

# REDBUS

## MARKET CONTEXT:

The bus booking industry in India is unorganized and highly fragmented. The overall size of bus ticketing industry in India (both offline and online) is about 20,000 crore. Currently about 14% of the tickets in the industry are sold online. Approximately 10% of the bus operators have a fleet size greater than 75 each and 25% of the bus operators have a fleet size between 20 to 75 buses each. redBus commands a market share of approximately 75% in the online bus booking market. The other players in the market are Makemytrip, Goibibo, PayTM, Yatra and regional players like Abhibus, Ticketgoose etc. The industry is relatively mature in South and West India followed by North and East India respectively. There are three main stakeholders in the industry with respect to an Online Travel Aggregator (OTA) - consumers, bus operators and agents.

## ABOUT REDBUS:

redBus.in was founded in 2006 and it became a part of the ibibo Group in 2013 via a 100% acquisition. redBus.in is India's number one online bus ticketing platform both on mobile as well as desktop. The business owns three products - redBus™, BOGDS™ and SeatSeller™ serving the fragmented bus industry in India. redBus™ is the consumer-facing travel brand, enabling customers to buy tickets on the internet and on the mobile.

redBus.in has been rated the most trusted brand in the online travel category and is the 13th most trusted internet brand in the overall rankings as per the recent 'The Brand Trust Report, India Study 2015'.

## THE CHALLENGE:

With over 2000 bus operators and 80,000 routes, redBus has revolutionized the online bus-ticketing industry in India. The redBus' mobile application download has crossed the 4 million mark and the company has crossed more than 40 million bus tickets overall. redBus's core TG is between the age group of 18-40 years old. In addition, out of the total sales 80% is from urban cities. redBus plans to collaborate with different states transport unions and penetrate deep into the heart of rural India.

Of the total seats booked daily on redBus, female travelers book only 20%. Of the 20% female travelers who book with redBus, 44% are single travelers and 39% travel with one companion. Among the women who travel with one companion, 70% travel with a male companion. Given that the online market is still underpenetrated, we believe that women travelers are key drivers in the future growth of the category.

redBus offers the following key product features. Though these features are open for all customers, we believe that they can be useful for travelers.

- Track My Bus: Customers can track the bus they are scheduled to board on a map through the mobile app. This helps them plan when to leave for

the boarding point. The customers can also add emergency contact while booking the ticket. This enables the emergency contact to track the bus in real time. This is especially helpful in case of female travelers. This enables their near and dear ones to track their bus and plan pick up/ drop at the bus stop.

- **Seat Selection:** This feature helps customers choose a seat of their choice. The vacant seats next to female passengers are reserved to be booked by female passengers only.
- **Smart Boarding Points/Dropping Points:** Based on their location and intended destination, the app suggests the nearest boarding/dropping points on a map.
- **Ratings and Recommendations:** redBus has one of the largest repositories of customer reviews and ratings of bus services. This helps customers in choosing the buses while booking. This also helps in maintaining the quality of customer experience.

**OBJECTIVE:**

How can redBus increase the contribution from female travelers in terms of number of travelers?

How will redBus successfully increase rural bookings and increase traffic on both its app and website?

We intend to increase the contribution of women travelers to 40% over the next one year and contribution of rural India to 30%. This increase should happen without cannibalization of the male travelers or urban travellers.

**SPECIFIC DELIVERABLES:**

1. Understanding the female travelers of India.
  - a. Who are the different female travelers currently in India?
  - b. What are the key things they look for while choosing their mode of travel? How do they plan this travel?
  - c. What are the key triggers/barriers that female consumers face when booking tickets online?
2. What are the category dynamics of travel - How female perceive bus travel vs train travel, for instance?
3. Marketing plan and success metrics - How would you target your chosen female customer segments?
4. What can be done to increase traffic from rural India?

**EXPECTED OUTCOME:**

1. Marketing strategy & deployment planned in stages both short and medium term
2. Best platform to target the female audience outlined above.