



# Strategies for Public Transport in Cities

**SPUTNIC helps public transport stakeholders to anticipate problems and it proposes a set of specific recommendations for strengthening public transport.**

European cities face major challenges from social tensions: rising competitiveness in a globalised market, energy shortages and environmental threats such as climate change. And now they are confronted by deepening financial and economic crises.

Sound public transport systems can help cities meet these challenges by improving the mobility of individual residents and bringing social and environmental benefits that enrich communities as a whole.

### **SPUTNIC (Strategies for Public Transport in Cities)**

This initiative is a three-year project funded by the European Commission under the 6th Framework Programme. It has explored challenges and best practices of local and regional public transport systems in transitional economies with a special focus on Central and Eastern Europe. These challenges include the emergence of a competitive environment, changing institutional frameworks, increasingly scarce financial resources, the need for a more business-based and customer-oriented approach, a generally bad image of public transport, and deteriorating rolling stock and infrastructure.

### **Methodology**

The project was divided into four priority areas: corporate management, customer relations, market organisation, and equipment and operational aspects. Work was based on the knowledge and practical experience of 100 public transport professionals.

### **What SPUTNIC offers**

The SPUTNIC outcomes include a state-of-the-art review; identification of the most important public transport sector challenges; good practices and recommendations; and policy and research recommendations.

In addition, a set of useful everyday guidelines and specific tools have been developed.



## Corporate Management

Public transport managers in Central and Eastern Europe are continuously faced with an ever-increasing demand to improve the performance of their organisations, business units and departments through measures to improve cost efficiency and effectiveness. This means adopting new management methods and techniques.

As leaders, they must constantly seek a better alignment between their organisation's mission, vision, strategy and structure. This also implies management of all stakeholders and building new partnerships. As a consequence, a more modern management of human resources is required, with more focus on recruitment of talent, training and development of middle management. Innovative and more flexible learning methods must be introduced, including e-learning for all members of staff.

The Sputnik cluster on corporate management has investigated a great number of management practices in the areas of strategy and business performance, organisational restructuring and human resources management. The cluster developed the following major policy recommendations:

- Obtain a better alignment between mission, vision, strategy and organisational structure
- Improve business performance by using performance indicators
- Make better use of modern management techniques which have proven to give added value in the private sector
- Establish a management and service culture with competency-based human resources management

From 2002 to 2008, **Prague Public Transport (DPP)** in the Czech Republic went through a successful strategic transformation process in its institutional, financial and organisational structures. Staff was reduced and improvements were made in customer service and quality management. This made DPP more competitive in a free market and helped the company to better utilise its resources.

Over the past few years, **Metro Warsaw** has been strategically investing in the training and development of its human resources at different levels of the organisation. As a strategic partner, human resources plays a vital role in defining the organisation's direction by identifying and recruiting the people needed and assessing work practices and systems. It has an impact on improvement of customer service and satisfaction, raises morale and lowers turnover and absenteeism.



## Customer Relations

In recent decades, public transport has become much more customer oriented. To continue this positive development, public transport operators and authorities must make several further steps. Particularly in Central and Eastern Europe, where marketing and customer-relationship management are still relatively new, there is ample room for improvement, although the same can be said for many public transport companies in northern, western and southern Europe.

The customer relations cluster brought together experts from all over Europe to discuss the situations in different countries, to identify key challenges in the field of customer relations, to develop recommendations and strategies and to identify areas for improvement.

As one main outcome SPUTNIC has identified the following policies in order to:

- Stop (further) decreases in public transport modal share or increase it (from a market research and market analysis point of view)
- Create a comprehensive marketing approach
- Match customers' experiences with customers' expectations
- Improve the image of public transport in the eye of decision makers and the public

Over the last three years **the City of Tallinn, Estonia** has implemented a comprehensive marketing and public awareness campaign, targeting both decision makers and the general public, in order to promote environmentally friendly modes of transport (walking, cycling and public transport). Some of the measures have been implemented as part of CIVITAS Smile and/or were financed by the European Union. This highly successful project has significantly contributed to stopping the further decrease of the modal share of public transport. It also helped to overcome certain negative misconceptions among the public regarding the use of public transport.



**You spend less  
using a bus!**

*An average cost of a ticket in public transportation is  
3 times lower than the price of the gas consumed by car\*.*

\*the price of the car is not taken into account.

The data is based in information provided by Tallinn Transport Department.  
For more details see [www.tallinn.ee/smile](http://www.tallinn.ee/smile)





**TMB** is the main public transport operator in Barcelona, Spain and has a long history of providing high-quality services. However, the operator is fully aware of the fact that this is not sufficient in a time of increasing competition and a decreasing share of captive users.

Over the last couple of years, TMB has implemented a highly successful image and marketing campaign around a newly developed company logo. The campaign is connecting the use of public transport with highly emotional values. It has improved the image of public transport in general and the company in particular. It has increased customer satisfaction and has made both citizens and visitors to Barcelona proud of using public transport.

## Equipment and Operational Aspects

Common experiences shared during the plenary and expert meetings have demonstrated the importance of providing public transport, notwithstanding the economic crisis and reduced funding situation. Even before the project started, it was clear that funds for rolling stock and infrastructure were insufficient to achieve a satisfactory result concerning the modal split and the development of the traffic situation. This was and remains particularly so for cities undergoing rapid economic and demographic development.

The SPUTNIC project gives guidance concerning investments in rolling stock, infrastructure and equipment in order to improve the attractiveness and efficiency of public transport, even under tight budget constraints. SPUTNIC has identified the necessary strategies to:

- upgrade infrastructure;
- modernise the fleets;
- optimise maintenance processes and workshops;
- reduce travel times; and
- increase travel comfort.

After German reunification, transport companies aimed to offer more attractive services. Meanwhile, cities have tried to mitigate the dramatic increase in private traffic volume while meeting statutory demands for a solution that enables disabled people to independently use public transport. This made it necessary to think about **the design of stops** in a completely new way. The redesigned stops in Leipzig had to be suitable for the use of both the given vehicle width of 2.20 m and the future widening of vehicles up to 2.40 m. As the stops are very compact, they can also offer a solution for space-critical areas and may be an option for other transport service providers facing this kind of problem. The relevant platform heights and distances to the vehicles now conform to European standards.



**The modernisation of fleets** is a key issue in Central and Eastern Europe. In the EU-15, trams and light rail vehicles (LRV) number roughly 11,600 while in the 10 new EU member states a further 8,800 are employed in some 140 systems.

The share of newly purchased rolling stock is rather low. While about 33% of the vehicle fleet in the EU-15 was built after 1990, these vehicles account for just 6% of the fleets in the new member states. This shows the need for fleet renewal. The question is whether to purchase new vehicles or pursue other options such as overhauling and modernising existing stock or purchasing second-hand vehicles. This last alternative has been the common choice during the last 15 years.



## Market Organisation

If the market players in urban public transport in Europe – authorities, operators and intermediate entities – are to act jointly for the benefit of customers, a sound market organisation is needed. This holds especially true for Central and Eastern Europe where the withdrawal of the central government from local public transport has left a financial and organisational vacuum that is only slowly being filled by new regional and local actors.

At the heart of an effective and efficient market organisation lies a well-defined policy that works at a strategic level. Market organisation then defines how these aims are to be reached effectively and efficiently.

SPUTNIC has identified the necessary strategies to:

- set up sound and stable framework conditions;
- improve public transport funding and financing balances; and
- establish seamless multi-modal public transport opportunities.

**The city of Brno, Czech Republic** and its surroundings began integrating the local public system in 2002 by introducing a new market organisation. Besides reshaping the network, coordinating timetables and establishing common marketing and customer services, a new tariff and fare system was implemented. The last step was the most important of these improvements. The successful project increased the effectiveness and attractiveness of public transport and is constantly being enlarged.



**Västtrafik**, the public transport authority of the city of Gothenburg and Western Sweden, has developed public service contracts where the public transport operators receive part of their compensation as a fixed fee and another part according to the numbers of passengers transported. A bonus-malus system related to level of performance gives the operators further incentives to increase quality and customer satisfaction.

## GOOD PRACTICE CASES IN PUBLIC TRANSPORT (WWW.SPUNICPROJECT.EU — SEE PRODUCTS SECTION)

### Corporate Management

- Use of Key Performance Indicators (KPI) as a Management Tool (Athens, Greece)
- Restructuring at Brno Public Transport Company (Brno, Czech Republic)
- Telematic Innovations for Public Transport (Ploiesti, Romania)
- Transformation Project at Prague Public Transit – DPP (Prague, Czech Republic)
- Restructuring and Transformation at Salzburg AG (Austria)

### Market Organisation

- Incentive Contracts of the Public Transport Authority Västtrafik (West Sweden)
- Innovative Public Transport Funding Scheme (Upper Engadine District, Switzerland)
- Rolling Stock Renewal with a Loan from the European Bank for Reconstruction and Development – EBRD (Sofia, Bulgaria)
- Revenue Distribution in Swiss Tariff Unions (Switzerland)
- Funding a Metro through Land Development (Ørestad, Copenhagen in Denmark)
- The Implementation of a Season Pass Tariff Union and the Transition to an Integral Tariff Union (Ostwind, Switzerland)
- Integrated Public Transport of the Southern Moravia Region and the City of Brno (Czech Republic)
- Customer Satisfaction Survey within ZVV for Quality Improvement and as Basis for Bonus Payments (Canton of Zurich, Switzerland)
- Commercialisation of Stops and Interchanges: Combining Train Ticket Sales with Other Retail (Gillingham, United Kingdom)
- Public Service Contracts in Transport (Gdynia, Poland)
- Organisational Model of Verkehrsverbund Oberelbe (Dresden, Germany)
- Network, Timetable and Tariff Integration in

Verkehrsverbund Oberelbe (Dresden, Germany)

- Legislation on Public Transport (Switzerland)
- Institutional Framework and Cooperation – Net Cost Contract Trial (Blekinge, Sweden)

### Customer Relations

- Sustainable Mobility Marketing (Krakow, Poland)
- SWOT Analysis (Vilnius, Lithuania)
- Statistical Yearbook on Romanian Public Transport (Romania)
- URTP – Romanian Association of Public Transport (Romania)
- Public Transport Marketing and Promotion Campaign (Tallinn, Estonia)
- High-Quality Bus Services – Reading Buses (Reading, United Kingdom)
- Information for Persons with Impaired Mobility – Website (Prague, Czech Republic)
- High-Quality Bus Corridor – Starship (Burnley and Pendle, United Kingdom)

### Equipment and Operations

- The LeoLiner Tram (Leipzig, Germany)
- High-Level Bus Service: the Quality Bus Network (Dublin, Ireland)
- Dynamic Passenger Information for the Vision Impaired (Prague, Czech Republic)
- Bus with a High Level of Service: the Busway of Nantes (France)
- Tele-bus: Demand-Responsive Transport Service (Krakow, Poland)
- GPS-Based Fleet Management System (Sofia, Bulgaria)
- Introduction of CNG Buses (Krakow, Poland)
- Dynamic Passenger Information System (Leipzig, Germany)
- Design of Stops and Stations for Level Access of Buses and Tramways (Leipzig, Germany)



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Sputnic is a project  
supported by the  
European Union



SIXTH FRAMEWORK PROGRAMME