



Communication plan Citi Bike Miami

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* From now on Citi Bike Miami will be called CB and Deco Bike LLC will be called DB, for easier understanding.

1.

Analyses

Internal Analysis

Citi Bike was founded in 2014 and since then, has been managed by Deco Bike LLC. It's one of the major national bike share programs if you look at numbers, with over 160 stations and over 4000 bikes it's bigger than Ford Go Bike and Hubway. It's a private company with ties to Citibank, they have this bike share program in two cities; NYC and Miami. Each of the cities are completely segregated, Citi Bike Miami has no connections or relations with the New York City department.

The product they sell is memberships and passes to rent one of their bikes, other than this they deliver services like maintenance of the bikes and stations. '

While CB is offering both a service as a product, the first P of their Marketing mix is the most important one. The products they're selling are basically the memberships and hourly passes, the service that they provide is the maintenance of the bikes and the stations. But the physical product the consumer actually uses are the bikes, so that is where our main focus is. The initial need that this product offers to solve is transportation, but we see that it's not only used to get from A to B but also as a stand-alone activity where it meets the need for leisure activities. The latter being more focused on people who buy the hourly passes then the actual inhabitants who mainly buy memberships and use it for transportation in most cases.

The physical appearance of the product is an important aspect of the first P, due to the fact the product is in cooperation with Citibank, the choice for the design of the bikes is obvious. With the colors of the bike matching to the logo of Citi Bank it's physical appearance can scare or invite people based on the previous experiences with Citi Bank. In the progress, you see that besides from the name Citi Bike doesn't want to affiliate with Citi Bank in any other way.

Bank, Place, that is one of their USP's. They promote them self as convenient and easily accessible, this due to the fact that they have over 150 stations spread out over Miami-Dade.

External Analysis

If we look at trends that influence the behavior of CB customer and are changing the way that the company is being led, we see that there are a couple macro trends that heavily influence the way people think about, and use CB.

1. Sharing Economy

This is a trend we started seeing around 2009, pioneered by companies like Uber (2009), Airbnb (2008) and RelayRides (2009). This economy model is based on the peer to peer services we start seeing on our PC's in the late 2000's, people first were very skeptic about the concept put into the real world. People didn't trust others that much and weren't feeling fine with lending their own stuff to strangers. The sharing economy needed a big event that would lead to more trust into this concept of living, and this happened in 2008 when the whole world suffered the economic collision. Many lost their jobs and didn't have the money they had before, people had to sell their second cars, unnecessary stuff and they had to think better about the purchases they made. Companies like RelayRides would offer people the option the ride with others that went to the same direction, people didn't need to own a car now and still were able to drive to their destination.

2. Going Green

Since global warming come to the serious attention of the public around 2010, an enormous amount of initiatives to reduce emission gasses and take better care of the environment have popped up. People try to search for good solutions and alternatives that fit their lifestyle and are reducing co2 and take better care of nature. This ranges from government solutions like windmills and large solar panel fields, to personal decisions like cutting down the car usage within a household and getting groceries at no packacing grocery stores. One of the popular solutions for car usages is bicycling, especially in cities that are bike friendly like San Francisco, Chicago, and Seattle.

3. Over tourism

Since the economy is getting back from its fall during the economic crisis, people have more money to spend on leisure and vacations is a big part of that segment. To world knows some popular travel destinations, the most people have cities like Paris or New York high on their travel bucket list. Because of this tourism has risen in volume and has been more concentrated than ever before. In 2017 the world counted over 1.3 billion tourists, in total, the tourist industries deliver 1 on 10 of the jobs worldwide. (Oers, 2018) This big increase of tourist led to businesses needing to expand their production and a lot of new companies who try to get their share in this million dollar industry. It's a competitive market with lots rivalry, anno 2018 you have so many option to choose from, whether it's about food, commuting, experiences, staying options.

When CB started there weren't any big overall competitors and they basically had a monopoly on bike share in Miami & Miami Beach. They didn't have any rivals on brand competition level but rather on noncompetition level, think of hotels that let guests rent a hotel bike or independent bike store that rent out bikes. Now in 2018 Lime Bike is a huge threat for CB, compared to the number of bikes, CB still has volume benefits as opposed to Lime Bike. Besides from Lime Bike, there are also 2 other competitors in the rise; OFO and Spin. The mentioned brands also offer dock fewer systems as opposed to the station system that CB is using. And not only are those rivals in the market for bike-share, Lime Bike and Ride even offer electrical scooters, this will especially be a danger for CB in areas like Wynwood and Miami Beach. As of this moment, Citi Bike is still an official Miami Beach Bike share and for now, all the other competitors are prohibited from Miami Beach. This gives CB still monopoly in one area, now the goal is to maintain this and focus mainly on Miami Beach.

SWOT-Analysis

| Strengths | Weakness |
|--|---|
| A good number of kiosks | Low Membership conversion rate |
| Quick service (online) | More expensive than rivals |
| A physical store location | System errors (Citi Bike stations) |
| | Low pace of technological improvements |
| | Malfunctioning or damaged products |
| Opportunities | Threats |
| Rising number of tourists (+2.3%) | Cheaper alternatives |
| Rising amount of target audience in areas (Brickell) | The rise of better public transport and the promotion of it |
| Collaboration with companies and influencers. | Upcoming dock less bike share competition |

2.

Target

Target Audience

The main focus group, formulated by CB, are the tourists, especially on a social media level. With CB's events and activation with Brand ambassadors, they have a powerful tool to attract the locals of Miami. If we look deeper in the social media channels of CB and more specifically Instagram we can conclude that the biggest group are the millennials, with the age group 25-34 is to most dominant followed by the age group 35-44. To reject the argument that, Instagram has a greater popularity on generation X and the millennials and therefore showing an inaccurate reflection of the actual demographic division, is also Facebook consulted, this also shows that the age group of 35-44 prevails. With the group with an age between 25 and 34, in the second place.

Objectives

The biggest danger is in the uprising of the cheaper rival bike-share companies, the consumer will choose the economic benefit in this scenario. This means that CB will lose their daily pass consumers, especially the tourist who want to get the most out of their budget. This is a big concern because the biggest revenue comes from this segment of consumers. Therefore, CB needs to put more attention and detail into a better membership plan. This doesn't mean prices have to change, instead, we need to create more value. We saw previously that the product has flaws and is, therefore, in the eyes of the consumer, not always the first choice. If you can create extra value as opposed to the rival companies, people will position the value perception less and will start seeing the extra benefits of CB.

3.

Strategy

Message

CB needs to profile themselves strongly if this doesn't happen the competition will take our customers over. The slug of CB needs to be better put into practice, #UnlockMiami is a good direction and definitely something you can broaden, this is also what needs to be done. CB wants to identify themselves as: "The local guide of Miami", giving more than just the option to rent bikes will be the best strategy to choose. The reason for this giving earlier, if we look at the three generic competitive strategies of Porter, we can see that the competition on the need level

is all applying the cost leadership strategy. Because CB can't do this we need to apply the focus strategy and make sure we can give the customer the extra value of using a CB. This ties in with good CRM, it's clear CB already has their focus on this aspect but it can always be improved.

Communication Strategy

If we look at the technological improvements since the start of the business we see that they stuck to the platforms they started with. The website and app that CitiBike uses are not up to date and included bugs, the most bugs are in the website as the click behavior isn't accurate. This makes it harder for the consumer to find the info they need and it can cause irritations. One of the better functions on the website is the real-time map where you can see how many bikes are docked at a particular station.

While the mobile app, that is both available on IOS as on Android, is basically a simplified version of the website, it lacks features that can lead to more customer engagement and a better service. If we look at the messages the social platforms of CB receive we can conclude that the main problem is the malfunctioning stations and bikes. It is hardware problems where good marketing can't really help with, but with some new function on the app or website, it can turn from a problem into a benefit.

Concept

The goal is to create a 360 experience that's is about more than just the product and service itself, but rather about the process and the things along the line of the main service. CB needs strategies itself and creates a new brand image to the public, this needs to happen with both on as offline activities.

We start with the online activities, with this we also include everything that is done on a screen and thereby not happening in the real world. The first two things that need to be fixed are the website and the app. They need to be complementary and offer the same information and options. Key essential functions needed to be added like: a timer that shows the amount of remaining time of the ride, a map with the route they biked, a list with completed rides and information like check-in and outstations and times. It needs to be easy to use when this is the case the applications are more appealing to the audience and they are more likely to use it. On other big option that needs to be added is a member section, somewhere where people with CB memberships can see their membership details, payment options. But also rewarding the members with various member programs, think of location-based deals and rewards after hitting milestones. It's also important to add shareable content, something that is appealing to look at what people can share on social platforms, this is basically a free promotion.

If the website and app are active, there imediently more possibilities with offline activations., think of scavengers hunts, member discount codes, contests, etc. Besides this there is one action point, this is regarding brand ambassadors, they need to be educated on the brand and need to

be a good representation of CB. If we want this to happen there needs to be a select group of brand ambassadors, those need to be chosen carefully, like stated before the BA's need to be a representation of the brand. To achieve this we don't want to choose to over the top models but rather ones that look more like the average boys and girls.

4.

Implementation

Resources

To give this a good platform and a steady base to grow on, a good function website and mobile app are key. Like mentioned in the internal analysis, CB has a technological backwardness compared to their competition, so the development of an app with more function needs to happen otherwise this backwardness will only grow bigger.


As of right now, CB collects a lot of data, this being through the stations, FOBs, the bikes and the member's info. This is valuable data that gives both CB as SMC a better insight into the current situation, but this data is not being used at the moment. Deco Bike LLC needs to give free some information and data, this doesn't need to be personal data but rather data as average bike time, how many times bikes get used per day and how many people are using CB per day. Without this data

The board of Citi Bike needs to take a decisions if it wants to invest money into the development of the app and website. If this goes through, it can be implemented in a short time frame, the whole website and app design is already laid out and it only needs the coding.

During the weeks before the launch there needs to be a great marketing plan to promote the new applications, this needs to be done both online; through social media, as offline; during activations and promotion on bikes and stations.

The online activities need to be rethought and everything needs to be planned before hands. This means that promo plans are made on the long term and are being planed at least a half year in advance. Also it's key to put more time and effort in the use of the Instagram stories and other ways CB can engage with it's (possible) audience. In order to get the status of local guide, CB needs to highlight points of interest just like traditional guides do, this means covering subjects like restaurants, sightseeing spots, hotels, activities, events etc. Instagram stories is the way to promote those subjects and there is already being a start made be dividing the story highlights into the neighborhoods of Miami. CB can highlight every aspect of that specific neighborhood, and the audience can always see it again.

Besides the use of the stories to tell a story and give information, the regular post are just as important. As of now, its mostly good and funny caption that are being put on posts but if CB



wants to identify themselves as local guide there needs to be informative value to the things it puts out. A good way to do this is to compose posts instead of only using user content or promotion post. We can think of day specific post that highlight for example the top 5 restaurants in Miami., using options like the carousel mode makes the posts stand out and interesting to read.