

RIPTA Fare Study 2015

*An Evaluation of
Fare Policies,
Fare Products &
Fare Payment*

July 2015



Study Team Introductions



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Consulting Team



John McGee, Consultant Project Manager
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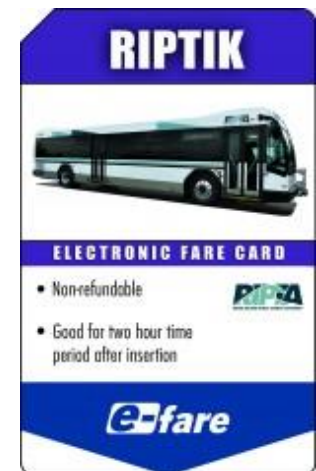
Topics for Today

- **Purpose & Overview of RIPTA Fare Study**
- **Study Activities Completed to Date**
 - Review of Existing Conditions
 - Public Listening Sessions – April 2015
 - Customer & Driver Surveys
 - Peer Agency Review
- **Discussion of Potential Fare Structure Modifications Being Considered**
- **Next Steps in Study**

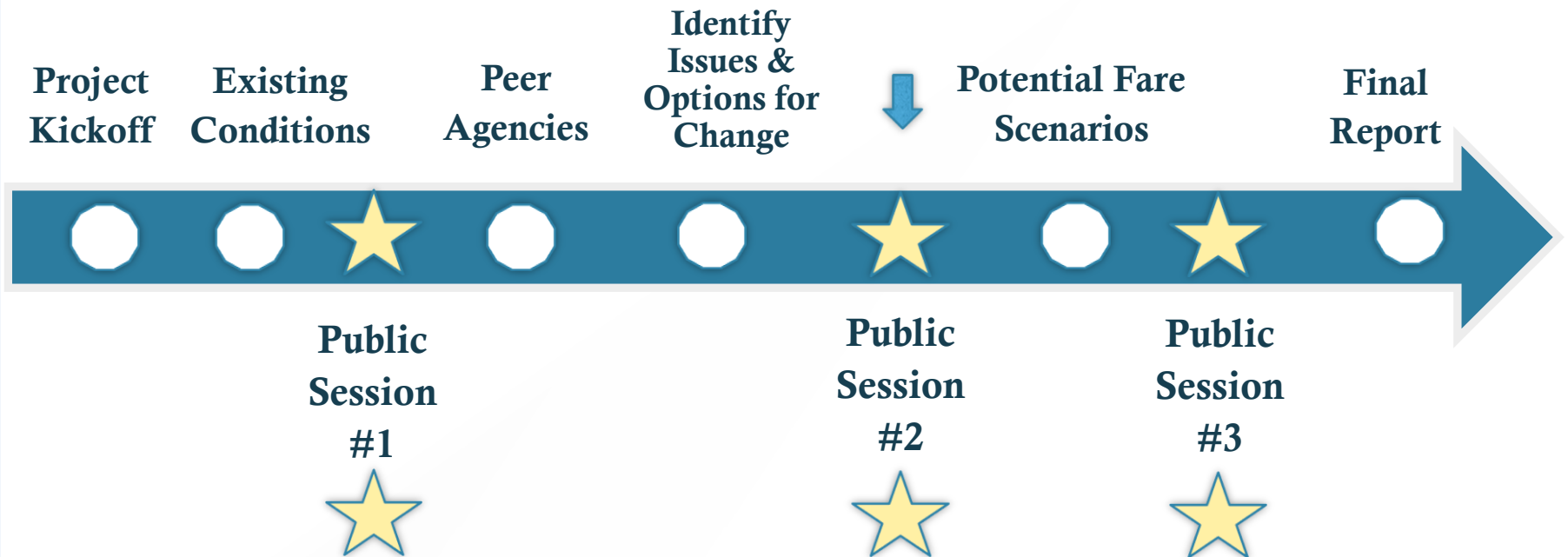


Purpose of Fare Study

- RIPTA's fare equipment is aging and has increasing maintenance issues
- Technology is rapidly advancing and may present opportunities to:
 - Simplify fare products
 - Better meet customer needs / desires
 - Improve customer experience (faster trip)
 - Use best practices from other transit agencies
- Our fare system should work for our riders and be designed to maximize our revenue



Study Schedule



April Public Meetings

Asked public opinion on:

- Fare product availability / sales outlets
- Type of fare products offered
- Fare policies / price
- Ease of onboard fare payment

Asked:

- What works best today?
- How might you like future fare payment to work? What sort of changes would you like to see?

What we heard.....

Concerns about:

- Raising fares
- # of free trips on the system today

Desire for:

- Wider distribution of fare products
- Convenience / Ease of use /Faster payments
- But retain ability to pay cash
- Integration with MBTA, GATRA, SRTA

Things to consider:

- Different fares for shorter/longer trips
- Ability to use credit card, stored-value card or cell phone to pay fare



Customer Survey on fares

- **Conducted April to May 2015**
- **Available on-line and given on-board buses**
- **RIPTA customers were asked opinions on:**
 - Fare products
 - Fare policies / price
 - Ease of use
- **745 customers responded**

RIPTA Transit Fare Study -- Customer Survey April 2015						
LET US KNOW YOUR THOUGHTS ON TRANSIT FARES						
The goal of RIPTA's Transit Fare Study is to develop an affordable, attractive, and convenient fares to encourage transit use. We are seeking passengers' opinions on transit fares. Survey responses will be anonymous and reviewed as part of RIPTA's Fare Study. Thank you for taking the time to share your opinions about RIPTA's fares.						
Please write an "X" in the column that best describes your opinion about each of the following statements.						
Price	Strongly Agree	Agree	Slightly Agree	Slightly Disagree	Disagree	Strongly Disagree
RIPTA is a good value.						
Seniors, people with disabilities, and students should receive reduced rates.						
All trips, regardless of length, should cost the same amount.						
Express service should cost the same as regular service.						
Flex service should cost the same as regular service.						
Trips that require multiple buses should require a charge to transfer.						
Fare Products						
	Strongly Agree	Agree	Slightly Agree	Slightly Disagree	Disagree	Strongly Disagree
RIPTA's fare products are easy to understand.						
RIPTA's fare products are available for purchase at many different places.						
RIPTA has a variety of fare products that meet my needs.						
I would like to be able to use my cell phone to pay when I board the bus.						
I would like to be able to use a credit/debit card to pay when I board the bus.						
Ease of Use						
	Strongly Agree	Agree	Slightly Agree	Slightly Disagree	Disagree	Strongly Disagree
The farebox is easy to use and understand.						
Using a transfer to board another bus is easy to do.						
Purchasing RIPTA and MBTA fares for the same trip is easy.						
The driver helps me when I have an issue with the farebox.						

Customer Survey

Opinions about RIPTA Fare Pricing

Spring 2015

RIPTA is a good value.

33%

45%

13%

6%

Seniors, people with disabilities, and students should receive reduced rates

54%

34%

8%

All trips, regardless of length, should cost the same amount.

34%

28%

13%

16%

7%

Express service should cost the same as regular service.

30%

30%

19%

14%

Flex service should cost the same as regular service.

25%

22%

21%

11%

19%

Transfers should require an additional charge

9%

26%

18%

23%

21%

Strongly Agree

Agree

Neutral

Disagree

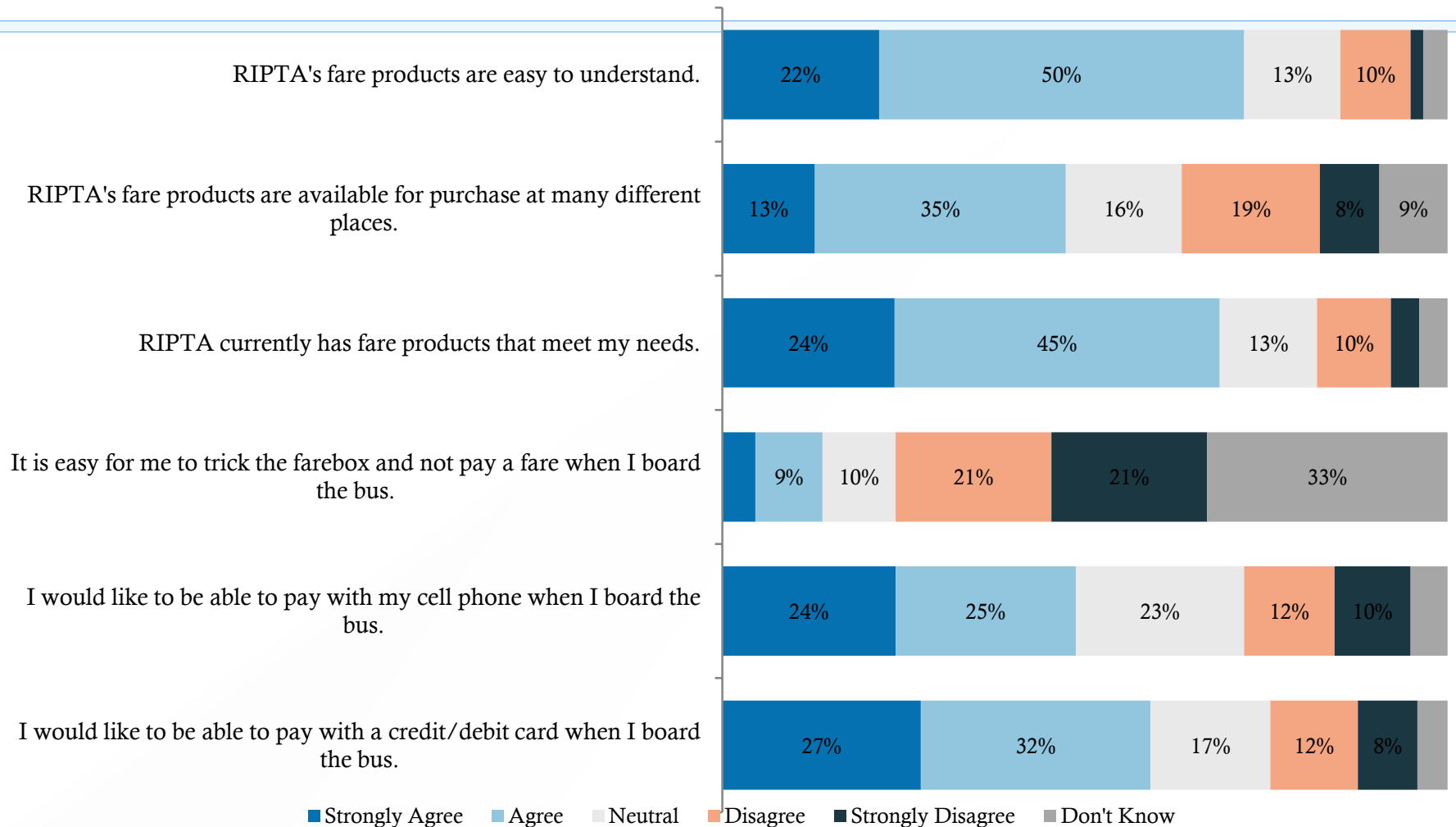
Strongly Disagree

Don't Know

Customer Survey

Opinions about RIPTA Fare Products

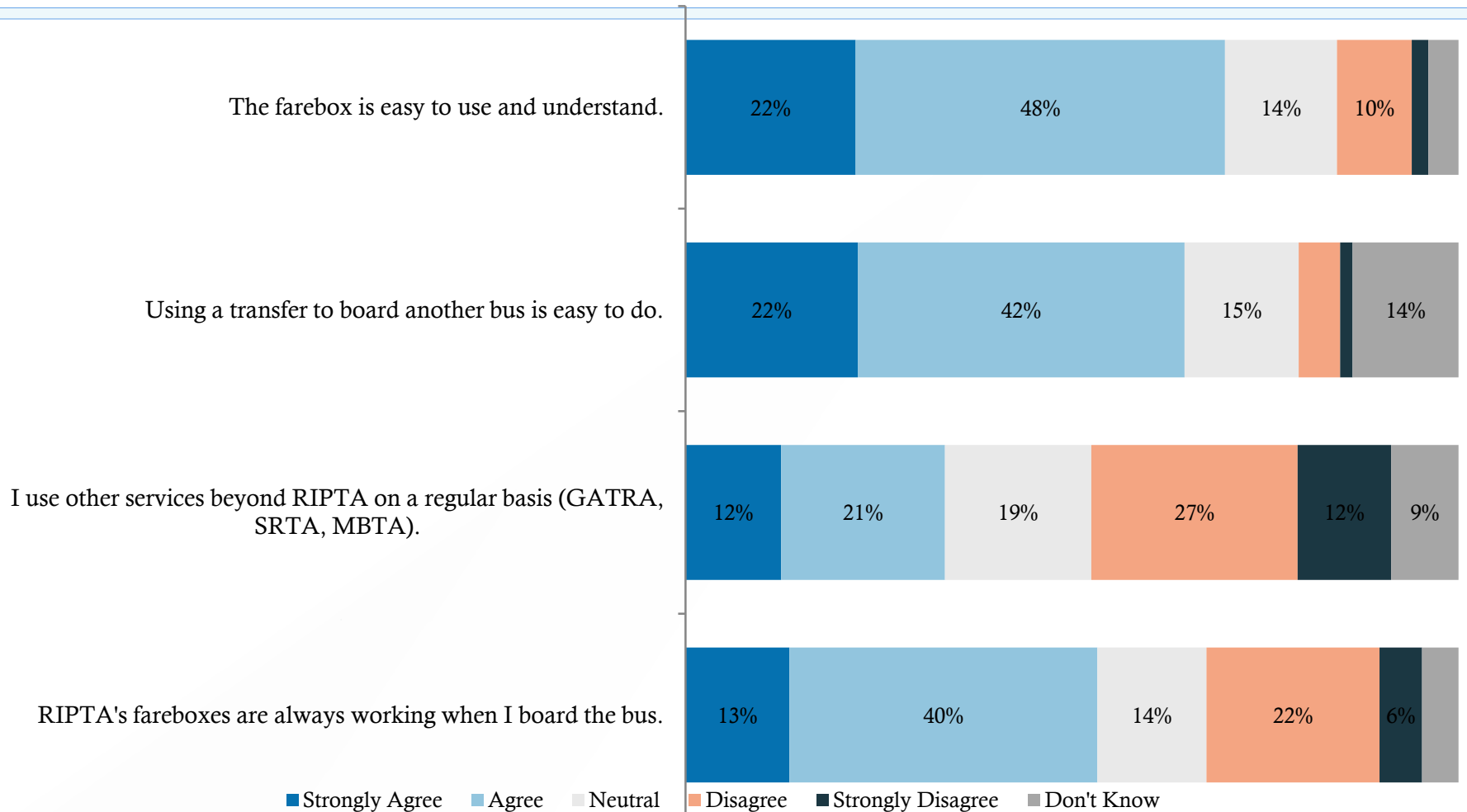
Spring 2015



Customer Survey

Opinions about RIPTA Fares: Ease of Use

Spring 2015



Peer Agency Review

- **We reviewed the fare systems of 7 similar or “Peer” transit agencies to assess:**
 - Type of fare products offered
 - Base fares
 - Reduced fares available
 - Monthly Pass options
 - Surcharges (express routes, Flex deviations)
 - How other agencies structure fares over large operating areas
 - Changes in fare policy that have occurred as these agencies introduce more modern fare collection systems

Peer Agencies

- **NFTA**, Buffalo, NY
- **SORTA**, Cincinnati OH
- **Metro**, Houston, TX
- **NJ Transit**, State of NJ
- **SEPTA**, Philadelphia, PA
- **UTA**, Salt Lake City, UT,
- **GO Transit**, Toronto, Ontario

**Today, we'd like
your opinion on
potential changes
related to RIPTA's
fare policies and
fare structure**



Fare Structure Options

- A menu of potential options for consideration
 - We are looking for your input today
- After today, we will mix and match options to create potential scenarios for future consideration
 - Design scenarios to maintain RIPTA's budgeted annual fare revenues
 - Higher prices of some fare products may allow others to be further discounted
- RIPTA may take future action to increase revenues at some point, but such action would be independent of this study

Issues Considered

1. Different fares based on length/quality of trip
2. Frequent farebox failures are affecting RIPTA revenue
3. Transfer policy
4. Customer convenience



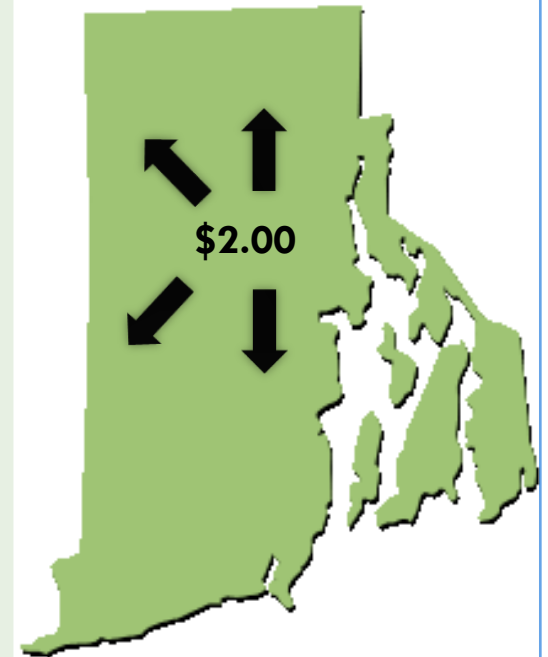
Some think fares should be based on trip distance or type

How it works today

RIPTA customers pay same fare regardless of trip length or quality “One-State/One-Rate”

Why consider change?

- Fare could be based on “trip attributes”
 - Longer distance
 - Faster trip/limited Stops
 - Free parking
- Higher fare on some trips might enable certain fare products or shorter trips to be discounted



Should “One-State One-Rate” be changed?

Options to Consider

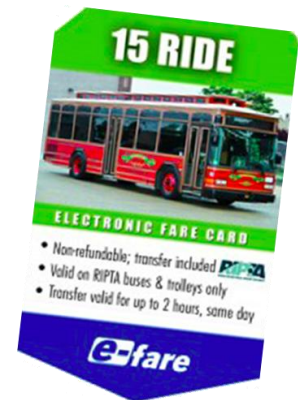
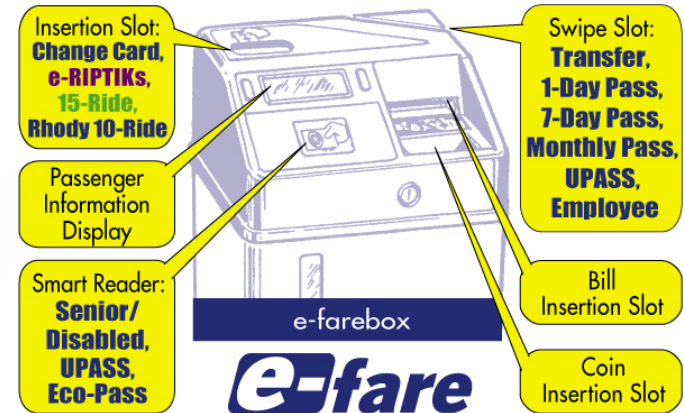
- Keep as today. All trips have same base fare
- Charge a higher “premium” fare on eXpress routes
- Charge a “premium” fare only if special amenities are provided
 - Wifi on buses, limited stop service, etc.
- Offer a lower fare or free transfers on very short routes
 - May require higher fares elsewhere in the system
 - Might be more complex for customers and drivers

Fareboxes frequently breakdown

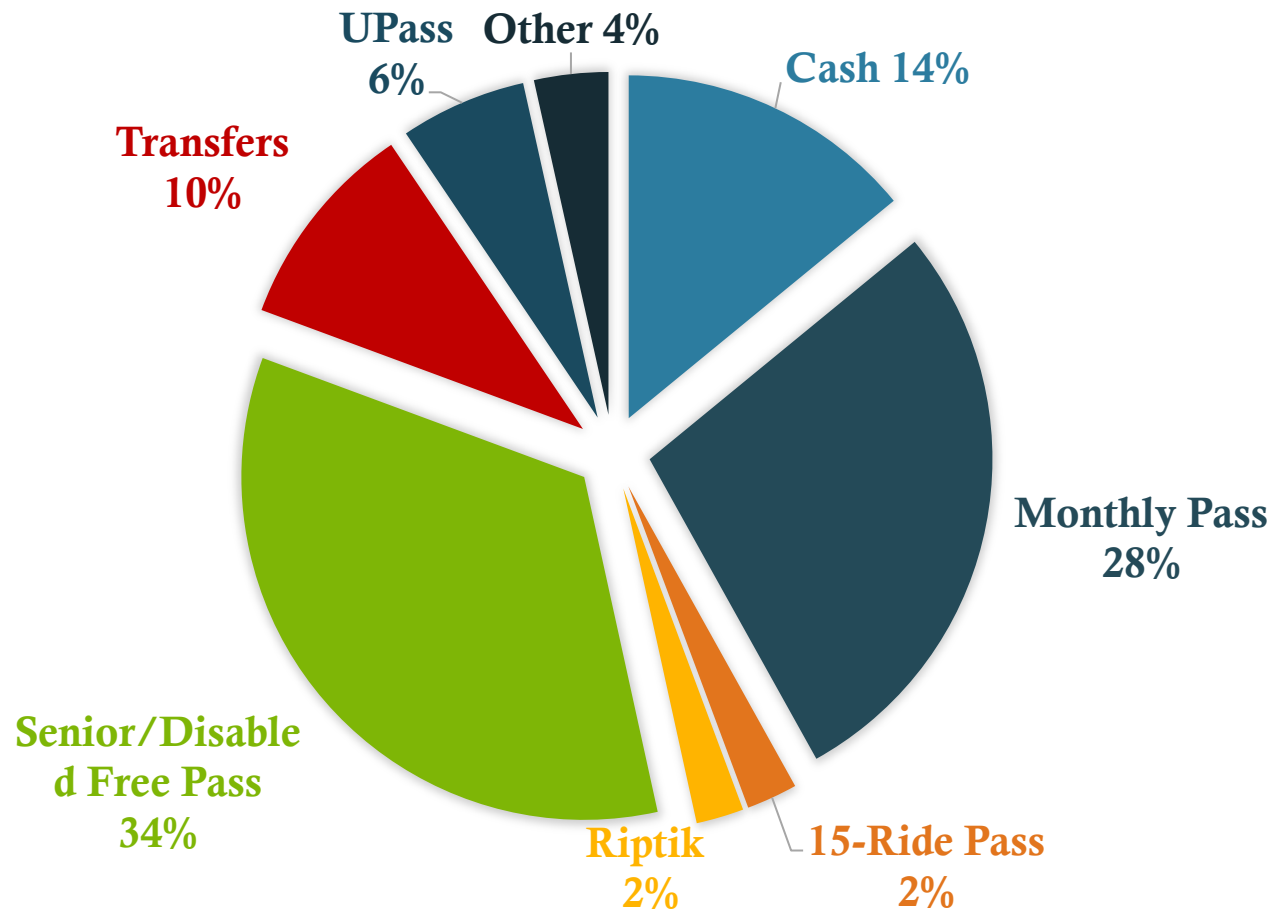
How it works today

- Fare products that must be “dipped” often get stuck in the farebox
 - Riptiks
 - Change cards
 - 15-Ride passes
 - Transfers
- Damaged or wet media gets stuck
- Currency is misfed or rejected
- Farebox breaks down and RIPTA loses revenue.

Need temporary “fix” until new fare system can be put in place



Avg. RIPTA Fare Product Use (2014)



Options to reduce farebox failures

Options to Consider

- Keep as today.
 - Revenue losses may need to be offset through higher fares
- Introduce fare products that “tap” to replace products that “dip” (Riptiks, transfers, 15-Ride Passes)
- A short-term limited use pass could be offered in place of Riptiks
 - ½ day or 4 hour pass
- Discourage use of cash / and on-board purchases by:
 - Offering 1-Day and 7-Day passes at more off –bus sites
 - Re-evaluate the level of discounts

We are rethinking our transfer policy

How it works today

- Cash transfers \$0.50
- Good for 2 hours, but not on same route in same direction
- Unlimited for 2 hours with Riptiks
- Unlimited with pass products

Why consider change?

- Inconsistent enforcement on time limit
- Many use transfer for roundtrip, affecting revenue
- Frequent purchase/use of cash transfers affects farebox reliability



Transfer policy options

Options to Consider

- Keep as today.
 - Revenue losses may need to be offset through higher fares
- No longer allow transfers on same route
- No transfers issued at farebox. Cash users pay full fare for second trip
 - Pass riders get “free” transfer as they do today
 - Could introduce ½ day or 4-hour pass to offset impacts
- No transfers with Riptik:
 - Riptik simply works as paper version of base fare
- Allow unlimited use transfer within set timeframe (1-2 hours)
 - Transfer price or base fare would increase to support this

You'd like fare payment to be fast and convenient

How it works today

- Some transactions are slow. This makes your bus trip longer:
 - Cash transactions
 - Issuing change card
 - On-board purchase of passes or transfers
- You've told us you're interested in:
 - A stored value pass
 - To pay using your phone
 - To pay using a credit/debit card
 - To have new discount options
 - One product that works on both MBTA and RIPTA



Evolving Fare Payment Technology

- **Open Payments technology**
 - Accepts what customers have in their wallet (e.g. credit or bank card)
- **Mobile Payments technology**
 - Google Wallet, Apple Pay and other apps
- **Use of Third Party Retail Network**
 - Use system in place for gift cards
 - Purchase at convenience store, pharmacy



Options to increase convenience

Which Options might work for you?

- Introduce new pass products. How many days would work for you?
 - ½ day? 3 days?
- Introduce stored value
 - Put \$5 / \$50 on your account and fare deducted as you travel
 - Add more value when needed
- Enable credit/debit payments at the farebox
- Introduce a permanent smart card
 - Could support all pass products and stored value
- Best Value Fare
 - Would automatically cap payments at a certain threshold (e.g. after three \$2 fares you would reach 1-Day Pass threshold)
- Mobile Phone payments
 - Would be one step towards future integration with MBTA

How can we make pass products more convenient to purchase?

How it works today:

Fare products available:

- On-board
- Kennedy Plaza (window and TVMs)
- Supermarkets
- RIPTA website

Why consider change?

- Limited sales outlets in certain areas
- Not all products available at all sites
- Need to offer alternatives to on-board purchases

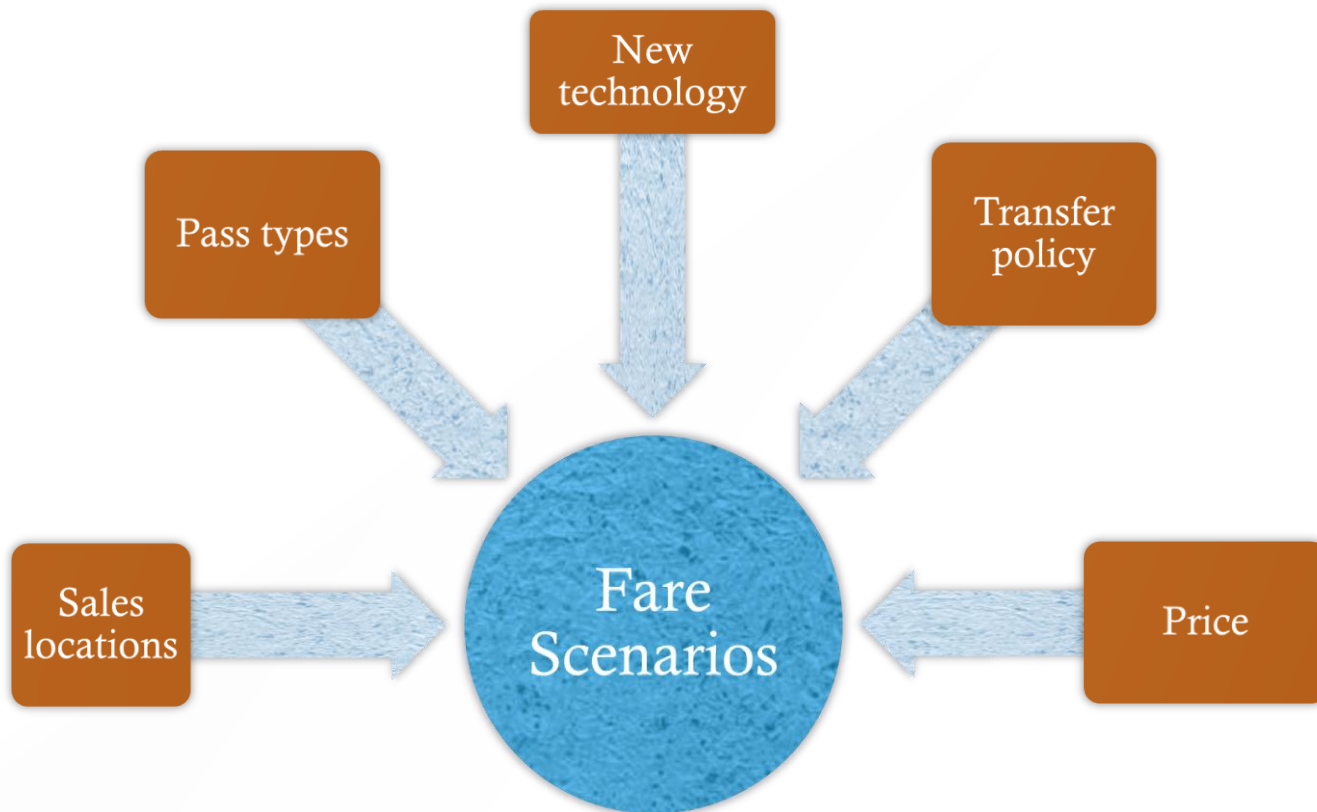


Options to make purchasing fares more convenient

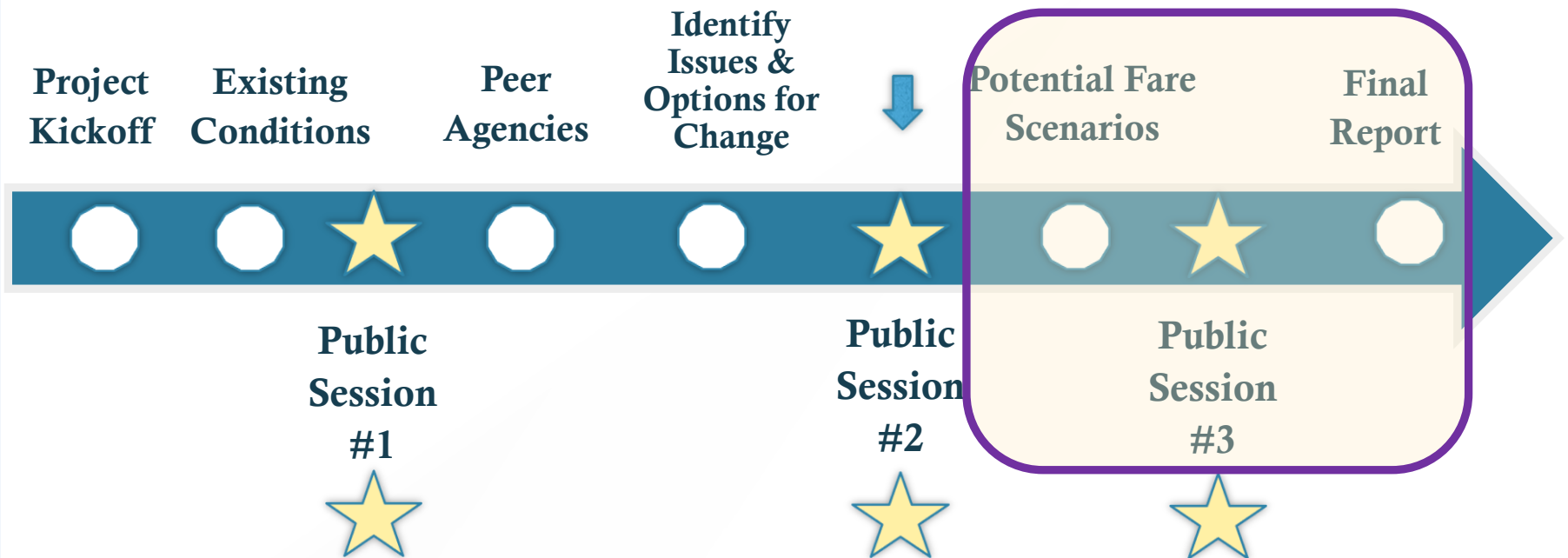
Options to Consider

- Sell at same locations as today.
- Expand retail distribution
 - Use gift card network (CVS, supermarkets, etc.)
- Put Ticket Vending Machines in more places
 - Riptik simply works as paper version of base fare
- Mobile apps
 - Use smart phone for purchasing and validating fares

Next Steps: Create Fare Scenarios



Study Schedule



Thank You!



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