

CHIEF EXECUTIVE'S REVIEW

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MOVING TO THE NEXT LEVEL

ACHIEVEMENTS IN 2006

- > Success in new contract awards
- > Greater numbers of customers travelling on our services
- > League-topping operational performance
- > Brand recognition in national Superbrand survey
- > Continuing improvement in employee satisfaction

PRIORITIES FOR 2007

- > Make Travel Simpler for our customers
- > Put "delighting the customer" at the heart of all our decision making
- > Communicate new vision and priorities, to inspire and empower our people
- > Pursue new business opportunities building on our core strengths

The world has changed. At National Express we not only recognise that but we are transforming the way we do business so that we are at the leading edge of delivering what customers want. Our customers take the fact that we can deliver operational excellence as a given. They want to enjoy the same quality of experience when they travel as they do when they buy anything else. At National Express we recognise that and we have a very straightforward vision – Making Travel Simpler.

National Express is a Group made up of complementary businesses with a single common theme; a passion for travel and transport. An attention to detail means we have high rankings in performance league tables. We're innovative too. We value our partnership and customer relationships and we have a brand in our Coach division which is trusted and liked. Overall we're a business in great shape but we have the potential to be better.

CUSTOMER EXPERIENCE

Transport has always been about delivery and getting things right, every time. But in 2007 it is also about providing an experience that our customers actually want to repeat. Customers want choice and they want value. And where their choices are limited such as when commuting, they want to feel valued and feel as if they are getting good value. At the very least, all our customers have options to consider when spending their money on leisure. We have to make sure we give them good reason and repeated reasons to spend it with us.

THE ENVIRONMENTAL DEBATE

We need to take a leadership role in our sector because the environment in which transport is delivered is changing. Congestion and climate change are big factors that need to be considered. At National Express, we believe in being part of the solution especially as coach, bus and train are three of the most environmentally friendly ways to travel. We will be launching a number of groundbreaking ideas in 2007 aimed at showing the environmental benefits of coach, bus and rail services over car and air and we will be practically incentivising customers to use transport modes that reduce carbon emissions.

We are working with key organisations such as the Department for Transport, Transport for London, Centro, the Scottish Executive, Regional Development Agencies, School Boards and many more in order to be part of the debate that is creating solutions. We don't expect things to be handed to us on a plate. We understand the need, as well as our responsibility, to be part of the answer.

FUTURE CHANGE

To transform what we offer customers and stakeholders, we'll need to change ourselves. We need to build an awareness of how a modern consumer-facing business should behave into the way we behave. We are already developing a greater entrepreneurial approach and a greater willingness to push the boundaries. And the best bit is that our people, wherever they are in National Express, are eager to rise to this challenge. The reality is that our success or failure will be determined by the performance of our people who interact with our customers every minute of every day.

MAKING IT SIMPLE

Delivering great customer service every minute of every day, is easy to promise but much harder to do. In the transport arena it isn't hard to see why. Transport services are complex businesses with a great number of things outside of our immediate control.

We believe that our customers understand this. What they don't understand is when other things that are in our control don't work as well as they should. Making Travel Simpler means focusing on improving things in every way, no matter how big or small. We will make timetables easier to understand. We will make understanding ticket prices, indeed the different types of tickets available, simpler. We will make the interchange between different modes and services simpler. And we will make the whole experience of travelling simpler as well as more enjoyable. To do all of that means treating our customers as we would want to be treated ourselves.

This makes good business sense as well as ensuring we deliver good customer service. We will demonstrate that this approach is commercially sensible. We want all our stakeholders whoever they are to trust in our integrity. This year, I will be sharing a vision of where we're heading, and the kind of organisation we want to become as we grow in the UK and overseas. We will create the tools, training and environment that inspire and enable people to take us where we want to go.

Our brand is already widely respected and we will build on that in the future. We have some great opportunities ahead of us, and I believe our stakeholders will benefit from our journey as we deliver improved products and attract more customers to our services. As you'll see on the following pages, it's a journey that's already begun. [n](#)