

GETTING CYCLING EDUCATION INTO THE MARKETPLACE: AN AUSTRALIAN PERSPECTIVE ON PROVIDING CYCLING PROFICIENCY TRAINING

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ABSTRACT

One of the major impediments to people taking up cycling or extending their use of bicycles in Australia is an actual or apprehended lack of proficiency in the use of bikes. There are currently very few opportunities for adults to access cycling instruction and most instruction is of an *ad hoc* nature provided by friends or relatives.

This paper provides a vision for getting cycling proficiency training into the Australian marketplace. It describes the benefits of achieving this vision and how it can be implemented.

In 2004, the Australian Bicycle Council instituted a project to determine best-practice in cycling proficiency training. The Bicycle Federation of Australia was engaged to undertake this project. This research included a review of Australian and international experience in cycling training. The focus of the investigation was to determine what models of delivery would be attractive to different sectors of the cycling market, where potential trainers can be sourced, forms of training and accreditation and what opportunities for sponsorship may exist from government and commercial sectors.

The model described – the community franchise model - can be expected to expand the knowledge and practice of learning to ride, as well as improving the economic stability of the cycling sector. This paper describes this model including the required partners, human and other resources, and financial and organisational arrangements.

An initial investment would be required to fund the establishment of this program. This funding may come from government, corporates or charitable foundations. The expected financial returns, and the other benefits from increased participation in cycling, should justify this initial investment.

1. BACKGROUND

This project was developed at an Australian Bicycle Council (ABC) workshop in March 2004. The Australian Greenhouse Office (AGO) of the Federal Department of Environment and Heritage agreed in June 2004 to make funding available to the Bicycle Federation of Australia (BFA) to carry it out.

The intent of the project was to determine best practice in cycling proficiency training (CPT) programs and make recommendations for the development of cycling training programs for adults (and an associated train-the-trainer program) to enable and encourage adults to ride bicycles for transport, recreation, and tourism.

The project included:

- A survey of existing cycling training in Australia
- A review of international best practice
- An outline of alternative models of cycling training schemes

This paper outlines a strategy for implementing a system of cycling training that:

- Incorporates the best aspects of the alternative models identified in the research;
- Identifies the key activities to manage in implementing a system
- Outlines draft financial aspects of the model

2. BENEFITS OF CYCLING TRAINING

Cycling training and coaching has a multitude of benefits to participants. Some individual motivators for participation in cycling coaching and training include:

- Health and fitness
- Personal development
- Participation in competitive cycling
- Safety
- Increased use of bicycles for cycle tourism and transport

From a community stand point there are a number of other benefits:

- Transport efficiency
- Social equity – bicycles are a relatively inexpensive mode of personal transport and can carry some goods, especially if they are adapted to do so. This factor is particularly important in developing countries
- Overall community health and well-being
- Reduced greenhouse gas and other emissions
- Safety, including contributing to increased numbers of cyclists, which can reduce the rate of cyclist crash involvement (Jacobsen PL. 2003: 205-208)
- Sport - increasing the pool of competent cyclists may increase participation in cycle sport at all levels

Research on the precise level of these benefits is limited; however a survey was carried out by Cycle Training UK Ltd (March 2004) into the effectiveness of one-to-one cycling training it delivered between 1998 and 2003. Key results of the survey included:

- 81% of trainees cycled more or more confidently after training
- After training, people cycled further and more frequently
- The number of people cycling all year round increased by 40%
- Adults who undertook training were predominantly female (79%)

According to this study, these results have been achieved with only a small amount of training per person - on average up to 2 hours.

National Standards for cycle training were developed in the UK which aim to promote a nationally agreed syllabus for all cycle training. They were developed by a group including Cycle Training UK, Life Cycle and CTC. Key features of the model include:

- It provides resources for instructors
- It envisages franchises and advises on how these can be set up. A number of franchises have been set up in London and other major centres

3. DEFICIENCIES IN CURRENT CYCLING TRAINING

The review of current Australian cycling training showed that there are a number of deficiencies in current training programs. The most important are:

- Training is not available in many locations
- It is not flexible enough to meet the needs of niche markets
- It is reliant on volunteer efforts to maintain programs
- Training is unable to attract significant ongoing sponsorship
- It has variable objectives
- Training is of variable quality
- There is a lack of marketing / accreditation / credibility as a 'brand'

4. VISION FOR CYCLING TRAINING

Analysis of Australian and overseas training suggests that we should aim for a flexible, widely-distributed model of training that attracts people to cycling, enhances their safety and enjoyment, and provides a sustainable system of cycling coaching.

To be successful, a training scheme should meet the needs of the participants:

- Course providers want their efforts to be rewarded in monetary or other terms and potential liabilities to be minimised through access to accreditation and assistance with marketing
- Course providers could benefit from resources for courses for particular groups e.g. for work-places, for women or in conjunction with tourism experiences
- Course participants want to receive high quality instruction that is delivered by qualified instructors at times and locations convenient for them and that is tailored to their specific cycling needs
- Sponsors must be assured of value for money through clearly identifying how the scheme meets its objectives and how their contribution will be recognised

A vision for a 'best-practice' cycling training scheme was identified and used to assess potential models; and to develop an implementation strategy. The vision is for a cycling training scheme that provides a comprehensive product support package that includes marketing, accreditation, insurance, curriculum development, and train-the-trainer programs, provided in a way that all participants – course providers, sponsors, consumers – can be rewarded for their contributions.

A number of models for cycling training provision were identified in the research for this project. These were:

- The resource material model
- The government developed standard and delivery model
- The volunteer support model
- The sponsorship model
- The community franchise model

The community franchise model was determined to be the one most likely to deliver the vision described above and it incorporates many of the strengths of the other models. It offers the most potential for sustainable provision of cycling training that builds and matches demand in communities around Australia.

5. THE COMMUNITY FRANCHISE MODEL

The community franchise model involves setting up a national coordinating organisation (NCO) that would develop and manage a curriculum, and accredit and assist in the marketing of cycling schools. Independent cycling schools would deliver cycling training, meet quality requirements determined by the NCO and promote the national brand.

Franchising involves paying an organisation for its business strategy, marketing strategy, operations strategy, and the use of its brand. The crucial advantage of using a franchise model is that it allows people with a passion for cycling training to make it into a living without having to develop all the marketing and management skills. Reducing the barriers to setting up or participating in a cycling coaching business is likely to increase the number of instructors. It also allows a proliferation of coaching opportunities for those seeking to improve their cycling abilities.

The national coordinating organisation (NCO) would develop and manage a curriculum, accredit and assist in the marketing of cycling schools and provide management assistance to independent cycling schools – it would take on the role of franchisor. The NCO would identify potential cycling schools – the franchisees.

The cycling schools would be expected to meet quality requirements and help promote the national brand. They would receive management and marketing assistance, the use of the brand and some referrals from the NCO. They would pay franchise fees to the NCO.

The cycling schools would source instructors who would go through an accreditation process. These could be from a variety of backgrounds including cycling trainers, Cycling Australia Accredited Coaches and club volunteers, recreational/ touring ride leaders, the fitness industry and teachers of Bike Ed (school bicycle education).

6. DEVELOPING A FRANCHISE MODEL

The NCO would develop a number of elements to be attractive to potential franchisees and for strong customer and sponsor interest. These would include:

- Partnerships
- Curricula
- Marketing systems
- Sponsorship strategies
- Management systems including accounting, legal, human resources
- Train-the-trainer and accreditation systems
- Insurance arrangements

Having developed these elements, the NCO will need to identify and work with an initial group of franchisees.

6.1. FORM OF THE NATIONAL COORDINATING ORGANISATION (NCO)

To be successful, this concept must be developed in partnership with key players. There is now strong support from Cycling Australia (CA) and the Bicycle Federation of Australia (BFA). A joint venture between these organisations to form the national coordinating body/ franchisor is a likely approach. This organisation is likely to be a not-for-profit body.

Other potential partners include the cycle industry, other cycling organisations, educational institutions, local government (as has been done in the UK), and other government entities.

6.2. POTENTIAL FRANCHISEES

There are a number of current providers of cycling training. These would be natural initial franchisees and could be involved in the development of the franchise system. Other franchisees may include bicycle retailers, cycling organisations and clubs, youth and fitness service providers and Bike-Ed providers.

6.3. MARKETING

Franchisees must be able to attract enough clients. The size of the market for cycling coaching will depend on the marketing approaches used by the franchisor and the local niches identified and approached by the franchisees. To ensure adequate trainees it is suggested that the program targets children as well as adults.

The high levels of bicycle sales in Australia (over 1 million p.a.) and bicycle ownership do not appear to be reflected in usage rates. This, and other anecdotal evidence, suggests that there could be a significant demand for cycling training.

The NCO would develop marketing templates that the franchisees can use and adapt. These need to highlight the reasons why people want to participate in cycling coaching, what will encourage them to come back for more, and generate word-of-mouth custom.

One issue for marketing is the brand name and how it is presented. 'Training' will almost certainly not be appealing as a marketing concept. 'Coaching' is likely to have greater market acceptance.

There are a large number of possible market niches including:

- Travel behaviour change program participants
- School holiday programs
- Bike Ed and Safe Routes to School / Ride to School programs
- Women cyclists - through targeted marketing
- Purchasers of new bikes at point of sale
- In conjunction with event and tourism marketing
- Workplaces as part of employee physical activity programs
- Through cycling groups, clubs and magazines
- In association with gyms, triathlon clubs and other fitness training
- 'Healthy prescriptions' from medical practitioners and community health centres

Franchisees can be offered assistance in identifying and marketing to these niches including the use of marketing collateral.

6.4. SPONSORSHIP

A national franchising system for cycling training would be in a strong position to attract sponsorship. Categories of potential national sponsors include:

- The bicycle industry
- Government agencies
- Insurance companies
- Other corporates
- Charitable foundations

There is considerable potential for sponsor exposure on the uniforms of cycling coaches, which should make sponsors particularly keen to support a national cycling organisation.

At the franchisee level, there is also the possibility for sponsorship from state and local government organisations and local businesses.

6.5. MANAGEMENT SYSTEMS

Implementing a franchising scheme requires strong management systems, including accounting, legal and human resources, to assist franchisees and ensure that the NCO can obtain the necessary information to improve the product and brand.

Many franchisees are likely to be individuals without a great deal of experience in forming a business, developing accounting systems, hiring and managing staff. If systems can be developed to make these tasks easier for a franchisee, it will increase the likelihood of attracting franchisees with a passion for cycling training.

Franchisees will also have obligations to the NCO. They must enhance the brand through professional delivery of coaching services. Franchise fees would have to cover the costs of audits, curriculum development, train-the-trainer services, marketing and other services provided by the NCO.

6.6. CURRICULA

Developing a curriculum (or series of curricula to meet specific market niche needs) will be a significant cost in the initial phase. Fortunately there is a great deal of material and expertise already developed, including the CA Ride-It program. This may need some reworking to be suitable for specific markets as identified in 6.2.

6.7. TRAIN-THE-TRAINER COURSES AND ACCREDITATION

CA has experience in training and managing the accreditation of cycling coaches. However to meet the goals of this scheme, there would need to be a substantial increase in teaching capacity.

Some of the factors to consider in establishing a train-the-trainer regime are:

- Accreditation of coaches and schools by the NCO
- Establishing levels of coach accreditation. There may be different certification for different skill sets e.g. commuting, bunch riding, mountain biking, BMX
- Location - prospective coaches would need to attend 'camp' at regional / state centres
- Length of train-the-trainer course - the UK coach training is four days long
- Admission requirements - the only UK admission requirements are a police check and being a regular cyclist. Other possible selection criteria may include previous relevant coaching experience, fitness / personal training qualifications and first aid certificates
- On-line component - it may be possible to reduce the costs of training by providing an on-line component or other non face-to-face teaching method
- Testing - the form of testing and follow up audits need to be established. The UK system requires two evaluations in a teaching situation

Initially, most train-the-trainers are likely to be existing cycling coaches and trainers.

6.8. INSURANCE

One of the primary issues for the NCO, franchisees and clients is insurance coverage. The NCO would be in a good position to negotiate insurance collectively if it has appropriate risk management practices in place.

7. HUMAN RESOURCES

The NCO is likely to require the following staffing in the early years of the program:

- A general manager (GM) with overall responsibility for the program including curriculum development, franchise development and marketing
- A manager to assist the GM and with responsibility to carry out audits of the franchisees' operations
- An administrative assistant who may have responsibility for maintaining the web-site

The costs of employing three staff would be the greatest ongoing cost of the NCO. As the operation increases in size staff costs would also need to increase.

Franchisees would also have staff costs in addition to payments to coaches. Staff responsibilities would include marketing, organising bookings, and managing and administering the franchise generally.

8. FINANCE

8.1 NATIONAL COORDINATING ORGANISATION

The NCO is likely to be established as a not-for-profit organisation and hence is expected to run at close to breakeven.

An initial investment of some \$A1 million will be required over 5-6 years to fund the establishment of the NCO and its first few years of operation. This funding is likely to come from federal government – informal discussions have already been held with one department. There is a very good case to be made to government to provide this initial financial support. Sponsorship will also be sought from the private sector, including the bicycle industry; and charitable foundations will be approached for funding.

The financial model assumes that the NCO will require some ongoing sponsorship/ financial support. Franchise fees should increase as the system develops a track record and franchisees are able to contribute to the NCO.

The NCO's expenses will be principally staff costs, office overheads, program development and external marketing costs.

8.2 CYCLING SCHOOLS

Cycling schools should be viable businesses if they are well managed and have effective marketing.

It is assumed that in the first five years of operations there will be five major schools and 10 smaller schools across Australia. The larger schools are likely to start with five full-time instructors and the small schools with 1.5 coaches. It is expected that, on average, schools will grow by 20% per annum.

It is assumed that cycling schools will be able to source at least some local sponsorship. This may be from local government or significant local employers. Schools will incur some significant establishment costs and have some outlays for office and administrative staff. Some schools could minimise initial outlays through the involvement of volunteers.

8.3 COMMUNITY BENEFIT ASSESSMENT

Based on the assumptions used in this model the community benefit is very significant. It is estimated that there will be significant direct financial benefits to the cycling schools within their first two or three years of operation. The combined pre-tax surpluses for all the cycling schools are estimated to be over \$A6m for the first 5 years of operations. An ongoing surplus in excess of \$A2m per annum is projected beyond that.

In addition to these financial benefits, significant benefits from increased participation in cycling can be anticipated. These should be reflected in the areas noted in section 2 above – health, environment, transport etc.

These benefits should justify the proposed government investment in this scheme.

9. CONCLUSIONS

There are likely to be significant benefits in implementing a community franchise system of cycling training. These benefits should accrue to course providers, sponsors, participants, the community and government.

Such a system appears to be feasible given sufficient support for the development phase. The endorsement of Cycling Australia and the Bicycle Federation of Australia makes this likely.

The next step in the implementation of this scheme is to identify possible funding sources for the development phase.

10. REFERENCES

Jacobsen, PL. 2003. Safety in numbers: more walkers and bicyclists, safer walking and bicycling. *Injury Prevention*; 9: 205-9.)

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