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# PERSPECTIVES AND OBJECTIVES OF PUBLIC PASSENGER TRAFFIC ON CZECH RAILWAYS

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Railway passenger traffic belongs to the services which offer their products, satisfying customers' requirements concerning their moving in space and time, in a considerable competitive transport market, where a predominating individual motoring is carried on intensively.

For their prospective travel, taking decision about their choice of the used transport vehicle, potential customers will take into consideration the following basic criteria:

- connection concurrence and density, a suitable time table,
- transportation price, commercial offers,
- travel convenience and standard,
- further services in passenger traffic,
- accessibility and quality of information being provided by passenger railway transport.

The Czech Railways ensure passenger transportation products in the following segments:

- international transportation:
  - long-distance,
  - regional cross-border,
- domestic transportation:
  - long-distance,
  - commuter,
  - local.

Foreign carriers and renters started operating passenger traffic on some regional railways in 1997.

International long-distance transport is carried on by the Czech Railways on the Czech Republic's territory mainly on the corridor railways, being provided by daily trains of the categories ECV, IC, Express and local trains of the category R. There are sleeping and couchette-carriages shifted in some parts of these trains. In 1997, the Czech Railways began to operate an auto-train as a special offer, i. e. the transportation of private cars together with the passengers ordering in the range Prague — Poprad the High Tatras. On one hand, reliability and a relatively low price pro foreigners is the advantage of the international long-distance transportation. On the other hand, a relatively high price for the citizens of the Czech Republic can be considered as a disadvantage.

International regional cross-borderline transportation is carried on at the railway crossings opened for passenger traffic.

**Domestic long-distance transportation** is carried on by the Czech Railways on the national railways as well as on the regional railways, being provided by the trains of categories SC, IC, R and Sp, mainly in a daytime. Night links are carried on by the Czech Railways mainly for the possible and eligible connections, namely for the international transport. Another special offer, the train of category Super City (SC) "Manažer" on the line Prague – Ostrava, was put into service in 1997, and since 1998, the train "Mladý svět" is in service on the line Zlín – Prague. The price, convenience, the stability of the time-table, the possibility of the transportation of big luggage, as well as refreshments in a train, may be classified as advantages of the domestic long-distance transportation. The disadvantages appear as follows: a low speed, decreased reliability of the time table and lower convenience, being connected with the effeteness of the wagon stock.

Domestic commuter traffic is carried on by the Czech Railways in the outskirts of big cities and agglomerations, being provided by the trains of category Os. Commuter traffic in Prague and its environs, as a special offer, was introduced in 1996 by the Czech Railways in the frame of the Integrated Traffic System based on the co-operation with the Capital Prague's Transport Company, the Capital Prague's Municipal Authorities and competent district authorities.

Commuter traffic covers the transport service routine in the outskirts of cities and agglomerations, namely during a weekday, for transportation to work, schools, etc.

Domestic local traffic is conducted by the Czech Railways on the national and regional lines, being operated by the trains of category Os. Local traffic covers the transport service routine, especially during a weekday. In concordance with the complex measures following the improvement of the financial situation at the Czech Railways, a reduction of the passenger transport was started in 1997. The purpose of this activity is to cover the basic transport service routine on weekdays, while transportation over weekends is supposed to follow the demand. Eventually, when there remain one or two pairs of stopping trains on the line without any goods trains on the railways, then they are gradually converted into alternative bus service.

In 1997, foreign subjects started operating transportation on the regional routes Jindřichův Hradec – Obrataň, Trutnov – Svoboda nad Úpou and, in 1998, on the regional routes Tanvald – Harachov, Šumperk – Kouty nad Desnou, Milotice – Vrbno pod Pradědem.

Complex dispatching passengers including the mediation of service administration concurring the passenger railway traffic, e. g. taxi, accommodation, etc. This is operated within the Czech Railways network, especially at the "centres" and the chosen railway stations.

In 1997, a competition emerged in the area of refreshment services in passenger transport, which led to a higher standard of their quality. **Marketing analysis and research** are considered to be an integral part in the segment of passenger transport. Thus, commercial politics, including tariff alternations, the range of commercial reductions, the time-table alternations and promoting the positive image of the Czech Railways, is resulting from the marketing. The Czech Railways marketing strategy applies to the following research:

- a) national research on all the Czech Railways lines,
- b) regional research,
- c) research of the international transportation frequency,
- d) fare structure research,
- e) research of the transportation streams in agglomerations,
- f) passengers questionnaires.

Resulting from the marketing analyses and researches realised in 1997 and in the beginning of the year 1998, the following trends in demands for passenger transportation are supposed to be expected:

- 1) In the international long-distance transportation, an augmentation of the total number of passengers is supposed, especially from the starting station of the western railway board, where the tendency of the travelling public to use the railway transport is growing, resulting from the high standard of services, convenience and reliability. The increasing standard of travelling in the international trains within the territory of the Czech Republic makes a favourable effect. The number Czech citizens and passengers from the other countries is supposed to remain on the same level.
- 2) In the international cross-border traffic, a mild increase of cross-border tourists is expected, and, as a result, a mild increase of the passengers in 1998 is supposed.
- 3) In the domestic traffic, a decline of passengers in all domestic transportation segments is supposed in 1998. Apart from the supposed further growth of individual automobile transport, further specific influences can display in certain segments, as follows:
  - in the domestic long-distance transportation, unfavourable impacts are resulting from the enhancement of the allowed speed on the highways in 1997 and further assumed expansion of the highway network. The demand is influenced in a negative way by closures and irregularities on the corridor routes. The increasing interest in trains of a higher quality can be classified favourably,
  - in the short-range traffic, the changing structure of employment rate and the expected growth of unemployment in large agglomerations are thougt to be unfavourable,
  - in the local traffic, the reduced offer of the Czech railways, as well as the number of the lines operated by them, will come through the economic reasons.

The Czech Railways Intentions in passenger traffic for the year 1998 result from the analysis of the current conditions, expected trends and economic plausibility; additionally, they are contemplated for the performance of the trade plan of the Czech Railways. Consequently, all the activities are aimed at the preventing of the due decrease of demand, and, eventually, at the increasing passengers' attention in railway passenger transportation. The train transport bulk, in accordance with the time table 1998/1999, is thought by the Czech

Railways to be a marginal limit for keeping the network pattern of the passenger transport. That is, no further narrowing the passenger transport bulk has been considered. Additionally, the Czech Railways' intention is, how to safeguard the stage attained by the radical solution relating to the time-table 1998/1999 which respects the network's complexity and completeness. Again, this situation is needed to be solved; thus, the incomes, formed basically by revenues and allocations, and personal transportation costs, basically, are unbalanced.

The Czech Railways' intentions in passenger transport in 1998 can be divided into the following areas:

- a) offer extension,
- b) higher travel standard,
- c) tariff and price policy,
- d) completive services and support for the attraction of new potentional,
- e) customers and preservation of the current ones,
- f) marketing, advertising and promotion.

Offer prevalence in passenger transport is aimed at the international, domestic longdistance and commuter traffic. True, most attention is given to the networks' enlargement in the international long-distance transportation, especially for auto-trains, which are used at the railway station terminal of the Prague main railway-station. This enlargement is aimed at the attraction of potential clients who travel at present time on the road, not travelling by train at all. More over, the advantages of long-distance passenger train transport and individual motoring are combined. There is a competition between individual motoring development on one hand, and the other kinds of passenger transport on the other hand. Co-operation with travel agencies will enable the exploitation of the offered capacity of the regions popular among the tourists. With different trains categorised according to their high quality, the enlarged offer of the Czech railways will be pointed, with all the support, toward a higher standard of domestic long-distance transport. The contemplation is, to draw attention of potential customers, to conciliate their interests, so that they could avert from the competitive mass transportation, eventually, from individual automobile transport. The way how to achieve this aim is, to improve the quality of the offered services, especially, the service on the competitive routes Prague - Central and Northern Moravia when the new categories Ex-trains are established, to introduce modernized carriages, and, furthermore, to increase number of the trains of category Super City.

The improvement of cultural travel is intended by the Czech Railways, depending on the preparation of complex intentions, which will have to increase passengers' content with the Czech Railways services and to bring further clients, on the ground of improving convenience, going on modernization and reconstruction of carriages, also, broadening out the complex dispatching of passengers and the network of the Czech Railways centres. In domestic commuter traffic, venders will be installed on a larger scale. There is a great necessity of improving the public accessible halls at the railway stations. Also, the standard of behaviour and style of the employees at all levels will have to be improved, as well as professional presence should be conducted on a higher degree, when dealing with the travelling public. Last but not least, the offered information about departures and arrivals of trains and their connections will have to be on a higher level through further improving IDOS system and spreading the information systems at the stations.

Tariff and price policy of the Czech Railways in passenger traffic result from a longterm perspective of tariff development in the domestic personal transportation, which is intended to approach to the international tariff in a maximum way. However, all the citizens of the Czech Republic will be currently offered the possibility of commercial reductions, the development of which is an integral part of the trade policy in passenger traffic. In the future. the corrections of the personal tariff should be established once a year on a regular date. always on 1st April of a common year. Bringing near both the international and the domestic tariff, the price level of the international tariff will be preserved, while the current coming deduction will be changed relating to the price boost. At the same time, it is necessary to preserve the competitiveness with the bus transport, that is, the tariff development should approach, in a maximum way, to the price for a bus on one hand, however, it must not loose its attraction for the travelling public on the other hand. Therefore, the fare price list enhancement is assumed from 1st July 1998, on average by 22%. Further plans concern a special fare respecting the transportation of pensioners and parents travelling after their children located in social asylums, as well as the refund of the travelling costs connected with free transportation of M.P.s and senators. Next, connecting the reduced fares, coefficient layout at the calculating some commercial reductions is going to be introduced. As pointed out earlier, an offer of guite new products for the travelling public is planned.

Supporting the other intentions regarded to the personal transport and eliminating or reducing impacts on passengers' decision, when a choice between the road and railway transport has to be made, there are completive services in order to attract new customers and preserve the current ones. Those are the following intentions:

- common commercial offer of the Czech Railways, DB and ÖBB in order to attract further passengers in the international long-distance transportation,
- improving the standard of boarding services by means of introduction of new dining cars in EC and IC trains and delivering the meals directly on the spot in international long-distance transportation,
- improving convenience within accommodation links in the international longdistance transportation ,
- ensure the maximum possible number of changing feasibilities relating to preservation of train travel speed in domestic traffic,
- enlargement of expletive services into interests spheres in the domestic transportation, e.g. the transportation of bicycles, skis and vessels, especially with the help of self-service operation and , also, with the adaptation of lining up the train sets according to the transportation of bicycles, skis and vessels,
- enhancement luggage transportation in a simpler way, e.g. prams and bicycles transportation, and in the domestic municipal transportation alike,
- take active part in dealing Park and Rides, connected to the domestic municipal transportation.

Marketing strategy of the Czech Railways in personal transportation in 1998 is introducing last year results and stemming from travel public and potential clients' requirements for the railway transport. Marketing analyses and researches are the integral part of the marketing strategy. According to their results, the intentions of the trade plan for the year 1998 will be revised and, additionally, data necessary for setting a trade plan intention for the year 1999 will have to be worked out. During 1998, a preparation for exercising IDS Brno will be started, as well as the extension of travel documents applicability at IDS Prague is prepared. Advertising and promoting is the main condition how to attract passengers'

attention to new first-rate offers and services, further, the impact of the Czech Railways into the transport market in the Czech public as well as abroad, furthermore, the improvement of the total Czech Railways image. In 1998, the attendance at the international tourist fairs in Brno and Prague is ensured. By means of the Internet, the pages with the information about the railway passenger traffic are permanently updated.

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### Resumé

## VYHLÍDKY A CÍLE VEŘEJNÉ OSOBNÍ PŘEPRAVY NA ČESKÝCH DRAHÁCH

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Kromě součástí osobní přepravy včetně doplňkových služeb je v tomto článku analyzována také marketingová strategie a navrhované změny v osobní přepravě na Českých drahách.

## Summary

# PERSPECTIVES AND OBJECTIVES OF PUBLIC PASSENGER TRAFFIC ON CZECH RAILWAYS

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Segments of passenger transport including provision of supplementary services, as well as marketing strategy and proposed changes in passenger transport on the Czech railways are analysed in the article.

#### Zusammenfassung

# PERSPEKTIVEN UND ZIELE DES PERSONENTRANSPORT AUF DEN TSCHECHISCHEN BAHNEN

Vlastimil MELICHAR. Bohumil ŘEZNÍČEK

Im Artikel sind die Segmente des Personentransport analysiert, die Gewährung der Ergänzungsdienstleistungen, Marketinstrategien und vorgeschlagene Änderungen in der Personenbeförderung an der Tschechischen Bahn einschliesslich.

Vlastimil Melichar, Bohumil Řezníček: Perspectives and Objectives of Public Passenger Traffic on Czech Railways