

**New service models and expansions around the world:  
SNCF's new "Ouigo" service**

**Fabrice Morel**

*International Development Director*

*SNCF Voyages*

*Paris, France*

2013 Rail Conference



# New service models and expansions around the world: **SNCF's new "Ouigo" service**

- Why Ouigo?
- Ouigo as seen from the client
- Behind the scenes of Ouigo
- 1<sup>st</sup> results & lessons learned



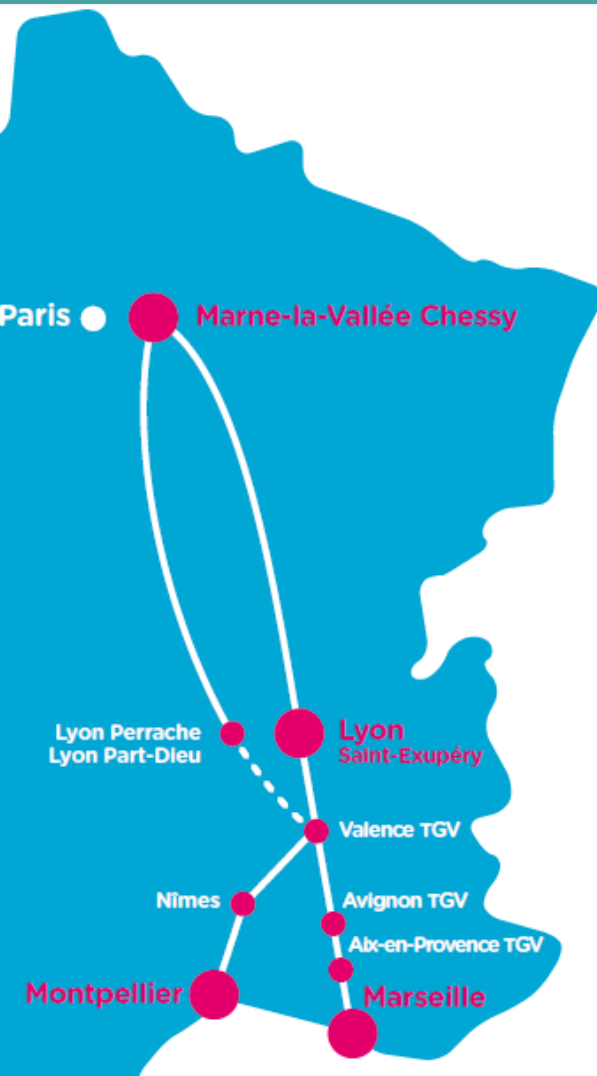
# SNCF's new "Ouigo" service: why Ouigo?

- Market demand  
in a difficult economic environment  
the cheapest HSR offer in Europe
- Full-scale experiment at SNCF  
innovate in service & operations  
extend its market coverage  
anticipate arrival of competitors
- An offer engineered:  
to shift traffic from road to rail  
to reach out to for families



➔ "Hyper-affordable high-speed rail covering the basics of travel"

# SNCF's new "Ouigo" service: as seen from the client: a specific offer



- SNCF's fundamentals (safety, service, crews) are not compromised but :
- Dedicated brand  
friendly, leisure-oriented positioning  
no prominent reference to SNCF
- Simplified price range...  
fares start at 10€, then increments of 5€ per tier  
until they reach a max at 85€
- ... Designed to compete with road travel  
children always pay 5€  
rates for 4-8 pax: 20€ each on selected trains
- Stations remote from city centers  
Marne-la-Vallée: ½ hour from Paris  
Lyon St-Exupéry: ¼ hour from Lyon

Secondary stations = track access fees  
(top operating cost item) are 1/3 lower

# SNCF's new "Ouigo" service: as seen from the client: LCC features

- Sales process 100% online  
web-only sales; all contacts via email/text  
seat assignments e-mailed prior to trip
- "Unbundled" services  
only 1 piece of luggage allowed for free  
access to power outlets costs extra
- Travel constraints  
need to show up ½ before departure  
lower compensation than TGV if disruption
- Limited network and frequencies  
3 or 4 round-trips per day; 62 trains/week  
one trunk route (the busiest French HSL)
- No-frills on board experience  
no bar car or food/drink trolleys  
single class, slightly less comfortable than regular 2<sup>nd</sup> cl.

The screenshot displays the SNCF Ouigo website interface. At the top, the Ouigo logo is prominent on the left, and navigation links for "Je prépare mon voyage", "J'en profite", "Et on me dit tout", and "MES RESERVATIONS" are on the right. A search bar with the placeholder "rechercher une fiche pratique" is also visible. The main content area features a search form with fields for "aller simple" (selected) or "aller retour", "gare de départ", "gare d'arrivée", "adultes" (1), "enfants" (0), "date de départ" (22 mai 13), and "date de retour" (29 mai 13). A "GO!" button is at the bottom of the form. To the right of the form is a large promotional banner: "OUVERTURE DES VENTES D'ÉTÉ ! CETTE ANNÉE, AVEC OUIGO, L'ÉTÉ COMMENCE PLUS TÔT !" with a "JE DÉCOUVRE" button. Below the banner are four categories: "actualités", "les bons plans", "les fiches pratiques", and "partir à plusieurs". At the bottom, there are four dark blue buttons: "Je prépare mon voyage", "J'en profite", "Et on me dit tout", and "SUIVRE OUIGO".

# SNCF's new "Ouigo" service: behind the scenes of Ouigo

A completely new model designed to maximize use of assets

## CREWS & OTHER STAFF

- "Low-cost", not "low-wage"  
full staffing by SNCF employees  
staff-intensive delivery model
- Fully dedicated support  
operations control center  
customer care & contact team
- Specifics of on-board crew  
in trains from beginning to end  
rest periods taken on board

## TRAIN SETS

- Capacity increased by 20%  
no 1<sup>st</sup> class, no bar, less storage  
double traction offers 1,268 seats
- High train-sets rotation  
13 hours/day (vs. 7 usually)  
35-minute turnaround times
- Tight maintenance process  
4 double-decker TGVs; no reserve  
fleet maintained during the night
- Innovative features  
interior cleaning while train runs  
train-sets assembled at depot



# SNCF's new "Ouigo" service: first results and lessons learned

- Sales above expectations
  - 30K tickets sold during 1<sup>st</sup> day of sales (mid-Feb); 550K sold so far
  - 60% of seats sold below 25€; 20% for children (vs. 7% in regular TGVs)
- Customer satisfaction
  - 90% of travelers said they were satisfied
  - 50% would not otherwise have taken the train
- Operations performance
  - on-time arrival rate of 81% (vs. 74% for regular TGV on the same lines)
  - 2200 miles covered daily by each train (double the average for TGV fleet)
- Clearly a niche exists but...
  - no substitute to regular offer (4m pax/yr)
  - extension to other routes will be a test

