

2016-2018 Strategic Plan

Published July 2015

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ENTRELLIS
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BOULDER  *cycle*™

Table of Contents

Table of Contents	2
Executive Summary	3
Current situation	3
Overview	3
Key stakeholders	4
Financials	5
Station Master Plan.....	5
Bike sharing: the bigger picture	5
Strengths, weaknesses, opportunities and threats	6
Positioning Boulder B-cycle	8
Strategy for 2016-2018	8
Goals.....	8
Strategic objectives	9
Monitoring and Measuring Success	14
Next Steps	15
Action Plan.....	16
Impact Tracking.....	16
Conclusion	16
Appendix 1 Strategic Plan at a Glance	17
Appendix 2 Methodology	18
Appendix 3 Map of BBC stations	19
Appendix 4 Action Plan Template	20

Executive Summary

Boulder B-cycle has developed a Strategic Plan for 2016-2018 that reflects the organization’s priorities for the next three years. This document reviews BBC’s current situation and lays out the strategy and approach the organization will take. A summary of the Strategic Plan is provided as Appendix 1, and the methodology used to develop the plan is in Appendix 2.

Boulder B-cycle has established a firm foundation in Boulder, with a strong bike-sharing infrastructure for a city of its size. At this point, the organization is ready to focus its attention on growing ridership and membership to begin growing its funding base from partners and sponsors to more revenue generated by the system. The “Wildly Important Goal” that provides the plan’s backbone is to:

Increase percentage of system generated revenue from 35% to 70% by the end of 2018.

Having this core goal over the next three years will help BBC drive toward a system that is optimized to meet its users’ needs at a price they are willing to pay. BBC’s revenue and usage targets are framed within the context of the organization’s vision, mission and desired impact. A successful Boulder B-cycle program will not only meet its revenue goals but in so doing, will reduce SOV trips and support Boulder’s health and sustainability goals.

Current situation

Overview

Boulder B-cycle (BBC) was founded in 2011 as a nonprofit dedicated to implementing and operating a bike share program in Boulder, Colorado in response to a RFP issued by the City of Boulder. Half of the capital funding for the first group of stations and bikes was provided by the City of Boulder. The other half was federal funding secured by the City. The majority of initial operating funding was secured through private community sources via a fundraising campaign, with the remainder being secured through public funding, including grants.

The system launched in May 2011 with 12 stations and grew to 15 by the end of the year. In 2012, the system grew to 22 stations. BBC currently has 38 stations and 263 bikes. BBC is run by a staff of eight people, and is governed by a 14-member Board of Directors.

As shown in the table below, there is a general upward trend to ridership and pass sales. Expansion of the system to operate year-round, as well as expansion to a larger number of bikes and stations, affects the average ridership data, while the availability of funds to subsidize passes affects pass sales.

Metric	2011	2012	2013	2014	2015 (est)
Total rides	18,469	23,951	30,314	43,143	55,000
Average rides/day	88	82	83	118	151
Average rides/bike/day	1.09	0.55	0.55	0.42	0.50
24-hour passes	6,117	8,190	8,698	9,834	11,967
Annual passes	1,263	948	1,066	1,725	1,724

Vision

To create a viable, sustainable bike-share system that serves and benefits all reaches of the Boulder community.

Mission

To implement and operate a community-supported bike-share program that provides Boulder's residents, commuters and visitors with an environmentally friendly, financially sustainable, and affordable transportation option that's ideal for short trips resulting in fewer vehicle miles traveled, less pollution and congestion, more personal mobility and better health and wellness.

Impact

If Boulder B-cycle is successful, it will:

- Enhance multi-modal transportation options
- Support Boulder's transportation, health and sustainability goals
- Run a largely self-funded system

Key stakeholders

Boulder B-cycle is a highly collaborative organization. Its work is integrally connected with the transportation infrastructure and sustainability goals of the City of Boulder and the University of Colorado Boulder. It also receives substantial funding and rider engagement from its agency partners, sponsors and corporate members.

City of Boulder

As a contractor, direct funder of capital and operations revenue, and a steward of substantial federal funding for Boulder B-cycle's capital infrastructure, the City of Boulder is deeply invested in the success of bike-sharing in Boulder. Bike-sharing has a place within the City's overall goal of shifting the transportation mode share of biking from 20% to 30% by 2030. B-cycle's work ties in not only to the Transportation Master Plan (TMP), but also to the greenhouse gas reduction goals in the City's Climate Action Plan. It plays a part in the City's integrated transit planning, particularly in providing an option for the "first and last mile" of a transit user's trip.

University of Colorado Boulder

CU-Boulder also plays a particularly important role in the Boulder B-cycle program. With 30,000 students, 10,000 faculty and staff, a strong environmental and alternative transportation ethic, and a central Boulder location, CU's engagement with BBC has the potential to leverage substantial ridership and program growth. In particular, CU's expansion of its east campus facilities will generate greater demand for short trips. At the same time, bike sharing on campus competes with the free bus pass given to all students, as well as other biking options, and must leverage CU staff's limited time and resources for marketing.

Sponsors and corporate members

BBC is bringing in approximately \$200,000 in revenue each year from sponsors, and another \$30,000 from corporate members who provide passes for their employees. Current presenting sponsor Kaiser Permanente and high-level sponsors like Google and UCAR are joined by 15-20 supporting sponsors. Sponsors appreciate the visibility and opportunity to build brand awareness, community relationships, ties into their own brands, and make a substantial civic contribution.

Financials

BBC's financial status has experienced some fluctuation in its five years of existence, primarily based on the availability of operating grants and sponsorship funds. 2015 is projected to be the first year in which BBC sees an operating surplus since 2011. It is also worth noting that revenue from usage (the categories of "corporate membership," "retail membership," and "net usage fee") is projected to be about 38% of total operating revenue in 2015.

Operating revenue \$	2011	2012	2013	2014	2015 (est)
Sponsorship	240,000	137,000	77,000	209,000	199,000
Operating grants (City)	0	50,000	132,000	0	50,000
Operating grants (Other)	0	0	37,000	16,000	114,000
Corporate membership	56,000	43,000	26,000	25,000	31,000
Retail membership	43,000	53,000	76,000	92,000	109,000
Net usage fee	31,000	45,000	52,000	67,000	85,000
Total revenue	370,000	329,000	400,000	410,000	587,000
Operating expenses	(354,000)	(396,000)	(404,000)	(450,000)	(569,017)
Operating surplus/deficit	16,000	(68,000)	(4,000)	(41,000)	18,000

Station Master Plan

Boulder B-cycle's Station Master Plan, developed in 2013, describes anticipated "full build-out" of 48 to 63 stations by 2020. This represents 10 to 25 additional stations to the current sized system of 38 stations:

- Conservative growth plan of 10 additional stations (2 per year): Minimum of \$550,000 funding required. This scenario assumes that limited or no public funding becomes available and the focus will be on the private and nonprofit sector funding.
- Aspirational growth plan of 25 additional stations (5 per year): Minimum of \$1,375,000 funding required. This scenario assumes that at least 80% of the funding required is sourced through public funding. Additional 20% local "matching" funds will be sought from the private sector.

It will be important for BBC's buildout to align closely with the City of Boulder's strategic development as outlined in its Transportation Master Plan.

Bike sharing: the bigger picture

Bike-sharing programs are currently operating in 55 cities around the U.S. and 600 cities around the world. 25 of the U.S. systems are B-cycle programs. Boulder's system is comparable in size and scope to Madison, WI's B-cycle program. Boulder's prices are slightly higher than Madison's, but within the range of typical B-cycle systems.

Program	Launched	Current size	Pricing	Vendor
Boulder B-cycle	2011	38 stations / 263 bikes	\$8/day to \$70 year	B-cycle LLC
Arbor Bike	2013	14 stations / 100 bikes	\$6/day to \$65/year	B-cycle LLC
Austin B-cycle	2013	40 stations / 350 bikes	\$8/day to \$65 year	B-cycle LLC
Denver B-cycle	2010	85 stations / 700 bikes	\$9/day to \$90 year	B-cycle LLC
Madison B-cycle	2012	39 stations / 350 bikes	\$5/day to \$65/year	B-cycle LLC

The station-based bike sharing systems like B-cycle and Bixi tend to have similar characteristics in terms of focus on a city core, pricing, and ratio of bikes to stations. Some cities, however, are seeking alternatives to the high cost of building bike docking stations. For example, Portland has launched an

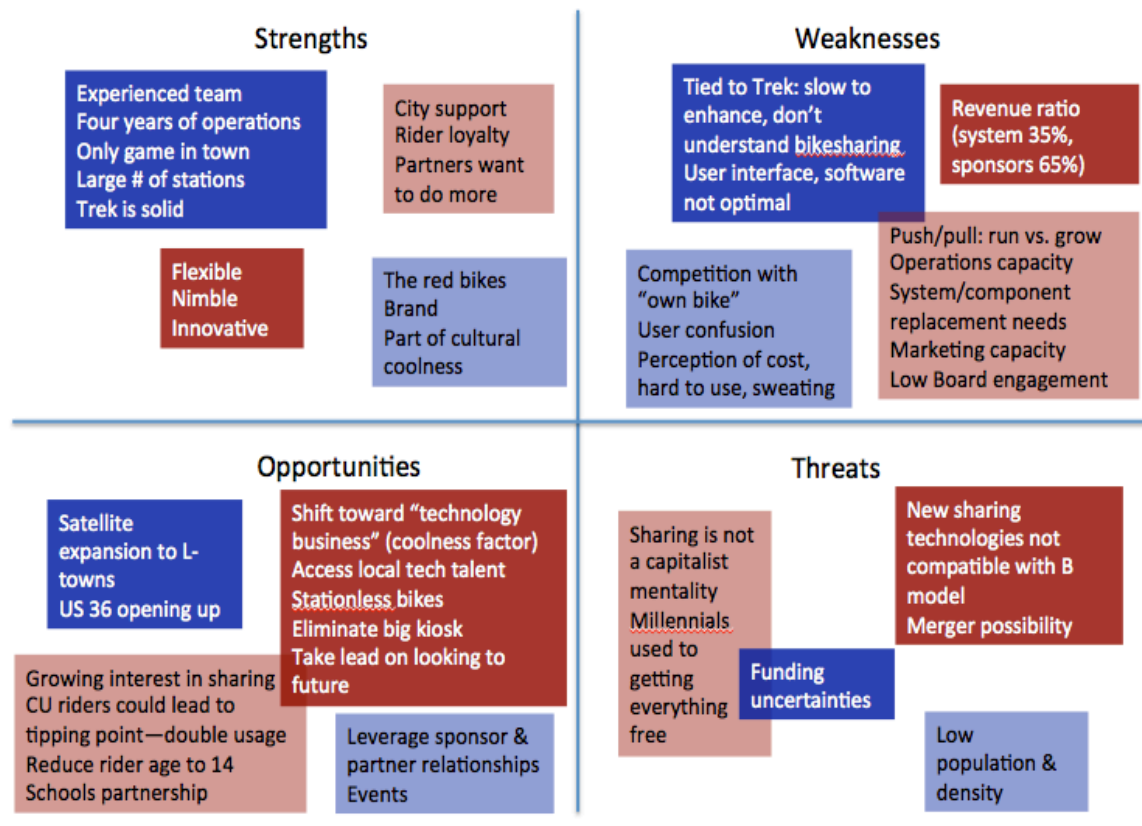
Open Bike Initiative that uses cellular and GPS technology together with smart locks to allow use of a wide range of bikes and drastically cut infrastructure costs.

This “station-less” model is one for Boulder B-cycle to watch closely as an opportunity to capitalize on technology advances—and/or as a potential competitor if another company is able to provide bike sharing at substantially lower capital cost entry price.

Another model, peer-to-peer bike sharing, is modeled more along an Airbnb structure that allows bike owners to rent out their bikes under an umbrella organization. This approach seems to be less of a direct competitor to the B-cycle model, as it is more of an informal bike rental system.

Strengths, weaknesses, opportunities and threats

The SWOT analysis that emerged as part of the overall situational analysis is shown below.



Highlights from the SWOT review include:

Strengths/Opportunities	Weaknesses/Threats
<p>Position in Boulder. BBC is the City’s designated bike sharing program. Significant investments by the City and CU have helped create a strong infrastructure. With four years of experience, BBC is one of the older and more experienced bike sharing programs in the country with the capacity to handle three times the number of trips it’s currently experiencing without any major increase in expenses.</p>	<p>Funding. BBC was founded with the original intent of becoming entirely self-sufficient based on system generated revenue from users. Experience across the country has shown that this is not a viable financial model. BBC has built its current program on a model where 65% of operating funding is provided by corporate partners such as Kaiser Permanente and from public partners such as the City and CU. The system would be more stable if it had a higher ratio of revenue from its service.</p>
<p>Cultural coolness. A recent New York Times article tied together such amenities as craft beer, legal pot, and bike sharing as elements of a culturally cool city. There is a certain pride in Boulder for its innovative, sustainable, and “enviro-hip” culture—and even those who don’t ride B-cycle still label bike sharing as “cool.”</p>	<p>User perception. A common theme in the qualitative interviews conducted for the Situational Analysis was that Boulder B-cycle is a great program...for other people. The range of reasons that respondents offered for not riding was broad—from preferring their own bike to not having enough time to not understanding the pricing. A deeper dive into these challenges, and some creative positioning to get beyond them, will be critical for BBC to get beyond its pool of “early adopters” into the open-but-less-eager “early majority” crowd.</p>
<p>Both a strength/opportunity and a weakness/threat</p>	
<p>CU. Engaging greater student, faculty, and staff ridership could result in substantial growth in bike sharing usage. It could also help CU attain its goal of reducing the number of cars brought to campus. Madison, WI’s program is centered on student use, and has built a robust level of use. The challenge at CU is that there are almost too many options for bike sharing to obtain a niche. Between free bus passes, fix-it stations for students with their own bikes, and CU’s own Buff Bikes program, BBC needs to show a clear niche and value to build use on campus.</p>	
<p>Technology. Bike sharing technologies are moving forward fast. The strongest competing model is the “station-less” smart lock/dumb station model where the technology is in the bike, not the docking station, substantially reducing infrastructure costs and making it easier to broaden the area covered by bike sharing. Other technology such as increasingly sophisticated phone apps to locate and reserve bikes is also facilitating ease of use. Located in tech-savvy Boulder, BBC can draw on both the interest and potentially the skill of local experts.</p> <p>However, BBC’s dependence on its vendor, B-cycle LLC/Trek, is a cause for concern. Bike sharing is not Trek’s core business, and its technology and infrastructure upgrades have taken longer to implement than BBC would like to have seen them.</p>	

Positioning Boulder B-cycle

The input from riders and stakeholders as detailed in the Situational Analysis, along with the SWOT analysis, gives a clear sense of BBC's distinct niche in Boulder and some of the challenges it faces in filling that role.

Bike sharing is well-suited for particular types of trips. For most people, it complements, rather than replaces, other modes of transportation. It can work particularly well for:

- Commuters to and from central Boulder where there is a strong network of bikes; it provides a way for them to make short trips during the daytime and to connect with transit;
- Students going back and forth from points with B-cycle stations (e.g. Williams Village to main campus);
- Visitors wanting to get an experience of the city.

The distinct advantages of B-cycle include the fact that the bikes are always available and users don't need to worry about pumping up tires or other maintenance. With an annual pass, the cost is minimal, and once users are familiar with the system, the bikes are easy to use.

Bike sharing competes with car travel, bus travel, using one's own bike, and walking. The challenge for BBC is to focus on the competition that matters: cars. Displacing bus, other bike, or walking trips doesn't have the environmental impact that BBC is seeking. For this reason, cross-promoting or bundling bike sharing opportunities with other non-car travel can be valuable. In particular, commuters and students who connect the bus/bike options may feel greater comfort in leaving their cars at home.

This speaks also to the importance of BBC's visibility. Offering bike sharing as a corporate or student amenity, for example, raises awareness of options even among those who have not tried the system. It can also serve as a fun and easy way to try the biking option—the "gateway" to getting out of the car. And as BBC's annual surveys have indicated the majority of riders were first introduced to bike sharing with a friend who had done it before.

To position bike sharing as a culturally cool, low-risk way to get out of a car requires that BBC focus on ease of use, especially for first-timers, as well as the power of social connections to drive new users to the system.

Strategy for 2016-2018

Goals

Over the next three years, Boulder B-cycle seeks to attain financial stability and increase ridership and membership. These two imperatives have come together in one "Wildly Important Goal:"

Increase percentage of system generated revenue from 35% to 70% by the end of 2018.

The framing of this goal reflects BBC's desire to build a strong and sustainable business model. Earlier in its history, BBC needed to focus on building system infrastructure. At this point, while system buildout will continue to occur, Boulder has one of the larger systems for a city of its size. While new stations bring new riders, they also add to system costs. Focusing on revenue shifts BBC's focus to two areas:

- engaging strategic partners who can help boost ridership and
- providing a product and pricing structure that is validated by the market.

BBC’s 2015 projection for total revenue is \$580,000, with costs of about \$560,000. System-generated revenue is forecast to be \$200,000, or 34% of the revenue. If the system were to remain about the same size through 2018 with annual revenue and costs around \$600,000, BBC would need to obtain about \$400,000 in system-generated revenue to meet its 70% goal.

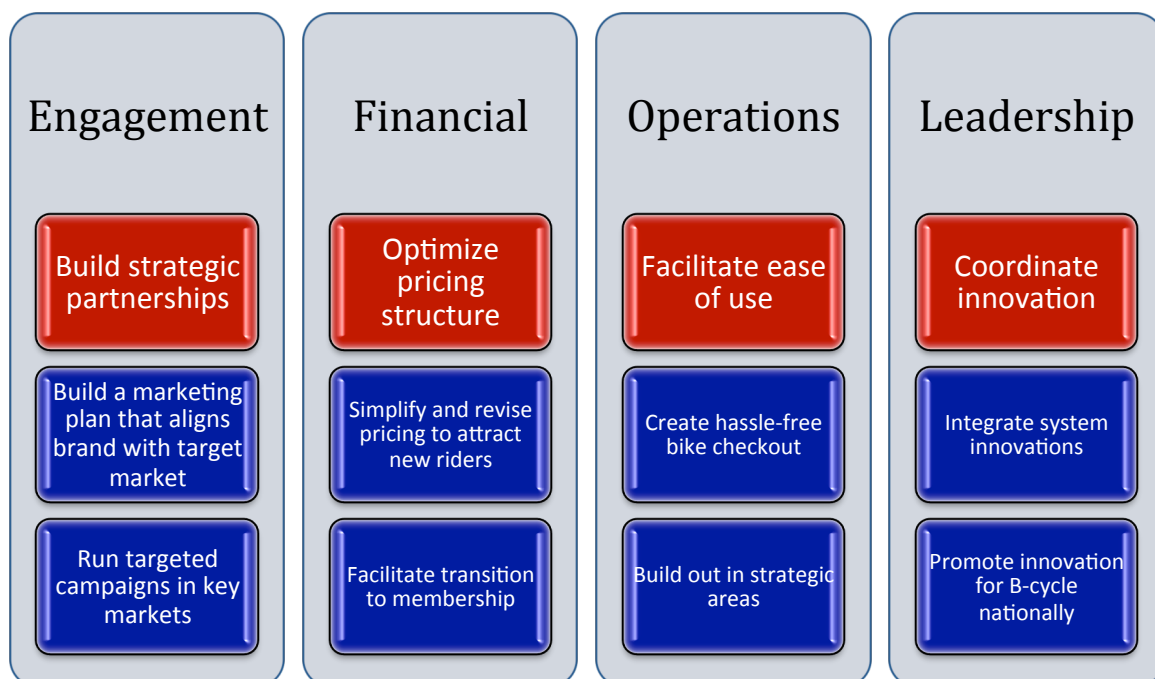
Although multiple factors can influence the relationship between system revenue and trips, a rough analysis can be made of revenue as it relates to trips/bike/day, one of BBC’s key metrics. BBC saw 43,000 trips last year and generated \$160,000 from the system, or an average of \$3.70 per trip. Assuming a linear relationship between trips and revenue, this would suggest that BBC would need to do at least 110k trips in 2018, or about one trip per bike per day.

Over the first four years of operations Boulder’s bike sharing system has seen 0.6 trips per bike per day. Systems such as Madison’s, with its high student engagement, are closer to 1.0 trip per bike per day, and dense cities such as Denver see more like 2.0 trips per bike per day while generating 65% of operating revenue from the system. Having this core goal over the next three years will help BBC drive toward a system that is optimized to meet its users’ needs at a price they are willing to pay.

This goal moves BBC toward more of a social enterprise model than it has had in the past. However, like any social enterprise, revenue and usage targets are framed within the context of BBC’s vision, mission and impact. A successful Boulder B-cycle program will not only meet its revenue goals but in so doing, will reduce SOV trips and support Boulder’s health and sustainability goals.

Strategic objectives

BBC has four strategic objectives to attain its goal of doubling system revenue, each with two key tactics.



A more detailed description of the objectives and tactics is provided below, along with first steps to be implemented during the latter half of 2015, the transition period to the new plan.

Engagement: Build strategic partnerships

BBC already has a number of strong partnerships with the City of Boulder, CU, and its lead partner Kaiser Permanente. To build on these and address BBC's goal, it will be important to focus on BBC's brand and its core target market of riders.

Build marketing plan

BBC will work with Board members and external marketing resources as available to design a marketing and strategic engagement plan. This plan will build on the 2013 marketing strategy, integrating several concepts that have surfaced in the current strategic planning process, such as:

- **Brand.** A focus on a brand that capitalizes on bike sharing's "cultural coolness," tying together the trends toward greater sharing, mobile connectivity and technology, and health, fitness, and sustainability. One of the most frequent terms used to describe Boulder B-cycle, by riders and non-riders alike, is "cool." BBC has already begun building on this coolness factor with its "Uber for Hippies" bus ad campaign and its Sir Richards Condoms "safety message" campaign. BBC will develop a more focused marketing plan over the coming months, integrating some of the key factors that go into Boulder's unique brand of cool, such as healthiness, sustainability, connectivity and sharing as a cultural phenomenon (think Airbnb).
- **Target market.** A clear articulation and deeper analysis of market segmentation to understand distinctions among groups, what motivates them, which have the most potential to drive higher usage, and how best to communicate with each. Boulder B-cycle will reach an estimated 13,000 unique users in 2015. Beyond this group, Boulder B-cycle has a ready target market with several key characteristics:
 - *Geographic:* they work (or attend school) in the core B-cycle area downtown to 29th Street and CU (see Appendix 3 for a map of B-cycle stations);
 - *Demographic:* BBC's current user data indicates most riders are between 25 and 54, evenly split between men and women. BBC can build on this market plus include the younger CU student market;
 - *Psychographic:* they have a strong interest in health and sustainability, falling into the "early majority" category of users, that third of the population who are not the first to try new innovations but are willing to follow innovators and early adopters.

The marketing plan will also be supported by improved user feedback:

- **Enhance annual survey.** BBC will enhance its annual survey to include both users and non-users (both residents and in-commuters), tracking awareness, likelihood of use, actual use, and feedback on Boulder B-cycle. This survey will build on past annual surveys, expanding to non-users in the target market, and increasing the statistical robustness of the data collected. It will allow BBC to assess the impact of its outreach and engagement efforts over time.

Target effective campaigns

BBC can work with current and new partners to reach its target market most effectively.

- **Partners and sponsors.** Clear articulation of industry clusters and how to direct outreach and membership campaigns to groups of like companies to obtain more partners, sponsors, and corporate members. Although a higher level of system revenue could mean that BBC relies less on sponsorship funding, the organization will seek to maintain its current level of non-system generated revenue in order to build a cushion of funding. Engaging corporations is also a good way to build brand awareness and ridership. In addition to retaining its current partners, BBC will develop a more strategic approach to corporate outreach, and seek Board support in making connections.

BBC can build ridership by working with current partners such as CU and the City to test new models of access for CU affiliates and City employees, such as connections to bus passes or widespread dispersion of passes. For corporate sponsors, BBC may want to look closely at employers in the core area with ties to health and sustainability—or simply an interest in the “cultural coolness” factor, such as tech companies. By clustering in certain areas such as natural products or tech, BBC can leverage relationships between these companies to build its base. Finally, partners who can help BBC tie bike sharing passes to bus passes or other bundle like services will help build a longer-term and potentially high-impact shift.

- **Focused campaigns and events.** Based on a clear understanding of its target market, partner and sponsor needs, BBC will prioritize focused campaigns based on their interests and needs, and events that are most likely to engage these users.

Thinking about its outreach in terms of targeted campaigns with distinct goals and tracking will help BBC sort through the wide range of outreach opportunities and test which ways of reaching its audience are most successful. Each campaigns will incorporate testable hypotheses, e.g. “Providing red RFID cards to in-commuters from XX location will increase new riders by YY.”

- **Flag CU opportunities.** CU was identified in 2013 as a high-leverage target market. Initial efforts focused heavily on building capacity. While this will continue to be important as CU builds out its east campus facilities, there is also an opportunity now to build ridership. BBC will work with CU to prioritize strategies to engage more students, faculty, and staff. Ideas surfaced include widespread distribution of “red RFID cards” that students can activate, increased marketing, and even installing multiple “micro-stations” on campus to bring bikes closer to high-activity areas.
- **Increase Board engagement.** Increasing the active involvement of the BBC Board was also listed as a priority for the 2013-15 Strategic Plan and can directly support BBC’s strategic partnership efforts. Over the next three years, BBC will work with its Board to define specific needs and expectations for Board members, starting with an emphasis on three areas:
 - Provide leads and introductions to potential sponsors and corporate members
 - Provide sales and marketing strategy direction and development
 - Develop supporting relationships with key strategic partners such as the City, CU, Chamber, the Convention and Visitors Bureau, and RTD.

BBC will identify needs and gaps in current Board expertise so that new Board members are solicited strategically to enhance the Board’s ability to support BBC in these areas.

Key engagement tactics	2015 transition activities
<ul style="list-style-type: none"> • Build a marketing and strategic engagement plan that aligns brand with target market, matching unique qualities of Boulder with the needs of high-priority audiences. • Run targeted campaigns in key markets, e.g. CU, core area, company clusters, focusing on the needs and opportunities of specific high-leverage groups 	<ul style="list-style-type: none"> • Create plan • Flag CU opportunities • Enhance annual survey • Begin increasing Board engagement

Financial: Optimize pricing structure

To get more system revenue, BBC needs to (a) attract new riders and (b) convert casual riders into regular users.

BBC’s pricing is currently structured so that 75% of the system generated revenue comes from 24hr pass riders , with 25% from annual member use—although the total number of trips taken is shared 50/50 between the two groups. While it is not uncommon for casual users to pay more than subscribers—think recreation centers or magazines—it does raise questions, such as whether a lower entry price point might inspire more casual riders who could then be converted into annual members. The current pricing system is also not well aligned with the goal of reducing SOV trips, since it is so heavily dependent on one-time riders.

BBC will start by testing alternative pricing models, such as a \$3/ride flat fee and a monthly auto-renewing pass. These tests will be conducted in limited markets and tracked to see whether they increase user satisfaction and system usage and revenue.

Key financial tactics	2015 transition activities
<ul style="list-style-type: none"> • Simplify and revise pricing to attract new riders, such as a lower one-time fee, and • Facilitate transition to membership by creating attractive, easy-entry pricing for longer-term passes, e.g. reducing up-front costs via a monthly, auto-renewing pass. 	<ul style="list-style-type: none"> • Test lower one-time fee in small market segment, e.g. downtown • Test monthly pass with small market segment

Either of these strategies could result in some short-term revenue reductions, but the goal is to increase long-term revenue by increasing ridership.

Operations: Facilitate ease of use

BBC staff spends a substantial amount of time each day answering questions about how to use the system. This serves as a flag that riders are probably being lost due to the complexity of getting on a bike. Facilitating the ease of B-cycle use is critical to attract new riders, as well as being important for regular ridership. A simpler pricing structure will contribute to ease of use, and BBC will continue to maintain its high standards for maintenance for a quality riding experience.

BBC is challenged in its ability to make technological changes by its dependence on B-cycle LLC/Trek as its vendor and software provider. This may require some creative workarounds, such as manual activation of cards, or simply careful observation at the docks to determine whether there are non-software modifications that can facilitate easier use.

Strategic growth of the system infrastructure is another aspect of facilitating ease of use. This process is described in the BBC Station Master Plan, so it is not a focus here. However, it is important to note that for maximum effectiveness, BBC system growth needs to be closely aligned with planned development such as the East Arapahoe corridor or CU’s East Campus. This should occur as BBC integrates its planning with the City’s Transportation Master Plan and works with CU.

A second aspect of growth to flag is that until now, most of BBC’s growth in ridership has been directly tied to making more stations available. While this makes sense in the early stages of a bike sharing program, Boulder has now become one of the most station-dense cities of its size (see map in Appendix 3). Given the city’s relatively low density, there will begin to be a declining benefit from new stations farther from the city core. Meanwhile, new stations add riders, but they also add substantial costs to the system. For this reason, this strategic plan focuses much more on adding more users than adding more stations.

BBC will try limited-market ease-of-use tests such as use of “red RFID cards” that can be activated online so users can get directly on a bike. BBC will also explore what would be needed to provide RFID cards at kiosks for 24hr pass purchasers.

BBC will work closely with the City to assess strategic opportunities for expansion as they tie into the City’s Transportation Master Plan.

Key operations tactics	2015 transition activities
<ul style="list-style-type: none"> • Create hassle-free bike checkout via options such as providing RFID cards for all users at the docks, providing new users with cards that simply need online activation, or utilizing online apps for easy checkout. • Build out in strategic areas aligned with growth in potential ridership 	<ul style="list-style-type: none"> • Try limited-market ease of use tests

Leadership: Coordinate innovation

As the place where the national B-cycle movement had its start, and given its overall leadership in sustainability, Boulder holds a unique role in bike sharing. The strong support and integration with the City’s transportation and climate goals mean that other cities look to Boulder for new ideas and approaches to bike sharing.

BBC is well-positioned to take a stronger role in leadership, both within the city and nationally. Locally, BBC can monitor, report and recommend on technology, pricing and system planning trends in the industry, working in close partnership with the City of Boulder to identify and assess appropriate system innovations for bike sharing. Nationally, as an early adopter of the B-cycle LLC system, BBC can help coordinate efforts to drive innovation within the B-cycle group of operators. Both of these roles will help BBC stay at the forefront of the industry, which is critical given the proliferation of new forms of bike sharing.

As a first step, BBC will prepare a State of Bike Sharing update to be shared and discussed with the Board and City of Boulder to identify innovations to watch, technology changes, trends in bike sharing, and potential new opportunities for Boulder.

Key leadership tactics	2015 transition activities
<ul style="list-style-type: none"> • Integrate system innovations that are most appropriate in leveraging system growth in Boulder • Promote innovation for B-cycle nationally, leading coordinated efforts to drive new technologies and new models 	<ul style="list-style-type: none"> • Prepare State of Bike Sharing update (first annual)

Monitoring and Measuring Success

Boulder B-cycle has been tracking and reporting quarterly on 41 Key Performance Metrics for the past 24 months. While this has been useful to see where the system has grown, during the next phase of growth, BBC will track 13 KPM's that most directly reflect its ability to meet its core goal.

These metrics include:

Metric	How track	Drivers and early indicators	Value
Engagement			
New users	New pass registrations.	Survey shows increased awareness. Strategic campaigns successfully targeted at core groups (CU, core industries) Promotions such as buddy pass, targeted events encourage first-time use	Critical to reduce the barrier to entry for first time riders.
Active riders	Trip data tracking current pass holders who take trips	Corporate membership campaigns promote ridership. Pricing structures such as monthly renewal facilitate membership	Builds long-term impact of program and stable revenue
Trips	Trip data tracking all trips taken	Core group campaigns increase active riders, promote more frequent use	Impact and revenue
Trips per bike per day	Trip data tracking all trips / number of bikes in circulation.	Ties in with trips, active riders	System being used efficiently, to capacity
Vehicle miles reduced	Survey data + total trips	Campaigns, corporate membership focus on in-commuters	Meets transportation and climate impact goals
Financial			
Passes sold	Sales data	Corporate membership campaigns increase groups obtaining passes Pricing restructuring reduces barriers to day and long-term pass purchases	Revenue, ease of use
System-generated revenue	Pass sales and usage fees data	Pricing and alternative pass type restructuring increases users	Validates value to users
Non-system generated revenue	Sponsors/partners	Lead sponsors at or above current levels Corporate memberships increase	Validates value to stakeholders
Expenses	Financial data	Expenses track projections	Efficient use of resources

Metric	How track	Drivers and early indicators	Value
Operations			
Customer satisfaction	Survey Qualitative interviews Bike maintenance tickets	Reduce time to get on bike. Regular bike and station inspections meet high protocol standards.	Assess success in ease of use, pricing, and high safety standards
Leadership			
Technology	Technology upgrades	Able to get a red RFID card or some version in use for day riders	Ability to meet changing needs
Opportunities	City Pilots	Annual decisions with City	Strategic growth assessments
Station expansion	Station Master Plan	Public document to inform agency partners of expansion plans and to drive new station siting process	Qualitative data informing site selections

As discussed above, metrics on ridership are anticipated to align closely with revenues. If the revenue structure is altered to encourage new users and new pass-holders, BBC will need to adjust its expectations accordingly.

Next Steps

Over the next six months, Boulder B-cycle will begin its transition to the 2016-2018 strategic plan. BBC will focus on setting up the structures and strategies it needs to be successful in meeting its Wildly Important Goal of doubling the percentage of system generated revenue from 35% to 70% by the end of 2018. Key activities, as identified above, include:

Transition Plan Overview: July-December 2015	
Overall	
<ul style="list-style-type: none"> • Create action plan • Set up impact tracking systems 	
Engagement	
<ul style="list-style-type: none"> • Create marketing and strategic engagement plan • Flag CU opportunities • Enhance annual survey • Begin increasing Board engagement 	
Financial	
<ul style="list-style-type: none"> • Test lower one-time fee in small market segment, e.g. downtown • Test monthly pass with small market segment 	
Operations	
<ul style="list-style-type: none"> • Try limited-market ease of use tests 	
Leadership	
<ul style="list-style-type: none"> • Prepare State of Bike Sharing update (first annual) 	

- Complete 2016 – 2018 Station Master Plan
- Review Master Agreement with City (expires April 2016)

Action Plan

An important next step for BBC will be to establish an Action Plan to establish milestones to ensure that it is on track to double system revenue, and set specific time-bound goals for each objective. An Action Plan outline is included as Appendix 4.

Impact Tracking

Boulder B-cycle's current buildout will have been in effect for a year in the fall of 2015. This will be an opportune time for BBC to review its ridership and revenue metrics to assess what growth can be anticipated based on the size of the system and what will need to be generated by increased use of the system. Additionally, BBC will need to establish effective tracking systems for new KPIs such as new users.

Meeting the goal of doubling system generated revenue over the next three years will require BBC to be nimble in trying new approaches. During its initial explorations in 2015, BBC will pay particular attention to

- Setting up small, low-cost experiments that provide valuable feedback; and
- Finding meaningful metrics to track the impact of each change.

BBC is a leader in a fast-moving industry. While it can learn from other programs, in many cases Boulder may be on the cutting edge of change. BBC is also constrained by the vendor-provided technology for its program, so it may need to be creative about how to test modifications that would require technology enhancements. Small-scale tests that yield clear feedback will help the organization steer toward the most cost-effective shifts to achieve its goal.

Conclusion

While Boulder B-cycle has set an ambitious goal for its next three years, the organization is fortunate in having a strong basis from which to launch this effort. Its funding has moved toward greater stability, and even maintaining the current level of non-system funding will provide a financial cushion as the organization builds its system generated revenue. It has strong and committed partners in the City and CU, as well as its sponsoring organizations. And it is coming off a period of high growth in system capacity, which will serve it well in launching new ridership growth initiatives.

Having 70% of revenue system-generated is a goal that has so far been reached only by larger, denser cities, but Boulder is well-positioned to take on this challenge. And as it moves toward the goal, it will build not only increasing financial stability, but a growing validation of the system's value, and a greater impact on its underlying reason for being—to reduce vehicle trips and their associated environmental impacts.

Appendix 1 Strategic Plan at a Glance

Boulder B-cycle			
Vision			
To create a viable, sustainable bike-share system that serves and benefits all reaches of the Boulder community.			
Mission			
To implement and operate a community-supported bike-share program that provides Boulder’s residents, commuters and visitors with an environmentally friendly, financially sustainable, and affordable transportation option that’s ideal for short trips resulting in fewer vehicle miles traveled, less pollution and congestion, more personal mobility and better health and wellness.			
Impact			
If Boulder B-cycle is successful, it will: <ul style="list-style-type: none"> • Enhance multi-modal transportation options • Support Boulder’s health and sustainability goals • Run a largely self-funded system 			
Wildly Important Goal			
Increase percentage of system generated revenue from 35% to 70% by the end of 2018			
Engagement	Financial	Operations	Leadership
<i>Objectives</i>			
Build strategic partnerships	Optimize pricing structure	Facilitate ease of use	Coordinate innovation
<i>Tactics</i>			
Build a marketing plan that aligns brand with target market	Simplify and revise pricing to attract new riders	Create hassle-free bike checkout	Integrate best new technologies
Run targeted campaigns in key markets	Facilitate transition to membership	Build out in strategic areas	Promote technology advancement for B-cycle nationally
<i>Metrics</i>			
New users Active riders Trips Trips/bike/day	Passes sold System-generated revenue Non-system revenue Expenses	New stations sited according to Station Master Plan goals Customer satisfaction	Technology upgrades City pilots

Appendix 2 Methodology

Boulder B-cycle's 2016-2018 Strategic Plan was developed in three phases:

1. Staff and Board review of needs

BBC staff worked with several Board members to identify the state of the current BBC program, how well it has met its goals from the 2013-2015 Strategic Plan, and key areas of focus. Staff and Board met in a retreat in January 2015 to review these and set the direction for the new plan.

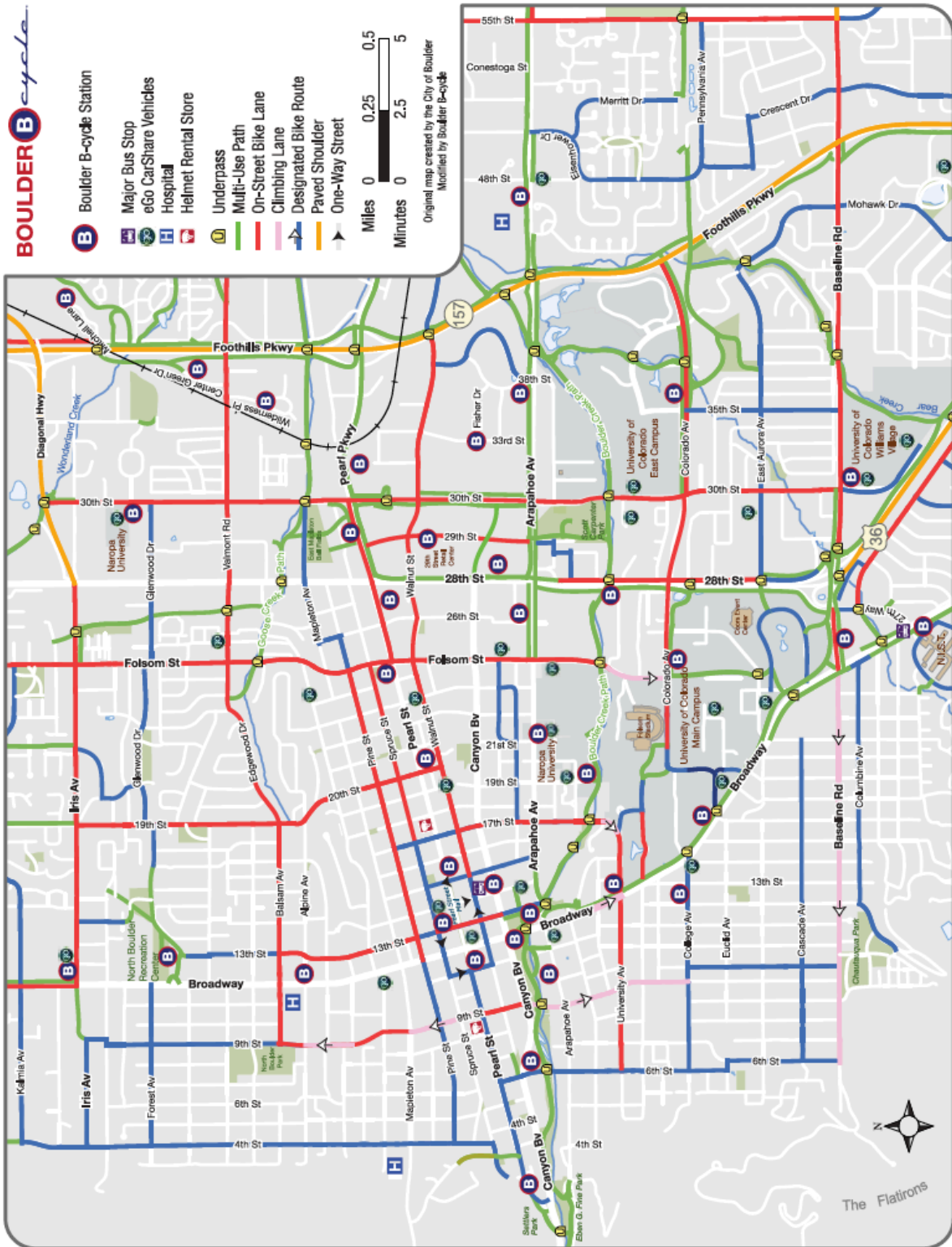
2. Situational Analysis

BBC hired a consultant, Alison Peters of Entrellis LLC, for a deeper dive into the needs of the organization. This phase consisted of interviews with Boulder B-cycle stakeholders, desk research, and meetings with the Boulder B-cycle team. A Situational Analysis document identified the organization's strengths, challenges, opportunities and key themes for the strategic plan. A group of Board members reviewed and provided input on this document.

3. Strategic Plan

A Strategic Plan was drafted by the consultant and reviewed by BBC staff and the Board. The plan was finalized and approved by the Board in June 2015.

Appendix 3 Map of BBC stations



Appendix 4 Action Plan Template

See attached.

Boulder B-Cycle Action Plan 2016-2018 (D R A F T)

Vision Statement

BBC's vision is to create a viable, sustainable bike-share system that serves and benefits all reaches of the Boulder community.

Mission

Boulder B-cycle's mission is to implement and operate a community-supported bike-share program that provides Boulder's residents, commuters and visitors with an environmentally friendly, financially sustainable, and affordable transportation option that's ideal for short trips resulting in fewer vehicle miles traveled, less pollution and congestion, more personal mobility and better health and wellness.

Wildly Important Goal

Increase percentage of system-generated revenue from 35% to 70% by the end of 2018.

Objective 1. Engagement: Build strategic partnerships

Metrics and Milestones

Tactics	Action Steps	Timeline	Overall metrics	By December 2015	By December 2016	By December 2017	By December 2018
Build a marketing and strategic engagement plan that aligns brand with target market, matching unique qualities of Boulder with the needs of high-priority audiences.	Enhance annual survey * More robust data * Measure awareness * Measure customer satisfaction	Q3 2015	New users Active riders Trips Trips/bike/day Vehicle miles reduced	New survey in place	Awareness up XX%		
	Clarify target audience, e.g. * Work in central Boulder * Fit "early majority" characteristics, e.g. younger, less car-dependent, like the sharing concept, pride in "enviro-hip"						
Run targeted campaigns in key markets	Prioritize events based on match with target market	Q4 2015-Q1 2016					
	Prioritize media and social media marketing based on alignment with target audience, campaigns						
	ID top markets to go after, e.g. * core area tech companies * core area natural product companies	Q4 2015					
	Flag CU opportunities	Q3 2015			XX students with passes		
	Prioritize and establish steps and metrics for each campaign Launch campaigns in priority order	Q4 2015-Q1 2016				YY corporate members Ridership up by ZZ% Trips up by AA%	
Prioritize sponsors based on alignment with brand				Sponsorship maintained at or above \$200K	Sponsorship maintained at or above \$200K		
Initiate greater Board engagement		Q4 2015					

Objective 2. Financial: Optimize pricing structure				Metrics and Milestones			
Tactics	Action Steps	Timeline	Overall metrics	By December 2015	By December 2016	By December 2017	By December 2018
Simplify and revise pricing to attract new riders, such as a flat, low-rate one-time fee	Test lower one-time fee in small market segment, e.g. downtown	Q3 2015	Passes sold System-generated revenue Non-system revenue Expenses	Increased ridership			
	Expand test			No decrease in revenue			
Facilitate transition to membership by creating attractive, easy-entry pricing for longer-term passes, e.g. reducing up-front costs via a monthly, auto-renewing pass.	Test monthly pass with small market segment			Increased membership			
	Expand, launch full-scale ID additional opportunities			No decrease in revenue			

Objective 3. Operations: Facilitate ease of use				Metrics and Milestones			
Tactics	Action Steps	Timeline	Overall metrics	By December 2015	By December 2016	By December 2017	By December 2018
Hassle-free bike checkout via options such as providing RFID cards for all users at the docks, providing new users with cards that simply need online activation, or utilizing online apps for easy checkout.	Investigate card options		Customer satisfaction				
	Small-scale test of user interest via low-tech approach Expand, launch full-scale ID additional opportunities			Positive user feedback			
Build out in strategic areas aligned with growth in potential ridership	ID areas in conjunction with City and CU						
	Flag opportunities for low-tech docking Build out				XX stations		

Objective 4. Leadership: Coordinate innovation				Metrics and Milestones			
Tactics	Action Steps	Timeline	Overall metrics	By December 2015	By December 2016	By December 2017	By December 2018
Integrate system innovations that are most appropriate in leveraging system growth in Boulder	State of Bikesharing update	Q4 2015	Technology upgrades City pilots	Shared with City, CU			
	Prioritize key technologies for coordinated action	Q4 2015					