



ITF-summit "Transport, tourism and trade"

Date: February 12, 2015

Subject: Trends in local transport to capture growth in the market of tourist visits

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***Tourism is an important source of income to local and national economies. Profiling a city in a package to tour operators and travel agencies and as a main destination of cultural historic interest has proved a good tool to promote the city.***

***Apart from leveraging a factor for economic growth, tourism offers local entrepreneurs to earn an income from smartly targeted activities. On the rise in the consumer market is the 'shared economy', generating small trading places in webbased service. Apps for mapping, transit scheduling, weather forecasts and even finding medical services have become mainstream tools to support the needs of the modern city tripper. Mobile apps like Uberpop, Airbnb and mTravel add a new dimension to traditional travel in tourism. What trends in city tourism can be identified and how can obvious downsides of mass tourism be innovatively countered by new mobile strategies and transport propositions?***

Tourism represents an increasingly important factor in the local urban economy providing comprehensive levels of earnings and adherent new types of employment.<sup>1</sup> If well framed urban tourism provides a potential for more employment in the leisure sector, the information business and of course in the hospitality industry, including demand for transport by all conceivable modes (from coaches, metro, tram, to high speed trains, long haul bus services and even cruise ships).

Tourism generates income and for many cities is an important sector to remain viable. City marketing is a supportive tool to persuade a variety of visitors and in some cases even helps to distribute short stay visitors over more locations in a larger geographic area than the city only. Not to mention the fact that once arrived in his destination, a tourist is prone to use public transport as his default transport mode. Thereby adding to consolidation of transport quality and sometimes even leveraging an upgrade or extension to the metropolitan transport network<sup>2</sup>. Tourism largely contributes to the economic prosperity of cities and its businesses. Tourists make city trips to visit concerts, shopping malls, stay in hotels and restaurants, markets, cultural venues, and benefitting the hospitality industry. By using public amenities and transport income from overnight stays in hotels and lodgings is created, from a local levy to tourism tax for lodgings.

For a vast majority of cities the positive balance from spending by visitors is indispensable.

At the same time growing volumes of tourists in city hearts creates societal challenges.

Mainly during seasonal holidays large groups can be a nuisance and create inconvenience. It comes along when living conditions in city centre's popular places suffer from strain caused by mainly nightly noise, public disturbance and unrest. Not only from stack parties, but any unwanted and illicit activities from criminal elements, lured by visitors dropped in numbers from coaches and other prearranged guided transit. Mass travellers that visit city highlights, sites, museums and other interesting sites or cultural hotspots, seriously impact the

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<sup>1</sup> E.g. in the Amsterdam Region (population ± 1,8 million) by 2013 some 109.000 employees (7.3% of the working population) worked in tourism. An expected increase of 3% in annual yield is the growth rate foreseen in the next decade.

<sup>2</sup> The Industrial Heritage Line running from Amsterdam Central to the cultural heritage location near Zaandam, a former industrial nucleus north of the city, with old wooden houses and mills has derived from demands of visitors all year round.

perception of quality in public space. When silent hideaways are not suited to manage large groups of enthusiasts, liveability of secluded parts of inner cities is seriously challenged. This has in some cases led to banning or limiting entry and city dwellers and entrepreneurs running a business inside the city turn away and flee living in the centres. Depopulation of whole cities like Venice, Pisa and some parts of cities like Barcelona have turned these places into a no go area and virtually unsuited to live in. Especially during holiday seasons cities can be swarmed with tourists overrunning historic locations where people live, seemingly turning city centres into an open-air museum or amusement park, not mindful of indigenous dwellers.

The pressure on local roads and parking capacity in cities for private travel, as well as spaces to park for coaches sometimes builds up to such levels that cities tend to lose control and reducing congestion on local roads becomes a big challenge. Considerable efforts in European old inner cities are needed to guide heavy traffic including coaches with one-day visitors out of the inner historic city to transfer hubs of public transport.

Multiday visitors to a city in Western Europe most of the time prefer to travel by air, water or railroad to avoid the challenge of using their private car in unknown places. Some cities are actively devising guiding plans for heavy traffic like coaches to make sure that the best routes to parking in the vicinity of important city attraction point disturbance of regular traffic of deliverers to businesses and commuters.

Cities are aware that sustainable travel facilities used by conscious visitors should be rendered into a niche product, making it attractive and therefore need to be facilitated. Some only allow clean buses running on electric batteries and using well-to-wheel sustainable fuel to admit buses running into their cities. Transport enterprises could then yield the prerogative to use the bus lanes, exclusively reserved for public transport. Cities like Amsterdam prescribe mandatory routing and access limitation zones and using restrictive time slots to keep the vulnerable parts in the heart of the old city free from coaches and make streets inaccessible to others than people living there or running business.

### **Presenting a city while experiencing a comprehensive view of a region.**

Tourism with a cultural and more than shallow interest in a country's history tend to look for their pastime mainly inside the city, looking to be close to the major attractions.

In Amsterdam as the Dutch capital popular place for its famous art and culture museums like Rijksmuseum, the canal district with the boat tours, the Anne Frank house etc. Almost all tourists that visit Amsterdam come to visit the top attractions in the centre, for sure if they pay the city a first time call.

Since 2010 the tourist board and sector try to incentivise them actively to combine the city with a tour into the region. The focus has shifted towards gearing time and attention to a more comprising package. With the project "Amsterdam bezoeken, Holland zien" (Visit Amsterdam, See Holland) governments in the Amsterdam Metropolitan Region cooperate to promote the hidden potential outside the traditional spotting area.

It is aimed at spreading visitors over the larger Amsterdam Metropolitan region by means of capturing tourist interest in cultural and historic top sites in city surrounding. By framing cultural sites of interest as an asset belonging to the Amsterdam heritage some places outside Amsterdam cater visitors to expand their view on the rural points of cultural historic importance. This brings a whole new potential to the market perspective of a historic city:

"Visit Amsterdam Castle in the East, but don't forget to look the lovely "smalltown harbours"

up north, and travel to the North Sea coast and experience the most extended beaches in Western Europe and the 'De Keukenhof' flower cultivation observatory.

In line with this concept the Dutch coast is branded as "Amsterdam beach", in reach by public transport within a reasonable timeframe. Then the region has in 2014 has successfully introduced the "Amsterdam Region Day Ticket", that has opened the way for an integrated and interoperable offer of multi-day electronic tickets valid with more than one transport operator.

The core of this project strategy is to use the popular appeal of Amsterdam to make a compelling offer to tourist that has a mainly unilateral focus on the inner city to pay a visit to the surrounding area while spreading the visitors over the region. Thereby solving simultaneously a challenge of clogging of buses over unsuitable roads.

In Madrid beginning of this month the project "Amsterdam Bezoeken, Holland Zien" won the prestigious Ulysses Award of the UNWTO in 2015. Local administrations including Amsterdam municipality, 27 other municipalities, 2 provinces and the City Region of Amsterdam / Amsterdam Metropolitan Area have been working together for years maturing this initiative, that generates new opportunities for cultural sites close to Amsterdam City perimeters. 'Amsterdam Marketing' is the organisation authorized to carry out activities for the initiative.

### **On the edge of city tourism: new opportunities for the transport sector**

For EMTA the focus would have to be set on embedding the city marketing in a more professional way into the regular transport system. Attractive and easy accessible transport is part of an integrated package of a tourist inbound trip offer. Together with the lodging in a hotel and availability of nearby transport stops into the city and to and from transport hubs and airports, public transport is seen as an asset as no foreign tourist unfamiliar with a city grid is keen on taking their car inside the city. Cities like Barcelona, London and Paris show that having a well-designed metro or light rail-system benefits from the use by travellers. PT is considered an important asset, although so far public transport by enlarge fails to appreciate adapting their business case to the extended market of tourists. This seems strange as it makes the city more open to mass tourism. Developing a city marketing concept to profile and showcase a city with reliable, comprehensive and attractively priced transport services for visitors should be paramount in local transport system priority.

A hidden potential for transport in cities is the element of water. Connections along riverbanks, canals and harbour are seldom well exploited to its full potential. It is an obvious niche market, as most cities from historic ages originated as settlements for places of trade along the banks of a river or stream, or in a delta location with seaside harbour facilities.<sup>3</sup> Many of the potential of ferries and boats along canals is not used as a working component in the public transport system. In some cities ferries are for free as it replaces a cross-river connection. Waterborne transport harnesses a potential to enhance city's commercial benefits. At the same time it provides an opportunity to foster sustainable transport. ships should keep to clean and efficient energy guarantees including the use of renewable fuels. An important proposition in positioning a city as sustainable in mobility and with a healthy environment is that ships run on clean and renewable fuel, with hybrids or on batteries and energy efficient propulsion.

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<sup>3</sup> Perfect examples are manifold, but cities with harbor delta like London and Rotterdam, Paris and Budapest are some European cities providing riverbank crossings and excursions with amphibious buses, water taxis, water bicycles and ferries.

Transport trend watchers even claim the future market for urban transport in particular for specific types of visitors need to adapt to shapes of Personal Rapid Transit. So far these fast and modern modes are found in automated driving and positioned as an airport people mover or inner city attraction.<sup>4</sup>

A large transport potential that would help covering distances by tourists in cities in a sustainable way is the use of rental bikes. Dutch cities (Rotterdam, The Hague, Amsterdam) position bike tours guided by students to cross the city highlights and explore architectural and historically interesting sites, buildings and infrastructure. Rental bikes are sometimes included to a hotel booking. Then there is opportunity to rent a OV-bike at 250 railway stations in the Netherlands for € 3,- per 24 hours, a service provided by Dutch National Railway company "NS"<sup>5</sup>.

In these terms the principles of the "shared economy" is popular: denizens do not trade in terms of selling and purchasing goods but share personal belongings for transport.<sup>6</sup>

### Findings

Public transport will not be a first condition to entice tourists to pick a city for travel. Nevertheless, if it makes connectivity inside city limits easy accessible and legibly structured public transport can make a difference. Dedicated *wayfinding* measures to access the city grid will be a valued asset to move visitors. In these terms it seems peculiar that some public transport companies are not poised to reap the earning capacity by devising dedicated marketing propositions for this rapidly expanding market.

The virtual economy of shared information and goods has come of age and captures economic value in directing touristic demands. Specially developed (3D) electronic real time travel mapping on smartphones pop up everywhere, improving consumer's experiences. To make going around in a city a pleasant and healthy way of moving if presented in combination with a hotel or house swap with a bike (either shared, swapped or rented) is becoming popular and a form of new business. A high rated affordable offer will influence a scrolling tourist to choose a city with a compact and transport and cycle network.

Connectivity to a network of - sometimes electric - bikes (preferably payable by international credit cards) there are multitude of niches waiting to be exploited. The use of waterways for leisure transport, like river taxis, ferries or other public services is one still underachieved. For smaller enterprises and in combination with lodging packages that provide trips in travel agent programs, tourist offices and other commercial parties it is a nice trend to promote a city that offers a different perspective if experienced from the waterside.

The interlinking of information about mobility and transport services in one package combined with visiting sites and adhering leisure activities needs still to mature before it can build a sound business case. In the end it potentially can lever a city trade mark.

*Ruud van der Ploeg,  
EMTA secretary-general  
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<sup>4</sup> A fine example of PRT is the *Emirates Air Line cable car* connects the Royal Docks (north terminal) and Greenwich Peninsula (south terminal).

<sup>5</sup> <http://www.amsterdamtips.com/tips/ov-fiets-cycles.php>

<sup>6</sup> In Amsterdam a concept called "cycleswap" has gone viral: visitors and commuters make use of bicycles of dwellers that are not used anyway. Amsterdam harbours 880.000 registered bicycles on 830.000 inhabitants. Check [www.cycleswap.nl](http://www.cycleswap.nl)