



POLITECNICO
MILANO 1863

DIPARTIMENTO DI ARCHITETTURA
E STUDI URBANI

LABORATORIO DI POLITICA DEI TRASPORTI
TRASPOL
RESEARCH CENTRE ON TRANSPORT POLICY

AN OVERVIEW OF ITALIAN COACH LIBERALISATION (2011-2023)



AN OVERVIEW OF ITALIAN COACH LIBERALISATION (2011-2023)

March 2023

Autori: Paolo Beria, Vardhman Lunkar

Please quote as follows:

Beria P., Lunkar V. (2023). *An Overview of Italian Coach Liberalisation (2011-2023)*. TRASPOL working paper. Politecnico di Milano, Milan (Italy).

Photo by: Autobusweb.com

CONTENTS

Introduction: Italian coach sector regulation.....	4
1. Geography of services.....	6
1.1 Pre-liberalisation networks.....	6
1.2 Post-liberalisation networks.....	7
1.3 Covid years.....	9
2. Companies, turnover and mergers.....	11
2.1 A changing landscape.....	11
2.2 Market size.....	12
3. Price behaviour.....	18
4. Concluding remarks.....	21
Bibliographical references.....	21

INTRODUCTION: ITALIAN COACH SECTOR REGULATION

Italian regulation defines, until 2023, a long-distance coach line a **service connecting three or more regions**. These services are named after “lines of State competency” in contrast with regional or bi-regional connections that are under the competency of the concerned regions and typically provided as PSO.¹ Despite recent regulatory changes that is not yet complete, the **distance** threshold is not the one defining the regulatory regime. Long-distance coaches are entirely out of PSO regulations and have **received no subsidy**, both before and after liberalisation.²

Until 2013, LD coach services in Italy were under **concessions regime**, between the operators and the Ministry of Infrastructure and Transport (MIT), which determined the lines and the characteristics of the services. Regulation also **prevented or limited direct competition** by setting a buffer of 30 km at origin or destination where only one company can provide a service.³ However, a **superior protection was guaranteed to rail** and typically no bus existed unless rail service was particularly ineffective (e.g. Bari-Naples), or absent or of different nature (e.g. night buses vs. intercity trains).

Concession regime ended in 2014⁴ when a complete liberalisation took place. Nowadays, companies operate under an **authorisation regime**, with no exclusivity and no protection for rail. In other words, any company can apply⁵ for a line, in competition with other coach companies but overlapping with any rail service.

The (bizarre) limit of the 3-regions lasted until 2021, when the DL 121/2021 (converted by L 156/2021) changed the threshold of a line for being considered “State competency” to 250 km, with the condition of crossing at least two regions. The decree allows also to serve passengers inside one region, but limitedly to provincial capitals. These specifications have been introduced to prevent long-distance buses subtracting passengers to regional PSOs, but this is – realistically – a possibility only in a handful of cases, where regional PSOs include sorts of intercity lines. A possibility quite remote, by the way, due to the different pricing of long-distance buses (that, obviously, do not aim at occupying seats with short-haul passengers), the lack of seasonal tickets and their lower frequency.

The Italian market underwent numerous profound changes since 2014, both in the industrial structure and in the geography of network. New players entered and grew, and many legacy carriers evolved and survived. **Undoubtedly, liberalisation has brought innovation in product, network, marketing, pricing and has significantly increased coach market size and share.** In addition, the sector has gained, through many difficulties, a “political consideration” that it never had, transitioning from being an unknown niche for the villages of the South to become one of the key participants at the table of Italian mobility.

¹ Acronym of Public Service Obligations: planned and typically subsidised services. Italian entire long-distance sector is out of PSO and thus receiving no subsidy or responding to obligations in terms of prices, lines and frequency.

² Excluding Covid period, when the entire transport sector received various forms of financial aid. Long-distance buses, however, got a negligible (and insufficient) share of the resources that Italy allocated to support the transport sector, the majority of which went to public companies operating in the railways and local transport.

³ For example, if a concession is from A to B, no A to C service can be conceded if C is less than 30 km far from B.

⁴ More precisely, there was a transitory period between 2005 and 2014, when, however, nothing special occurred.

⁵ The procedure, however, is still very complex and time consuming for companies, also due to the lack of digitalisation of the Ministry. This bureaucratic burden is, undoubtedly, a barrier to entry (or remain in the market) for smaller entities.

The aim of this working paper is to draw a picture of how Italian coach liberalisation process changed the market. Despite the lack of accountability of the regulatory bodies in providing official statistical information, we will discuss in the following sections:

- The geography of the networks before and after liberalisation, showing **how geographical coverage grew without abandoning the original niche services;**
- The process of consolidation of the companies in the market, showing that **despite some failures, mergers, and the leadership of international players, Italian (family) companies were largely able to remain active and, in some cases, also grow and compete with new market leaders from a parity level;**
- The evolution of the prices, showing that **the market is (except Covid crisis) in a reasonably good equilibrium for travellers at a safe distance both from price escalation due to market dominance and dangerous price wars due to harsh competition.**

1. GEOGRAPHY OF SERVICES

1.1 PRE-LIBERALISATION NETWORKS

The Italian coach market before liberalisation was characterised by broad geographical differences. The concessions given by the Ministry were de facto put in place only where rail services were absent or judged ineffective. As a consequence, the coach network was marginalised towards smaller towns and cities. This also created a territorial imbalance between northern and southern Italy as regards to the supply.

More in detail, Italian market before 2014 was characterised as follows:

- a. Main companies are from Southern Italy and their core business is connecting almost every village with Rome and often also Naples, Bologna, Milano, Torino, Switzerland and Germany, along the historical migration patterns. These connections operate typically on a 1xday basis (or less), with strong increases during holidays. Connections inside the South are extremely limited, with the exception of Sicily – Calabria and Puglia - Naples.
- b. A second relevant market is between the two coasts in Central Italy, where train connections are poor and therefore, buses result competitive. Differently from the previous ones, these services, especially to Rome, are very frequent (many rides/day).
- c. Companies in the North exist but long-distance coaches are always a very small niche of their business (charter and PSO public transport). No connections within the North exist. Lines operated by Northern companies are typically seasonal ones to the Alps in winter or to the seaside in summer.

The following map represents the network of 2013.

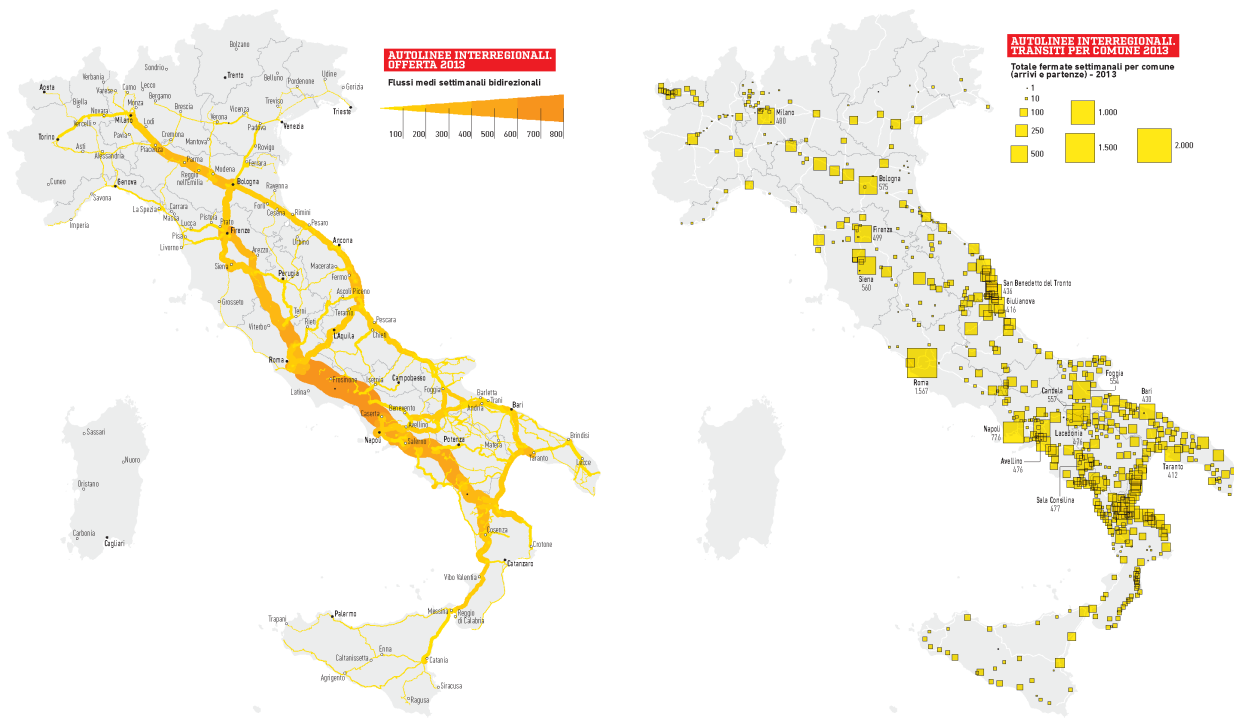


Figure 1. Map of Italian coach network in 2013 (left) and services per day per municipality (right). Source: Beria (2018, eds.). Atlante dei Trasporti Italiani. Libreria Geografica. Novara (Italy).

1.2 POST-LIBERALISATION NETWORKS

The 2014 liberalisation brought in a radical and swift change in the Italian coach market. The Italian coach market has uplifted in terms of demand, supply and most importantly geographical coverage leading to new routes and increased frequency. The connections parallel to the train network has **introduced for the first time intermodal competition** and has led to market evolution.

For the first time in 2021 (Beria et al., 2021), it was observed that the leading sub-market is the North – North relation (previously always North-South relations), whose share increased by 8% and the number of tickets searched by 91%. There were 4 relations internal to the North in the Top 10 interregional connections.

Of course, the main driver of change until 2021 was FlixBus, but some new routes in greenfield markets were established also by legacy carriers. The FlixBus model, started in 2015 from the North and later grown to the Centre and South of the Peninsula, guaranteed at the same time flexibility in exploring totally new markets and rapidity in adaptation. FlixBus operated in two ways: increasing partnerships with local operators in the North and the Centre, often companies that never operated in the long-distance, allowed to create new connections. At the same time, FlixBus established strong partnerships (and mergers, too) with legacy carriers from Centre and South, being able to enter in historical markets like Sicily and Calabria maintaining the existing routes and integrating them in the overall network. The two most relevant cases of mergers were with Baltour in June 2018 and Marozzi in October 2019.

The FlixBus model is currently a mix of “low-frequency, high-capillarity and long-distance” services (based on the partnerships with legacy companies) and “mid-distance intercity and frequent” routes, in competition with train and higher daily frequencies. The same model is observed also for connections abroad (Switzerland and Germany in particular). While the first model remains in the South and continues to alleviate the lower rail accessibility, the intercity one has developed everywhere, including the South, with routes serving frequently and directly the main cities, such as Bari-Roma, Bari-Naples, Lecce-Florence and Taranto-Florence.

While FlixBus was busy expanding and pushing the market, some of the historic companies opened new services and expanded far from their original markets. For example, the Sicilian company SAIS Autolinee started offering daily night and day services in 2020 on the Sicily-Calabria-Puglia route. BusCenter, a Sicilian consortium, operated for some years a national network including north-to-north connections. Similarly, Apulian operator MarinoBus expanded travel solutions in Calabria and established - in synergy with a local partner - connections from its Apulian cities. Later in 2021, it also announced an alliance with another legacy company Autolinee Federico to establish new connections to Calabria, from Naples, Rome, all of central-northern Italy and also to European countries such as Switzerland, France, Luxembourg and Germany.

Not only legacy companies expanded the supply. The market continued to show progress when newcomers like BlaBlaCar Bus and Itabus started providing services independently and also in collaboration with other legacy carriers, thus establishing a multimodal transport network promoting technological advancement through their platforms.

A map of Italian network in 2019, created from the tickets searched on the checkmybus platform, is shown in Figure 2.



Figure 2. Map of Italian coach network in 2019. Source: Lunkar, et al. (2022).

1.3 COVID YEARS

The period 2020-2021 (and part of 2022) has been characterized by the Covid-19 pandemic. The pandemic has annihilated the transport sector during the months of lockdown, but its effects spread longer because of a mix of reasons that contributed to the shrink of demand:

- a. “Fear effect”, related to the risk of getting infected on board of vehicles;
- b. A cap on vehicles capacity that Italian authorities imposed with the aim of reducing social contacts. For the coach sector the cap consisted in a **50% reduction of seats** (a ban not valid for air transport and then relaxed also for rail transport) from the end of 2020 to August 2021 and of **20%** (capacity cap 80%) until March 2022.
- c. A ban from the use of public transport for passengers without a valid certification (vaccination or recovery or negative test), removed since April 2022.

The shrink of demand, for which no data is available, can be seen in the supply. We do not have the entire supply, but limiting to FlixBus (for which complete GTFS are available), we can appreciate how half Europe stopped in 2020 (Figure 3). Interestingly, in June 2020, when a partial reopening took place in Western Europe, Eastern and Central Europe were basically “open”.

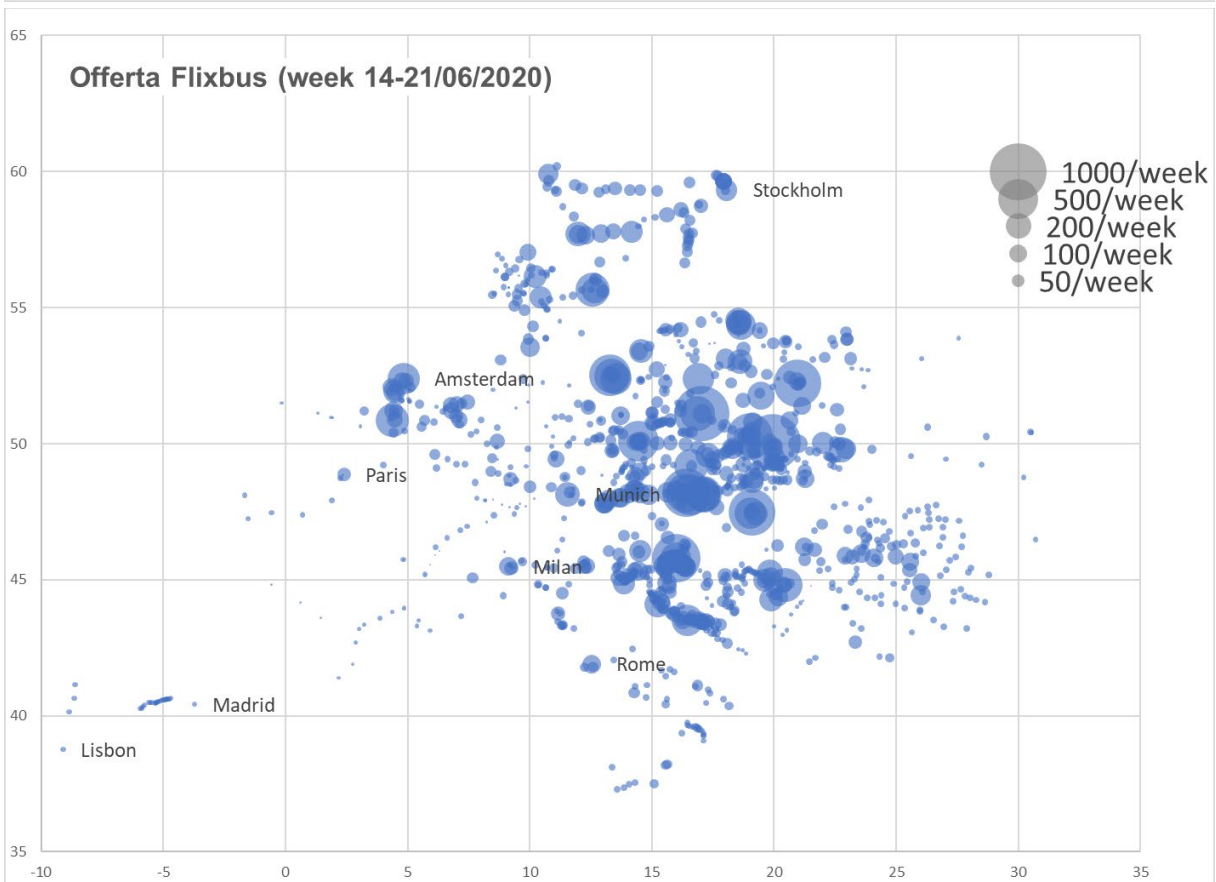
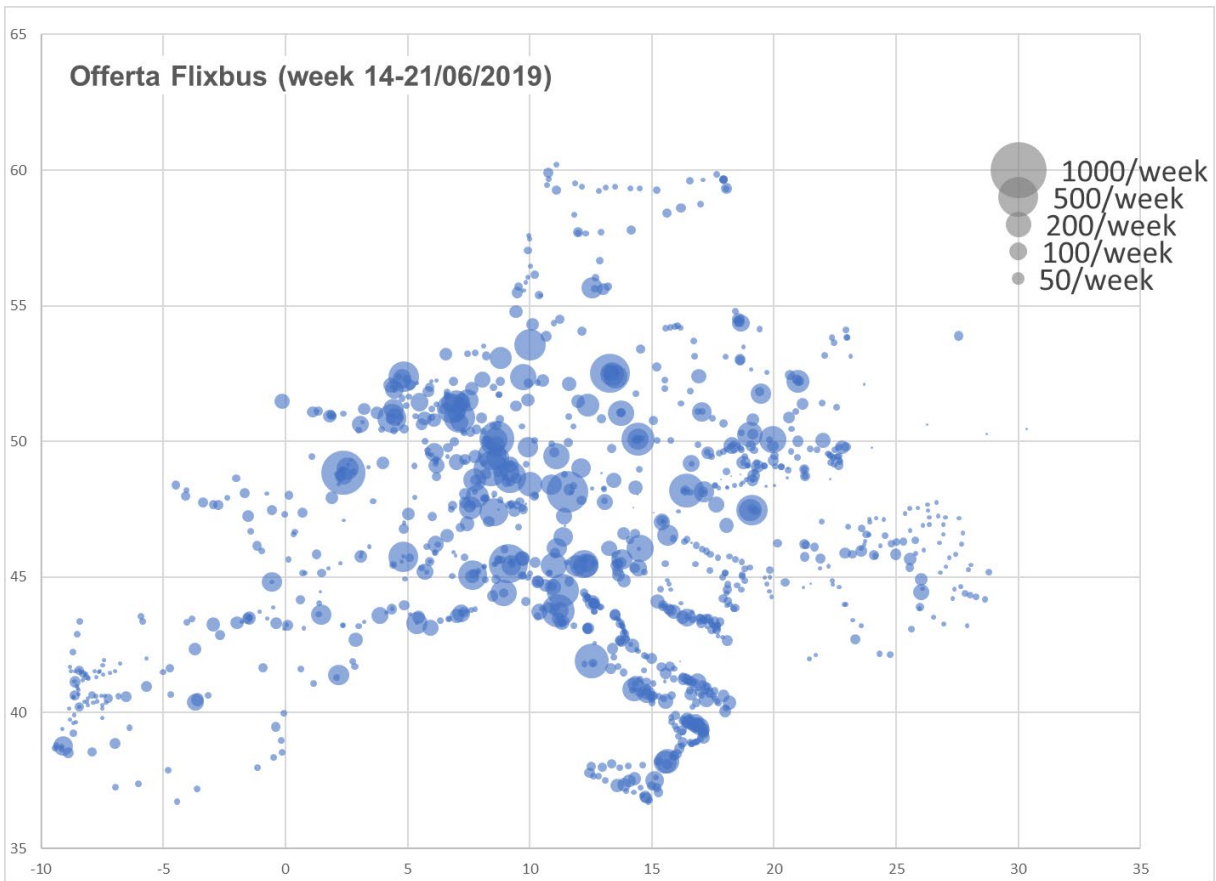


Figure 3. Representation of FlixBus frequency, by station in June 2019 (pre-covid, above) and June 2020 (partial reopening during summer, below).

2. COMPANIES, TURNOVER AND MERGERS

2.1A CHANGING LANDSCAPE

It is a difficult task to reconstruct the *landscape* of Italian legacy companies and their changes after liberalisation. We have evidence of a total of 202 interregional bus companies that existed in the period 2011-2023. Of these, 151 were operating long-distance routes in 2018, including those that used to operate only charter services but entered in FlixBus partnership.

If we look at 2023, we can trace the history of 159 different companies, as summarised in Table 1. In total, 106 companies are active, partially as independent entities and partially operating as franchisee under FlixBus or other legacy carriers that use the partnership approach, too.

Among the **independently operating** ones, the majority is represented by legacy companies (35) that operated in the long-distance sector with continuity. Another 21 entered in the market after liberalisation and still operate.

The group of companies **active but partners** of another company or brand has reversed proportions: the vast majority is represented by new companies – or better, existing companies operating charters or PSO only that started operations in the long-distance -, while just 10 are legacy carriers passed under another brand.

Overall, this demonstrates that **the liberalisation has allowed 21+32 companies to enter a market that was previously closed for them.**

The downside is that **16 legacy companies ended LD operations, together with another 45 “newcomers”** that could not survive long. However, the majority of these exits (54 vs 7) occurred after covid crisis, suggesting that the fall in patronage had a role in financial sustainability of a newcomer, most likely also small.

Table 1. Overview of Italian coach company history

Companies still operating independently	Num.	%
Legacy companies still active	35	22%
Entered in the market post-liberalisation	21	13%
Companies still operating under other brands		
Legacy companies now operating for Flixbus	6	4%
Legacy companies now operating for other than Flixbus	4	3%
New entries (in LD) now operating under Flixbus	26	16%
New entries (in LD) now operating under others	6	4%
Companies not operating in 2023		
Legacy companies that ended operations before-COVID	2	1%
Legacy companies that ended operations post-COVID	14	9%
New entries that ended operations post-COVID	23	14%
New entries that ended operations before-COVID	5	3%
New entries as partners that ended operations post-COVID	17	11%

With a certain degree of approximation, Figure 4 tries to quantify the number of active companies, dividing between independent and companies operating as a partner of another one, in many cases coming from the charter market. Interestingly, companies in the long-distance segment are more now than in 2013, despite Covid crisis.

Number of companies operating in long-distance Italian market

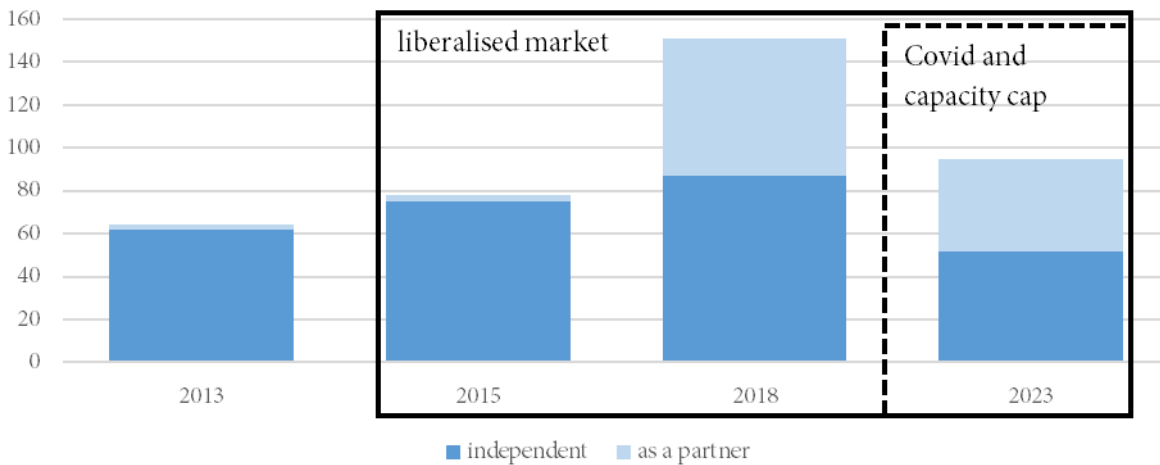


Figure 4. Estimation of number of active companies in Italy in the long-distance market

Overall, the conclusion is that in a liberalised and contestable market, entries and exits are common and frequent, especially at the beginning when a “trial and error” approach is tried by some players if exit barriers and sunk costs are limited. **Notwithstanding the hammer of Covid-19 on short-term profitability, the balance among entries and exits is largely positive** and – to a certain extent – Italy is a peculiarity with respect to France and Germany, where a turbulent opening ended soon in a broad consolidation around a handful of surviving brands. The explanation of this peculiarity lays in the fact that **Italian market was not a greenfield in 2014 and many of the legacy companies had the technical, financial and market capability to survive** the entry of FlixBus and – recently – of Itabus. They retained at least part of their market positioning in historical markets and in some cases succeeded in innovating their products. **Their “failure” lays rather in the fact that they were not able to merge and reinforce before liberalisation, making them able to expand in markets that did not originally belong to them.** This conservative approach allowed FlixBus and others to easily ground their position in the real greenfield markets, namely the North and some international routes (e.g. towards Germany or France).

2.2 MARKET SIZE

An estimation with statistical value of Italian market size is impossible. There are no official figures from the **Ministry of Transport**, specially related to the long-distance sector and the Italian Transport Authority (ART) has no primary sources to elaborate. A direct request of data to the Ministry evidenced that there is not even a digital register of authorisations (and moreover of older concessions), so no way to officially reconstruct the history of the liberalisation process. On the side of **companies**, they typically do not publish KPIs such as bus-km, passengers, passenger-km. Moreover, it is impossible to reconstruct independently a time series. Some aggregate data from ANAV (the Italian National Bus Association) quantify the size of the sector of long-distance buses in 320 M€/year of turnover before Covid, plus 200 of airport shuttles.⁶

⁶ Out of a total of 750 M€ for the entire non-PSO bus transport, including schools buses, tourist services (ANAV, 2022)

For these reasons, the elements presented in this section do not have a statistical significance, but are nevertheless useful to point out trends and in particular to **respond to the question whether liberalisation has extended or shrunk the market.**

In absence of figures on number of lines, or bus-km or passenger-km, a first element describing the supply side that can be found for all companies is the number of employees. The figure has biases because:

- a. Legacy companies often operate also charter and local public transport and the businesses cannot be separate;
- b. Companies may or may not do the maintenance in house and this may change over time, with a tendency towards outsourcing;
- c. Newcomers, but sometimes also legacy carriers, extensively use the model of franchising with companies that are out of our radars. The case of FlixBus is emblematic, having less than 100 employees, but employing indirectly many more through partners.

While the problem “b” is unsolvable for us, we may assume for point “a” that the number of employees on non-interregional lines are reasonably constant and thus the variation of employees over time is a proxy of what happened to long-distance. Problem “c” instead is solved by estimating the number of drivers necessary to operate franchised lines, based on the known time series of buses of FlixBus and Itabus, the two major players adopting this model.⁷

On these premises, we considered the balance sheets of the following companies, representing the likely main players in Italian market: FRATELLI ROMANO S.P.A., L.V.L. INTERLINES S.R.L., BALTOUR S.R.L., AUTOLINEE FEDERICO S.P.A., SOC. MARINO S.R.L., AUTOSERVIZI SALEMI SOCIETA' A RESPONSABILITA' LIMITATA, AUTOLINEE MORETTI S.R.L., VIAGGI & TURISMO MAROZZI - SOCIETA' A RESPONSABILITA' LIMITATA, S.A.J.(SERVIZI AUTOMOBILISTICI JONICI) S.R.L., IMPRESA AUTOLINEE SCURA - IAS S.R.L., LIROSI LINEE S.R.L., AUTOLINEE LISCIO GIUSEPPE, SIMET S.P.A, BUSCENTER, FLIXBUS ITALIA S.R.L., ITABUS S.P.A, AUTOLINEE CURCIO S.R.L, SAIS AUTOLINEE S.P.A, FERROVIA DEL GARGANO S.R.L, AUTOLINEE CHIRUZZI S.R.L. From the balance sheets we extracted the direct employees, to which an estimation of indirect ones of FlixBus and Itabus only has been added.

The estimation, drawn in Figure 3, is particularly conservative because ignoring the indirect employees of companies different from FlixBus and Itabus, ignoring minor companies and ignoring maintenance outsourcing.

⁷ Based on known data, we estimate 3,5 drivers per bus in operation and one additional workshop worker every 7 buses.

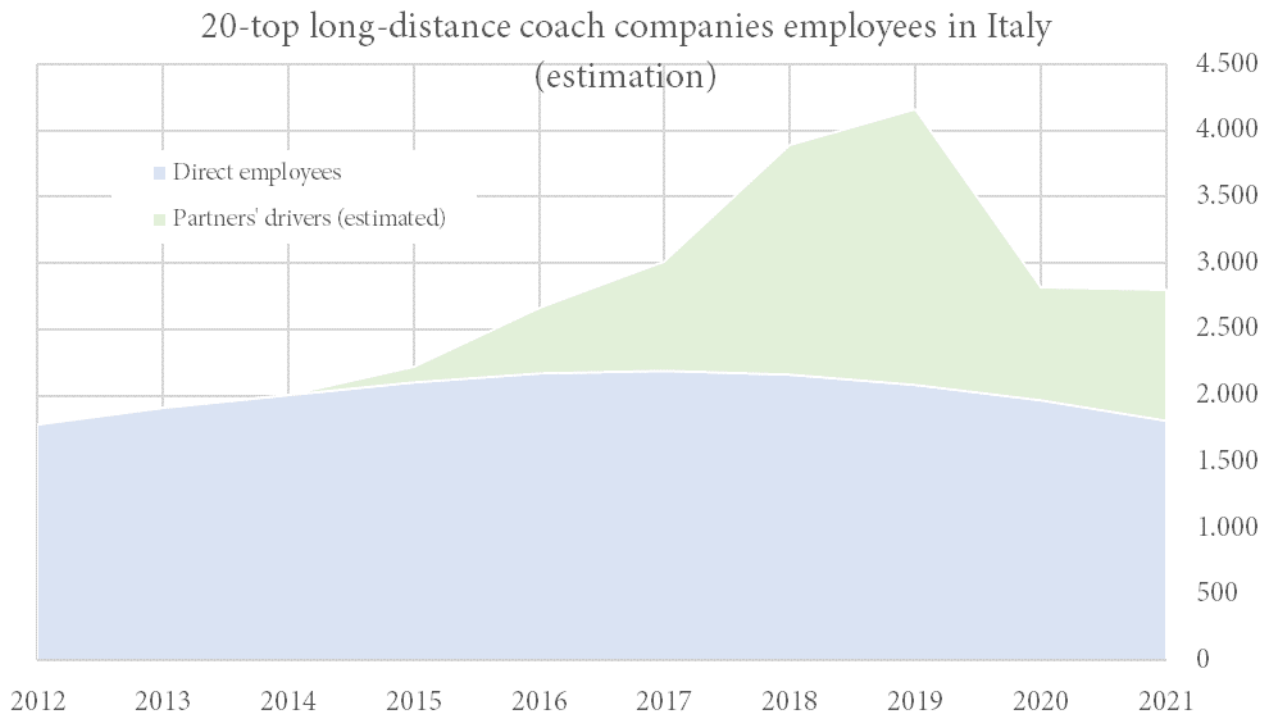


Figure 5. Estimation of total direct and indirect employees of 20 major Italian companies.

What can be noticed is that from 2014 to 2017 direct employees grew and started decreasing in 2018 and 2019. Of course, this trend is largely offset by the growth of FlixBus and later of Itabus (after 2021: not included in the chart). Clearly Covid-19 years present a fall due to lower demand and load factor cap imposed from Italian authorities. However, the fall is likely to be partially recovered already in 2023, for which however we have no data.

The small downward trend observed already before Covid19 for legacy companies is however not a homogeneous fact. Table 2 shows that **five companies, excluding FlixBus and Itabus, are bigger in 2022 than in 2013 and another four are basically the same, despite the Covid crisis.** On the other side, nine companies are smaller now than pre-liberalisation, but if we stop at 2019 the shrinking ones are just five.

Again, employees data tell us about a sector that has changed, with some companies losing but with others growing, and most importantly not limitedly to the two big newcomers.

Table 2. Changes in direct employees of a sample of 20 Italian companies (anonymized).

2019 vs 2013	2021 vs 2019	2021 vs 2013	Company
-6%	-25%	-29%	company 1
18%	-66%	-60%	company 2
21%	-28%	-12%	company 3
6%	10%	16%	company 4
144%	11%	171%	company 5
6%	-14%	-9%	company 6
31%	-24%	0%	company 7
-78%	-50%	-89%	company 8
-9%	0%	-9%	company 9
-2%	-7%	-10%	company 10
63%	-20%	30%	company 11
3%	-4%	-1%	company 12
-21%	-89%	-91%	company 13
-100%	already out	-100%	company 14
new	-22%	new	FLIXBUS ITALIA S.R.L.
new	525%	new	ITABUS S.P.A
22%	9%	33%	company 17
7%	-8%	-1%	company 18
2%	-3%	-2%	company 19
32%	4%	37%	company 20

A similar analysis is done looking at **turnover, margins and profits**. Figure 4 shows the typical situation observed in other liberalised markets: **a slowly growing market is opened; after opening the market booms, but the legacy companies are responsible only of a (small) part of this growth that rather belongs to more dynamic newcomers**. Seeing the figure referred to total revenues, we may affirm that legacy companies remained capped to their historical turnover and that all the new market revenues is obtained by FlixBus (and Itabus since 2021).

Covid-19 ended this dynamic due to fall of demand and cap to seats capacity⁸, but **hit FlixBus much more than the legacy companies**, probably due to the lack of revenues from PSOs.

⁸ See section 1.3.

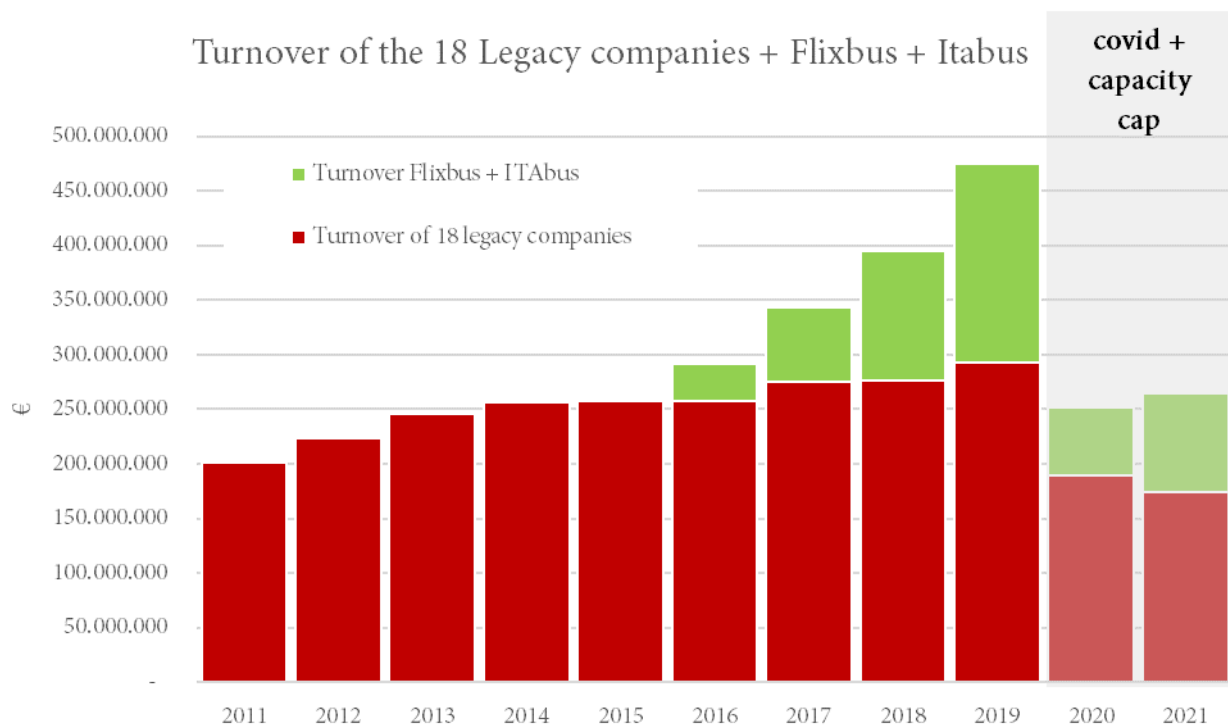


Figure 6. Total turnover of 20 major Italian companies.

The dynamics of **marginality** is even more complex. Legacy carriers (together) never had negative operating margin (Figure 5, left) except for 2017, when a couple of companies were “in troubles” for different reasons (Figure 6, top left). 2019 was another year of apparent crisis for legacy group, but this is due to one single case (that still survives, despite smaller), while all the others were even making profits.⁹

As already pointed out, the most severe impact of Covid on margins and profits has been for FlixBus, due to its single-business model. Except one legacy carrier and Itabus suffering of the same problems of FlixBus, 2021 was – surprisingly – reasonably good for most of legacy players, probably due to the financial help received on PSOs.

⁹ Except ITABus that was still not operating.

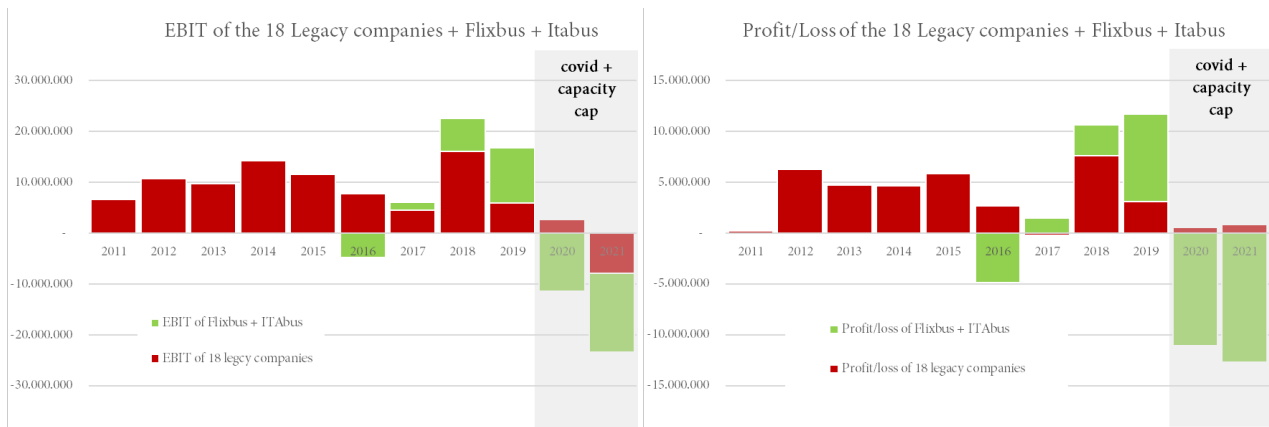


Figure 7. EBIT (left) and profit/losses (right) of 20 major Italian companies.

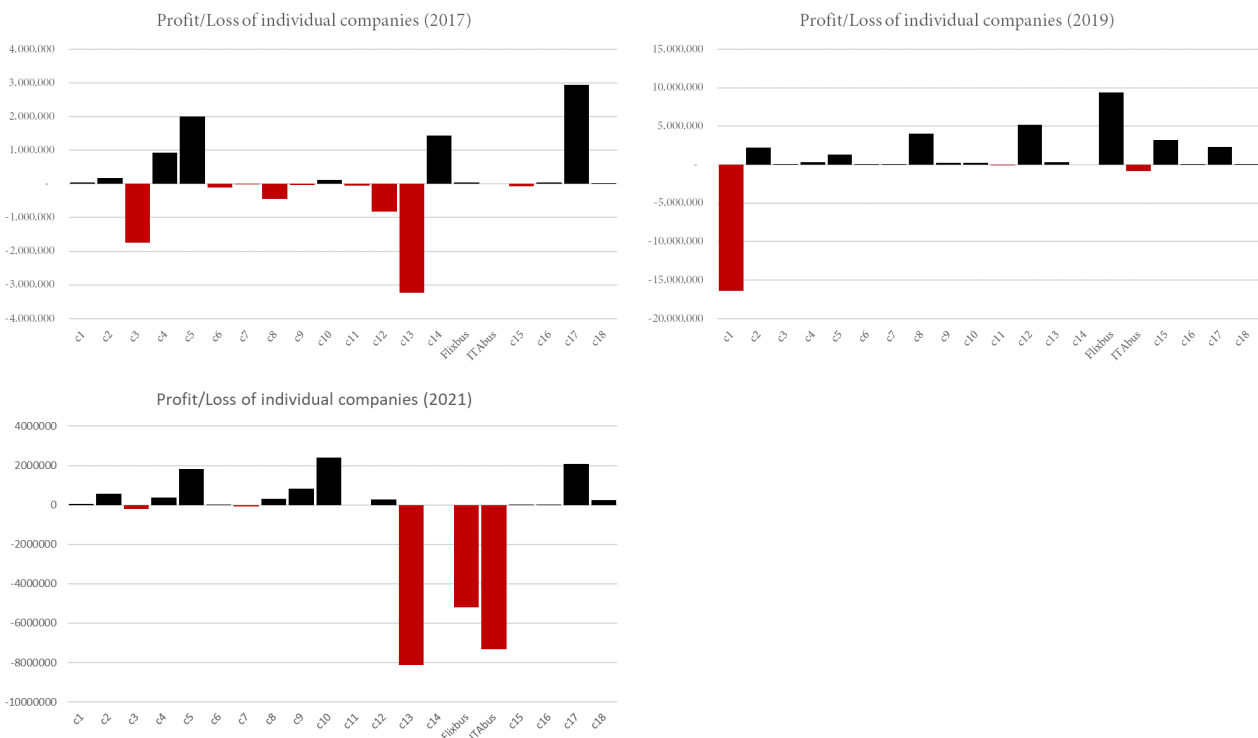


Figure 8. Profit/losses of 20 major Italian by company, in 2017, 2019 and 2021.

3. PRICE BEHAVIOUR

To complete the picture, in this section we briefly analyse the prices observed in Italian domestic routes. Data comes from a periodic monitoring of the entire Italian market produced in collaboration with Checkmybus (Beria et al., 2021), to which one can refer for more details.¹⁰ Here we focus on a specific aspect, namely **whether prices of legacy and newcomer companies differ**.

To do that, we group three companies (FlixBus, Itabus and Busitalia Fast in the three years of collaboration between SIMET and FSI¹¹) as “newcomers”. The other companies, including SIMET before and after the collaboration, are considered “legacy” in this analysis.

We cannot simply compare an “average price” per company or group, as the distance of the Origin-Destination pair matters and different companies sell a different mix of OD pairs. For example, some companies focus on very long routes from South to North and their price per km will be much lower than companies connecting Rome with Adriatic coast on distances of 100-200 km. An example of distance dependency of routes is shown in Figure 7.

In 2019, for example (left), legacy carriers priced the same prices per km of the newcomers, on comparable routes. In 2021 (right), legacy companies had to price much more than 2019 and that of the newcomers.

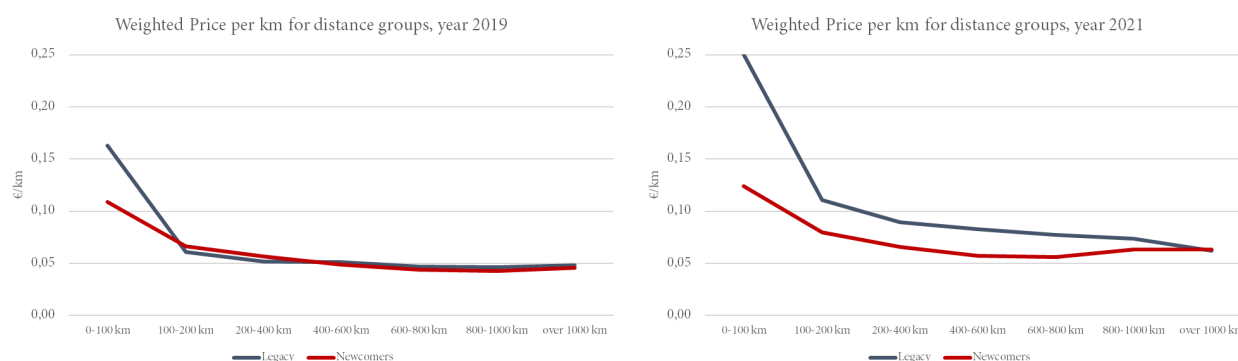


Figure 9. Price per km functions of distance, for legacy companies and newcomers in 2019. Newcomers: FlixBus, Busitalia Fast, Itabus. Source: our elaborations on TRASPOL-CHECKMYBUS database.

Figure 10 provides a complete comparison of what happened in six years in Italian market. In 2016 FlixBus has just entered the market and is still aggressively pricing: legacy carriers cost 20-60% more according to distance threshold. The period 2017-2019 is a period of high and increasing demand, and FlixBus ends its entry strategy and starts pricing like the other players. The other newcomer, Busitalia Fast (owned by national railways) is not changing this picture. No price wars, just an increase of supply, network and demand.

Covid changes everything and 2020 can hardly be considered. In 2021 the restart of demand matches with the entry of a new and aggressive player, Itabus. The effect of this entry is visible in the prices of FlixBus that falls together with its competitor. Interestingly, legacy companies do not participate to this war.

¹⁰ In brief, monthly averages of purchased (actually “clicked” on www.checkmybus.it) tickets are observed, for each OD pair and for each company present on the platform.

¹¹ Busitalia Fast was the name used during the period of merger between SIMET and Busitalia, a company owned by Ferrovie dello Stato Italiane. The merger ended later, and the long-distance segment returned under the SIMET brand.

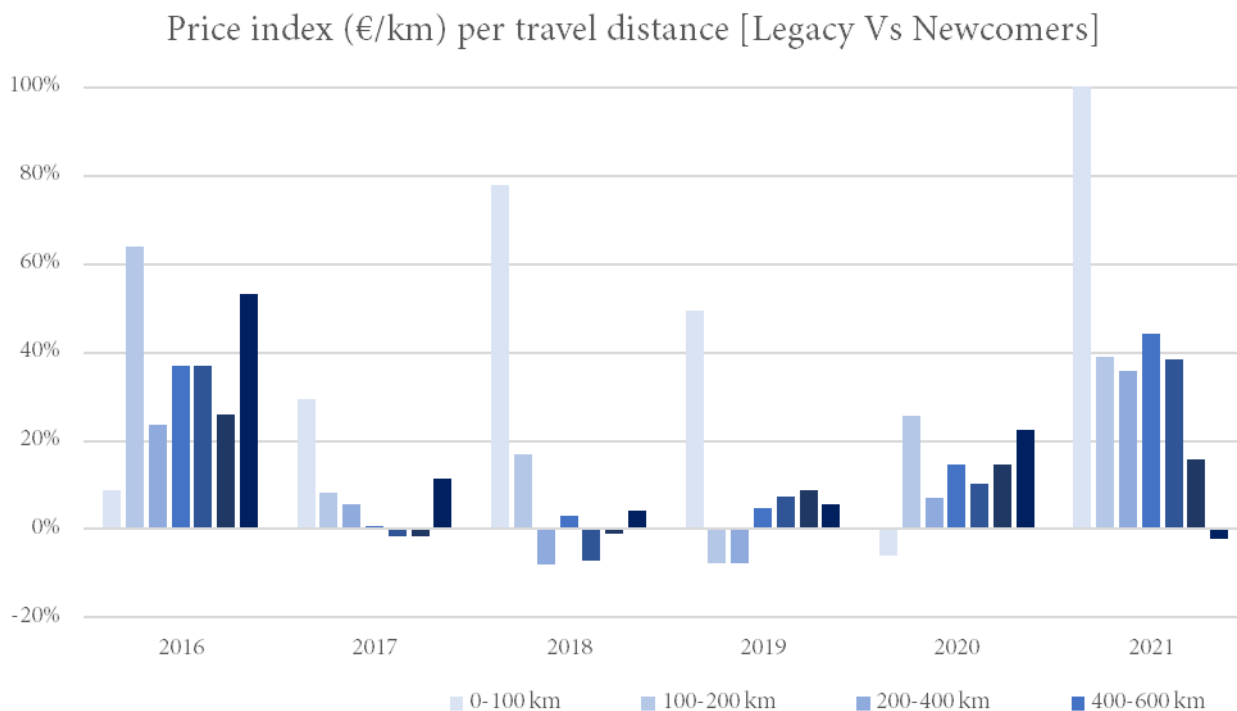


Figure 10. Price difference of legacy carriers with respect to newcomers' ones (a positive value means that legacy price more than newcomers). Newcomers: FlixBus, Busitalia Fast, Itabus. Source: our elaborations on TRASPOL-CHECKMYBUS database.

This chart cannot however be analysed without looking at absolute prices that, differently from one would expect during a price war, did not decrease. In fact, in Figure 11 the overall market prices look steady until 2019¹² and rise only with capacity constraints and demand shortage due to covid. 2022 is expected to go back to previous price level, as demand is returning on board. **This means that legacy companies face the price competition of FlixBus and Itabus during some periods, but overall this is not causing a contraction in prices.**

About prices pre-liberalisation, nothing systematic is known and moreover not directly comparable with these data. For sure, pricing moved from relatively fixed prices (independent from the moment of purchase) to a more dynamic yield management. In 2013, for example, very few companies proposed low-cost prices and the only discounts were, for some companies, return tickets or young/elderly fixed reductions.

¹² The sample of 2016 is significantly smaller because of a lower penetration of Checkmybus platform in Italy, with many legacy companies still not included. For this reason, it is not appropriate to be compared with years from 2017 onwards.

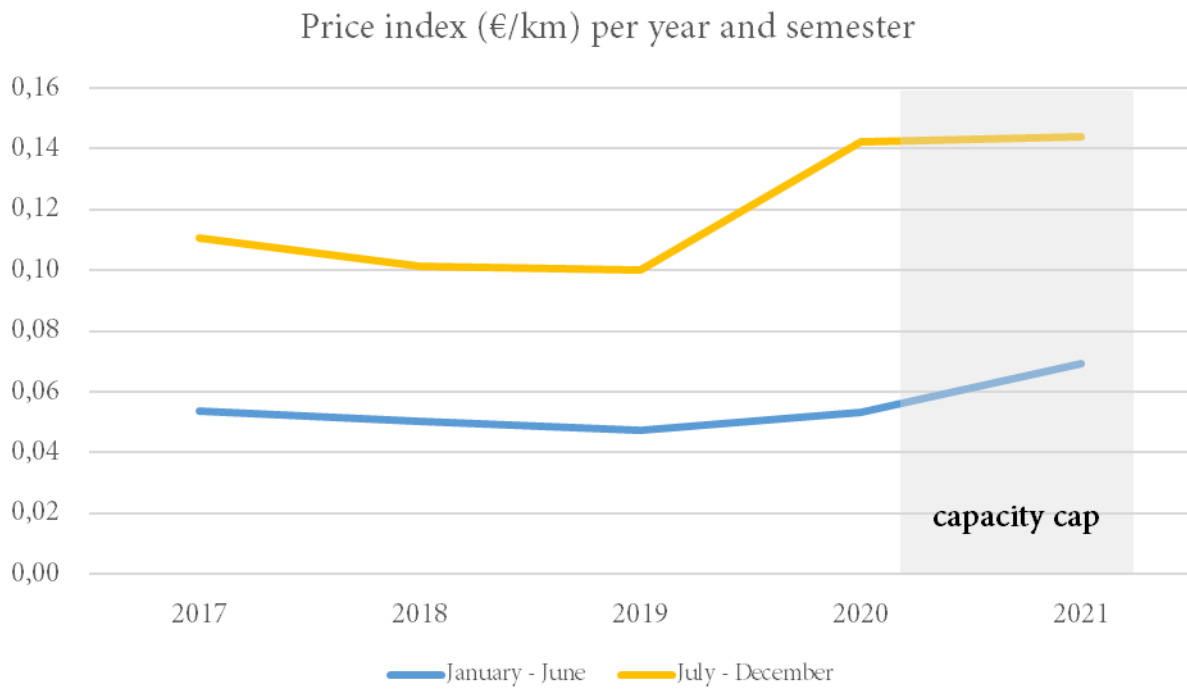


Figure 11. Price index trend 2017-2021, by season. Source: our elaborations on TRASPOL-CHECKMYBUS database.

4. CONCLUDING REMARKS

In this paper we have analysed in detail how Italian coach market changed before and after liberalisation of 2014 and during Covid-19 crisis. Our main focuses were on geography of networks, mergers, entries and exits of companies, financial indicators and prices evolution.

Our main findings are:

1. Post-liberalisation **network has grown considerably in all areas previously not served**, such as North-to-North connections. At the same time, **the extreme capillarity of lines connecting the South and the Adriatic regions to Rome and the rest of Italy was generally not lost**. Legacy carriers in some cases concentrated their supply on the most profitable routes (e.g. to Rome and Fiumicino airport), abandoning other secondary routes, that are now often covered by FlixBus.
2. Mergers, failures, exits and loss of independency occurred among legacy carriers. **But at the same time many survived, and many others were able to enter in a market that was precluded to them during the era of concessions**. FlixBus is the undisputed leader of the market, but not at the level of concentration of Germany or France, and this is **because of the strength and wise strategies of some of the historical Italian carriers**.
3. From a financial point of view, the total turnover of long-distance buses grew. The growth is attributed to FlixBus, nevertheless, incumbents did not lose absolute revenues. In this sense the situation is similar to what happened in air markets with the entry of low costs: **a relative loss of legacy companies but an overall explosion of the market size, at the benefit of all those that were able to adapt to new conditions**.
4. From the employment point of view, **there was no loss of workers, rather the opposite, with a sharp spike in drivers before Covid-19**. Italy suffers today of a shortage of drivers like all of Europe and long-distance coaches are part of such phenomenon.
5. The dynamics of prices show that **FlixBus has been aggressive for a very short period after entry and was soon able to consolidate to a level of price that is the same of the other companies**. Overall, prices from 2016 did not decrease. During Covid the gap between FlixBus & Itabus and the others reopened again, but because the historical companies rose prices to cope with the reduction of demand, while FlixBus did not – or not at the same extent. We cannot speak of price wars until 2022 (out of our dataset) when the entry of Itabus – a large newcomer – has reduced prices again.

Bibliographical references

- AIDA (nd) *Analisi informatizzata delle aziende (Italian company information and business intelligence)*
<https://aida.bvdinfo.com>
- ANAV (2022). *Trasporto commerciale con autobus. Quadro del settore e prospettive per il futuro*. Presented at:
Next Mobility Exhibition – Milano, 12 October 2022
- Beria (2018, eds.). *Atlante dei Trasporti Italiani*. Libreria Geografica. Novara (Italy).
- Beria P., Nistri D., Laurino A. (2018). Intercity coach liberalization in Italy: Fares determinants in an evolving market, *Research in Transportation Economics*, 69, 260-269.

- Beria P., Lunkar V., Tolentino S. (2022). *Rapporto sul Mercato delle Autolinee a Lunga Percorrenza in Italia / Anno 2021*. TRASPOL Report 1/22 & CheckMyBus. Milano, Italy.
- Grimaldi, R., Augustin, K., & Beria, P. (2017). Intercity coach liberalisation. The cases of Germany and Italy. *Transportation research procedia*, 25, 474-490.
- Lunkar, V., Beria, P., & Tolentino, S. (2022). Out of the spotlight: Four years of Italian coach market prices. *Research in Transportation Business & Management*, 43, 100798