

The regional carriers often rely on government subsidies to meet expenses. Through interline agreements passengers are able to buy one ticket and transfer between multiple motorcoach carriers for long distance trips.<sup>14</sup>

While intercity bus travel is common in many parts of the world, for many North Americans it is considered to be demeaning. This move away from bus travel occurred in North America in the mid-20th century as a result of rising living standards, suburban growth and sprawl, growth in airline capacity, and increased car production. All of these factors came together to change the demand for scheduled intercity bus service. It became a transportation choice used mainly by poor whites, African Americans, Hispanics, recent immigrant women, and low-income males who could not afford car ownership.<sup>15</sup>

New life is being breathed into the North American market by upgrades at Greyhound and a variety of start-up carriers serving paired cities like New York–Washington, D.C., Los Angeles–San Francisco, and Chicago–Milwaukee. Using concepts such as yield management and hub-and-spoke systems, bus companies are finding new niches and growth opportunities.<sup>16</sup>

Although intercity bus travel in the United States has declined, motorcoach usage in general has increased owing to its popularity among tour and charter operators because of flexibility and economy of operation. In addition, intercity bus travel remains an attractive alternative to rail travel in many countries with high population densities.

Additional growth opportunities for motorcoach travel can be found in the mature traveler market segment. During the past two decades, the first wave of baby boomers began to enter their senior years, making them a prime target for the domestic motorcoach market. Their primary considerations in selecting motorcoach tours will be service, quality, and comfort. Motorcoach executives predict that health, spa, special event, entertainment, and golf and ski packages will be the primary tours sought by these demanding groups in the future.<sup>17</sup>

As profiles of individuals using motorcoaches have changed, so have the motorcoaches. “Seats are wider. Views are better. There’s stereo music and often an integrated video system showing the latest movies, just like the airlines. Increasingly, there’s a hot beverage service or even a full galley with a microwave oven” (p. 9).<sup>18</sup> The standard motorcoach has grown from 40 feet to as much as 45 feet in length, and passenger capacity has increased from 47 to 55. Motorcoach operators such as Gray Line highlight their ability to provide a wide range of ground transportation services especially suited to motorcoaches, from sight-seeing tours and charter services to airport services on six continents at 150 destinations.

Motorcoach operations, whether intercity (bus) or charter (tour operators), have many of the same operational concerns that face every participant in the tourism industry. Because operators in this industry are privately owned, financial data are not available.

Competition and government involvement in intercity bus transportation varies widely outside the United States. In some countries, such as Spain, bus transportation is more important than rail transportation; in other countries, such as Iceland, there is no train service, only bus service; and in Japan, the Japan Rail Pass includes unlimited travel on the bus as well as the train. Therefore, because of the country-specific nature of intercity bus transportation, we will leave the investigation of availability and operations in specific geographic locations up to your exploration.

Motorcoaches usually serve many more locations than trains, which are confined to specific routes because of their fixed tracks. They are frequently less expensive to ride and can often take you to places not served by trains, although they are generally slower. However, there are several exceptions to this general rule. In southern European countries, including Portugal, Greece, Spain, and Turkey, bus service may be faster but more expensive than trains.<sup>19</sup> The long-distance bus networks of Great Britain, Ireland, Portugal, Morocco, Greece, Turkey, and the Czech Republic are more extensive, more efficient, and often more comfortable than trains. The Eurobus programs provide direct competition to train-pass programs, with two months of unlimited travel on buses