Attaining the optimal mix of Parking + Pricing

Optimising the yield of a car park requires a comprehensive approach which encompasses the five key factors of **locale, building, presentation, products and pricing**.

The optimal approach requires an assessment of the needs of car park owners and operators, as well as those of the end user's. The review typically includes:

- Identifying current **customer mix** as well as the potential customers you may be missing out on.
- Identifying your **most profitable customers** and maximising their contribution.
- Understanding your **competitors and any product substitutes**.
- **Benchmarking your results** against other similar assets and identifying opportunities for improvement.
- Understanding and optimising the use of your existing parking data, especially that captured through access control equipment and other technologies (e.g. parking guidance systems).
- Determining the **optimal pricing strategy** to maximise yield including active yield management through variable pricing, dynamic pricing and/or online booking and apps.
- Marketing **strategies to promote your car park** to your target markets.
- Assessment of the presentation of your car park and its ability to command premium prices as a result of key items such as good lighting, painting, signage, wayfinding etc.
Benefits of a car park yield assessment

A recent example relates to a CBD car park which showed high occupancy. A price comparison with competitor car parks indicated that the high levels of occupancy were being achieved as a result of pricing that was below the market rate for the area. A review of the car park led to a recommendation that parking prices could be significantly increased, whilst still maintaining an appropriate level of occupancy.

A second example relates to a car park with a high vacancy rate, although it was located in a ‘CBD’ environment. During the yield assessment it appeared that pricing in the car park was higher than its competitors and new products were not being considered in order to provide additional revenue, particularly in evenings and at weekends. The outcome from this particular review was an increased base rent for the owner, driven by increased occupancy of the car park.

In both of the above examples, the ROI for the owner yielded significantly in excess of the cost of the assessment.

For clients seeking expert commercial advice aimed at improving returns, there are a number of alternative strategies that can be employed. Our analysis and advice will allow you to identify the areas to focus on in order to access the untapped potential in your car park.

Contact kelvin.worthington@parkingconsultants.com for more information.