Ticketing, data and distribution: the passengers' perspective

Platform International Passenger Rail

Live Workshop, London

Christopher Irwin
European Passengers' Federation
9. April 2024

European Passengers' Federation

We are the voice of public transport users in Europe.

- European association of national and regional passengers' organisations
- 39 member organisations
- 21 countries
- All modes

Main objectives

Always ask ‘*What’s in it for users?*’

Promote sustainable mobility

Improved end-to-end journey experience

Tackle transport poverty

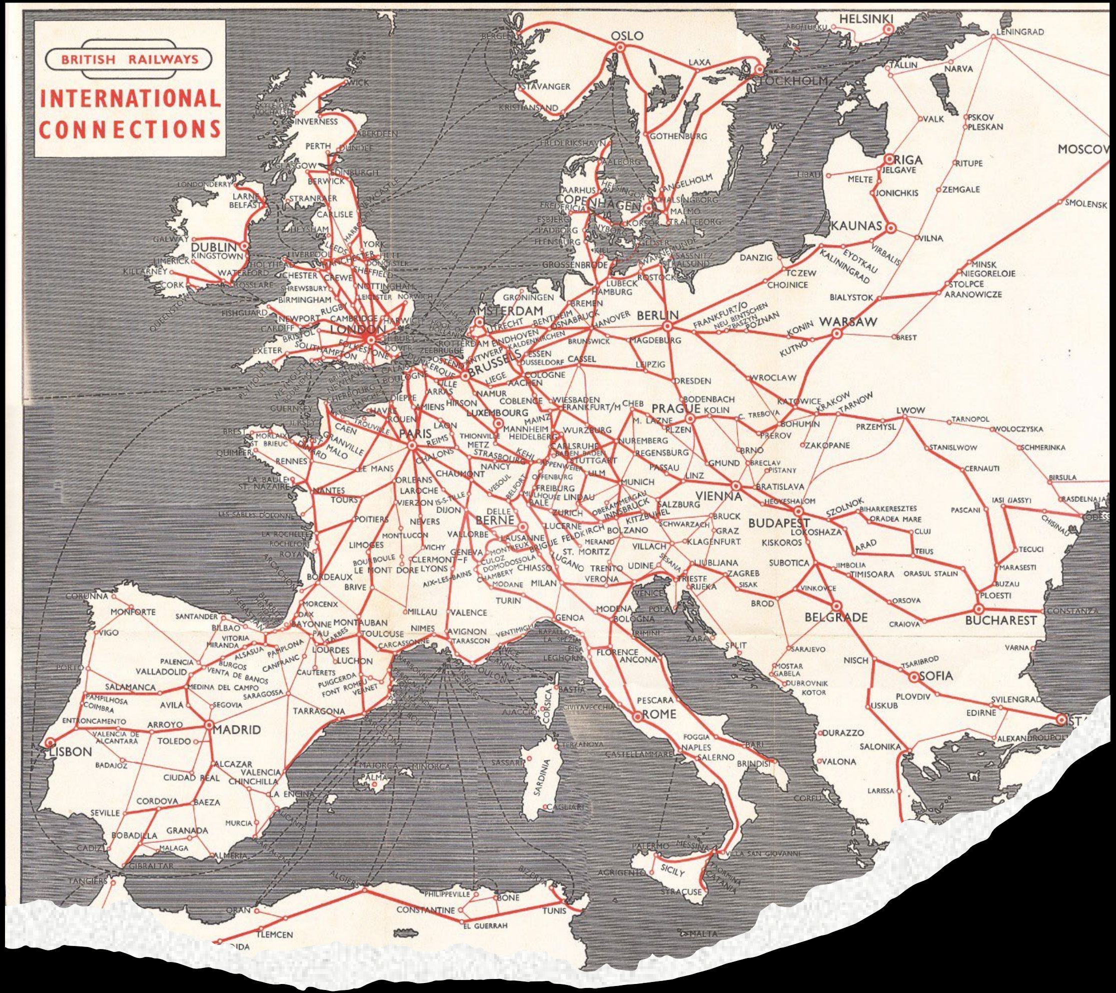
Better passenger rights

Advocate passengers’ views at European level

European Passengers’ Federation

Today's presentation

- The Context
- What Passengers Want
- The Barriers
- The Opportunity
- The Ways Ahead
- Conclusion

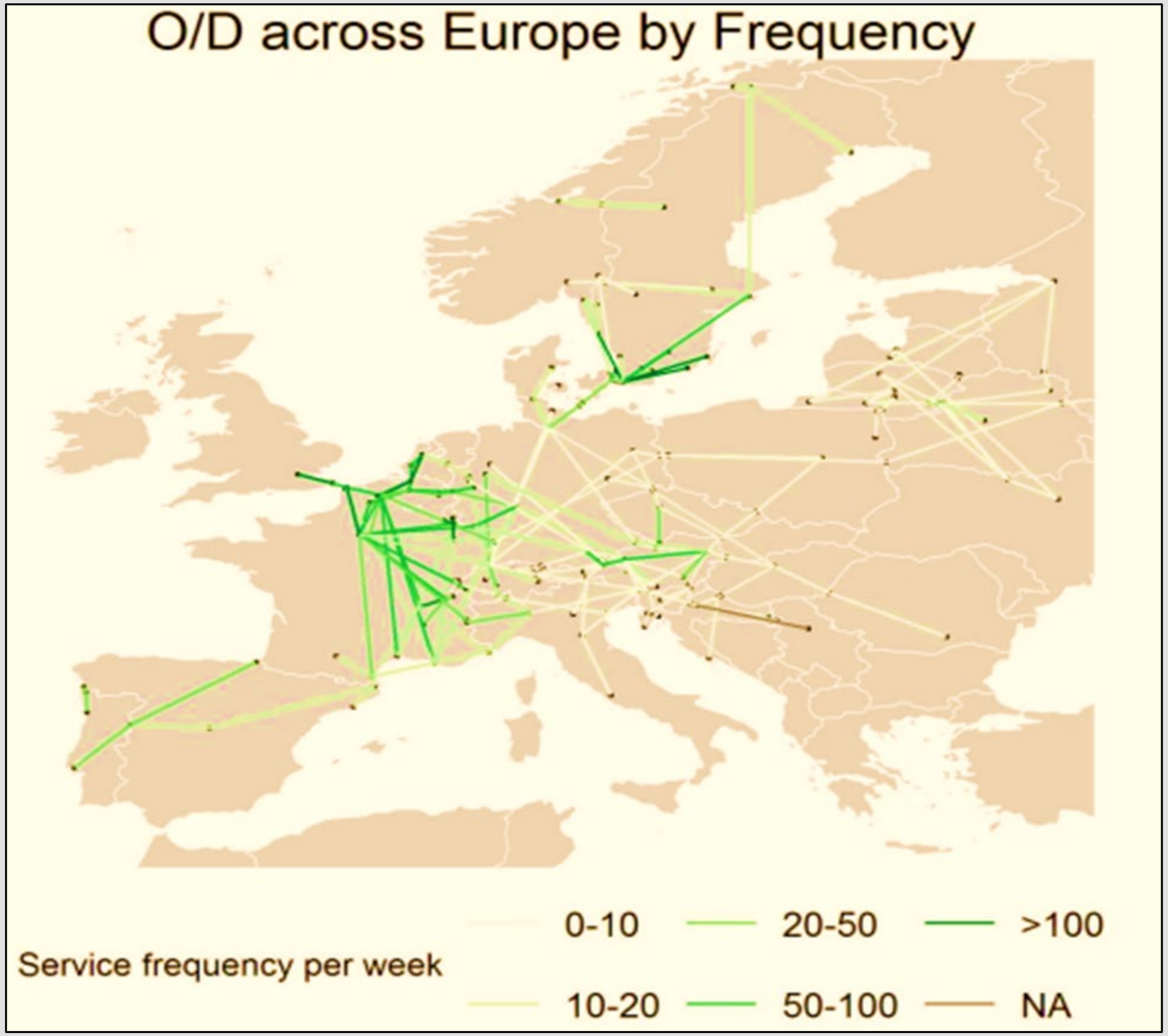


Peak rail

- Mid-50's British example
- 'A Network of Networks'
- Think 'end-to-end journeys'
- The value of Connectedness
- Making travel easier

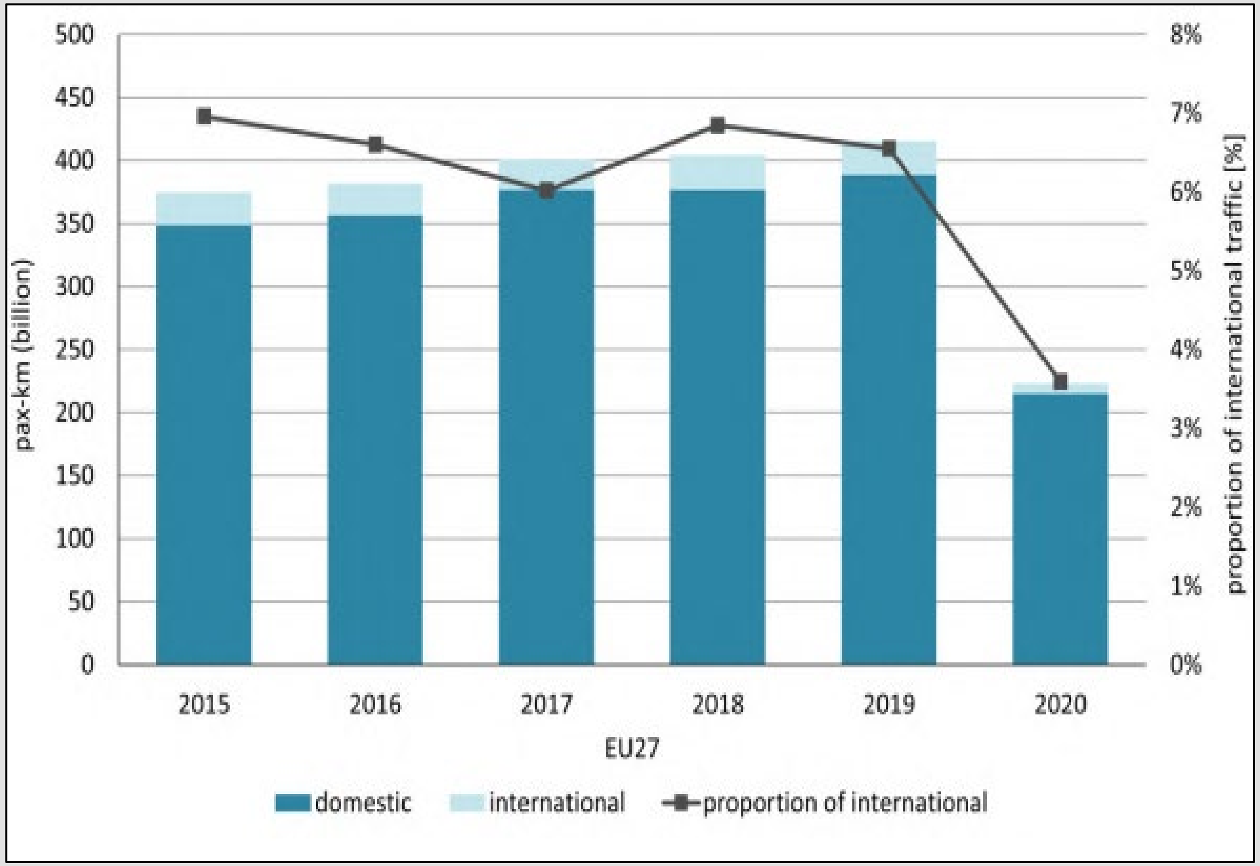
Today's patchy route system

- Identified 331 international O/D legs (Origin/Destination) *(Source: IRG–Rail 2020, data incomplete)*
- Limited number of routes with frequent cross-border services
- 55% FR O/D; 15% SE O/D *(Steer-KCW, 2021)*
- Note AT-BE-CH-DE-FR-SE-UK focus



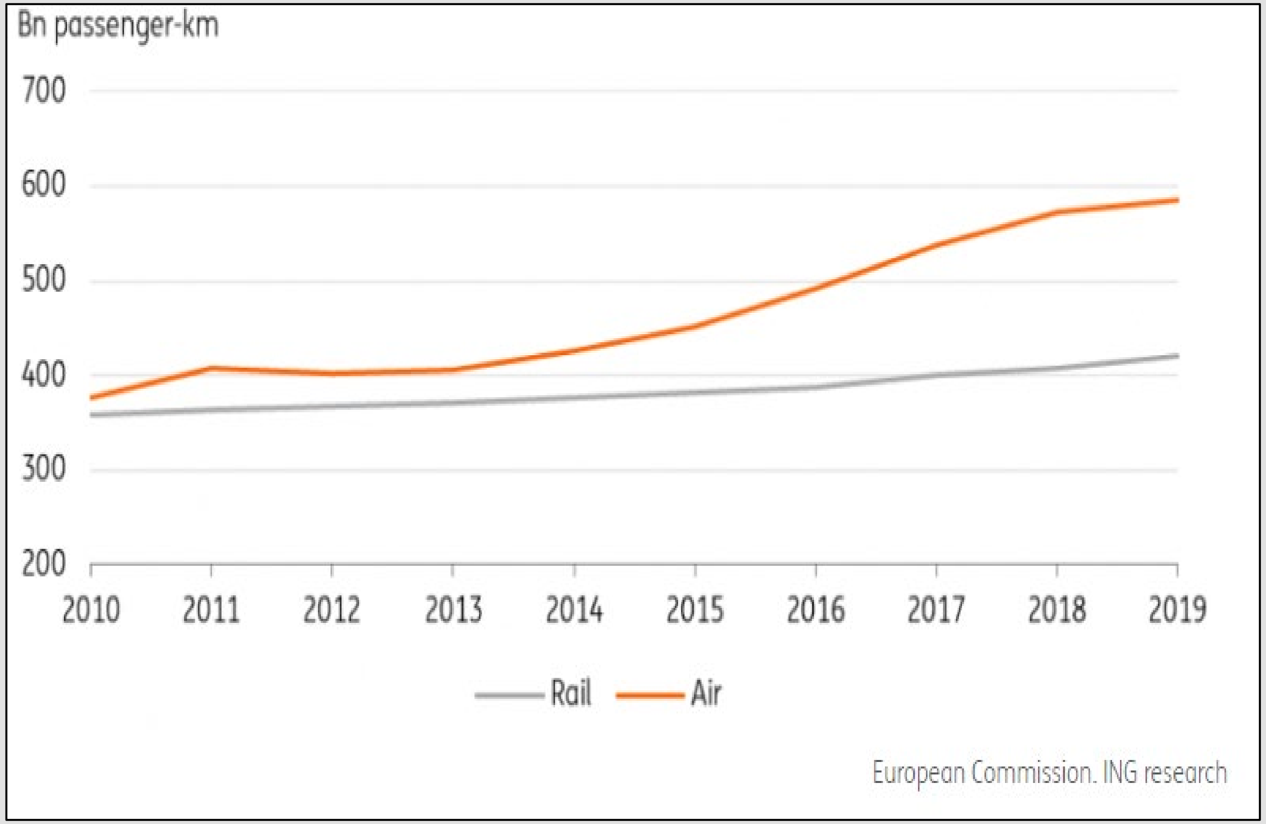
Static market share

- Between 2015 and 2019, the rail modal share of passenger land transport rose slightly from 7.5% to 7.9%. *(Source: RMMS, 2022)*
- The proportion accounted for by international passenger services ranged around 7% between 2015 and 2019 and shrank with pandemic to nearer 4% in 2020.



Rail lagging air

- In the pre-pandemic decade, air travel in Europe grew much faster than rail (+5.5% average annual growth compared to +1.8%).
- ING Research suggests that the drop-out rate for international rail trip bookings in Europe is ten times higher than for booking a flight. (https://think.ing.com/articles/from-plane-to-train-europe-is-pushing-climate-friendly-travel/)



The Last Chance Saloon?

Existential threat:

- To sustainable modal shift?
- To rail sector as key future mode?

Sector's years of prevarication:

- Full Service Model launched in 2013
- CER's *Roadmap* targets <2030 delivery

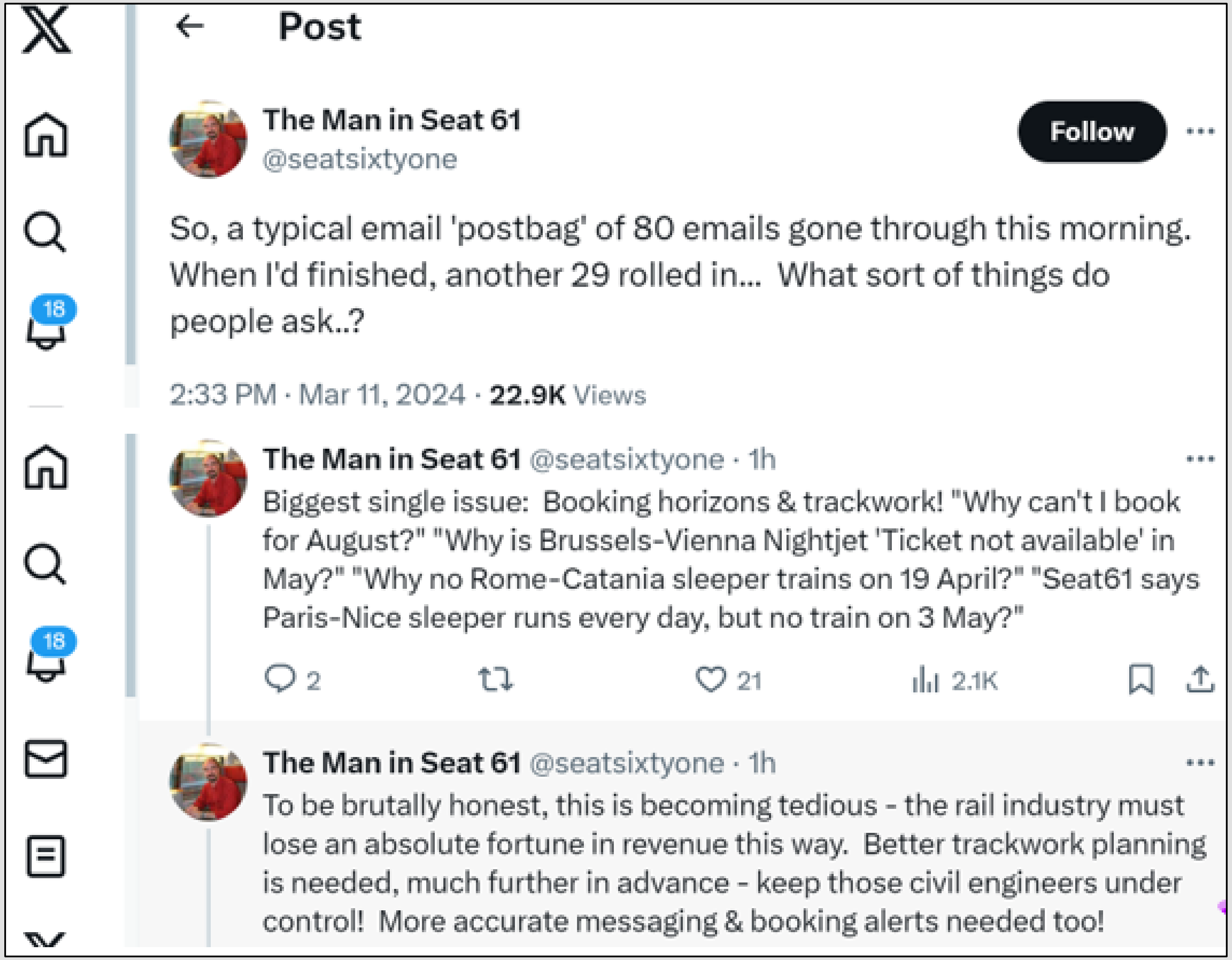
Progress frustrated by focus on "Hows?" (delivery technicalities) rather than "Whats?" (desired outcomes)

What we reflected in our 1st report

An illustrative example of the current limitations for international railway passengers in the EU was given by an anonymous traveler (slightly adapted):
"Last year, I travelled by train from my hometown in the Netherlands to Stresa on the shore of Lago Maggiore in North Italy. A few days later I continued from Stresa to Florence. I travelled back in one day from Florence to my hometown. I had to consult the websites of NS, DB, SBB, FS and Trainline to find the most suitable schedules and the best prices. I discovered that for me a global rail pass would be the best solution. To buy one, I needed yet another website. In the end I paid much less than for a plane ticket. But it took me hours to get the information and book my ticket."

Planning	Booking	Ticketing	Journey	Tracking	Aftersales
Gathering of information	Buying the ticket(s)	Issuing the ticket(s)	On site experience	Real time information	Customer support

The Man in Seat 61



What passengers want - Planning

Easy access to journey information: Real-time information for planning, booking and completing journeys

Widely accessible, comprehensive, timely and comparable information to enable exploration of all reasonable journey options, providing seamless end-to-end journey information, including:

- Pricing, times, on-board customer services and facilities, special conditions
- Station facilities, locations, access directions
- Modal options, including emissions' estimates
- Users' reviews where available
- Long booking horizon (twelve-months?)

What passengers want - Booking

Tickets obtainable from multiple outlets, including 3rd-party distributors & on-line:

- Transparent identification of any add-on booking-fee
- Transparent identification of any fees for additional services (e.g., seat reservations, luggage, etc.)
- Third party distributor access to retail offers on Fair, Reasonable and Non-Discriminatory terms, equivalent to those of in-house RU distributors
- Tickets compatible with/available in commonly used digital formats (e.g., not only smart phones)
- Harmonised ticketing conditions (general conditions of use)
- Through ticketing
- Clear information on passengers' rights and journey continuation arrangements in event of disruption to planned journey (including inter-availability of tickets between the services of different operators)

What passengers want – during & after the trip

***En route*:**

- Timely and comprehensive advice on potential journey disruption prior to journey. Real-time information available throughout journey

In the event of disruption:

- Easily obtainable advice on how most reasonably to complete journey
- Facilitation of passengers' rights claims (e.g., information on eligibility and link to on-line claim forms)

Afterwards:

- Clear information on journey performance (e.g., actual timings)
- Facilitation of passengers' rights claims (e.g., information on eligibility and link to on-line claim facilities)
- Retailers must be directly accountable for the services they provide to users
- Opportunity to submit an on-line review of passenger experience

Nothing surprising there, then

- EPF analysis of consistency with commitments made to Platform in Sector Stakeholders' Statements, in CER's *Ticketing Roadmap*, etc.
- **Major obstacles:**
  - Disagreements within Sector on suitability of Application Programming Interface formats for data exchange (OSDM or NeTEX) *(A "How" issue)*
  - RU concerns about ability to maintain control over commercial terms on which data is released to 3rd parties *(Addressed in part 6 of UK 's Ticketing & Settlement Agreement: Retailing including Rates of Standard Commission)*
  - Possible antitrust issues *(See DG COMP case AT.40735 re RENFE)*

A model for rail retail market opening?

The potential of digitalisation

(*Digitalisation*) "has profound disruptive effects in all the industries, and it will not be different in railways. …. Experience …. shows that digital platforms can create unprecedented network effects to the point that they become the ultimate coordinator, and therefore arbiter, of the underlying fragmented (infrastructure and services) systems, (*replacing*) the traditional players as coordinators. In other words, the balance of power between infrastructure managers and transport services providers on the one hand and digital platforms on the other can evolve (*making*) the traditional players mere commodities. In other words, infrastructure managers and train operating companies will be working for the platforms and their algorithms."

Florence School of Regulation: Policy Brief issue 2021/18

The way ahead

1. Recognise primacy of satisfying users – “Whats?” rather than “Hows?”
2. Give these needs executive muscle – infuse commitment and drive from those leading the Sector, not just the technologists
3. Reinforce with clear political pressure – the Timmermans method
4. Focus regulatory intervention on market opening, facilitating outcomes with enforcement provisions – avoid ossifying API debates
5. Ensure upward compatibility – ‘end-to-end’ trips; after smart phones
6. Take time to consider the shifting balance between transport operators and the potential of digitalisation – is retailing too important to be left just to the operators?

Conclusion

- Potential passengers are looking elsewhere.
- The challenge could be existential.
- The Sector has no divine right to exist.
- Digitalisation provides an opportunity for it to thrive.
- **So, get on with it!**

European Passengers' Federation

Thank you

Christopher Irwin
Christopher.Irwin@epf.eu