

FAIRTIQ

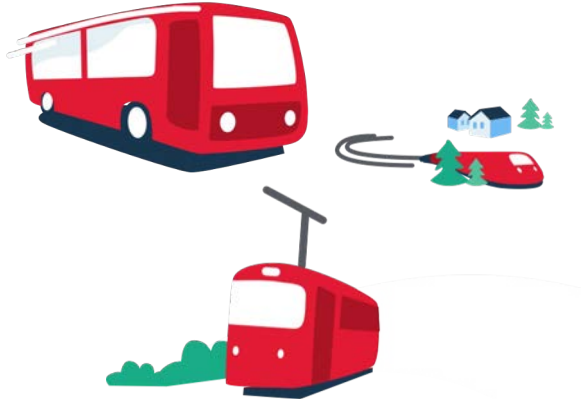
# Pricing Innovation & Targeted pricing

*EPF Conference 2023*

June 2, 2023



# Industry vs. user needs



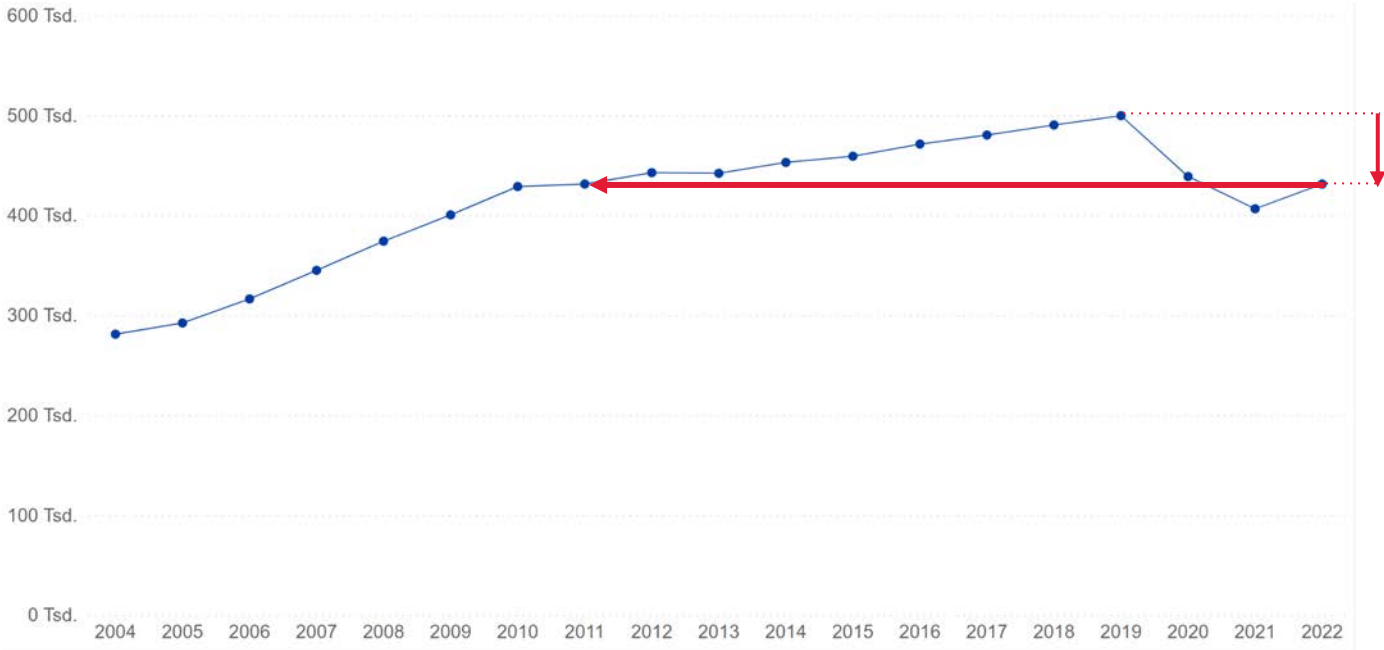
Flexibility

Stability

Affordability

Revenue

# Period pass sales in Switzerland



source: [Alliance SwissPass](#)

# Meanwhile in Germany



# ...in Austria

The image shows the top portion of the KlimaTicket website. At the top left is the logo 'KlimaTicket'. To its right are navigation links: 'GENERAL', 'COSTS', 'THE TICKET', 'VALIDITY', 'RENEWAL', and 'FAQ'. In the top right corner, there are language options 'DE' and 'EN'. The main content area features a large blue background with a stylized illustration of a green car and a blue bus. The text 'Welcome to the mobility of the future.' is written in white on the left side. A large red circle is overlaid on the illustration. On the far left, there is a white left-pointing chevron '<'. At the bottom left of the hero section, there are icons for a play button and a progress bar.

KlimaTicket

GENERAL COSTS THE TICKET VALIDITY RENEWAL FAQ

DE EN

< Welcome to the mobility of the future.

|| —

# ...and in Hungary



# Pros

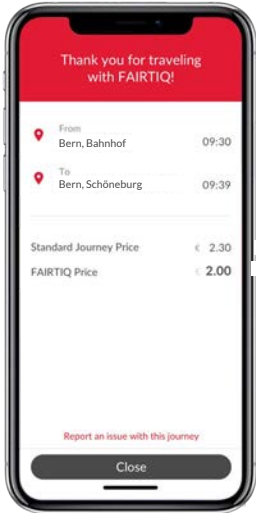
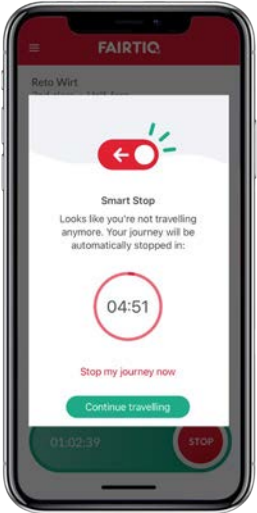
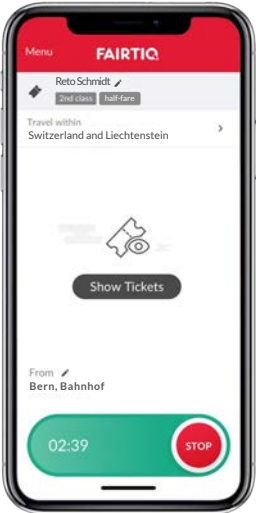
- Affordable
- Sunk cost effect
- Finally, national integration!
- Announceable

# 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

AktivBUS  
Flensburg

SWH. HAVAG

vvo BVG

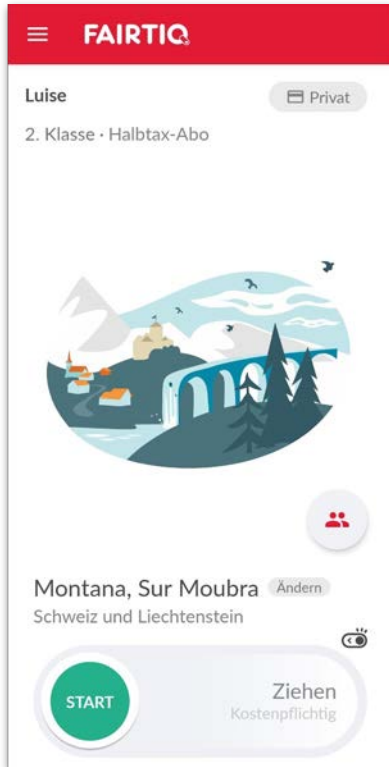
MVV VMT  
Verkehrsverbund  
Mittelthüringen

OBB

- Blue square: Trials
- Red square: Production App
- Yellow square: Production SDK



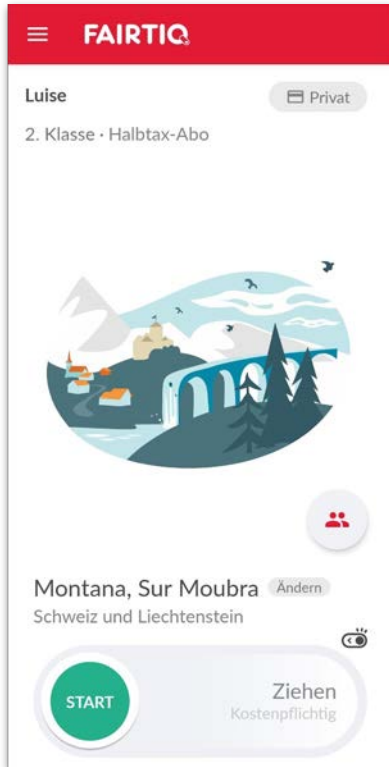
# Our approach



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

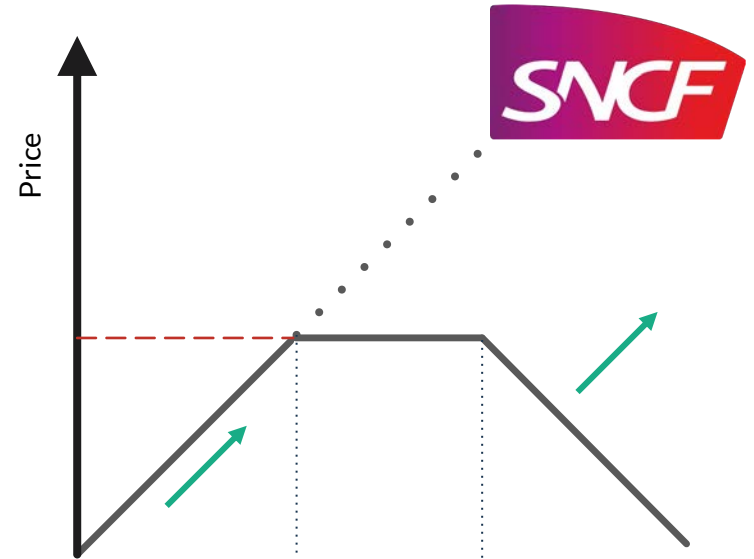
# Use case: Get Youth to Travel

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

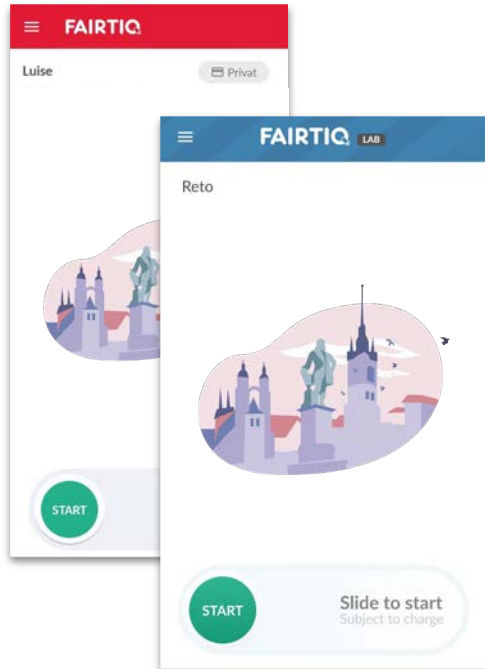


  
*Just next week: Enter 10NEXTWEEK in the app and get 10% off on your next travel day!*

**+4%**

Additional consumption daily consumption compared to control group

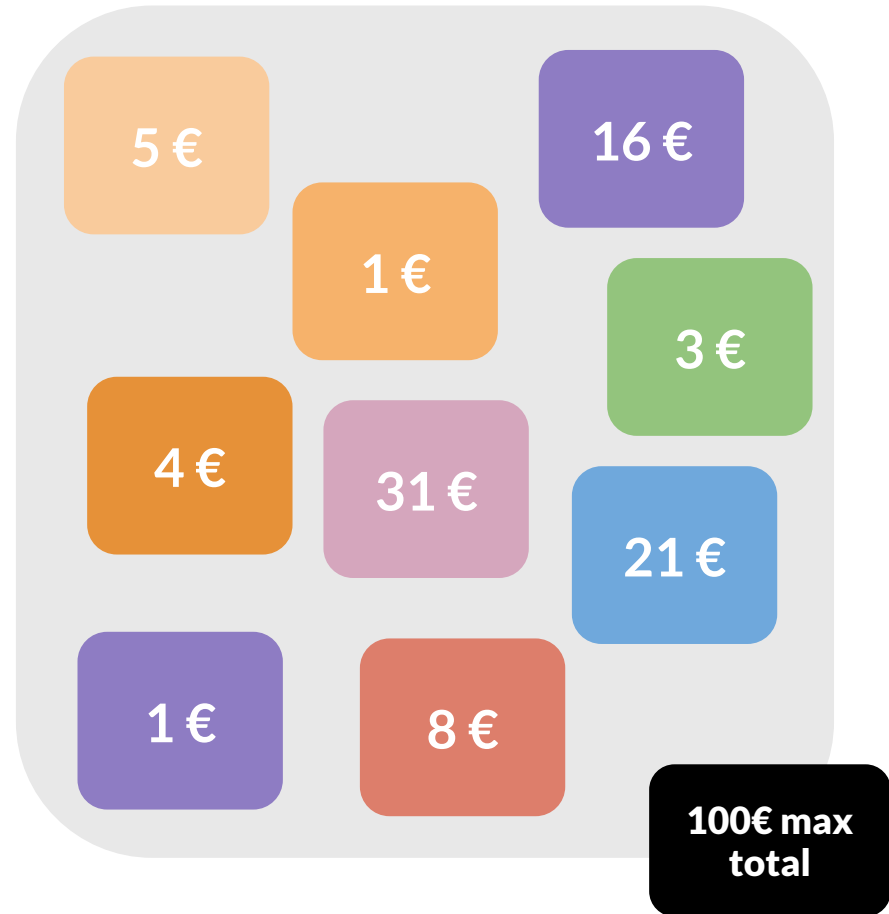
# Use case: test two types of discounts



- 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](#)