Understanding And Testing Passenger Perceptions Of Complexity In Relation To Fares And Ticketing

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Executive Summary

1. This report presents the findings of a multi-stage research programme commissioned by the Office of Rail Regulation to assist them in understanding and testing passenger perceptions of the complexity of the fares and ticketing structure and to provide detail on the impact.

2. The research includes qualitative research, on-train interviews and online interviews with adults who make rail journeys to destinations they do not visit regularly. The study investigated rail users' understanding of the structure of fares and ticketing, what passengers find complex, and explored what led to perceptions of complexity and the impact this had on rail use and the confidence with which users chose and bought tickets.

3. There was a lot of consistency in the findings across the different elements of research and this programme was broadly consistent with and builds upon other studies conducted in this area.

4. The main points were

   - There was limited understanding of peak and off-peak times and the potential savings customers could make through travelling off-peak.
   - Wide variations existed across rail users in terms of awareness and understanding of Advance tickets with some unaware of the potential savings these offered and others showing little understanding of the associated restrictions.
   - If customers were not previously aware of what tickets they were going to buy, they would be less confident they had bought the most appropriate ticket if buying from a ticket machine than buying from the ticket office or online.
   - While many rail users (around half the online sample) recalled buying inappropriate rail tickets in the past, people appeared to learn from their mistakes and we did not find evidence of many people being aware of making repeated mistakes.
   - The accumulated impact of small numbers of individuals making mistakes on different journeys appears to reduce individuals' confidence in being sure they are obtaining the most appropriate ticket for their journey. 52% of the online sample agreed that it is a bit of a lottery as to whether you find the best price for a rail journey or not.
   - Modest proportions (1%) of rail passengers interviewed on train could have purchased a cheaper ticket for that journey on the day of travel

- Much higher proportions of the online sample of rail users (41%) had bought tickets in the past and later found they could have made the journey on cheaper tickets
- Sizeable numbers in the online sample (15%) had bought rail tickets that had not been valid for the train they were travelling on and had to buy another ticket
- Online respondents who recalled buying inappropriate tickets were more negative in their attitudes towards and confidence regarding rail travel and ticket purchase

Deciding what to buy

5. One of the themes to emerge from this research was that rail users varied enormously in terms of their knowledge and understanding of Advance tickets and what kinds of savings might be achievable through buying tickets in advance. Lack of knowledge of the fares and ticketing structure meant some rail users missed opportunities to save money on the rail tickets they buy, while others risked buying inappropriate tickets because of limited understanding of restrictions.

Off-Peak tickets

6. There was also limited understanding of peak and off-peak times for trains and the potential savings customers could make if they ensured they travelled off-peak. In the online study, in response to a general question about peak times on the rail services they used, 19% of all rail users said they did not know what peak and off peak times were.

7. Furthermore, 5% of on-train interviewees travelling on an Anytime ticket for their journey said they could have travelled or were travelling off-peak but had not realised it would have been cheaper to have bought an off-peak ticket.

8. Some of the qualitative respondents were aware that peak and off-peak times varied across the network and those who travelled across different networks argued that lack of consistency in terms of definitions and terminology contributed to the complexity of choosing rail tickets and to the uncertainty that they were buying the cheapest and most appropriate ticket. Some also argued that rail companies appeared to make little effort in trying to educate customers about the different ticketing options available to them.

Advance fares – availability

9. Lack of understanding or awareness was evident in several ways. Most crucially, some rail users were not aware that savings could be made by buying tickets ahead of the date of travel. For example:

   - around 25% of on-train interviewees who knew of their journey in advance but did not buy tickets ahead of travelling did not know tickets were likely to be cheaper if bought in advance
   - 7% of online interviewees expected tickets bought two months in advance to be the same price as tickets bought on the day of purchase
   - 3% of all passengers interviewed on train had been aware of the journey they were going to make before the day of travel and were on a journey which offered Advance tickets BUT were not themselves aware of Advance tickets, so did not buy one.

Advance tickets - restrictions

10. There was also an issue with knowledge of the restrictions on Advance tickets. Of all rail passengers interviewed on-train, 70% were unaware that you can only travel on the specified trains on an Advance ticket. Even among those actually travelling on an Advance ticket, 37% did not realise that if they missed a train and travelled on a later train, they would normally have to buy a new ticket

11. There were other gaps in knowledge. 64% of those who bought Advance tickets were not aware that they had to get off the train at the station named on the ticket. This lack of awareness was confirmed in qualitative research, where a few participants had discovered tickets for a more distant destination were cheaper than tickets for their preferred destination, and then having bought tickets for the more distant destination, been surprised at being asked to pay more when their ticket was checked when leaving the train at their chosen station.

12. It was also clear from some of the focus group and in-depth interviewees that some rail users made a point of buying Advance tickets to the extent that shaped their expectations of what rail tickets did and should cost. They felt very hard done by if they were unable to buy very cheap Advance tickets for long-distance journeys.

Difficulties Caused by how People buy

13. Around three in five on-train interviewees had bought their ticket from a ticket office, almost one in five had bought online while just over one in five had bought from ticket machines.

Ticket machines

14. All elements of the qualitative and quantitative research highlighted that when customers bought from ticket machines they were less confident that they were buying the cheapest possible tickets for their journey. They were also less confident that they understood the range of tickets available for that journey.

15. Ticket machines were felt to work best where people knew before approaching the machine what type of ticket they wanted. But many rail users showed limited understanding of ticketing terminology and this made choosing a ticket from a ticket machine more challenging.

16. When people interviewed at stations were set dummy ticket selection exercises some struggled to find the most suitable ticket, with the noisy station environment and feeling that choices need to be made quickly contributing to the difficulty of the task.

17. Examination of the tickets purchased by on-train interviewees established that around 1% of all rail passengers were travelling on a train where they could have purchased a cheaper ticket for that journey on the day of travel. Virtually all of these had been purchased at ticket machines.

Online

18. Rail users appeared to be becoming more confident buying tickets online, and in the online survey, conducted among adults comfortable with using the internet, online rivalled buying from a ticket office as the preferred means of purchase. More significantly, relative to the numbers of online purchases, relatively few people in the online sample could recall occasions where they had made mistakes when buying tickets online as opposed to buying through other channels.

19. 41% of the online sample of rail users had bought tickets and later found they could have made the journey on cheaper tickets while 15% had bought tickets that had not been valid for the train they were travelling on and had to buy another ticket.

20. Those making mistakes had typically made their purchases at a ticket office or from a ticket machine rather than online.

21. Overall, demographic profiles were a poor predictor of who was likely to have issues when buying tickets. People from all demographic groups and with different journey purposes and frequencies encountered problems.

Detriment, Impact on Rail Usage and Confidence when Buying

22. For some, the additional cost was the biggest downside associated with having to buy a new ticket when a ticket collector informed them their ticket was not valid. But for others the embarrassment meant the incident stayed in their minds for a long time after. Perhaps because people remembered such incidents, it appeared that people learned from mistakes and we did not find evidence of individuals making the same kind of mistake repeatedly.

23. While the numbers of on-train respondents making mistakes on individual journeys were relatively small in percentage terms, the online survey showed that those who recalled buying inappropriate tickets were more negative in their attitudes towards rail travel less confident that they would buy the most appropriate tickets in the future.

24. The cumulative impact of small numbers of individuals making mistakes on different journeys was reflected in rail users being unsure of whether they were buying the most appropriate ticket. Only 76% of all on-train interviewees were confident they had bought the cheapest ticket for their journey and 52% of the online sample agreed that 'it is a bit of a lottery as to whether you find the best price for a rail journey or not'.

25. About one in four of the online interviewees claimed to make fewer rail journeys based on their lack of understanding of the ticketing structure. However, response to other survey questions did not support their claims to be making fewer journeys. For example, their frequency of making non-regular rail journeys was similar to other online respondents.

26. There is, therefore, some uncertainty as to whether ticketing complexity does actually reduce people's propensity to travel by rail. But it is clear that perceived complexity is having an adverse impact on people's confidence in buying rail tickets and their perceptions of value for money.

1.Introduction

Research Objectives

1.1 ORR wanted to understand what drives passengers' current perceptions of complexity in the fares and ticketing system:

- What are the common misunderstandings that arise?
- If passengers find the fares structure complex, why is this?
- How aware are rail users of the current restrictions?
- How do passengers interpret the information they are provided with?
- What do they understand from what they are being told and how do they respond in terms of what they buy and how they feel?
- How confident are they that they bought the best value ticket for their journey?
- What proportion of passengers buy the wrong ticket for their journey e.g. they could have bought a cheaper ticket or they misunderstood the restrictions and had to buy another ticket?

Methodology

1.2 The following programme of research was used to meet the key objectives of this project:-

- Desk research – overview and summary of key findings from previous research into fare structures, how well they are communicated and how easy it is for rail users to find the best value ticket for their journey
- A series of focus groups giving the chance for the whole subject of fare complexity, adequacy and clarity of presentation of fares and ease of finding the best value to be explored without any preconceptions. This aspect was devised to ensure the quantitative research covered off all the subjects of importance to rail users. Accompanied ticket buying and observation exercises through the main purchase channels were also conducted.

- On train quantitative research examining the extent to which rail users have bought the best value ticket given the circumstances of their journey. This stage captured all details of tickets bought, the degree of flexibility the passenger had in departure and return times, whether they could have bought tickets in advance and sales channels used. We then examined the cheapest ticket for the journey given the degree of flexibility and how far in advance the passenger could have bought the ticket

- Online quantitative study to give robust numbers behind the key areas identified in previous studies and the qualitative stage of this study. This stage captured understanding of fares, sales channels used, the degree to which passengers 'shop around', sources of information about fares, rating of fare information for clarity, and ease of finding the best value fare.

Desk Research

1.3 The desk research examined six main reports that were in the public domain at the time the research was conducted:

- House of Commons Transport Committee "How fair are the Fares? Train Fares and Ticketing" May 2006

- Passenger Focus "Passenger Requirements of Rail Fares" July 2006

- Passenger Focus "Fare Structure?" May 2007

- Passenger Focus "Employers' Requirements from Rail and Priorities for improvements" February 2008

- Passenger Focus "Buying a Ticket at a Railway Station" October 2008

- Passenger Focus "Fares and Ticketing Study" February 2009

Qualitative Research

1.4 Four focus groups and two days of on-station intercepts were conducted as part of the qualitative research.

- 4 mixed gender focus groups:-

    1. London 27 June:- Commuters into London who also make other leisure/business journeys at least quarterly. Aged 26-49, ABC1
    2. London 27 June:- Leisure travellers under 30, C1C2DE
    3. Birmingham 29 June:- Business rail travellers who choose/buy their own tickets 26-49, ABC1
    4. Cardiff 4 July:- Leisure travellers aged 50+, C1C2DE

- Observational exercises/individual interviews conducted at Euston, 30 June and Oxford 1 July

- Online observational exercise/interview with an SPA Future Thinking employee with no specialist research or travel knowledge, 4 July

On-train Quantitative Research

1.5 The on-train methodology included handing out self-completion questionnaires to passengers travelling onboard trains. After completing the first half of the questionnaire, respondents gave the questionnaire and their ticket to the interviewer who accurately recorded details of the ticket they were travelling on and asked a few further questions. Passengers travelling on season tickets (including weekly tickets) were excluded from the research.

SPA Future Thinking would like to thank the 10 train operating companies who co-operated with this research, allowing us to interview on their services. These were:

- First Great Western
- First ScotRail
- First Transpennine Express
- First Capital Connect
- First Hull Trains
- Chiltern Railways
- Grand Central
- Southeastern
- C2C
- Merseyrail

1.6 In total 28 interviewing shifts were conducted, covering 127 individual trains, with all interviews conducted between 19th and 25th July 2011. The sampling plan was drawn up to ensure coverage of Long distance/ Local and London and Southeast Services – the full sample plan can be found in the appendix to this report.

In total 937 respondents completed the on-train survey.

Online Quantitative Research

The online research was conducted using. Research Now's online panel of adults who were previously recruited to take part in online surveys. The panel is broadly representative of UK adults with online access. A sample of panel members were sent a link to an online questionnaire.

Only people who had recently made a rail journey that they were not familiar with were eligible for the online research.

In total 755 respondents completed the online survey.

2. Desk Research

2.1 Before undertaking primary research we investigated, read and summarised other research that had been undertaken in the previous few years on the subject of people's understanding of fare structures and ticketing complexity. These reports are summarised briefly below.

2.2 There were a number of themes emerging from previous research including the fact that many passengers showed limited understanding of fare structures and that rail users were often wary of using ticket machines. The desk research was undertaken in part to identify gaps in knowledge in this area

2.3 The six publications identified from the desk research were:

- House of Commons Transport Committee "How fair are the fares" Train Fares and Ticketing" May 2006
  - Highlighted the 'explosion' in range of ticket types, names and prices (particularly on unregulated fares). Also commented on the high variation in ticket prices for the same journey and TOC's 'lack of transparency' on the availability of cheap advance purchase fares.
- Passenger Focus "Passenger Requirements of Rail Fares" July 2006
  - Demonstrated high numbers of passengers aware of journey in advance of travel but buying on the day, less than half of passengers confident they had purchased the cheapest ticket and a limited number searching for the cheapest fare. Highest confidence in ticket office and lowest with ticket machines
- Passenger Focus "Fares Structure?" May 2007
  - Qualitative indication that passengers find the fare structure complicated and this impacts on their feelings of not obtaining the best possible price. The concept of common fare names was universally accepted as a good way of simplifying the system.
- Passenger Focus "Employers' requirements from Rail and Priorities for Improvement" February 2008
  - Decision makers within businesses complained about the inflexibility around peak and off-peak journeys. Confusion caused by the complexity of the fare system was noted and a quarter claimed to have poor knowledge of how to get the most appropriate ticket.
- Passenger Focus "Buying a Ticket at a Railway Station" October 2008
  - Demonstrated a resistance to using FTMs (driven at least in part by the complexity of the current fare system) and buying tickets in advance (due largely to not knowing travel plans in detail in advance).

- Passenger Focus “Fares and Ticketing Study” February 2009
  - A lack of clarity about Advance fares led to confusion and mistrust (was their failure to find cheaper Advance fares because they had sold out or not available on that service?). Passengers were critical of the policy of Advance fares having no upgrade value if they miss their train.

2.4 Summing up the desk research, it is clear that the current regime of fares and ticketing causes confusion and that in spite of the fares simplification measures that have been introduced in recent years, complexity is still a problem today

2.5 Each of the publications reviewed touches on a different aspect of complexity but as part of a broader study looking at wider issues

2.6 None of the surveys looks definitively at the degree to which rail users are suffering detriment as a result of the complexity of the fares structure and poor communication of fares information

2.7 Therefore, there is no single published information source which can be analysed by type of journey and social demographics on the extent of the problems and their impact to support the design of appropriate and proportionate solutions.

2.8 Subsequent to the initial phase of desk research ATOC made available to us two other relevant reports:

TVM Ticket Sales Annual Customer and Mystery Shopping Research (ATOC)

This annual study conducted showed generally high levels of satisfaction with Ticket Vending Machines (TVMs) among those choosing to use them. However, when interviewers (acting as mystery shoppers) tried to buy a particular ticket from a TVM, even on routes with more than one Train Company, the majority made a correct purchase. However, overall 29% were not able to complete the transaction successfully. This suggests that some people, who may not use TVMs regularly, may struggle when they are obliged to buy a rail ticket from one.

Annual Mystery Shopping of Ticket Office (ATOC)

This mystery shopping study showed generally high levels of service provided at ticket offices in terms of selling customers appropriate tickets.

3. Main Qualitative Findings

3.1 The qualitative research comprised :-

- four mixed gender focus groups (June – July 2011)
- observational exercises/individual interviews at Euston station on 30 June and Oxford station 1 July
- observational exercise/interview with non-research staff, 4 July

Terminology

3.2 Respondents were not aware of the efforts made by Train Operating Companies to simplify rail pricing and terminology. In describing tickets some used terms such as ‘advance’, ‘off-peak’, and ‘any time’ without necessarily having a clear idea of what the terms meant.

Fare Structure

3.3 People identified some logical elements of the fare structure:-

- longer journeys cost more than short
- 1st class more expensive than standard
- peak more expensive then off-peak
- tickets cheaper if bought in advance

3.4 But deviations from this pattern (such as bargains on first class tickets and journeys where a more distant destination was cheaper) caused confusion and encouraged people to describe the rail fare structure as ‘confusing’ and even ‘crazy’.

Attitudes to Rail Travel

3.5 While fare structures were thought by many to be confusing this was not the main grievance regarding rail travel. Commuters, especially, were aggrieved at not getting a seat and standing in crowded train compartments. This was not the focus of the study, but places concern about ticketing complexity in the context of other concerns about rail travel.

Buying Tickets in Advance

3.6 Some rail users were aware that the real bargains could be found in limited batches of Advance tickets released about 12 weeks in advance. This also greatly influenced their expectations of what was reasonable to pay for a rail journey.

3.7 Others were unsure of whether it was best to buy tickets one week or several weeks in advance.

3.8 Uncertainty over the best times to buy rail tickets and the belief of some customers that tickets might go up and down in price in the weeks leading up to a journey encouraged some to regard rail pricing as complex and illogical.

3.9 Indeed, when the relative complexity of rail and flight ticket pricing and mobile phone tariffs was raised in the focus groups, most participants claimed to regard rail ticket pricing as more complex than flights or mobile phone tariffs.

Peak Versus Off-peak

3.10 Individuals differed greatly in terms of their ability to choose their travel times and to take advantage of off-peak tickets, with non-salaried personal travellers (i.e. those travelling for leisure or other non-work related reasons) were the most likely, and those travelling on company business the least likely, to make sure they were travelling off-peak.

3.11 The ability of some travellers to make off-peak journeys had been reduced by the extension of peak hours on some routes including Edinburgh to London and Manchester to London.

3.12 Some respondents appeared to have a very good understanding of peak and off-peak times relating to their routes, others were unsure of whether there was simply a morning or also an afternoon peak or whether peak times related to the time they boarded a train or when it arrived at its destination.

Buying Tickets Online

3.13 Most qualitative respondents preferred to check out options online and some preferred to complete their purchases online. Most respondents coped easily with straightforward test exercises for planning a journey online and showed a reasonable understanding of the restrictions on their preferred ticket choice.

Views/Experiences of Ticket Machines

3.14 Interviews and observational exercises conducted at stations uncovered a number of problems people found when buying or picking up tickets from ticket vending machines at stations.

3.15 Ticket machines were considered to be easiest to use for buying tickets by those with a very good understanding of fare structure and ticket terminology, especially those who already knew what ticket they intend to buy before approaching the machine.

Views/Experiences of Counter Staff

3.16 People had mixed experience of counter staff but there was uncertainty as to how far counter staff were obliged to tell passengers asking for specific tickets of other options available to them.

Making Mistakes

3.17 While for some the financial expense of having to pay penalty or excess fares on board a train was the worst consequence of buying invalid tickets, for others it was the embarrassment of being caught with the 'wrong' ticket and having to publicly pay more that caused them to remember such incidents for a long time afterwards.

3.18 Several of those who had found themselves having to pay more on the train said the circumstances were linked to the complexity of the fare structure.

- purchasing a ticket requiring travel on a specific train
- purchasing a ticket requiring an off-peak return journey
- getting off the trains too early.

3.19 But crucially nobody was regularly making such mistakes as passengers did learn from mistakes they had made.

Detailed Findings Covering On-train, Online & Qualitative Research

4. When to Buy Rail Tickets

Key findings

- Many of those who know they will be making a specific journey some time before they travel buy tickets on the day rather than in advance.
- Lack of awareness of the potential savings through buying tickets in advance is one of the reasons for this.
- Some rail users are aware they can often buy cheap tickets 12 weeks in advance; this means they often pay less than less well-informed rail users and it also colours their perception of what constitutes reasonable prices for rail journeys.
- Even among those who bought them, there was limited awareness of the restrictions associated with Advance tickets

4.1 In the focus groups and depth interviews, some rail users demonstrated awareness that limited batches of reduced-price tickets were released up to twelve weeks in advance.

4.2 They knew this was when the bargains could be found. Some qualitative respondents, especially students and retired people, knew they would be making specific journeys several months ahead and, the students in particular, made a point of seeking out these tickets.

4.3 This in turn greatly influenced their expectations of what was reasonable to pay for a rail journey. So if they had been unable to buy an Advance ticket and bought a standard off-peak ticket they would regard that as very expensive, even a “rip-off”.

4.4 Virtually all qualitative respondents knew tickets could be cheaper if bought in advance, but there was uncertainty as to whether tickets bought say, eight weeks or four weeks in advance would be cheaper or more expensive than tickets bought, say, two weeks or one week in advance.

4.5 Some thought tickets would go up in price the nearer to the departure date, others were unsure while a few thought prices could fluctuate upwards and downwards in the weeks leading up to departure, a couple claiming to have seen evidence of this when they were trying to decide when to make a journey.

4.6 Some wanted to retain flexibility over their journey while also wanting to buy the cheapest possible ticket and this could cause a degree of uncertainty and anxiety.

"I am currently researching how to get to Bideford, how much it's going to cost if we book now. Are we going to get a cheaper deal because it's two weeks in advance but then we're not sure about what time we need to go so it is getting later and later and the price is going up. It's quite stressful."
(Female, London, Leisure Traveller)

4.7 There were mixed views about the desirability of prices changing in the period leading up to a journey. One young man was very positive about his experiences in Canada when he monitored for three weeks the price of a planned rail journey from Toronto to Montreal and found prices did not change. Some respondents welcomed the simplicity of this system.

4.8 But a young woman in the same group recognised the potential benefits of being able to buy cheaper advance tickets.

"To be honest, thinking about that, the train times and prices, I think we're lucky to be able to have a choice".

4.9 This theme recurred in the online research and in depth interviews.

4.10 Essentially people wanted simplicity but those who were finding bargains were keen that any simplification of the fares structure should not be at the expense of their ability to find bargains.

4.11 However, the fact ticket prices might vary depending on the day they were bought was one of the factors leading qualitative respondents to tend to regard rail ticket pricing as more complex than flights or mobile phone tariffs. Some may have been unaware that the price of flights varies depending on the time at which the flight is booked but a couple of individuals claimed to have a much better understanding of how the price of flights would change over time than how the price of a rail journey would change over time.

"There's so many variables with rail, that's why it becomes really confusing. With rail travel there are so many factors that can affect your one journey, however simple that journey is. That's what makes it really, really confusing as opposed to the amount of journeys or planes going out".
(Female, London, Commuter)

4.12 The issue of when to buy tickets was investigated in both the on-train and online studies.

4.13 The on-train interviews highlighted that some who could have bought tickets in advance were not doing so while those who were, were not necessarily well informed about possible restrictions.

Figure 1: Comparison of when journeys are known about and when tickets are bought (On-train)

	Aware	Buy
	%	%
Today	11	65
Yesterday/ 2-3 days	32	13
4-6 days	7	5
1-2 weeks	18	8
3-4 weeks	12	5
Longer than 4 weeks	18	3
Don't know	2	1

Base : (Aware : n=937) (Buy : n=937)

4.14 About half the on-train interviewees knew at least a week in advance that they were going to make this journey, including 18% who knew at least a month in advance. But only 16% bought tickets a week or more in advance, including 3% who bought at least a month in advance. Most travellers (65%) bought their ticket on the day.

4.15 Those who knew they would be travelling at least two days before they made their journey but did not buy Advance tickets were asked if they knew tickets are often cheaper if bought in advance.

4.16 Three in four knew tickets were often cheaper if bought in advance, but these individuals chose not to buy in advance, typically to retain flexibility or because they were not sure of the precise day of travel.

4.17 However, one in four did not know tickets were often cheaper if bought in advance. These respondents were asked whether they would have tried to purchase advance tickets for this journey had they known that they could often buy cheaper tickets in advance. 38% of this group said they definitely and 31% would probably have bought in advance had they known.

4.19 Additionally, almost half of those who did buy Advance tickets could have purchased tickets before they did; unwillingness to commit themselves to particular times rather than lack of understanding that savings could be greater if bought even further in advance was the main reason for them not doing so.

4.20 The 109 on-train respondents travelling on Advance tickets also displayed limited understanding of the restrictions that applied to the tickets they had purchased.

Figure 2: Awareness of advance ticket restrictions (prompted, on-train)

	%
Can only travel at time specified (if you miss a train you have to buy a new ticket)	63
Can only travel at time specified (if you miss a train you have to pay a small fee to change tickets)	24
You can't get a refund on your ticket	52
Can only travel on particular company's trains	47
You can't break your journey	44
You must get off the train at the station named on ticket	36
You can only travel on off-peak services	22
Don't know (not aware of any of these restrictions)	15

Base :Buy tickets in advance (n=109)

4.21 Most were aware that they would have to buy a new ticket if they wanted to catch a different train from that specified. But 37% did not know including some who thought that if they missed a train they could change tickets by paying a small fee.

4.22 Only half were aware they could not get a refund and that they had to travel on a particular company's train.

4.23 Only 36% were aware they had to get off at the station named on the ticket (and qualitative research revealed travellers who sought to save money by buying tickets to more distant destinations e.g. Newcastle when travelling to Darlington, had been surprised they were asked to pay more when getting off at their chosen station).

4.24 The online study confirmed that there was considerable confusion around the area of Advance tickets. Online respondents were asked what savings they would expect to make by buying tickets a few days, two weeks or two months in advance.

4.25 For each of the three questions estimates of potential savings varied hugely. Some expected to make no savings at all (11% in the case of tickets bought a few days in advance, 7% for tickets bought 2 weeks or 2 months ahead).

4.26 The median estimates of savings that could be made were 10-20% where tickets were bought a few days in advance, 20-40% where tickets were bought two weeks or two months in advance.

4.27 People's expectations of savings correlated strongly with their likelihood of actually buying tickets in advance.

4.28 Those who expect to make significant saving (40% or more) as a result of buying an Advance ticket usually or always do so but those expecting smaller savings are much less likely to buy Advance tickets. This shows how customer knowledge and expectations influences purchase decisions and behaviours, and qualitative research suggests customers learn through trial and error rather than through seeing easily accessible information that explains when they should try to buy tickets.

5. What Tickets to Buy

Key findings

- Peak vs Off-peak times are confusing and not understood by all passengers
- Terminology can be an issue and whilst ‘Advance’, ‘Off-peak’ and ‘Anytime’ are largely understood there is no awareness that TOC’s have adopted this threefold distinction to introduce some consistency into rail fare terminology and other phrases such as ‘SuperSaver’ were still used by passengers.
- Where there is confusion, passengers may err on the side of caution and pay more for flexibility they do not actually require.

Peak vs Off-Peak

5.1 Whilst the vast majority of passengers have a broad understanding of the concept of peak and off-peak services, awareness of the specific criteria for these are less well known.

5.2 The qualitative research highlighted the fact that some passengers can find it difficult to select the correct ticket as they do not know the exact validity of peak and off-peak services.

5.3 It was noted that there was a lack of consistency in terms of the times of peak and off-peak services across train operators and this added to the confusion.

5.4 It was also observed that ‘peak times’ were not fixed based on historical practice but could be changed. In particular some users were irritated by this, particularly when convenient off peak trains were moved into the peak period.

5.5 One particular example of this was given in a depth interview at Euston where it was noted that an increase in the ‘peak’ period meant that it was no longer possible to get cheaper tickets from Manchester to London that arrived in London just after 10am.

5.6 The other issues noted in the qualitative research concerning peak and off-peak times were:

- a lack of understanding whether it was based on the time trains departed a particular station or their arrival at their terminus (e.g. Commuter trains leaving a specified station before 9am or those arriving at London before 10am) added to confusion.

- afternoon peaks which applied to some routes and not others. The afternoon peak issue was noted as one area where passengers had been caught out travelling on an incorrect ticket (in the on-station observation exercise we noted one user failing to notice the afternoon peak restriction on a return journey which could have impacted on them purchasing the wrong ticket for their journey).

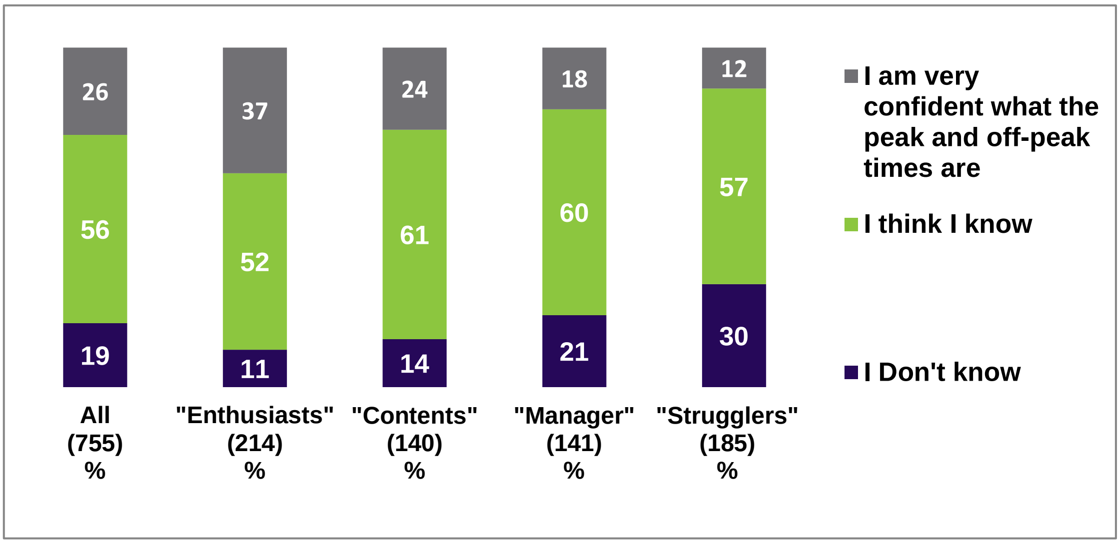
5.7 The quantitative research backed up these concerns.

5.8 The online research demonstrated that almost one in five rail users who make at least some irregular journeys do not know what the peak and off-peak times are for the journeys they make. This rises to 30% among those defined as ‘Strugglers’ who claim to make fewer rail journeys due to their lack of understanding of rail tickets. Figure 3 shows results to this question broken down by four attitudinal segments with ‘Enthusiasts’ the most confident, and ‘Strugglers’ the least confident in relation to their ability to find the cheapest tickets for their rail journeys.

5.9 ‘Enthusiasts’ enjoy taking the time to look at the different options available to them. ‘Contents’ do not enjoy the process of finding tickets but feel there is a logical process to finding the cheapest tickets. ‘Managers’ feel it may be down to chance whether they find the cheapest tickets, but they manage to get by, they do not claim to make fewer rail journeys because of ticketing complexity

5.10 Whilst it is, perhaps, not surprising that only 12% of ‘Strugglers’ say they are very confident of what the peak and off-peak times are, this only rises to 37% even amongst those who are ‘Enthusiasts’

Figure 3: Q. Do you know what the 'peak' and 'off-peak' times are for journeys you make by train? [Online]



5.11 The on-train research suggests that this lack of awareness of peak and off-peak times does lead to some real detriment to passengers (and not just in terms of their attitudes to rail but also in terms of their ability to choose the cheapest ticket for their journey).

5.12 Overall a third of all passengers interviewed on-train were travelling on an Anytime ticket.

5.13 Of these Anytime ticket holders, 25% were not aware that it might be cheaper to purchase tickets if they only travelled during off-peak hours. One in three of these Anytime users were actually travelling on routes where there were peak and off-peak times operating.

5.14 Whilst a lack of awareness of off-peak does not in itself indicate that passengers were suffering any detriment to their journey because of this, the on-train survey also found that one in twenty Anytime ticket holders said they were not aware of cheaper off-peak tickets and had enough flexibility in their journey that they could have travelled at off-peak times.

5.15 We found nine instances in the on-train study (just under 1% of all journeys) where passengers were travelling on an Anytime ticket on a route where off-peak services were available and that they would have been able/willing to take advantage of these cheaper off-peak fares had they been aware this was possible. Whilst it was impossible to be accurate in predicting what proportion of these passengers actually would have changed plans to catch the off-peak services this did provide quantitative evidence that a large number of journeys per annum are being made by passengers who would have chosen to travel on off-peak trains had they been aware of the availability of off-peak fares on their route. An increase in awareness could, therefore, not only reduce the financial detriment on passengers but also in some small way reduce the number of people travelling on busier, peak services. In addition to these passengers, 1% of these interviewed on-train could have travelled on the same train where they were interviewed but on cheaper tickets bought that day. (See Sections 8.1 and 8.2)

Figure 4: Aware cheaper tickets available if travel off peak (On-train)

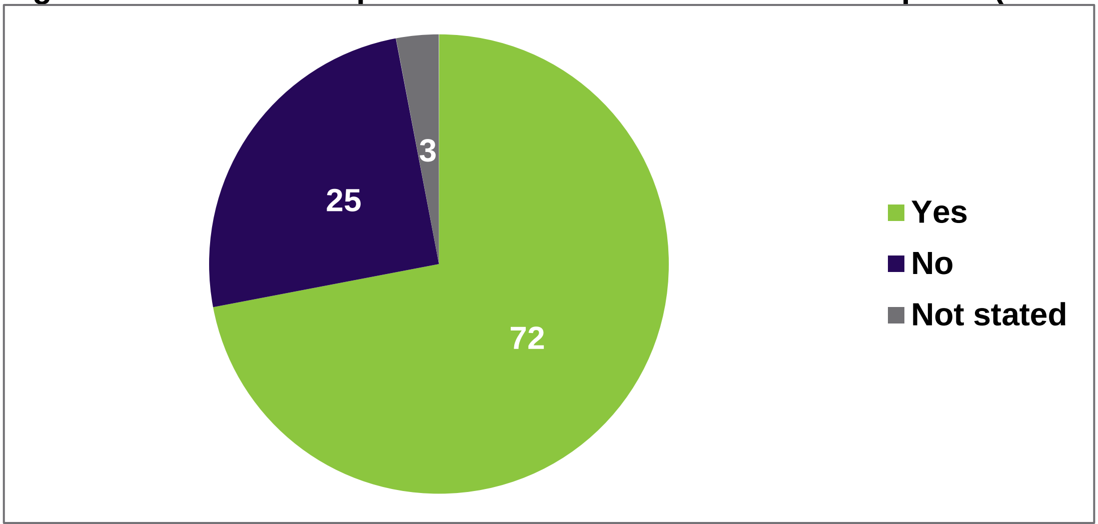


Figure 5: Whether could have travelled off-peak

	%
Yes I am/could travel off-peak	21
No – I could not have travelled off-peak	49
Didn't know the times of travel when bought ticket	12
Don't know what the peak times are	15
Not Stated	3

Base : (on train respondents on Anytime ticket n=315)

Ticket Terminology

5.16 Whilst most respondents during the qualitative research claimed awareness of Advance, Off-peak and Anytime tickets when prompted, these were not necessarily the first ‘names’ they used for tickets when asked what types were available.

5.17 In particular passengers continued to use phrases such as ‘Saver’ and ‘SuperSaver’ to describe tickets.

5.18 Indeed, there was no real awareness of the harmonisation of tickets under these three main headings with respondents referring to other ticket names still being used such as ‘Weekender’ and ‘Super Off-Peak Return’.

5.19 With Advance tickets it was clear that there was little awareness of the actual mechanics of this ticket (and this lack of awareness is quantified elsewhere in this report). It was largely seen that these were tickets bought in advance of the day of travel. Therefore, whilst ‘Advance’ communicates one aspect of this ticket (i.e. it is bought before the day of travel) it does not necessarily resonate with passengers that this is a restricted, discounted product.

5.20 This lack of understanding of ticket names (and indeed the general concept that there are only three ticket types) does impact on passengers’ ease of quickly choosing the most appropriate ticket for their journey.

6. How To Buy A Rail Ticket

Key findings

- Most people bought their tickets from the station ticket office and preferred to buy in this way
- More sophisticated rail users were relatively more likely to buy Advance tickets online
- People encountered relatively few problems buying tickets online – they were more likely to encounter problems or to find they paid more than they needed to when buying from ticket machines.
- Those making purchases for a ticket machine were felt to need more prior knowledge than those buying online or from a ticket office.
- Some respondents suggested the onus should be placed on the vendor rather than the purchaser to identify the cheapest ticket

6.1 There was a lot of consistency across the qualitative, online and on-train research in terms of views and experiences of the different methods of buying tickets, although not surprisingly since it was based on a panel of internet users, the online research had a higher proportion of online ticket buyers than the on-train research.

How Tickets Are Bought

6.2 As most of the on-train sample had bought their tickets on the day, unsurprisingly, only a minority of respondents had bought tickets online (17% of all on-train interviewees) or over the telephone (2%).

6.3 Of those buying their tickets at the station, many more made their purchase from a station ticket office (59% of all interviewees) than from a ticket machine (22%).

6.4 This was consistent with both the online research (where most of those buying on the day opted to buy from the ticket office) and the qualitative research.

6.5 A sizeable minority of the qualitative respondents much preferred to buy their tickets from a ticket office rather than from a machine or online. This was especially true of older adults.

6.6 We came across an individual and a couple in the at station interviews who would check journey times and prices online (and be confident in doing so) but would then make a separate trip to the station weeks or months before their journey to make their purchase.

6.7 Some older adults were happy to check journey times online but did not want to make purchases online as they were concerned about card security issues.

6.8 People buying tickets on the day tended to prefer buying at the counter, though many would try a ticket machine, especially for straightforward journeys, if there were queues at the counter.

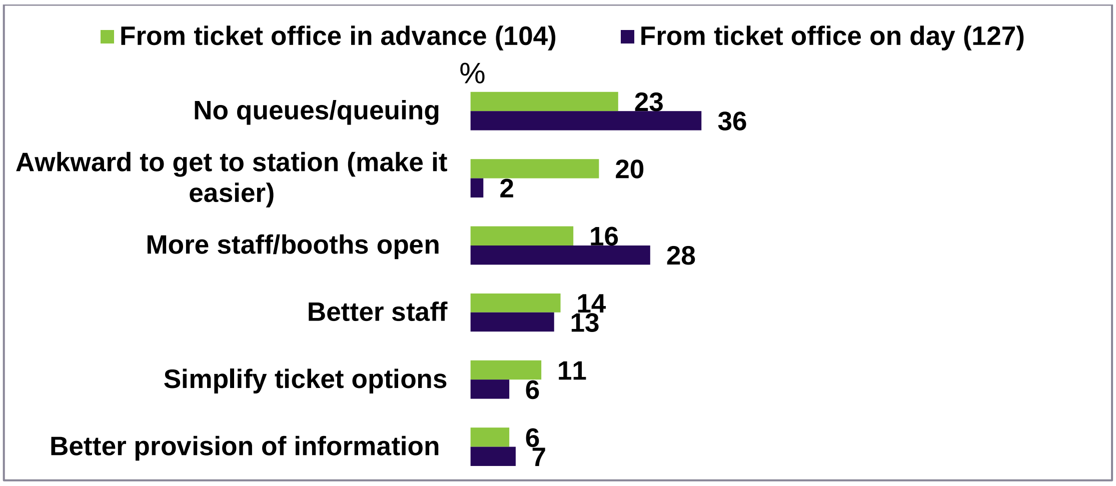
6.9 In the online survey the following proportions of respondents thought it would be difficult to buy the most appropriate ticket for their journey if they bought through this means:-

- telesales line (29%)
- ticket machine at station (17%)
- station ticket office on day of journey (17%)
- station ticket office in advance of journey (14%)
- Online (8%)

6.10 Perhaps surprisingly in view of the fact that more people buy from ticket offices than ticket machines there appeared to be little difference in perceived ease of buying from a station ticket office and a ticket machine, but the numbers believing it to be very easy to buy from a ticket office were greater than for a machine (26% versus 15%).

6.11 Those who thought it was difficult to buy an appropriate ticket from a ticket office were asked what could be done to make it easier.

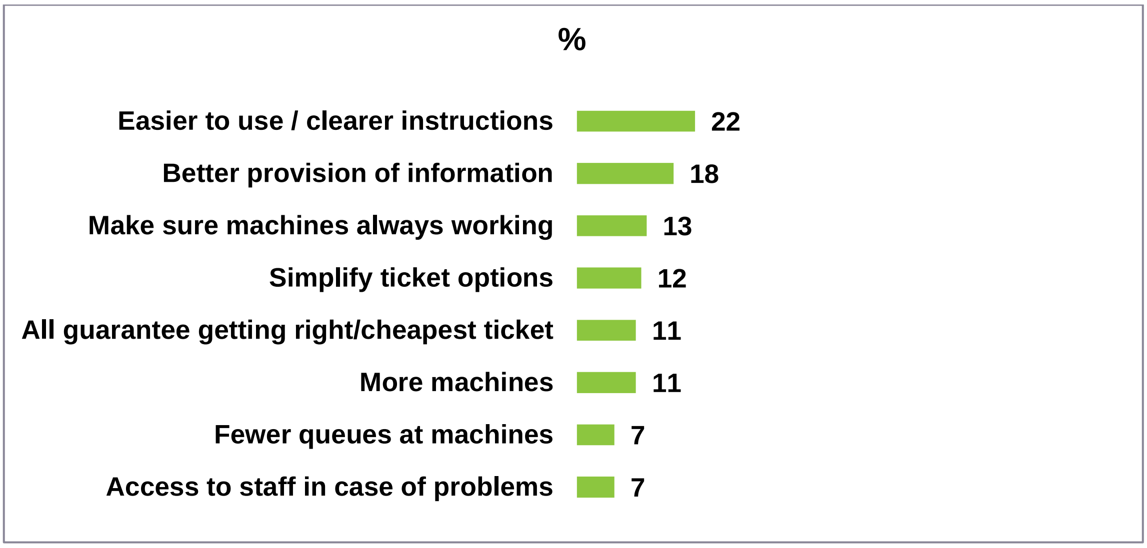
Figure 6: How buying from a ticket office could be made easier (Unprompted suggestions – online survey)



6.12 In relation to buying from a ticket office in advance, 11% volunteered the suggestion that simplification of ticket options would help them buy the correct ticket. This was also mentioned by 6% of those who thought it would be difficult buying from a ticket office on the day of travel.

6.13 But more people made comments related to queues or numbers of staff than referred to ticketing complexity.

Figure 7: How buying from ticket machines could be made easier (Unprompted suggestions – Online Survey)



Base : (all who say it is difficult to buy a ticket in this way (online survey) n=123)

6.14 For online respondents who regarded it as difficult to buy the most appropriate ticket from a ticket machine the three main areas of comment concerned:-

- availability of machines (machines working, more machines, fewer queues)
- ease of use/clarity of instruction
- provision of information

6.15 Suggestions to simplify ticket options were less prevalent as a means of making it easy to buy tickets than suggestions linked to the mechanisms of actually making a purchase from a machine. Even so, one in eight of those who thought it would be difficult to buy a ticket from a ticket machine volunteered the idea of simplified ticket options as a suggestion for making the process easier.

6.16 One of the most interesting comments (made by 11% of those who say it is difficult to buy a ticket from a machine and 2% of all respondents) concerned guaranteeing to give customers the right/cheapest ticket. This reflected the desire of customers to be able to buy the cheapest available ticket without trial and error and without having existing knowledge of ticket options to help them.

6.17 The observation exercise and individual interviews at stations highlighted some of the problems encountered by ticket machine users.

6.18 There was little evidence in this research programme of those who bought online but collected tickets at machines encountering many problems. But at Euston station, some of those collecting tickets approached the first machine and failed to understand that the large notice "for customers purchasing tickets only" meant that those collecting tickets could not do so from this machine.

6.19 The small taped-on explicit message that this was not for collecting tickets was easily missed. The issue was complicated by the fact the screen gave people the option of pressing "collect tickets" and over the course of a few hours, several people tried to use this machine to collect tickets and became puzzled and frustrated.

6.20 It was also clear that not all customers collecting tickets were checking that all the tickets they had bought had been printed out.

6.21 One young man interviewed at Euston had booked a return trip to Birmingham to London for that day plus a return trip for him and his girlfriend two days later. Although he had ensured he had picked up all tickets printed, he had not studied the tickets and only discovered on the train he had only received Saturday's tickets and not those for Thursday (the day of travel / interview).

6.22 We found a wider range of problems among people trying to choose and buy tickets at ticket machines. One issue, identified by a couple of respondents, is that ticket machines assume a degree of prior knowledge. Ticket machines will be easiest to use by those with a very good understanding of fare structures and ticket terminology.

6.23 Ticket machines list types of tickets. But even some experienced rail users have only a vague idea of the definition of some of the terms such as 'off-peak returns'. And without prior knowledge of validity, it may be impossible for a customer to choose confidently between a supersaver ticket or off peak return if the ticket machine does not state explicitly the validity for these tickets. A customer buying a ticket online could see the price associated with different train times and could make a decision on that basis. But this information would not be available to someone buying from a ticket machine.

6.24 Some of the problems encountered appeared to be linked, in part at least, to the circumstances in which people were using ticket machines. Stations can be noisy, with frequent tannoy announcements. Queues may also form at ticket machines (although this rarely occurred at Euston where there are numerous machines).

6.25 Interacting with the internet from home may feel less hurried and pressured than interacting with a ticket machine at a station. This may help to explain why some of those observed or spoken to failed to notice some of the elements of the screens they looked at

6.26 For example, a couple of older gentlemen, who held Railcards, failed to notice the 'Railcards' wording on the screen of the ticket machine.

6.27 As a result, one irate elderly gentleman insisted that the 'fast' ticket machine did not allow him to buy a ticket as cheap as he could buy from other machines. Another elderly man spent a long time pressing buttons and going through different options before noticing the Railcards button and getting the ticket he wanted.

6.28 We also found when observing passengers going through actual or hypothetical purchasing exercises that some respondents missed some of the ticket validity information so were at risk of buying the wrong ticket.

6.29 We devised exercises for a few respondents including asking two people to imagine they were buying a return ticket from Euston to Stoke-on-Trent, not realising there was a particular challenge associated with buying this ticket.

6.30 The price for a standard Anytime return was £232. One noticed a super off-peak ticket for £22. But on the day of the exercise the stated validity for this ticket was nonsensical as it appeared to be based around a return journey starting at Stoke. So without prior knowledge, a ticket machine purchaser would not know whether or not they could travel on the super off-peak return. The customer who had noticed this option did not know from the term 'super off-peak return' how the validity might be different from 'off-peak return'. This customer said he would opt for an off-peak return for £47 knowing this would be valid, rather than risking buying a ticket that might turn out to be invalid. His choice ties in with other evidence from the study that suggest many rail users hated the idea of being caught with an invalid ticket.

6.31 The other respondent failed even to notice the £22 ticket as it appeared near the bottom right hand corner of the screen so selected the off-peak return option.

6.32 (We re-checked the options for travelling to Stoke-on-Trent in October 2011, and the problem had been rectified, with the conditions associated with the cheapest return ticket made clear on the screens).

6.33 Ticket machines were felt to be a reasonable means of obtaining tickets where people had a good idea in advance of what they would be buying. The internet was widely considered to be far superior to ticket machines for checking suitable journey times and the cheapest options available for that journey. There was not the same flexibility with ticket machines, so most qualitative respondents would, wherever possible, check unfamiliar journeys online, even if travelling the next day.

7. Finding Information – Confidence in Purchasing Tickets

Key findings

- Those who did do research before buying their ticket tended to believe that they found the information they were looking for relatively easily.
- However, a sizeable minority of passengers were not confident they had bought the cheapest ticket (this was particularly the case when buying via a Ticket Machine).
- The overall attitude towards complexity was highlighted with around a quarter saying this reduced their overall rail usage (whilst this was likely to overestimate behavioural impact it did highlight attitudinal concerns).

Conducting Research

7.1 The on-train research demonstrated that just three in ten passengers said that they had done some research before buying their ticket. The vast majority of these did this research online.

Figure 8: Q. Did you do any research into which tickets to buy before purchasing it? (on-train)

	%
Yes – Ticket office	4
Yes – Internet	22
Yes – Used other source	4
No – Did not do research	70

Base : (n=937)

The other sources, each mentioned by 1% were; looked on a ticket machine/ spoke to a member of staff/ spoke to a friend/ phoned a call centre.

7.2 The majority of those doing research did find it very or quite easy to find the information they were looking for. This finding backed up the qualitative research where respondents were asked to study the relevant details from the internet for hypothetical journeys. On the whole, they had little difficulty in understanding and interpreting the online information they were shown.

Figure 9: Q. How easily did you find the information you were looking for? (On-train)

	Total	Ticket office	Online
	%	%	%
Very easily	59	50	61
Quite easily	29	32	31
With a little difficulty	6	9	4
With a lot of difficulty	1	-	1
Couldn't find what I was looking for	-	-	-
Not stated	5	9	3

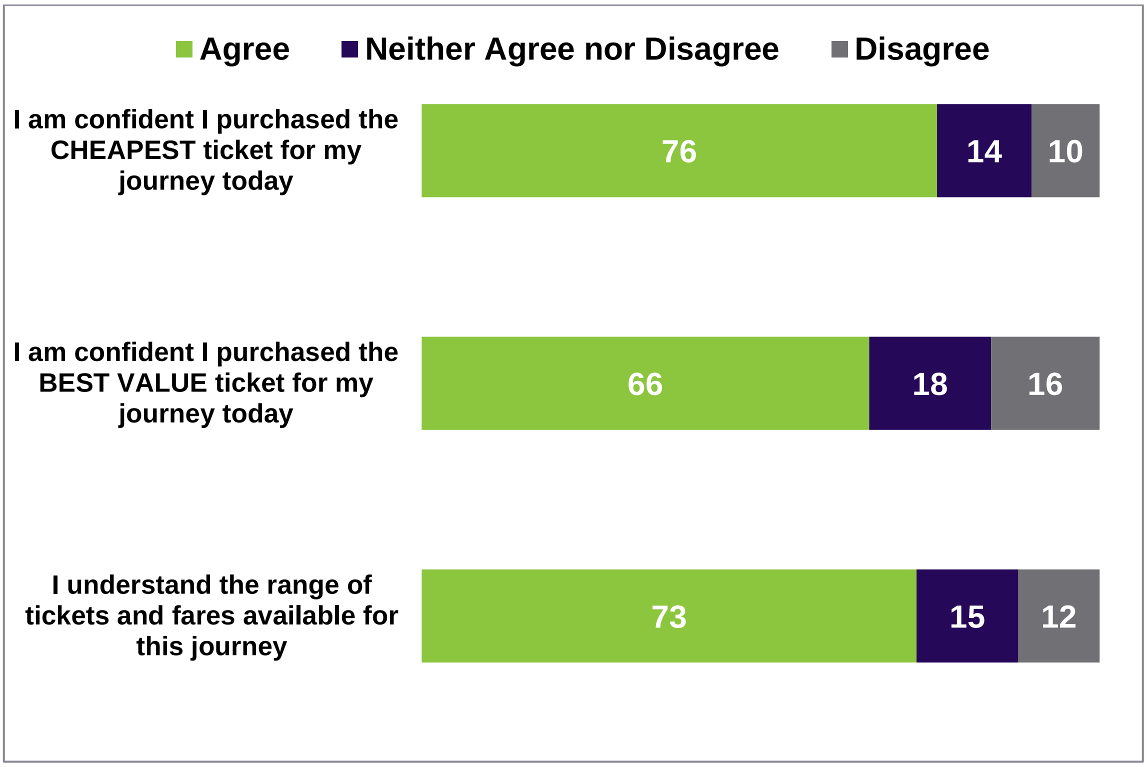
Base : (Total n=279, Ticket Office n=34, Online n=209)

Confidence in Purchasing Correct/ Cheapest Ticket

7.3 Whilst between two-thirds and three-quarters of passengers interviewed on trains agreed that they were confident they had purchased the cheapest and best value tickets and understood the range of tickets and fares available, nevertheless, at least one in ten disagreed with each of these statements. (See Figure 10)

7.4 The findings in Figure 10 below are for the on-train survey (however, the online research demonstrated similar patterns in passengers' confidence levels).

Figure 10: Agreement with statements (%) [On-train]



Base: All on-train (937)

7.5 The data regarding confidence levels clearly highlight differences between purchase modes. In particular, those buying from ticket machines are significantly less likely to feel confident they bought the cheapest and best value tickets for their journey. This backs up the findings outlined in the 'Making Mistakes' section) where those buying from Ticket Machines were seen to be more likely to purchase an incorrect ticket than those buying from elsewhere.

7.6 Those buying their tickets online are also more confident they purchased the cheapest ticket than those buying from the ticket office (to some extent this may reflect the fact that those buying online are buying before the day of travel and therefore more likely to have purchased Advance tickets).

7.7 The online research also examined passengers' confidence in finding the cheapest tickets and willingness to purchase by the various methods. It must be remembered that this research was conducted online and, therefore, the strong performance of online purchase modes (73% confident they would find the cheapest ticket, 43% choosing to buy in this way) is likely to reflect the sample's comfort with online channels. However, it is still important to note that Ticket Machines (and in this instance Call Centres) perform less well than online or ticket offices. Passengers were most confident in getting the cheapest ticket when buying before the day of travel (online or at station)

Figure 11: Confidence in buying tickets by source of purchase (On-train)

% saying	Online (152)	Ticket Office (530)	Ticket Machine (194)
	%	%	%
Confident purchased cheapest ticket	84	76	71
Confident purchased best value ticket	75	67	55
Understood range of tickets & fares available	77	70	76

[Red] = Statistically significant at 95% confidence level against Online

[Blue] = Statistically significant at 95% confidence level against Online and Ticket Office

Figure 12: Confidence in buying tickets by source of purchase and preferred purchase method (Online)

% Confident that they would purchase the cheapest ticket for their journey	Very Confident	Quite Confident	Total Confident	Proportion that would choose this purchase method
Online	34%	39%	73%	43%
Station ticket office in advance of journey	22%	45%	67%	19%
Ticket office on day of journey	21%	37%	59%	25%
Ticket machine at station	11%	34%	45%	12%
Telesales line	7%	22%	29%	2%

(Base: All n=757)

8. Making Mistakes and Impact

Key findings

- Both the qualitative and online surveys suggested that many passengers may have made mistakes in the past.
- The main drivers of incorrect ticket purchase were a lack of awareness of peak and off-peak timings and those making errors were more likely to be buying from ticket machines.
- Those lacking confidence in choosing tickets were spread across men and women of all ages and with different journey purposes
- Less than 1% of passengers interviewed as part of the on-train research were seen to be on a ticket where (given the information provided) it was reasonable to assume they could have purchased a cheaper option.

Incorrect Ticket Purchase

8.1 Examination of the actual tickets passengers were travelling on as part of the on-train survey demonstrated that 8 out of the 937 journeys examined were being made on tickets where passengers had paid more than they could have with no obvious benefit to this additional expense.

8.2 Six of these journeys were where tickets were purchased from a Ticket Machine (and one was bought from a ticket office and one online).

- Three passengers were on an Anytime return when using two off-peak trains and an off-peak return was available for their journey
- Two passengers had a different route (via) option available that would have fitted their purpose
- Two passengers had bought two single tickets when they could have purchased a day return
- One passenger was travelling on an Anytime ticket at the weekend when an off-peak was available.

8.3 More details of these journeys have been provided in the appendix. The ticket details provided for these journeys were checked against other information provided with their questionnaire (including awareness of off-peak tickets, frequency of travelling on that route, confidence in the ticket they purchased etc) in order to build a full picture of their journey and their likelihood to have incorrectly purchased a more expensive ticket.

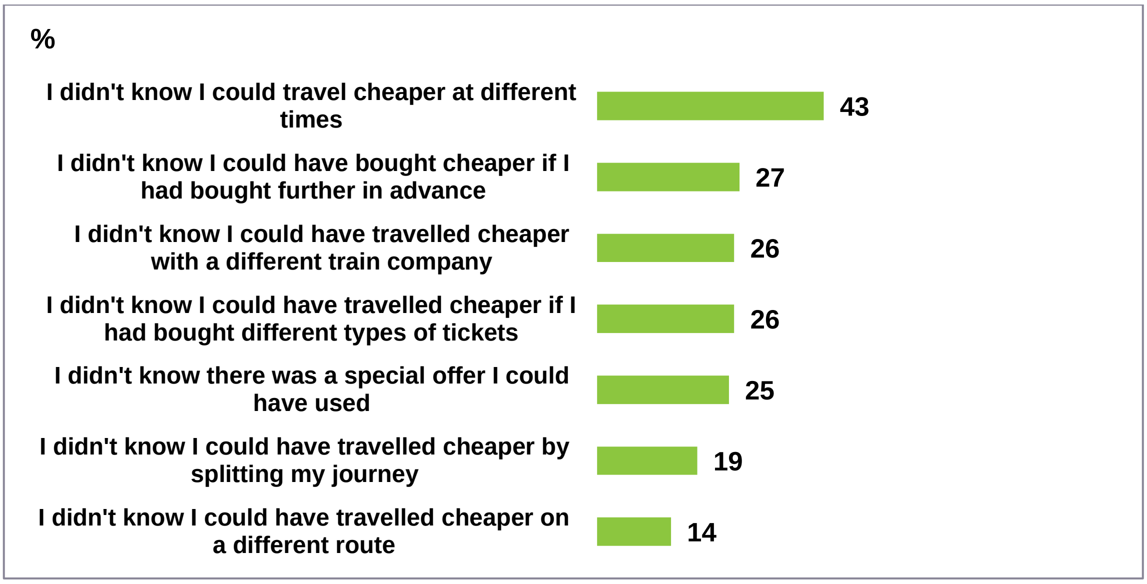
8.4 Examination of the online survey data demonstrated that many passengers have made mistakes in the past.

8.5 In total 41% said they had purchased a ticket and later found that they could have made the journey on a cheaper ticket. The majority of these were bought on the day of travel. This is not surprising given that the qualitative research suggested that discovering other people had purchased Advance tickets caused participants to believe that they had paid more than they needed to. 27% of those who thought that they had not bought the cheapest ticket said they 'could have bought cheaper if they had bought further in advance'.

8.6 Whilst a number of reasons were given for people paying more than they should have done, lack of awareness of peak and off-peak times was a key driver of people overpaying; 43% said they had paid more because 'they didn't know they could travel more cheaply at different times'.

8.7 This research did not look in detail at passengers using 'split ticketing' to reduce the cost of their fares. However, there has been a lot of media coverage of this topic in recent years and one in five of those saying they purchased more expensive tickets said that they spent more than they needed to because they did not know they 'could have travelled more cheaply by splitting [their] journey'.

Figure 13: Q. What were the main reasons you purchased more expensive tickets for this journey? [Online]



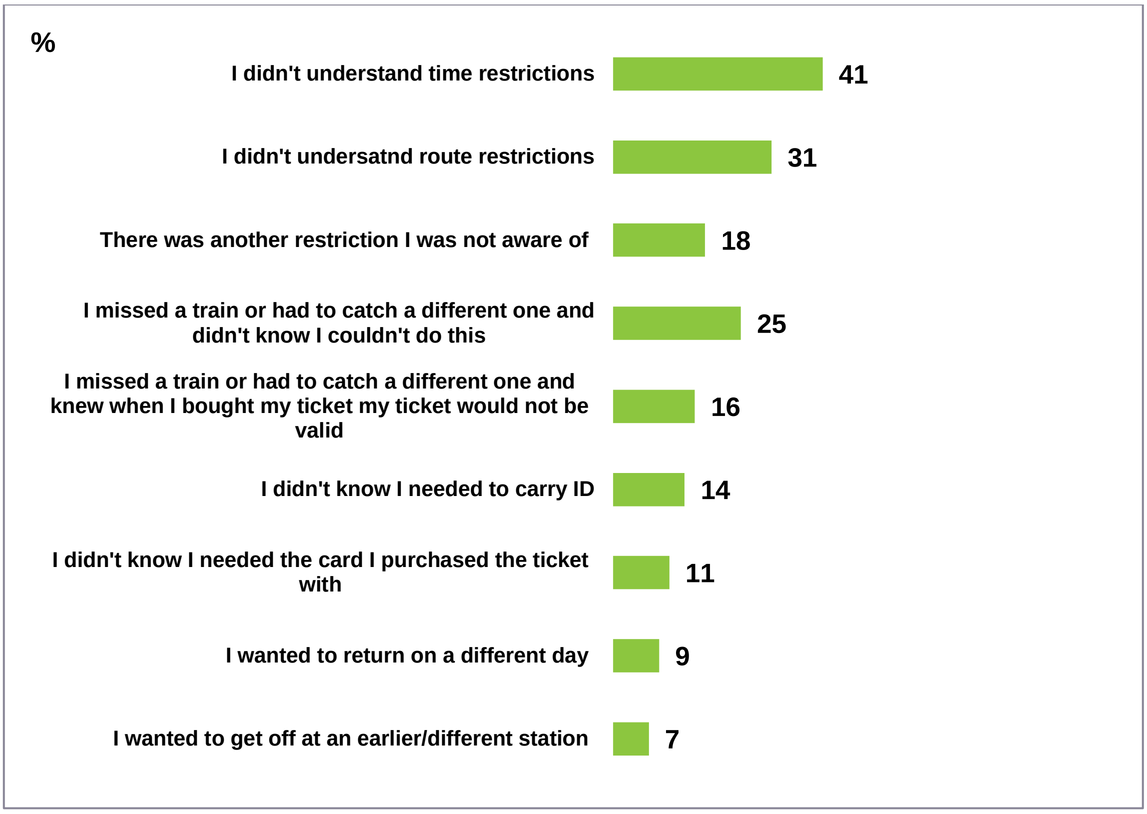
Base: Bought tickets and found could have made the same journey on a cheaper ticket – (online) (308)

8.8 15% of passengers had purchased tickets that were not valid on the train they were taking and had to purchase another ticket.

8.9 Examination of this data suggested that mistakes were made across all sub-groups of passengers (although older passengers were less likely to recall mistakes than younger adults).

8.10 As highlighted throughout this report, there were three main reasons for buying a ticket that was not valid on their route. Again lack of understanding or awareness of peak and off-peak times is a key reason (41% saying they did not understand time restrictions). Almost a third of those buying an incorrect ticket in the past had not understood route restrictions and a quarter did not understand that they needed to travel on specific trains when using the Advance product, (25% saying 'I missed a train or had to catch a different one and didn't know I couldn't do this'). A further 16% had missed a train they had specifically booked on but were aware of this condition when buying their ticket.

Figure 14: Q. What were the main reasons you purchased tickets that were not valid for the train you were catching and had to buy another ticket? [Online]



Base: Bought invalid tickets (online) (111)

8.11 The qualitative research highlighted a number of areas where passengers had previously purchased an incorrect ticket and ended up having to pay more on the train. These included:

- Not picking up the right ticket
- Losing a ticket
- Purchasing a ticket requiring travel on a specific train
- Purchasing a ticket requiring an off-peak journey
- Purchasing a point to point ticket and trying to get off too early

8.12 Again, the last three of these reflect the issues noted throughout this report concerning the awareness of peak and off-peak services and the restrictions surrounding Advance tickets. It was noted that the issue regarding Advance ticket holders not being able to get off at a station before the end of their journey was not appreciated by passengers. (They tended to feel that they were using less of the service so struggled to understand why they would not be able to get off before their booked destination).

8.13 Those who ended up paying more for their ticket on-train noted a number of concerns when having to do this.

8.14 Whilst the financial detriment was obvious there was also an emotional/ embarrassment factor. This was not helped if the train manager/ revenue protection staff were felt to be rude or aggressive. Some respondents felt that staff automatically assumed passengers were deliberately trying to get away with travelling on an incorrect ticket. (In some cases this assumption would have been correct as a couple of focus group respondents admitted knowing they were travelling on an incorrect ticket but thought they would ‘get away’ with it).

8.15 Some passengers were so embarrassed or felt the additional payment was so great that they chose to get off the train rather than purchase another ticket.

8.16 These types of incidents stuck in passengers’ minds for a long time and were likely to have an impact on their attitude towards rail travel in the future.

Information Provided at the Point of Purchase

8.17 Among those interviewed on train, those who had purchased online were by far the most likely to say they had read what trains their ticket was valid on and any other restrictions when they purchased their ticket.

8.18 In total, seven out of ten of those buying online in the on-train survey said they had read the restrictions.

8.19 Whilst those buying from the Ticket Office were less likely to have been told about restrictions, the vast majority did not feel they needed this information.

8.20 Just 3% of online buyers say they did not read validity and restrictions information but wished they had compared with 7% of those buying from a Ticket Office and 11% buying from a Ticket Machine.

8.21 A further 15% of those buying from a Ticket Machine could not remember if they had seen information or not (again this backs up the evidence seen in the on-station observation exercises where passengers struggled to find this type of information).

Figure 15: Whether read/told what trains the ticket was valid on or any other restrictions? (On-train survey)

	Bought Online (152)	Bought at Ticket Office (530)	Bought at Ticket Machine (194)
	%	%	%
Yes	70	26	36
No, but I wish I had	3	7	11
No, but I didn't need them	23	64	38
Can't remember	4	3	15

(Taken from on train survey)

8.22 In the online survey passengers were asked whether they agreed or disagreed with a number of statements relating to the rail pricing structure. In the charts and text we have excluded the responses of 9% of interviewees whose contradictory responses to different questions suggest they had not really thought about their responses.

8.23 The data suggest that, whilst opinions are polarised in a number of areas, the majority of passengers do find some confusion over the ticket pricing structure.

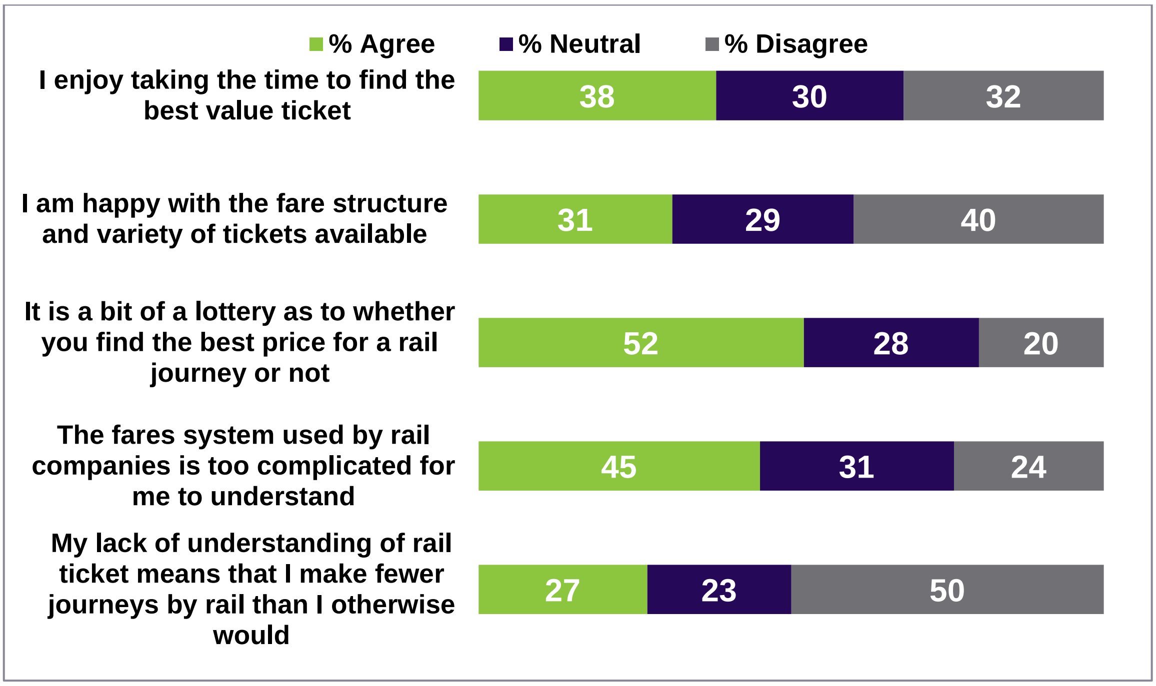
8.24 In the qualitative research it was noted that passengers did not understand how the Advance ticket pricing worked. Whilst the quota system operated by airlines was understood it was felt that discounted rail fares could go down as well as up nearer to the date of travel (and therefore buying as far in advance as possible did not guarantee you the cheapest ticket). Just over a half of all of the passengers interviewed in the online survey agreed with the statement ‘it is a bit of a lottery as to whether you find the best price for a rail journey or not’.

8.25 Just under a half (45%) agreed that the ‘fare system used by rail companies is too complicated for me to understand’ and two in five disagreed that they were ‘happy with the fare structure and variety of tickets available’.

8.26 Some rail users (38%) claimed to enjoy taking time to find the best value ticket

8.27 Over a quarter of passengers (27%) felt that the complexity of the system had an impact on their likelihood to make journeys, agreeing with the statement: ‘My lack of understanding of rail tickets means that I make fewer journeys by rail than I otherwise would’. It is important to note that examination of the respondents agreeing with this statement did not suggest they actually made fewer journeys than other passengers. It is likely, therefore, that this indicates the depth of negative feeling they have towards the ticket structure rather than being an accurate depiction of actual travel behaviour.

Figure 16: Attitudes towards rail fare structure (Online)



(Base: All online respondents n=680)

Who is Struggling to Choose Tickets

8.28 In the qualitative work we found some indications that older (60+) focus group respondents had a less detailed understanding of ticket pricing than younger adults although this is very much a generalisation.

8.29 In the at-station interviews we found some older (60+) adults preferred to make a separate trip to the station to buy their tickets, having checked out ticket prices and journeys online. They were very confident in finding information online but extremely mistrustful of making purchases online.

8.30 In the at-station research the three individuals who bought tickets from the ticket office because they lacked confidence in choosing their tickets by other means were young women aged 18 – 24.

8.31 This does not mean we would have found this result recurring had we completed many more interviews, but the point is we should not assume that all young adults are internet-savvy while older adults are not.

8.32 On most quantitative surveys it is usual to find marked and consistent patterns of difference by demographics and other sub-groups.

8.33 However, the online research was remarkable for the lack of differences in response by:-

- gender
- social grade/work status
- journey purpose or frequency

8.34 There were some demographic differences especially by age. Under 30's had more confidence in ticket buying than the over 50's and were more likely to rate their understanding of the rail pricing structure as good. But on most other surveys it is usual to see more and greater differences between age groups than was observed on this survey.

8.35 Of course, all respondents had internet access, so those with no internet access were excluded from the online study but their profile (older and poorer) suggests most would be infrequent users of rail services.

8.36 The online sample was split into four segments based on their responses to attitudinal questions. Having excluded 9% of respondents who gave contradictory responses the sample was split as follows:-

- Enthusiasts (31% of online interviewees) enjoy working out the best prices and getting good deals.
- Contents (21%) do not enjoy the process but feel they could get the best deal if they worked it out (i.e. they are broadly content.)
- Managers (21%) do not enjoy the process, think getting the best deal is often down to luck but they are not put off rail travel by ticket complexity (i.e. they manage).
- Strugglers (27%) claim to make fewer rail journeys because of ticket complexity.

8.37 These four segments discriminate strongly on other questions linked to how well people understand rail prices and their confidence in finding cheapest tickets.

8.38 There were also some differences in ticket buying behaviour with Enthusiasts more likely than other segments to buy tickets in advance and to buy online. They were keen to find bargains and some would not welcome simplification of ticket price structures if it reduced their opportunities for finding cheap tickets.

8.39 Strugglers, in contrast, were very keen to see fare structures simplified.

8.40 While the segments discriminate strongly in terms of attitudes the profile of the four segments in terms of demographic and journey types/frequencies were remarkably similar.

Figure 17: Age profile of segments

	Enthusiasts	Contents	Manager	Strugglers
	(214)	(140)	(141)	(185)
	%	%	%	%
16 – 29	30	26	27	24
30 – 49	43	40	45	48
50 – 64	21	26	21	20
65+	6	8	7	8

8.41 The age profiles of the four segments were almost identical. In terms of working status, frequency of making irregular rail journeys and the journey purpose the four segments were also very similar. They were also very similar in terms of social grade, ‘ABC1’ being people in households where the chief wage earner was in a non-manual occupation, ‘C2DE’ being people in households where the chief wage earner was in a manual occupation or dependent on state support

Chart 18: Other demographic characteristics of segments

	Enthusiasts	Contents	Manager	Strugglers
	(214)	(140)	(141)	(185)
	%	%	%	%
ABC1	73%	70%	79%	68%
C2DE	26%	30%	21%	32%
Working full-time	52%	54%	54%	58%
Working part-time	20%	16%	21%	15%
Not working	7%	12%	9%	11%
Retired	13%	13%	11%	9%
Full-time student	8%	6%	5%	7%
London	9%	16%	19%	20%
Other England	78%	71%	71%	69%
Scotland	7%	6%	7%	8%
Wales	6%	7%	3%	3%

8.42 Londoners were less likely to be ‘Enthusiasts’ then rail users in other parts of Great Britain.

Chart 19: Rail usage characteristics of segments

	Enthusiasts	Contents	Managers	Strugglers
	(214)	(140)	(141)	(185)
	%	%	%	%
When last made irregular journey				
Within last week	21	21	28	23
1 – 4 weeks ago	36	37	38	40
Longer ago	43	42	34	37
Travel by rail more frequently than 12 months ago	35	22	30	21
Travel by rail as frequently than 12 months ago	54	63	48	60
Travel by rail less frequently	11	15	21	19
Commute by rail	20	20	23	25
Travel by rail on company business	14	14	19	17

8.43 Enthusiasts were the group most likely to claim they were travelling by rail more frequently now than 12 months ago. However, even among Strugglers, slightly more said they were making more individual journeys than 12 months ago than claimed to be making fewer journeys.

8.44 This was interesting as it cast a degree of doubt over whether Strugglers were really making fewer journeys because of ticket complexity as they claimed.

8.45 Their attitudes were consistently more negative and they showed less understanding of ticket prices than other groups but we question whether they were, in reality, making fewer rail journeys as a result.

8.46 It was also interesting that the demographic profiles of the four segments are so similar. In some markets, such as energy and finance, there is evidence that people from lower social grades (and on some measures, older adults) struggle more than others to effectively engage with the market and find good deals.

8.47 At one level it is reassuring that the profiles of the four segments are so similar and that it is not one age or socio-economic group that is struggling more than others.

8.48 On the other hand, it shows that there are individuals across all age groups social grades and types of travellers who find ticket pricing so challenging they claim to be making fewer rail journeys as a result.

8.49 The kinds of challenges and issues faced by customers when making rail journeys are encountered by all demographics groups and types of traveller and include:

- Uncertainly over WHEN to BUY tickets, and the likely savings to be made by buying in advance of travel
- Uncertainly over WHEN to TRAVEL, and the potential savings that could be made by ensuring they travelled at off peak times
- Uncertainly over ticket validity, especially for Advance tickets

Appendix

a. On-train Research

The main document refers to 8 journeys where we identified passengers travelling on incorrect tickets. More details of these journeys are below (some details have been removed to prevent identification of individual TOCs).

- A local return trip on a Sunday on an Anytime Return ticket (could have bought an Off-peak day return).
- A passenger on the outward leg of a day return, as travelling on an Anytime return, the train they were on is the first off peak train and there is no peak when coming back in the evening, therefore, they should have been on an off-peak day return.
- A passenger is on a return journey between London and another station (the outward journey was made on a weekday, within the past week at 10.38, return journey is also off-peak). They are travelling on an Anytime return when they could have purchased an Off Peak period return for 50% less.
- A respondent was making a day return trip from in the North of England - this is the return leg, the outward leg was at 14.30 on the same day – purchased two single tickets for this journey but they could have had a day return.
- A passenger in the North of England on a c11.45 train and returning later that day. They are on a valid off peak ticket but have paid c£25 for this, they could have purchased a 'not via' ticket for c£12.
- A passenger travelling on a Saturday, on the return leg of a day trip. They purchased a single ticket for both legs - they could have been travelling on a day return.
- A respondent travelling on a weekday on c11.00 train into London. They are travelling on an Anytime return but they could have purchased an off-peak ticket (their ticket price is c£19 but the off peak return is c£17).
- A passenger on a weekday, single journey. The ticket they were on cost £92 but could have purchased the 'not via London' caught the same train (taken 10 minutes longer) and cost £89.50. Other data in the questionnaire suggested they were not aware of this.

The interviewing shifts covered as part of the on-train research were:

HS/LD = High Speed Long Distance service
Regional = Regional service
L&SE = London and South East service

Saturday	Manchester Airport	09.00	Glasgow Central	12.32	HS/LD
Saturday	Glasgow Central	12.54	Manchester Airport	16.47	HS/LD
Weekday	Preston	14.10	Manchester Piccadilly	14.56	HS/LD
Weekday	Manchester Piccadilly	15.46	Kirkham & Wesham	16.47	HS/LD
Weekday	Kirkham & Wesham	16.57	Manchester Piccadilly	17.57	HS/LD
Weekday	Manchester Piccadilly	18.46	Preston	19.33	HS/LD
Weekday	Middlesborough	07.12	Leeds	08.52	HS/LD
Weekday	Leeds	09.57	Middlesborough	11.30	HS/LD
Weekday	Middlesborough	11.50	York	12.47	HS/LD
Weekday	York	13.29	Middlesborough	14.30	HS/LD
Weekday	Cleethorpes	09.26	Sheffield	11.08	HS/LD
Weekday	Sheffield	12.11	Cleethorpes	13.52	HS/LD
Weekday	Cleethorpes	14.26	Doncaster	15.24	HS/LD
Weekday	Doncaster	16.37	Cleethorpes	17.53	HS/LD
Weekday	Cardiff Central	07.30	Bath Spa	08.35	regional
Weekday	Bath Spa	09.36	Cardiff Central	10.43	regional
Weekday	Cardiff Central	11.30	Bath Spa	12.34	regional
Weekday	Bath Spa	13.36	Cardiff Central	14.43	regional
Sunday	Portsmouth H	09.08	Bath Spa	11.25	regional
Sunday	Bath Spa	12.27	Portsmouth H	14.50	regional
Weekday	Exmouth	07.53	Exeter St D	08.26	regional
Weekday	Exeter St D	08.48	Exmouth	09.20	regional
Weekday	Exmouth	09.53	Exeter St D	10.21	regional
Weekday	Exeter St D	10.48	Exmouth	11.19	regional
Weekday	Exmouth	11.23	Exeter St D	11.54	regional
Weekday	Exeter St D	12.18	Exmouth	12.50	regional
Weekday	Exmouth	13.23	Exeter St D	13.54	regional
Weekday	Exeter St D	14.23	Exmouth	14.54	regional
Weekday	Stroud	06.29	Paddington	08.07	HS/LD
Weekday	Paddington	09.48	Stroud	11.22	HS/LD

Weekday	Cheltenham Spa	14.31	Paddington	16.39	HS/LD
Weekday	Paddington	17.48	Cheltenham Spa	20.03	HS/LD
Weekday	Bath Spa	07.13	Reading	08.16	HS/LD
Weekday	Reading	08.27	Bath Spa	09.30	HS/LD
weekday	Bath Spa	09.43	Reading	10.44	HS/LD
weekday	Reading	10.57	Bath Spa	12.00	HS/LD
weekday	Bath Spa	12.43	Reading	13.44	HS/LD
weekday	Reading	13.57	Bath Spa	15.00	HS/LD
Saturday	Taunton	10.24	Paddington	12.23	HS/LD
Saturday	Paddington	13.06	Taunton	14.48	HS/LD
Saturday	Taunton	15.29	Reading	16.50	HS/LD
Saturday	Reading	17.32	Taunton	19.02	HS/LD
Saturday	Sunderland	8.30	Northallerton	9.40	HS/LD
Saturday	Northallerton	10.16	Sunderland	11.40	HS/LD
Saturday	Sunderland	12.18	Northallerton	13.27	HS/LD
Saturday	Northallerton	13.42	Sunderland	14.50	HS/LD
Weekday	Kings Cross	13.48	Hull	16.18	HS/LD
Weekday	Hull	17.10	Kings Cross	19.47	HS/LD
Saturday	Glasgow Q Street	09.45	Edinburgh Waverley	10.37	regional
Saturday	Edinburgh Waverley	11.00	Glasgow Q Street	11.50	regional
Saturday	Glasgow Q Street	12.30	Edinburgh Waverley	13.19	regional
Saturday	Edinburgh Waverley	13.45	Glasgow Q Street	14.36	regional
Weekday	Aberdeen	11.59	Inverness	14.10	regional
Weekday	Inverness	14.27	Aberdeen	16.41	regional
Weekday	Dunblane	06.40	Glasgow Queen Street	07.34	regional
Weekday	Glasgow Queen St	07.48	Dunblane	08.43	regional
Weekday	Dunblane	09.13	Glasgow Queen St	10.01	regional
Weekday	Glasgow Queen St	10.21	Falkirk Grahamston	11.10	regional
Weekday	Falkirk Grahamston	11.41	Glasgow Queen St	12.25	regional
Weekday	Glasgow Queen St	12.48	Dunblane	13.43	regional
Weekday	Glasgow Central	11.42	Stranraer	13.54	regional
Weekday	Stranraer	14.43	Kilmarnock	16.34	regional
Weekday	Kilmarnock	16.57	Glasgow Central	17.36	regional

Weekday	Moorfield	10.06	West Kirby	10.42	regional
Weekday	West Kirby	11.06	Moorfield	11.40	regional
Weekday	Moorfield	12.06	West Kirby	12.42	regional
Weekday	West Kirby	13.06	Moorfield	13.40	regional
Weekday	Moorfield	14.06	West Kirby	14.42	regional
Weekday	West Kirby	15.06	Moorfield	15.40	regional
Sunday	Liverpool Central	14.08	Southport	14.52	regional
Sunday	Southport	15.13	Liverpool Central	15.50	regional
Sunday	Liverpool Central	16.08	Southport	16.52	regional
Sunday	Southport	17.13	Liverpool Central	17.58	regional
Sunday	Liverpool Central	18.08	Southport	18.52	regional
Sunday	Southport	19.13	Liverpool Central	19.58	regional
Weekday	Chester	10.02	Liverpool Central	10.45	regional
Weekday	Liverpool Central	11.00	Chester	11.38	regional
Weekday	Chester	12.02	Liverpool Central	12.45	regional
Weekday	Liverpool Central	13.00	Chester	13.38	regional
Weekday	Chester	14.02	Liverpool Central	14.45	regional
Weekday	Liverpool Central	15.00	Chester	15.38	regional
Weekday	Ashford	07.15	Victoria	08.52	L&SE
Weekday	Victoria	09.07	Ashford	10.27	L&SE
Weekday	Ashford	10.47	Victoria	12.21	L&SE
Weekday	Victoria	12.37	Ashford	14.09	L&SE
Weekday	Hayes	14.38	Charing X	15.16	L&SE
Weekday	Charing X	15.36	Sevenoaks	16.26	L&SE
Weekday	Sevenoaks	16.59	Cannon St.	17.32	L&SE
Weekday	Cannon St.	17.41	Sevenoaks	18.27	L&SE
Weekday	Sevenoaks	19.06	Charing X	20.00	L&SE
Weekday	Charing X	20.17	Hayes	21.01	L&SE
Weekday	Orpington	11.40	Victoria	12.17	L&SE
Weekday	Victoria	12.39	Dartford	13.28	L&SE
Weekday	Dartford	13.38	Victoria	14.28	L&SE
Weekday	Victoria	14.55	Orpington	15.32	L&SE
Weekday	Orpington	15.55	Victoria	16.32	L&SE
Weekday	Victoria	17.00	Orpington	17.39	L&SE

Saturday	Marylebone	7.24	High Wycombe	8.10	L&SE
Saturday	High Wycombe	9.04	Marylebone	9.50	L&SE
Saturday	Marylebone	10.24	High Wycombe	11.11	L&SE
Saturday	High Wycombe	11.34	Marylebone	12.21	L&SE
Saturday	Marylebone	12.3	High Wycombe	13.19	L&SE
Saturday	High Wycombe	13.34	Marylebone	14.23	L&SE
Weekday	Banbury	14.24	Marylebone	15.50	L&SE
Weekday	Marylebone	16.08	Banbury	17.07	L&SE
Weekday	Banbury	17.45	Marylebone	19.08	L&SE
Weekday	Marylebone	19.3	Banbury	20.40	L&SE
Sunday	Stevenage	14.29	Kings Cross	15.25	L&SE
Sunday	Kings Cross	16.06	Stevenage	16.42	L&SE
Sunday	Stevenage	17.29	Kings Cross	18.25	L&SE
Sunday	Kings Cross	19.06	Stevenage	19.42	L&SE
Weekday	Cambridge	7.15	Kings Cross	8.06	L&SE
Weekday	Kings Cross	8.45	Cambridge	9.32	L&SE
Weekday	Cambridge	9.50	Kings Cross	10.46	L&SE
Weekday	Kings Cross	11.06	Cambridge	12.27	L&SE
Weekday	Bedford	10.10	London Blackfriars	11.27	L&SE
Weekday	London Blackfriars	11.38	Bedford	12.50	L&SE
Weekday	Bedford	13.10	London Blackfriars	14.20	L&SE
Weekday	London Blackfriars	14.38	Bedford	15.50	L&SE
Saturday	Shoeburyness	14.20	London Fenchurch St	15.23	L&SE
Saturday	London Fenchurch St	15.40	Shoeburyness	16.48	L&SE
Saturday	Shoeburyness	17.05	London Fenchurch St	18.12	L&SE
Saturday	London Fenchurch St	19.32	Shoeburyness	18.30	L&SE
Weekday	Shoeburyness	9.05	London Fenchurch St	10.13	L&SE
Weekday	London Fenchurch St	10.30	Shoeburyness	11.33	L&SE
Weekday	Shoeburyness	11.50	London Fenchurch St	12.54	L&SE
Weekday	London Fenchurch St	13.10	Shoeburyness	14.18	L&SE

b. Other Data

C4. Q1. Firstly, without looking at your ticket, could you tell me what type of ticket it is?

Base for this entry	937
Single	208
	22%
Return	557
	59%
First class	21
	2%
Anytime	49
	5%
Peak	5
	1%
Off-peak	111
	12%
Advance	51
	5%
Season	0
	0%
Oyster	5
	1%
Other	128
	14%
Don't know	18
	2%

Season ticket holders were excluded from the sample.

Whilst Oyster card holders were not specifically excluded numbers could be low as they are likely to be on shorter journeys (reducing the opportunity to be interviewed) and interviewers needed to check tickets which would not be possible with these individuals. Oyster cards are a rare product within the industry offering flexibility and reduced cost – no Oyster card journeys were considered in regards to whether they were the most cost effective ticket or not.

C7. Q2c. Did you use a railcard when buying your ticket?

Base for this entry	937
Yes	257
	27%
No	675
	72%
Don't know/ no answer	5
	1%

Over a quarter of tickets were purchased using a railcard – this was taken into account when assessing whether a journey was being made on the cheapest ticket.

C59. Sex

Base for this entry	937
Male	414
	44%
Female	511
	55%
No response	12
	1%

C60. Age

Base for this entry	937
Under 18	45
	5%
18-24	174
	19%
25-34	193
	21%
35-44	142
	15%
45-54	168
	18%
55-64	125
	13%
65+	81
	9%
No response	9
	1%