

2022 Annual Fare Report

Introduction

The New Orleans Regional Transit Authority is committed to providing its riders and other public stakeholders with accurate, timely information related to all Fare Elements.

As established in the agency's fare policy, the objectives of RTA's fare programs are as follows:

Improve Service	Orient Fare-Related Decisions towards enhancing service reliability and increasing overall speed of service.
Maximize Ridership to Drive Revenue for Service Expansion	Set fare structure and fare pricing to maximize ridership and ensure consistent sales growth for investment into service enhancements.
Advance Diversity, Equity, and Inclusion	Approach Fare Elements and Fare-Related Decisions with a focus on diversity, equity, and inclusion and a commitment to equitable access and outcomes for riders.
Enhance Connectivity	Utilize Fare Elements to enhance regional connectivity and integration across all modes of transportation.
Increase Efficiency and Simplicity	Increase speed and efficiency of rider boarding and simplicity of Fare Elements for customers.
Prioritize Local, Regular Riders	Prioritize regular riders through all Fare Elements, while reducing barriers to entry for new riders.
Minimize Operator Involvement in Fare Collection	Minimize the role of operators in fare collection and fare disputes to allow them to focus on providing safe, reliable, and welcoming service.
Optimize Return on Investment	Optimize the value of capital and operating expenditures on Fare Elements.

This report outlines (1) gross fare revenue by mode, sales channel, and fare media; (2) time-based fare products by rider type; (3) fare collection costs incurred in 2022; (4) and a summary of pass sales programs and fare access.

Fare Revenue Report

Source	Est. Gross Sales	Monthly Avg.
MB + SR Farebox	\$ 5,924,283.02	\$ 493,690.25
TVM	\$ 1,648.85	\$ 137.40
Mobile	\$ 2,792,509.75	\$ 232,709.15
In-house	\$ 491,169.15	\$ 40,930.76
E-commerce	\$ 243,542.90	\$ 20,295.24
ADA Office	\$ 50,625.90	\$ 4,219.66
Ferry	\$ 893,650.95	\$ 74,470.91
	\$ 10,397,440.52	\$ 885,857.95

Total Fare Revenue by Mode

The following table shows the share of passenger revenue that can be assigned to each of the three fixed-schedule transit modes operated by RTA. The value of single-ride passes and jazzy passes sold on-board vehicles are assigned in their entirety to their mode. The gross value of fare products specific to bus and streetcar sold through other points of sale (e.g. a regional ride ticket sold via mobile ticketing) are assigned to bus and streetcar as a function of ridership. The gross value of jazzy pass products (eligible on all three modes) sold away from vehicles are assigned across all three modes according to ridership. The gross value of regional ride tickets has been halved.

Mode	2022 Ridership	Est. Gross Sales	Gross \$ / Rider
Bus	5,475,451	\$ 5,359,526.73	\$ 0.98
Streetcar	3,636,900	\$ 3,789,335.19	\$ 1.04
Ferry	849,429	\$ 1,248,578.59	\$ 1.47
	9,961,780	\$ 10,397,440.52	\$ 1.04

Fare Revenue by Sales Channel

The following table shows the gross sales for 2022 according to point of sale.

Source	Est. Gross Sales	Share of Annual Gross
Bus Farebox	\$ 3,421,934.14	32.91%
Streetcar Farebox	\$ 2,502,348.88	24.07%
TVM	\$ 1,648.85	0.02%
Mobile	\$ 2,792,509.75	26.86%
In-house	\$ 491,169.15	4.72%
E-commerce	\$ 243,542.90	2.34%
ADA Office	\$ 50,635.90	0.49%
Ferry	\$ 893,650.95	8.59%
\$ 10,397,440.52		

Mobile refers to all fare products sold and used on riders' personal mobile phones. For the first 8 months of 2022, RTA riders could buy and use mobile tickets with the app 'GoMobile'. In August, RTA launched 'Le Pass,' a new app that featured route planning, rider communication, and mobile ticketing. In developing that app, RTA partnered with Token Transit to provide visual validation mobile ticketing—similar in practice to what was available with GoMobile—through the Le Pass app, as well as other mobile apps, including the Transit, Moovit, Google Maps, and Token Transit's own app. The mobile line in the table below encompasses the gross sales through all platforms, including on both RTA-branded apps during the month of August when sales were active in both venues.

While products sold through the 'In-house', 'E-commerce,' and 'ADA Office' all represent sales made directly from the administrative offices of RTA, each engages riders and payments in a different way. Passes sold 'in-house' and through 'e-commerce' are usually done with riders/purchasers off-site; payments are made by card or check. Sales made through the ADA office are conducted face-to-face with RTA staff; all ADA office sales in 2022 were cash sales.

Ferry single ride tickets and jazzy pass products sold at ferries are included in the ferry line below.

RTA also works with retail partners to make passes available for purchase in physical locations around New Orleans. Some of those sales are represented in the "In-house" sales channel. Passes sold via Walgreen's are not represented in this report.

Fare Revenue by Fare Media

The following table shows gross sales for 2022 according to the medium of the fare product purchased.

Source	Annual	%
Paper Ticket	\$ 7,578,680.77	72.9%
Mobile Pass	\$ 2,792,509.75	26.9%
Token	\$ 26,250.00	0.3%

Time-Based Pass Sales by Rider Type

RTA sells Jazzy Passe, time-based fare products accepted on bus, streetcar, and ferry lines. The following tables show the share of estimated total Jazzy Pass purchases in all fare media according to rider type and length of pass.

Jazzy Pass Sales by Rider Type (all Points of Sale)

	Adult	Priority Rider	Youth	
1-Day JP	763,600	411,114	182,189	1,356,903
3-Day JP	71,194	671	223	72,088
7-Day JP	16,328	153	69	16,550
31-Day JP	18,367	3,673	4,423	26,463
	869,489	415,611	186,904	1,472,004

Jazzy Pass Sales by Rider Type, % (all Points of Sale)

	Adult	Priority Rider	Youth	
1-Day JP	52%	28%	12%	92%
3-Day JP	5%	0%	0%	5%
7-Day JP	1%	0%	0%	1%
31-Day JP	1%	0%	0%	2%
	59%	28%	13%	

Jazzy Pass Time-Value Purchased by Rider Type, % (all Points of Sale)

	Adult	Priority Rider	Youth	
1-Day JP	30%	16%	7%	54%
3-Day JP	9%	0%	0%	9%
7-Day JP	5%	0%	0%	5%
31-Day JP	23%	5%	5%	33%
	66%	21%	13%	

One-Day Jazzy Pass Sales, in focus

The following tables show a more detailed breakdown of one-day jazzy pass sales by rider type and by point of sale to illustrate some of the variation in where and how riders access fare products.

1-Day Jazzy Pass by Point of Sale, # of Sales

	Adult	Priority Rider	Youth	
Bus Farebox	222,333	268,558	81,209	572,100
Streetcar Farebox	308,119	112,312	31,829	452,260
TVM	66	-	-	66
Mobile	213,959	25,420	35,990	275,369
E-Commerce	11,560	3,818	3,644	19,022
In-House	6,813	380	29,313	36,506
ADA Office	750	626	204	1,580
	763,600	411,114	182,189	1,356,903

1-Day Jazzy Pass by Point of Sale, Share of Total Sale Transactions

	Adult	Priority Rider	Youth	
Bus Farebox	16%	20%	6%	42%
Streetcar Farebox	23%	8%	2%	33%
TVM	0%	-	-	0%
Mobile	16%	2%	3%	20%
E-Commerce	1%	0%	0%	1%
In-House	1%	0%	2%	3%
ADA Office	0%	0%	0%	0%
	56%	30%	13%	

Fare Collection Costs

Fare Collection Costs for Cash

Money room operations

Source	2022 Costs Incurred
Labor + Fringe Total	\$ 300,432.72
Service Total	\$ 27,754.39
Materials & Supplies Total	\$ 9,233.87
Money Room Total	\$ 337,420.98

Parts and maintenance for fareboxes and TVMs

Source	2022 Costs Incurred
Fare Tech. Infrastructure Upgrade	\$ 458,057.00
TVM Purchases (3 units)	\$ 198,315.00
Ferry TVMs (6 units)	\$ 369,630.00
Fare Tech Repair Parts and Labor	\$ 209,764.21
Paper Ticket Stock	\$ 100,000.00
Fare Technology Total	\$ 1,335,766.21

The costs shown above largely represent up-front costs of equipment and hardware; they constitute a limited accounting of cash collection costs. The line for parts and labor represents a year-to-year operations cost that RTA should expect to incur annually. Additionally, RTA goes through approximately \$100,000 of paper ticket stock for physical fare media in a year.

Not included in these estimates are labor and fringe costs for hostlers or a full total of fare collection hardware with costs annualized over expected useful life of each asset. These costs deserve more study for future fare reports and will enable better analysis of cash collection costs and the relative efficiency of cash as a payment medium to the RTA.

Fare Collection Costs for Mobile Phone Fare Media

Fare collection costs for mobile ticket payments and mobile phone-based fare products are largely represented in the form of sales fees collected by RTA's mobile fare sales partner, Token Transit. Just over 10% of gross sales made via Token Transit on any mobile sales platform (Le Pass, Transit App, Google Maps, Moovit, or Token Transit App) are collected by Token before a monthly transfer of net revenue is made to RTA.

Gross Sales	Fare Collection Costs	Net Mobile Sales
\$ 2,792,241.75	\$ 295,716.44	\$ 2,496,525.31

Marketing / Access

Overview of Pass Sales Programs

At the close of 2022, RTA had several pass sales programs in various stages of development:

- Implementation of the University Pass is on-going. RTA staff continue to work with Delgado Community College to test applicable fare media in a pilot with approximately two dozen current students. Wider implementation is anticipated for summer or fall of 2023.
- Pass sales in bulk to high schools has seen mixed results. Of two schools interested in converting some yellow-bus riding students to RTA service for the 2022-2023 academic year, one has seen approximately 100 students now take RTA to school. The other charter high school has seen challenges with an opt-in program for students and families. Consultation with school partners and advocacy groups is on-going.
- Third-party pass purchasing in Le Pass ('Redemption Links') is technically possible and has been tested internally. RTA still seeking outside group for pilot project. With this capability, a third-party institution could purchase passes on behalf of its members (e.g. an employer buying passes for employees or a school buying passes for its students) and distribute them as time-based mobile passes.

Access

As shown in a previous section, RTA currently sells fare products through a number of sales channels. Some fare products, including 31-Day Jazzy Passes, are available only through mobile platforms, RTA's e-commerce platform, and via 'in-house' sales to institutional purchasers.

For a rider without a smart phone and/or internet access (studies indicate that between a quarter and a third of New Orleanians lack broadband internet connection), the only option for purchasing 31-Day Jazzy Passes is at third-party vendor locations throughout the City of New Orleans. A map of the available vendors is shown below:

