

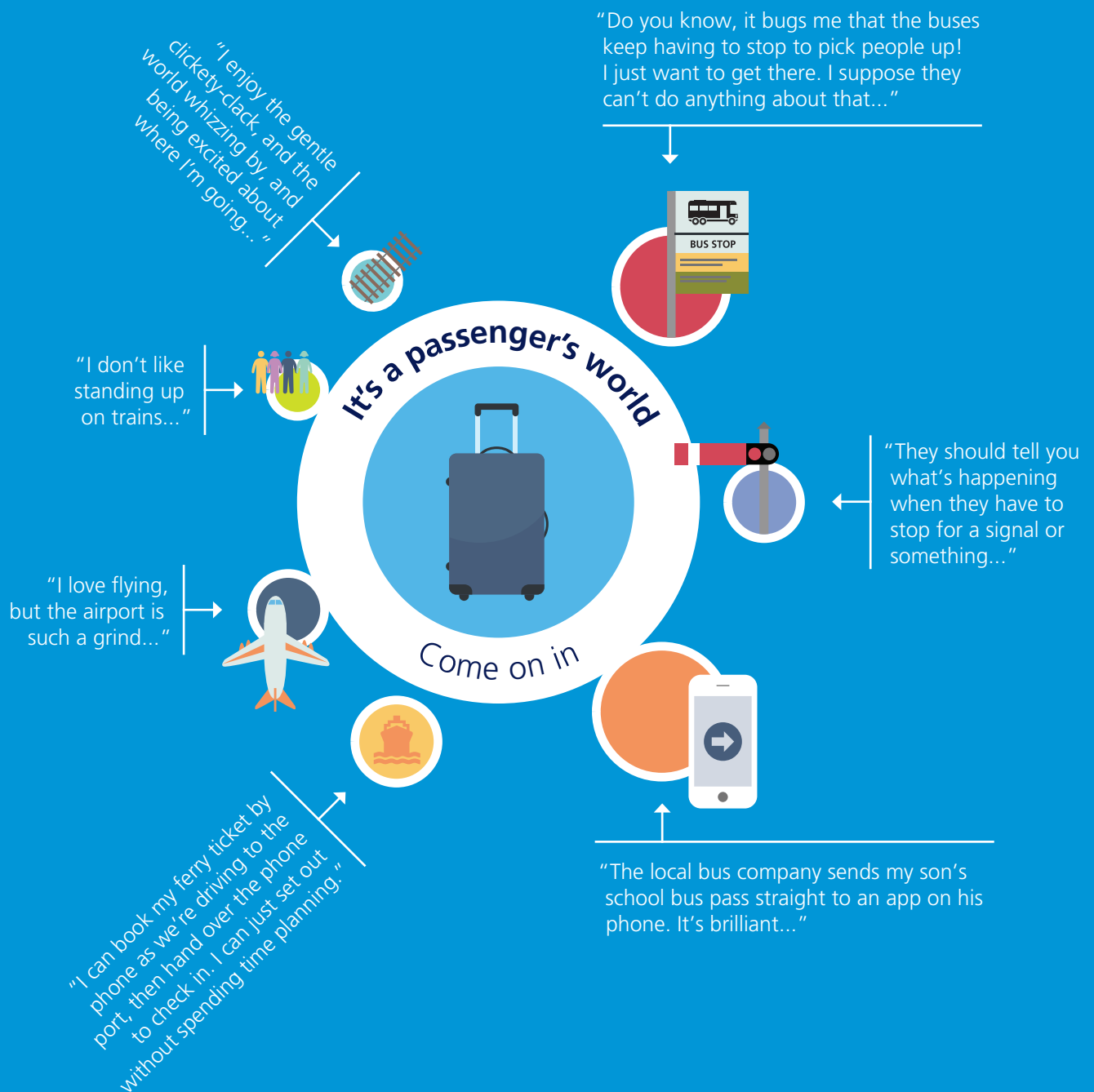
Transforming the passenger experience.



"If I've decided to spontaneously go somewhere, I've got my app on, and while I'm on my way to the train station I've already booked my ticket. By the time I get there, the ticket's already on my phone."
Ellen, on our Euston Station Talking Point, January 2013.

Talking Points

We've been talking to passengers about their journeys. They told us about some great travel experiences, and some they'd rather not repeat. Even in this snapshot of public opinion you can see some common themes emerging around what makes a good passenger experience. Their journeys are easier and less frustrating when they have information and services, especially if they're available via smartphones and tablets. And they want more.



#O2ComeOnIn

It's a passenger's world

Step into a world of choice. Of prices compared and tickets purchased in a few taps of a smartphone screen. And of opinions expressed and shared in moments on social media.

It's a world where people want to plan a journey on a tablet, check their options with a call to a contact centre, and then buy through a website on their home computer. It's a world of higher expectations, great service and instant purchase. Where customers want mobile tickets and real-time travel updates sent direct to their smartphones.

This is your passenger's world. It's being transformed by technology – especially mobile technology. In the wake of the recession, it's also a world where people are far more cautious about how they use their money.

All of which means that travel operators are facing tough challenges:

- How to keep passengers engaged and loyal – getting closer to passengers and providing an outstanding experience, at every stage of the journey.
- Growing revenues – offsetting any declines in margins by encouraging people to travel with them more frequently and spend more during each journey, in public areas and en route.
- Regulation and the media – managing regulatory compliance while dealing with frequent scrutiny from passenger watchdogs and the media.

To take your place in the passenger's world, and grow your business, you need to give them a reliable, comfortable travel experience that keeps them coming back. Staff that are trusted experts and advisers, empowered by the tools and information they need to provide great service. Mobile technologies and apps that make it easier for passengers to connect with you. And easy integration of those apps with corporate travel systems to improve the experience for business travellers. Finally, to make it all possible, you need a network infrastructure that's optimised and ready for powerful new technologies that can help deliver a consistently great service.

We understand this world. Through our Ticket to 2015 consultation programme, we're providing insight, consultancy and solutions for some of the country's leading passenger services organisations, like CityFleet and Transport for London. Through our technology and insight we know how to drive growth and build passenger loyalty. It's an approach we call Joined Up Passenger.

"The internet has revolutionised the way in which passengers plan journeys... smart tickets are far removed from the old paper versions..."*

"Was there ever a time when passengers didn't want a punctual service, a comfortable seat and an affordable ticket...?"*



#O2ComeOnIn

* 'The Future Of Transport' report from Passenger Focus and Go-Ahead, November 2012

Come on in

Transforming the passenger experience

The work we've done with our customers has led us to some valuable insights and fresh ideas on the way forward for passenger services in the UK.

One screen: using mobile technology to enhance the passenger experience

Today's hyper-connected passengers use smartphones and tablets to run their lives. And not just when they're on the move; they'll relax on their sofas and plan their next trip through their mobile devices. Even if they use a desktop computer or a laptop to make the initial plans, they'll expect to be able to manage their itineraries through their mobiles.

They'll also use social media to check on what to expect from the operators they are considering. And they'll use price comparison sites to hunt down the best deals.

The choice is theirs, but the challenge is yours. You have to deliver the experience that keeps your passengers happy and loyal.

But this same consumer love-affair with mobile allows you to be present from the moment they start planning, to the moment they are reminiscing about the trip with their friends. After sending a mobile ticket for the journey, you can deliver service updates by text, to keep them informed at every step. You can send special offers, inviting them to pause at a coffee shop while they wait for the next stage of their journey. And you can thank them for travelling with you and gather valuable feedback about their experience.

This multi-channel, multimedia world is our natural habitat. Our mobile heritage gives us a wealth of specialist insight, backed by technology expertise that can give you the secure, integrated ICT services you need.

Then there's another critical component of a great passenger experience: your people.

90%

of travellers at the world's second busiest airport (Beijing) expressed an interest in using their mobile phones to search for flights, access updates and receive boarding passes.*



#O2ComeOnIn

* futuretravelexperience.com

Empowering employees

Passengers remember great service. It gives them a reason to spend more, to tell their friends about the experience and to choose yours over other modes of transport in the future. So the more you can do to help your people provide memorable service, the better the passenger experience will be.

For example, front-line employees who have smartphones and tablets running mobile apps designed for their role can help customers directly on the concourse, or in transit. They don't have to be stuck behind fixed screens at service desks, or cut off from essential information while en route.

Even if a customer asks a question your people can't answer instantly, they can get the information with a few taps of a screen, rather than having to leave the customer waiting.

We can help you choose the right technologies – devices, operating systems and apps – and make sure the underlying network infrastructure is secure and fit for purpose.

Your contact centre is also a crucial part of the passenger experience – anything from dealing with pre-departure bookings and enquiries, to providing useful information if there's an issue, like a cancellation or a delay.

By transforming your contact centres, you can blend voice, text, web chat and even social media channels, so that agents can see all the past communications with a particular passenger. This allows service desk teams to provide a much more personalised and welcoming experience from the outset, because they can draw on detailed knowledge of the customer's journey history.

Training for staff is also a vital part of creating a great passenger experience. As well as face-to-face people skills, they'll need to know how to get the best from the technology you give them. But it need not mean staff travelling to a training centre, or trainers visiting them. You can deliver the training in the staff room, or direct to tablets, via video conferencing or using specific training applications we can work with you to create.

72%

of rail passengers are satisfied with the provision of information during their journey.*



But only

44%

of rail passengers are satisfied with how well train companies deal with delays.*

ON TIME

It's a passenger's world

60%

of rail passengers are satisfied with the availability of staff at stations.*

But only

46%

are satisfied with the availability of staff on trains.*



Maximising revenue

Even with their mobile connections, people have to put large parts of their lives on hold while they are travelling with you. So they're looking to you to make waiting around and long journeys easier and more enjoyable experiences.

Offer entertainment, shopping and refreshments, and you both benefit. And the more choice and value you can offer, the better your passengers will feel, which in turn fosters greater loyalty.

Our mobile marketing tools, such as Messaging Services and Priority Moments for O₂ customers, allow you to deliver personalised offers to passengers before, during and after their journeys. In collaboration with retail partners, you can provide value-added services, from incentive vouchers for refreshments during a trip, to discounts on parking or taxi services and local attractions once they've arrived at their destination. And by offering free, public access wifi, for example in travel hubs, you can ensure customers stay connected on their journeys, giving you the chance to engage with them through a new channel.

Through our data and analytics solutions you can also gain a deeper understanding of how people are moving through your transit points and the surrounding areas. This knowledge, plus your own data, can translate into insights that allow you to align your special offers and promotions more closely with the current behaviour of people in and around your locations. Your offers become more than simply discounts – the personal touch adds a dimension that can boost loyalty and make people feel more welcome.

"When I'm off to the Caribbean for a week with the family, I pick up a bottle of whisky in duty free on the way to the plane. When I'm travelling on my own to Frankfurt for the day, the whisky's of no interest. I'd love it if the airline could tell I was heading off on holiday and gave me a voucher on that journey."

"I love that I can find out which platform I need at the station while I'm still on the bus because I can look up the departure board."

CityFleet

For CityFleet's chauffeur, cab and car hire service, we replaced the private mobile radio (PMR) network it had been using for dispatch with a GPRS-based system. Now CityFleet can send more rich data over the air, faster, and with less degradation to service.

"The dispatch cycle could be up to four minutes. That's a long time in our business. Now it's down to 20 seconds. This makes a huge difference as it eliminates 'dead mileage' with drivers driving round waiting for their next job. Now we can dispatch jobs as soon as they come in."

Malcolm Paice, CityFleet Networks Limited



Customer loyalty

So many factors affect a customer's willingness to travel regularly with you. For some, it's all about price, while others want the personal touch of good service. Some are happy to be left undisturbed as they travel, while others want plenty of information, offers and ideas on how to fill their time.

Building customer loyalty means providing an outstanding experience, every time a passenger travels with you. It's also about understanding your customers, getting closer to them, and gaining a genuine insight into their world. You can only create powerful, personalised loyalty programmes if you have the insight that allows you to appeal to them as well-defined groups of individuals.

By offering mobile applications for customers to connect with you, you can gather more information about who your customers are – and use it to deliver a better experience based on their preferences. For example, if you provide transport from a station or depot and some of your passengers need to park nearby, an app or text service telling them how many parking spaces are available could turn tentative passengers into regular ones. Or you can differentiate between first class and budget travellers, and provide offers that are relevant to each.

Solutions such as Smart Steps and O₂ Wifi can help you understand how groups of passengers behave in and around a particular area or travel hub. Combined with your own passenger data, these insights enable you to reward passengers with special promotions and incentives, using solutions such as Messaging Services. You can even deliver special offers or a welcome message to them as they connect to your wifi when they walk onto a concourse, or pass through duty free.

This kind of personalised experience sows the seeds of loyalty and can help to generate the right kind of word-of-mouth recommendation.

"I choose to use a particular car park near the station because I can buy my ticket after I've got on the train, by phone or using an app. No more fumbling with change or credit cards, while I'm stressing that I'll miss the train."



#O2ComeOnIn

New ways to connect

Solutions to help you take your place in your passenger's world

We always start by looking at the business issues. The solutions we recommend are designed in partnership with our customers. They're closely aligned with their current business needs and opportunities, with an eye to the future.

Here's a summary of some of the key technologies that can help you deliver an outstanding experience and foster passenger loyalty:

Smart Steps

A web-based tool using aggregated, anonymised mobile network data to provide powerful insights into the profile of crowds within a specified area at any time.

- Understand footfall across your network, and assess trends over time.
- Track crowd movements in peak periods and plan more effectively for busy times.
- Gain insights into exceptional events, such as football matches or weather disruption, that help you plan more effectively for the future.
- Inform your marketing strategy and measure the impact of activity on footfall.
- Keep passengers informed of likely busy times.

Messaging Services

Mobile marketing to target your customers with timely, text-based information, offers or support services.

- Drive footfall, boost loyalty with personalised offers delivered at the right moment.
- Deliver service updates, such as expected arrival times or delays, direct to passengers' mobiles.
- Easy to track – quickly see how a promotional campaign is going.
- Use as a follow-up after the trip, to keep them engaged with your brand.

O₂ Wifi

Offer free, public access wifi to passengers while they are in travel hubs, such as train stations or airport terminals.

- Give them reasons to make more use of retail and catering services and increase their spend.
- Engage with passengers through a new channel.
- Deliver offers to them on the spot.
- Gather passenger insights.
- Offer access to data for people who can't or don't want to use mobile data – for example visitors from abroad who don't want to pay for data roaming, or people who have wifi-only devices (for example, tablets and handheld gaming devices).

Made-to-measure apps

Offer bespoke apps to make it easier for customers to plan and book their journeys.

- Enhance the passenger experience with m-ticketing and journey-planning apps.
- Add value – provide relevant, timely information about tourist attractions, cab services, hotels and other services.
- Understand more about passenger preferences.

Enterprise Mobility Management

The security, connectivity and management you need to safely deploy smartphones and tablets across your workforce.

- Empower staff with smart devices and apps that enable them to provide a better service to customers.
- Allow people to use their own devices if they want to.
- Ensure staff are better informed than the passengers they serve.
- Take the cost and distraction of managing multiple mobile devices away from your IT team.

Voice and data transformation

We can help with design, building and in-life management of your voice and data networks.

- Join up your IT and communications networks to reduce cost and complexity.
- Provide a solid foundation for delivering a good passenger experience, across every touchpoint.
- Build a scalable platform for future growth.



#O2ComeOnIn

We're deep into the passenger's world

This is our natural habitat. We know mobile and we know consumers – we have more than 23 million customers in the UK. They rely on us for the technology they love and depend on every day, giving us consistently high satisfaction scores.

We have extensive experience of working with clients in the passenger services industry. Our customers include leading sector players like Transport for London, Network Rail, and CityFleet. We've also been working closely with many leading rail, air and bus operators through our Ticket to 2015 consultation programme. It's a unique partnership that has already produced valuable insight and ideas about the future of the industry.

Like many of our passenger services customers, we are a truly multi-channel business, keeping pace with the consumer's mobile, socially-networked world. We have our own network of **450** retail shops, and we handle **3.2 million** customer service calls a month. **680,000** people like us on Facebook, **200,000** follow us on Twitter. We've learned a lot from our own journey through the ever-changing, fascinating world of our customers and we have a wealth of experience and knowledge to share with you.

For example, we know that to win new customers and keep them loyal, you have to have a clear vision and a commitment to innovation. We were the first network to offer BlackBerry® and the iPhone® in the UK, and our growing network of free wifi hotspots – free for everyone, not just O2 customers – is setting the standard for universal network access for the mobile generation.

We have more than 20 years' experience of delivering innovative ICT solutions via our own award-winning network. Our portfolio of solutions includes technologies such as Smart Steps data analytics, and our Enterprise Mobility Management service, for the secure, controlled deployment of tablets and smartphones, empowering employees and improving workforce effectiveness. If you're looking at ways of mobilising your staff, we can share success stories from our own experience and from our work with customers.

And we're a leading UK brand – more than technology, we're part of consumer culture through our sponsorships and other activities like our Think Big sustainability programme to turn young people's ideas into reality, and the O2 network of entertainment venues.

Explore more

If you're interested in finding out more about our ideas on growing your business with great passenger experiences, there's plenty more online (o2.co.uk/enterprise/jucu) and on our blog, The Blue (news.o2.co.uk). There's detailed information about specific products, expert opinion on current passenger services issues and a wealth of statistics and market insight.

Or simply call us on 01235 433 507, or speak to your Account Manager.

"The UK has one of the highest penetrations of smartphones, at 58%, while almost one in five (19%) has a tablet..."



"...recent research shows that UK consumers are downloading more data on mobile devices than anywhere else in the world, pushing Japan to second place..."



It's a passenger's world



