RIPTA Fare Study 2015
An Evaluation of Fare Policies, Fare Products & Fare Payment
July 2015
Study Team Introductions

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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

- Project Kickoff
- Existing Conditions
- Peer Agencies
- Identify Issues & Options for Change
- Potential Fare Scenarios
- Final Report

Public Session #1
Public Session #2
Public Session #3
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 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.

Transfers should require an additional charge.
RIPTA's fare products are easy to understand.  
- Strongly Agree: 22%
- Agree: 50%
- Neutral: 13%
- Disagree: 10%
- Strongly Disagree: 8%
- Don't Know: 9%

RIPTA's fare products are available for purchase at many different places.  
- Strongly Agree: 13%
- Agree: 35%
- Neutral: 16%
- Disagree: 19%
- Strongly Disagree: 8%
- Don't Know: 9%

RIPTA currently has fare products that meet my needs.  
- Strongly Agree: 24%
- Agree: 45%
- Neutral: 13%
- Disagree: 10%
- Strongly Disagree: 8%
- Don't Know: 9%

It is easy for me to trick the farebox and not pay a fare when I board the bus.  
- Strongly Agree: 9%
- Agree: 10%
- Neutral: 21%
- Disagree: 21%
- Strongly Disagree: 33%
- Don't Know: 9%

I would like to be able to pay with my cell phone when I board the bus.  
- Strongly Agree: 24%
- Agree: 25%
- Neutral: 23%
- Disagree: 12%
- Strongly Disagree: 10%
- Don't Know: 8%

I would like to be able to pay with a credit/debit card when I board the bus.  
- Strongly Agree: 27%
- Agree: 32%
- Neutral: 17%
- Disagree: 12%
- Strongly Disagree: 8%
- Don't Know: 9%

Opinions about RIPTA Fare Products  
Spring 2015
Customer Survey
Opinions about RIPTA Fares: Ease of Use
Spring 2015

The farebox is easy to use and understand.

- Strongly Agree: 22%
- Agree: 48%
- Neutral: 14%
- Disagree: 10%

Using a transfer to board another bus is easy to do.

- Strongly Agree: 22%
- Agree: 42%
- Neutral: 15%
- Disagree: 14%

I use other services beyond RIPTA on a regular basis (GATRA, SRTA, MBTA).

- Strongly Agree: 12%
- Agree: 21%
- Neutral: 19%
- Disagree: 27%
- Strongly Disagree: 12%
- Don't Know: 9%

RIPTA's fareboxes are always working when I board the bus.

- Strongly Agree: 13%
- Agree: 40%
- Neutral: 14%
- Disagree: 22%
- Strongly Disagree: 6%
- Don't Know: 6%
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)

- Senior/Disabled Free Pass: 34%
- Monthly Pass: 28%
- Transfers: 10%
- Riptik: 2%
- 15-Ride Pass: 2%
- UPass: 6%
- Other: 4%
- Cash: 14%
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 $\frac{1}{2}$ 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

- New technology
- Pass types
- Transfer policy
- Sales locations
- Price
Study Schedule

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Thank You!

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