

by FAIRTIQ

Flexibility – Top of Public Transport Users' Wish List

Has the coronavirus crisis changed public transport usage patterns...
...or has the pandemic simply reinforced existing megatrends?



Since the outbreak of the coronavirus pandemic, the percentage of travellers using public transport has fallen by around one third; in many European cities, the number of travellers has shrunk by as much as 95%.¹ The sector is now in crisis mode.

In this white paper, we provide public transport operators with **an overview of how the coronavirus pandemic is reshaping user needs.**

We also identify the existing sociological megatrends which the crisis could accelerate, and document some of the innovative approaches that some public transport providers have already adopted. We provide tips on how they can bring their product and service portfolios into line with corona-triggered developments and behavioural changes and how FAIRTIQ can help.

¹ Cf. apple.com; URL: <https://www.apple.com/covid19/mobility> [Last accessed: 17.06.2020]

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How sociological megatrends are revolutionising mobility patterns

To fully understand what their customers want, public transport companies need to consider megatrends like new work, connectivity and mobility.²

“No more working to live and living to work.”



‘No more working to live and living to work’ aptly and succinctly describes the **‘new work’** megatrend. Digitalisation and new technological advances are increasingly freeing us from tedious, monotonous jobs, and in doing so they raise the possibility of embracing new ways of working. Workers want more flexibility, and therefore more spontaneity and freedom, in terms of how they organise their professional and everyday lives.

Connectivity refers to the use of digital networks, which already underpin the personal and professional activities of many. Technology lets people work anywhere, turn their home into their office, and even become a ‘digital nomad’.

Mobility covers all forms of transport as well as growing global demand for transport; the multi-mobile age has arrived.³

² Cf. zukunftsinstitut.de; URL: <https://www.zukunftsinstitut.de/dossier/megatrends/> [Last accessed: 17.06.2020]

³ Cf. zukunftsinstitut.de; URL: <https://www.zukunftsinstitut.de/dossier/megatrends/> [Last accessed: 17.06.2020]

Impact of Covid-19 on mobility patterns

“Stay at home and avoid using public transport.”

As COVID-19 infection rates rose, this became one of the recommendations that administrations and governments around the world repeatedly urged their citizens to follow. Their message had the desired effect; even after lockdown measures were lifted, many continued to follow this advice.

As Michael Neugebauer, managing director of the Göttinger Verkehrsbetriebe, noted during an interview with FAIRTIQ, “Experts forecast that it will be quite some time for user numbers to stabilise and return to the previous year’s level.”⁴

Until we enter the ‘new normal’ phase, predicting the medium- and long-term impact of the coronavirus pandemic on transport use will remain difficult. Recently, the German National Office of Statistics analysed data from regular surveys of around 800 major German transport providers.⁵ It found that **public transport use had fallen by 9% during the first quarter of 2020.**

⁴Link to interview; URL: <https://fairtiq.com/en-ch/blog/behind-the-scenes-fairtiq-checks-in-with-partner-goevb>

⁵Destatis.de (2020); URL: https://www.destatis.de/DE/Presse/Pressemitteilungen/2020/05/PD20_N025_461.html [Last accessed: 30.06.2020]



At the same time, **the use of private transport – bikes, e-scooters, cars etc. – has risen.**⁶ The measures taken to combat the spread of COVID-19 meant that large numbers of people were furloughed, or put on reduced working hours, or told to work from home; some even lost their job. School, student and commuter traffic also fell, and in some cases, disappeared altogether. Monthly season tickets and travelcards were cancelled or not renewed.⁷ The sudden and swift nature of these changes have left public transport providers scrambling to win back the customers they have lost.

Clearly, user needs post-corona will be considerably different from those before the pandemic. Customers want much more flexibility when it comes to travelcards and monthly season tickets. Given that this ‘no normal’ phase is likely to continue in the medium term at least, customers have no idea what shape their future mobility use will take. Until the new normal begins, users will want individualised fares and products which are tailored to their specific needs.

In the following sections, we explain how FAIRTIQ can help public transport operators respond to the changing needs of their customers.

What travellers want⁸



⁶Cf. mobilite.de; URL: <https://mobilite.de/aktuelles/corona-was-jetzt-zu-tun-ist-damit-der-oepnv-wieder-an-bedeutung-gewinnt/> [Last accessed: 17.06.2020]

⁷Cf. volders.de; URL: <https://www.volders.de/kuendigungen-in-der-krise> [Last accessed: 17.06.2020]

⁸Cf. mobilityinstitute.com; URL: <https://mobilityinstitute.com/publikationen/corona> [Last accessed: 17.06.2020]

Changes in public transport usage pre-dates coronavirus

As we already mentioned, societal megatrends like new work and connectivity existed long before the Covid-19 pandemic; the shift towards remote working, flexible working hours and location-independent working was already well under way. A parallel development observed particularly among younger users is a desire for more spontaneous and flexible mobility. A German workforce survey by the Mobility Institute Berlin (MIB) found that two thirds of respondents will work from home more than they had before the coronavirus crisis.⁹

How the sector is responding to new user demands

A number of public transport providers have already introduced innovative solutions to bring their product and service portfolios more in line with the three megatrends set out above and better reflect the developments and travel behaviour changes that have directly emerged from the coronavirus public health crisis. Below are some of the solutions in which FAIRTIQ has also helped get off the ground.

Fare capping – Verkehrsverbund Mittelthüringen (VMT) launches a dynamic weekly ticket

Travellers on the German VMT route network now benefit from the FAIRTIQ best price guarantee on both their daily and weekly tickets. The coronavirus pandemic even prompted the association to bring the launch forward by several days so that their customers could pay for tickets via the app, i.e. contactless.

The way the best price guarantee works is that a user is charged no more than the price of a one-day travel pass for multiple journeys made on the same day. The VMT partnership is also the first time that FAIRTIQ has been able to extend its best price guarantee to weekly fares, thereby doing away with the public transport sector's widely held belief that 'season tickets' can only be bought in advance. These fare caps are not only advantageous during this 'no normal'

phase of the coronavirus crisis but also dovetail with the megatrends described above as well as the fast-changing ways we now work and live (e.g. more part-time and remote working).¹⁰

In principle, the capping model could be offered on a daily, weekly, monthly and even yearly basis and implemented in the FAIRTIQ app. This solution offers travellers the best of both worlds – either capped fares or a single ticket depending on how frequently they use public transport – and could therefore help operators win back customers. A report by the mobility consultancy firm [civity](#) stated that the protracted nature of the Covid-19 crisis will lead many public transport users to forgo travelcards/season ticket in favour of individual tickets.¹¹

⁹ Cf. mobilityinstitute.com; URL: <https://mobilityinstitute.com/publikationen/corona> [Last accessed: 17.06.2020]

¹⁰ Cf. fairtiq.com; URL: <https://fairtiq.com/de-ch/blog/vorgezogener-launch-im-vmt-kontaktlose-zur-fahrkarte-dank-fairtiq> [Last accessed: 17.06.2020]

¹¹ Cf. civity.de; URL: <https://civity.de/de/news/2020/04/corona-szenarien-f%C3%BCr-den-oePNV/> [Last accessed: 17.06.2020]

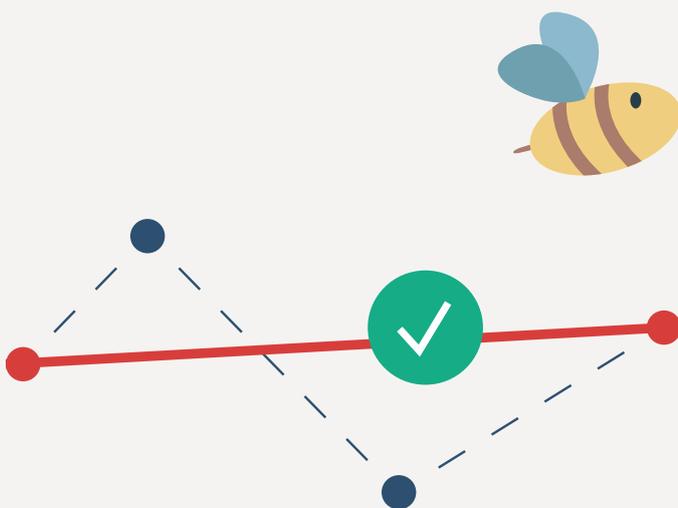
“Climate, animals and extraordinary diversity”

In 2020 the Vorarlberg region, in western Austria, launched its Environment Week with the campaign slogan ‘Klima, Tiere, bunte Vielfalt’ (climate, animals and extraordinary diversity). The Vorarlberg Verkehrsbund launched a special weekly ticket to coincide with the events and activities the region had planned. The public transport association hoped that the **attractive price tag of 14€ would boost ridership in the region**. For the first time, travellers were able to benefit from this offer via the FAIRTIQ app, which was already in use across the region and lets the transport provider adapt its fares whenever it wants.

‘Beeline’ fare in Göttingen

Following calls from policymakers for a short-hop fare in Göttingen, the local transport association GöVB, which had already been working on cutting the volume of on-board ticket sales across its bus routes, came up with its own solution: a ‘beeline’ fare supported by FAIRTIQ technology. This fare is calculated not on the

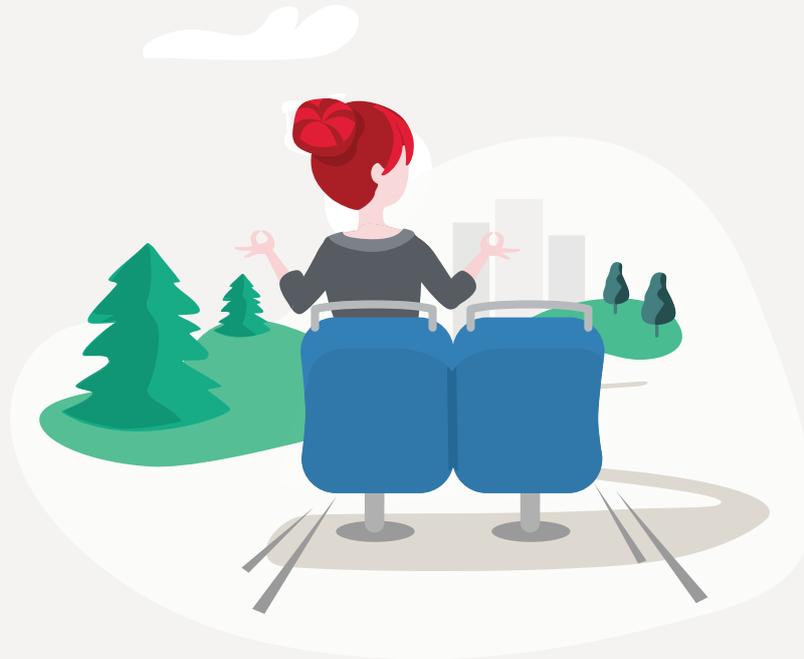
actual distance covered but rather on the linear distance between the points of departure and arrival. In addition, a daily cap means that users never pay more than 6€ a day. The Göttingen ‘beeline’ fare has proven very popular since its launch in early 2019.¹²



¹² Cf. fairtiq.com; URL: <https://fairtiq.com/de-de/blog/neu-luftlinien-tarif-goettingen> [Last accessed: 17.06.2020]

How can public transport operators meet changing user needs?

During the lockdown, people came to the realisation that they needed much more flexibility in their professional and home lives. The time has come for public transport providers to design products and services that respond to these new demands.



Discounted monthly season tickets will not generate immediate benefits. According to the consultancy firm civity, **it will take more than a year before bus, train and tram use returns to pre-corona levels.** Nonetheless, flexible fares are certainly one way in which public transport companies can win back their lost customers.



Win back travelcard and season ticket holders



Choose solutions that are immediately operational



Choose solutions that constitute a sustainable investment



Choose solutions that offer a high degree of flexibility

Inspiration for public transport providers: What solutions are already out there?

- Capping model
- Digital sales system
- Introduction of a digital customer management system
- Flexible choice of transport modes and ticketing
- Sanitation and hygiene measures
- More personal space by reducing capacity utilisation
- Offers for commuters who work from home more
- Appropriate messaging to boost customer loyalty and make public transport attractive again
- Listening and responding to customer needs
- Cashless and contactless payment system
- Digital offerings and services with universal appeal
- Dynamic and flexible fare products
- Proactive and relevant information for customers post-lockdown
- Use-based fare models¹³
- Goodwill arrangements for unused season tickets¹⁴
- Offers along the entire mobility chain (integrated mobility)
- Simple and customised offers (comfort, simplicity)



¹³ Cf. mobilityinstitute.com; URL: <https://mobilityinstitute.com/publikationen/corona> [Last accessed: 17.06.2020]

¹⁴ Cf. verbaende.com; URL: <https://verbaende.com/news.php/OePNV-staerken-in-Corona-Zeiten-Nahverkehr-muss-Kundenbeduerfnisse-in-den-Fokus-stellen?m=134721> [Last accessed: 17.06.2020]

How FAIRTIQ supports public transport provider

According to **Prof. Barbara Lenz, director of the Institute of Transport within the German Aerospace Centre (DLR)**, cars and bikes have become the preferred means of transport since the coronavirus crisis began. In her opinion, it is now the responsibility of public transport providers to respond to this modal shift.¹⁵

In an interview with the *Süddeutsche Zeitung* in May 2020, the **sociologist Andreas Knie, from the WZB Social Science Centre in Berlin**, noted that people still do not think that post-corona travel will be completely different from what it used to be. He also claims that it will indeed change, at least partially, and that remote working will shrink work-related travel by around 20%.¹⁶

“FAIRTIQ would like to help public transport operators win back customers and develop attractive products and services.”

FAIRTIQ would like to help public transport operators win back customers and develop attractive products and services. FAIRTIQ is **more than an innovative and user-friendly mobile ticketing system**. It is also a springboard for its partners to devise transport concepts that reflect the changing needs of their customers.

We can support public transport companies rise to the challenges they currently face **by sharing our extensive public transport experience**, providing bespoke marketing solutions, conducting market research studies and leveraging our deep industry expertise.



¹⁵ Cf. verkehrsforschung.dlr.de; URL: <https://verkehrsforschung.dlr.de/de/news/dlr-be-fragung-wie-veraendert-corona-unsere-mobilitaet> [Last accessed: 17.06.2020]

¹⁶ Cf. [sueddeutsche.de](https://www.sueddeutsche.de/); URL: <https://www.sueddeutsche.de/auto/corona-verkehrskonzept-mobilitaet-1.4905203> [Last accessed: 17.06.2020]

About FAIRTIQ

FAIRTIQ is an innovative Swiss start-up based in Bern. Its mission is to make it as easy as possible to use public transport. It has developed and operates a free ticketing app, which has since been rolled out across the entire public transport network in Switzerland and Liechtenstein, as well as in certain parts of Germany and Austria; it is compatible with iPhone and Android. **With more than one million journeys per month (before the coronavirus crisis) and in excess of 14 million journeys since it launched**, FAIRTIQ is the most successful check-in/check-out ticketing solution in the world. FAIRTIQ has forged partnerships with transport providers and fare associations in Switzerland, Germany, Austria and Liechtenstein. In addition, FAIRTIQ technology powers the ticketing apps of the Swiss Federal Railways (SBB) and Austrian Federal Railways (ÖBB).

How the FAIRTIQ app works

Before boarding the train, tram or bus, you open the FAIRTIQ app and swipe the 'Start' button to check in. The app generates a valid ticket for the entire public transport network in the region where you are travelling. Once you reach your stop, you check out by swiping the 'Stop' button. Using GPS technology, the app automatically works out the route taken and calculates the best possible fare for the journey. If a single journey is more than the price of a day pass, you will be charged the lower fare. Should you forget to check out, FAIRTIQ automatically sends you a reminder. This feature uses the motion sensors built in to your smartphone to detect whether you are walking or not.

If you are interested in finding out more about anything in this white paper, contact us to arrange a no-obligation consultation. We would be delighted to hear from you and welcome the opportunity to accompany you on your road to even greater success.



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If you would like to read more about the FAIRTIQ ticketing solution, check out our [blog](#) and/or subscribe to our [Business Newsletter](#)!

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