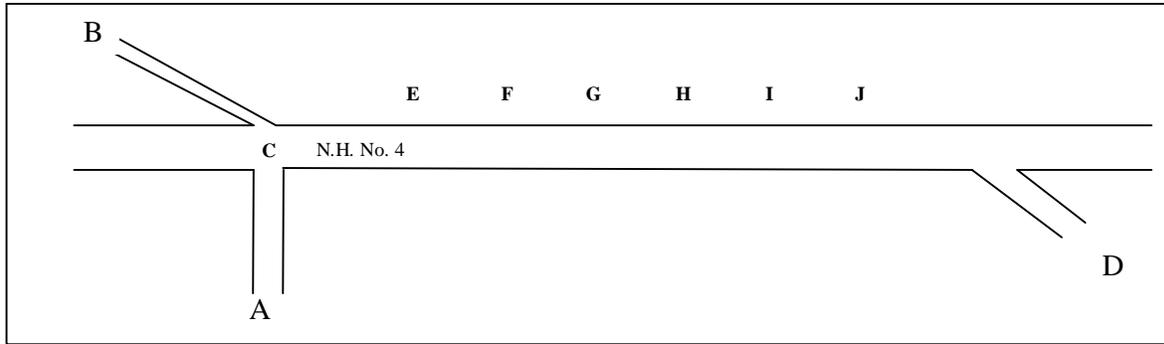


Private transport is functioning parallel to State Transport Corporation Services. The scenario is quite competitive on the magnitude of price and service quality. India is staying in villages. Mobility of villagers has increased tremendously due various infrastructural development programs of Government. But public transport has not considerably improved the way it should in this era of consumerism.

Few young people from villages had started plying auto rickshaws to cater the need of villagers who wish to travel short distances where State Public Transport does not provide services with adequate frequency. Sooner the services became popular and even inadequate on the extent of development of markets, educational institutions, industry and commercialization. Hence, the auto rickshaws were replaced by 6 seater vehicles using 'Magic' by TATA.

A group of four young learned chaps owning 10 such Magic Vehicles of TATA wish to provide organized public transport services parallel to state transport corporation services but are baffled as to the way they should offer their services which would be more attractive and befitting to need of travelers.

Route chosen for Plying 'Magic'



At present they are operating on the passenger track popularly known as 'Line' as depicted in diagram.

A and B are small towns and important feeders for rural vicinity. These towns are around 3 to 5 kms. away from National Highway No. 4. 'C' is a junction where roads from A and B town meet. This junction has formed a small business center and also a drop and pick up point of State Public Transport. The group is presently plying TATA Magic from Point C to Point D which is about 25 Kms. Point D is important business destination and a Taluka place. Point H, I and J have Management School, Medical College and college providing Conventional education respectively. The state transport authority charges Rs. 20 for adult for the journey from C to D whereas this group is charging Rs. 18 for the same journey.

TATA Magic is Official Six seaters i.e. 6 + 1(Driver), costing around Rs. 3.15 Lakhs on road, 7 seats are comfortably accommodated excluding driver. The body of vehicle also can be built in a way that additional 4 seats can get accommodated comfortably at back side of vehicle but that is against norms. Average of this vehicle is 20 km. per liter and diesel is costing Rs. 40 per liter. Drivers salary is Rs. 4500/- per month.

Travelers prefer to travel by State Transport Corporation Buses for security purpose, discipline, scheduling and the like. Private transport plyers start journey when the vehicle is full with capacity. Females, especially college going students do not find it secure traveling by this parallel transport unless they are traveling in group. The parallel transport halts at many places as depicted in above diagram. The vehicle either picks up or drops in passengers at E.F.G.H.I and J places. This constant pick up and drop is boredom and time consuming for travelers wishing to reach place J and or D directly.

Analyze the case and help this young group to design marketing mix.