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UIC, the worldwide railway organisation, has published a report on “Boosting passenger preference for rail”

Due to emerging trends, rail may have the strength to position itself as one of the preferred choices of transport of the future, helping to solve many longstanding challenges in passenger transport. This report examines passenger rail’s current status and the measures operators have taken to restore rail travel to pre-pandemic levels. It also lists a set of potential levers railway operators can pull to help recover passengers lost during the pandemic, attract new passengers, and develop rail to be a viable alternative to road and air transport.

(Paris, 13 July 2022) Further to the White Paper on the “Resumption of business post Covid-19 pandemic, recommendations for the railway sector” (focus on passenger activities) and as a result of the continued work on the New Normal, restoring passenger confidence in the railways has emerged as a priority. This work was launched in October 2021 with contributions from UIC members. Approximately 20 interviews were held between November 2021 and April 2022 with UIC members (including infrastructure managers, operators, and transport authorities) in Europe, North America, Asia, the Middle-East and Africa, accounting for around 75 percent of passenger rail worldwide.

Current status of passenger rail

According to the study, passenger rail has not recovered uniformly across the world. Heavily impacted by the Covid-19 pandemic with severe demand decline before travel restrictions were lifted, passenger rail seems to have fully recovered in some regions such as parts of Asia and Eastern Europe, but is still recovering in North America and Western Europe. Concerning customer preferences, convenience remains the main driver for rail selection, with customers choosing rail for its speed, accessibility, and price relative to other modes of transport.

Moreover, there have been fundamental shifts in travel behaviour. Although overall demand stays the same, remote-work technology, new commuters and sustainability concerns have changed travel patterns and routes. These changes will likely remain in the future and will require operators to adapt their systems.

Customer expectations in 2022

Research shows that price, safety and the core product offering remain the main drivers for passengers when choosing their mode of transport. Other important factors are largely

related to overall time of travel, especially regarding frequency, travel time for the trip, as well as time to station. Most notably, new trends such as sustainability-related aspects seem to play only a minor role for passengers in their travel selection.

To encourage passengers to switch to rail, operators need to focus on their core offerings and ensure some fundamentals, including a well-developed railway network that allows safe, convenient and reliable train connections at high speed.

Three horizons to boost rail modal share

According to the study, a number of measures could be considered to grow passenger preferences for rail and establish rail as the future means of transport.

Firstly, restoring rail travel to pre-Covid-19 levels could be achieved through re-establishing service availability and reliability, adapting offerings to suit new customer needs and behaviour, and making these changes known to customers through clear communication.

Operators could grow passenger rail by introducing new offerings and differentiated pricing, and enhance the passenger experience through innovative technology and applications to provide integrated information and ticketing. There is also the opportunity to position trains as an alternative, green and efficient means of transport, particularly for short distances where trains are competitive to air travel on time and cost.

Thirdly, operators could grow passenger rail by structural measures, for example by boosting investment in infrastructure and service excellence to offer a viable alternative to road and air transport in the long-term. Doing so will likely require investment in high-density, high-speed, and high-frequency networks. This involves increasing capacity and level of service through capital investments that include rolling stock, infrastructure and digital technologies.

Opportunities exist for rail operators to restore passenger rail to pre-Covid-19 levels and gain modal share. Rail operators that focus on restoring and growing the passenger base and promoting opportunities to travel, as well as creating viable options for riders, have the potential to succeed.

The study is available here:

https://uic.org/IMG/pdf/20220629_uic_mckinsey_boosting_passenger_preference_for_rail_report.pdf

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