

FAIRTIQ

Pricing Innovation & Targeted pricing

EPF Conference 2023

June 2, 2023

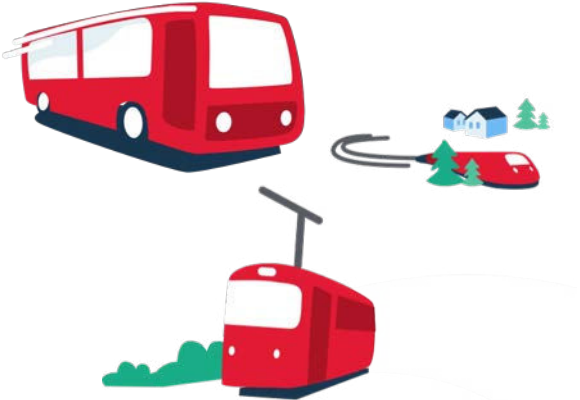


Industry vs. user needs



Flexibility

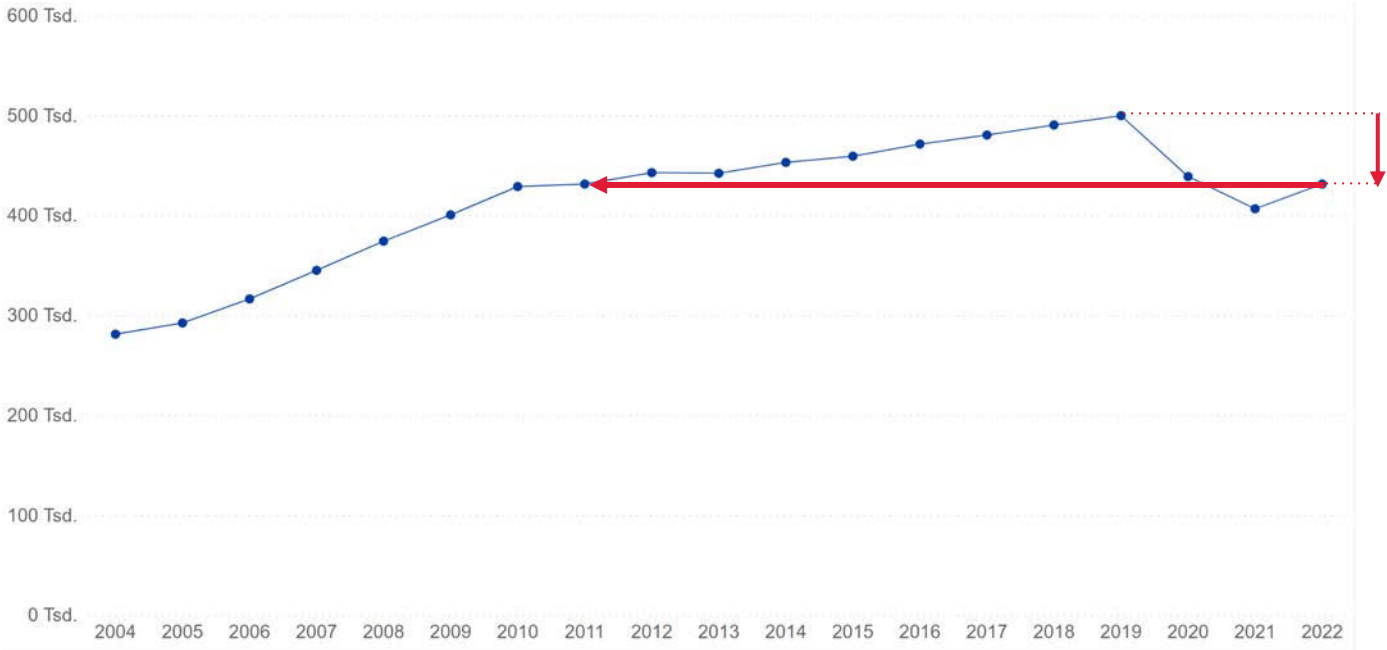
Affordability



Stability

Revenue

Period pass sales in Switzerland

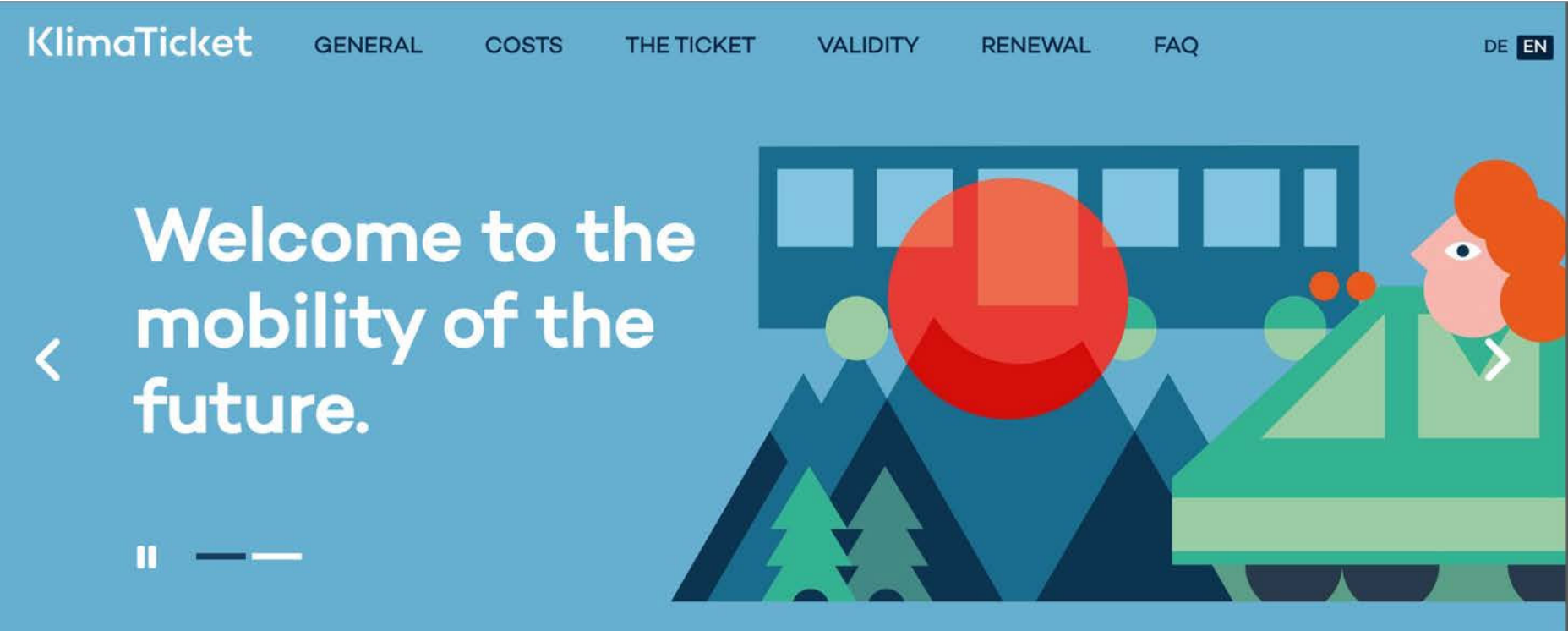


source: [Alliance SwissPass](#)

Meanwhile in Germany



...in Austria



...and in Hungary



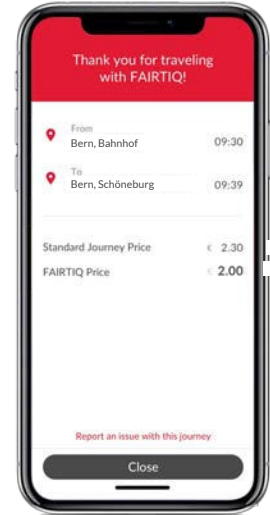
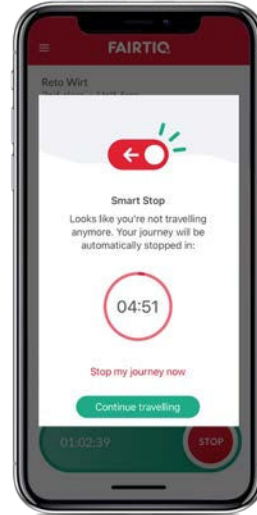
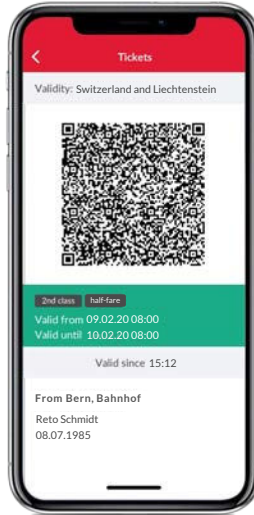
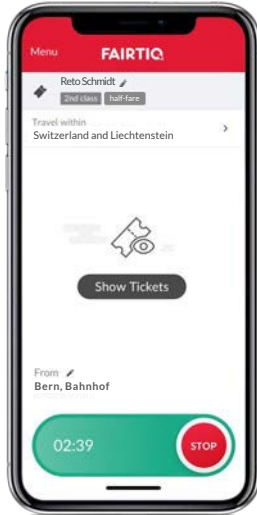
Pros

- Affordable
- Sunk cost effect
- Finally, national integration!
- Announceable

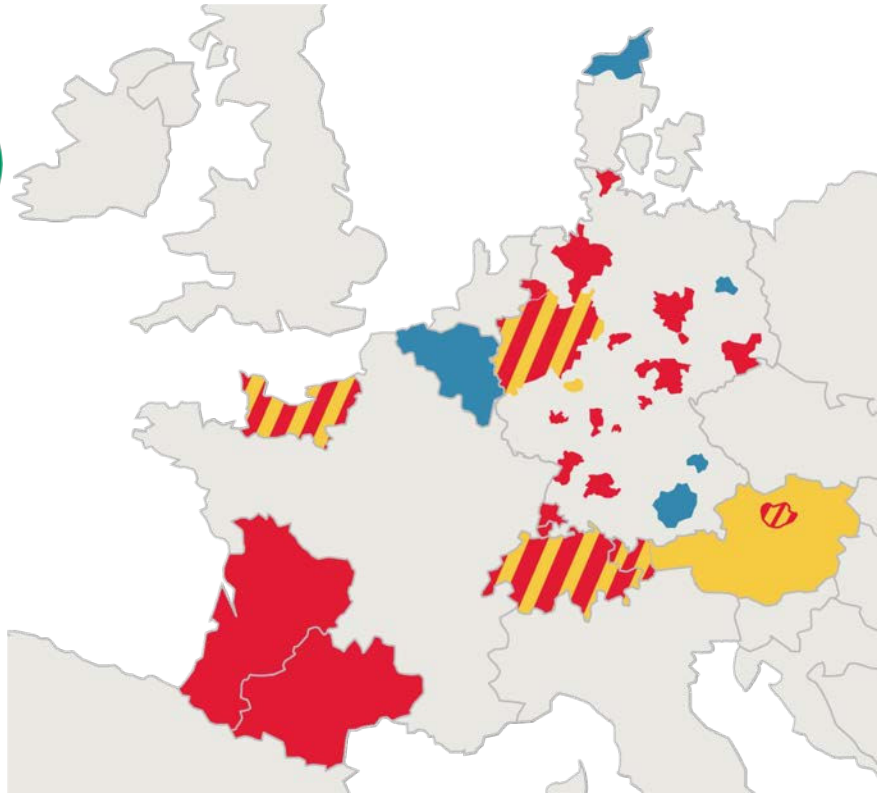
Cons

- Expensive and may displace investment in infrastructure and services
- Limited modal shift
- Unwelcoming to occasional users
- Poor economics (broad subsidies)
- Unfair (one size fits all)

Check in, check out.



>700 operators



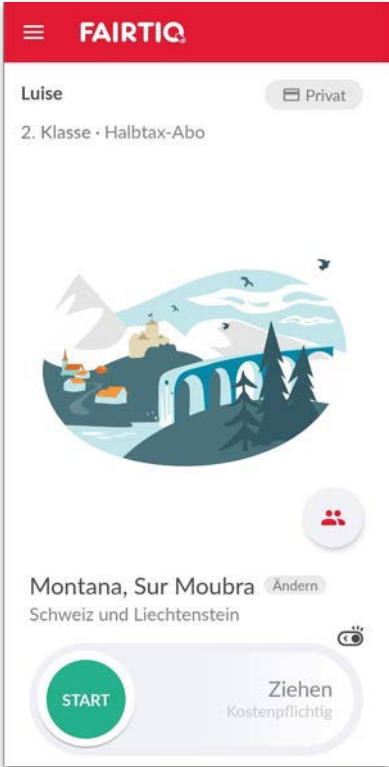
FAIRTIQ



-  Trials
-  Production App
-  Production SDK



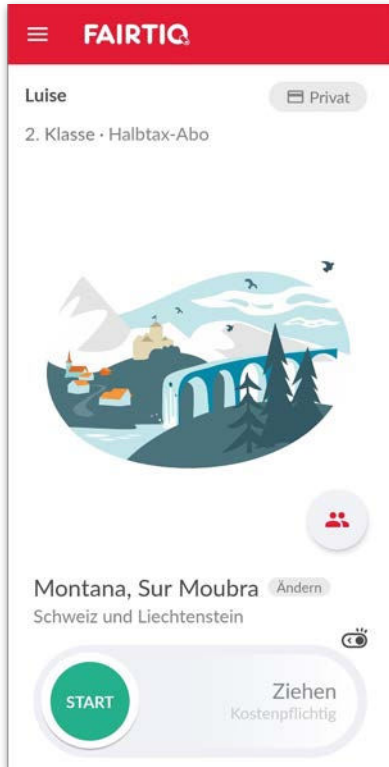
Our approach



Easy to use

Connected with users

A foundation for price innovation



Non-tariff
pricing
overlay

Testing & validation
with closed user
groups

Specific targeting (micro-
incentives)

Examples

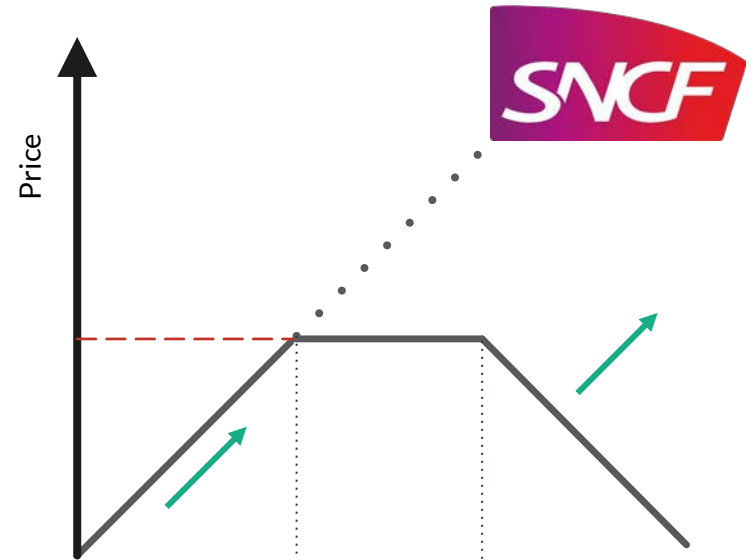
Use case: Get Youth to Travel

SNCF TER in Occitanie for students (up to 27 years old):

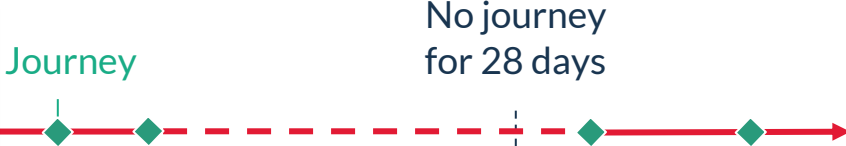
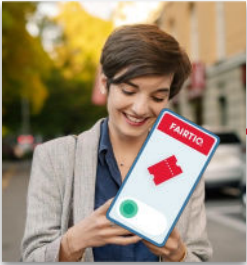
the more you travel the less you pay


Fare structure:

- 1-5 return trips: **50% of the normal fare**
- 6-10 return trips: **free travel remaining of the month**
- 11-15 return trips: **credit accumulation**
- 15+ return trips: **free travel the following month**



Use case: Reactivate Existing Users

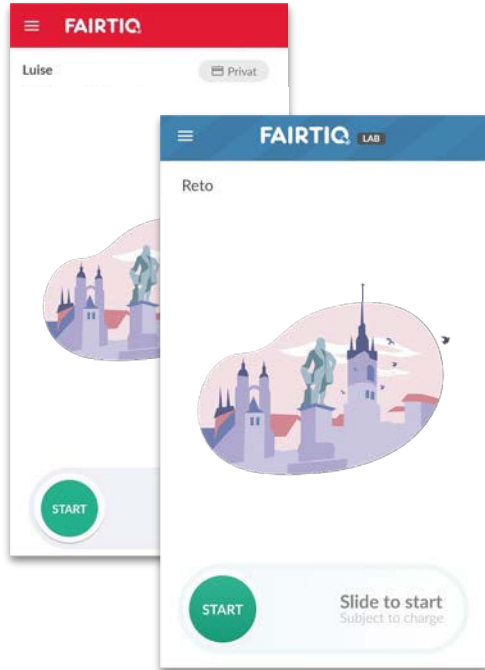



Just next week: Enter 10NEXTWEEK in the app and get 10% off on your next travel day!

+4%

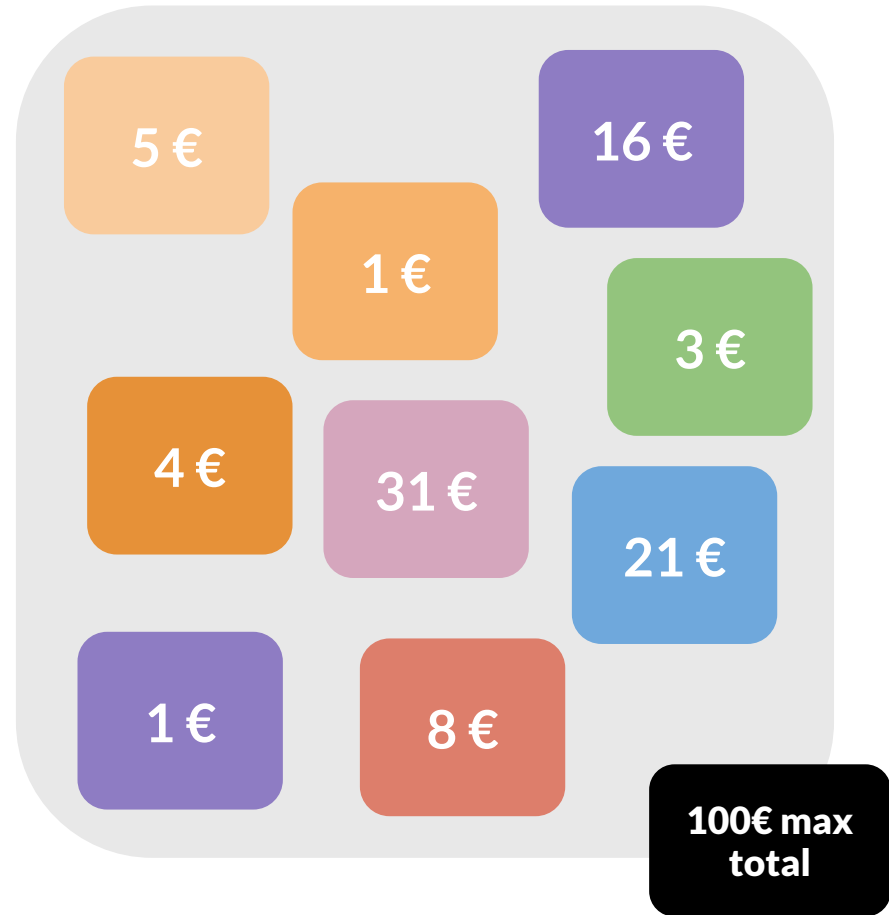
Additional consumption daily consumption compared to control group

Use case: test two types of discounts



- Parallel setup of two different pricing schemes in two apps (FAIRTIQ & FAIRTIQ lab)
- Incentive testing in FAIRTIQ lab
 - Control group no discount
 - Group I: above threshold, % discount for your trips **this** month
 - Group II: above threshold, % discount for your trips **next** month

Concept: create your own zone



Concept: Loyalty

Sorry, {firstName},

Status not reached



You currently do not have the Premium Status.

To get it, you need to **travel with FAIRTIQ on 3 days in two weeks**. You traveled {x} day/days in the past two weeks. With the status, you would get **X% off all your journeys** which are fully within the region.

**The Public Transport
Authority**

Congrats, {firstName},

Status reached



You have the **Premium Status**, because you travelled on {x} days in the past two weeks. This means you get **X% off all your journeys** that are fully within the region.

You already have the status for {X} days, **make sure you keep travelling** on at least 3 days within two weeks so **you don't lose it!**

**The Public Transport
Authority**

Take-aways

- There are alternatives to one-size-fits all passes
- Consider both *ability* and *willingness* to pay
- Flexible pricing can complement official tariffs
- Tailor pricing with distance, price and time dimensions, and capping
- Design and tweak with user input



ADVANCING
PUBLIC
TRANSPORT

UITP Global Public Transport Summit

June 04 - 07, Barcelona

Visit us:

FAIRTIQ stand 6B210



Antoine Belaieff

Lead, New Markets

antoine.belaieff@fairtiq.com

+41 76 483 53 85

[LinkedIn](#)