

How EVAG partnered up with FAIRTIQ to save 2 Million EUR investment costs by removing ticket vending machines

Since February 2019, public transport users in Erfurt can use the FAIRTIQ app for easy and convenient ticket purchase with a best price guarantee. Not only did the app replace outdated onboard ticket vending machines (TVMs), it also contributed to cost savings, a leap in sales digitalisation and high passenger satisfaction.

TVMs

In 2011, Erfurt's municipal transport operator Erfurter Verkehrsbetriebe AG (EVAG) installed 90 TVMs on board light rail vehicles. In 2019, the company had to decide whether to invest 2 Million Euro to upgrade and maintain the TVMs or to improve digital sales and cut costs. The transport operator was looking for a partner, who was able to offer a proven solution.

Market test

As a result of a successful four months market test of the FAIRTIQ app, EVAG decided to remove all TVMs from vehicles, saving not only 2 Million Euro in investment costs, but also reducing annual costs for operation and maintenance. Moreover, it was decided to expand the FAIRTIQ coverage to the entire service area of the Central Thuringia Transport Association (VMT).

Rollout

In March 2020, the association wide rollout was completed – two weeks ahead of the planned schedule. In the midst of the Covid 19 pandemic, FAIRTIQ supported the 15 transport operators in the VMT in providing contactless ticketing options in order to safeguard mobility and the health of passengers and personnel. Since then, user numbers have steadily risen, as have sales through the FAIRTIQ app.

Throughout the process, FAIRTIQ has proven to be a flexible and competent partner. The combination of their expertise in public transport and IT implementation processes assures a flawless and reliable collaboration.

Myriam Berg, CEO EVAG

A looming investment decision paves the way for the advancement of digital sales

The municipality owned transport company EVAG operates the public transport system in Erfurt, Thuringia, population 214,000. The network consists of six light rail and 26 bus lines. 55.5 Million passengers used EVAG's public transport services in 2019, with the numbers steadily increasing.

The ninety TVMs on board light rail vehicles operated on the 3G wireless standards. With the shutdown of 3G scheduled for summer 2021, EVAG had to either invest in the upgrade of the TVMs or improve alternative sales channels. They decided to partner up with FAIRTIQ due to the proven and effective solution that the FAIRTIQ app provides.

EVAG was looking for a solution to:

- replace existing onboard TVMs with a more future-oriented system,
- find a solution without hardware installations,
- improve flexibility, reduce costs and further develop digital ticket sales channels,
- simplify access to public transport for occasional users,
- convince the other 15 transport operators in the VMT area of the advantages of digitalisation by setting a successful example.



Successful marketing test turns into large scale rollout in less than a year

Cooperation between EVAG and FAIRTIQ began in 2019 with a four month market test of the FAIRTIQ app in the greater Erfurt area. The test was a success with regards to both operational aspects and passenger satisfaction, as was the following FAIRTIQ rollout in the VMT area. In March 2022, VMT counted 16,000 FAIRTIQ users, making around 4,000 trips per day. Not only did FAIRTIQ become the most successful digital sales channel in Erfurt, the successful rollout under the difficult circumstances of the global Covid 19 pandemic also gained nationwide recognition: In October 2020, EVAG and VMT won the German Mobility Award.

More users pay their fares with FAIRTIQ than through other channels. They love the convenience of paying their fares with their phone.

Guido Nehrkorn, Group Sales Manager EVAG

Investment costs reduced, digital sales increased, further expansion planned

- EVAG saved about 2 Million Euro investment costs by avoiding upgrading cost of onboard TVMs
- Removal of TVMs allows cutting operation costs by reducing use of paper for tickets, transport of cash etc.
- With support of the FAIRTIQ marketing team (e.g. personalised mailings, special offers), user numbers are continuously increasing.
- VMT is currently working on the development of an electronic fare that is valid on all forms of public transport across the whole federal state of Thuringia, easy to understand and can be integrated into the FAIRTIQ system.



These are the advantages of FAIRTIQ:

- Effective, proven solution, delivered on time, implemented in cooperation with our partners – and in full understanding of their challenges and needs.
- No need to hold on to outdated technologies and costly hardware, therefore possible reduction of investment, operation and maintenance costs while ensuring an up to date, passenger friendly solution is in place.
- Planned expansion of FAIRTIQ to cover the entire federal state of Thuringia opens up opportunities to re-evaluate fare schemes in the greater VMT-area.

And what can we do for you?

Find out how you can make your public transport services more innovative and customer-friendly with us.

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