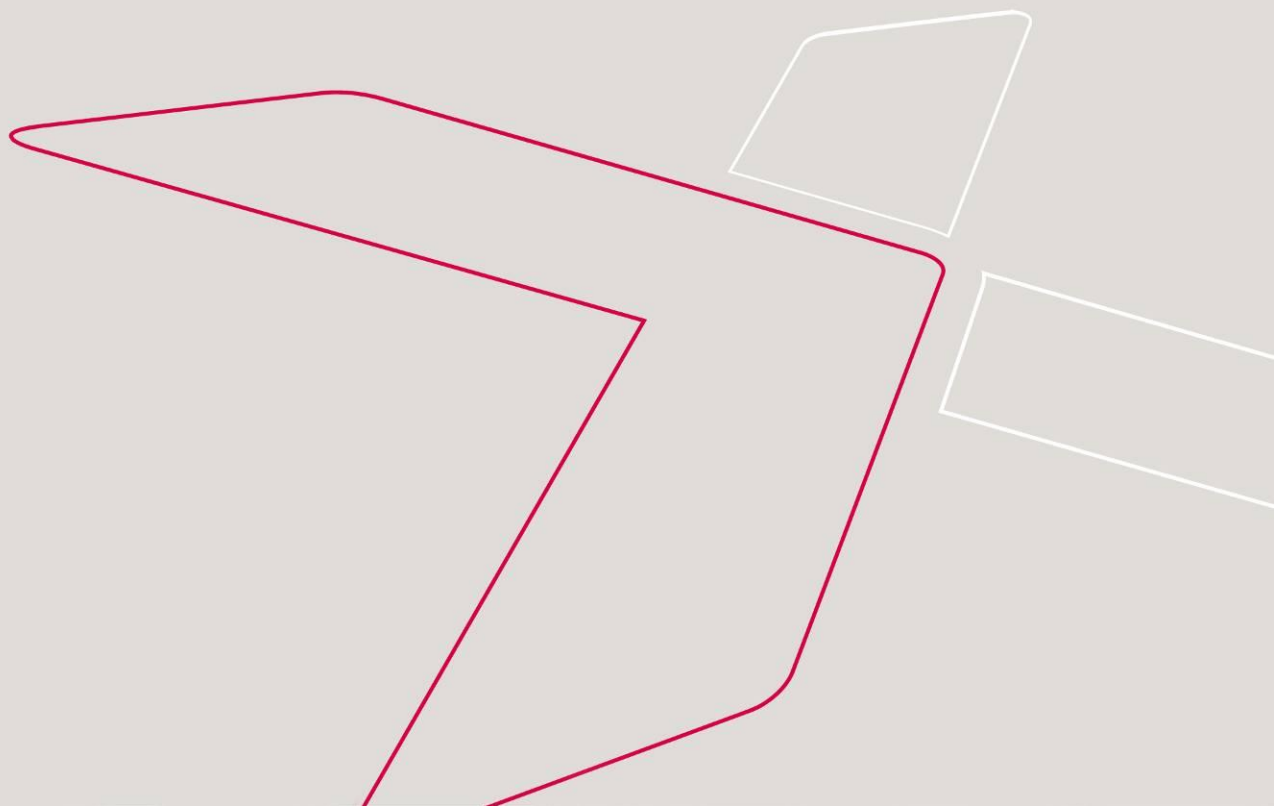


CrossCountry

Britain's most extensive rail franchise

Andrew Cooper
Managing Director



My Agenda

- CrossCountry and our customers today
- Issues, challenges and opportunities looking ahead

CrossCountry is unique

- Connects 7 of the UK's 10 largest cities, and links Cardiff & Birmingham
- No stations or ticket offices operated
- Working with 10 other train operators
- Operating trains through all Network Rail 'routes'
- No passenger flow is more than 1% of the business

And that means . . .

- We are a very focused business
- Every flow matters
- We have a particular ability to see the best and worst of Network Rail



CrossCountry in numbers

- 91 Train sets
 - 57 (4 and 5 carriage) Voyagers
 - 29 (2 and 3 carriage) Turbostars
 - 5 (8 carriage) HSTs
- 300 services each weekday
- Operating over more than 1650 route miles and covering 21m miles pa
- Calling at 121 stations
- 1725 staff
- Seven routes radiating from Birmingham serving Plymouth & Edinburgh, Nottingham & Cardiff, Bournemouth, Manchester and Stansted Airport
- Passengers making over 30 million journeys per year
- Successfully launched in November 2007 and running until October 2016
- DfT plan to make a Direct Award for operation until November 2019



Operating trains & managing journeys

- More than 40% of our customers use a second train to complete their journey
- Most of the Britain is just 'one change away'
- Our task is to manage journeys as much as it is our train operations
- So interchange is important!
- Crowding (and luggage) remain challenges for CrossCountry.

And that means . . .

- Making connections matters, so right time performance matters
- 'Delay Repay' heavily penalises failure
- Delays (and luggage) exacerbate crowding
- We mirror the Motorway network, so journey times matter



Airports

Birmingham
Bristol
Exeter
Newquay
East Midlands
Leeds Bradford
Newcastle
Edinburgh

Edinburgh
Dunbar
Berwick-upon-Tweed
Alnmouth
Morpeth
Newcastle

Durham
Darlington
York
Leeds

Wakefield
Westgate

Sheffield
Chesterfield

Derby
Burton-on-Trent

Cheltenham Spa
Gloucester

Bristol Parkway
Bristol Temple Meads **First Great Western**

Taunton
Tiverton Parkway
Exeter St David's
Dawlish
Teignmouth
Newton Abbot

Totnes

Plymouth

EAST COAST

First TransPennine Express

northern
a serco and abellio joint venture
EAST MIDLANDS TRAINS

Roads

M



M1/A1



M4



Private Cars

national express

megabus.com
low cost inter city bus travel

Other Train Companies

EAST COAST

First TransPennine Express

northern
a serco and abellio joint venture

EAST MIDLANDS TRAINS

First Great Western

CrossCountry customers

Journey purpose

- 7% daily to work / school
- 28% on business
- 65% leisure / personal business

Journey length

- 34% <1 hour
- 29% 1-3 hours
- 37% >3 hours

Frequency of CrossCountry travel

- 16% > 1 once per week
- 46% > 1 in 6 months
- 36% Less often / first time



Messages

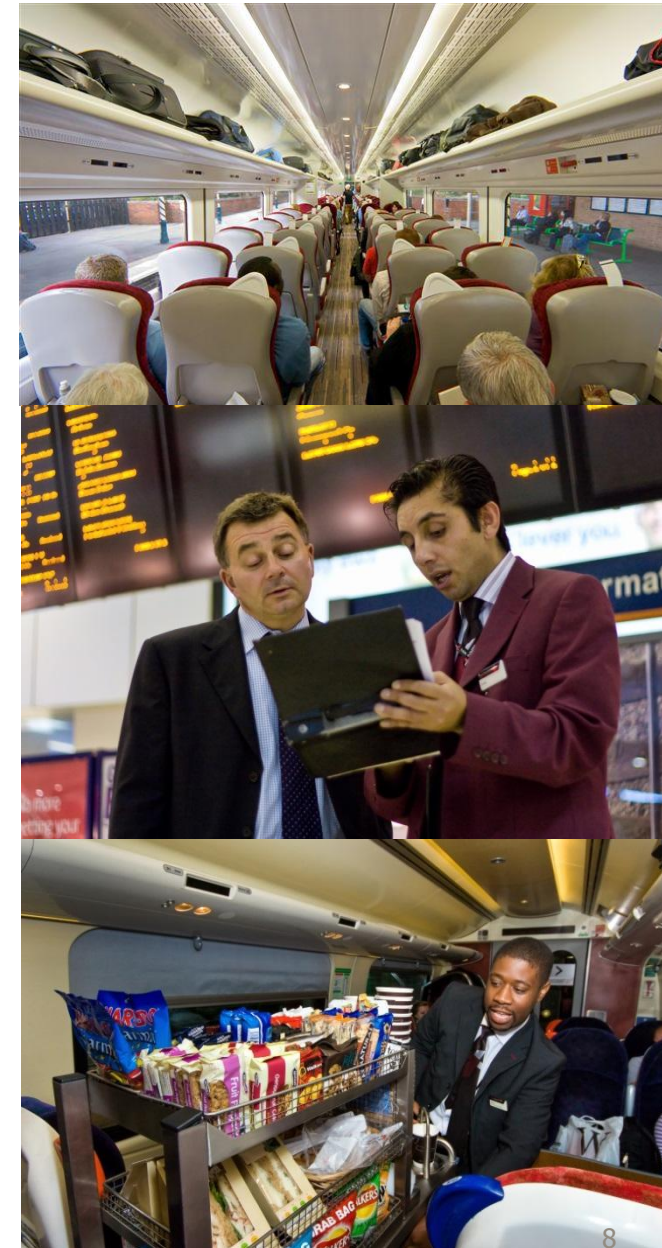
- We're famous for long, through journeys but we serve many markets
- Many customers are not frequent travellers so the last experience is the one which drives opinions
- Non London business travel is growing with the opportunity and requirement to use time wisely

Listening to customers

- The National Passenger Survey (NPS) isn't perfect but it's the best we've got and it's here to stay:
 - In most cases, does the journey mean differentiation of customer needs at stations?
 - Should we not distinguish NPS 'research' into 'design' issues i.e. service frequency, journey time, space for luggage, seating comfort, train connections . . . from the NPS assessment of delivery?
- We conduct customer experience research (CER) every 6 months too
- We receive plenty of feedback by letter, e-mail, phone call and social media - our desk in our Control office is manned when our trains "16/7"

NPS scoring range over 7 years

| | | | |
|----------------------------|----------------|-----------------------|----------------|
| Value for Money | 82 – 85 | Punctuality | 78 - 88 |
| Cleanliness | 77 – 83 | Upkeep of train | 80 - 84 |
| Information during journey | 73 – 79 | Helpfulness of staff | 74 - 80 |
| Toilets | 48 – 56 | Room to sit or stand | 64 - 70 |
| Personal security | 81 – 85 | Handling of delays | 44 - 53 |
| Exterior cleanliness | 74 – 80 | Availability of staff | 63 - 67 |



It is increasingly a 'mobile' world

- 92% of UK adults have a mobile phone
- Today the number of people browsing the internet via a mobile phone exceeds those using PC/laptop browsers.
- 75% of mobile phones held today are 'smart' phones
- Fewer than 6% of our customers use a pocket timetable to plan their journey
- Tickets now sold: 29% stations, 16% TVMs, 26% on-line, 17% travel agents, 9% CrossCountry on-line, 3% other

Our App provides

- Smartphone m-ticket fulfilment
- Real time train information
- Integrated booking flow
- 'My Account' integration
- 'Push' messaging capabilities
- Ten Minute Reservations and Advance tickets on the day



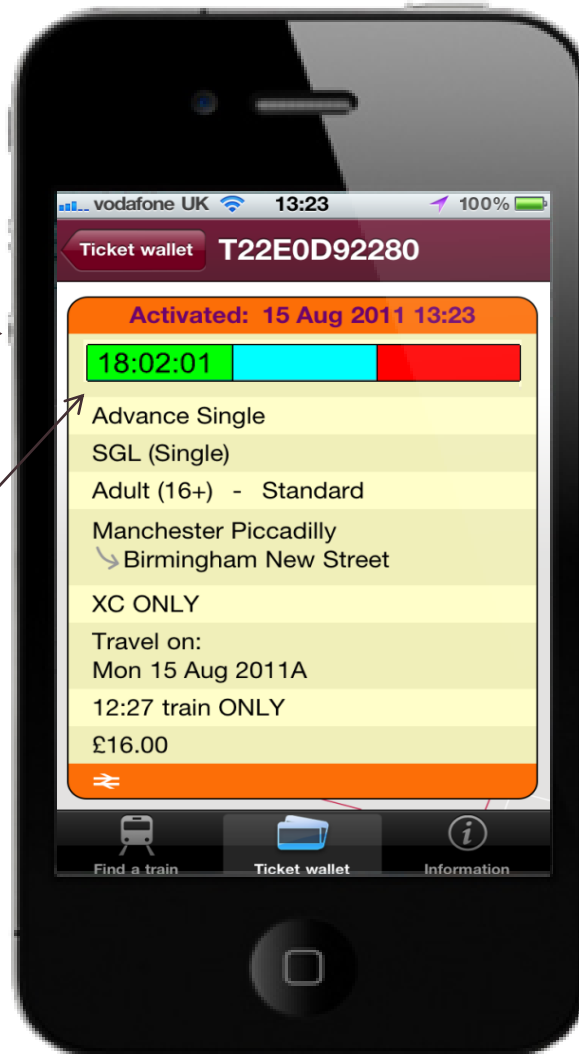
CrossCountry Smartphone M-ticket

Ticket is now 'active' –
i.e. has been endorsed

Coloured orange when
active.

Dynamic colours
change every 15
minutes and match M-
check App colours.

Dynamic colours
pulsate and current
time moves across
screen.



Check animations to
prove ticket is not a
screenshot

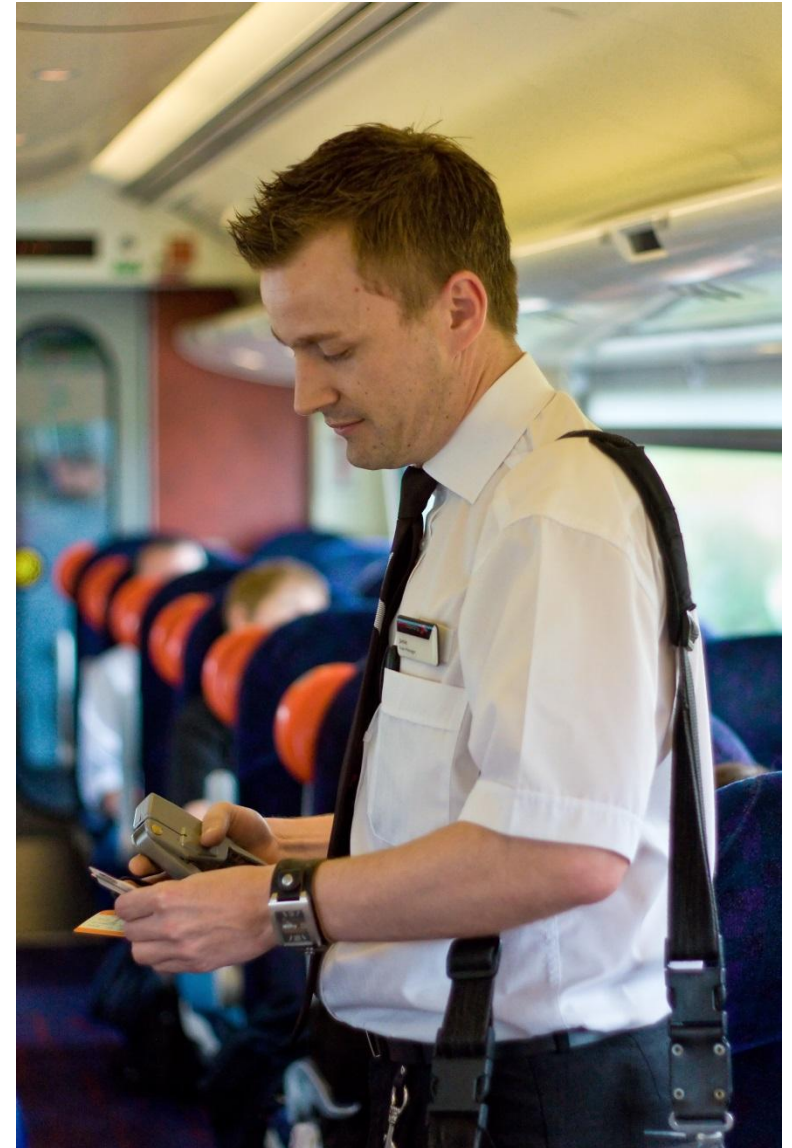
Compare colour tones
with M-check App for
authenticity.



Valid

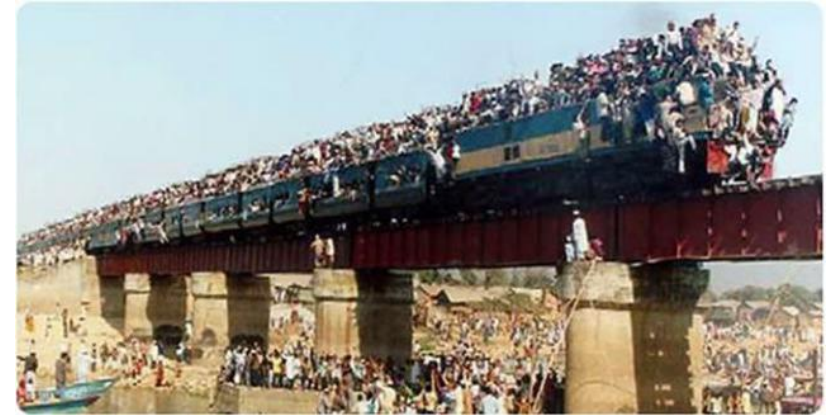
Reducing conflict

- The 'turn up and go' railway is always challenging – 'I haven't got any money', 'I'm not paying'
- 'You must have a valid ticket for the journey you are making'
- 'I've forgotten my Railcard'
- I didn't see the 'small print'
- Consistency is crucial
- The 'quiet' coach faces new challenges
- Badge cameras



The challenges ahead

- Capacity / crowding
- Fatalities
- Luggage
- Performance PPM & significant lateness
- Ever rising customer expectations
- The conflicts between investment, blockades and the 7 day railway
- Securing benefits from railway investment
- Smart cards are being overtaken – Oyster to contactless



Thank you for listening

