

# TRANSIT VISION 2040 — FROM VISION TO ACTION

TRANSIT VISION 2040 defines a future in which public transit maximizes its contribution to quality of life with benefits that support a vibrant and equitable society, a complete and compact community form, a dynamic and efficient economy, and a healthy natural environment.



## THEME 3: FOCUSING ON CUSTOMERS

STRATEGIC  
DIRECTION

**3.4**

Customize fares

# FOCUSING ON CUSTOMERS

## Strategic Direction 3.4: Customize fares

*Technological advancements are opening the door to more customizable fare policies and payment mechanisms—opportunities that encourage a new and less monolithic view of the market represented by current and potential transit customers. Tailored, flexible fares can be a key part of a more refined customer orientation by reflecting a wide range of user needs, activity requirements and travel choices. Users can pay different fares according to frequency of travel, time of day, day of week, geographic area, distance travelled, or membership in a target group (e.g. by age, physical ability, or place of residence, employment or education). Incentives, as well as flexible payment plans and options, can be an important tool in attracting choice riders. Market segmentation allows transit operators to maximize the value delivered to (and revenue obtained from) a much greater range of customer groups than is conventionally possible. It also opens the door to a wider range of premium services that offer value to customers who are willing to pay for them.*

Transit systems should apply **electronic fare payment systems** to enable tailored, flexible fares.

Fare systems should be kept **simple** and **easy to use** for customers.



Transit systems can **partner with businesses and educational institutions** to provide discounted group rates and encourage commuting by transit. Fares can be automatically deducted from payroll or included within student fees.

# PERFORMANCE INDICATORS AND TARGETS

## Indicator 1: Use of Electronic Fare Payment Systems

### Electronic Fare Targets:

By 2020, all transit vehicles and stations will have convenient and accessible electronic fare payment systems in place. Key characteristics of convenient and accessible fare payment systems include:

- Integration with neighbouring transit systems
- A diversity of available fare top-up options, including automatic, online, and in person
- Simple, easy-to-use cards
- Smart cards that are valid for other purposes, such as taxi fares and small purchases
- Tailored fares based on distance and time of travel, allowing for seamless transfers
- Programmable fares for different groups, such as students and seniors

## Indicator 2: Flexibility of the Fare Structure Offered

### Fare Flexibility Target:

By 2020, all transit systems will have flexible fare structures in place, provided such options as:

- 24-hour transit passes
- Weekend passes
- Family passes
- Specialized fares according to time of travel
- Specialized fares according to frequency of travel

# INITIATIVES AND BEST PRACTICES

**Electronic Fare Payment Systems** allow for convenient, accessible and flexible fares and payment methods. Transit systems across Canada are beginning to use smart cards, reusable cards that hold transit fares. Open payment systems, which allow passengers to scan credit or debit cards as they enter transit vehicles.

## Montreal, Quebec

The Société de transport de Montreal (STM) offers a highly **flexible** electronic fare payment system. OPUS cards can be loaded with monthly, weekly, or single fares.

STM also offers one-day and three-day fares to accommodate tourists and people who would like to try Montreal's transit services. One-day fares allow for **24-hour unlimited travel** on STM's bus and metro network from the time of card validation, while three-day fares apply to three consecutive calendar days. These unlimited short term passes additionally can be used on the 747 Express bus which runs between downtown and

Montreal-Trudeau international airport.

These one- and three-day fares can be loaded onto an OPUS card, which can be reused at a later date, or an occasional smart card can be obtained for the single time period. Both of these cards can be purchased from vending machines or from métro fare collectors at metro stations.



## St. John's, Newfoundland

In 2006, the St. John's Transportation Commission introduced the **m-Card**, an **interactive smart card** for use on Metrobus. Transit riders can load m-Cards with single fares, 10-ride passes, monthly passes, or semester passes for students.



The m-Card allows riders to register to earn **m-Points** that can be redeemed at participating restaurants, retail stores, or supermarkets. One m-Point is earned for every transit ride taken, to a maximum of five points per day. On certain **"bonus days"**, bonus points can be earned. Transit riders who earn 625 m-Points or more over a year, or use transit at least 625 times annually, are enrolled in the **m-Card Gold Club**. Gold Club members earn two m-Points for each transit trip; they must continue to earn 625 m-Points per year to maintain membership.

Riders can also use their m-Card numbers to receive **mobile information** via text message, including service bulletin alerts as well as their number of rides remaining, pass expiry date, and m-Point balance.

**Partnerships with local educational institutions and workplaces** can be an effective way for transit systems to target commuters and work to reduce peak hour traffic congestion. Group rates can allow for significantly reduced fares, making transit a more affordable and attractive transportation option.

## Saskatoon, Saskatchewan

Saskatoon Transit partners with local businesses to provide the **Eco Pass** program, where participating employees receive monthly transit passes for 40% less than the cost of a regular pass. Fares are deducted from payroll, allowing for improved convenience. The program allows for more attractive employee benefits packages as well as reduced parking requirements at workplaces.



Saskatoon Transit offers a number of flexible and tailored fare programs. The **U-PASS** program is a universal transit pass for students of the University of Saskatchewan. All full and part time undergraduate students pay a reduced fare as part of their student fees, and receive unlimited access to all transit routes. Saskatchewan Transit also offers **24-hour passes** and **weekend family passes** at low rates.

# CUSTOMIZING FARES CHECKLIST

- Does the transit system use an electronic fare payment system or another type of high efficiency, customized fare payment system? Do all transit vehicles and stations have this system in place?
- Are fares integrated with neighbouring transit systems, allowing passengers to seamlessly travel throughout the region?
- Has the transit system partnered with local businesses, educational institutions, and other local agencies or groups to provide specialized transit pass rates and payment programs? Are all members of these groups aware of the available programs? Is a U-Pass program available for post-secondary students?
- Are fares flexible and tailored to the time of day, day of week, geographic area or distance travelled, and frequency of travel?

This guide is one in a series designed to assist CUTA members with implementation of *Transit Vision 2040* strategic directions for which they are in a leadership role. It incorporates performance indicators used in annual reporting at a national level to track progress towards 2040 targets. While CUTA is taking the lead for ten of these 27 strategic directions, the remaining 17 fall within the responsibility of other stakeholders, and these guides have been developed in order to provide support to CUTA members and encourage progress toward the *Vision*. The guides summarize the goals and objectives of each strategic direction, propose performance indicators and targets, illustrate best practices from transit systems across the country and provide a checklist to assist members in reviewing their progress.