

O₂ customer story

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First TransPennine Express makes better business decisions with O₂ Smart Steps

Bidding for a new franchise, the UK rail operator wanted to challenge the traditional model for transport planning and deliver a bid with a powerful picture of the potential route that reflects changing passenger patterns. Using O₂ Smart Steps, First TransPennine Express has access to aggregated data from O₂'s 24 million customers.

First  TransPennine Express



The challenge to build a true picture for travel

Like any successful business, First TransPennine Express wanted to understand its customers better and understand how to grow its market share.

“The starting point is to know how big the market is” says James Cohen, Rail Franchise Bid Manager at First TransPennine Express. “We wanted to get the true picture of how people are travelling so that we can do business better in general, but also for a particular franchise bid.”

“There is an incomplete understanding of the trips people make by modes where they don’t buy tickets – by car for example” says James Cohen “It’s the main gap in our knowledge. We wanted to put in a really confident bid with a clear understanding of how to serve our customers better and how to grow our market share.”

“There are quite a few services on the market that can provide data, but we required a service that could match what we needed with the right level of detail, within our tight timescale – and within a reasonable budget.”

James Cohen,
Rail Franchise Bid Manager,
First TransPennine Express

Uncovering insights using Smart Steps from O₂

Smart Steps uses anonymised and aggregated mobile network data from O₂'s 24 million customers. Where traditional data capture methods are based on occasional samples, modelled or claimed behaviour, Smart Steps takes billions of mobile events on its network and extrapolates data to provide insight representative of the total population in each area.

O₂ attended a few meetings where the team showed First TransPennine Express the capabilities of its data. First TransPennine Express then chose the elements and the level of detail they wanted.

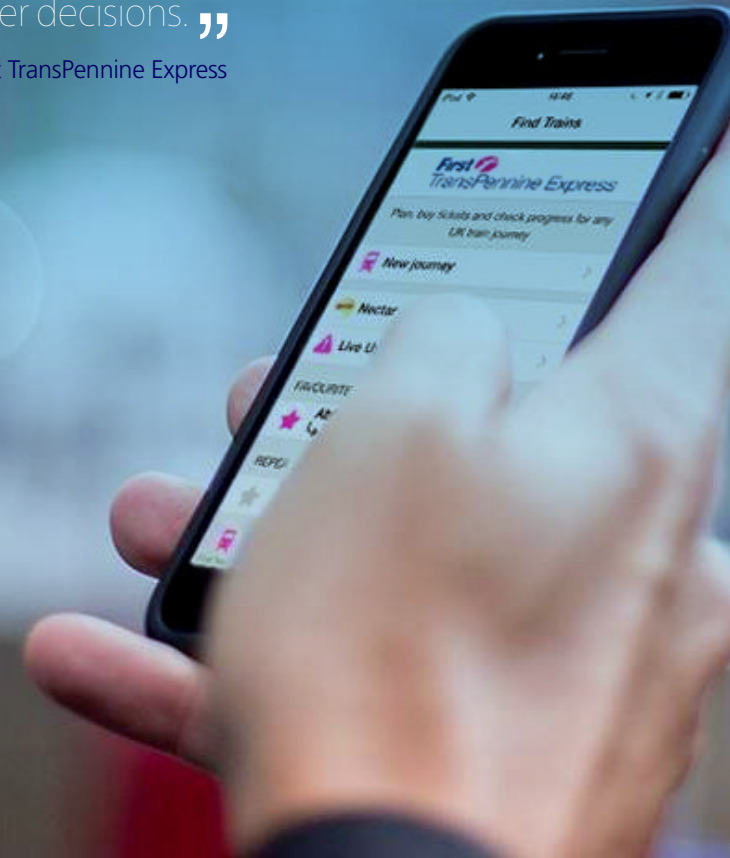
James Cohen says "Smart Steps allowed us to pick and choose the elements we wanted in a simple and user-friendly way. We have numerous disparate sources of data about passengers and travel but Smart Steps shows us what's currently happening in the market and provides new insights. It brings together sources which are either difficult to use or incomplete. Mobile data is more comprehensive with a much larger sample size.

"We can use the data to validate models based on real observations in a way that helps us challenge traditional opinions and deliver a significantly better service. It brings everything together in a way that we can use and helps us make better decisions. Smart Steps is going to be key in improving efficiencies."

"Smart Steps has enabled us to create a business case for some other initiatives which rely upon data that would normally require extensive surveying – for example we didn't have ready access to data that tells how many times per month people make a trip by different modes. There are surveys but they have a limited sample size. We can now identify new markets with confidence – you might have a hunch but to develop business case you have to have good quality data and Smart Steps provides that."

“ We can get models based on facts not on projections in a way that helps us challenge opinions and deliver a significantly better service. It brings everything together in a way that we can use and helps us make better decisions. ”

First TransPennine Express





About FirstGroup

FirstGroup operates two UK rail franchises – Great Western Railway and TransPennine Express – and one open access passenger rail service – Hull Trains. FirstGroup also operates the Tramlink service on behalf of Transport for London and the Heathrow Connect service with Heathrow Airport. FirstGroup is one of the largest bus operators in the UK, providing one-fifth of local bus services and carrying 1.6 million passengers a day across the UK.

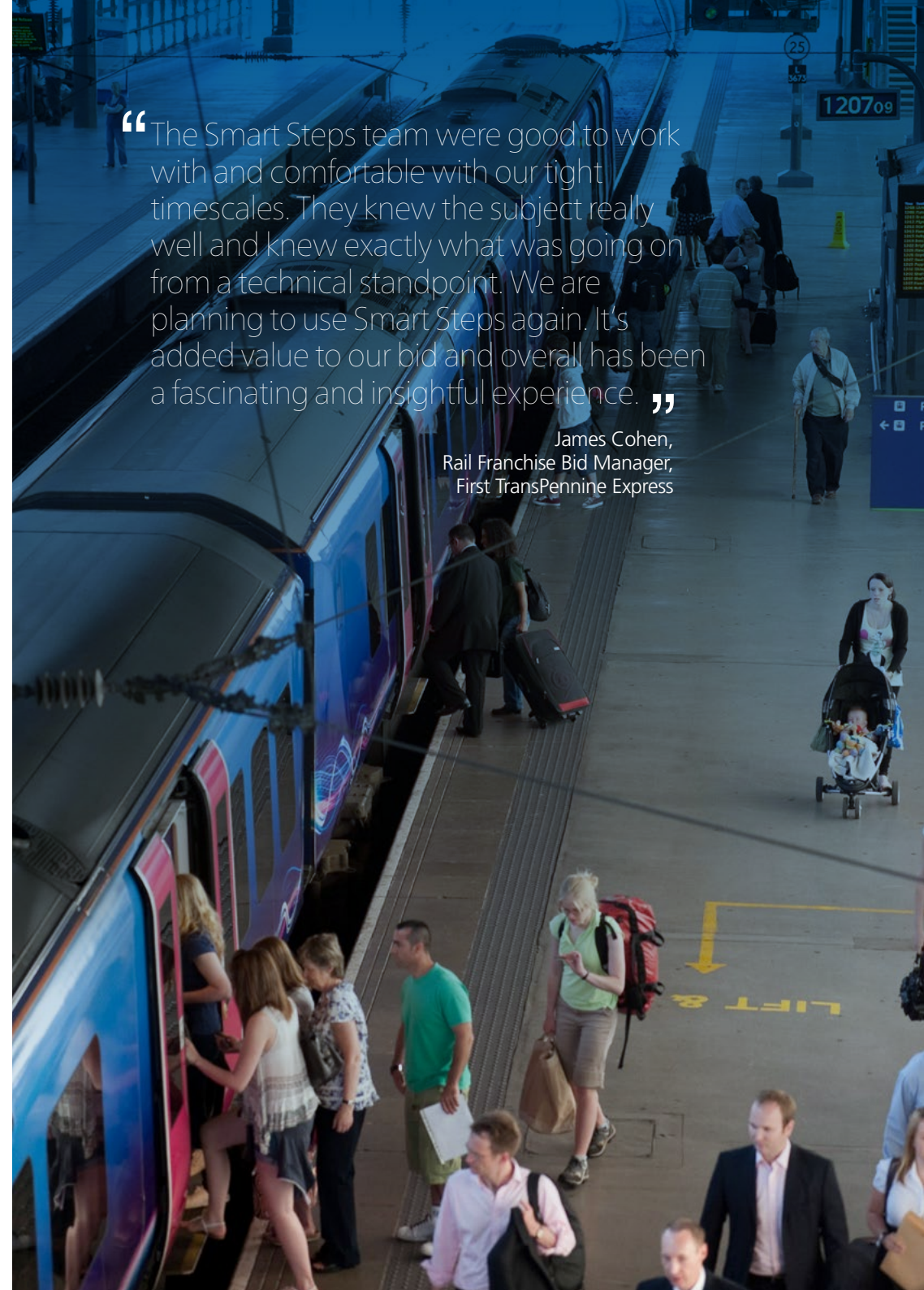
The UK rail market is split into a number of separate franchises, awarded by the Government for set time periods. Train operators bid to operate the franchises on the basis of specifications set by the Department for Transport (DfT).

FirstGroup focuses its bid strategy on delivering better services for passengers, value for money for taxpayers and the right risk-reward profile for its shareholders.

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www.o2.co.uk/enterprise/insights

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“The Smart Steps team were good to work with and comfortable with our tight timescales. They knew the subject really well and knew exactly what was going on from a technical standpoint. We are planning to use Smart Steps again. It's added value to our bid and overall has been a fascinating and insightful experience.”

James Cohen,
Rail Franchise Bid Manager,
First TransPennine Express