Trouble at the Fare Gates
Understanding Barriers to Providing Seamless Regional Fare Payment in the San Francisco Bay Area

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What is seamless transit?
What do we know about fares?

- Transit pricing theory and practice
- Operator fare collaboration
- Smartcards as potential opportunity for fare integration

Photo courtesy of EPTT.
Why consider the Bay Area?

Bay Area Case Study

- Complex institutional and financial structures
- Diverse fare policies
- Attempts at fare standardization
- Slow smartcard adoption
Methodology

- Interviews with 18 professionals and academics
- Online survey of 60 transit industry “stakeholders” in Bay Area

What are their attitudes?
Results: Attitudes

Q. To what extent do you agree with the following attitudes regarding fare payment within the regional transit system?

Transit riders should be able to easily access fare media anywhere in the region.

- Strongly Disagree: 5%
- Disagree: 30%
- Neither Agree or Disagree: 62%
- Agree: 83%
- Strongly Agree: 97%

N = 60

Fare structures and policies between transit agencies should be simple.

- Strongly Disagree: 4%
- Disagree: 30%
- Neither Agree or Disagree: 63%

N = 60

Results: Attitudes

Q. To what extent do you agree with the following attitudes regarding fare payment within the regional transit system?

Riders should be able to pay fares across a region with a single fare card.

- Strongly Disagree: 23%
- Disagree: 32%
- Neither Agree or Disagree: 22%
- Agree: 68%

N = 60

Riders should be able to pay for interoperable trips with a single transaction.

- Strongly Disagree: 13%
- Disagree: 7%
- Neither Agree or Disagree: 17%
- Agree: 25%
- Strongly Agree: 33%

N = 60
Results: Attitudes

Q. What entity, if any, should coordinate fares?

- Coalition of Transit Agencies: 30%
- MPO: 32%
- One Local Transit Agency: 8%
- Governing Body Other Than MPO: 5%
- Third-Party Vendor: 5%
- No Entity Should Coordinate Fares: 12%
- Other: 2%

Results: Attitudes

Q. Increased regional fare coordination would have which effect on transit ridership:

- Increase: 68%
- No change: 20%
- Decrease: 2%
- I don’t know: 10%
- Other: 2%
Results: Attitudes

Q. Increased regional fare coordination would have which effect on operator revenues:

- Increase, 25%
- No change, 17%
- Decrease, 23%
- I don’t know, 36%

Results: Attitudes

Lack of focus on transit rider

"Anything that makes it simpler for the passenger is better."
What are the barriers?

Results: Barriers

- Large number of transit operators
- Large number of fare policies
- Operators' fear of revenue loss
- Lack of financial incentives for operators
- Lack of appropriate coordinating body
- Local political pressures
- Institutional inertia
- Weak relationships among operators
- Lack of interest in seamless fares
- Weak relationships - operators and MPO
- Fare payment technology
- Union concerns
- Access to payment technology
Results: Barriers

- Very Significant
- Moderately Significant
- Not Significant
- n/a

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Financial and institutional barriers are most significant

Takeaways

- Fare payment should be seamless, in terms of fare policy, media and transactions.
- Some entity should coordinate fares, but stakeholders are divided about which entity should do so.
- Fear of revenue loss could be mitigated by revenue sharing or a subsidy for regional fare coordination.
- The region needs a greater focus on transit riders' experience.
Inspiration From Seattle!

- Simple, unified fare structure shared by 6 operators
- Sound Transit coordinates fares
- Operators share revenue
- Focus on riders

Thank you!

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References


