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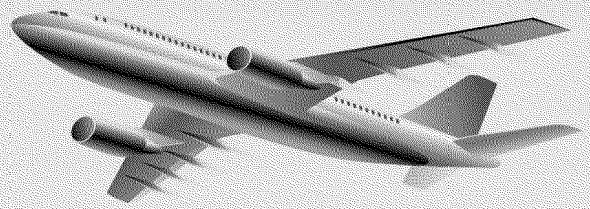
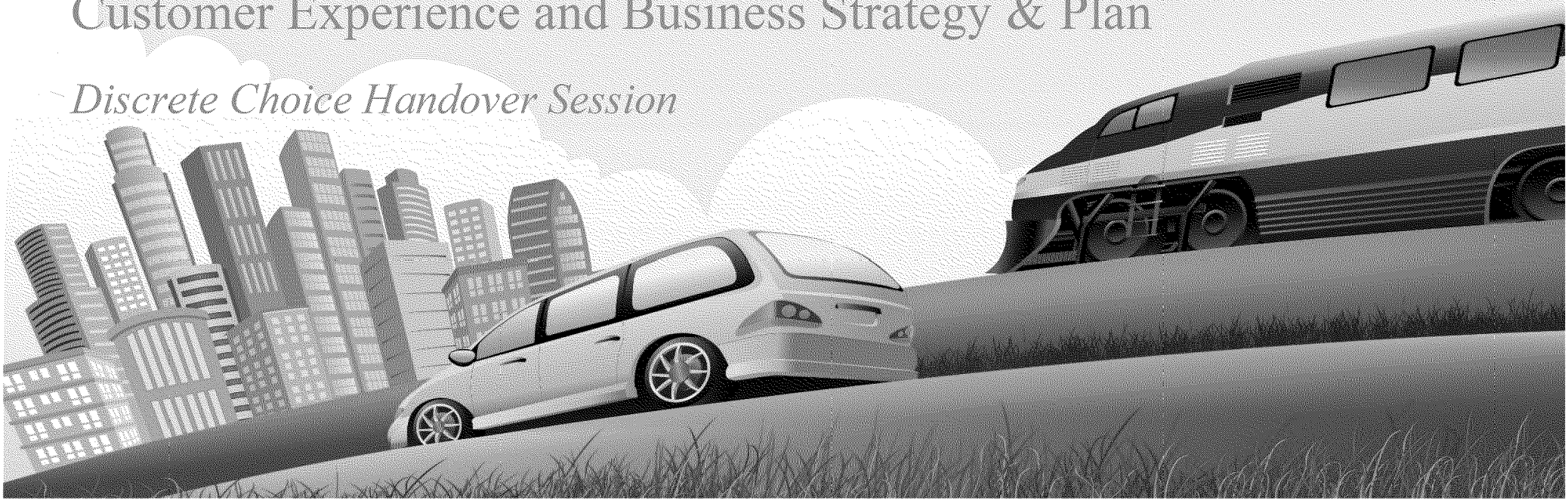


# Air Rail Link

## Customer Experience and Business Strategy & Plan

*Discrete Choice Handover Session*



**July 2012**

METROLINX

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# Agenda for today's session

| Topic | Timing |
|---|---|
| Introduction | **5 min** |
| Background and Context | **10 min** |
| Discrete Choice Study Outputs | **30 min** |
| Discrete Choice Study Artifacts Summary | **5 min** |
| Q&A | **10 min** |

# Background and Context

# The Discrete Choice study tested seven key service offering attributes to help inform ARL's Customer Experience strategy

## Attributes and Levels Tested

The Discrete Choice simulator and survey helped understand the impact of customer preferences and choices on specific service features:

### Getting to the Station

- Parking
- Valet parking
- Drop-off / pick-up area
- Door-to-door service
- Shuttle bus service

### Baggage

- Load / unload own luggage
- Baggage porter service
- Print baggage tags
- Print boarding pass
- Check in flight / bags
- Baggage storage

### Food and Beverage

- Fruits / cheeses / crackers
- Chips / pretzels / peanuts / cookies
- Juice / soda / coffee / water
- Local beer / wine
- No food or beverage

* Note: The Food and Beverage attribute was positioned as complimentary to those surveyed.

### On-Train Experience

- Flight info screens
- Free newspapers / magazines
- News / sports / weather TV
- Train speed and time

### Loyalty and Partnerships

- Airline loyalty points
- Airport premium lounge
- Frequent traveller discount
- Tourist / restaurant discount
- Transit discount
- Concierge services

**Exclusion per Committee Direction**

# More specifically, the study tested the value proposition of service offering attributes

Exclusion per Committee Direction

## Purpose of Discrete Choice Analysis

**Discrete Choice**

- Exclusion per Committee Direction

**SDG Ridership Study**

- Unlike Discrete Choice, this study was designed to project ridership based on a defined catchment area that represents the potential ARL market

**Business Strategy**

- The results of the Discrete Choice analysis were used to validate and update ARL's business strategy

**Exclusion per Committee Direction**

## Scope of Discrete Choice Analysis


| | Overview of Markets | Insights from Market |
|---|---|---|
| Total Market | ▪ Represents the total market of individuals travelling to Pearson airport | ▪ Public awareness and marketing |
| Potential ARL Market | ▪ Represents portion of the Total Market that would potentially use the ARL service<br>▪ Market is based on the catchment area defined in the SDG Ridership Study (refer next slide) | ▪ Share of market relative to other competitive transportation modes and ridership |
| Target Market | ▪ Represents the portion of the Potential ARL Market that will be most likely to use the ARL<br>▪ Market is based on **weighting the customer profiles** and catchment areas in the Potential ARL Market (refer next slide) | Exclusion per Committee Direction |

# To better understand the behavior of high potential customers, DC data was weighted based on SDG Ridership Study projections

## Data Adjustments / Weights

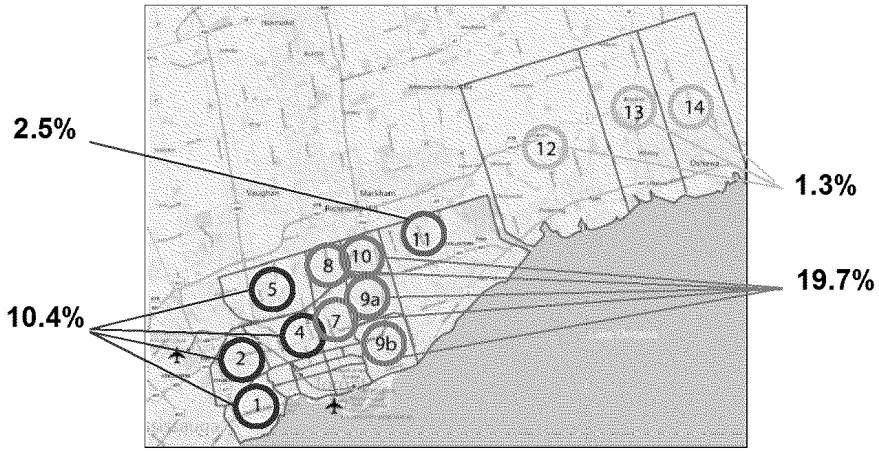
**1 Business : Non-Business Traveller**

- Results have been weighted to ensure representation between business and non-business travellers is in-line with the SDG Ridership Study 2020 projections (i.e., 39% Business, 61% Non-Business)

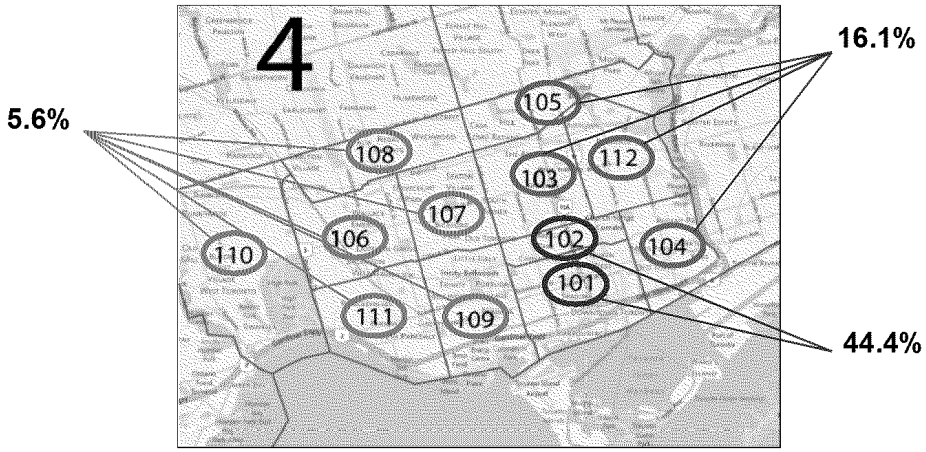
**2 Catchment Area Representation**

- Results have been weighted to ensure catchment area representation is aligned with the SDG Ridership Study catchment area[1] ridership breakdown

**All Catchment Areas**




**Downtown Catchment Areas**




| Area | Definition | Area | Definition |
|---|---|---|---|
| 1 | Etobicoke South | 9B | Central Area – Danforth/Beaches |
| 2 | Etobicoke Central – Humber Valley | 10 | Central Area – Steeles |
| 4 | Central Area/Weston – Eglinton West/York | 11 | Scarborough |
| 5 | Central Area – Downsview/Jane & Finch | 12 | Pickering/Ajax |
| 7 | Central Area – Forest Hill | 13 | Whitby |
| 8 | Central Area – Thornhill | 14 | Oshawa |
| 9A | Central Area – Ellesmere/Eglinton East | | |

| Area | Definition | Area | Definition |
|---|---|---|---|
| 101 | Core – South of Dundas | 108 | West – Wychwood Park |
| 102 | Core – North of Dundas | 109 | West – Little Italy/Trinity-Bellwoods/King West/Liberty Village |
| 103 | East – The Annex | | |
| 104 | East – Corktown/Distillery/Moss Park | 110 | West – Bloor West Village/High Park/The Junction |
| 105 | East – Casa Lomo/Moore Park/Leaside | | |
| 106 | West – Brockton Village | 111 | West – Roncesvalles/Parkdale |
| 107 | West – Dovercourt/Bickford Park | 112 | East – Summerhill/Rosedale/Regent Park |

1. For Northstar, GTHA segment includes York Region and Halton/Hamilton which are additional areas that were not included in the Ipsos survey results

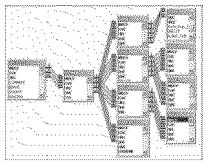
# The Discrete Choice methodology included the use of online surveys and in-person interviews to conduct the discrete choice exercise

- Ipsos Reid **surveyed a total of 3,137 travelers** that have flown in or out of Pearson over the past 12 months and for whom the ARL is a viable option based on their place of departure
- Data was collected using two different methods
  - **Online surveys** invitations were sent to individuals belonging to Ipsos' Canadian and American panels who have lived in GTA (and/or US) and have travelled to GTA within the past 12 months
  - **Intercept interviews** were conducted at Pearson International Airport with individuals who lived outside the GTA and have travelled to GTA within the past 12 months
- The survey included **a series of profile and behavioural questions followed by a discrete choice exercise**, where respondents were presented with a series of ARL service offering packages (i.e., combinations of different service offering features), and were asked to select the ARL service offering package they found most appealing
- The results were consolidated and input into **a simulator that provides the ability to run 'what-if' scenarios** to see how selected service offering features and price points affect the choices and preferences of customers

# Discrete Choice Study Outputs

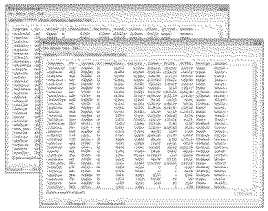
# The Discrete Choice Study resulted in a number of different outputs including a raw survey data file, data tables, and a simulator

## Outputs of Discrete Choice Study



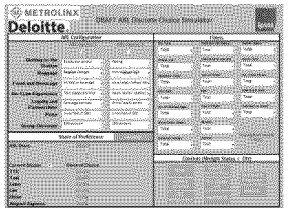
### Raw Survey Data

- Raw data associated with the questionnaire responses of individual respondents who participated in the study (SPSS file)



### Data Tables

- Summary of profile and behavioural question responses based on different filters including, type of traveller (i.e., business vs. non-business) and customer profiles

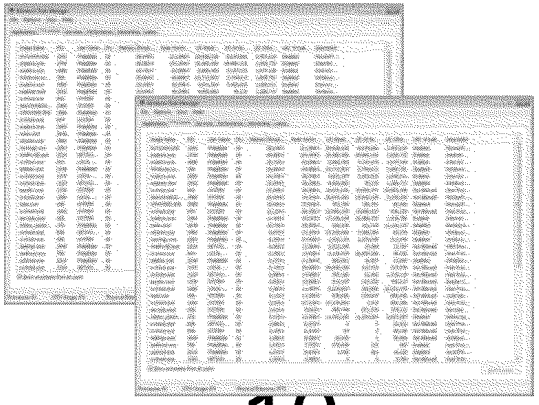



### Simulator

- Model that provides the ability to run 'what-if' scenarios to see how selected package offerings Exclusion per Committee Direction affect consumer choices or preferences

# The Discrete Choice data tables provide a structured summary of responses to survey questions from the Discrete Choice study

- Two different types of data tables (Excel files) were generated: **weighted and unweighted data tables**
  - Weighted data tables have been adjusted / weighted based on traveller type and catchment area to reflect the Target Market for ARL
  - Unweighted data tables reflect actual survey results and are useful in analyzing the demographics of survey respondents
- Data tables provide a **summary view of profile and behavioural question responses** based on a number of different filters: Traveller type, Location of respondent, Profile of respondent, Preferred ARL station, Frequency of travel, and Survey method
- The **index worksheet in the Excel file contains a complete list of survey questions** with links to the appropriate worksheet containing response data tables

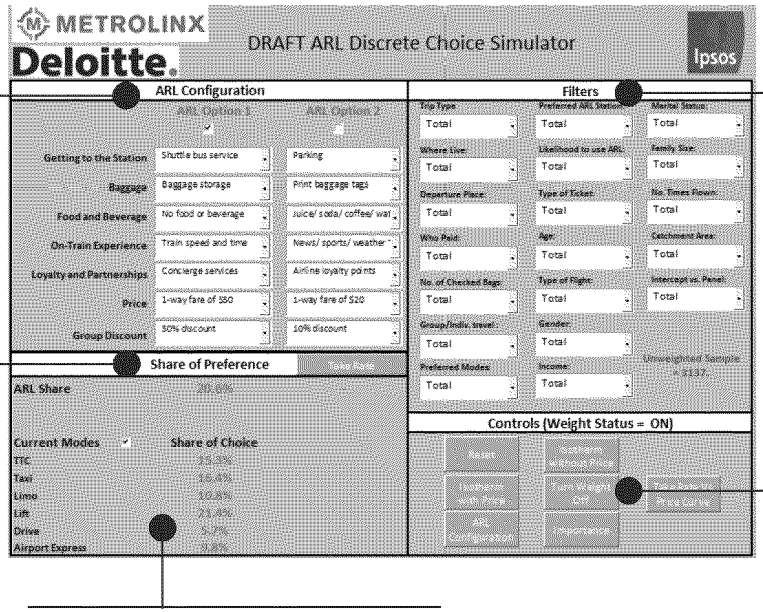


# The Discrete Choice simulator provides the ability to conduct scenario analysis based on different service offering configurations for the ARL

### ARL Configuration
*The simulator provides the ability to conduct scenario analysis based on different ARL configurations. ARL configurations are changed by changing the different service offering attributes tested in the study*

### Simulator Output
*For each ARL configuration defined, the simulator calculates the following two important measures:*

- ***Share of Preference**: Represents the percentage of respondents surveyed that selected the ARL option*
- ***Take Rate**: Represents the estimated percentage of respondents that would actually use the option in a real life purchasing decision*



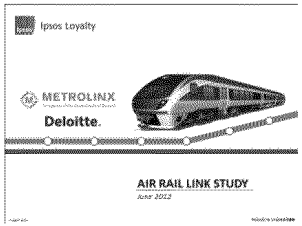

### Competitive Mode
*Displays the Share of Preference or Take Rate for each of the competitive modes of transportation relative to the selected ARL configuration*

### Filters
*A total of 19 filters are included in the simulator. Each filter corresponds to a different profile or behavioural question posed to survey respondents. Setting filters provide the ability to run scenario analysis on a subset of respondents sharing specific characteristics*

### Controls
*Includes various controls that facilitate use of the simulator and allow the user to generate and manipulate data, including reseting filters, turning on / off weightings, and generating isotherms*

# A set of reports were developed based on an analysis of the Discrete Choice data tables and simulator

## Discrete Choice Study Report




Metrolinx ARL Discrete Choice Discrete Choice Study Report Summary

- Provides an overview of the Discrete Choice methodology, description of the simulator, and graphical summaries of Discrete Choice survey question responses

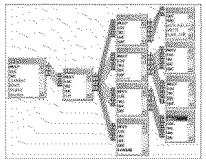

- Provides a detailed analysis of the Discrete Choice study results (i.e., data tables and simulator) in order to validate and inform ARL's business strategy

# Discrete Choice Study Artifacts Summary

# A number different artifacts were produced directly or indirectly from the Discrete Choice study that can be leveraged for future analysis

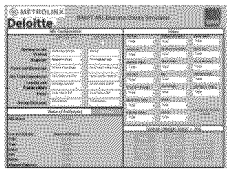
## List of Discrete Choice Study Artifacts

Discrete Choice Study Questionnaire

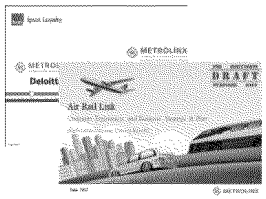


Discrete Choice Raw Survey Data

Discrete Choice Weighted and Unweighted Data Tables




Discrete Choice Simulator




Discrete Choice Reports

# Q&A

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Deloitte.

**Riyaz Nathwani**

rnathwani@deloitte.ca

Deloitte.

**Anantika Bakht**

anbakht@deloitte.ca