From: Bert Peverini
Sent: Fri 3/23/2012 7:29:12 PM
Subject: RE: ARL Survey Work and Linkage to SDG Demand/ Exclusion per Committee Direction

Jim: re additional work.

Daniel had asked me to ensure that we exercise caution given we are at/approaching the funding limit. I have not been party to the detailed invoicing. Can I assume that tidying up of the final draft and a quick assessment of the discrete choice will fall within your budget?

BertP

From: Richards, Jim [mailto:Jim.Richards@sdgworld.net]
Sent: March 23, 2012 2:04 PM
To: Stephan Mehr
Cc: Daniel Haufschild; Bert Peverini; Czauderna, Danielle
Subject: ARL Survey Work and Linkage to SDG Demand/ Exclusion per Committee Direction

Stephan

Thank you for arranging the meeting earlier this week with Deloitte and Ipsos.

It was a constructive dialogue, and raised a number of more technical questions as to how the work that they do can feed in to the existing model structure that we have used in a manner that is internally consistent.

I understood from the meeting we held on 21st March that (i) the proposed survey material will be forwarded to us via you from Deloitte/Ipsos, and (ii) the timescales for reflecting any comments/observations we might have are pretty tight as there is the expectation that they wish to commence fieldwork w/c 16th April.

Once we have seen the nature of the questions and in particular the approach to the bundling of the value proposition components (relative to a basic service offer) and the secondary element relating to mode choice Exclusion per Committee Direction we will be able to advise on areas where greater compatability might be achieved.

As I mentioned on the phone, we recognise that the primary focus is on providing evidence for developing the experiential strategy, but I would recommend that we do not miss out on the ability to update/enhance the current model, where appropriate, in the expectation that further forecasts are likely to be needed. In addition, I am keen that we do not create a situation where the value of the passenger experience bundle is at odds with the assumptions underpinning the revenue modelling, e.g. the mode constant or other variables that have been calibrated in the past and from which the forecasts are based. This is an area where audits from the Ministry (as undertaken for the most recent forecasts) may lead to some challenging questions!

Perhaps we can talk this through a bit further next week once we have seen the material from Deloitte/Ipsos.

From a commercial perspective, I would propose that we agree a time and materials budget to an agreed cap for undertaking ad hoc work that is likely to be required over the short term. We have worked under a similar arrangement with Daniel in the past, and suggest this might be the most effective way for proceeding until a clearer scope of work is agreed. Would this be acceptable to you?

I look forward to taking this forward further next week.

Kind regards

Jim

Jim Richards
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