

# Changing Course

Using customer feedback loops to improve your service



AUSTIN **B** *cycle*

# How we normally launch a new service

Think up an idea you think your customer base will want



# How we normally launch a new service

Spend a lot of time  
developing the  
product and plan to  
release the product



# How we normally launch a new service

Unleash your fully  
baked idea on the  
public





# How we normally launch a new service

Wait for the  
dollars roll in!



# How we launched B-cycle for All

Austin B-cycle is making bike share accessible for low-income Austinites by offering qualifying residents annual memberships for \$5 (plus tax)! As part of our mission to improve the mobility, economy, and health of Austin, the “B-cycle For All” program will work to ensure that we are serving all of our community.

## ELIGIBILITY

To qualify for the B-cycle For All program, you must:

- Be an Austin resident
- Have an annual Mean Family Income of \$25,000 or less
- Not be a full-time student

Children ages 13-17 are eligible for Youth memberships based on their parent's eligibility.

**Looked at where  
others had some  
success and  
copied it**

# How we launched B-cycle for All

Photo by Shannon Wisner, Austin Energy

## B-cycle **FOR ALL!**



***Get rolling***   
for just \$5

Austin B-cycle makes it easy to get where you need to go by giving you access to 375 bikes at 50 stations all around town -- 24 hours a day, 7 days a week. Just walk up and roll on...

Developed our equity product and out reach plan

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# How we launched B-cycle for All

Foto por Shannon Wisner, Austin Energy

## B-cycle **FOR ALL!**



***Comienze a pedalear***  
por tan solo \$5

Austin B-cycle hace que sea fácil llegar a donde que tenga que ir al darle acceso a 375 bicicletas en 50 estaciones por toda la ciudad — 24 horas al día, 7 días a la semana. Sólo tendrá que recoger una bicicleta y estará listo para pedalear.



Developed our equity product and out reach plan

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# How we launched B-cycle for All



Launched the service!

# How it was received?



Extremely low adoption rate

Outreach ineffective

Low community buy-in

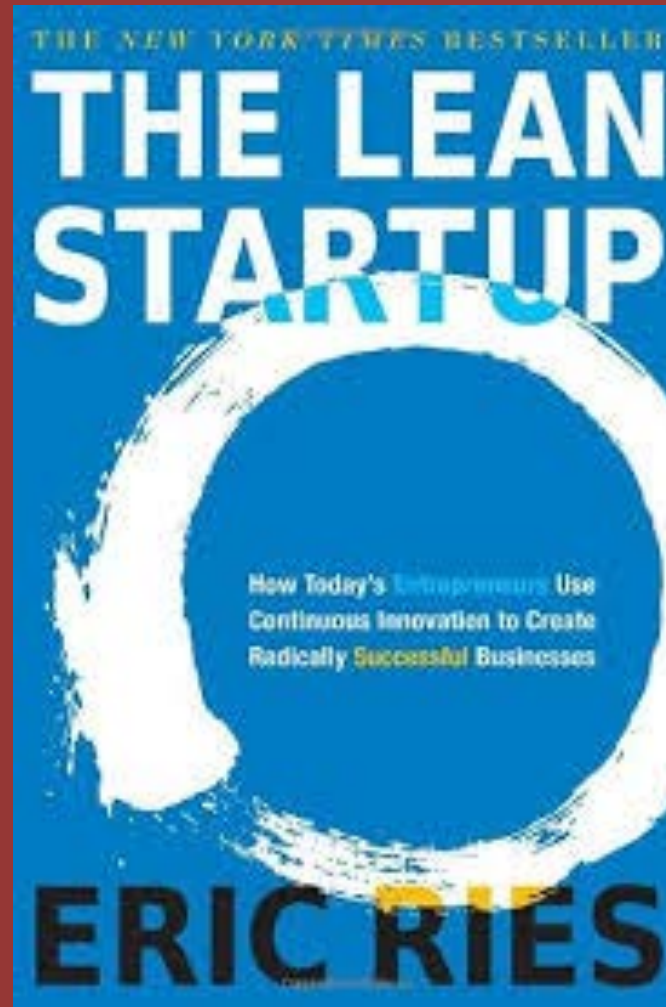
AUSTIN  *cycle*

# What went wrong?

**Did not prime the pump enough  
with community**

**Did not meet potential riders where  
they are and fulfilling their needs**

# Product Development Model

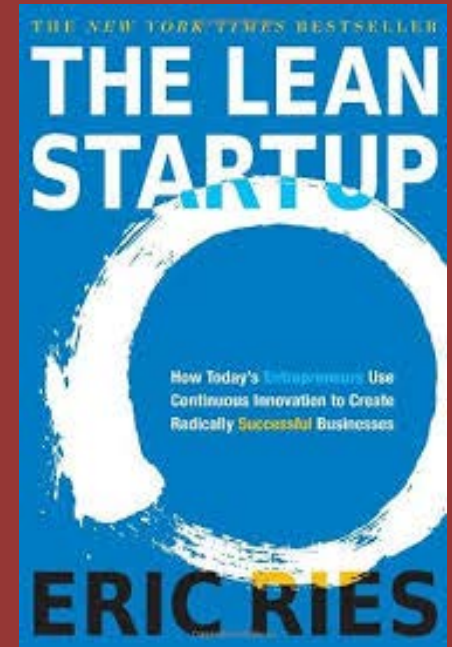




# Product Development System: Lean Startup

## Lean Startup Model

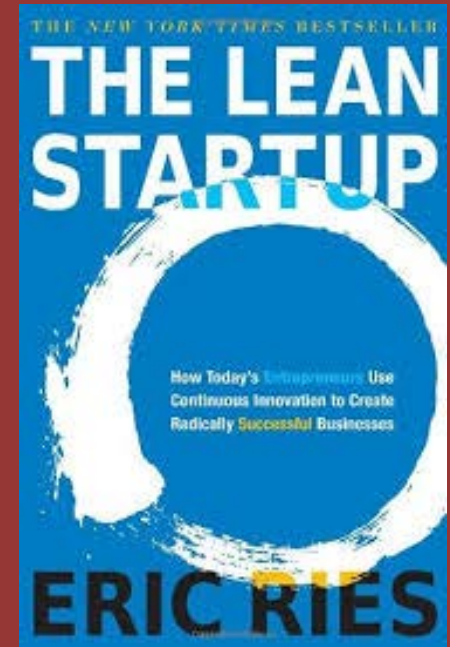
- A model to launch products quicker
- More in line with customer needs
- Eliminates long development times & large budgets
- **RISK REDUCER FOR TRYING SOMETHING NEW**



# Product Development System: Lean Startup

## How it works

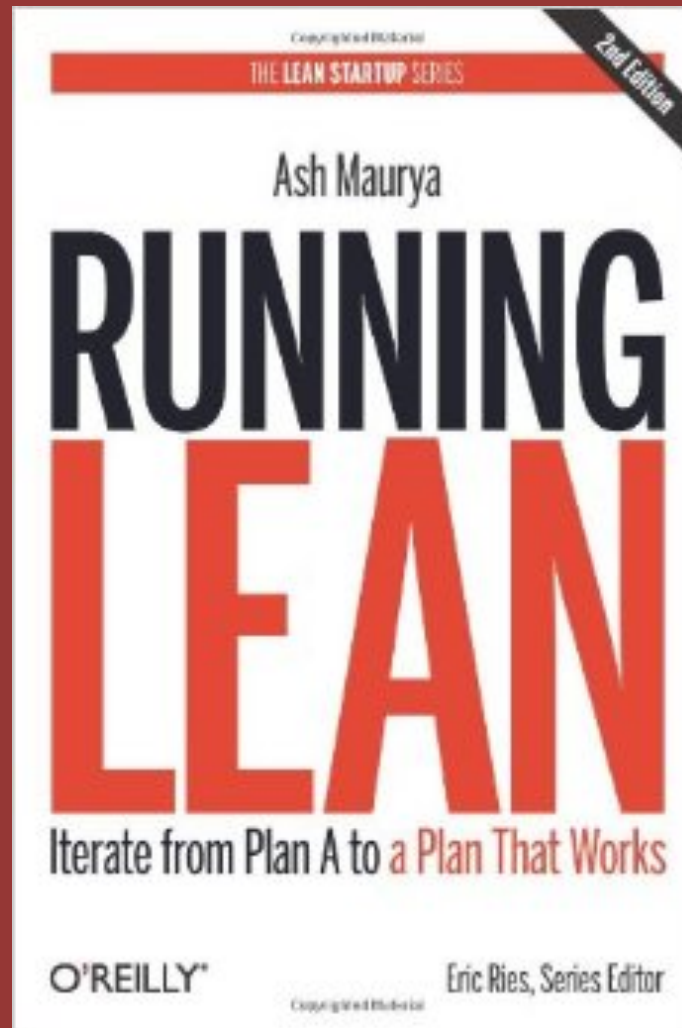
- Develop minimum viable product based on customer feedback or staff suggestion
- Product with minimum workable features allows read market testing without lots of resource investment
- Customer feedback helps determine whether to build, tweak or pivot away from product



# Product Development System: Lean Startup



# Further Reading





# Pivoting

- What are the needs of potential low-equity riders?
- What can we do to meet those needs?

# Canvas

1. <u>PROBLEM</u>	4. <u>SOLUTION</u>	3. <u>UVP</u>	9. <u>UNFAIR ADVANTAGE</u>	2. <u>CUSTOMER SEGMENTS</u>
	8. <u>KEY METRICS</u>		5. <u>CHANNELS</u>	
7. <u>COST STRUCTURE</u>			6. <u>REVENUE STREAMS</u>	

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# Interviews

- Identify people to:
  - Validate that you are tackling the right problem(s)
  - Test for possible solutions
- Connected with non-riders in target area through non-profit organization
- No surveys!



# Interviews

- 27 individuals
- In common
  - Live or work in service area
  - Qualify for our low-income program
  - Already receiving support from non-profit org.
  - Lack affordable transit options
- Different
  - Age, race, sex, first language



# Problems

- Limited service area (92%)



# Problems

- Lack of a cash option (81%)
- Concern about overage fees (63%)

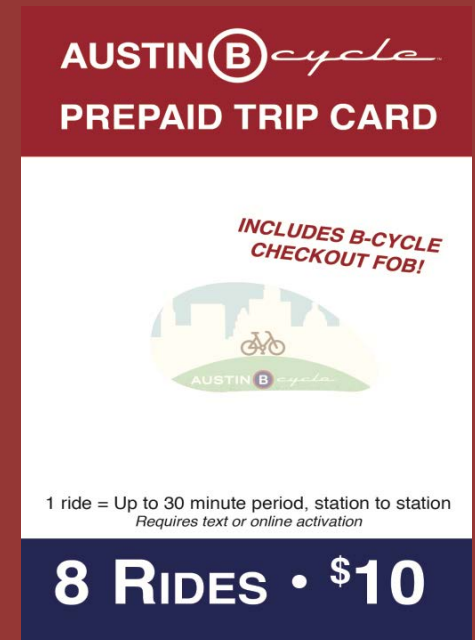


## (Possible) Solutions

- Prepaid card available at retail
  - \$10/10 rides, no overages, available in-store
- Discounted annual membership
  - \$40/year

# Prepaid trip card

- Pricing
  - Balance between low price and high value
- Retail Partners
  - Capital Metro Store & HEB
- Activation
  - Via text or online
- Tracking
  - Manually check rides
- Promotion



## Rolling it out / Lessons

- Difficulty with retail partners
- New customer segments, not all equity
- A/B testing against B-cycle For All
- Very low ridership
- No difficulty with activation/tracking

# Discussion



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