



Memorandum

Date: June 18, 2018
To: Transportation Authority Board
From: Jeff Hobson – Deputy Director of Planning
Subject: 7/10/18 Board Meeting: BART Perks Evaluation Findings

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Adopt BART Perks Evaluation Findings Document</p> <p>SUMMARY</p> <p>BART Perks was a six-month test program offered in partnership by the Transportation Authority and the Bay Area Rapid Transit (BART) District. The program tested whether providing modest cash incentives to BART riders via PayPal could encourage them to shift their departure times away from the morning peak hour to help reduce crowding. This memo summarizes key findings from the test program and recommendations for future programs based on this test. Two of the key findings are that incentives can be successfully used to shift departure times of peak period travelers and that there is some staying power after the incentives ended, i.e., the behavior changes persisted for a period following the program end. The enclosed Draft “Lessons from Perks: Evaluation Findings from the BART Perks Test Program” provides a detailed accounting of findings and lessons learned from the test program.</p>	<p><input type="checkbox"/> Fund Allocation</p> <p><input type="checkbox"/> Fund Programming</p> <p><input type="checkbox"/> Policy/Legislation</p> <p><input checked="" type="checkbox"/> Plan/Study</p> <p><input type="checkbox"/> Capital Project Oversight/Delivery</p> <p><input type="checkbox"/> Budget/Finance</p> <p><input type="checkbox"/> Contract/Agreement</p> <p><input type="checkbox"/> Other:</p> <hr/>
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DISCUSSION

Background.

From August 2016 through February 2017, the Transportation Authority and BART offered a test program that provided incentives to riders for travelling during the shoulder hours (also known as bonus hours) of the morning peak period instead of during the peak hour. Nearly 18,000 participants enrolled in the program through a mobile-friendly website. Participants’ points were redeemed automatically each week, and cash rewards were paid out monthly via PayPal. The program was funded primarily with a grant from the Federal Highway Administration’s Value Pricing Pilot Program. BART Perks also received BART and Prop K sales tax funds.

Full Evaluation.

Since completion of the test, staff conducted a comprehensive evaluation of the program and prepared a draft document with the findings. This memorandum outlines the report findings.

Key Findings.

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- *Incentives worked.* The Perks program demonstrated that incentives can be successfully used to shift the departure times of peak period travelers. Program participants reduced inbound Transbay peak hour travel by 10.9%, and overall peak hour system travel by 9.6%.
- *Small shifts in departure time.* Participants were more likely to travel in one of the bonus hours if it was close to their typical departure time.
- *Persistent behavior change.* While some participants returned to traveling during the peak hour after the program ended, Perks had some lingering effects on travel behavior. Of the peak hour trips that were cut during the program, 35% of those trips continued to happen outside of the peak hour in the four months after the program.

Recommendations for Future Programs.

BART received a grant from the Federal Transit Administration to conduct another phase of BART Perks. Below are some lessons learned from the initial test and recommendations for future programs:

- Program Design
 - *Focus rewards on behavior change and tailor rewards based on participant characteristics.* Many participants already traveled in the bonus hours before the program started. To avoid this kind of self-selection, future programs should ideally be structured to reward behavior change rather than pre-existing behavior.
 - *More precisely target congested periods.* Rather than setting a single peak hour for everyone, future programs could more precisely target congested periods by tailoring the incentivized time periods to actual (or expected) congestion levels on BART and riders' origin and destination stations.
 - *Consider social equity implications.* Participants tended to be higher income and less ethnically diverse than BART riders as a whole. To reward a broader group of riders while retaining program cost-effectiveness, future programs would need to expand objectives beyond peak period crowding reductions.
 - *Consider risk in partnering with a start-up company.* The Perks platform was developed by a local Bay Area technology start-up. When a start-up is successful, it is common for it to be acquired by a larger company. This was the case with Perks, and the parent company decided not to continue to provide the platform as a service moving forward. When start-ups are not successful, there is also a risk that they could dissolve and thus can no longer provide services.
- Marketing & Recruitment
 - *Obtain sufficient peak travelers.* To have a true impact on volumes, future programs would need to enroll a much higher number of peak period Transbay travelers and/or significantly increase how much they shift.
 - *Address employer barriers to shifting later and personal barriers to shifting earlier.* Work-related constraints were identified as the top barriers for participants to arrive at work late. Future employer engagement could encourage employers to allow workers to arrive late. Participants cited personal reasons as the top barrier to arriving at work early. Future programs might explore partnerships to encourage early arrival, such as discounts at gyms near their offices or discounts on foods/beverages purchased early in the morning.

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- User Experience
 - *Create seamless payment options.* Participants redeemed points via PayPal. Many participants experienced payment delay if they did not have a PayPal account or if they registered for Perks with an email different from their PayPal account. A top request was to load incentives payments back on the user's Clipper card, or to at least provide options that do not require having a separate account and credentials to receive payment.

FINANCIAL IMPACT

The recommended action would not have an impact on the proposed Fiscal Year 2018/19 budget.

CAC POSITION

The CAC will consider this item at its June 27, 2018 meeting.

SUPPLEMENTAL MATERIALS

Enclosure – “Lessons from Perks: Evaluation Findings from the BART Perks Test Program” Draft Document