How parking can deliver data and customer insights

that drive value-adding decisions

N C P

Get to know your customers better

Big Data is something that many want to harvest and understand in order to create commercial impacts. But how can parking give insights into customers much easier than so many other sources? This paper explores the way parking can be used to help landlords better understand their customers.

Why does it matter?

Many landowners, from retail parks and shopping centres to airports and city centre planning organisations, look for greater levels of data that'll help them to understand their consumers better.

But those relationships are often owned elsewhere. Retail outlets can acquire their customers' data in a way that shopping centres and retail parks often can't. Across the nation's airports it's the airlines, restaurant chains and retailers that often own the customers relationship in a way which the airport can't easily access.

When effectively implemented and managed, this kind of data can become a valuable source of customer insight.

By understanding who the customer is, how long they stay, where they've come from, the purpose of their visit and the journey they've taken, real decisions can be made based on insights delivered by the information gained from parking. When combined with marketing consent this offers a valuable channel to deliver value for both the customer and the business.

Why parking?

A customer's journey to most major destinations, whether that's to a retail centre, travel hub or leisure attraction, typically involves parking. Sadly, all too often, this parking process remains anonymous at best and impersonal at worst.

However, with trends that include the falling costs of new parking technologies and ease of implementation, customers are embracing new payment solutions and the ability to link online interactions to real world actions. Using parking as a data collection method is now more attainable than ever.

For sites using ANPR technology, understanding the length and frequency of visits has become a simple process for anyone familiar with basic data analytics. Demand patterns can be derived from this data; this could be anything from the impact of weather patterns to specific seasonal events.
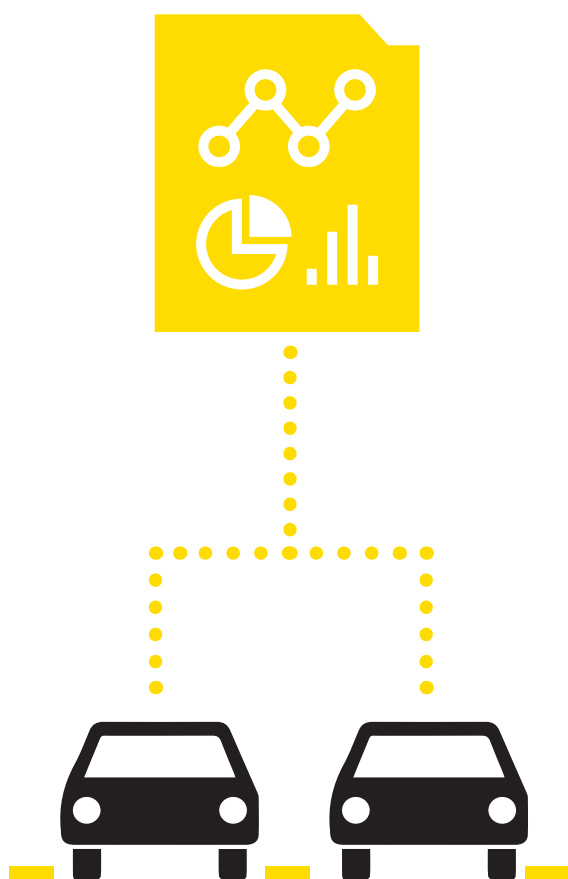
From managing demand to managing yields, this basic data can be used to drive commercial goals.

For example, landowners might establish that bad weather helps increase visits to covered retail parks, and then use this information to manage parking supply. Similarly, good weather might decrease visits, so landowners can compensate by testing promotions to lure shoppers in, using parking data to determine which work most effectively, delivering a firm sense of which work most effectively.

ANPR technology has provided one way in which landlords can start to understand their customers through the parking experience.

By offering a way to see who is entering a car park, **ANPR can be a powerful tool to understand, influence and predict customer behaviours.**

However, in most sites, ANPR is used simply as a tool of enforcement, rather than enhancing the customer journey. This could be used to understand the customer through a time-stamp of registration plates on entry and exit, tracking the frequency and duration of their visits.

At the same time, simple uses of data derived from car parks, such as occupancy signage, alleviate a major concern for consumers and can attract them to specific destinations.

At NCP, we recently conducted research amongst 2,000 consumers and found that the biggest concern about car parks was that it'd be too busy and they wouldn't be able to find space. **Over half of adults (55%) said this factor would cause them to cancel or postpone a trip.**

So displaying occupancy on the roadside and sharing it on other platforms, such as mobile apps or as a part of website information, is another simple but highly effective way to attract customers.

Likewise, by deploying ANPR beyond the barriers you can support an understanding of where customers have a preference to park within a site, and therefore **where premium pricing might be introduced to account for perceived convenience.**

At its most advanced, customers might be **allocated spaces upon arrival** using an ANPR-based system to manage capacities and enhance flow through a site.

As well as helping to track frequency and duration of visits, ANPR can be used for so much more.

Moving to a market of one

While these tools can support your service, it can also help you to create a "market of one" and a relationship with an individual, rather than an anonymous "data point" derived from ANPR tracking.

By using ANPR data to build relationships with individual visitors through incentives for longer stays or more frequent visits. For example, those who use a site during evenings might be offered incentives to arrive earlier to shop or enjoy a meal.

It's here where car park operators and landlords can start to see the greatest levels of success.
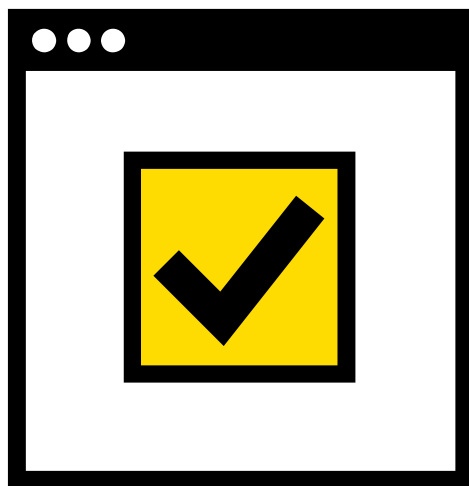
But to link ANPR data with individuals, combined with their marketing consent would require a **relationship with your customers through an account-based solution**. This would be an account-based payment system for parking and/or with an existing reward, loyalty scheme or application. Persuading customers to willingly accept this relationship with a business is the key to this process.

Before beginning, some form of incentive is required to attract new customers. After all, consumers understand the value of their personal information and that's why some form of exchange is required.
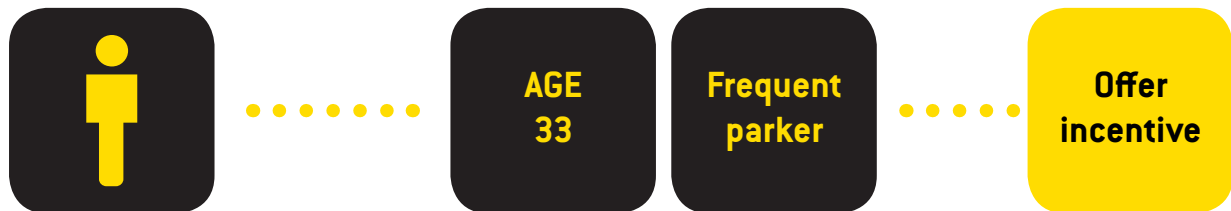

At the same time, implementing mobile and account-based payment solutions within a parking environment will make the customer journey simpler. Ideally it means customers won't have to do anything to pay for their parking as ANPR will read their registration at entry and exit to trigger the entire process for them. Alternatively, users can pay and manage their parking from a mobile device.

Moving forward, these systems not only offer value to the consumer, the data gained can also provide insights to operators and clients.

Not only that, but in retail, data can be used to enhance the customer experience and deliver valuable offers and promotions. These don't need to be restricted to parking discounts to drive behaviour, although these are useful, customer engagement can be much better when those offers are related to retail. Free or discounted food and beverage offers delivered in a timely way can trigger longer dwell times. Specific retailer promotions can drive longer stays. Or pre-booking offers at peak times that save money to attract a greater number of customers for a specific shopping destination. It's interesting how simple parking data, effectively managed, can be so powerful in delivering commercial outcomes.

Where next?

There's an impulsive rush to capture and deploy parking data. Manufacturers such as GM, Ford, VW and BMW are also developing data based programmes to enhance customer journeys, using the data they collect for commercial benefit.
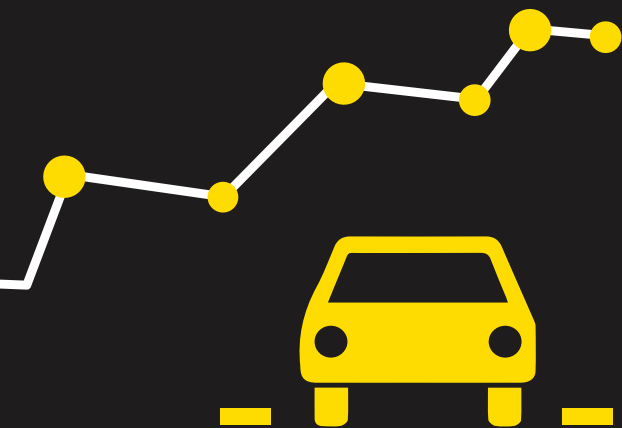
A recent report suggests that the revenue from car data may add up to $450-$750 billion by 2030.

While these are huge sums, the fact that there's an uncertainty factor of some $300 billion shows just how unknown the real opportunity is today.[1]

The report then goes on to observe that the opportunity lies in the industry's ability to build and test car data driven products and services swiftly, and to develop new business models built on technological innovation and partnerships to realise this value.

Models including systems of networked parking (knowing in advance where parking is available, booking it, and paying remotely) might mean never having to search for a parking space again, offering opportunities for parking management operators and landlords alike. Equally, new models might evolve, for example, customers willing to receive in car advertising or to share their data might be offered discounted parking by said retailers or operators.

This fresh approach offers exciting new opportunities for those who have the foresight, scale, technology and experience to grasp them. The use of data derived from parking is already delivering actionable insights for operators, landlords and consumers.

It's here where we've started to see great levels of success at NCP. Account based relationships with customers are at the heart of the new products and insight we're creating.

Our customer centric approach

This has most recently come from the creation of our 'NCP ParkPass' product, which offers discounted parking and the potential for bespoke pricing in return for customers registering for an NCP ParkPass account.

NCP ParkPass enables a number of features, with all of them offering customers value in return for exchanging their data. From there, customers use NCP ParkPass to pay for their parking and to unlock discounts and rewards, which in turn generates the transactional data to provide behavioural insights into customer parking.

However, while such systems clearly offer huge value and convenience to the consumer, the data can also start to offer powerful and commercially significant insights for us and our clients.

We embrace this data driven approach and are applying it in our customer centric products and solutions. We offer a range of flexible car park managed services designed around meeting our clients' business needs to help them to drive more value from their parking offer, including a return on investment where required.

Services including revenue management and considerate enforcement, managed by an experienced in house team, are just some of the solutions we offer to turn parking into a business asset.

To find out more about how we can help your parking drive your business needs, get in touch: www.ncpsolutions.co.uk/contact-us

Sources

1 www.mckinsey.com/~/media/McKinsey/Industries/Automotive and Assembly/Our Insights/Monetizing car data/Monetizing-car-data.ashx