

Mason City Transit Consulting



Mason City Transit Consulting

Luke Marita-Davis

Entrepreneurial Management
Project Manager



Roxanne Tang

Enterprise Leadership
Time Keeper/Consultant



Tyler Madigan

Communications
Task Manager



Joshua Sapp

Enterprise Leadership
Consultant



Project Purpose

The purpose of this project is to thoroughly research the public transit industry, our client's market, and our client's current/potential riders, and to ultimately synthesize our findings and results in order to develop recommendations that complete our project objective.

Project Objective

- Finding solutions to increase ridership for Mason City Transit
- Discovering how Mason City Transit—and public transit in general—is perceived by potential/current riders
- Finding public transit ridership barriers

Methodology Discussion

Methods used to research potential ways to attract riders:

- 14 expert interviews
- 10 interviews with potential/current riders
- Social media survey (Results pending)
- Created a SWOT and PEST analysis to understand internal and external environment
- Developed a best practices analysis between comparable transit systems
- Conducted secondary research through various University of Iowa databases, such as IBISWorld
 - IBISWorld is a global business intelligence leader specializing in Industry Market Research and Procurement and Purchasing research reports

The Experts



- Greg Bailey, Director of Enterprise Applications at NIACC
- Angie Creger, Marketing/Public Relations Specialist for Mercy Medical
- John Griffin, Operations Coordinator for Clinton Transit
- Jeremy Johnson-Miller, Transit Programs Administrator/Statewide Mobility Coordinator for the Iowa Department of Transportation
- Rachel McGuire, Director of Enrollment Services
- Mason Millard, Cambus driver, 2nd year
- Barb Neal, Assistant Director of Operations at CyRide
- Brent Paulsen, Research and Technology Manager for Iowa Department of Transportation
- David Ricketts, Director of Cambus
- Dave Van Hattum, Program Manager at Transit for Livable Communities
- Ryan Ward, Transit Programs Administrator for the Iowa Department of Transportation
- Jarrett White, Cambus driver, 3rd year
- 2 anonymous Mason City Transit drivers

Common Themes



- After transcribing our interviews, we developed a word bubble in order find common themes.
- Frequently used words appear larger, simplifying our prioritization process.

SWOT Analysis – Internal Environment

Strengths:

- Transit Manager interacts closely with passengers and drivers (Otto, 2016)
- Willingness to change (Otto, 2016)
- New manager whose time will be split 75% transit/25% Safety. Current manager is 25% transit (Otto, 2016)
- ADA accessible (Van Steenhuyse, 2016)
- Send multiple buses on West Central route (Van Steenhuyse, 2016)
- Good sense of who current riders are (Van Steenhuyse, 2016)
-

Weaknesses:

- 1 full-time employee, 17-part time (including the 16 drivers) (Otto, 2016)
- No uniforms for drivers – would give a more professional appearance (Otto, 2016)
- The current Transit Manager is also in charge of several other areas other than transit; this will not be the case with the new manager who should come on board January, 2017 (Otto, 2016)
- Transit Manager is not a Transit Planner. There is no Transit Planner in office (Otto, 2016)
- No current marketing efforts (Van Steenhuyse, 2016)
- Not reaching NIACC students (Van Steenhuyse, 2016)
- Not reaching Mercy Medical employees (Van Steenhuyse, 2016)

SWOT Analysis – External Environment

Opportunities:

- Mobile applications to provide riders with arrival times, route information, and real-time bus position data
 - In a 3 year study, Candace Brakewood of the City College of New York, analyzed ridership patterns in NYC after a real-time transit application was implemented
 - The application led to a 2% ridership increase, which equals upwards of \$6.3 million in new revenue over the three-year study period (Brakewood, 2015)
- Tailoring routes towards work commuters, and a continued expansion of bus hours
 - Central Community Transit in Willmar, MN surveyed 235 riders about their CCT experience.
 - Many wanted expanded hours on nights and weekends, to get to and from work (Bolta, 2015)
- Targeting NIACC students, and Mercy Medical employees to increase ridership
- Pres. Obama signs 2015 bill to increase public transit funding
 - \$49 billion increase will allow transit systems to enhance rider experience, convenience (WSJ, 2016)

SWOT Analysis – External Environment

Threats

- The market may be too small for a real-time bus tracking application
 - “We implemented ‘Where’s my Bus’ a year ago, and people just aren’t using it.” – John Griffin, Program Coordinator for Clinton Transit
- Crude oil prices are expected to drop throughout 2016-17
 - As oil prices decrease, public transit ridership often decreases too (IBISWorld, 2016)
- Struggling economy
 - Unemployment has been on the decline, but if it does increase, ridership could drop
 - When unemployment falls, transit ridership increases; when it rises, ridership decreases (IBISWorld, 2016)
- Poor perceptions of public transit
 - Potential riders may have negative preconceptions about riding buses (Van Steenhuyse, 2016)
- Other forms of low-cost transportation could reduce public transit ridership
 - Biking, walking, carpooling

Best Practices Analysis

The team looked at five Iowa transit systems with comparable markets. These cities included: Burlington, Clinton, Ottumwa, Fort Dodge, and Marshalltown. Transit Consulting looked at several elements among each transit system, and developed a benchmark matrix. The elements included:

- Cost to ride
- Use of rider incentives
- Social media presence
- Use of technology

Benchmarking Similar Markets

Transit System	Market Size (City Population)	Fare cost per trip	Monthly pass cost	Incentives	Facebook	Twitter	Use of Technology
Mason City	27,366	\$0.50	\$17	N/A	N/A	N/A	N/A
Clinton	26,064	\$1.00	\$30	Punch card	Yes	N/A	“Live Map” Where’s my bus?
Marshalltown	27,620	\$1.00	\$35	Punch card	N/A	N/A	N/A
Burlington	25,410	\$1.25	\$25	N/A	N/A	N/A	N/A
Ottumwa	24,624	\$1.50	\$30	N/A	N/A	N/A	N/A
Fort Dodge	24,649	\$1.50	\$38	N/A	N/A	N/A	N/A

Findings and Results

Social Media in Transit

- Social media was one of the largest recommendations that was made in order to increase ridership and improve public image and visibility.
- Number 3 of *The Top 5 Pieces of Transportation Advice from Transit-Experts*: “Be Active on Social Media.”
 - 83% of millennials have smartphones
 - *“I can reach 20-30% fairly quickly through Facebook and Twitter. This helps us build better systems...”* - Tim Witten, Special Projects Manager for Blacksburg Transit
- Greg Bailey—current rider and Director of Enterprise Applications at NIACC—recognized social media as a way to receive feedback, and interact with riders.

Findings and Results

Signage Improvements

- Greg Bailey, current rider and Director of Enterprise Applications at NIACC, also stated, *“If I’m a new student, how do I know a bus is even coming to NIACC? It would be as simple as putting a sign with the arrival times.”*
- Ryan Ward, Transit Programs Administrator for Iowa DOT, said, *“the most cost effective way to reach the most potential riders is through advertising/pamphlets at the locations that riders go.”*
- Two Mason City Transit drivers we interviewed also explained that people often flag them down, rather than waiting at a designated stop.

Findings and Results



Signage Example 1

Findings and Results

Cross-Branding and Incentivization

- Idea of incentives welcomed by current riders.
- Rachel McGuire, Director of Enrollment Services at NIACC, stated cross-branding and incentives with places such as Hy-Vee might encourage students to ride.
 - *“Partnering with someone like Hy-Vee would be a good idea, and I think students would use discounts, and it might help overcome some of their negative perceptions about public transit.”*
- One NIACC student said, *“Yeah if you gave me something like a 5% discount at Hy-Vee or Wal-Mart, I’d ride more.”*

Findings and Results

Operational Improvements

- One current rider we interviewed told us, *“I wouldn’t feel comfortable bringing my son on board at certain times, sometimes the drivers don’t act very professional.”*
- Uniforms
 - Idea suggested by current riders and drivers.
- Training
 - Idea suggested by current riders and drivers.

Findings and Results



Example of Uniform

Findings and Results



Recommendations

Based on Mason City Transit Consulting's research, findings, and results, we have three major recommendations to increase Mason City Transit's overall ridership. These include:

1. Marketing Improvements
 - a. Social media presence
 - b. Signage improvements
2. The use of Incentives and Co-branding
 - a. Coupons
 - b. Punch cards
3. Operational improvements
 - a. Uniforms
 - b. Training

Recommendations

- **Social media** – Increased social media presence was a common suggestion by experts, along with current and potential riders. We strongly recommend utilizing Facebook and Twitter.
- John Griffin, Operations Coordinator for Clinton Transit, explained, “*We aren’t necessarily active on Facebook, but it’s a great way to get information to riders.*”
- Ryan Ward, Transit Programs Administrator for the Iowa Department of Transportation, told us, “*Social media has become mainstream. That is where public transit systems need to be. It is important to invest time in social media and interact with customers.*”

Social Media Examples

Example 1 (Iowa City Transit)



This screenshot shows a tweet from the City of Iowa City (@CityOfIowaCity) posted 6 days ago. The tweet features a graphic with the text: "HOLIDAY SERVICE ALERT", "Buses will not run Thursday, Nov. 24 in observance of Thanksgiving.", "The Parking and Transportation Office will be closed Thursday & Friday for the holiday.", and "For more details visit www.icgov.org/transit". The graphic also includes a silhouette of a bus and autumn leaves. The tweet interface shows "Top Tweets" selected and "All Tweets" as an option.

Example 2 (Iowa City Transit)



This screenshot shows a tweet from the City of Iowa City (@CityOfIowaCity) dated 7/27/16. The tweet text reads: "Iowa City Transit to move interchange back to Washington & Clinton Streets Aug. 3, 2016. bit.ly/2aaHbVk". Below the text is a photograph of a bus with "DOWNTOWN" on its destination sign and two bicycles parked in front of it. The tweet interface shows 1 retweet and 2 likes.

Recommendations

Signage improvements - Based on our research, bus stop signage is prevalent around the US, and an effective method to reach current/potential riders. (See Signage example 2 and 3)

- After talking to current riders and bus drivers in the Mason City area, we recommend local postings to be implemented in high-traffic and/or target areas—such as NIACC—around Mason City.

Recommendations

Signage Example 2 (Iowa City, IA)



Signage Example 3 (Iowa City, IA)



Recommendations

Co-branding and Incentivization - All riders that were interviewed expressed an interest in using business partnership incentives. We strongly recommend:

- Providing coupons for riders, which would incentivize them to utilize area businesses, and frequent shoppers would have incentives to utilize Mason City Transit.
- Partnerships with frequently visited businesses along the West-Central route—which is the most popular route—such as Hy-Vee or Walmart.
- Utilizing punch cards
 - This incentivizes riders, and opens up local advertising possibilities

Recommendations

Operational Improvements – minor improvements could significantly improve rider experience. We recommend:

- Implementing uniforms - bus drivers in Mason City, as well as current and potential riders mentioned the idea of bus drivers having some kind of uniform to give the position more professionalism.
 - One study on the effects of uniforms we found stated “*a functional, nicely fitted uniform of appropriate design can help an employee feel good about the job.*” The study also explains, “*The appearance of all aspects of service should be coordinated so that the service context is obviously a complete package. Uniforms must be part of that coordinated message*” (Nelson and Brown).
- Training - When talking to a frequent rider, we received complaints about drivers using profane language on occasion. Training would be an effective way to combat that problem.

Further Study

Mason City Transit Consulting recommends further researching the implementation of a Mobility Coordinator

- There is a direct correlation between increasing ridership and hiring a Mobility Coordinator
- Use to improve public image among community
- Responsible for creating programs with community groups/members
 - For example, “Transit Buddy” program- Local students train and “*pair with new riders until they can learn how to ride the bus on their own*” According to Ryan Ward, Transit Programs Administrator for Iowa DOT. The students are able to count this towards volunteering credits for their classes as incentive to participate.



Thank you