



| Health Care| **Mobility**| Education|

IGES

Economic Lessons from the Liberalization of the German Bus Market

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IRU Forum “Buses & Coaches at a Crossroads: Long-Distance and Innovation”

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1. IGES at a glance
 2. Boosting Long Distance Bus Market
 3. Main Challenges for Long Distance Bus

IGES – Consulting for Infrastructure and Health Care
Private Owned & 130 Employees & 35 Years of Experience

Consulting Services for the Long Distance Bus Sector

Market Analysis

- Schedules, Prices, Terminals and Stops
- Service Level
- Development of Performance Indicators

Customers and Operators

- Customer needs and expectations
- Operators requirements

Long Distance Bus Planning From Idea to Comissioned Service.

- Route and network planning
- Business Cases
- Licensing process support

Bus Terminals and Stops

- Search for Locations, Potentials
- Functional and Service Concepts
- Operational and Financing Models



Selected Clients (Consulting Long Distance Bus)

Operators and Operators Associations



Aachener Straßenbahn und
Energieversorgungs-AG



Bundesverband Deutscher
Omnibusunternehmen



Bayern Express & P. Kühn
Berlin GmbH



Deutsche Bahn AG



Österreichische Bundesbahnen



Verband Baden-Württembergischer
Omnibusunternehmer

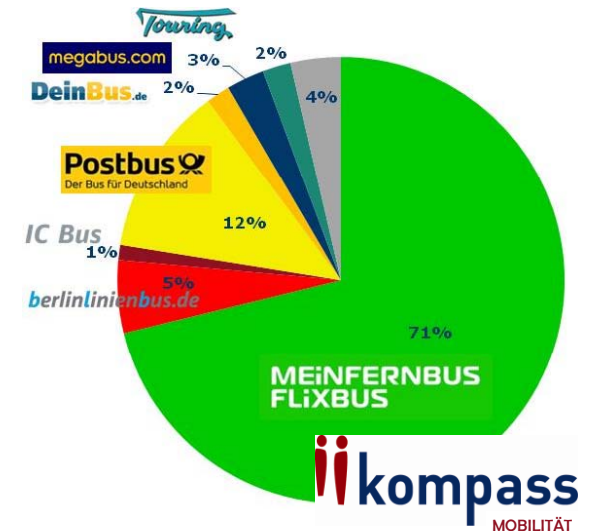
Public / Administrative Bodies



Federal Institute for
Research on
Building, Urban
Affairs and Spatial
Development
(BBSR)



Federal
Transport
Ministry
(BMVI)



2. Boosting Long Distance Bus Market

Long Distance Transport in Germany. Private Car is most relevant transport mode.



Not drawn to scale!

Step Stones of German Long Distance Bus

2011

- **DeinBus.de** starts first line before the liberalization after legal dispute with DB German Railways.

2012

- **MeinFernbus** launch of first line Freiburg i. Breisgau – München (April 2012).

2013

- **FlixBus** market entry.
- National Express Germany GmbH follows with german brand **city2city**.
- **ADAC-Postbus** starts as joint venture with **Deutsche Post Mobility GmbH**.

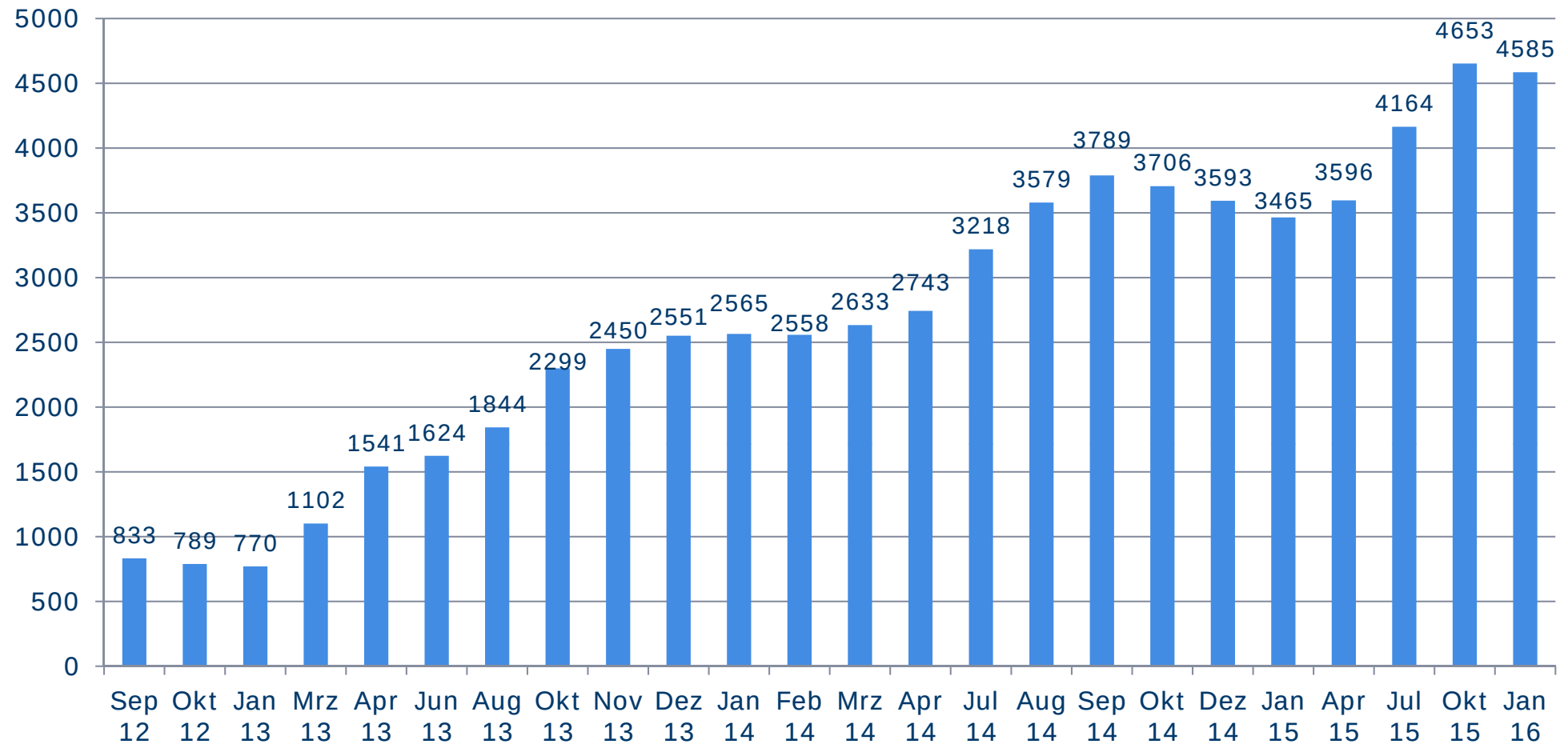
2014

- Market Exit: October 2014 **city2city** quits services.
- **Deinbus.de** last minute prevention of bankruptcy by strategic investor.
- ADAC e.V. stops joint venture, Deutsche Post continues growth of **Postbus**.

2015

- Merger of **MeinFernbus Flixbus**.
- **DB AG** launches LD Bus and LD Rail strategy change.
- **Megabus** enters German LD Bus Market.

Number of Round Trips per Week Sextupled! Approx. 320 LD Bus Lines.

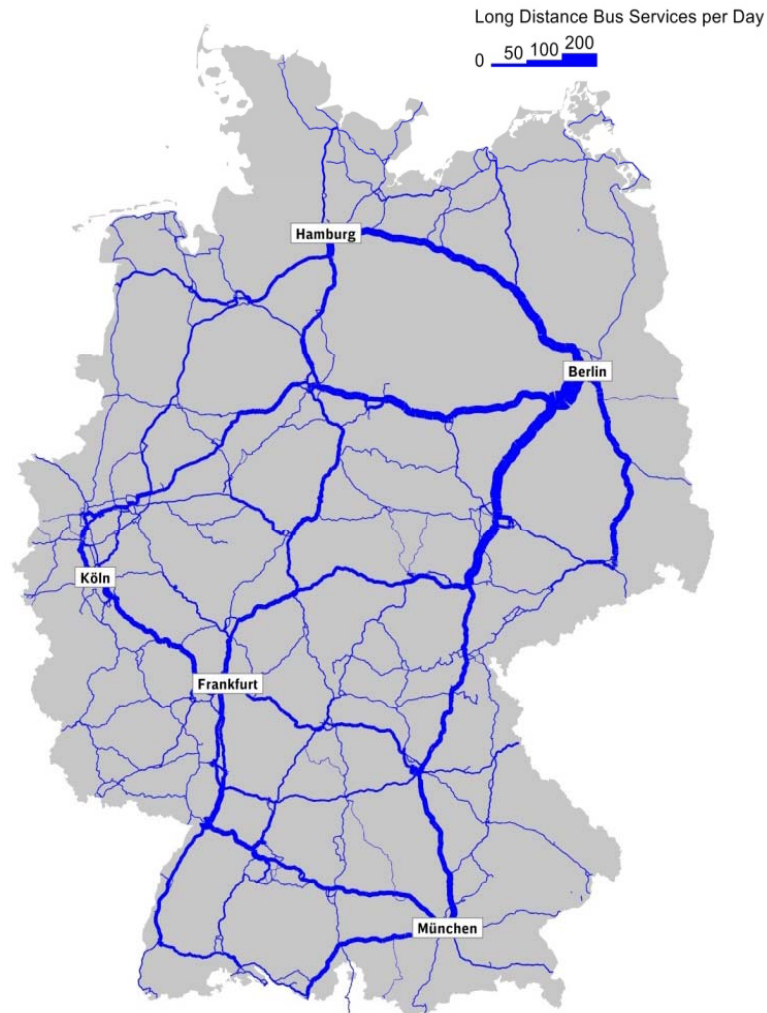


Domestic Services without Airport Shuttles.

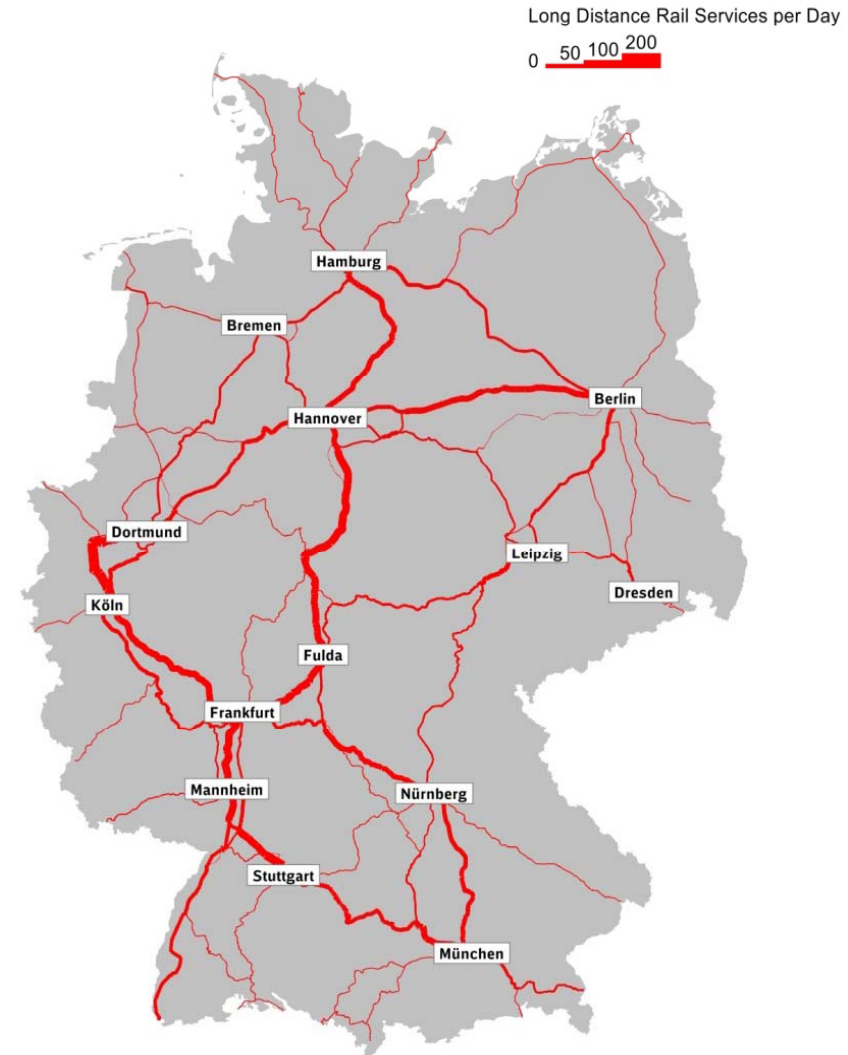
Source: IGES, January 2016.

High Density of LD Bus Network to Connect Regions. Competition Bus vers. Rail instead of creating benefits!

LD Bus = 20 Million Pax p.a.

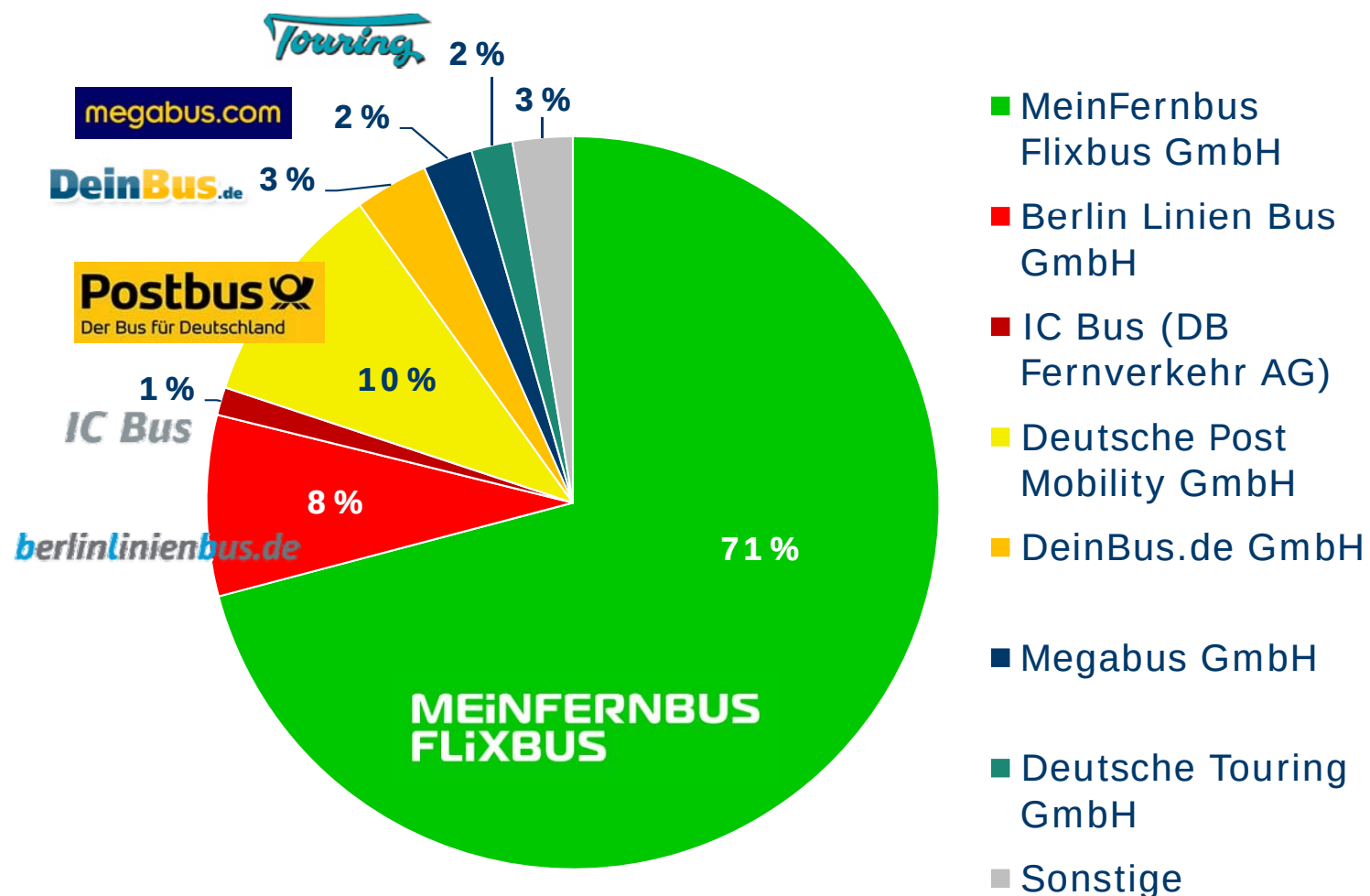


LD Rail = 130 Mio Pax p.a.



Source: ETC 2015.

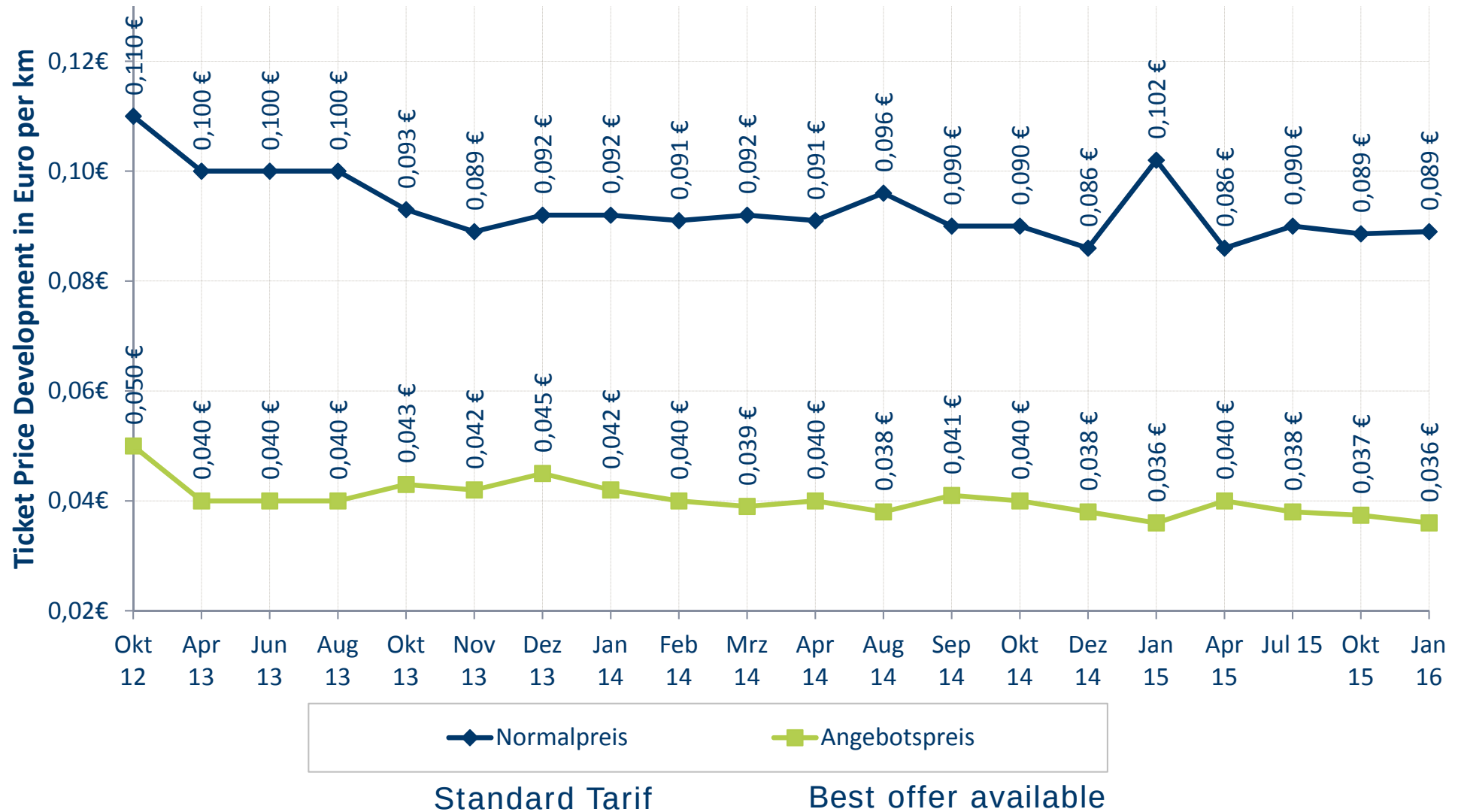
Stabilized Market Shares LD Bus



Source: IGES, January 2016.



LD Bus **Ticket Prices** at critical level (Revenue per Pax & km). Reaction of LD Rail: Growing number of discount tickets.



Source: IGES, January 2016.

German LD Bus completely relaunched travelling by bus. Innovation trends and product development.



Today

(1) Internationalization

Network Development to EU neighbors
Export of German LD Bus Brands -
(Italy, BeNeLux, France, ...)

(2) Night Bus Networks

(3) Touristic LD Bus Lines

Ski Fun / North Sea & Baltic Sea Coast

Crating dense network

Innovations

Easy Bike Carriage
Webbased Electronic
Ticketing and Sales
System
Setting Standards in
WIFI in German
Public Transport ...

January
2013
Liberalization

3. Main Challenges for Long Distance Bus

Keep working on LD Bus Transport in Germany...

Framework
Condition -
Introduction of
Road charge for
Busses?

Creating
appropriate Bus
Terminal
Infrastructure

Bus Drivers as a
limited resource

Intermodal and
intramodal
connection of the
LD Bus

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