

**WATER TRANSIT AUTHORITY**



**WTA**

***San Francisco Bay Area  
Water Transit Authority***

Marketing Plan  
for  
South San Francisco/Oakland  
Ferry Service

July 26, 2007

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Water Transit Authority  
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# Executive Summary

WTA is building a new network of ferry service that will unfold over time. Each of the new ferry services will eventually have its own marketing plan to guide launch and sustain marketing. An overall WTA Marketing Plan was developed and presented to the WTA board in 2005. This South San Francisco (SSF) Marketing Plan uses the 2005 plan as a framework for marketing that can guide future activities and budgeting for launching ferry service in South San Francisco.

The objectives of the SSF Marketing Plan are as follows:

- Create and sustain a high level of awareness about SSF Ferry service among prospective customers
- Attract SSF ferry customers and convert to loyal customers
- Build SSF ridership through reinforcing brand equity/identification/awareness

The primary challenges to meeting these objectives are:

- Developing effective outreach to target markets
- Marketing SSF ferry service so that it competes favorably with perceived convenience, flexibility and independence of the auto.
- Conducting sustained marketing campaign to reach new riders and sustain ridership

## Target Market

As stated in the 2005 Marketing Plan, demographically, the target for ferry ridership is an employed, adult transbay commuter currently using an automobile to transit the bay, typically over a bridge, for work. Specifically, in SSF the major focus will be on major employers in Oyster Point, with employees living in identified East Bay communities. The secondary focus will be on commuters to other SSF locations (e.g. SFO) and the tertiary focus will be off-peak commute ferry riders.

While there are many factors that will influence ferry ridership (i.e., cost or distance to the terminal), there are some key factors that will make ferry transit attractive to potential SSF ferry riders. Based on early surveys with potential riders, SSF employees will be most interested in convenience, time savings, and quality of the commute issues.

# Strategic Marketing Direction

The three phases of the SSF Marketing Plan are outlined below and will address each of the three challenges identified above.

## Phase I: Build Awareness

The objective of Phase I is to continue to build awareness of the SSF ferry service, including positioning ferry service so that it has a firm place in the customer's mind as a viable option to solo driving. The timeframe for building awareness is from now until approximately three months prior to the service introduction or reintroduction. Tactics include:

- Build a database of potential customers through employer introductory meetings, noon time luncheons, employer newsletters, WTA newsletters etc.
- Increase awareness of the SSF service as a viable commute alternative through transit fairs, employee surveys, employee nurturing campaign, demonstration ferry rides, sustained stakeholder group outreach
- Sustain interest during the phasing of the project, through e-mail blasts, newsletters, employee nurturing campaigns, transit fairs

The SSF Marketing Plan includes a budget for marketing activities included in the FY07/08 budget. Activities required for the FY 08/09 will be included in next year's budget for Board approval.

## Phase II: Build Demand, Grand Opening and Launch

The objectives of Phase II are to build demand prior to the opening of new ferry service and to maintain demand after the launch of the ferry service. The timeframe of this phase is approximately three months prior to launch and three months after. Tactics include:

- A strong public relations program
- A targeted publicity program
- Ferry demonstration rides and tours for the media and VIPs
- Boat christening activities and tours around SF bay when the first boat arrives
- Grand opening kick off celebrations
- Placement of paid media support
- Sales promotions
- Terminal Signage

### Phase III: Build Ridership

The objective of this phase is to meet and exceed ridership projections. The timeframe for this phase is approximately three months after launch until the entire system has been rolled out. Tactics include:

- Marketing to focus on loyal trip generators: morning and evening commuters
- Performance Evaluations: measure ridership against projections and adjust promotions and programs as necessary

# 1.0 Target Markets and Messaging

As stated in the 2005 WTA Marketing Plan, at one time ferry transit was the only way to get across the Bay. Today, commuters have an array of choices: carpool or solo commutes over bridges, BART and/or the bus. Ferry transit will not appeal to all commuters and marketing should be targeted to make the most of resources.

## 1.1 Description of the SSF Target

### Demographic Profile

The 2005 Marketing Plan identified the generic demographics or physical characteristics that help us target prospective users. The target is an employed adult transbay commuter, currently using an automobile to cross the Bay on a regular, frequent basis, most likely for work. The market is equally women and men who are mid income and value a stress free commute and are willing to pay for it.

The primary marketing focus of the SSF Marketing Plan will be on major employers near the Oyster Point Marina, with employees living in identified East Bay communities. The secondary focus will be on east bay commuters going to other SSF locations (e.g. SFO) and the tertiary focus will be off-peak commute ferry riders.

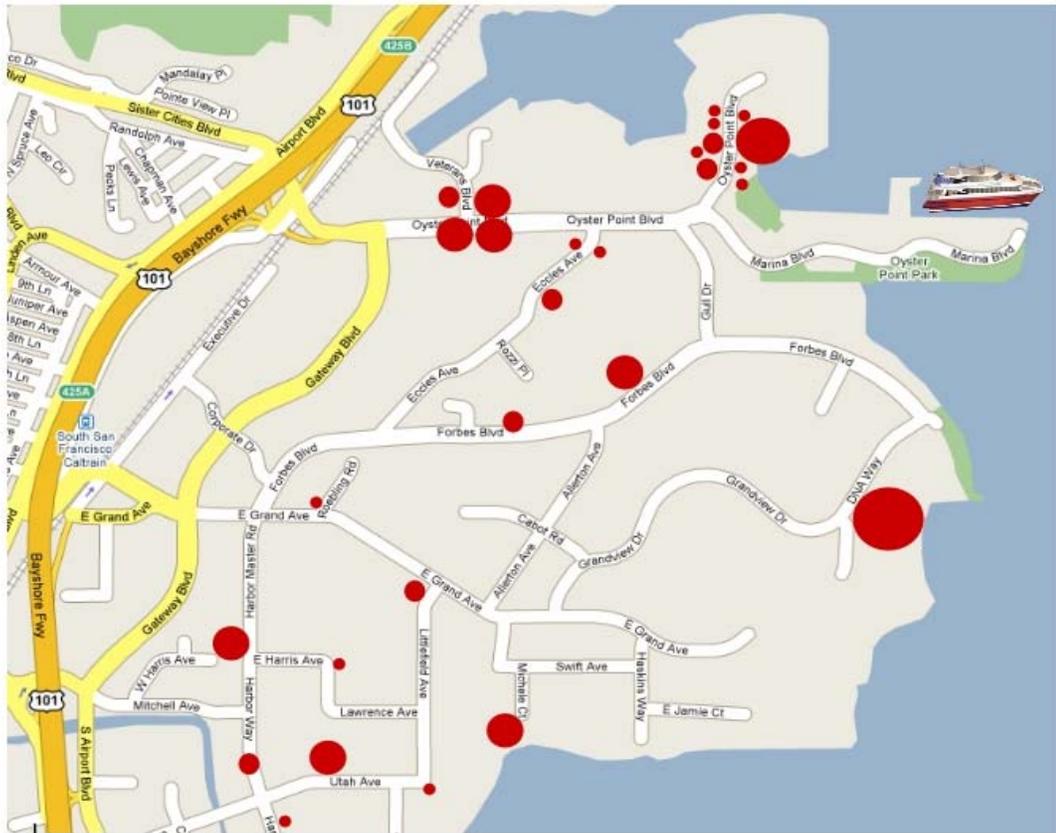
**Oyster Point Employers.** WTA has begun early coordination with the Peninsula Traffic Congestion Relief Alliance (The Alliance), which is San Mateo County's Transportation Demand Management Agency to identify major employers in the Oyster Point area. The Alliance operates 16 Shuttle Routes, which transport employees from BART and Caltrain stations to their worksites. Two of these shuttle routes service about 30 employers near the Oyster Point Marina. WTA is focusing its outreach efforts on employees within these employer organizations and other nearby employer organizations that live in Oakland, Alameda, Berkeley as a primary focus and San Leandro, Castro Valley and Orinda as a secondary focus.

Figure 1 shows the location and size of Oyster Point employers with over 50 employees (over 10,000 employees). WTA efforts will largely focus on the largest employers, which include: Genentech, Inc. (5763 employees); Cushman and Wakefield (Oyster Point Marina Plaza) (1500 employees); Exelixis (430 employees); Amgen, Inc. (280 employees); OTN (250 employees); Cell Genesys Inc. (249 employees); American Business Communications (200 employees); Imatron (200 employees); Nippon Express USA Inc. (200 employees); Landway Fleece (150 employees); Cytokinetics (152 employees); UPS Supply Chain

Solutions (175 employees); Monogram Bioscience, Inc. (155 employees) and Rigel (152 employees).

Figure 1

**Location of businesses in South San Francisco/Oyster Point employing over 50 employees**



One Mile



Note: Locations of employers are approximate  
 Source: Peninsula Traffic Congestion Relief Alliance

**Other Employers and non Commute Riders.** Due to the distance of other employers from the Oyster Point Terminal and lack of data on non commute demand for service, WTA will primarily focus on the Oyster Point employers initially. In addition to this ridership we will need to determine the extent that there are potential riders from other nearby employers and non commute riders. For example SFO is a major employer with east bay employees who may be interested in the SSF ferry service. Based on preliminary information from SFO (2005 Transportation survey of employees), of the nearly 8000 SFO employees, 2% lived in Oakland/Alameda/Berkeley area and 2% lived in San Leandro and Concord areas.

## Psychographic Profile

The 2005 Marketing Plan segments audiences into those who live near or far from San Francisco. The Plan concluded that there are 2 types of potential commuters: the short and long distance commuters. The 2005 Plan concluded that water transit can not compete head-to-head on timesavings with commute alternatives such as solo commuting for short distance commuters, such as those traveling from Oakland or Alameda to San Francisco. Rather, the message should focus on the quality of the commute and quality of life issues.

For long distance commuters, the further they live from the bay and longer distances they drive, the more important their perception of a need for timesavings becomes. Thus, if water transit can compete with other modes on long distance routes, it becomes a viable choice and timesavings can be a primary message.

The SSF Market Plan focuses on the solo commuter from the East Bay to South San Francisco - generally the long distance commuter. Therefore, it would appear that our message to potential SSF riders should focus on commute convenience primarily and quality of life issues secondarily.

This assumption is confirmed somewhat based on preliminary surveys recently conducted with a small number of SSF employees. These employees:

- primarily drive to work, with a small percentage taking BART
- are attracted by travel options that offer convenience for their work schedules, are price competitive and offer clear amenities to BART or driving

## 1.2 Messaging for the Target

To date, the WTA has been positioned around advocacy and explaining the need for expanded ferry service. As the system has begun to emerge, "positioning" WTA with primarily a commuter focus has become a priority.

Continued positioning will help solidify ferry transit within the new rider's mind.

The next step is the focus of the SSF Marketing Plan: to reposition the ferry system so it has a firm place within the consumer's mind as a viable option to solo driving. As stated in the 2005 Plan, we have to build a consumer promise to put ferry ridership on the radar of prospective commuter customers.

The activities described in Section 2 are all aimed at better defining the potential SSF ridership, including the elements of marketing messages that will resonate most strongly with prospective customers.

## 2.0 Strategic Marketing Direction

The primary objectives of SSF Marketing Plan are to:

- Create and sustain a high level of awareness about SSF ferry service
- Attract SSF ferry customers and convert to loyal users
- Build SSF ridership through reinforcing brand equity/identification/awareness

Because the SSF ferry service will be rolled out over the next 18 months, the marketing framework must be phased with sustained marketing. The SSF Marketing Plan provides a framework or template for marketing for the SFF ferry route that can guide future activities in three macro phases and the objectives under each:

### 2.1 Phase I: Build Awareness

Building continued awareness of South San Francisco ferry service will be implemented throughout FY 07/08, until approximately 3 months before SSF service is launched in December 2008.

As stated earlier, in South San Francisco the primary focus will be on major employers near the Oyster Point Marina, with employees living in identified East Bay communities. The secondary focus will be on commuters from other locations (e.g. SFO) and the tertiary focus will be non commute ferry riders.

The activities contemplated for FY 07/08 are described below and depicted on the schedule (Figure2) which follows.

## Staff - only Activities

- ❑ Introductory Employer Meetings (Aug 07- Dec 07). WTA staff will meet with employer representatives of each of the major Oyster Point employers identified in Section 1, the Peninsula Traffic Congestion Relief Alliance, and SFO to determine the best means to reach employees (i.e. through surveys, luncheon meetings, transit fairs, e-mail etc. as described below). We anticipate 3 - 4 meetings per month.
- ❑ Employee Surveys (Sep 07 - Jun 08). WTA staff will continue to administer employee surveys, done via e-mail or regular mail. The surveys solicit information on appropriate ferry schedules, fares, and other preferences for our service planning efforts to meet our customer needs, continue to create awareness of the upcoming SSF ferry service and help frame the messaging that will resonate with potential riders. We will request permission to provide surveys to employees in each of the major South San employers identified.
- ❑ Employer Newsletters (Oct 07 - ongoing). Based on employee input received from employer group meetings, we will develop articles for inclusion in employer newsletters announcing upcoming marketing activities, such as transit fairs and demonstration ferry rides as described below.
- ❑ Stakeholder Group Meetings (Sep 07 - ongoing). WTA plans to continue meetings with critical stakeholder groups to increase awareness of SSF Ferry service, to receive input on additional outreach activities and messaging and potential non commute riders and announce upcoming marketing activities as described below. We anticipate meeting at least quarterly with the San Mateo Chamber of Commerce, Redwood City/SSF Chamber of Commerce, local rotary clubs, the Peninsula Coalition and other business groups. In addition we will continue quarterly meetings with the Transit Advocates of San Mateo County and meetings as needed with the Peninsula Traffic Congestion Relief Alliance, Harbor Industrial Association, Jack London Square Partners, and Port of Oakland.
- ❑ Develop and Implement Short and Long Range Media Strategy (Oct 07 - ongoing). This will include continued work with San Mateo County and East Bay newspapers to continue awareness of SSF ferry service. The strategy will include articles in local newspapers with updates on SSF service launch activities, meetings with editorial boards, and advertisements in local media of upcoming events as warranted.
- ❑ RFQ for Graphic Artist (Dec 07). We anticipate requesting Board approval to select a Graphic Artist firm to augment WTA staff capabilities to implement critical outreach/marketing activities anticipated for FY07/08.
- ❑ RFQ for Marketing Consultant (Apr 08). We anticipate requesting Board approval to select a marketing Consultant to augment staff to help develop and implement a marketing strategy prior to the start of Phase 2 as described below.

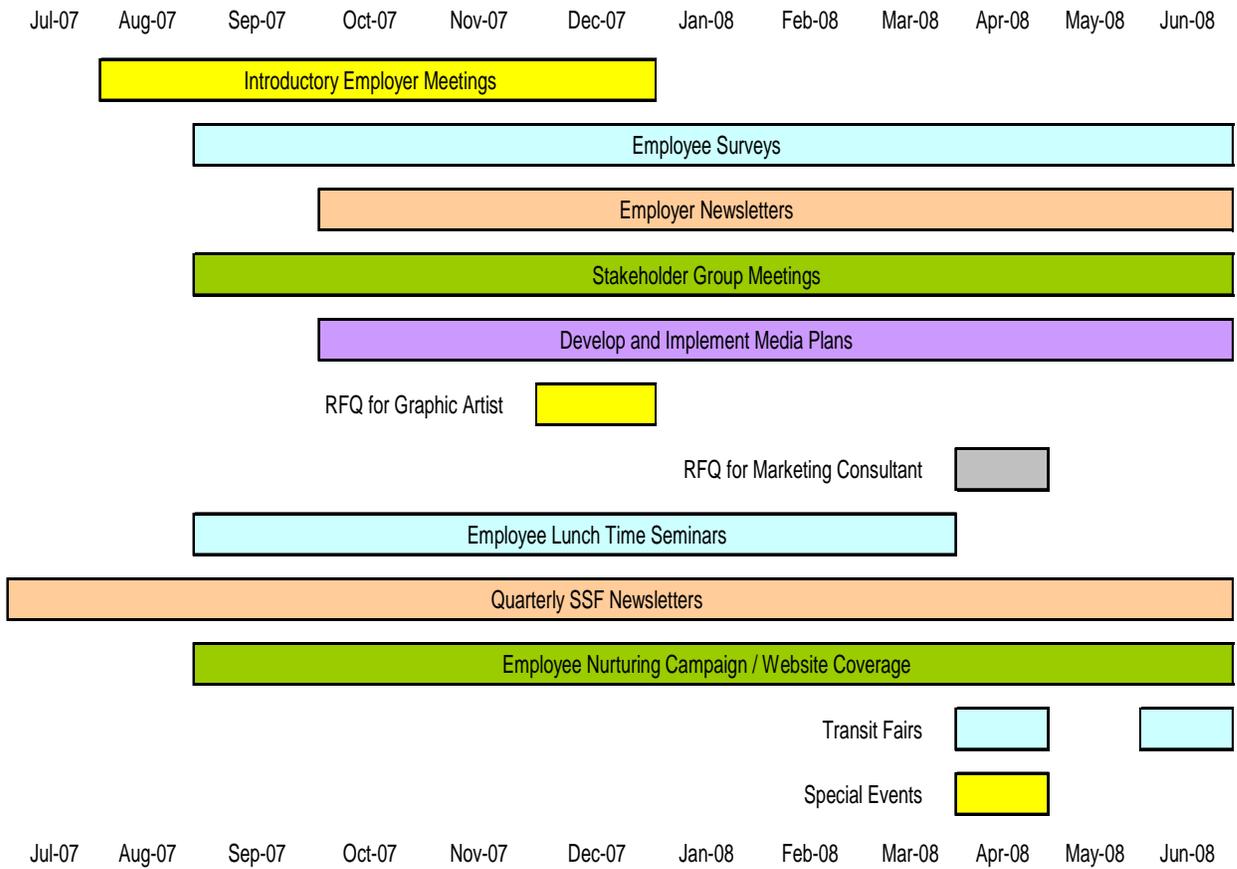
## Additional Marketing Activities

The following activities are included in the FY 07/08 budget:

- ❑ Employee Lunch Time Seminars (Sep 07 - Mar 08). Following the introductory employer group meetings described above, WTA will host a series of monthly noon time seminars with employees working with major employers to continue to create awareness of SSF Ferry service, and to obtain input into Service Planning efforts and messaging. We anticipate 3 - 4 lunchtime seminars per month.
- ❑ Quarterly SSF Newsletters (Ongoing). We will continue to publish our quarterly WTA newsletter and e-mail or mail it to SSF decision makers, stakeholder groups, employees etc.
- ❑ Employee Nurturing Campaign (Sept 07 - ongoing). Based on the employee group meetings and employee lunch time seminar, WTA will be developing an e-mail database of interested ferry riders. The nurturing campaign will include periodic e - mail blasts informing potential riders and stakeholder groups of upcoming key activities and upcoming events relating to the SSF service roll out, and key benefits of ferry service.
- ❑ Website coverage (Oct 07 - ongoing). A special section will be created on the WTA website that will include an online comment form, general program information, related committee and Board reports, and associated survey results. Customers who complete the online comment form will receive answers to their inquiries and a reminder to watch the web site and sign up for e-blasts to receive program updates.
- ❑ Transit Fairs (Mar 08, Aug 08\*). Two weekday Transit Fairs are contemplated in coordination with all identified Oyster Point employers, Peninsula Traffic Congestion Relief Alliance, Sam Trans, City of SSF, and SSF Chamber of Commerce. The first would take place in the Spring, 2008 possibly at a location on Genentech's campus and another one closer to the Oyster Point Terminal in August, 2008.\* These transit fairs would provide a means to increase awareness of SSF ferry service to all interested employees in the Oyster Point area.
- ❑ Special Events (Apr 08, June 08\*). Two additional special events are contemplated to commemorate major project milestones and increase awareness of SSF service. These may include an event to commemorate the start of SSF terminal construction, symbolic boat naming ceremony, and a demonstration ferry ride. All events would be done in partnership with major employers, Peninsula Traffic Congestion Relief Alliance, Sam Trans, City of SSF, SFO, and SSF Chamber of Commerce, major stakeholder groups and decision makers.

\*Dates are dependent on confirmation of final terminal construction schedule, agreements, and permits from Harbor Commission and Port of Oakland

Figure 2. Schedule for Implementation FY 07/08



## FY 07/08 Marketing Budget

The estimated budget for each activity described above, requiring outside resources are summarized below. These costs are all included in the WTA FY07/08 budget. Costs for other activities described above will be included in the 2008/2009 budget and presented to the WTA board for approval.

Activity	Cost	Services	Materials And Supplies	Misc. Adv/ Media	Comments
Employee Lunch Time Seminars	\$2000		\$2000		Refreshments, any new WTA giveaways for employees, collateral materials, printing
Quarterly SSF newsletters	\$2000		\$2000		Printing and mail costs
Employee Nurturing Campaigns	\$2000	\$2000			Upgrades required to WTA website, and graphic design.
Transit Fair #1	\$7500	\$2000	\$3000	\$2500	Refreshments, tent, giveaways, raffle prizes, printing and graphic design costs, signage on Genentech campus and other major employers, Sam Trans buses, Congestion Relief Alliance Shuttle buses, and signage in major employee offices.
Special Events	\$11,000	\$1000	\$7500	\$2500	Collateral materials, printing, signage on Sam Trans Buses, Congestion Traffic Relief Alliance buses, signage in major employer offices, refreshments, giveaways, possible rental of Harbor Bay boat.
<b>Total Costs</b>	<b>\$24,500</b>	<b>\$5000</b>	<b>\$14,500</b>	<b>\$5000</b>	

## 2.2 Phase II: Build Demand, Grand Opening and Launch

**Build demand prior to the opening of new ferry service.** Marketing stimulates demand, but stimulating demand too early is not practical; people forget, make other plans or generally lose interest. The SSF marketing Plan has been designed to create an effective and powerful marketing mix that employs various tactics to influence the target market. Tactics to build demand include:

- A strong public relations program designed to introduce the expanded ferry system to the media, opinion leaders, prospective ferry riders and the general public
- A targeted publicity program to generate descriptions, visuals and media endorsements of the ferry system
- Demonstrations and tours for the media and VIPs
- Boat Christening Activities and tours around SF Bay when the first boat arrives for potential ferry riders, media and VIPs
- Grand opening kickoff celebrations
- Placement of paid media support
- Sales promotion and alliances to spike sales with specific target audiences
- Terminal signage, boat decaling, and trailblazer signs to generate interest

### Budget

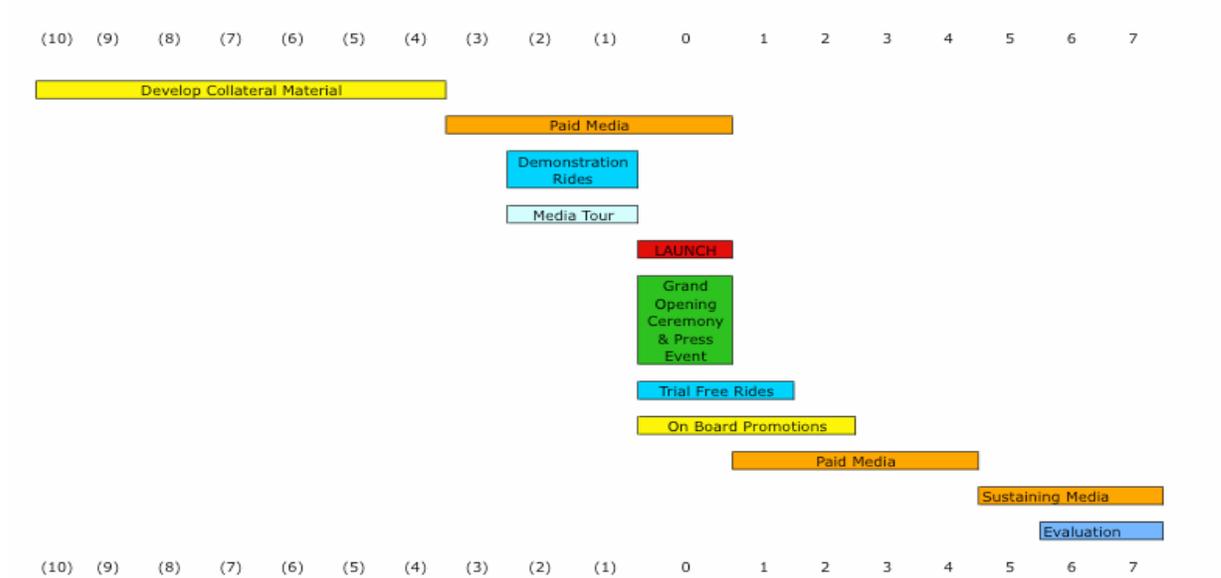
Budgets required for these activities will be included in the FY 08/09 budget request

### Launch Timeline

The following timeline (Figure 3) has been established as a not-later-than count back schedule. Service launch has been designated as Week 0. Preparatory events such as production and pre-sale activities are designated as Week (1), (2), (3), etc., meaning they are happening BEFORE Week 0. Post opening events are designated as Week 1, 2, 3, etc. meaning they happen AFTER Week 0.

For example, the media tour is completed 1-2 weeks *prior* to the service launch.

Figure 3. Launch Timeline



### Maintain Demand After launch

After the initial hype of the launch, you have to keep people interested in the service and convert them from trial to regular usage; this is not automatic and will take some work to maintain customer “stickiness” so they become and stay loyal patrons. Tactics to maintain demand include:

- Distribution of promotional materials at terminals and on boats
- Value-added promotions
- Loyalty programs
- Development of easy to obtain fare media that encourages loyal ridership

## 2.3 Phase III: Build Ridership

### Meet and Exceed Ridership Projections

Cambridge Systematics developed an extensive modeling system that forecasts ridership on existing, reconfigured and proposed routes both in terms of 1998 daily ridership figures and estimated 2025 ridership. These early studies indicate over 900 daily trips between SSF and Oakland. The goal is to meet and exceed the ridership projections. The forecasts include modes of access and ridership by purpose. Tactics to meet and exceed ridership include:

- Focus on loyal trip generators: commuters who cross the bay on a frequent, regular basis for work and recreation
- Focus on developing day ridership: morning and evening commute and weekend trips
- Measure against projections; adjust promotions and programs as necessary

Schedule and costs for Phase III services will be included in the FY08/09 budget request.