windshields and around campus
- Intern for social media and promotion on campus



Timing

- Orientation materials created/delivered in June/July
- Easy Pass info on Wheels website and LPC website in June.
- Begin promotion of Phone App in October
- Hire intern in August
- E-blasts to students beginning in July
- Ads on campus and tabling in quad throughout the academic year

Budget

Foregone fare revenue	\$60,000
Student orientation materials	\$10,000
Intern (tabling, social media, clubs, individual marketing)	\$15,000
Swag	\$7,500
Advertising (school radio/newspaper)	<u>\$11,000</u>
Total:	\$103,500

**TARGETED RIDERSHIP
580X**

Objectives: New to the Wheels fixed route system is the 580X, an express service from downtown Livermore to the Dublin/Pleasanton BART station utilizing the I-580 Express Lanes and only 1 in-route stop for speedy access to BART without the driving and parking hassles. More than 1,900 households are found within a 5-minute walk to this express route. Additionally, patrons who have either walked to or parked their vehicle at the Livermore transit Center would have the option of returning to the Livermore Transit Center with a high level of convenience via the Rapid routes.



Target Market

Residents living within ¼ mile of route stops (short walk)
BART Commuters

Goal

Build ridership to 15 trips per hour, or 35,000 trips per year.

Strategy

- Create a culture of 580X being reliable, comfortable, fast, and convenient.
- 95% on-time departure
- New buses with commuter seating, Wi-Fi, on-board charging station for electronics, and attractive paint scheme.
- Utilization of Express Lanes on I-580
- Drop off customers at the entrance to BART station

Tactics

- Direct mailing (2x)
- Door hangers
- Earned media
- Mass marketing on radio and newspaper
- Attractive website slider/page
- Rebranding of the bus wrap
- Farmers market and other events



Timing

- On-call graphics contract to create Door hangers in June
- Delivery of new buses for 580X in July
- Placement of door hangers in August
- Implementation of service in August
- Mass marketing on radio and in newspaper throughout year
- Earned media in September and March
- Direct mailings in October and February

Budget

Door Hangers	\$5,000
Direct Mailings	\$7,500
Mass Marketing/Targeted Digital Ads	<u>\$20,000</u>
Total:	\$32,500

Marketing costs for 580X to be funded through a TPI grant by MTC.

TARGETED RIDERSHIP WHEELS ON DEMAND

Objective

Providing transit service to low-density suburban areas is one of the most challenging environments for transit. Typically, the housing density is such that frequent fixed-route bus service cannot be operated efficiently. As an example, Wheels Route 2, which connects suburban residential areas in East Dublin to BART during peak times, carries approximately 5 passengers per hour and has a subsidy of over \$15/passenger trip. The proposed Wheels on Demand Service allows LAVTA to provide service into areas where traditional “big bus” service does not make sense, and provide mobility to more people at a lower cost.

Wheels on Demand is an extension of a traditional user side subsidy program, which is used by transit systems nationwide to partner with taxi-cab companies, and extends this partnership to Transportation Network Companies (TNC) such as Uber or Lyft.

While it is anticipated that most potential passengers would utilize a smartphone app to access the service, the option to complete the trip with a phone call to a taxicab will also be available to those without a smartphone. In addition, the taxicab option will allow the ability to use cash.

Target Market

Two different service areas are proposed, one in East Dublin, the other in central/West Dublin.

Goal

100% increase in the number of rides offered currently on Route 2 to the BART Station at 40% or less the cost, and 100% increase in the number of rides offered currently on Route 3 north of Dublin Blvd at 50% or less the cost. If goal achieved, ridership would be 25,000 in first year.

Strategies

- Develop long-term funding opportunities for the Wheels On Demand
- Brand and market service to be real-time, cost effective, and convenient

Tactics

- Direct mailings (1x)
- Marketing through phone app of Uber/Lyft/taxicab
- Earned media
- Mass Marketing via radio/Pandora
- Digital ads targeted to demonstration project areas

LAVTA FY17 Marketing Plan



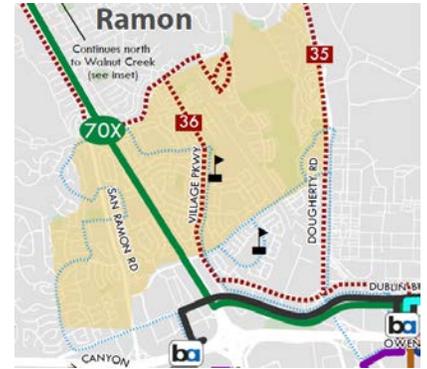
- Nextdoor
- Dublin Chamber Chamber e-news and employer e-blasts
- Attractive website slider/page

Timing

- Website slider/page in July
- Earned media in September and February
- Direct mailing in October
- Mass Marketing and Social Media Ads throughout year
- Nextdoor/ Peach Jar/Employer e-blasts throughout year

Budget

Direct Mailings	\$15,000
Mass Marketing	\$5,000
Targeted Digital Ads	<u>\$5,000</u>
Total:	\$25,000



**TARGETED RIDERSHIP
HIGH SCHOOL AND TRAVEL TRAINING AMBASSADORS**

Objectives

Continue to build ridership on the Wheels bus system through direct marketing by high school students and travel training ambassadors.

Target Market

High school students and those who would ride the Wheels route system with guided assistance.

Goal

Increase the number of high school students riding the Wheels bus system by 25 students and increase the number of residents who need guidance to begin riding the route system by 25. Anticipated annual ridership increase is 7,500 for these two groups on new riders.

Strategy

Ongoing marketing/community outreach programs continuing at LAVTA include the High School Ambassador Program and the Travel Training Program for residents in need of assistance in learning to use the fixed route system for the first time.



Tactics

-High School Tactics:

- Train Travel Ambassadors each year.
- Correspond weekly with high school ambassadors via e-mail
- 1-year ambassadors: 2 per high school, or 10 total
- Advertised for ambassadors and about ambassadors on Peach Jar and school website/newspaper.
- Earned media



Other Travel Training Tactics

- Annual training recruitment of Travel Training Ambassadors
- Senior centers advertise training
- Senior center small group training.
- Earned media

Budget:

High School Ambassador Program	\$1,000
Try Transit Program Mass Marketing	<u>\$3,500</u>
Total:	\$4,500

Community Outreach

Objective and Goals: Wheels has selected public outreach events during FY2016/17 to promote goodwill for the agency and to provide an opportunity to engage with the public in general about the Wheels bus system.



Strategies, Tactics, and Timing

- Alameda County Fair/4th of July
- Livermore 4th of July
- Pleasanton Street Party
- Livermore and Pleasanton Holiday Parades
- Dublin St Patrick’s Day Parade & Festival
- Bike to Work Day
- Livermore Rodeo Parade

Budget

Event Swag	\$2,500
New Table Booth	\$2,000
Mass Marketing	<u>\$2,500</u>
Total:	\$7,500

