

# German Railways and Private Coaches— Rivals or Partners?

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## Market Background

The German post-war industrial boom, coupled with the strong Deutschmark, and open European borders have wakened the German desire to travel. Just after the war, the most popular country was Austria which was close and economic. Italy quickly became the next favourite destination followed by Spain, Yugoslavia, and Morocco. Today, annual vacations on the other side of the globe are already common for some holiday-makers.

However, many people are still—or are again—looking around their own country, and the increasing tendency towards taking shorter second holidays, study trips, city tours, or half-day coffee breaks, etc., has produced a very mixed travel market in central Europe.

There are no statistics about how this travel market is divided between traffic modes because many trips are self-organized and do not show in tourism statistics. However, Federal Ministry of

Transport surveys show that the private car plays by far the most important role, with more than half of all passenger kilometers travelled by car being for leisure and vacations. Public transport (railways, buses, etc.) occupies the number two position but is far behind private cars.

Until recently, coaches have been considered the most severe competitor for railways. Coaches carry about 40 million passengers per year in Germany, with day and short trips accounting for over 90% of journeys. There was a long-term decline in the number of passengers travelling by coach, which had an image of 'travel for poor people'. Coach operators countered this by upgrading both coach quality and travel programmes. High-quality study tours with excellent management and knowledgeable specialists at tour sites have reversed the decline, and coaches are now more in competition with the automobile than the railways, especially with tourists opting for comfort without driving stress.

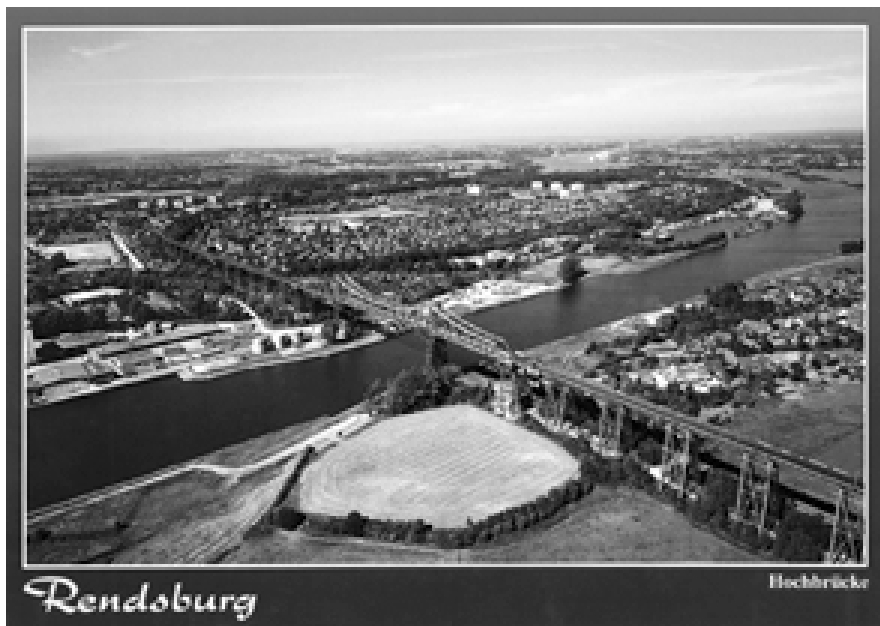
## Coach Operators Discover Railways

Coach operators are always on the lookout for new types of tour. After the 'discovery' of the picturesque Swiss Alpine railways (*Glacier Express*, etc.), many preserved railways have become coach destinations both for railway fans, and other tourists. Recently, coach operators have realized that the Deutsche Bahn AG (DB AG) network has both scenic and technically interesting lines in its network, which are a good match for coach tours. However, many of the tour planners are not well informed about some of the railway jewels in DB AG's crown, offering a perfect opportunity (and one that has been overlooked for the last 30 years) for DB AG to link up with large-volume coach tour operators. To be fair, there were a number of obstacles; scenic lines had poor weekend services, many were under threat of closure, and the railway carriages were not as comfortable as the coaches. Today, the picture has changed completely following the railway restructuring on 1 January 1994, and DB AG's bold decision to put more emphasis on local services. Most local lines now have good services every day of the week, and new or refurbished carriages will soon replace the last rattling old passenger cars.

## Which Lines Suit Coach Tourism?

Coach tourists generally make a conscious decision to avoid having to change to another mode of transport. However, they will change to a train if they can experience completely different scenery than from the coach. Consequently, changing from coach to train is unappealing when both modes run side-by-side through the same scenery, as in the famous Rhine valley, where a river cruise would be a real attraction.

And if the change is made at an interest-



The 60-m high Rendsburg High Bridge spanning the Kiel Canal between the North Sea and the Baltic dates from the Tall-Ships era.  
(Verlag Schöning & Co. in Lübeck)

ing spot, it is not felt as bothersome. City sightseeing, a museum visit, or lunch are good opportunities to change the mode for the next part of the tour. For coach tours of several days duration, a railway trip of up to 2 hours is a welcome break. For day coach tours, the railway leg should be much shorter than the coach tour. But it should not be too short—otherwise the excitement is over almost as soon as the tour members have started appreciating the change in decor and scenery.

To facilitate the tour plan, the railway line should have services running at least every 2 hours on all days, and sufficient seat capacity in nearby coaches so the group is not scattered along the entire train. Fortunately for DB AG, the most scenic lines are far from population centres, and the sections visited by coach tours often have the lowest passenger frequency.

### Theory and Actual Application

In 1995, the project leader at DB AG in charge of promoting business links with coach operators asked the manager of the regional coach association, 'What services could we propose to coach tour operators?' The answer was, 'I don't know—let's have a workshop with 10 people actually involved in this'.

The workshop led to the idea of selling group tickets to the tour operator on a commission basis, meaning that tickets would be validated by filling in the date just before the start of the tour—a procedure that had already been used satisfactorily for many years on Lake Constance. The tour operator would report the number of tickets used at an agreed interval, would be billed by DB AG, and would then pay by bank transfer. This would give a great deal of freedom to change the number of people joining the tour at the last minute and would eliminate the inconvenience of obtaining further



*The Oberweissbacher Bergbahn in the Thuringian Forest is a wide-gauge cable car railway climbing 323 m and able to carry standard-gauge freight cars.*  
(DB AG)

tickets at short notice, or refunds.

About 1000 catalogues with route descriptions and pictures, short descriptions of boarding and arrival locations, timetable extracts, practical tips for tour planners and bus drivers, including a typical local joke for each route were sent to German coach operators during 1996, but nothing happened!

### Waiting for Bookings

Was the idea a flop? There were enquiries, questions, catalogue orders, but no bookings. Finally, after many weeks, two businesses ordered the first tickets for routes in the Black Forest. The entire turnover for 1996 was a total of DM800 (\$450)! But one year later, it had climbed to DM4500, and it should reach DM 40,000 in 1998. Although this is a tiny amount of money compared to the total turnover of DB AG, the ice has been broken. The psychological barrier to be crossed by a coach business buying tickets from the national railways is very

high. It is not an ideological barrier, but is an aversion to '...subsidized railway operations that ruin our excursion trips with price dumping'.

To overcome this initial hesitation, the DB AG project manager first called and then visited selected coach operators. To get the operators' attention, he used maps, pictures and his own knowledge of routes from the passenger's viewpoint; any barriers were soon overcome by the friendly personal contact.

The growing interest of the coach industry in this cooperation is noteworthy. Although it still has not resulted in large income for DB AG, neither has it caused additional operations burdens.

### Scenic Railway Routes

In Germany, the most scenic routes are found in the foothills of the Alps and in the highlands. In many cases, these lines have interesting origins and fascinating technology. The famous Badische Schwarzwaldbahn in the Black Forest



*The Moselweinbahn starts in Bullay and follows a hillside bridge of several kilometers. The coach leaves the main route and follows the bank of the R. Moselle to Traben-Trarbach, a famous wine-producing village. (Bernd Eisenschink)*



*An old train runs through the Neckar valley on the outskirts of the Black Forest. The Stuttgart to Lake Constance autobahn bridge spans the valley. (Bernd Eisenschink)*

climbs 600 m in just 11 km. It was constructed as a prototype for the Gotthard Line in Switzerland. Other routes in the Black Forest, along the Rhine, and in the Thuringian Forest opened as rack-and-pinion railways and changed to normal operations with advances in rail adhesion technology.

In addition to the beautiful scenery, the Thuringian Forest also has the unique Oberweissbacher Bergbahn, a wide-gauge cable car that climbs 323 m, and that can also transport standard-gauge freight cars. At the top, the trip continues for another 2 km to the terminal on level track using historic electric cars. Valley railways also offer many attractions. For example, the remote, deeply cut and winding Lahn valley is hidden from all roads but can be enjoyed by train, and the rocky Upper Danube valley reveals its best face to the train traveller.

The railway bridges are a story in themselves. In Saxony, the Goelzschtal is spanned by the largest brick bridge in the world. It was built around 1850 rather like a Roman aqueduct of four stories with 81 arches. The single-arch 107-m high Muengsten Bridge spanning the Wupper valley in West Germany is some 50 years younger. The high bridges in the flat coastal region of Schleswig-Holstein spanning the Kiel Canal connecting the North Sea and Baltic were built for tall sailing ships with 60-m masts. The circular approach ramp on the northern side of the high bridge near Rendsburg is a technological achievement of international merit because a suspended car shuttle crosses the canal on steel cables under the railway bridge.

## When Will the Project be Successful?

German coach operators are mostly small-to medium-sized family businesses operating in markets often away from large cities. They usually have good customer

loyalty. When the first new 'experiments with train trips' went well, they came back the next year with new travel ideas. In 1998, for the first time ever, scenic train routes throughout the Federal Republic of Germany will be travelled by coach tours. Hopefully, this will promote further development in the coming years.

However, these small operators expect individual and extensive care without realizing the strong division of work at DB AG. Thus, this cooperative relationship can only thrive if DB AG manages it as a 'family business'. Although the project manager does not have to do everything himself, he must understand the coach operators' lack of familiarity with the railway business and he must make sure that no link fails in the long chain from selecting routes, mailing tickets and seat reservations, notifying train personnel, informing bus drivers and trip conductors, and following-up enquiries, to settling accounts, etc.

At the moment only one part-time worker is employed on this project. A realistic annual turnover of DM100,000 produced by one employee is still 'bread crumbs', but there are no other expenses beyond office costs. It is still not possible to judge whether this project will generate larger income in the future, but DB AG is certainly cultivating a market niche. The company is also gaining political goodwill because in many federal states, the transport ministers are responsible for overseeing both local railways and coach businesses. The political division between these often-competing transport modes is easier to heal if coach operators and DB AG are able to build strong and profitable business links. Then the real competition will start with the 40 million cars in Germany. ■



*The Karwendelbahn, completed in 1912, connects three Winter Olympics venues: Garmisch-Partenkirchen in Germany, and Seefeld and Innsbruck in Austria. This photograph shows the ascent from the German side with the Karwendel mountains in the background.*  
(Bernd Eischink)



*The Karwendelbahn falls 600 m from Seefeld down to the valley of the River Inn, providing visitors with spectacular views.*  
(Bernd Eischink)

## Jürgen Walter



Dr Walter is a graduate of the University of Stuttgart-Hohenheim and the Institute of Phytopathology. In 1971, he moved from agriculture to the former German Federal Railways (Deutsche Bundesbahn) where he worked for 10 years. In 1987, he returned to DB to work on integrated timetables in southern Germany. Since 1995, he has been a member of the team for regional transport in charge of researching new markets at DB AG.