



2011 Community Transportation Transit Conference
Building Blocks For A Smooth Ride!

10/27/2011- 10:30 a.m. Breakout Session Handout

***Measuring and Reporting Individual Transit
Agency and Industry-Wide Impacts***

Presented By:

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Every year, community transit systems stand before their stakeholders and make the case for the next fiscal year's funding. And, every year, most are told to "make do with the same level of funding as last year." This past year has been even worse. Many operators have been told they'll have to "make do with less." In order to thrive as operators and as an industry, we need to secure more funding, not less. This will require a fundamental shift in the way we tell our story.

Assessing Your Impact and Telling Your Story - One of the Keys to Customer-Centricity

This new mindset requires a new way of thinking about performance reporting. The new mindset involves moving beyond the traditional reporting of sheer number of buses, routes and riders served. It involves showcasing how a community transit system impacts the entire community's overall quality of life. And, this new way of thinking includes reporting – making the case - to the right stakeholders at the right time in the right order.

The old way focused on outputs. The new way goes one step further and focuses on outcomes and impacts. And all of this requires a disciplined process – a road map to greater stakeholder support and sustained or even increased funding.

Why Impact Reporting is Important

Reporting the impact of your system and the benefits it provides is important for several reasons. It can broaden your influence among regional stakeholders like the business community. It quantifies the direct quality of life and business-related impact your system has on the region it serves. It can be used to quantify specific contributions to issues of relevance such as air quality, jobs, connectivity or increased access to healthcare in the community. It can also be used to measure and compare programs across regions and identify unmet consumer needs and specific areas for service improvements.

Top 5 Reasons Why Reporting Your Community Impact is So Important

1. Demonstrates positive return on historic investment in your transit services
2. Makes a compelling case for continued investment into the future
3. Demonstrates your culture of accountability and transparency
4. Helps build greater awareness and understanding of your transit system
5. Organizes key messages for your supporters and advocates

Seven Step Process for Assessing Impact and Telling Your Story

Outlined below is a seven-step process that community transit providers can use immediately to identify, measure, and report on their transit agencies' performance and the overall impact they have on the communities and customers they serve.

Step 1: Establish impact criteria that will impress stakeholders – what do they care about?

You have many stakeholders - each with different perspectives on the services you provide. It is important to make sure you establish criteria that meet all of their needs. Local funders or your Board members want to know that you are providing a satisfactory service for your customers at a cost in line with industry standards. The business community will have a different perspective based perhaps on access to potential workers. Social service agencies may have an even different perspective and planning commissions and coordinating councils may care about something entirely different.

Establishing impact criteria beyond capturing attitudes and awareness, participation/use of services and satisfaction with services is what will really impress stakeholders. Consider interviewing stakeholders to develop impact criteria that might impress them. Keep in mind, you are looking for them to be supporters of your community transit system, so getting their input is a critical first step to building their future support. At this point, there is nothing at risk by asking for their insights.

What To Do

Interview Your Stakeholders.

Find out what specific "impact areas" impress them.

Example criteria might include regular access to large employment parks or manufacturing sites, hospitals, or shopping centers on a regular basis. Environmental groups will be interested in

environmental impact criteria such as reductions in emissions or energy consumption. Be sure to manage the number of criteria so as to tell a compelling story.

Criteria should then be reduced down to equations that will determine what data needs to be collected to calculate the impacts or outcomes. Some examples are shown below:

Commuter Benefit Example Equation:

Total vehicle miles taking transit to work vs. car (example: work trips) ÷ Average miles per gallon (for those work trips) = Total gallons of fuel saved for commuters who ride transit.

Transit System Fuel Savings Example Equation:

Total gallons of fuel saved from commuters (see above) – gallons of fuel used by transit agency to provide work trips on transit = Total estimated gallons of fuel saved for commuters system-wide.

Other case study examples:

TCRP Report 34 - Assessment of the Economic Impacts of Public Transportation is a great resource for impact methodologies used in eight case studies showcased in the report. The report is available on-line at http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_rpt_34.pdf

Step 2: Put a measurement system in place to collect inputs

Next, develop a systematic approach to collecting inputs to support your criteria identified above. This might include a customer self reporting tool such as a simple seat drop survey or driver counts or cross referencing US Census demographic information to your service area. The criteria selected above in Step 1 will determine what system will be put into place and may lead to revising your criteria. It is important to determine what quantifiable data inputs are required to support your criteria and to make sure the measurement system will accurately capture the inputs you need.

Step 3: Periodically collect data

Data collection is one of the most important aspects of your performance measurement. Data should be collected in a methodical way that takes into account service fluctuations such as seasonal trends or even trends from different segments of the day. Develop a data collection plan that is manageable and does not overwhelm your staff. Be sure to tap into data you may already collect for local, state and federal agencies. Make sure to collect data around the same time each year so as to maintain the integrity of the data and be able to compare measures from year to year. Data collection schedules may have to be adjusted to ensure your system is operating under normal operating conditions and not impacted by any abnormal environmental conditions - blizzard, severe weather, etc.

Step 4: Analyze data and calculate “impacts”

Check and clean data that has been collected. Use the survey generated data to run simple impact equations/models. When coupled with data collected by other agencies, the impacts can



highlight demographic patterns such as the predicted tremendous growth in senior citizens who will no longer be able to drive yet want to “age in place”. When analyzing your data, it is important to make sure it is beyond reproach as it will form the backbone of telling your story.

Based on the impacts or outcomes you developed in Step 1, the data collected and analyzed should now be used to put your story together. Professional estimations may sometimes be used to fill in gaps. Be sure to notate which are hard data and which are based on staff calculations and estimations. It is sometimes useful to review your estimates with others to get different points of view.

Case Study Examples of Impacts:

The following are examples from case studies included in TCRP Report 34 available online at http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_rpt_34.pdf.

Example 1: Aging in Place Cost Savings Impact - Star Transit, Sweetwater, Wyoming

This agency calculated the number of riders who would otherwise be in a nursing home if not for transit service and multiplied that number by the net savings of living in their own home vs. living in a nursing home.

30 riders X net savings of living at home vs. nursing home (\$24K annually) = \$720K net public benefit

Example 2: Dialysis Transport Cost Savings Impact - Jaunt Transit, Charlottesville, Virginia

The agency calculated the benefits/impact of transporting their dialysis patients. They determined the number of ambulatory and non-ambulatory kidney dialysis patients they transport regularly to receive treatment and compared that to the cost of a private carrier providing those services. In other words, what would the dialysis transport cost be if Jaunt Transit did not exist?

Cost of private provider services - cost of Jaunt provided services = Annual benefit of \$528K

Step 5: Develop “Wow” Factor - Put resulting impact(s) into exciting comparison language

Simply reporting the number of passengers transported to healthcare appointments or jobs only tells part of the story. What if these people could not get to their appointments or jobs? What then would the cost be to your community? Lost tax revenue, welfare costs, decreased healthcare are all costs to a community that could result if your community transit service was not provided. Losing mobility altogether increases costs to other agencies including local, state and federal governments. What if your local trolley service that is a huge draw to tourism in your community is cut? What would be the impact to local businesses that count on those tourists?

Tell your story using language that your audience understands. For instance, instead of reporting the number of passenger miles provided, consider converting that number into the number of gallons of gasoline saved or the amount of pollution avoided by transit trips. If your system serves large employers, report the



number of businesses served who otherwise might not have employees who could get to work. If you are on the outskirts of a large urban market, consider the equivalent number of single occupant cars that would be on the road if your system was not there and calculate the cost of time savings. Consider the savings to commuters that your system provides by calculating the cost per mile by automobile and comparing that to the cost per transit trip.

Example:

Transit Saves Money for Riders

- ✓ *Reduces the cost of transportation* - When people use public transit instead of a more costly alternative (personal car or taxi) they save money, which in turn can be spent on food, healthcare, housing and other staples. In 2008, out-of-pocket cost savings totaled \$348.8 million for riders in Michigan.

“Public transportation helps many who medically or financially can’t drive. It is a very vital part of the community.”

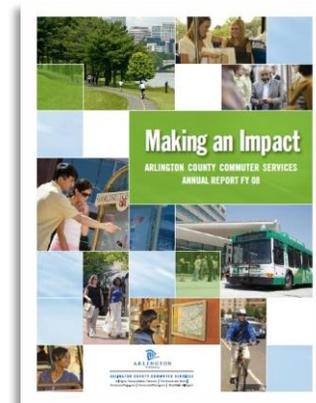
-A Michigan transit rider



Source: *Michigan DOT Economic and Community Benefits of Local Bus Transit Service (Phase 2) Model Inputs – 07/10*
www.michigan.gov/documents/mdot/MDOT-EconomicBenefitsCaseStudy_328979_7.pdf

Step 6: Package impact data into official-looking report

Now that you have a story to tell, it’s time to package it into a professional report. This can take a variety of forms ranging from a professionally designed and published document to a simple Microsoft Word document to a PowerPoint presentation. It can be several pages or just one. The point is that it needs to reflect the professionalism of your agency. Be sure to consider how often you plan to update the report. For instance, if you call your report an Annual Report, you will be expected to produce it annually. Additionally, take into consideration the cost of production and be sure to justify its expense, while at the same time making sure it is in line with other materials you may produce. Use images of your customers (with permission). Testimonials from customers are also a very powerful way to enhance your story.



Step 7: Merchandise report to key stakeholders

Once your data collection and impact assessments reach a critical mass consider preparing reports for all of your stakeholders - general public, constituents and other groups. Circling back to step 1, it is now time to take the report on the road. First, meet with stakeholders who assisted you and present your findings. Ask them for continued support or even to speak on your behalf or offer a statement of support for items such as funding requests. Consider sharing your story at state or national association events. If you have a website, make sure to post it there and alert others to come online and read it.

Wrap Up

Start small and build your reporting into a simple yet compelling story. Consider the seven-step process outlined above. Community transit provides a great service to communities across Alaska. Don't forget to use the most powerful tool you have - your customers.

Share this with everyone in your agency and together make community transit part of the fabric of your community – ***improving your customers' mobility, making your customers' lives better!***

Important Documents to Download

www.michigan.gov/documents/mdot/MDOT-EconomicBenefitsCaseStudy_328979_7.pdf
http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_rpt_34.pdf

About John W. Martin

John W. Martin is President and CEO of the Southeastern Institute of Research, Inc. (www.sirresearch.com), a 45-year-old marketing research firm headquartered in Richmond, VA. SIR has conducted over 13,000 studies for *Fortune 1000* companies, governmental agencies, and non-profit organizations. Through in-depth interviews, focus groups, ethnography, and survey research, SIR helps organizations identify their unique selling propositions, formulate communication strategies, explore new products and services, and measure the overall effectiveness of marketing programs.

In addition to heading up SIR, John is the co-founder and CEO of The Boomer Project (www.boomerproject.com), a national research-based marketing “think tank” that tracks generational trends and provides strategic consultation on how to effectively communicate with each generation – Gen Ys, Gen X, Baby Boomers and Silent Generation. Boomer Project insights have been featured in the *Los Angeles Times*, *Washington Post*, *Chicago Tribune*, *Toronto Star*, *BusinessWeek*, *Barron's*, *NBC Nightly News*, *CBS News*, *MSNBC* and *NPR's Morning Edition*. John co-authored the award-winning business book, *Boomer Consumer: Ten New Rules for Marketing to America's Largest, Wealthiest and Most Influential Group*, published in 2007 and subsequently named a Top 10 Business Book by Corbis, a Bill Gates Company.

The content in this paper reflects the views of Mr. Martin, informed by hundreds of marketing studies his firm has conducted for transit and transportation agencies.

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