

IPSTAT

Infostructure Project\Sustainable Transport and Tourism

13th June 2000

Introduction

The genesis of this paper lies in Phases 1 & 2 of the European-funded Sustainable Transport for Tourism Wales (STTW) marketing campaign administered by a panel of tourism, environment and transport experts. Details of this campaign and the expertise called upon to implement it over the last three years are attached. During the 3-year period it has become increasingly clear that integrated transport systems are unsustainable unless provision is first made for the collection, processing and timely delivery to consumers of integrated information. This fundamental principle can now be more fully addressed against the background of the convergence taking place between telecommunications and web technology. From this convergence comes the notion of 'infostructure'.

Information as a Commodity

Information is now recognised as a commodity, as important to the product it describes as the product itself. Where the product is a service, information is used to describe objects more in terms of space and time, e.g. the train leaving platform 2 is the 3 o'clock to Manchester, and becomes an integral part of the product. Such objects invariably have a short lifespan, with information about them becoming products in their own right. Railway timetables and information displays at railway stations are prime examples.

Valuing Information

The value of information varies in accordance with the proximity or availability of the product it describes and the accuracy and integrity of the information used to describe it. In all cases the real value of information is suggested by the amount of effort required to search it out and the outcome of acting on it.

Given demand as a constant, the more abundant a commodity is, the lesser its value. As the commodity becomes scarce, its value increases. Where time and space is of the essence, the value of information is governed by the same law. When there's plenty of time available to get information, no urgent thought is given to it nor any great effort made towards getting it. Where there's little time available, consumers will go out of their way to get information and will pay a premium for it. It is often more important to know today, with considerable accuracy, that there's a train leaving in two hours time than to know the previous week that there is a train.

Inaccessibility and inaccuracy of information can lead to buses/trains being missed and from this comes the notion of perishability. Once the bus or train has departed, it is no more and the information that described it has decayed. The effect this has on value, using the abundance/scarcity principle and assuming a commitment to public transport by the consumer in the first place, is shown in the figure below headed *Product Perishability/Information Decay*.

In an increasingly busy world, where consumers value their leisure time, well thought out information products and packages, geared to lifestyle and delivered in a timely fashion, are likely to be well received by consumers, particularly when delivered under trusted brands.

Consumers as Suppliers

The dividing line between consumers and suppliers is becoming blurred as access to powerful information tools enables consumers increasingly to take on the supplier's role. Nowhere is this in greater evidence

than in the leisure travel market. In this market, consumers have traditionally perceived travel information to be available free, either sent for or collected from their high street travel agent. To the industry, however, the cost and wastage has been considerable and has been passed on in prices.

With product information being made increasingly available to consumers on the web, empowering them to make direct and later bookings, consumers themselves are replacing this part of the supply chain, enabling operators to make considerable savings in print, print distribution and high street presence. These savings are then passed on in the form of reduced prices, resulting in increased product sales.

Consumers are no doubt taking risks in this new e-commerce area but the rewards are obviously worth it. As regards market share, it will be those operators that can guarantee the accuracy and integrity of the content they display, and the security of their transaction processes, that will stand to gain the most in the long run. The value of information as a commodity is beginning to show here but will take off fully with the coming of third generation mobile telephony and the advent of m-commerce.

Infostructure

The biggest drawback in the production and timely delivery of valuable information products and packages relating to travel by public transport, is, however, the availability of raw material to work from. Public transport information provision tends to be localised, geared more to necessary use by consumers to commute to work or school, rather than for leisure use. There was until recently little imperative for local operators to make information available further afield and even less to integrate transport modes to make life easier for consumers. On the contrary, different forms of public transport saw themselves in competition with one another and unwilling to share their information and users.

What has been overlooked for many years is the huge potential market available through working together to develop the leisure market where they are all in competition with the car.

With the denationalisation of the railways, the granting of train operator franchises covering large swathes of the country, the rationalisation of train and bus operators into same holding companies, the pressure from government to reduce reliance on the motor car, and the technical means now at our fingertips, there comes a substantial opportunity to organise the collection and to integrate the delivery of public transport travel information geared to leisure and tourism across the UK.

Doing so will not only enable greater penetration of this market but is bound also to have a positive knock-on effect on domestic services and facilities, improving the lot of local users and the well-being of communities in general.

Developing the infostructure is likely to play a significant part in helping train and bus operators to reduce costs, develop new revenue streams and to improve services in general.

Product Perishability/Information Decay

