



June 7, 2013

To: Fox Cities Transit Commission

From: Deborah Wetter, General Manager
Nikki Voelzke, Community Relations Specialist

Subject: Marketing Plan and Budget Update

Traditionally, Valley Transit advertising dollars have primarily been spent on advertising promotions (Library Pass Time, Freedom Pass, Oktoberfest, etc.) to increase ridership. In addition, a portion of the \$45,000 marketing budget covers promotional materials, employment ads and other required legal notices. One of the key objectives of the 2013 Marketing plan is to build community awareness and support for Valley Transit and the services we provide which could also lead to increased ridership.

The Focus Group and Community Leader interviews conducted by Willems Marketing consistently point out that there is a pervasive lack of awareness about Valley Transit's services, how to use the services and who rides Valley Transit. While it is important to continue to advertise our promotions to meet our goal of increasing ridership, it clearly isn't reaching enough of the community. The best way to reach a broader audience with our limited budget is to run a series of targeted cable commercials, public service announcements, and other digital advertisements.

In 2009, Valley Transit ran two commercials on Time Warner Cable on channels that reached our target audience. Not only was it the most cost effective form of advertising, we repeatedly heard from people in the community who saw the commercials. Since then, Time Warner Cable has increased their digital advertising products and it remains the most cost effective method of advertising at a cost of \$10-\$20 per ad as well as a number of free spots. The new products will allow us to reach a broader audience more frequently resulting in increased awareness of Valley Transit. This will help us in our efforts to increase ridership and gain community support as we move forward with our legislative efforts.

A Nielsen study indicates that 78% of people 18-49 years old watch live television. Of those who use digital recording devices, half of them watch commercials. In addition, we can choose specific shows with a high tendency to be watched live: news programs like Fox & Friends and Morning Joe, sports programs on ESPN, The Weather Channel, cooking and home improvement shows as well as cable network dramas and comedies. Time Warner is also able to offer us Video On Demand where people could click to watch more of the commercial and watch a short, entertaining How to Ride the Bus video. We will connect with a Fox Cities online audience by having our commercial play prior to online cable channel website shows. The 30-second commercial plays

uninterrupted prior to the viewer's requested program. It cannot be skipped or forwarded. Time Warner Cable will provide detailed reports of the online and Video On Demand views and audience reach. The commercials and instructional videos will be posted on our website and social media pages.

In addition to the cable advertising costs, there are also costs to produce the commercials. We are planning on two commercials and one short, entertaining How to Ride the Bus video. All of these products will be used for several years making them a good investment. The estimated production costs are \$10,000.

In order to have the greatest reach with the commercials, we believe it is important to use the marketing budget to pay for running the ads and cover the production costs within the rest of Valley Transit's existing budget by coming in under budget on other line items.