



NATIONAL CENTER for
TRANSIT RESEARCH

Lessons Learned in Transit Efficiencies and Revenue Generation

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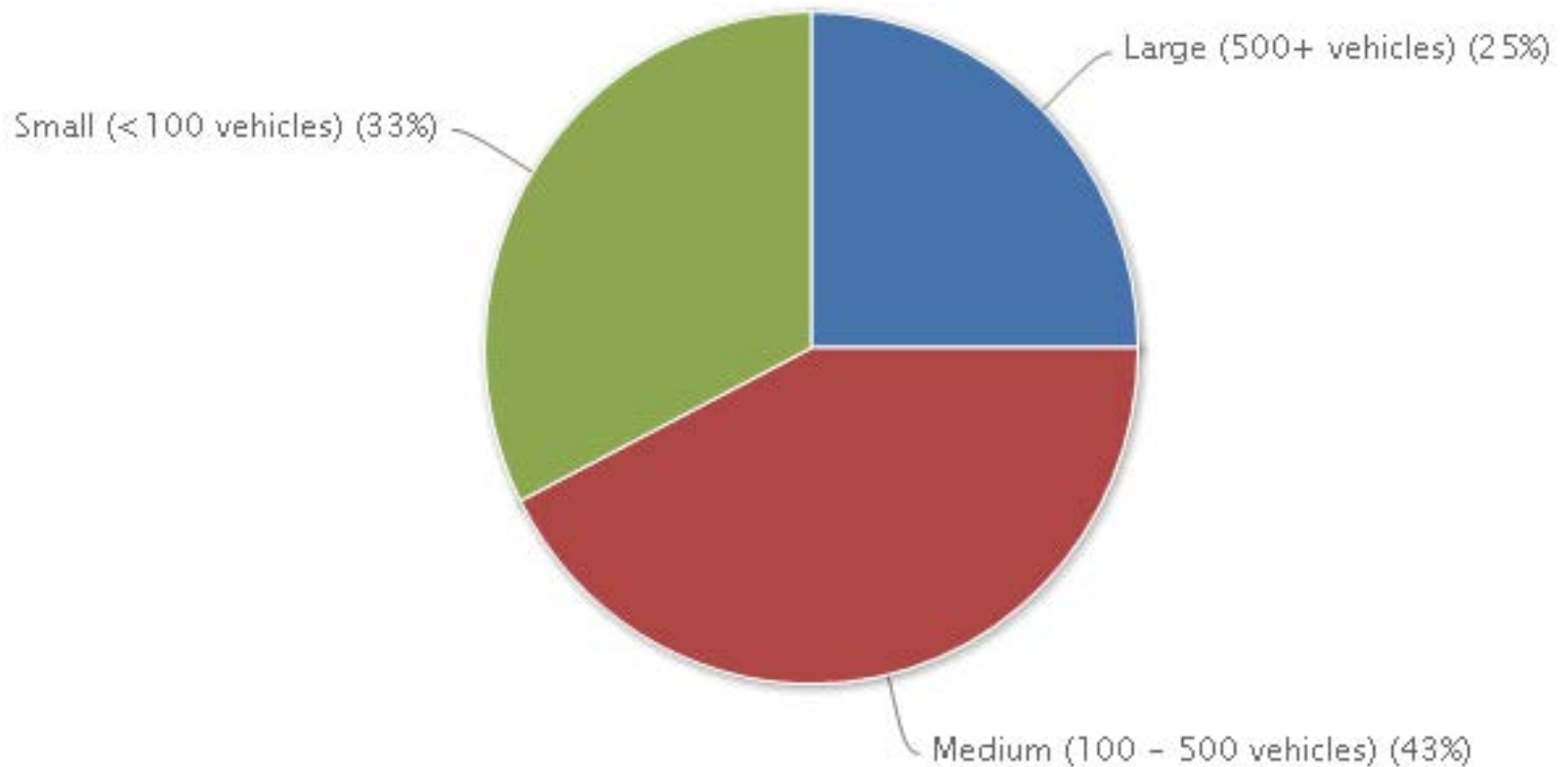
Some findings from recent research

- TCRP Synthesis #112: Maintaining Transit Effectiveness Under Major Fiscal Constraints
- Report surveyed 40 agencies around the country to find out how agencies managed to earn additional revenue and reduce costs during the great recession
- Also collected information through emails with 40 other agencies and news articles

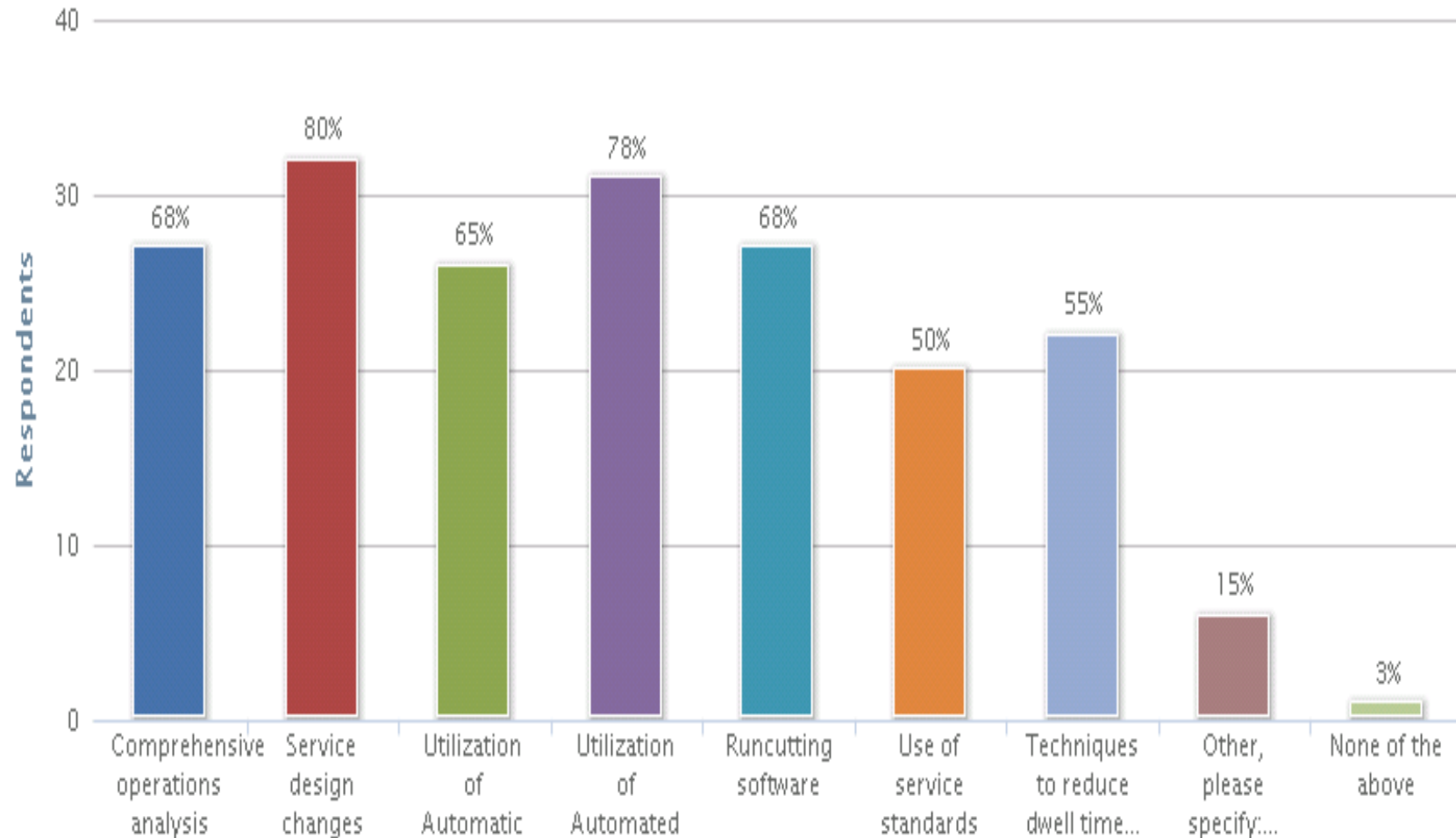
Respondents to the Project Survey



Size of Responding Transit Agencies

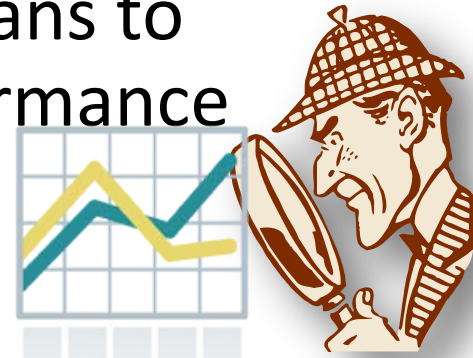


More efficient bus operations



More Data-Driven Management

- GCRTA's TransitStat program, CTA's Performance Measurement Program, UTA's ISO 14001 process, Nashville MTA's Results Matters program, San Joaquin's TransTrack, MDT's Six Sigma process. Sync program goals with employee evaluations.
- All provide business intelligence solutions that transforms volumes of data into meaningful information for managers to use in developing immediate actions, strategies, and plans to ensure optimal operations and performance
- American Bus Benchmarking Group



Efficiencies through Technology

- Multimodal trip planners and Interactive Voice Response systems have allowed reductions in customer service staff or allow them to work on other services
- SJRTD developed “Text Bus” to provide real time information on demand for each bus stop
- Installation of Wi-Fi on express buses increased ridership by 8% in San Jose
- Social media improves customer information, reduces cost of printed materials, and permits 2-way communications



More use of Technology

- VTA has ads on the “splash page” when logging on to wifi on trains and express buses
- More transit agencies sell advertising space on agency websites
- NYCT developed a Global Messaging System whereby one entry automatically updates other communications systems such as the web, urban panels, kiosks, service status signs, and Twitter

Marketing and Advertising

- Digital advertising is now on buses, at kiosks, stations, and billboards on transit properties (will bring CTA \$3.3 million a year)
- Ads are also on farecards, system maps, websites, bus floors, wrapped parking structures



Partnering in Marketing

- CTA has partnered with Groupon to sell three-day passes to visitors from around the world
- Online grocery store Peapod.com provides virtual grocery aisles at train stations and delivers selected products to passengers' homes



Partnering in Marketing

- Redbox video kiosks are in place at CTA stations for ease of acquiring low cost video rentals
- Financial institutions are paying over \$1 million per year for ATMs at transit stations in Chicago



Audio Advertising on Buses

- Dayton, Champaign-Urbana, TARTA, and KCATA now have audio ads timed to promote businesses along routes
- Partnership of Continental radio/GPS system and Commuter Advertising developed on-board messaging
- KCATA gets 40% of revenue, expects \$60,000 in the first year (no start up costs)
- Agency announcements have priority



Sale of Naming Rights

- Barclays has paid \$4 million to name a new train station in Brooklyn, SEPTA realized \$3 million from AT&T, and Chicago received \$3.9 million from Apple
- TriMet sells naming rights to streetcar stops for \$500 a month and the streetcars themselves for \$25,000 a year



Greater Use of Public Partners

- Military bases
- Transportation Management Associations
- Downtown Development Authorities
- Public schools
- Universities
- Convention centers
- Social service agencies
- Municipalities (BCT Community Bus program)



Greater Use of Public Partners

- Monterey TD partners with local military installations that use the Federal Transportation Incentive Program-Mass Transit Benefit to pay for 11 new routes and earn \$2 million (10% of total revenue and 16% of total boardings).
- Nashville's Easy Ride program works with colleges and State and County offices to subsidize transit for their employees.

Greater Use of Private Partners

- Shopping malls
- Business parks
- Museums
- Hotels
- Major employers and business associations
- Hospitals
- Casinos

Corporate Partnership Program

- Intent is to promote corporate investment in the transit system in Chicago
- Benefits include being promoted in CTA press releases, advertising on CTA system, and having their name or logo incorporated into a CTA station name and signage
- Chicago Sun-Times Media and Miller Coors
- \$900,000 for each three year agreement

Corporate Partnership Program

- Fredricksburg Regional Transit offers sponsorship programs at platinum, gold, and silver levels
- Welcome packets to new employees
- Schedules and schedule holders
- Advertising on the FRED buses
- Fare cards for free FRED rides
- A position on the Public Transit Advisory board

Partnerships to Boost Ridership

- Long Beach Transit has a rider rewards program to offer discounts at local businesses to create additional value to a bus pass in exchange for the business promoting transit
- Denver RTD and Coconino County provide Eco-Pass programs for all employees that encourage more use of public transit
- Universal Passes at universities help to encourage more transit ridership
- CATA established a similar program with off-campus student housing complexes that offer pre-paid transit passes to tenants

Ridership Incentive Programs

- Montreal has a loyalty program that lets you know each round trip on transit does as much for the atmosphere as a tree does in one year; let's you know when there are delays via smartphone; Also teams with 1300 retailers – offers can be pushed to riders or riders can search them. Discounts as much as two for one. Offers are targeted in real time as people travel.
- 25% of users have increased their use of transit and 43% are using it for new reasons. 50% have taken a friend when getting a two for one offer, thereby increasing ridership.
- The agency is now better able to communicate with its riders

Ridership Incentive Programs

- Ride to Rewards loyalty program at Metro in Minneapolis/
- Transit customers earn points for bus and train rides they take with a qualifying transit pass.
- Points can be converted to ride value or redeemed for gift cards that can be used like cash.
- Program members can link a favorite credit or debit card to their Ride to Rewards account and earn points for purchases made at merchant partners
- Acts very much like an airlines frequent flyer account enabling the purchase of passes or other items

Other Ridership Incentive Program

- St. John's Transportation Commission in Canada teamed with Canada's Air Miles Rewards Program
- The Air Miles program is well established with over 100 participating merchants.
- One reward mile for every two taps of Metro fare card
- Got the word out through Facebook and email and other channels
- Metro Bus ridership increased 6%

Other Ridership Incentive Programs

- Golden tickets that can be redeemed for prizes?
- Randomly drawn rewards for certain locations and times?
- Other ideas and programs to encourage ridership?