



Amtrak National Train Day Case Study

Japan International Transport Institute
March 16, 2010

Outline

- History
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- Competitive Set
- Marketing Challenge and NTD Strategy
- Event/Entertainment marketing strategies
- 2008 National Train Day (NTD)
- Amtrak today and the future of rail travel

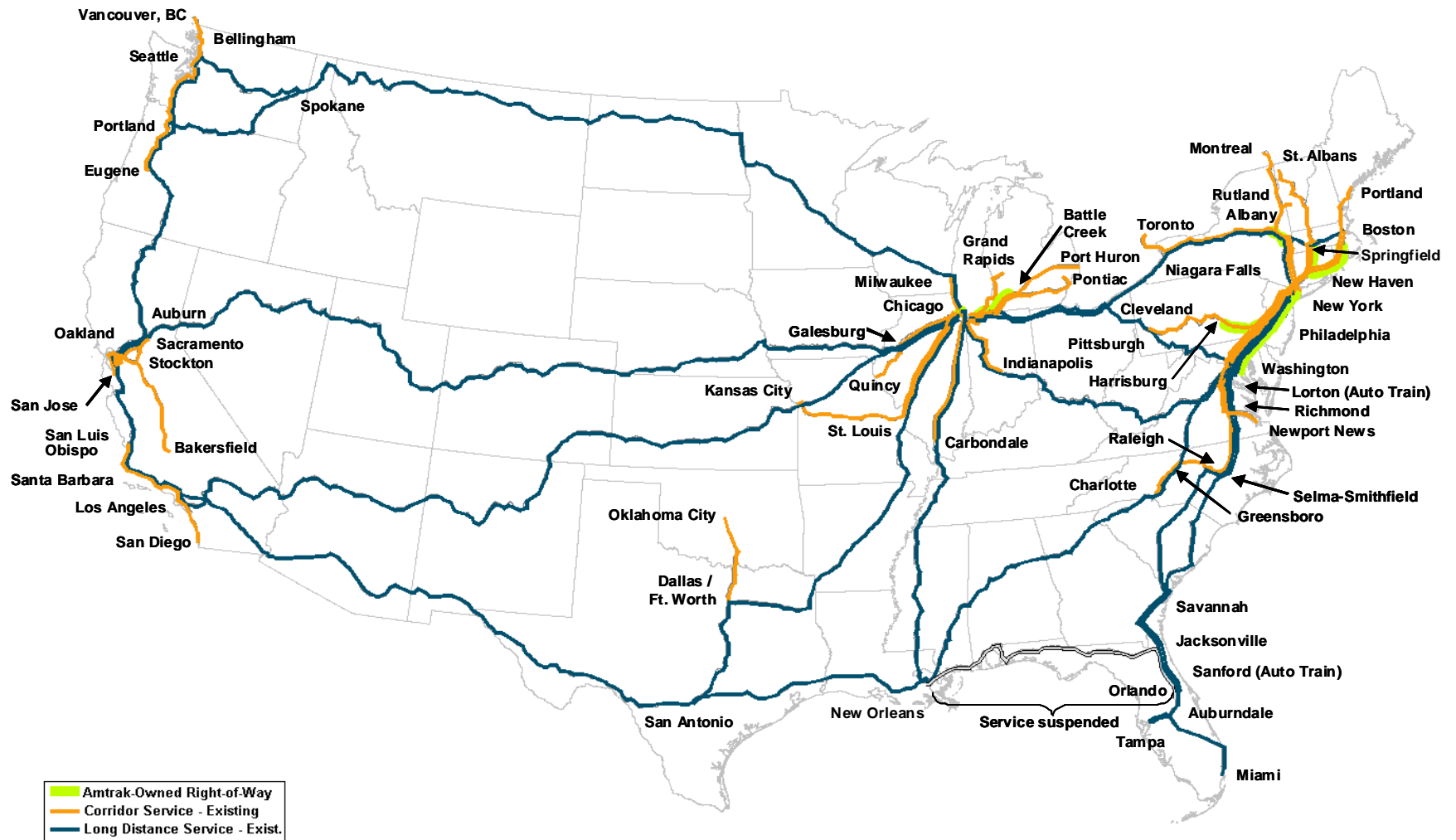
History

- Train travel--the dominant mode for long distance travel until the 1950s
- Jet airplane travel and the Interstate Highway system set the stage for a mode shift away from rail travel
- Economics of passenger rail worsened, causing railroads to petition the Interstate Commerce Commission to abandon routes
- Passenger Rail Act of 1970--created Amtrak (“America and Track”)
- A Congressionally chartered corporation operated as a quasi-government corporation for the provision of intercity passenger rail service in the U.S.
- Amtrak began service on May 1, 1971 after taking over passenger rail routes and equipment from freight rail operators

Amtrak at a glance

- 2009 ridership of 27.1 million and ticket revenue of \$1.6 billion
- Approximately 80,000 customers daily on 308 trains on 43 routes (product lines)
- Service to 528 stations in 46 states across 22,000 miles of track
- 1519 cars, 469 locomotives, 80 car carriers (Auto Train) and 101 baggage cars
- 19,000 employees
- Amtrak has enjoyed positive ridership/revenue growth since 2004, with the exception of 2009
- Amtrak's ridership from October-December 2009 was 7.2 million, the strongest in the company's history

Route Map



Competitive Set

- Major tourism suppliers - airlines, hotels, car rentals, restaurants, attractions, rail and buses
- Amtrak's competitors' include the car, airlines and "stay-cations"
- While rail travel is a common mode in Europe and Asia, the American market is likely to consider cars and planes first in their planning process for intercity travel
- If one airline advertises a sale, it is likely other airlines will benefit
- Unlike other suppliers, Amtrak is "the category" and consequently must market aggressively to stimulate purchase among new customers

Marketing Challenge and NTD Strategy

- Consideration for rail as a travel mode for intercity travel is low
- With 43 distinct products and a limited budget, resources support the Amtrak master brand in top markets and Acela Express
- The NTD strategy extends marketing reach and impact:
 - Generates extensive free-media through aggressive PR
 - Stimulates route-level engagement of stakeholders and partners
 - Employs social media to reach new audiences
 - Leverage current media plans to integrate the NTD messaging
 - Engage employees and senior management in the celebration
 - Institutionalize NTD going forward

Event/Entertainment Marketing

- Amtrak had historically executed fully integrated marketing campaigns utilizing television, radio, print, online, direct mail, email, sports, etc.
- NTD was the first effort in event marketing that leveraged paid media with PR, multiple partnerships and employee and grass routes engagement
- It led to exploring entertainment and product placement initiatives
- Major 2008/09 initiatives that delivered strong earned media results:
 - The “Good Morning America” (ABC television network) train
 - The historic “Obama” train the weekend before his Inauguration
 - NTD in May 2008/9
 - “Disney’s Christmas Carol Train Tour”, a 6 month 40 city tour leveraging Disney’s PR and star power of Bob Zemeckis and Jim Carrey
 - “Amtrak Series”, leveraging Amtrak’s Charter travel arrangements with the Philadelphia Phillies and New York Yankees during the World Series
 - “Dr. Phil” show broadcast on Acela Express

National Train Day (NTD) Rationale

- NTD - one of many ideas generated at an FY08 planning session
- Consumer travel frustrations were high - rising fuel prices, crowded flights, security hassles, high gasoline prices and traffic congestion
- Consumers becoming more environmentally conscious
- The growing relevance of train travel as an alternative mode evidenced in strong ridership/revenue performance since 2004
- NTD leveraged this momentum to celebrate rail travel--past, present and future through events and integration of the NTD message in internal assets and existing media placements
- May 10, 1869 marked the completion of the transcontinental railroad in Promontory Summit, Utah—"Golden Spike"

NTD Key Messages

- Rail travel has a rich history and strong future in the American transportation system
- Rail offers a modern, greener and more human way to get there
- Amtrak represents a haven from frenzy; the nicer way to travel
- Amtrak's ridership and revenue have never been stronger
- There's never been a better time to take the train

NTD Objectives

- Generate positive awareness for NTD, and the rail industry
- Institutionalize as an on-going celebration to drive free media and engage grass roots organizations nationwide
- Drive attendance at NTD events in 4 major cities and generate “grass roots” events across smaller markets
- Increase ridership/revenue during March-May period vs. 2007
- Engage marketing partners to develop promotions
- Utilize non-traditional and entertainment based marketing to generate significant PR exposure
- Engage front line employees to instill a sense of pride

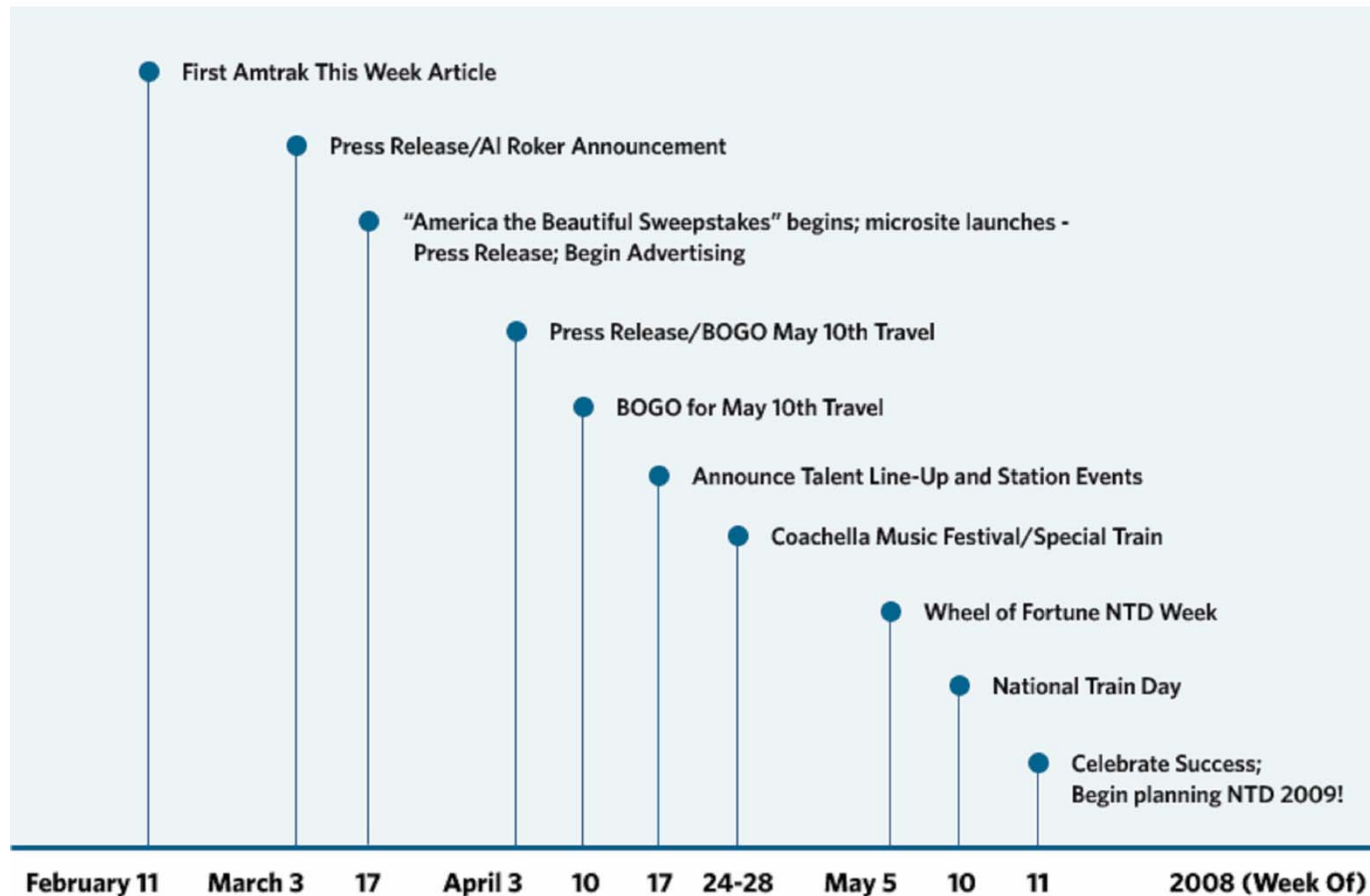
National Train Day:

A Fully Integrated Marketing Execution



✓ = New / Additional Communication Tactics

NTD 2008 Timeline



Tactical Elements – Overview

- NTD Spokesperson: the announcement of Al Roker's selection positioned the NTD PR & media communications program
- Stakeholder Outreach: to engage employees, states, local governments, tourism partners, operators, and rail support organizations
- NTD Microsite Launch: on March 17th, provided information on events, press kits, and interactive components to engage consumers and organizations
- NTD Messaging: rotated into the existing Winter/Spring advertising campaign in television, print, radio and online vehicles
- Station Events: top markets of NY, WAS, CHI, & LA hosted concerts, entertainment and family activities to draw consumers and media alike to the NTD celebration. Equipment displays included Amtrak cars, private rail cars and commuter rail cars
- Major Partnerships: the MasterCard & National Parks Service sweepstakes, Coachella Music Festival, Jeopardy and Wheel of Fortune promotions delivered positive brand association for Amtrak and exposure to their respective audiences

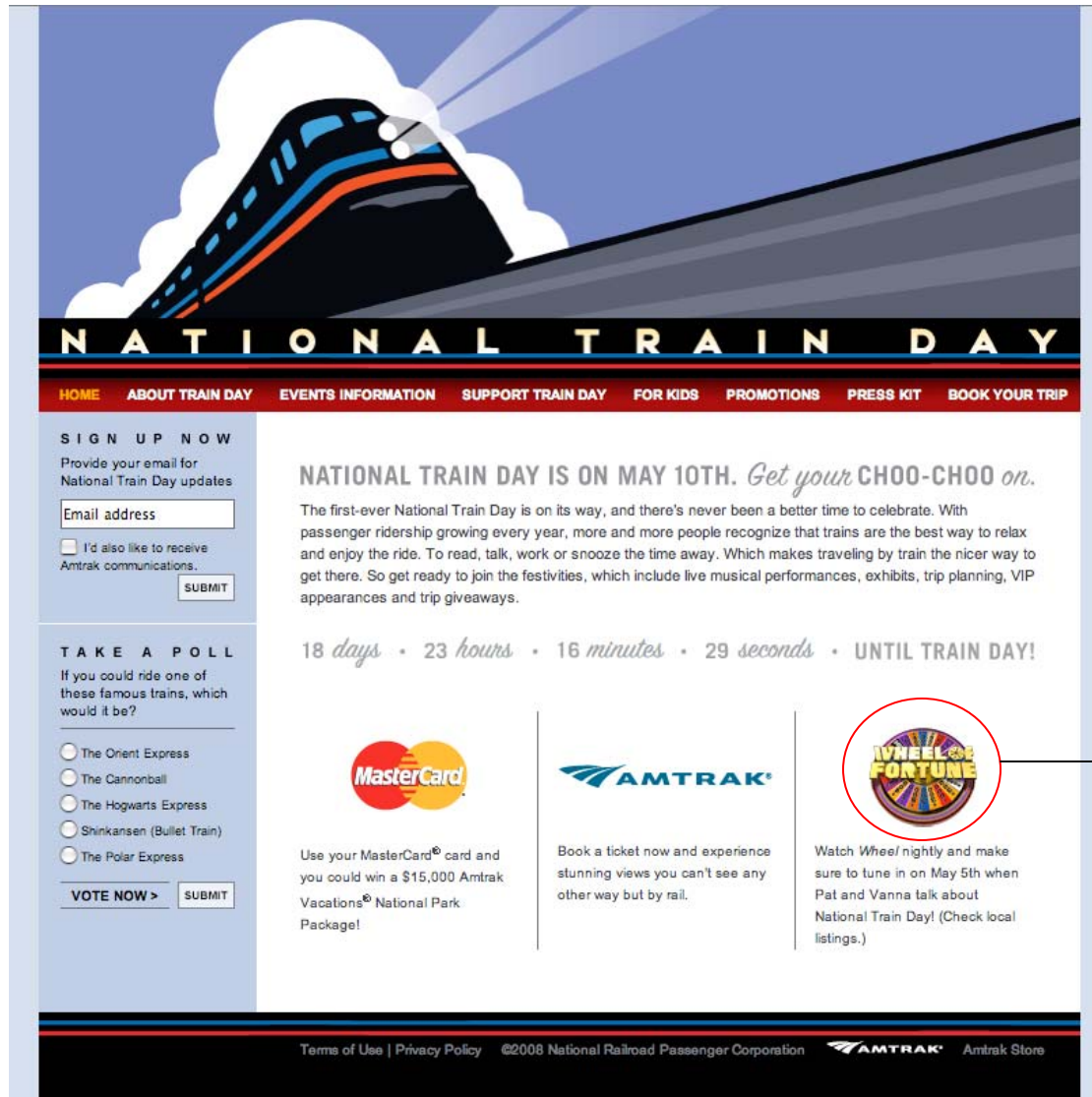
Tactical Elements – Overview - Creative



NTD creative—Station Poster



Collateral Example – Microsite Homepage



The microsite features a large illustration of a train at the top. Below it is a navigation bar with links: HOME, ABOUT TRAIN DAY, EVENTS INFORMATION, SUPPORT TRAIN DAY, FOR KIDS, PROMOTIONS, PRESS KIT, and BOOK YOUR TRIP. The main content area is divided into three columns. The left column has a 'SIGN UP NOW' section with an email address input field and a 'SUBMIT' button, and a 'TAKE A POLL' section with radio buttons for different train types and a 'VOTE NOW >' button. The middle column has a countdown timer and a MasterCard promotion. The right column has an Amtrak logo and a 'Wheel of Fortune' promotion. A red circle highlights the 'Wheel of Fortune' logo, with an arrow pointing to a text box on the right.

NATIONAL TRAIN DAY

HOME ABOUT TRAIN DAY EVENTS INFORMATION SUPPORT TRAIN DAY FOR KIDS PROMOTIONS PRESS KIT BOOK YOUR TRIP

SIGN UP NOW
Provide your email for National Train Day updates

Email address

☐ I'd also like to receive Amtrak communications.

SUBMIT

TAKE A POLL
If you could ride one of these famous trains, which would it be?

☐ The Orient Express
☐ The Cannonball
☐ The Hogwarts Express
☐ Shinkansen (Bullet Train)
☐ The Polar Express

VOTE NOW > **SUBMIT**

NATIONAL TRAIN DAY IS ON MAY 10TH. *Get your CHOO-CHOO on.*

The first-ever National Train Day is on its way, and there's never been a better time to celebrate. With passenger ridership growing every year, more and more people recognize that trains are the best way to relax and enjoy the ride. To read, talk, work or snooze the time away. Which makes traveling by train the nicer way to get there. So get ready to join the festivities, which include live musical performances, exhibits, trip planning, VIP appearances and trip giveaways.

18 days • 23 hours • 16 minutes • 29 seconds • UNTIL TRAIN DAY!

MasterCard

Use your MasterCard® card and you could win a \$15,000 Amtrak Vacations® National Park Package!

AMTRAK®

Book a ticket now and experience stunning views you can't see any other way but by rail.

WHEEL OF FORTUNE

Watch Wheel of Fortune nightly and make sure to tune in on May 5th when Pat and Vanna talk about National Train Day! (Check local listings.)

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Email to
4 million members
of the
Wheel Watchers Club

Collateral Example – Take-One



*May 10th,
get your CHOO-CHOO on.*

The first-ever National Train Day is on its way, and there's never been a better time to celebrate. With passenger ridership growing every year, people are realizing that trains are the best way to relax and enjoy the ride. So get ready for the festivities on May 10th, including live music and entertainment, train tours, exhibits and displays, kids' activities, VIP appearances, giveaways and more.

NEW YORK CITY • WASHINGTON, DC
CHICAGO • LOS ANGELES

NATIONALTRAINDAY.COM



Amtrak.com

*Use your MasterCard® card to
pay for your Amtrak® purchase.
It could be a very
REWARDING EXPERIENCE.*

National Train Day is May 10th. And we can't think of a better way to celebrate than giving away a deluxe train trip to the National Park of the winner's choice in the Amtrak "America the Beautiful" Sweepstakes with MasterCard. Now through May 31, each time you make an Amtrak purchase with your MasterCard card, you're automatically entered for a chance to win a \$15,000 Amtrak Vacations® National Park Package*. In addition, 50¢ will be donated to the National Park Service**. It's a great opportunity for the environment and our national parks. For details, please visit Amtrak.com.

*Use your MasterCard card on Amtrak
and you could win in the AMTRAK "AMERICA THE BEAUTIFUL"
SWEEPSTAKES with Mastercard.*



*Abbreviated Rules. No Purchase Necessary to Enter or Win. PRN-Based & International Transactions Ineligible. Purchasing Will Not Increase Your Odds of Winning. Void in AK, HI & Where Prohibited by Law. Begins 3/1/10, 12:01:01 AM Central Time ("CT") through 5/31/10, 11:59:59 PM CT ("Promo Period"). Open to legal residents of contiguous US, 18+. During Promo Period, receive (1) entry per MasterCard purchase of an Amtrak® ticket, Amtrak Vacations®, Amtrak merchandise, or food or beverage(s) on-board Amtrak. ("Qualifying purchase") & (2) additional entry per Amtrak Giant Sweepstakes World MasterCard® from Chase qualifying purchase. Enter without purchase & receive (2) entries: Hand print name, complete mailing address, age, phone, & words "Amtrak America the Beautiful Sweepstakes with MasterCard" on 3" x 5" paper & mail to be received by 5/31/10 to Amtrak America the Beautiful Sweepstakes with MasterCard, P.O. Box 14040, Bridgeport, CT 06623-4040. Limit (1) entry/envelope. Prizes: (1) Grand Amtrak Vacations National Park Package trip for up to (4) & \$15,000 MasterCard Gift Card (\$500-\$15,000), (10) First (2) Amtrak First Class roundtrip tickets for (2) & \$1,000 MasterCard Gift Card (\$500-\$4,000), (10) Second (2) \$500 MasterCard Gift Card (\$500-\$500). Total ARV of all prizes: \$52,500. Odds of winning depend on number of eligible entries received. Taxes: Winner's responsibility. For full Rules, send a SASE to Amtrak National Rules, P.O. Box 13106, Bridgeport, CT 06623-2106. ©2010 MasterCard. All Rights Reserved. Sponsor: MasterCard International Incorporated, 2000 Purchase Square, Purchase, NY 10577. Promoter: Project Support Team, Inc., 6 Berkshire Blvd., Bethel, CT 06801 / www.ProjectSupportTeam.com.

Amtrak and Amtrak Vacations are registered service marks of the National Railroad Passenger Corporation. **Amtrak will donate 50¢ for each Amtrak purchase made 3/1/10-5/31/10 with a MasterCard card - up to \$500,000.



Collateral Example – Direct Mail Postcard



*May 10th, get your
CHOO-CHOO on.*

The first-ever National Train Day is on its way, and there's never been a better time to celebrate. So gather your friends and family and get ready for great music and cool activities for all ages.

EVENTS AT UNION STATION

ENJOY A FREE CONCERT BY SARA BAREILLES • MEET NATIONAL TRAIN DAY'S SPOKESPERSON AL ROKER • CHECK OUT AN ACELA® ENGINE UP CLOSE • DRIVE A TRAIN SIMULATOR • VISIT OUR TRAIN PHOTOGRAPHY EXHIBIT • KIDS CAN ENJOY ARTS & CRAFTS, FACE PAINTING, ENTERTAINERS AND MORE

Free prizes, anyone? Just bring this postcard with you to Union Station, 50 Massachusetts Avenue, NE, on Saturday, May 10th. You can redeem it for a free prize.*

Visit NATIONALTRAINDAY.COM for more details.



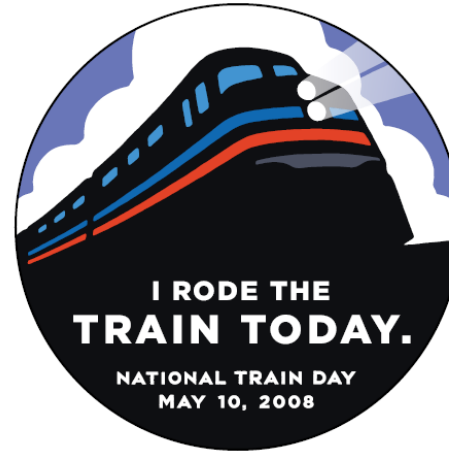
*Free prize available while supplies last. 2500 prizes available.

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
ITASCA IL
PERMIT NO. 26

Collateral Example – Bumper Stickers



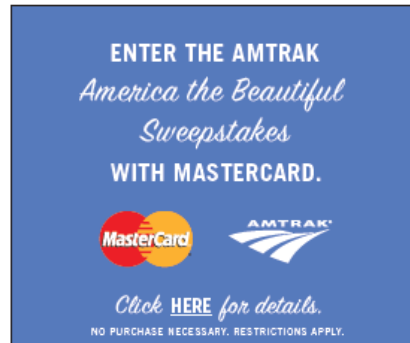
Collateral Example – Stickers for riders and NTD visitors



& Kid's Temporary Tattoos



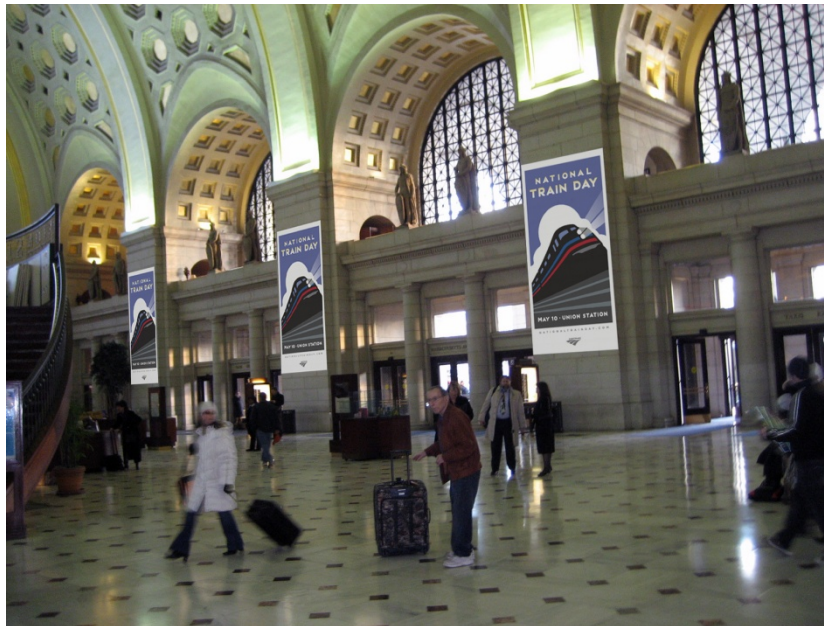
Collateral Example – Online MasterCard Banners



Collateral Example – Online Brand Displays



Collateral Example – In-Station Signage



Collateral Example-Poster, Button, Hats, and Whistle



MasterCard/National Parks Service

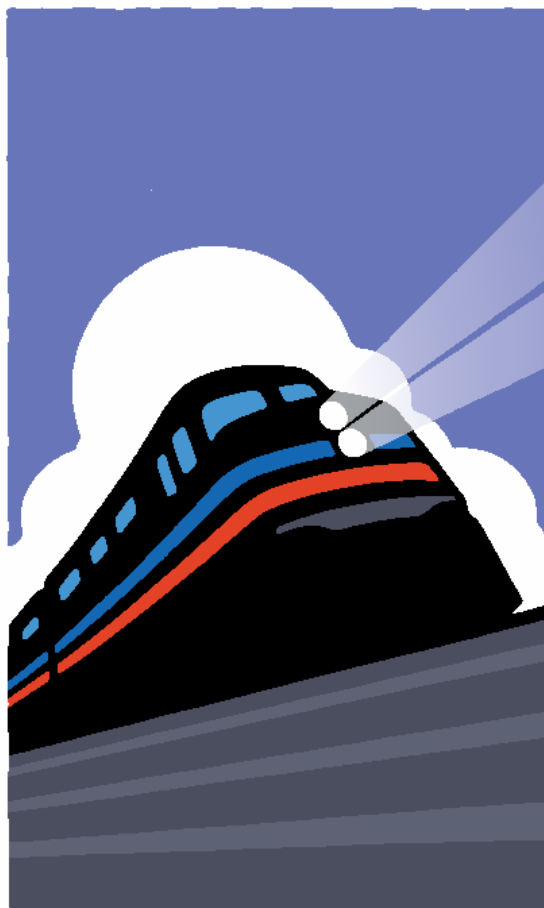
➤ **Promotional Period**

➤ March 17 – May 31, 2008

➤ **Promotional Concept**

- Green issues were on the rise and consumers were more sensitive to the environmental impact of their travel, Amtrak & MasterCard supported a green initiative and sweepstakes during the NTD promotional period
- Promoted Amtrak as the greener mode of travel, and celebrated train travel in the United States
- \$.50 was donated to the National Park Service every time consumers used their MasterCard card to purchase Amtrak tickets, F&B and merchandise. The \$500K cap was funded through MasterCard's cooperative marketing dollars
- In addition, customers were also automatically entered to win in the "America the Beautiful Sweepstakes", with a variety of prizes related to National Parks travel. Grand prize value \$15K

MasterCard/NPS Creative



Get your
CHOO-CHOO
on.

NATIONAL TRAIN DAY is *May 10th.*

The first-ever National Train Day is on its way, and there's never been a better time to celebrate. Visit NationalTrainDay.com for details on the festivities, which feature live musical performances, exhibits, trip planning, VIP appearances and trip giveaways, including the Amtrak® "America the Beautiful" Sweepstakes with MasterCard®. Now through May 31, each time you make an Amtrak purchase with your MasterCard card, you're automatically entered for a chance to win a \$15,000 Amtrak Vacations National Park Package.* In addition, 50¢ will be donated to the National Park Service.** It's a great opportunity for the environment and our national parks. For details, visit Amtrak.com.

Use your MasterCard card on Amtrak and you could win in the
AMTRAK "AMERICA THE BEAUTIFUL" SWEEPSTAKES with MasterCard.

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Coachella Music Festival

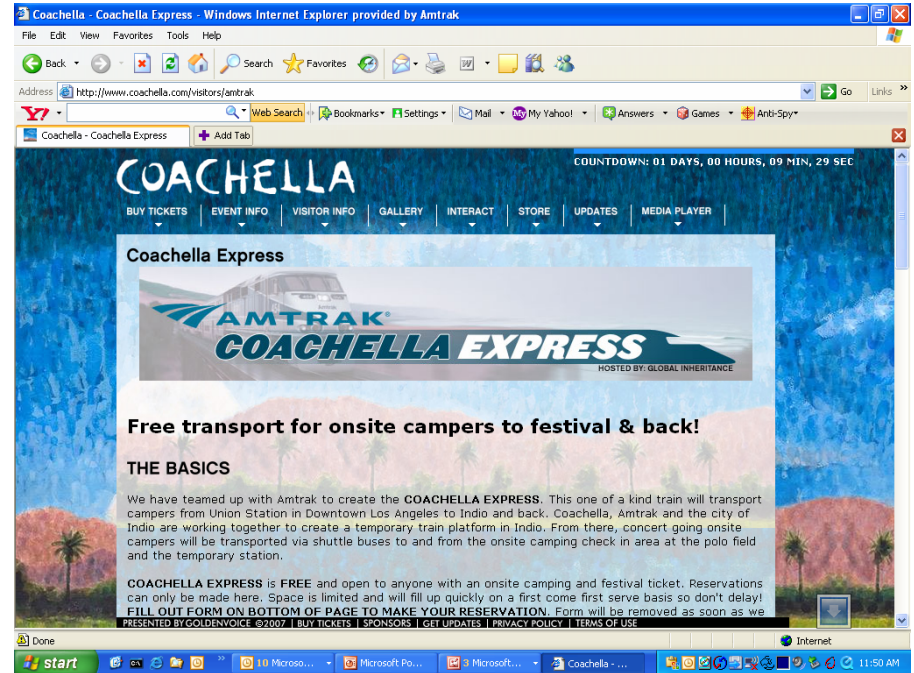
- The Coachella festival is a 3-day music and arts festival attended by 60,000 people daily—a new younger demographic
- Amtrak operated a special charter train to the event, wrapping the locomotive in the NTD creative
- The event has a national media profile and a photograph of a young lady dancing in the lounge car appeared on page 1 of the LA Times
- Coachella provided in-station and on-board entertainment and sponsorship signage and PR

Coachella Express

Train Wrap



Coachella.com



Wheel of Fortune (WOF)

- WOF is the most-watched syndicated program since 1984. It is the longest running syndicated game show in American television history. WOF is broadcast by more than 200 stations nationally and is watched by more than 47 million viewers weekly
- Amtrak's partnership provided national exposure on March, April, and May episodes, in which an Amtrak Vacations PRIZE was featured as a "wedge" on the Wheel
- Vanna White and Pat Sajak filmed :10 and :30 second vignettes in Chicago Union Station on March 6th. These vignettes promoted NTD on The WOF show the first week in May
- A wrapped Hiawatha Car operated CHI-MKE through May and delivered additional exposure and media opportunities. The vignettes feature the wrapped Hiawatha car in motion
- WOF included Amtrak in its "Going Green Theme" week. Pat and Vanna called out Amtrak as a travel mode that reduces your carbon footprint

Hiawatha's Train Wrap



Carlos Rosado from Addison, IL and his brother Ruben Rosado from Cicero, IL. were contestants on Family Style Week on "Wheel of Fortune." The show was taped in Chicago and will aired the week of May 5, 2008.

NTD Results

- 164MM impressions through broadcast, print and online exposures translating into more than \$5MM in media value
- 4 hours of broadcast content, the equivalent of 445 thirty second spots
- Mentions on TV generated 140 stories in 28 markets and 5 national airings
- More than 20,000 attended the 4 major station events
- An additional 90 cities were inspired to host their own events demonstrating grass roots support across the country
- Ridership and revenue were up 10% and 12% respectively during the 3 month period compared to 2007, and 2008 closed as the best year in the company's history

NTD results-cont'd

- The cliché “Marketing is everybody’s job” proved true
 - 200 front line employees volunteered their time on a Saturday to participate
 - The highest levels of senior management were personally engaged in the station events—members of the Board of Directors, the CEO and other Executive Committee members actively participated in the events
- A sense of employee pride was established as evident by institutionalizing the event and growth in 2009 and 2010
- Another key constituency engaged---Capitol Hill
 - Members of Congress signed a Resolution supporting NTD
 - The FRA Administrator and DOT Secretary played active roles in the 2009 NTD event

Amtrak today and the future of rail travel

- Amtrak has historically requested federal funding on an annual basis making it challenging to plan necessary capital projects
- In October 2008, Congress passed the Passenger Rail Investment and Improvement Act (PRIIA) which set national policy for intercity rail and recommended funding levels for 5 years
- PRIIA established a new partnership between the Federal Government (DOT), Amtrak, states and host railroads
 - States plan rail service
 - FRA integrates this state planning into a national system and provides capital funding to states and Amtrak
 - Amtrak operates national network, helps design and operate new corridor services with states

Amtrak today and the future of passenger rail

- American Recovery and Reinvestment Act of 2009 (AARA)
 - Funds the PRIIA vision and grant programs
 - \$8B allocated to develop high speed rail service (HSR)
 - First round of awards were announced in January 2010
- Amtrak roles
 - Grant recipient/partner
 - Liaison between other partners
 - Service operator/provider
- Passenger rail travel will continue to grow as well as its relevance in the tourism industry

THANK YOU!