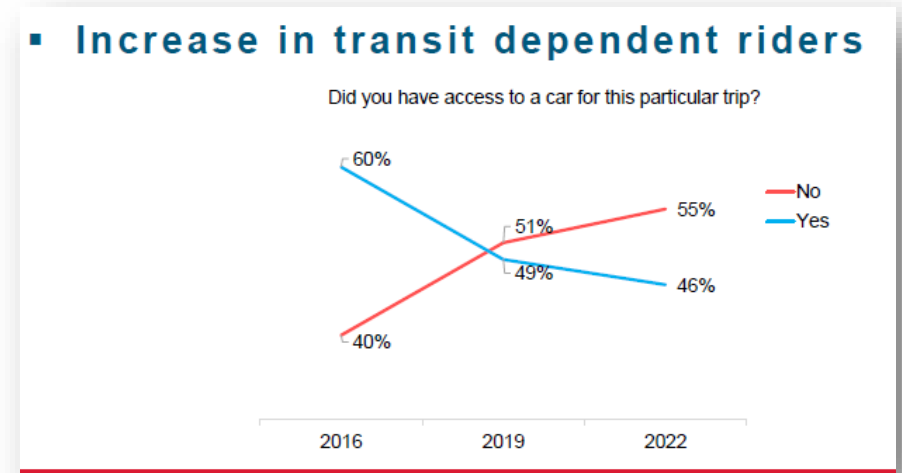


Caltrain Customer Acquisition Strategy

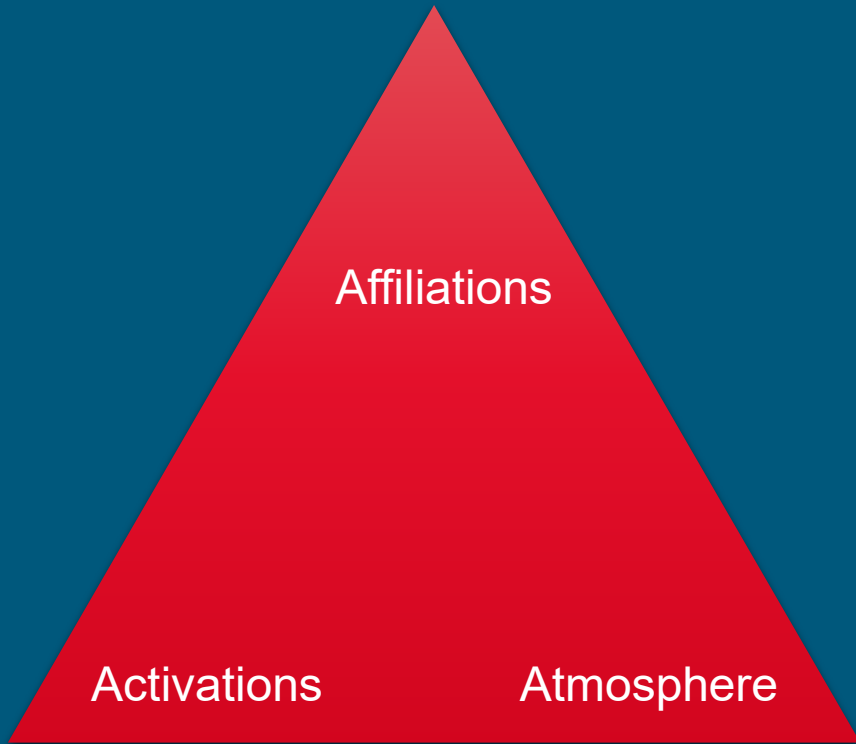


Intro to Customer Acquisition Strategy

- Formal customer acquisition strategy **first of its kind** at Caltrain.
- Remote work has significantly changed the way people move across the Bay Area, necessitating a **strong response**: changes to operations, fare products, and how we approach marketing.
- This roadmap was built in **collaboration** with the Ridership Growth Taskforce: staff Ops Planning, Marketing, Creative Services, Research, Policy Development and Finance.
- Acquisition strategy is primarily **focused on a *non-rider*** (*i.e., either future or lapsed*) audience.
- **Equity, Connectivity, Recovery & Growth** framework key reference document



Caltrain Customer Acquisition Strategy



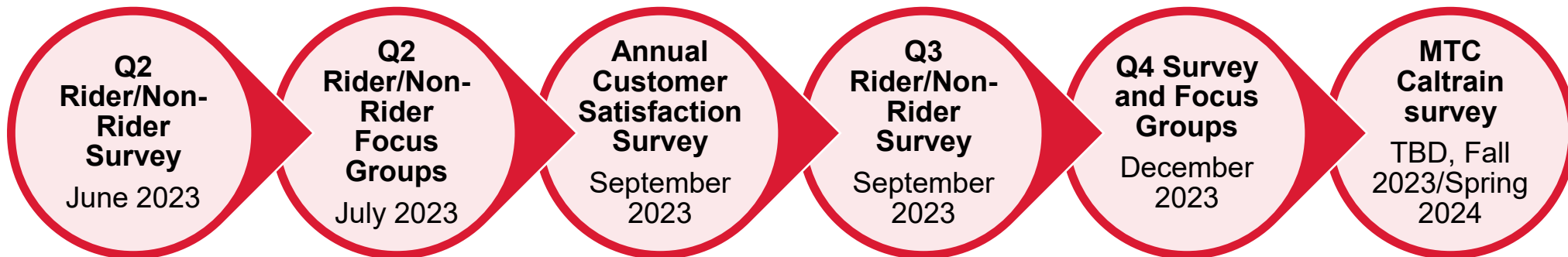
- **Affiliations:** Ridership growth through promotion of specific fare products to affiliates, i.e., partnerships with organizations that align with target consumer segments. Go Pass is the Core product in Caltrain's business-to-business (B2B) marketing strategy.
- **Atmosphere:** Ridership growth through brand campaigns that situate Caltrain competitively and generate atmosphere; this is where Caltrain promotes new service and its bona fides.
- **Activations:** Ridership growth through creative activations of existing assets, delivering earned media and engagement with new communities.
- **All informed by internal and regional data.**

Data: Current and Future Sources

Current Sources

- Triennial Customer Survey (Fall 2022): Detailed survey polled existing riders
- Ridership Growth Survey (Q1 2023): General market segmentation data of adult residents of communities served by Caltrain from San Francisco to Gilroy
- Bay Area Council (Bi-monthly): Survey of employers' return to workplace plans

Future Sources

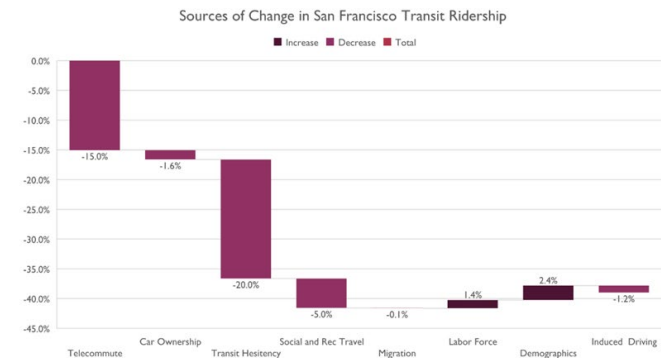


Data: The Big Picture

- **The commuter** remains Caltrain's core customer (61% work trip purpose in 2022), thus low office occupancy is severely affecting ridership.
- Customers have **chosen alternatives** to Caltrain due to a variety of factors:
 - Routes/Destinations
 - Caltrain not necessary for riders to get to destinations
 - Proximity to stations

Yet people like Caltrain. Favorability of Caltrain among all surveyed cohorts (70% satisfaction among current riders; 59% favorable among general pop; 15% unfavorable among target general pop) presenting high potential for growth opportunity.

TrendLab analysis of the causes of San Francisco transit decline



Data: The Big Picture

From today, when do you think your new long-term “normal” will be fully implemented in your organization? (i.e., all employees who you would like to return to the workplace have returned with consistency)

■ Not applicable/we are already operating under our new normal ■ Within one month ■ 1-2 months ■ 3-4 months ■ 5-6 months ■ 7-11 months ■ At least one year
■ We do not plan on bringing employees back to the workplace



- The "new normal" for commute patterns has arrived and is stable.
- According to regional employers (BAC), approximately 22% of the workforce will be fully remote.

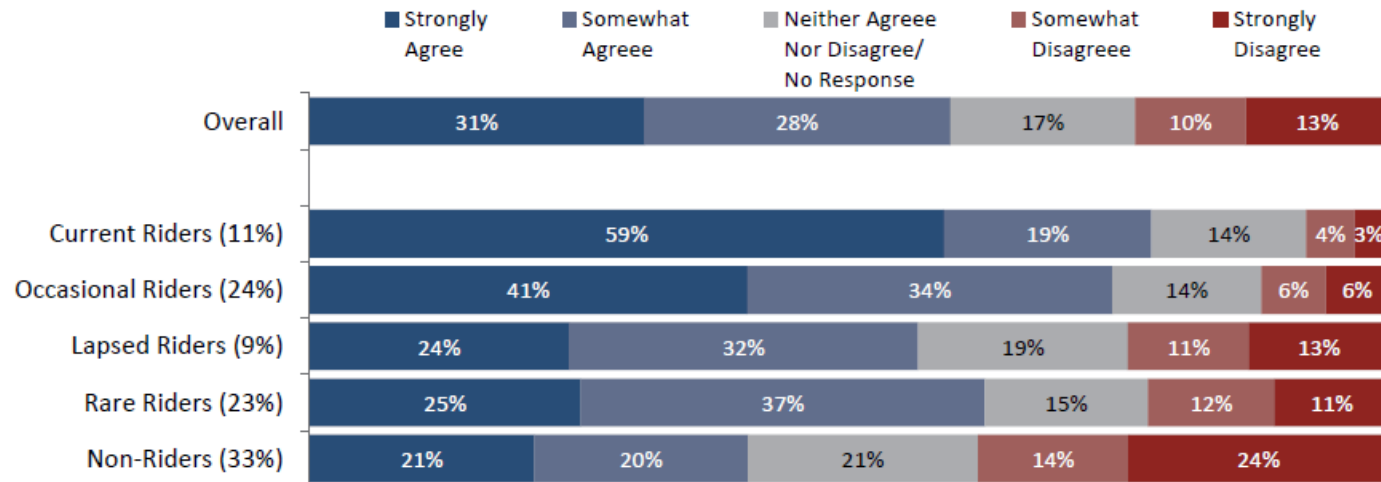
Data Analysis: Positives

Caltrain Positive Attitudes



Despite the challenges expressed, residents are attitudinally in favor of using Caltrain over driving. A majority would prefer taking Caltrain over driving if it is a feasible option to reach their destination. These sentiments are largely shared between those who ride Caltrain in any capacity, as well as a large share of non-riders.

"If I can take Caltrain to get to my destination, I would rather do that than drive"



People want to take Caltrain more than they want to drive.

- **Create the right conditions** for people to ride.
- **Provide solutions** to people's transportation's problems.
- **Market what we offer** in a way that positions us competitively.

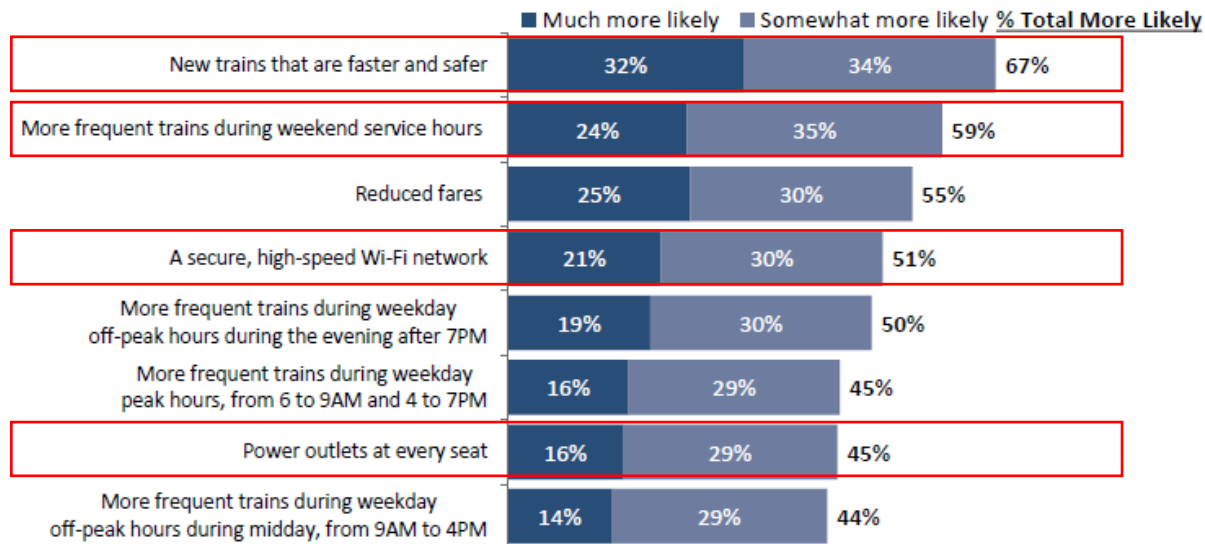


Data Analysis: Incentives

Ridership Incentives - Overall



Two-thirds of the respondents are more likely to ride Caltrain if they have access to new trains that are faster and safer. Additionally, over half of the respondents indicated that more frequent weekend train services, reduced fares, and a secure high-speed Wi-Fi network would make them more likely to ride Caltrain.



- **Caltrain Electrification** is the greatest opportunity to meet customer needs and desires.
- **New Fare Products** that provide hybrid workers with a ticket that makes sense for their commute, plus products for families, groups, and youth.

Q62-69. Next, you will read about some changes Caltrain made recently or is currently making. For each one, please indicate whether that change makes you much more likely, somewhat more likely, or not more likely to ride Caltrain more often.



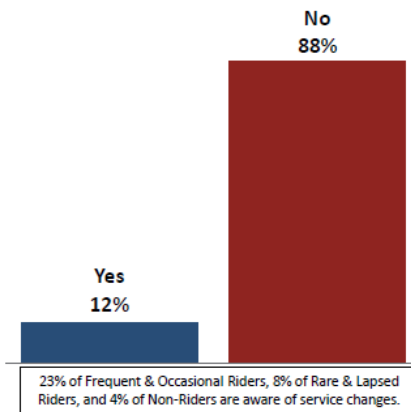
Data Analysis: Awareness

Caltrain Service Changes Awareness



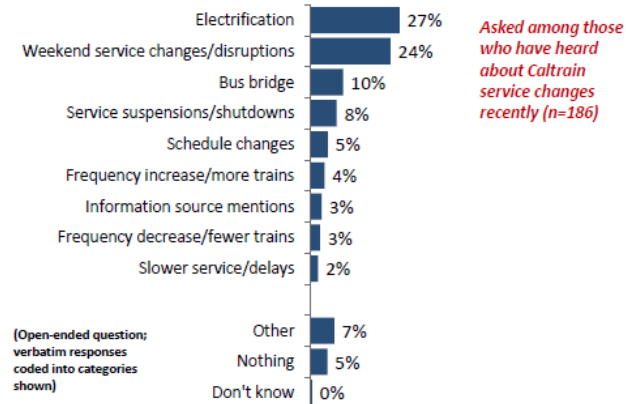
Most of the respondents were found to be unaware of any service changes on Caltrain. However, among those who have heard about any changes, electrification and weekend disruptions are the most frequently mentioned items.

Have you heard anything about Caltrain service changes recently?



060 61

What have you heard about Caltrain service changes recently?



Asked among those who have heard about Caltrain service changes recently (n=186)

23 8816 Caltrain Q1 2023 Results DRAFT 1.47

- 88% of participants in the general survey were **not aware** of current or upcoming changes to service.
- This **must change** for transit to modernize and grow – so here is the plan.



Atmospheric Campaigns

Brand campaigns that position Caltrain competitively through launching new and better service while promoting bona fides.



New Fare Products – Focused on Developing New Rider Markets

Pilot Sept 2023-Jan 2024

Offered on Caltrain's Mobile App and at Ticket Vending Machines at Stations:

- **Family Day Pass:** Via one ticket, allows 2 adults and up to 4 youth to ride together for the cost of 2 adults and 1 youth ticket. Family must travel together in same train car.
- **Group Day Pass:** Via one ticket, groups of 4-6 people can travel together, for 15% off the cost of 4 tickets. Group must be in the same fare class, must travel together in the same train car.
- **3-Day Pass:** Via one ticket, allows one individual to take unlimited trips for three consecutive days, from the date the ticket is purchased.

Offered on the Clipper* Youth Cards:

- **\$1 Youth Pass:** Price for youth rides will be set to \$1 for those who have Clipper Youth Cards.



*Clipper limitations: While the Clipper vendor, Cubic, is focused on development of Clipper Next Generation for deployment in 2024, all transit agencies may only make price changes to existing products and may not introduce new products on Clipper.



Caltrain Electrification

Will be largest marketing effort ever undertaken by Caltrain.
Will occur in three (working title) segments:

- Trains are Coming (2023)
- Trains are Arriving (Early 2024)
- Trains are Here (September 2024)



Additional Campaigns Fall 2023/Winter 2024

- **South Santa Clara County Service Increase:** New campaign promoting increase from 3 to 4 AM/PM train trips per day. Marketing collaboration with Gilroy, Morgan Hill, San Jose
- **Bike/Scooter Users:** New campaign based on data that reflects highest percentage of bikes/scooters on Caltrain ever
- **Mid-Day Service:** New campaign based on promotion of existing increased mid-day frequency
- **Clipper START:** Promote underutilized low-income fare program
- **Destination Caltrain:** Destination-based campaign promoting the places you can visit using Caltrain (including new Central Subway connection etc.)



Affiliation Marketing

Efforts to partner with employers and organizations along the Caltrain Corridor, a.k.a. B2B marketing.



Go Pass Growth Strategies

- Reduction in pricing; proposed student Go Pass; aggressive marketing efforts to promote Go Pass to new partners and employers along the corridor.
- Currently 1/3 of Caltrain's fare revenue; critical assets to monitor.

City Partnerships:

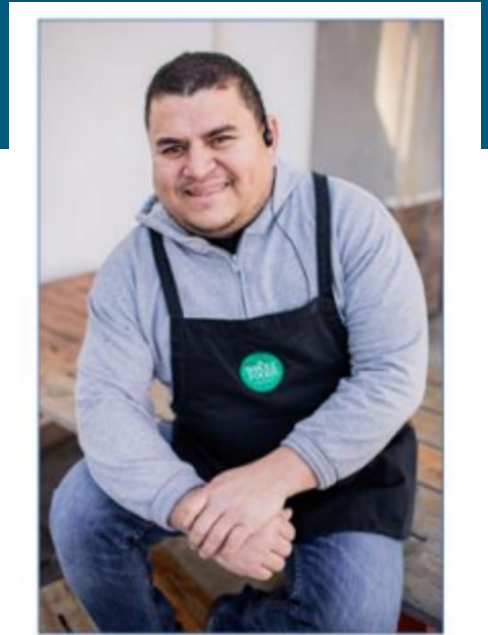
- Create asset that can be shared with cities, describing options/tools that could benefit city GHG goals and promote ridership, example transit pass requirements with development (TDM Requirements)
- Deepen relationships and collaborate with cities for community events including in San Francisco, San Mateo, and San Jose.

Partnerships: Cities and Employers



Go Pass Donation Program

- Through this program, Caltrain partners with qualified community-service organizations, which distribute donated Go Passes to their constituents, who may not otherwise have access to Caltrain.
- Equity focus: Expand and maximize access to the Caltrain system for low-income and equity focused riders.
 - 60% of 2023 Program participants have an annual household income under \$50,000.
 - 85% of 2023 Program participants are people of color.
 - 50% of 2023 Program participants are new to the Caltrain system.
- **Expand partnerships with other community-serving organizations**
- **Encourage more use of Go Passes for more rides on Caltrain**
- **Rebrand/Continue to Promote:** Name to better reflect program



“The benefits of having a transit pass are that I can avoid traffic and it’s fast. Taking transit saves me money so I have more to take care of my family.” - Geraldo Valencia, Whole Foods



Activations/Events Marketing

Innovative ways to use Caltrain property, assets, and events to engage with new and current communities.



Summer of Caltrain

- Customer Appreciation at three stations (June 1)
- Innocenti Strings Soloist at station (June 5)
- San Mateo County Fair (June 3-11)
- Pride / Chalk Muralist (June 25)
- Coaster Campaign (July)
- EMU Public Event (July 29)
- Onboard Trivia (TBD)
- Music Event (TBD)
- More info at caltrain.com/summer



Staying On Track

- We will consistently survey our riders and communities to understand their needs and change course as needed.

Customer Experience Improvements

- Customer **retention** through improvements to their **experience**
- New **Director of Customer Experience** to join August 2023
- New **fare products** will help meet consumer demand
- Concluded series of **three focus groups** (June 2023) that interviewed current, infrequent, and lapsed riders:
 - Improve "sterility" of stations to surprise and delight customers
 - Early analysis indicates a variety of problems solved by electrification
 - Frequency of Service
 - Cleanliness
 - Wi-fi
- Staff will present a **customer experience and retention strategy** late summer/early fall following new key CX staff onboarding.



Questions

FOR MORE INFORMATION

WWW.CALTRAIN.COM

