**HOW CAN HS AND LOW COST BE COMPLEMENTARY?**

**DO THEY SERVE DIFFERENT NEEDS?**

**CAN THEY COORDINATE?**

**NTV**

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**FLORENCE, 03/03/2014**
OUR SERVICE AT THE END OF RAMP UP PERIOD

52 connections everyday

- Hourly frequency between Milan and Rome
- Bi-hourly frequency between Rome and Venice
- No stop services between Rome and Milan
- Introduction of new stops: Reggio Emilia; Rimini, Pesaro, Ancona

13 cities and 16 stations

12 MILLION KILOMETERS PER YEAR
Passenger Rail market from 1995 to 2010 in Pax-KM

*(Year 1995 = 100)*

Font: Elaboration Studies Office NTV of Eurostat statistics
Air Transport market (mln pax)

UK | Germany | Spain | France | Italy | Ireland
---|---------|-------|--------|-------|-------
194 | 169 | 154 | 123 | 110 | 12
204 | 180 | 160 | 136 | 117 | 23

Mln of pax

1997 | 2010 | 2012
---|---|---
114 | 100 | 62
194 | 169 | 154
110 | 117 | 23
114 | 100 | 62
12 | 23 | 24
**COMPETITION: BENEFITS FOR CUSTOMERS**

**Pax traffic - European carriers**

- **Lufthansa**: 103
- **Ryanair**: 79.6
- **AF-KLM**: 77.4
- **IAG+Vueling**: 69.3
- **Easyjet**: 59.2
- **Alitalia**: 25.3

*Font: Elaboration NTV Studies Office*
Air carriers Alliances (2008-2012)

- Daily Flights: 48.8% -9.5%
- Destinations: 40.5% 36.2%
- Countries: 17.9% 20.4%
- Pax (mln): 51.5% 23.2%
- Revenue (bln USD): 45.5% 29.5%

Blue: OneWorld  Red: Star Alliance  Green: Skyteam
Pax Air transport Italian Market from 1997 to 2012 (in millions)

Font: Elaboration NTV Studies Office
Air Italian market in 2012
(Pax = 116,9mln)

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MODAL SHIFT AND COMPETITION

In red: without HS
In Blue: with HS
In green: with HS in competition

Font: Elaboration NTV Studies Office
Open Access in Italy

<table>
<thead>
<tr>
<th>Year</th>
<th>Demand</th>
<th>Prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>16%</td>
<td>-30%</td>
</tr>
<tr>
<td>2013</td>
<td>18%</td>
<td>-2%</td>
</tr>
</tbody>
</table>

Font: Elaboration NTV Studies Office
HSR - New demand in Italy in 2012 (7,1 Mln more Pax)

- Car: 28%
- Rail Intercity: 31%
- Induction: 28%
- Air: 13%

Font: Elaboration NTV Studies Office
Air market
Rome - Milan (year 2014)

Font: Elaboration NTV Studies Office
To increase catchment area NTV made agreements with air carriers

- Ticket integration – Cathay Pacific agreement
- GDS integration – Hahn agreement (more than 260 airlines companies)

Intermodality and door to door services is a reality

- Public transport agreement (Florence and Naples)

Low cost & HSR complementary?

- which model of LC? Vueling or Ryanair?
THANK YOU FOR YOUR KIND ATTENTION