



# **JOINT TRANSPORTATION COMMITTEE FERRIES FINANCING STUDY II**

## **Reservation System Research Review Joint Transportation Committee September 30, 2009**

Cedar River Group



## **IDO - Istanbul**

Serve 6.5 million vehicles and 80 million passengers annually.

### **Reservations**

- Used on routes dominated by recreational traffic
  - Average user frequency 4-5 trips a month
  - Generates revenue on these routes by directing people to buy tickets via web and phone
  - Tickets can be printed online or picked up via ticket machine at the terminal
  - Customer convenience to plan travel
- Book up to 100% of vessel space ahead
  - Allow for limited standbys on space available basis but will turn cars away if terminal is full
- No frequent user programs or repeat bookings
- Customers who miss a sailing forfeit their ticket if the next sailing is full

# Istanbul Reservation Terminal (Yenikapi)



## **Istanbul Commuter Routes**

- Most commuter routes – passenger only vessel
- Two vehicle routes with heavy commuter traffic have had massive capacity increases
  - One 35 minute route is served by 14 boats at peak times with 5 minute headways and the other is a 10 minute crossing served by 4 vessels
- Eliminate schedule in peak periods and sail when full
- Cash only and no coin fares at the terminals reduces processing time
- Holding lots from 220 to 700 vehicles – vessel capacity 60 to 110 cars
- Traffic backs up onto street at one terminal (Sirkeci) but impact is seen as a net benefit because cars are diverted from nearby bridges.

# Vehicle Commuter (Eskihisar) Terminal



## Wight Link Ferries

- Reservations available for all sailings on their two vehicle routes
- Visited one route (Portsmouth-Fishburne), 40 minute crossing and departures every 30 minutes.
- Terminal manager estimated 75% of traffic is from regular riders. Not clear how many are commuting to work. Cars are checked when they enter the terminal and sorted by which sailing they are waiting for. Terminals on both sides hold approximately 250 vehicles and vessels have capacity for 110-160 cars.
- Generally have more people arriving early than late and are able to work them in so later sailings sail with fewer cars than bookings.
- Have a multilink program for frequent riders.
- Operate drop trailer and credit programs for freight customers.
- Do not require customers with multiple bookings to cancel.
- Variable message signs near terminals alert riders if sailings are late.

# Portsmouth Terminal – Wight Link



# Ticket Office





## **Red Funnel Ferries**

- Operate one auto route, Southampton-East Cowes
- 45 minute crossing with departures every hour
- Use 70% of overall capacity in summer and 30% in winter.
- 5-10% daily commuter traffic. Very large freight volumes.

## **Vehicle Processing**

- Southampton terminal holds approximately 300 vehicles and East Cowes holds 220. Vessels hold 180-214 depending on configuration for freight. Recently expanded vessel capacity.
- Cars arrive at terminal and are checked at entrance before proceeding through toll booth.
- Scan tickets at toll booth and verify number of passengers and type of vehicle.
- Turn cars away that don't have reservation for upcoming sailing if the sailing is completely booked.
- Commuters with gold card 50 ticket books and those who purchase priority tickets receive priority loading. Estimated 300-400 purchase books of 50.

# Red Funnel

## Operations

- Pricing is number one tool used to spread demand and generate revenue. One-way ticket can range from 16 pounds to 67. Price rises as boat fills.
- Making a reservation early for customers without frequent user tickets is advantageous to lock in lower price.
- No show rate reduced from 20% to less than 5% with new pricing schemes to penalize no shows. No show penalty coming soon for frequent users and freight customers.
- Number of ancillary revenue sources. Give incentives to call center employees to sell packages.
- Give discounts to large groups and access code for bookings.
- Large freight program. Steer freight towards off-peak sailings with pricing incentives. Also operate drop trailer program.
- Book 100% of vessel capacity. On day of my visit every sailing was sold out from island. Very unusual.
- Use Book It system by Hogia for reservations. Positive customer reaction as pricing is seen as more transparent.

# East Cowes Terminal



# East Cowes Toll Booth



## **Preliminary Lessons Learned - Reservations**

- 1. Terminal Management.** All three systems appeared to give a lot of control and discretion to the terminal managers.
- 2. Real time information is critical.** All three systems use text messaging and email to communicate alerts to riders. Variable message signs could be one solution.
- 3. Access to terminal:** Need to sort cars before arrival at terminal to ensure reservation holders access.
- 4. Holding area for one boatload of cars:** Holding lots large enough to hold at least a boatload of cars are desirable to sort traffic and have standby capacity.
- 5. Stand-by capacity:** For ease of operations, as close to 100% of capacity as feasible should be available for reservations.
- 6. Customer responsiveness:** Feedback and adaptability to different user groups are important. Both Isle of Wight systems allow frequent users to make repeat bookings.

- 7. Minimize transaction time at toll booth.** Separate lines for customers with reservations and without.
- 8. Set a peak schedule that can reasonably be met.** Frequent backups can cause confusion with vehicles arriving for multiple sailings.

# Freight

- IDO is developing a smart card to keep track of sailings by drivers. Charge at end of billing cycle. Red Funnel and Wight Link already have such a system.
- All three systems operate drop trailer programs.
- Red Funnel has a dedicated freight department which works with high volume freight customers to provide pricing incentives towards off-peak sailings. Freight department works with Red Funnel pricing analysts to adjust freight capacity as needed. 500,000 pounds annual revenue from largest freight customer.
- **WSF should consider a position dedicated to working with freight customers.**