

A Whitepaper for the Members of UMA

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Marketing Tips for Motorcoach Companies



What it takes to drive your business.

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Introduction

From time-to-time UMA will commission studies and guides for our membership and for the industry we serve. The results are published here and distributed to the appropriate audience. In the past several decades, certain guides have been more popular and requested more often that we have rewritten them to bring them current. These guides are offered here free of charge and will hopefully allow you to get the answers you need to the questions you have.

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Marketing Tips for Motorcoach Companies

Going on the business offensive:

215 ideas for motorcoach operators
A United Motorcoach Association White Paper

The motorcoach industry's worst economic downturn in more than a decade has resulted in hundreds of operators taking strong defensive measures. They've reduced fleets, laid off drivers and slashed operating expenses. They've also cut prices, advertising and sales budgets. At this year's Motorcoach Expo in Indianapolis, more than 350 attendees were challenged by United Motorcoach Association Chief Executive Victor Parra to cast aside their defensive thinking and to focus instead on offensive measures. The 350 were attending Expo's annual Operator's Lunch and they agreed to take part in the largest brainstorming session ever conducted by the association. For more than an hour, company owners, managers, suppliers and their spouses brainstormed 16 topics critical to the survival of tour and charter coach companies. The 215 best ideas resulting from the brainstorming form the basis of this White Paper.

At first reading, some of the ideas generated by the brainstorming will appear to be "off the wall," or worse. That, of course, is the point of brainstorming. The concept was developed to foster creative and over-the-top thinking. Or, in the case of the motorcoach industry, thinking that is outside the bus. Participants in the Expo brainstorming session did exactly as they were asked -- come up with as many innovative ideas as possible in a relatively short time. Now, readers of this document can decide whether these ideas can be tweaked or massaged into workable products for motorcoach companies and solutions for industry problems. Those participating in the exercise approached the task enthusiastically and with good humor. Take Jerri Smith of Good Time Tours in Pensacola, Fla., for example. She suggested the industry wouldn't have any problems attracting more customers if operators just had buses with 55 front seats. OEMs take note!

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New Product Ideas

Sports Tours. Group trips to specific events, using a retired athlete or coach as the tour guide.

Home Team Sports Tours. Both major and minor league sports franchises are particularly receptive today to group sales.

Environmental Tours. Possible destinations: Solar homes, river studies, city-owned recycling plants, water-treatment facilities, perhaps even a landfill.

History Tours (primarily for seniors). Use teachers as guides or a knowledgeable local person who can give the history of a locale and act as an ambassador for the tour theme.

Mystery Tours to local destinations (suggested by several tables). Seek out volunteer tour guides.

Adventure Tours (primarily for younger customers). Activities might include sky diving, kayaking and white water rafting.

Soft Adventure Tours. Tours that include walking, hiking, bicycling, boating, paint ball games.

Family Tours to theme parks, water parks and amusement parks. These could be overnight or longer in duration.

Golf or Fishing Tours to unusual locations: The Midwest and South Carolina were suggested for golf.

Patriotic Tours.

Chocolate Tours complete with chocolate giveaways and tasting

Old U.S. Route 66 Tours from Chicago to the West Coast. Several books are available on Route 66, plus plenty of information is available on the Internet.

Partner with Amtrak. Outbound on Amtrak, back by motorcoach.

Shopping Adventures. Give a prize or prizes for the best shopping deals found by participants. Use lounge coaches.

Singles Tours. Create mix-and-mingle games and visit singles-friendly venues.

Theme Tours and Theme Museum Tours. Many, if not most, major urban areas have museums and/or exhibits having a similar theme -- besides art. For example, there are multiple sports Halls of Fame, museums of transport, military museums, and auto-related museums. In auto-dominated Southern California there is the National Hot Rod Association Motorsports Museum in Pomona, the Petersen Automotive Museum in Los Angeles and others. On the East Coast there are colorful lighthouses.

Rolling Classroom Tours. Use information from local destination sources to develop informational tours. Or, hire retired teachers to guide and teach.

Hobby Tours. Single-day and multi-day tours, package tours and intermodal tours focusing on a particular hobby.

Day Tours. The best attractions within a 100-mile radius.

Great Products for the Corporate Market:

- Market your company to corporations as a one-stop shop for group travel needs. Or, as an alternative for corporate travel.
- Market a coach as a mobile training center / Classroom on Wheels. The coach can travel to key sites as part of a familiarization program.
- Point out to potential clients that having meetings in a coach assures a "captive" audience. No secretaries popping in and out and other distractions.
- A motorcoach trip or tour affords the opportunity to introduce the corporation and its personnel to sensitive programs.
- Rolling Boardroom. Specialized coaches with a lounge in the middle and meeting areas at each end. Make sure the coach is capable of handling Power Point presentations (screen, electrical outlets, suitable table for projector and laptop).
- Time savings. No airport and taxicab hassles.
- Market a motorcoach tour/trip as an employee incentive award. A company team or department that achieves a goal wins a group trip for an evening of dinner and theater.
- Look at combining different groups to make transportation feasible.
- Sell the corporation an idea they do not know exists. For example, they can have their name and/or logo on the side of a coach. Their products can be advertised on coach video systems. Offer a unique product to them.
- Offer quality, professionalism and customer service. Sell quality service, not price. Sell availability of your staff; no automated phone system. Make sure you offer your best equipment -- which is clean -- to corporate or potential corporate clients.
- Sell the features and technology available on today's coaches, including video and power ports. If you have executive coaches, tout their features.
- Introduce motorcoach travel as an alternative mode of transportation that is affordable, available and a practical use of their time.
- Work to get your foot in the door at a corporation by offering employee shuttles or similar services.
- Contact the bank that is lending you money and offer to transport bank employees to events.
- Promote your vehicles for use by a corporation at away-from-the-company events such as meetings, interviews, training and promotional activities. Mobile command post.
- Develop a large client or corporate recognition program.
- Sell a package of trips or corporate travel arrangements to the company and include in the proposal a reward system for their employees.
- Offer wireless Internet connections.
- Develop an outside salesman for the corporate market.

Ideas for Identifying & Nurturing Profitable Customers

- Develop a customer advisory group that helps promote your company to potential customers and increases existing customer margins.
- Strive to combine smaller groups who will travel together to make one larger, more-profitable group.
- Proactively advertise and promote the benefits of motorcoach travel to passive groups.
- Offer your products in a new or different market.
- Change the coach configuration to accommodate various markets.
- Acquire lists of specific demographic groups for targeted marketing.
- Get involved with and get to know your customers. Add the personal touch.
- Get customers involved in developing better tours by being open to suggestions and seeking comments.
- Diversify. Offer products or services that the competition is not.
- Offer gifts to customers on longer tours.
- Offer more local pickups.
- Try different kinds of advertising or advertise more.
- Be available to your customers at all times.

Ideas for Building Incremental Revenue:

- Demonstrate to corporations how to utilize more efficient methods of transportation.
- Personalize the marketing and selling of your services. Employ public relations.
- Follow up on calls and quotes in a timely manner.

Great Ideas for Advertising on a Tight Budget:

- Make sure you have a sales message on your phone system for people put on hold.
- Tap employees for their creativity and different resources, including their families.
- Hold an open house at your facility for customers and potential customers.
- Promote the industry's safety to the media.

Turning Drivers Into Super Salesmen:

- Give drivers commissions for sales.
- Involve drivers and get their input in setting up trips. Use drivers' knowledge of destinations.
- Provide drivers with thank you cards they can fill out and send to customers after trips.

- Make drivers owners of the tour company selling trips.
- Use positive reinforcement for driver management and training.
- Debrief drivers after trips. Ask where they would go again and what they would leave out of a trip.
- Have drivers ask passengers where have they been that you liked and would like to go again. Collate the answers in the office and then distribute to appropriate people in the company.
- Upgrade the appearance of drivers and their coaches. First impressions are lasting impressions.
- Reward drivers for sales leads that prove fruitful; the minimum reward should be a thank you note.
- Emphasize details with drivers: Polished shoes; proper dress; being courteous and respectful.
- Make sure there are mirrors for drivers to check their appearance.
- Pay bonuses for no accidents.
- Develop a profit-sharing program for business that drivers bring in.
- Provide drivers with comment cards.
- Three days after a trip have drivers call passengers for feedback, both bad and good. Really helps develop repeat business.
- Assign buses to drivers.
- Award seniority to drivers who bring in business.
- When a driver brings in business, communicate that information to other employees and drivers.
- Educate drivers about the company.
- Make promoting the company and its products part of the job description of drivers.
- Make asking for referrals from customers also part of the job description.
- Develop a "company introduction" that drivers can use when they start a trip. This introduction should include information about the company history, safety record and goals and objectives.
- Emphasize and reward drivers who take pride in the equipment and provide excellent service.
- Strive to motivate drivers to speak well of the company, to take their job seriously, to provide on-time service and to be resourceful in resolving passenger concerns or problems that crop up during travel.
- Make sure drivers have promotional materials on-board the bus they can distribute or give out when asked.
- Have the sales director meet with drivers periodically for two-way communication. The sales director explains what he wants to sell, the drivers talk about what the customers want to buy.
- Have the sales director provide drivers with tips for selling company services.
- Provide continuing education to drivers about the industry.

Moving Sales Staff From an Order-taker to a Sales Person:

- Make sure your staff has the right tools and equipment.
- Offer incentives with tangible goals.
- Set and define sales goals.
- Try to retain experienced and trained staff.
- Make sure your sales staff has the knowledge to recognize customers from past relations and anticipate future needs.

Keys to Developing a Lucrative Regular Route Service:

- Research and development.
- Have a plan and measure yourself against it.
- Upgrade your service, adding bells and whistles, escorts, laptop connections.
- Focus on quality service.
- Price the service based on the value to customers, not necessarily how we normally price.
- Check into government subsidies.
- Cater to regular customers. Reward frequent riders, provide referral discounts.
- Know where your break-even point is. Understand your costs.
- Have a grand opening. Spread the word far and wide in a big way when starting up.
- Emphasize safety and security.

Upgrading Tours:

- Seats that vibrate and/or extend.
- A camera that makes postcards that can be mailed during the trip.
- Take digital photos during tours and down load them daily so family members can see them or pick them off the Internet.
- Better amenities for longer trips (i.e., those with travel times of three or more hours), including beverages, a hostess and power for laptops.
- Set up frequent-traveler or mileage-reward programs as an incentive (other than price).
- Develop a multi-trip or bonus-rewards pass. Take three trips and the fourth one is half-price.
- Roof vents in bathrooms to better eliminate odors.
- Discounts or free travel for individuals who recruit friends.
- Incentives (or kickbacks) to tour groups. For example, a \$100 check to a senior center when seniors go on a trip or overnight trip.
- Offer a mix of tours. Develop 10 different tour products and offer pricing based on any three tours for \$6,000 or any five for \$10,000.
- Offer discounts for grandparents who bring along a paying grand child.

Strategies for Creating New, Higher Margin Customers

- Develop a customer advisory group that helps promote your company to potential customers and increases existing customer margins.
- Strive to combine smaller groups who will travel together to make one larger, more-profitable group.
- Proactively advertise and promote the benefits of motorcoach travel to passive groups.
- Offer your products in a new or different market.
- Change the coach configuration to accommodate various markets.
- Acquire lists of specific demographic groups for targeted marketing.
- Get involved with and get to know your customers. Add the personal touch.
- Get customers involved in developing better tours by being open to suggestions and seeking comments.
- Diversify. Offer products or services that the competition is not.
- Offer gifts to customers on longer tours.
- Offer more local pickups.
- Try different kinds of advertising or advertise more.
- Be available to your customers at all times.

Great Methods for Pricing for Profit:

- Add value to your proposal or offer and assign a price to that added value. In other words, look for "niche values."
- Think inclusions. Ask customers what other ways you can assist them -- tickets, meals, other travel arrangements, coffee, and doughnuts.
- Fax a list of what they are getting when they hire you. Explain, provide examples.
- Break prices down per person, per day.

In proposals or offers, list any of the following added-value services that apply to your operation: Cell phone on the bus; an 800 number family and friends can call to get in touch with customers who are traveling; water/cookies; 15-minute spot charge versus 30-minute spot; years in business; insurance coverage; overtime charges; adding lunch; driver add-ons.

- Don't compromise your beliefs and standards.
- Park your vehicles and subcontract your work.
- Make sure you know what you are quoting.
- Have complete knowledge of your fully allocated costs.
- Identify those customers where price is not the primary issue.
- Make sure all employees are quoting the same rates.
- Identify every component of each trip, making sure you cover all expenses.
- Watch discounting for multiple moves, seasons and day of week. Pretty soon you'll be pricing away all your profit.

Great Ideas For Marketing Coach Services on a Tight Budget:

- Provide resource information to customers, making sure they are aware of the transportation options you offer.
- Build partnerships with other modes of transportation in your area, offering margin split or finders fee.
- Watch for opportunities that appear at public or organized meetings.
- Invite customers to participate in sponsored trips to gain experience with your company.
- Participate in parades and other such events.
- Park coaches in busy, populated areas such as malls to use as billboards. Visibility is a must.
- Never turn down a request. Work out a solution to assist the group.
- Contact all types of organizations and groups, making them aware of your services and how you can help ease their travel challenges. From funeral homes to schools.
- Make sure your Web site is accessible.
- Constantly change and update your Web pages. Make sure at least one Web page lists your company's strengths and lists services that are different from the competition.
- Provide a link on your Web page to safety ratings.
- List information on a Web page that tells customers what information they need to provide to get an accurate quote.
- Pictures, pictures, pictures on your Web site. Photos of different locations; photos showing different ideas that customers may not have thought of; photos of equipment.
- Encourage customers to look at your facilities and equipment.
- Copy American Airlines. Take out a few seats, adding to legroom.
- Get nametags for employees.
- Develop a promotional video to play on the bus. Make sure it mentions the company safety record and shows a pre-trip safety inspection of the coach. It'll serve as a subtle reminder to the driver.
- Present the company to schools to alleviate fears in the wake of 9/11.
- Develop present customers to a further degree.
- Make sure the company name and graphics on your coach are clear, concise and bold.
- Assure the individuals receiving your marketing and sales information are the best possible recipients, and you are offering the best possible service solutions.
- Use local bank statements for advertising stuffers.
- Donate inexpensive paper placemats with company information printed on them to churches, bingo halls and the like.
- Look at restroom advertising in restaurants.
- Investigate the free flyers put out by convention and visitor bureaus and chambers of commerce.
- In metro areas, advertise on city bus placards.
- Donate buses to senior groups or corporations for special occasions -- especially if the corporation is sponsoring a charitable event.
- Speak at a local service club. Take them on a coach and deliver the speech over the PA system.

- Participate in Job Fairs, advertising to the other participating companies while looking for potential employees.
- Have your company business cards available in all coaches.
- Place flyers about your company in seats on charter coaches.
- Advertise on screens of local movie theaters.
- Place flyers on auto windshields at malls.
- Donate services to non-profit agencies.
- Make sure you send news releases to media outlets when you promote employees.

Marketing Successfully to Baby Boomers

- The safety rating system and industry certification.
- Determine Boomers' values; focus on their interests.
- Are Boomers seeing your advertising?
- Determine the preferred medium (radio, TV, etc.) for advertising to Boomers.
- Develop an ad campaign that emphasizes safety and awareness.

Ferretting Out & Developing Overlooked Markets:

- Develop and promote more senior mystery tours.
- Develop and promote more patriotic destinations, for example Washington, D.C., Gettysburg, and others.
- Target more corporate movements.
- Target more school and athletic teams.
- Target more airline diversion movements.

Great Tag Lines

"You don't have to get undressed to get on a bus.

"Get out of line in the airport and get on the bus.

"Travel by bus: No lines, no hassles, no fear. Just comfortable, safe and fun."

"The wheels on a bus go round and round and never leave the ground.

"This isn't your grandmother's bus. Travel on today's modern motorcoach.

"Get out of your car and get on a bus. Help save your planet.

"The motorcoach industry cares about the air you breath.

"On the Road Again . . . come join us!

"The bus is not fun without U in the middle.

"On the Road Again . . . it should be you!

"Bin Laden's holed up but you don't need to be.

"Motorcoach travel is the absolute safest way to travel -- and it's fun.

"See America the way it's supposed to be seen on today's motorcoach.

*"Rediscover the America you love on today's motorcoach.
"Travel the original information highway -- the modern motorcoach.
"Interstate or Internet? See it all in person on a bus.
"See the sunrise, on the road again.
"On a bus, fellow passengers are not strangers."*

Effective Methods to Combat Low Ballers:

- Educate the consumer: Emphasize quality of service, safety record and performance history.
- Be consistent; set the standard.
- Be a leader; provide only quality service. Stress service to customers.
- Maintain equipment to the highest level possible.
- Emphasize company reputation and use customer referrals, endorsements and testimonials.
- Emphasize safety ratings and insurance coverage.
- Emphasize safety record, both the company's and the driver's.
- Emphasize driver professionalism.
- Emphasize value-added services: videos, wheelchair lifts, and CD/DVD players.
- Emphasize telephone etiquette with employees.
- Emphasize years of service.
- Invite customers to view equipment.
- Emphasize membership in professional organizations: UMA, ABA and the like.

About UMA

The United Motorcoach Association ("UMA") is North America's largest association of professional bus and motorcoach companies. Founded in 1971 as the United Bus Owners of America, UMA's membership now includes over 900 motorcoach companies. Another 250 motorcoach manufacturers, suppliers and related businesses are currently "Associate" members of UMA.

Headquartered in Alexandria, VA, across the Potomac River from Washington, DC, UMA serves the informational, legislative, regulatory and business needs of its member companies. Within the membership, companies range from one and two vehicles to those with many hundreds of coaches; from small tour-specific companies to those performing intercity route service, charter and tour operations on a coast-to-coast scale.

The UMA's offices are located in Alexandria, Virginia.

You may contact UMA CEO Victor S. Parra at (703) 838-2929 or, toll-free, at 800-424-8262.

If you'd like more information about UMA or how to become a member, please write to info@uma.org.

