



National Ticketing Research

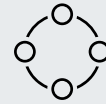
Report prepared by Gravitass OPG for Waka Kotahi | April 2021



Report Outline



Background, objectives and methodology



Summary



Current payment methods



Proposed payment methods

Perspectives on proposed methods

Preferred methods



Encouraging uptake of new payment options



Moving forward



Appendices

National Ticketing Solution

Currently, New Zealand has several different ways of paying for public transport which vary by region, including paying with cash, pre-paid smart cards (which are unique to each region), paper-based pre-paid tickets (e.g. monthly passes), SuperGold Cards etc.



The **National Ticketing Solution** (NTS) was established in February 2016 by Waka Kotahi and aims to create one nationally co-ordinated public transport payment approach.

Project NEXT is responsible for procuring an open-loop, account-based National Ticketing Solution (NTS) which gives public transport users the option to pay by mobile phone, bank-issued contactless credit/debit card, a single national transit card or a cash-substitute.

Why A National Ticketing Solution (NTS)

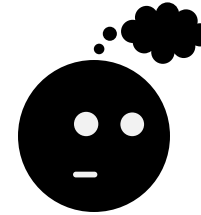
New Zealanders want convenience and choice in how they pay for public transport

Rapidly changing technology, expectations and preferences must be considered



The NTS will :

- Be easier to use
- Provide a better, consistent payment experience
- Deliver value for money nationwide
- Contribute to reduced emissions and congestion from private vehicles by encouraging greater public transport use



The NTS will consider:

- Ease of payment/top-up
- Regional fare/policy differences
- Accessibility/availability to all passengers
- Simplicity

Disclaimer



Waka Kotahi provided investment for this research



All research was undertaken by an independent research company called GravitasOPG

The resulting findings should not be regarded as being the opinion, responsibility or policy of Waka Kotahi or indeed of any NZ Government agency.

For more information contact the Waka Kotahi Insights team on: R&AInsights@nzta.govt.nz

Survey Objectives

The survey aims to get a regional and national understanding of:



How current users...

- Pay (and whether they use concessions)
- Top up, including frequency/amount/method
- Use contactless payment methods/smartphones/the internet
- Feel about cash use
- Feel about pre-paid minimums, up-front costs, topping up onboard PT, refunds, national systems etc
- Prefer to travel and to pay overall
- Understand current payment methods (awareness)

And in the future, how users would...

- Prefer to pay (of the new options)
- Feel about the new system (benefits and barriers)
- Be encouraged to use the new system (motivations)
- Use the new system in other regions
- Use the new system for children

Designing a New Payment System

The table below outlines the specific business decisions and objectives that Waka Kotahi aim to make and the specific topics covered in the research designed to inform these decisions

Business objective		Questions in survey
Pre-paid transit cards	Will account top-ups be allowed on-board?	Current top-up preferences Reasons for not topping-up online Importance of topping-up on-board
	Will top-up minimums be enforced?	Current top-up amount and frequency Reasons for current top-up amount Importance of having no top-up minimum
	Will a purchase fee be charged?	Importance of low/no up-front cost
	Will refunds be allowed? Under what conditions?	Importance of refund availability/accessibility
Single ticket	Which sales channels are most effective?	Current top-up methods used for pre-paid smart cards
Future payment options	Do the proposed options change regional accessibility?	Impact on PT users if these were the only options available and impact if only credit/debit and transit card given as options (i.e. no single-use tickets/cash) Likelihood to use the proposed options regionally
	Do the options affect those with cash as their only option?	Impact on PT users if cash was no longer an option

Methodology

Data collection



Interviews were conducted online. Sample sources included online panel members (Dynata) and previous participants of Public Transport Customer Satisfaction Surveys (Auckland Transport and Greater Wellington Regional Council; more detail on next slide)

To ensure a representative sample, n=100 phone interviews were also conducted in an attempt to include harder-to-reach groups who are less likely to be represented on online panels (e.g. older, less technologically savvy PT users). Calls were conducted with previous participants of Public Transport Customer Satisfaction Surveys, with an emphasis on those who had provided telephone numbers but no email addresses.



Fieldwork dates

Start date: 19th February 2021

End date: 21st March 2021



Sample size

2420 total surveys were completed with people who have used PT locally in the last 12 months and would typically (pre-COVID) use PT at least once a month.

Research Limitations



COVID-19

COVID-19 has changed travel behaviour in New Zealand in many ways, including:

- Reduced travel/altered travel patterns generally
- Increases in flexible/work-from-home arrangements
- Free travel provided in some regions during higher alert levels (e.g. Wellington)
- Removal of cash payments in Auckland from all PT
- Mandatory mask wearing onboard PT

The fieldwork was also conducted partly during higher alert levels (level 3 in Auckland and level 2 for the rest of NZ)

To address the above, the survey focussed on travel behaviour pre-COVID and asked respondents to talk about their travel behaviour before March 2020.



Panel surveys

The main source of survey participants was an online panel. While panels are cost-effective and convenient, they can skew toward certain groups and exclude others. In particular for this survey, the panel is less likely to provide...

- The unbanked and primary cash users
- Those less technologically savvy (panel surveys are conducted online requiring a base-level familiarity)
- Those who are:
 - In lower income brackets
 - Non-European ethnicities
 - Living in provincial/rural areas

To address the above, the survey adhered to strict quotas that were set based on PT user profiles provided by Waka Kotahi. Booster samples from previous Auckland Transport, Greater Wellington Regional Council and Waka Kotahi surveys were also used to help reach those demographic groups under-represented on the panel. The final data set was weighted to match the PT user profiles by location, age, gender, ethnicity and household income.

Weighting



All data was weighted to match the profile of public transport users provided by Waka Kotahi, with weightings by frequency of PT use, region, age, gender, ethnicity and income. All figures in this report are weighted.

The weightings were as follows:

Age	Factor
Under 30	0.4540
30-49	0.3445
50-64	0.1239
65+	0.0776

Gender	Factor
Male	0.5773
Female	0.4139
Gender diverse	0.0088

Ethnicity	Factor
European	0.5959
Asian	0.2448
Māori	0.1150
Pacific	0.0757
Other	0.0281

PT use	Factor
5-7 days a week	0.2727
2-4 days a week	0.2727
Weekly-monthly	0.4545

Income	Factor
<\$30,000	0.1809
\$30-50,000	0.1347
\$50-100,000	0.3244
>\$100,000	0.2355
Refused	0.1246

Region	Factor
Auckland	0.5045
Northland	0.0273
Waikato	0.0557
Bay of Plenty	0.0338
Gisborne	0.0020
Hawkes Bay	0.0227
Taranaki	0.0093
Manawatu/Whanganui	0.0271
Wellington	0.1665
Tasman	0.0013
Nelson	0.0082
Marlborough	0.0020
West Coast	0.0016
Canterbury	0.0834
Otago	0.0463
Southland	0.0083

How to Read This Report – Participants and Percentages



Who was surveyed?

It is important to note that the survey was not conducted as a PT user profiling exercise; rather it aimed to explore and gather information on current PT payment behaviours and perceptions of the NTS. The survey deliberately focused on relatively frequent PT users who are familiar with the current payment system. Infrequent PT users (those using PT less often than once a month), potential and lapsed PT users were not included.



Percentages throughout the report:

Some results presented in this report may not add to exactly 100%. This is because:

1. Some questions allowed multiple responses to be selected (for example, when asked which method(s) are currently used to pay for PT). Where multiple responses were permitted, this has been noted in the footer
2. Rounding can provide a slightly higher/lower total result. For example, some questions use a scale from 1-7 and individual scores have been provided for ratings 5, 6 or 7, as well as a combined total of everyone who rated 5-7. Each value is rounded up/down to the nearest whole number and when the individual ratings for 5, 6 or 7 are added, rounding may result in a 1% higher/lower figure than for the total displayed for 5-7.

How to Read This Report – Payment Method Definitions



Smart Cards

Existing account-based pre-paid cards with credit loaded on to them in advance (e.g. HOP, Snapper, Bee, Metro Card etc.) which users tag on/off when boarding/alighting PT. They function on a closed-loop system, and are distributed by a transport authority/operator, meaning different cards are used in different regions.



SuperGold Card

Available to New Zealanders over the age of 65. These can be used to access free/reduced-cost travel. These work differently by region, with some requiring passengers to display a valid SuperGold card to a driver/conductor and others requiring a GoldCard that is integrated with the smart card system.



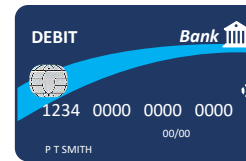
Pre-pay tickets

Typically (but not always) a paper ticket with a certain number of pre-paid trips printed on the card (e.g. a 10-trip/monthly ticket). Usually these are clipped by a conductor/driver onboard PT and unlike a smart card, do not require an account.



Transit Cards

A proposed, nation-wide version of a pre-paid card. This would function on an open-loop, account-based system. While this card would work differently behind the scenes, from a PT user's perspective, functionally it would work much the same as the current smart cards do. *To differentiate current and future transport cards in this report, the cards proposed as part of the NTS are referred to as transit cards.*



Contactless credit/debit cards

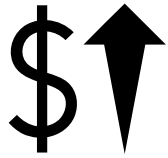
Also part of the NTS, credit/debit cards are regular bank-issued credit/debit cards that could also be used to pay for PT, requiring passengers to have a bank account and access to a credit/debit card. Cards would also need to have contactless payments enabled (e.g. Paywave). Contactless smartphone payment would also be available.



Single-use tickets

Tickets that can be used only once. They would be bought at a kiosk/shop/online and would give the user a QR code that would be scanned on boarding PT. This could be on paper or on their smartphone screen. This could be used to pay for multiple people using one ticket.

A Note on High Income Households



Some results among the highest income group (\$100,000+ per year) may appear unexpected or counter-intuitive. For example, this group are significantly more likely to feel that it is important that refunds be made available at any time from their smart card, or that there should be no smart card minimum top-up.

Those earning over \$100,000 a year (23% of all those surveyed) are significantly more likely to be male (30%), aged 30-50 (41%), living in a family with primary/intermediate school aged children (47%) and travelling for work (33%). This suggests that this group consists of a large number of multi-income family households. While they are higher-income households, this type of household typically has high expenditure also.

This group is likely to include busy households who are less engaged with PT payment systems and are using the payment system they do mainly out of routine/habit. This, coupled with an element of altruistic voting (e.g. feeling it is important that refunds are made available immediately either on principal or because this will affect others even if it doesn't affect them personally) can explain some of the atypical ratings. It is also important to note that smart card payments are currently not available to all regular PT users – for example, train commuters in Wellington. Therefore, despite some being from high income households, these PT users continue to be cash or pre-paid card users.

Note: For the remainder of the report, the 'high income' group is defined as those with a household income of \$100-150,000 a year.

Summary

Currently, regular PT users pay with...*



84% smart card



93% 90% 84% 59% 2%

23% Cash



17% Pre-pay ticket



6% Gold card



65% of all PT users don't want cash removed

Cash users prefer cash because...*

40% Convenient



39% Habit



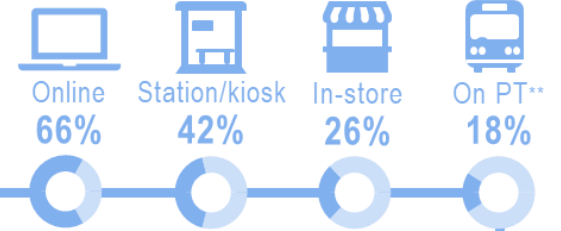
22% Not a regular user



Smart cards users top-up...*

\$38 On average

70% at least monthly



69% Of all PT users don't want onboard top-up removed

Non-online top-ups are chosen because...*

18% Not sure how

19% Easier in person

28% Value loads too slowly online

36% Habit

When paying face-to-face, PT users prefer...

50% Contactless card/phone



37% Non-contactless credit/debit/EFTPOS card



13% Cash



Of the proposed options, PT users would prefer...



48% Transit card

41% Contactless credit/debit card

6% Single-use ticket

5% None

18% Own a credit/debit card but don't use it face-to-face because...*

42% Habit

25% Avoid debt

23% High fees

20% Contactless payments

14% An app

11% Websites

Barriers to use are...*

4% Don't have a card

14% Security

76% of single-use ticket users would use a card if this was unavailable

24% would stop using PT (3% of all PT users)

*Multiple responses can be selected, so totals may not add to 100% (Includes current payment methods, smart cards used, top-up methods. Reasons for not topping up online, preferring cash, not using credit/debit card face to face and barriers to using a contactless credit/debit card to pay for PT) **Excludes Auckland and Wellington, where on-board top-ups are not available.

Summary

Current public transport payment methods

- The greatest share of regular PT users (84%) pay for at least some of their public transport trips using a smart card. Online top-ups are most common (66% total with 40% manual and 26% automatic) although one in five top-up onboard PT in areas where this is available. Identified barriers to online top-ups include habit, issues with the top-up system such as delayed balance availability, and a lack of knowledge of how to top-up online. The average top-up amount is \$38 (median \$22). Some opt for lower value top-ups because they don't want money tied up on the card or the low amount is all they can afford at the time.
- Almost a quarter of regular PT users (23%) use cash at least occasionally, with cash payments being predominantly for convenience and out of habit. Some cash payers report security concerns with other payment methods.
- Seventeen percent of regular PT users use pre-purchased tickets (7% monthly, 6% weekly and 4% daily passes). The SuperGold card is used by 6% of regular PT users.

What's important to current smart card users?

- Smart card users place greatest importance on money loaded onto the card being immediately available to use and making refunds available immediately if needed.
- For two-thirds of smart card users, being able to pay with cash is important. The ability to top-up onboard is also important to two-thirds of smart card users (*excludes those in Auckland and Wellington who were not asked about this feature*).

Summary

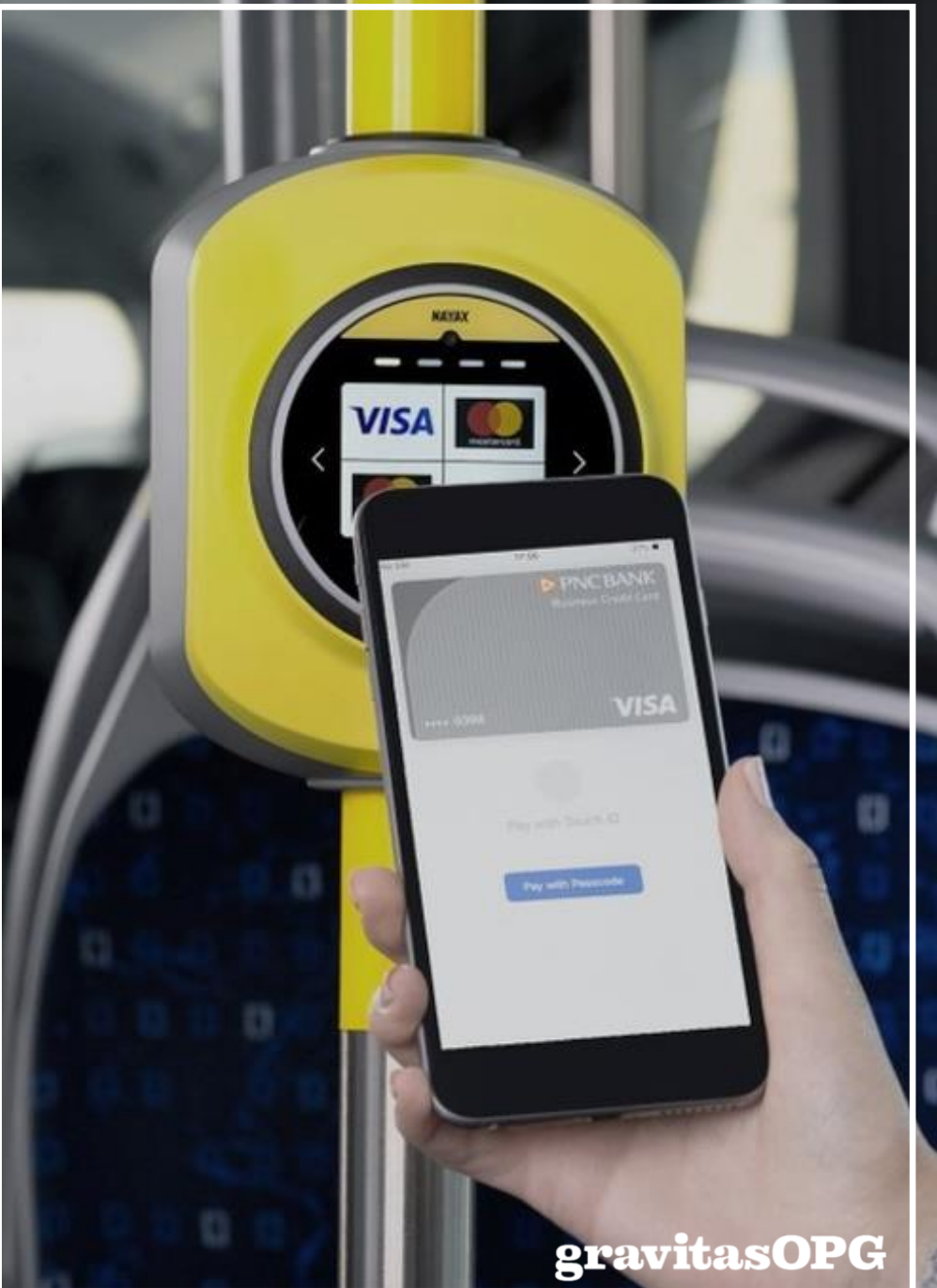
General payment behaviour

- Most respondents have access to a smartphone (93%) and are/would be comfortable using this to search online (91%). However, smartphone users are/would be less comfortable using their phone to make payments, including 65% reporting being comfortable making contactless payments using their phone.
- When buying products face-to-face, people use a range of options; 58% use a contactless debit/credit card at least some of the time, 57% pay via EFTPOS, 55% use a 'swiped' credit/debit card, 46% use cash at least sometimes. When asked their preferred method of face-to-face payment, 50% prefer contactless methods, either by card (41%) or phone (9%); only 13% prefer to use cash. (The remaining 37% prefer EFTPOS or 'swiped' cards.)
- One in five PT users surveyed have access to a credit/debit card but choose not to use it for face-to-face payments, predominantly due to habit. Those from lower/middle incomes are more likely to not use credit cards as a way to help them save money or avoid spending too much, including incurring credit card fees/interest charges.

Summary

Perspectives on proposed payment options

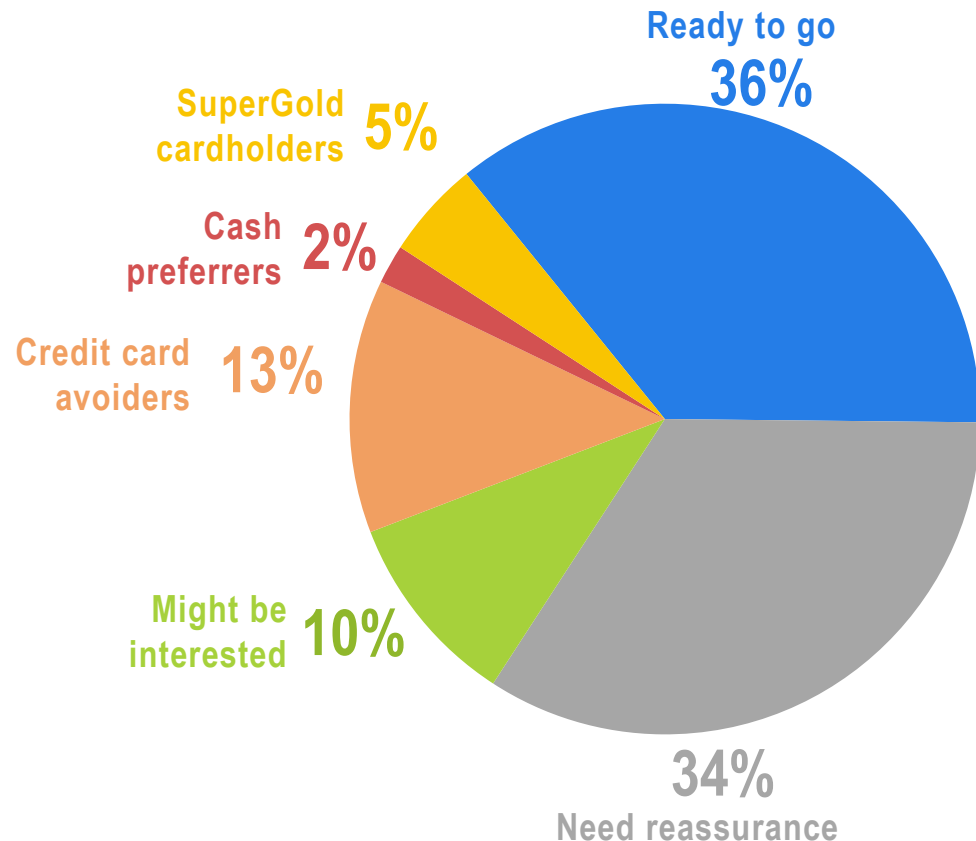
- The key benefits of the **prepaid transit card** option identified – convenience, nationwide availability and multi-modal use – also apply to the contactless credit/debit card option. Key barriers to the prepaid transit card are perceived top-up challenges and the inconvenience of having another card to carry.
- Convenience is also cited as the main drawcard of the **contactless credit/debit card** payment option. Being able to use a card they already have also has strong appeal. Security concerns are the key barrier to uptake of contactless credit/debit cards, particularly loss/theft of the card, information hacking and identity theft. Perceived budgeting challenges are also a barrier for low/middle income PT users – although using a debit rather than credit card may address these challenges.
- **Single-use ticket** are perceived as relatively inconvenient, being viewed more as a ‘back-up’ if the other options are not accessible. It is also seen as an appropriate option for infrequent PT users and visitors.
- When asked for their preferred method, pre-paid transit cards were most likely to be preferred (48%), followed by contactless credit/debit cards (41%). Only 6% preferred single-use tickets. A further 5% said they do not prefer any of the three options (this group are predominantly older PT users currently paying via the SuperGold card).
- When single-use ticket preferers were asked what they would do if paper tickets were not available, 76% said they would use a pre-paid transit card or contactless credit/debit card. Twenty-four percent of single-use ticket preferers would stop using PT entirely. This group represents 3% of all regular PT users.



Summary

Encouraging uptake of contactless credit/debit card payment

Different groups of PT users have different propensities (ability and willingness) to change their PT payment method.



1. **Just over a third are ready to go** – those who are familiar with, and prefer, contactless payments generally, are comfortable with the idea of paying for PT this way and already have the technology required (contactless credit/debit card, smartphone etc) (*approximately 36% of regular PT users*)

Key messages:

- 'You're ready to go'
- No preparation or pre-trip planning needed (especially no top-ups)
- PT users retain control of their money

2. **Another third will need some reassurance** - those who are familiar with, and prefer, contactless payments generally, already have the technology required, but are reluctant to pay for PT this way (*approximately 34% of regular PT users*)

Key messages:

- Security and privacy reassurances
- Promote ease of using a card that is already in their wallet
- Ensure contactless card system includes ability to easily track transactions
- No longer need to pre-pay/top-up



Summary

Encouraging uptake of contactless credit/debit card payment

3. Around 10% are **ambivalent** and need to be engaged – those who express some interest in paying for PT with contactless credit/debit cards but don't have the ability to do this at present (no contactless credit/debit card, smartphone etc) (*approximately 10% of regular PT users*)

Key messages:

- Emphasise contactless debit cards can be used also
- Security and privacy reassurances
- Highlight personal benefits of new payment system
- Provision of information about how to get a contactless credit/debit card

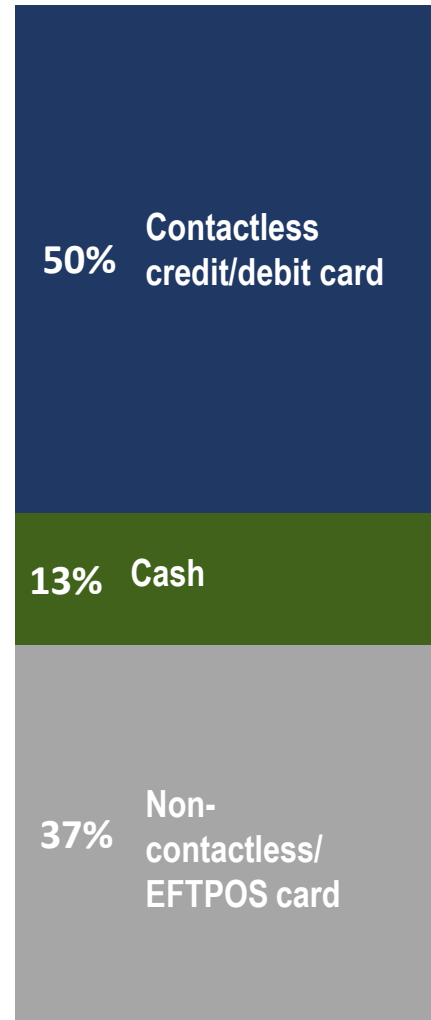
4. **The last 15% will be more difficult to move** – due to significant barriers:

- Security concerns/fears (loss or theft of card, information hacking, identity theft)
- Perception that credit cards are not for everyday transactions (emergencies, overseas travel only)
- Dislike of going into credit – and lack of awareness/understanding of debit cards
- Dislike having direct access to bank account (prefer cash as a 'buffer')
- Card functionality concerns – perceived inability to access concessions/ share card
- Lack of familiarity/comfort with contactless payment generally – and fear it may not work

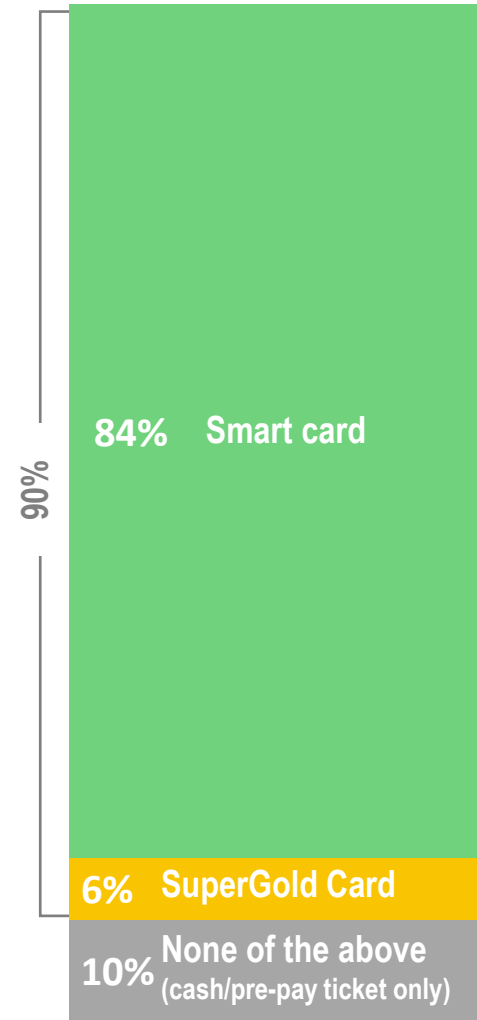
Key messages:

- More comprehensive messaging campaign required
- Pre-paid smart card may be a necessary compromise/stepping stone to contactless credit/debit card system.

Share of Payment

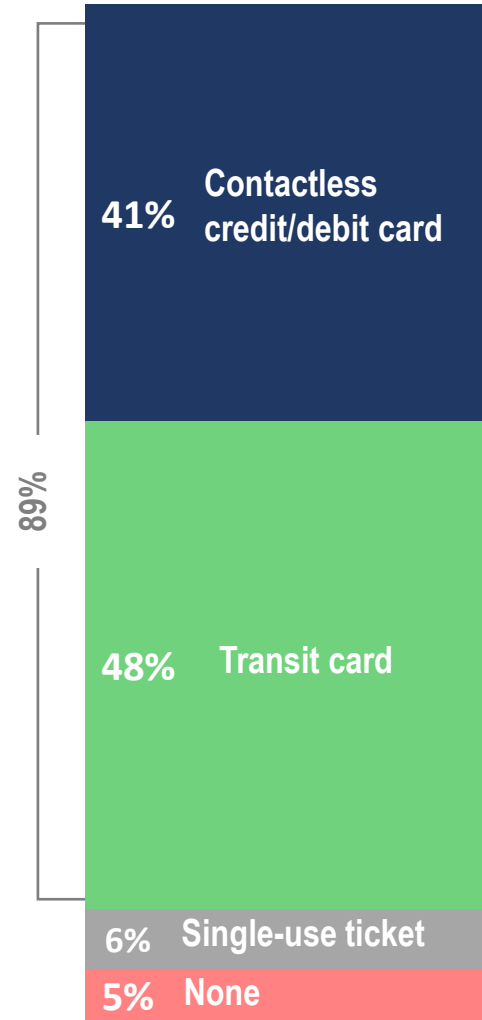


Preferred payment when buying goods face-to-face

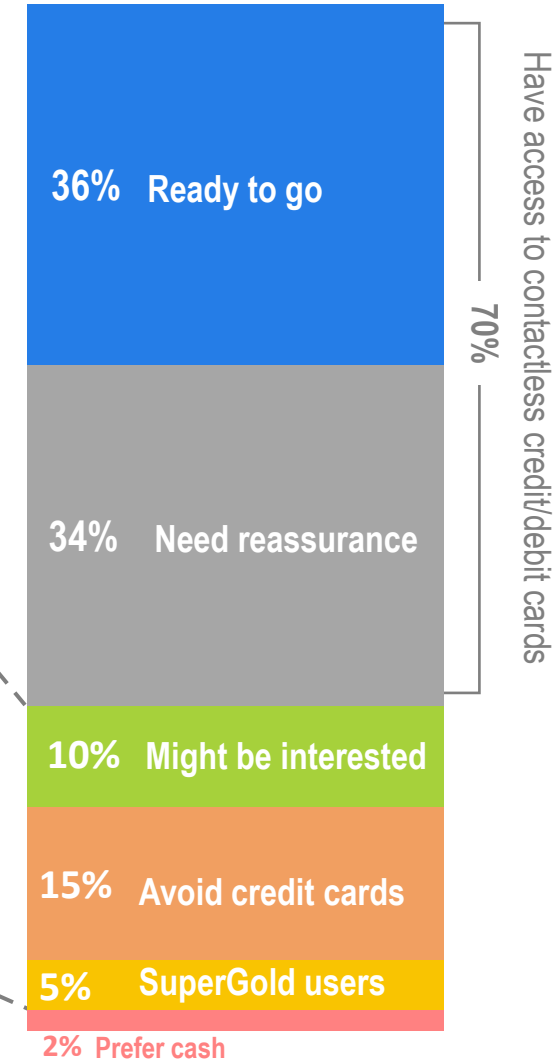


Current PT payment*

Similar levels of card-based options



Future PT payment preference



Future contactless payment segments

* Multiple can be selected and payment types are not exclusive. E.g. while 84% have used a smart card and 7% have used a SuperGold Card, some will use other methods (e.g. cash) to pay as well

Current PT Payment

Current PT Payment: Summary

Smart card users

- The greatest share of regular PT users (84%) pay for at least some of their public transport trips using a **smart card**.
- Around nine out of ten PT users in Auckland and Christchurch use a smart card, followed by 84% in Wellington. Shares are lower in areas where a Bee Card is available (59%).
- Smart card users are significantly more likely to travel frequently, especially for work/study. They are more likely to be younger, female, Pacific and Asian
- Online top-ups are most common (66%; 40% manual, 26% automatic). However, one in five choose to top-up onboard PT in areas where this is available.
- Those who choose not to top-up their smart card online are most likely to say this is out of habit. However, identified barriers to online top-ups include issues with the system such as delayed balance availability, and a lack of knowledge of how to top-up online.
- The mean top-up amount of a smart card is \$38, with the amount increasing with household income. The reason for topping up the amount people choose to varies, with most doing so out of habit. Reasons for a lower top-up amount include not wanting money tied up on the card or the amount being all they can afford at the time.
- The majority of smart card users top up their card between weekly and monthly.



Current PT Payment: Summary

What's important in a smart card system?*

- Of the six smart card characteristics questioned on, having money loaded onto the card immediately available to use was the most important (87%).
- That there would be no minimum top-up amounts was the least important of the six characteristics; however, this was still cited as important by more than half of all current smart card users (56%).
- Of particular interest to Waka Kotahi are current smart card users' perceived importance of allowing both onboard top-ups and cash payments. While these characteristics were rated as less important when compared with some of the other characteristics, these two features are important to at least two-thirds of smart card users. Just 13% of respondents outside Auckland/Wellington said onboard top-ups are not important, and 17% said that the availability of cash payments is not important to them. This suggests that removing these options could impact a large group of PT users.

Current PT Payment: Summary

Other payment methods

- Almost a quarter of regular PT users (23%) use **cash** for at least some of their trips.
 - Cash users are significantly more likely to live outside of larger cities (Auckland/Wellington), be 30-49 years old, Māori, male and travelling for one-off events. They also are significantly more likely to use cash for other payments outside of PT.
 - Cash payments are used predominantly for convenience and out of habit. Some cash payers report security concerns. Despite using PT at least once a month, some cash payers feel that they don't use PT enough to warrant using another payment method.
- Seventeen percent of PT users use pre-paid tickets (7% using monthly, 6% using weekly and 4% purchasing daily passes).
- The SuperGold card is used by 6% of regular PT users.



Current Payment Methods Used

More than four out of five regular PT users (84%) use a smart card for at least some of their trips. Almost a quarter (23%) use cash, 17% use a pre-paid ticket and 6% use a SuperGold card.

There is also some overlap in smart card use, with some users using more than one card.



84%
use a smart card

Note that 10% of smart card users use more than one type of smart card



23%
use cash



17%
use pre-pay tickets

Monthly 7%
Ten-trip 6%
Daily 4%



6%
use SuperGold cards

Base n=2419. Note that multiple payment methods can be selected, so totals may not add to 100%

Current Payment Methods Used

Most regular PT users report using a combination of payment methods



84%
use a smart card
(62% use a smart card exclusively)



23%
use cash
(8% use cash exclusively)



17%
use pre-pay tickets
(4% use pre-pay tickets exclusively)



6%
use SuperGold cards
(2% use SuperGold cards exclusively)

Also pay with:



Cash: 17%



Smart card: 61%



Smart card: 63%



Smart card: 56%



Pre-pay ticket: 13%



Pre-pay ticket: 24%



Cash: 34%



Pre-pay ticket: 24%



SuperGold: 4%



SuperGold: 4%



SuperGold: 9%



Cash: 16%

Base n=2419. Note that multiple payment methods can be selected, so totals may not add to 100%

Smart Card Users

Smart cards are significantly more likely to be used by frequent PT users, particularly those travelling for study or work. Pacific and Asian PT users are significantly more likely to use a smart card than other ethnic groups, which in part will be due to higher Pacific and Asian populations in Auckland.



84% use smart cards
This is significantly higher for...

Pacific (97%) Asian (95%)

Study (91%) Work (86%)

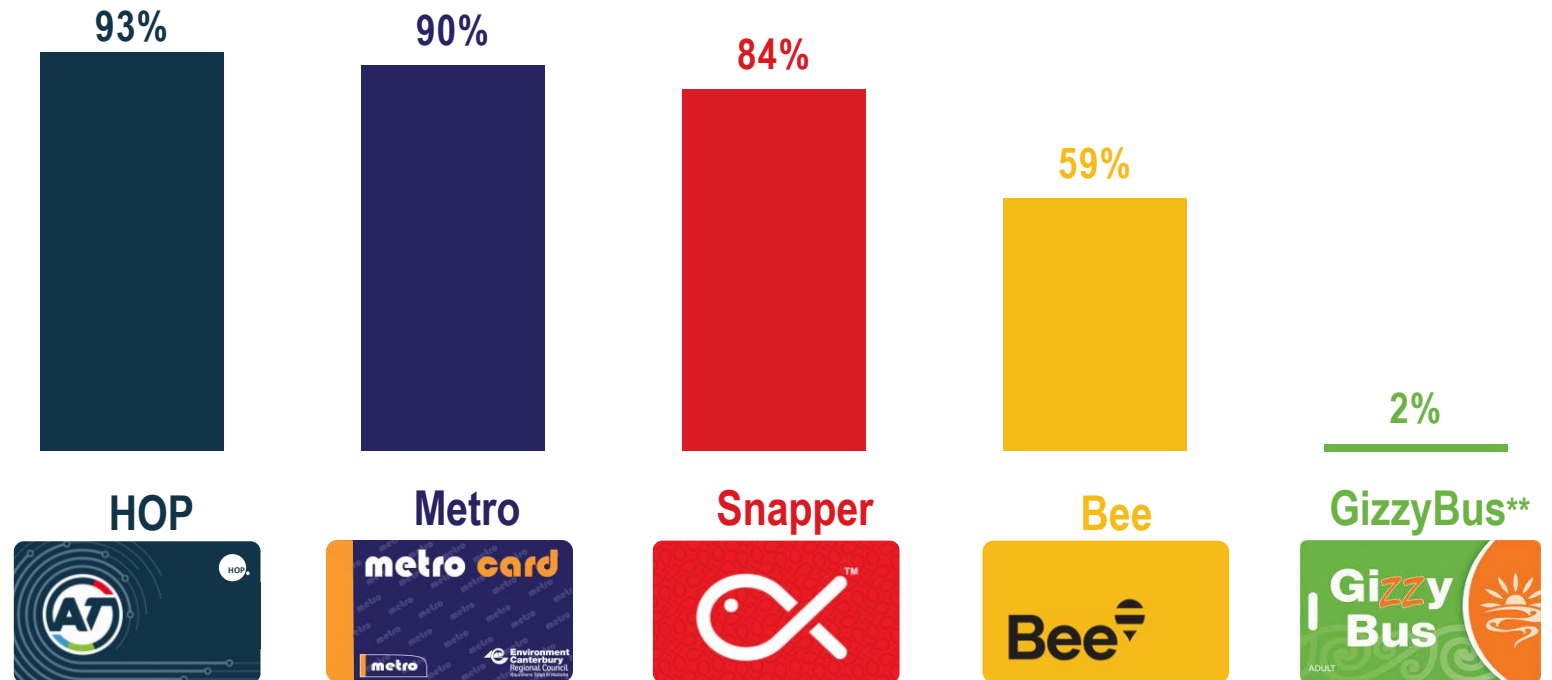
Frequent users (87%)

In their 20s (91%)

Female (87%)

Suburban (87%)

Share of eligible PT users using each smart card*

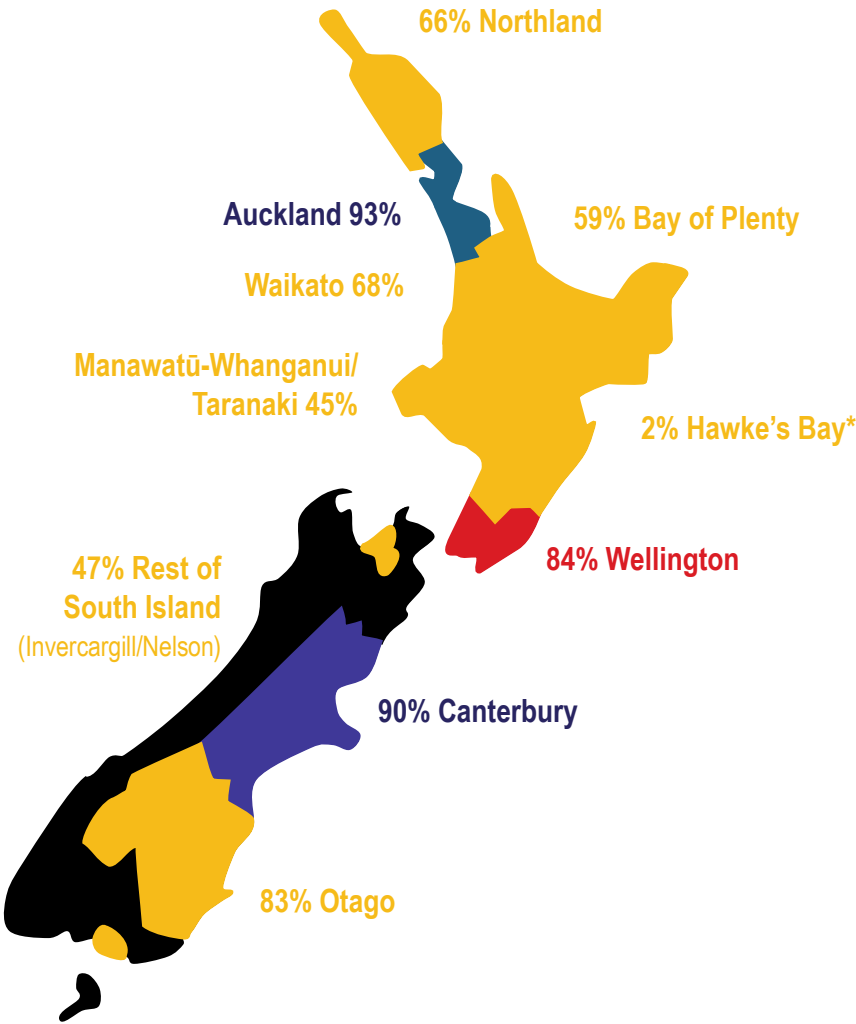


*Eligible users are those living in a region where the card is available (e.g. percentage of Aucklanders surveyed who use a HOP card)

**Note that while Gisborne was excluded from the survey, 2% from other regions said they use a GizzyBus card for at least some of their trips

Regional Uptake of Smart Cards

Reflecting its integration across all three modes of PT available in the region, smart card use is highest in Auckland, 93% of all regular PT users in the Auckland region using a HOP card for at least some of their PT trips. Among Canterbury PT users, 90% use a Metro card. Despite only being available for bus travel, 84% of Wellington PT users use a Snapper card for at least some of their trips. The Hawke's Bay region has the lowest penetration with 2% using a Bee card in the area.



*Hawke's Bay excludes Gisborne



Smart Card Top-Up Behaviour

Among smart card users, the most common way to top-up is online (66% total – 40% manually and 26% automatically), followed by topping up at a station/stop/service centre (42%) or retail outlet (26%). Excluding Auckland (where this option is not available), 18% top-up onboard public transport.

How do you usually top up?







Base n=2032. Note that multiple top up methods can be selected, so totals may not add to 100% *Note that onboard top-ups excludes Auckland where this option is not available.



Smart Card Top-Up Behaviour – By Region

Smart card top-up methods vary by region, with the biggest difference evident in Wellington which has significantly higher in-store top-ups and significantly lower online. Onboard top-ups are significantly more common in the Bay of Plenty and the South Island (note this is currently not available in Auckland or Wellington). Both Auckland and Northland have significantly more station/kiosk top-ups.

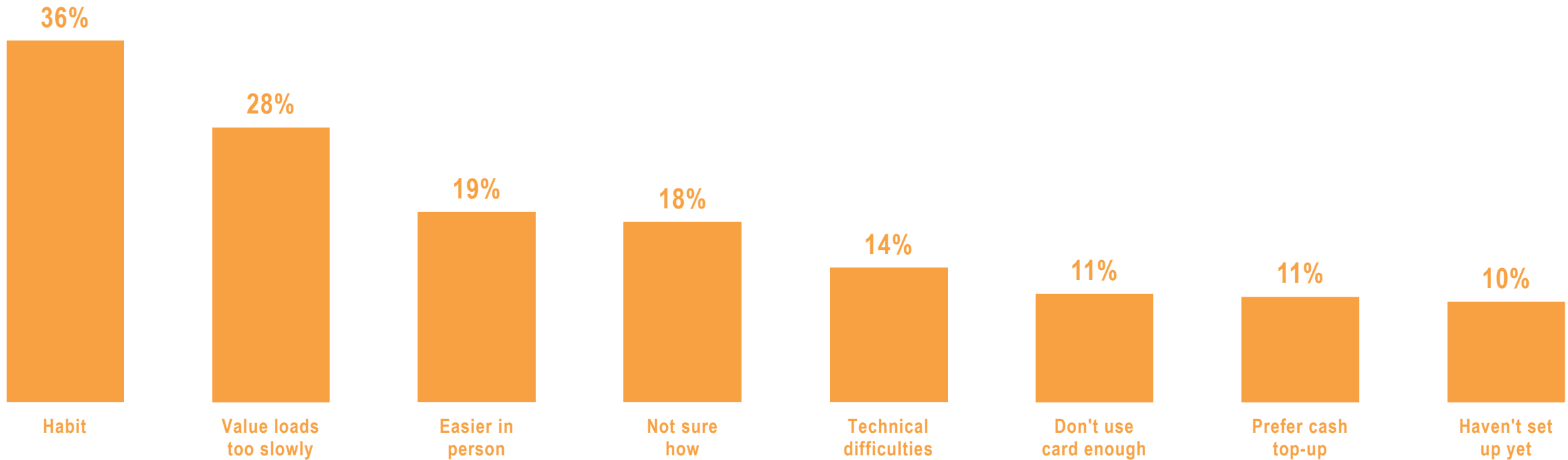
	Online* 	Station/kiosk 	In-store 	Onboard 
Total	66%	42%	26%	18%
Northland	64%	47%	14%	23%
Auckland	64%	50%	27%	NA
Waikato	85%	35%	14%	9%
Bay of Plenty	78%	14%	15%	21%
Hawke’s Bay	86%	36%	16%	13%
Manawatū-Whanganui/Taranaki	94%	39%	31%	12%
Wellington	52%	36%	48%	NA
Canterbury	79%	21%	12%	34%
Otago	69%	22%	9%	35%
Rest of South Island (excl. Canterbury/Otago)	87%	41%	26%	25%

Green text is significantly higher than the national total and red is significantly lower *Note predominantly online survey methodology, so could potentially increase result.



Why Don't All Smart Card Users Top Up Online?

Of those who do not currently top-up online, the most common reason for not doing it online is habit (36%). Other reasons cited relate to the top-up process itself, including the inconvenience associated with the value put on the card not being available immediately (28%) and having experienced technical difficulties (14%). One in five (19%) just find it easier to top-up in person. Eighteen percent of those who top-up in person don't know how to top-up online.



Base n=765. (Smart card users who do not top-up online).
Note that multiple reasons for not topping up online can be selected, so totals may not add to 100%. Only those who don't top up online were asked why they don't top up online. A full list of reasons is provided in Appendix 3.

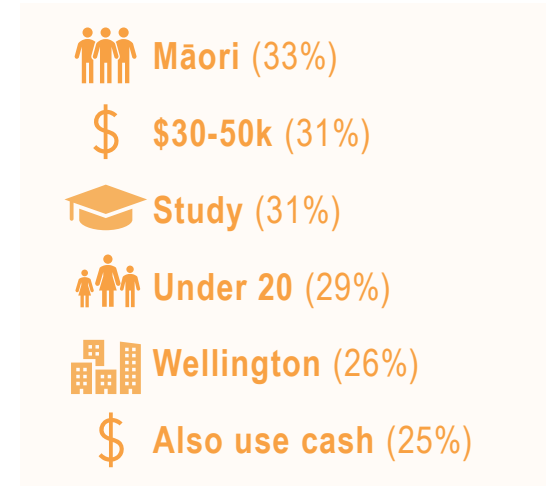
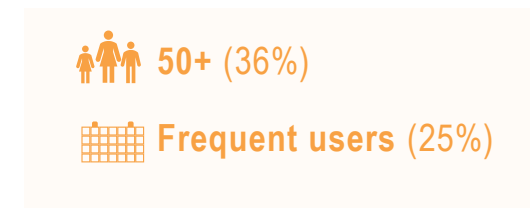
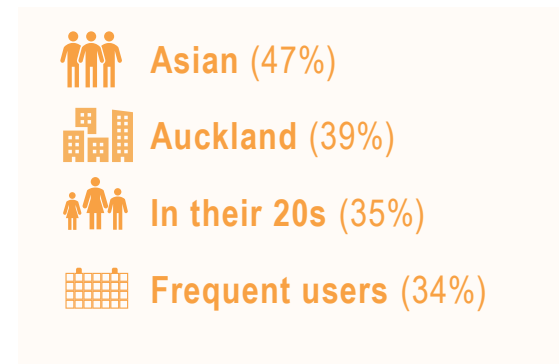
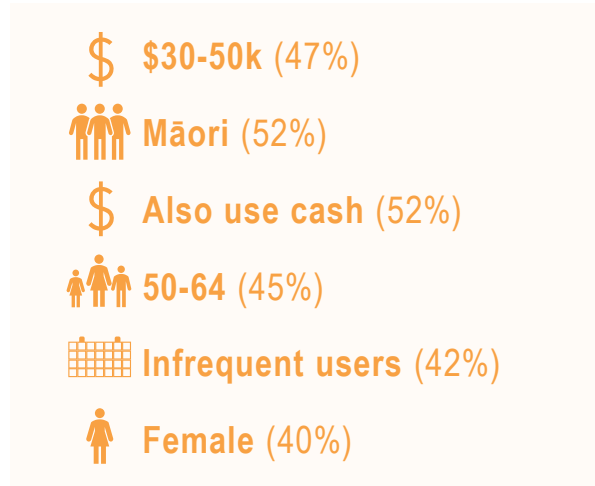
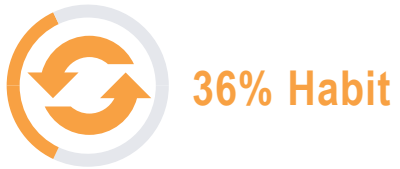


Why Don't All Smart Card Users Top Up Online?

PT users who do not top up online out of habit are significantly more likely to be from either lower income households, Māori, older, infrequent users and female. They are also significantly more likely to use cash as well as a smart card to pay for their trips.

Smart card users who are unsure how to top up online are significantly more likely to be Māori, from low-mid income households, under 20 years of age, studying and living in Wellington. They are also significantly more likely to use cash as well as a smart card. *Note that users were not asked about how frequently they use each payment method, meaning cash and smart card users may use the two interchangeably or use cash primarily as a back-up.*

The group who express frustration that the value is not immediately available to use when topped-up online are significantly more likely to be of Asian ethnicities, living in Auckland, in their 20s and frequent users.



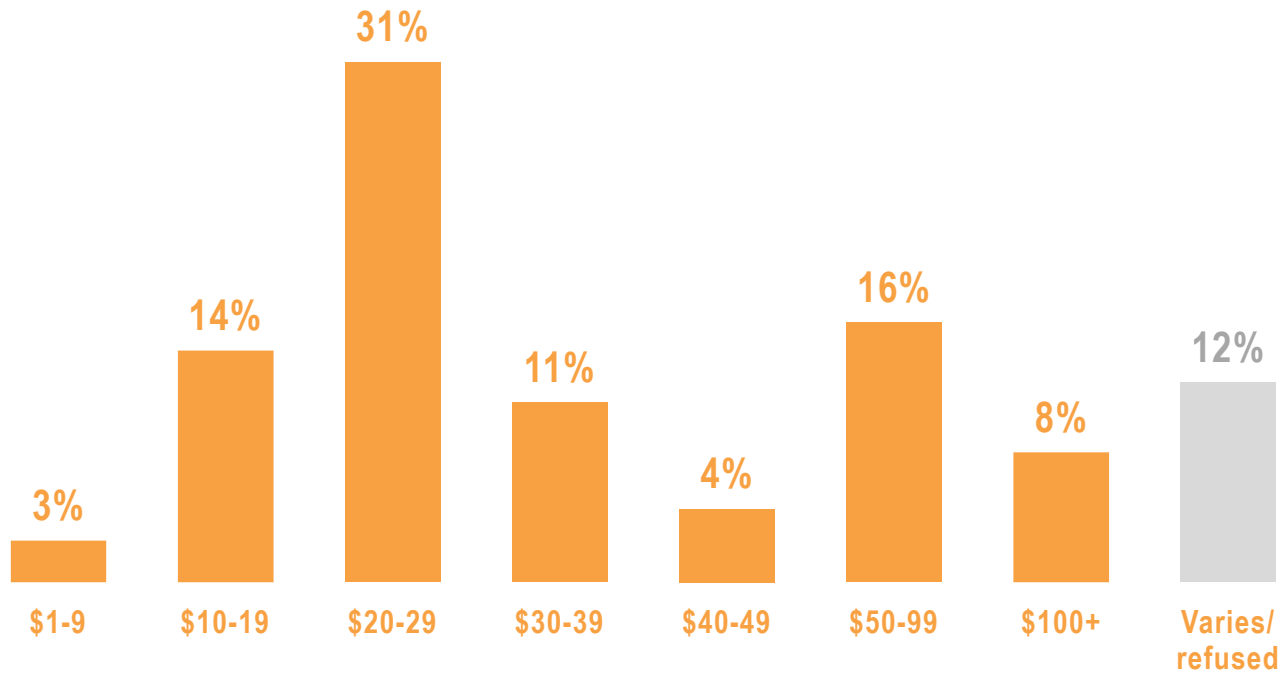


Smart Card Top-Up Behaviour

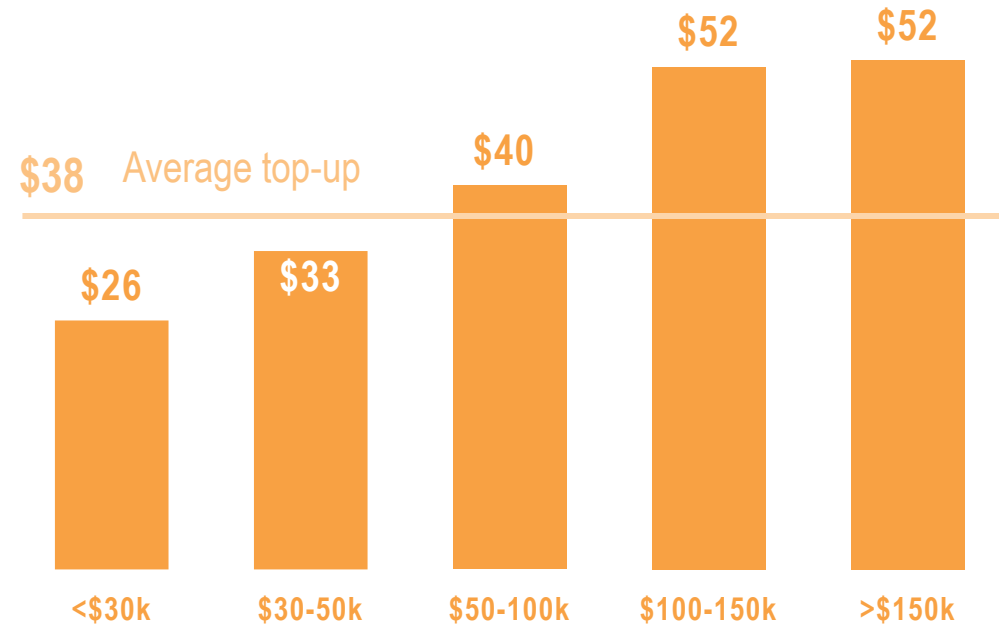
When topping up a smart card, it is most common to top up between \$20 and \$30 dollars (31% - including 29% who top-up exactly \$20). Seventeen percent top-up with less than \$20. Eight percent top up more than \$100 each time. The average top-up is \$38; the median is \$22.

The amount of top-up increases with household income, with average top-ups increasing from \$26 for those with a household income of less than \$30,000 to \$52 for those with a household income of more than \$150,000.

How much do you usually top up your card with?



Average top-up by household income










Base n=1946. (Smart card users). This excludes outliers (topping up over \$300)

Note that multiple reasons for topping up with that amount can be selected, so totals may add to more than 100%. Only showing reasons for topping up with that much with 10% or higher



Smart Card Top-Up Behaviour

Top-up amounts vary only slightly by top-up method. Those topping up online tend to top up slightly less than those topping up in person (\$38 on average online and \$40 in person). For those topping up online, the average top up amount is higher for auto-top ups (\$44) than it is for manual top ups (\$36).

	 Station/stop/ kiosk	 Retail outlet	 On board	 Total in person	 Online - manual	 Online - automatic	 Total online
Average top-up amount	\$41	\$42	\$35	\$40	\$36	\$44	\$38
Median top-up amount	\$21	\$30	\$20	\$22	\$21	\$30	\$22



Reason For Choice Of Top Up Amount

Those topping up the least money (less than \$20) were more likely to do so because they do not want their money tied up on a smart card, preferring that money to be free for them to use. Those topping up between \$10 and \$19 were also more likely to do so because it only just covers the trips they need to make immediately and it is all they can afford.

Those topping up the least (\$1-9) are more likely to be doing so because they are concerned about losing the card.

While habit is the main reason overall, this was most common among those topping up \$40-49 and was mentioned by fewer people topping up under \$20

	Total	\$1-9	\$10-19	\$20-29	\$30-39	\$40-49	\$50-99	\$100+
Habit	35%	22%	29%	37%	31%	42%	36%	38%
Don't want money tied up	33%	49%	42%	36%	32%	38%	24%	23%
Covers immediate trips I need	27%	10%	30%	26%	32%	21%	30%	17%
All I can afford	23%	20%	32%	25%	15%	29%	14%	23%
Covers my longest trip only	17%	18%	23%	13%	22%	24%	11%	17%
I may lose my card	15%	31%	14%	15%	18%	29%	14%	7%
Don't want to run out	14%	0%	8%	13%	20%	17%	21%	14%
Don't want to top up too often	11%	10%	4%	8%	12%	24%	12%	22%

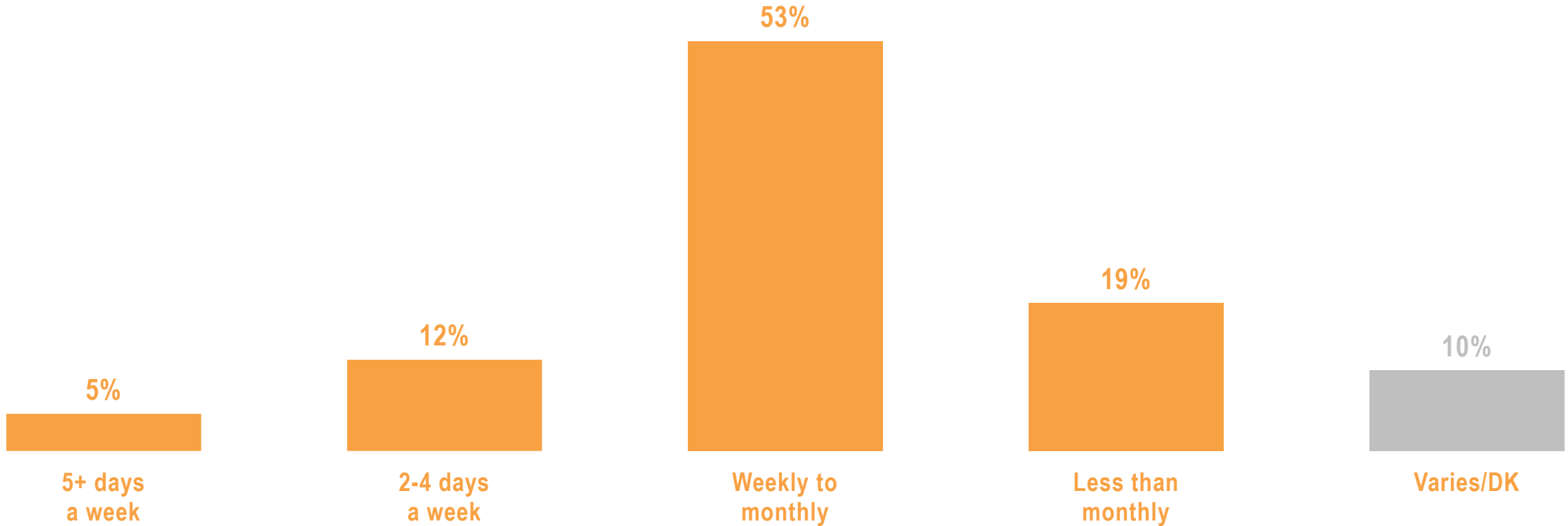
<10% 10-19% 20-29% 30-39% 40%+

Base n=1946. (Smart card users) Note that multiple reasons for topping up with that amount can be selected, so totals may add to more than 100%. Only showing reasons for topping up with that much with 10% or higher. A full list of reasons is provided in Appendix 3.



Smart Card Top Up Frequency

It is most common to top up somewhere between weekly and monthly, with 53% doing this. Seventeen percent top up more often than once a week while 19% top up less than monthly. Ten percent note that the top-up frequency varies.

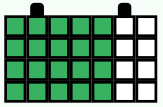


Base n=2030.



Smart Card Top Up Frequency

The significant differences among those who top-up very frequently and infrequently are noted below. The two groups below are shown to represent the extremes, with frequent top-ups including those who top-up five or more days a week and infrequent top-ups including those who top-up less than once a month.



Frequent top-ups (5% 5+ times a week) significantly more common with...



Frequent (5+ days a week) users (13%)



Also pay with pre-pay tickets (15%) or cash (10%)



In their 30s (8%)



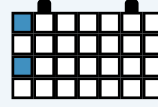
Pacific (8%)



CBD (8%)



Work (7%)



Infrequent top-ups (12% less than monthly) significantly more common with...



65+ (49%)



Rural (35%) Suburban (22%)



Infrequent (less than weekly) users (33%)



Non-commuting (32%)



\$100-150k (26%)



Wellington (24%)










European (23%)



Smart Card Top Up Frequency

Frequency of top-up varies only slightly by top-up method, with in-person top-ups slightly more frequent than online (21% top up more than weekly in person and 16% online). A similar share top up somewhere between weekly and monthly.

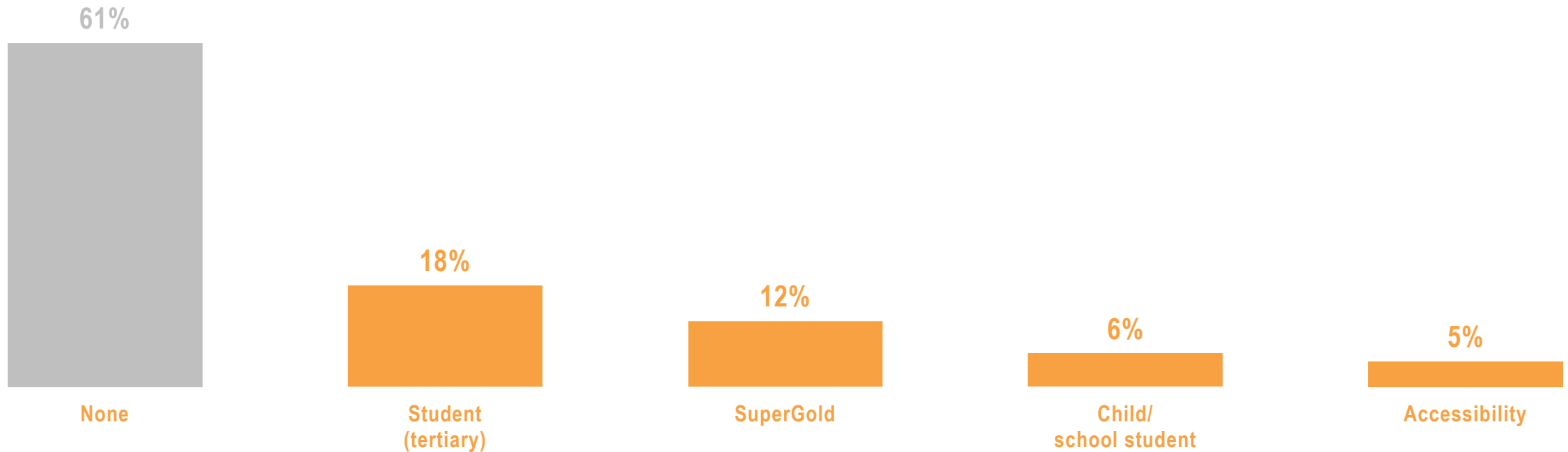
	Total	 Station/stop/ kiosk	 Retail outlet	 On board	 Total in person	 Online (manual)	 Online (auto)	 Online total
More than weekly	17%	22%	18%	29%	21%	14%	23%	16%
Weekly - monthly	53%	52%	58%	40%	53%	52%	54%	53%
Less than monthly	19%	17%	14%	20%	16%	22%	14%	20%
Varies	10%	6%	8%	9%	7%	10%	4%	8%



Concessions

The majority of regular PT users surveyed (61%) do not have a concession. One in five (18%) have a tertiary discount, 12% have a SuperGold/senior discount and 5% have an accessibility/disability discount. While 6% reported having a child/school student discount loaded on their smart card, only those 16 years or over were included in the research. Consequently the share of those eligible for child/school student discounts in the wider PT user population can be expected to be higher.

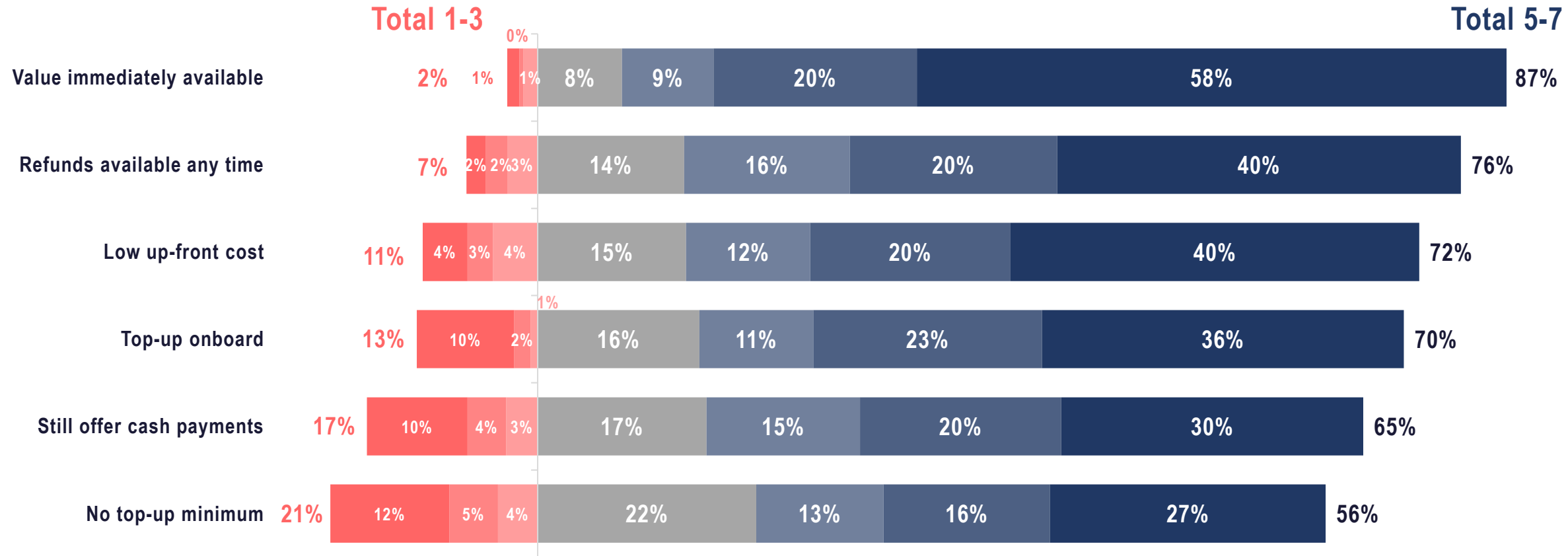
Do you have any concessions on your card?



Base n=2030. Multiple concessions allowed, so total may add to more than 100%. Not showing those who don't know which concessions they have

Important Payment Characteristics

Of the six smart card characteristics questioned on, having money loaded onto the card immediately available to use was the most important (87%). It was relatively less important that there be no top-up minimum (56%). Of particular interest to Waka Kotahi are current smart card users' perceived importance of allowing both onboard top-ups and cash payments. While these characteristics were rated as less important when compared with the other statements below, these two features are important to at least two-thirds of card users. Just 13% of respondents outside Auckland/Wellington said onboard top-ups are not important (rating 1-3) and 17% said that the availability of cash payments is not important to them. This suggests that removing these options could impact a large group of PT users.



1 Not at all important 2 3 4 Neutral 5 6 7 Very important

Base n=2032. Onboard top up not asked of Auckland/Wellington

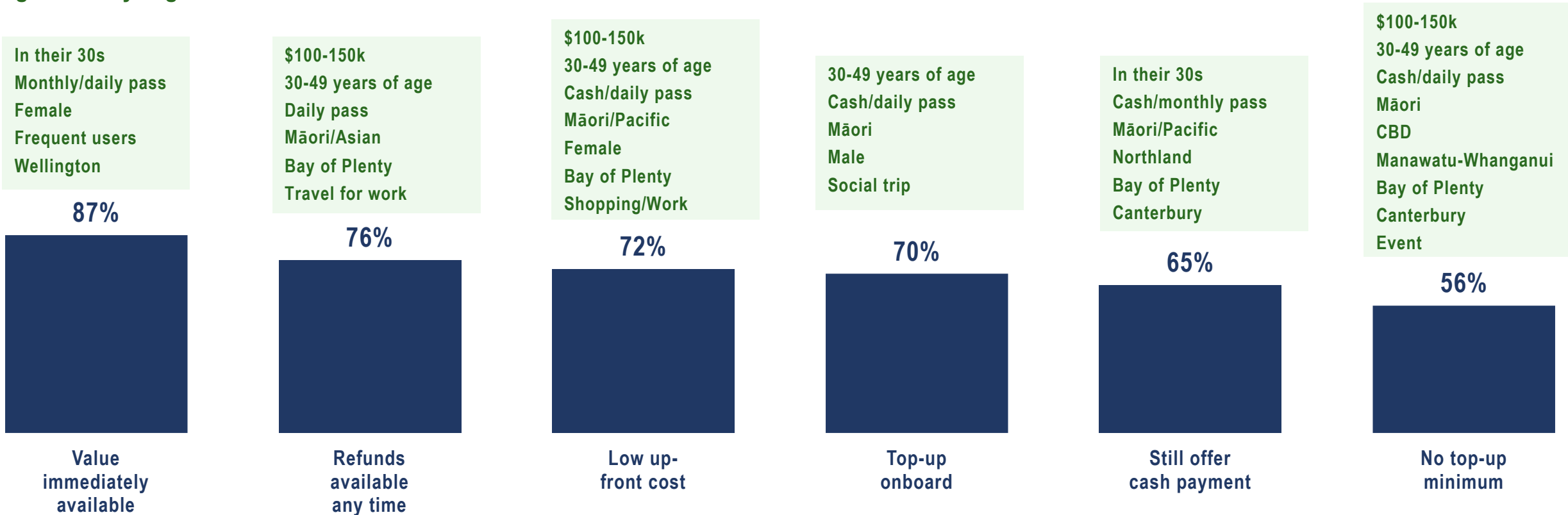
Important Payment Characteristics

Those who are significantly more likely to tend to feel the following characteristics are important include those aged 30-49, those who use cash or passes (daily/weekly/monthly) to pay for PT, and Māori.

Other variations can be seen by demographics, for example females are significantly more likely to feel it is important to provide value immediately or to have a low up-front cost and males are significantly more likely to feel it is important to retain the option to top-up onboard.

There are also differences evident by area. For example, those in Wellington are most interested in providing loaded value immediately. Those in Bay of Plenty want refunds made available immediately, low up-front cost/top-up minimums and retaining a cash payment option.

Significantly higher for...



Base n=2032. Onboard top up not asked of Auckland/Wellington. Results showing ratings of 5-7 out of 7

Who Are Cash Users?

Cash users are significantly more likely to be Māori, aged 30-50, male and/or travelling for one-off events.

Cash use also varies by region. In general, cash use is lower in larger cities (Auckland, Wellington) and is significantly higher in Northland, Hawkes Bay, Manawatu-Whanganui, Waikato and Canterbury. In general, use is also significantly higher in non-suburban area, including city-centres, provincial towns or rural areas.

Unsurprisingly, those who pay for PT with cash are also significantly more likely to pay for other things face-to-face with cash (34% of those who use cash at least some of the time for other transactions also use it for PT). Interestingly however, of those who only ever use cash for other transactions, just 55% also use cash for PT. This suggests that there is a group who use cash exclusively but can be convinced to use other methods when paying for PT.



23% use cash. This is significantly higher for...



Māori (52%)



30-50 (31%)



Male (25%)



Event (41%) Social (36%)
Appointment (32%)



Northland (55%)

Hawkes Bay (53%)

Manawatu-Whanganui (51%)

Waikato (41%)

Canterbury (31%)

Non-suburban e.g. CBD/Town/Rural (33%)



Own a credit/debit card but don't use it (36%)

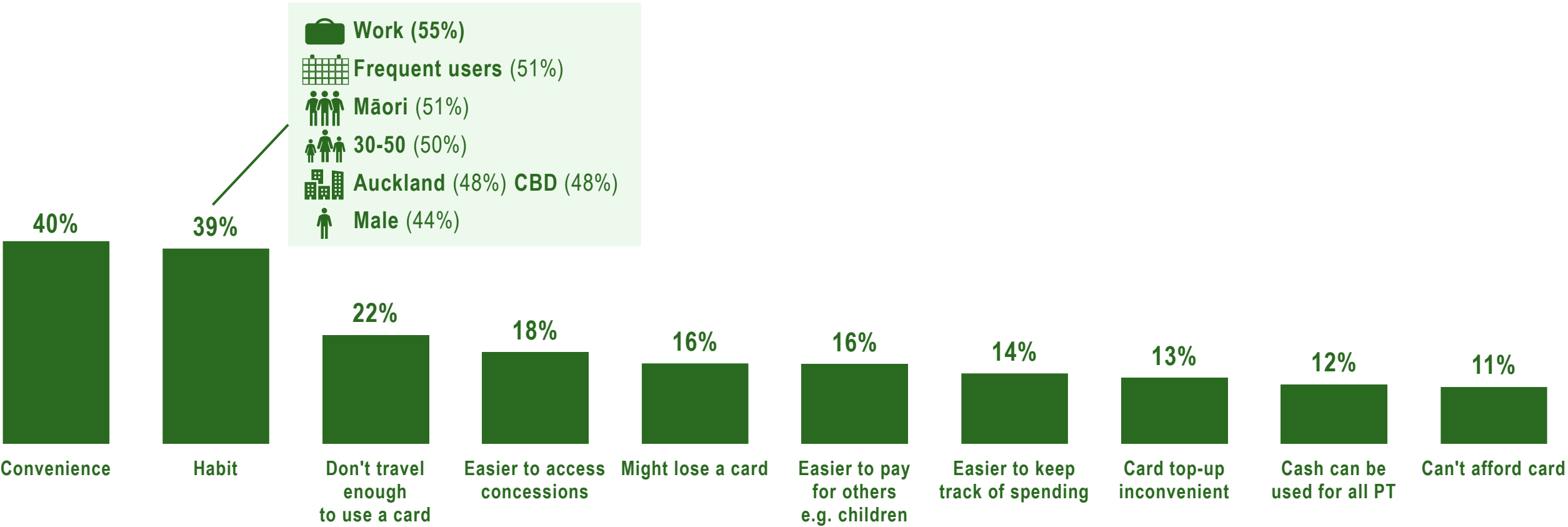
Use cash face-to-face (34%)

Only use cash face-to-face (55%)



Motivations For Cash Payments

Those who use cash tend to do so because they find it convenient (40%) and/or because they are used to paying this way (39% say they use it out of habit). One in five cash users (22%) perceive that they don't use PT enough to justify having a smart card. A perception that it is easier to access concessions (18%) or pay for others (16%) when paying with cash, and fear of losing a smart card (16%) were also frequently mentioned.



Base n=553. Note that multiple reasons can be selected, so totals may not add to 100%. Only showing reasons with more than 10%. A full list of reasons is provided in Appendix 3.

Designing a New System: Should Onboard Top-Ups Be Allowed?




70% feel it is important to still have the option to top-up cards onboard PT*

Importance is significantly higher among:

 Making social trip (95%)

 Use pre-paid ticket - daily pass (86%)

 Māori (80%)

 30-49 years (79%)

 Use cash (79%)

 Live in CBD (76%)

 Male (74%)

Those who currently top-up onboard are significantly more likely to say that it is important to have this option available (91%). Note also that those who top-up at a retail outlet or have an auto-online top-up are also significantly more likely to feel that onboard top-ups are important (81% and 76% respectively)

The importance of onboard top-ups is also significantly higher among those who use cash (79%) or a pre-paid ticket (86% of daily pass users).

**Note that this excludes those living in Auckland and Wellington*

Designing a New System : Should A Minimum Be Required?




56% feel it is important to have no minimum top-up

Importance is significantly higher among...

 Māori (77%)

 Those travelling for one-off event (75%)

 Use prepaid ticket - daily pass (75%)

 Pay cash (73%)

 30-49 years (65%)

 Household income \$100-150k+* (66%)

 Live in CBD (64%)

 Manawatu-Whanganui (76%)

 Bay of Plenty (69%)

 Canterbury (64%)

Those who feel it is important to have no minimum top-up currently top-up between \$10-20 (64%) and say they choose to top-up this amount as it is all they can afford, it is just enough to cover the trips they need to make, or they do not want to make too many transactions (all rated 69%). Those who feel it is important to have no minimum top-up are also significantly more likely to top-up more frequently (69% at least twice a week).

* Higher income PT users may consider no minimum top-ups is important if they use PT on a more ad hoc basis e.g. to travel to one-off events, and therefore don't want a large amount of money sitting on their card. It is also possible that higher income users have responded altruistically, feeling that minimum top-ups may adversely affect others even if it doesn't affect them personally. **gravitasOPG**

Designing a New System : Should There Be A Card Purchase Fee?




72% feel it is important to have a low/no up-front cost for a smart card


Importance is significantly higher among...

 Bay of Plenty (85%)

 Māori (83%)


 Pacific (79%)


 Household income of \$100-150k (79%)

 Travelling for shopping (78%)

 30-49 years (78%)

 Female (75%)

 Travelling for work (74%)

 Use cash (81%)

 Use prepaid ticket - daily pass (87%)

Designing a New System : Should Refunds Be Made Easily Available?



76% feel it is important to be able to have stored value refunded at any time

Importance is significantly higher among...

\$ Daily pass (91%)

 Māori (89%)


 Bay of Plenty (87%)

\$ Household income of \$100-150k (83%)

 30-49 years (83%)

 CBD residents (80%)

 Asian (79%)

 Travelling for work (79%)



Designing a New System: Nationwide System

Before being presented with the proposed payment system, just over four out of five (83%) felt that it would be important to some extent to have a nationwide payment system.



Within the context of the proposed payment system, PT users were asked again how likely they are to use a nationwide system



Who would most likely use a nationwide payment system outside their region?

- Want to use PT more (90%)
- Work full-time (84%) and use PT for work (85%)
- \$100-150K (84%)
- Frequent PT users (84%)
- Live with family, children 5-13 years (86%)
- Use a smart card (83%)

Base n=2306 – Excludes ‘don’t know’/‘not applicable’ responses

The background of the image is a collage of New Zealand currency. It features several 5-dollar notes in shades of blue and orange, a 10-dollar note in blue and green, and a 50-dollar note in purple. In the center, there are five stacks of coins: two stacks of gold-colored coins, two stacks of silver-colored coins, and one stack of copper-colored coins. The text 'General Payment Behaviour' is overlaid in a large, white, sans-serif font with a slight drop shadow.

General Payment Behaviour

General Payment Behaviour: Summary

- Most respondents have access to a smartphone (93%) and are comfortable using this to search online (91%). However, smartphone users are less comfortable using their phone to make payments, 82% comfortable paying online generally, 72% comfortable paying through an app and 65% comfortable using contactless payments.
 - Those uncomfortable making payments are significantly more likely to be older, less frequent PT users, living rurally, using PT for non-work trips and be in the lowest income bracket.
- When buying products face-to-face, 58% use a contactless debit/credit card at least some of the time and 55% use a non-contactless credit/debit card. Forty-six percent use cash at least sometimes. When asked their preferred method of face-to-face payment, 50% prefer contactless methods, either by card (41%) or phone (9%), 37% prefer a non-contactless card (EFTPOS (23%) or credit/debit card (14%) and 13% prefer to use cash.
- One in five PT users surveyed (18%) have access to a credit/debit card but choose not to use it for face-to-face payments. This is predominantly due to habit (42% of all non-credit card users). Those from lower/middle incomes in particular note that not using credit cards helps them save money or avoid spending too much - 25% do not want to go into credit, 23% want to avoid credit card fees, and 20% find cash easier to budget with.

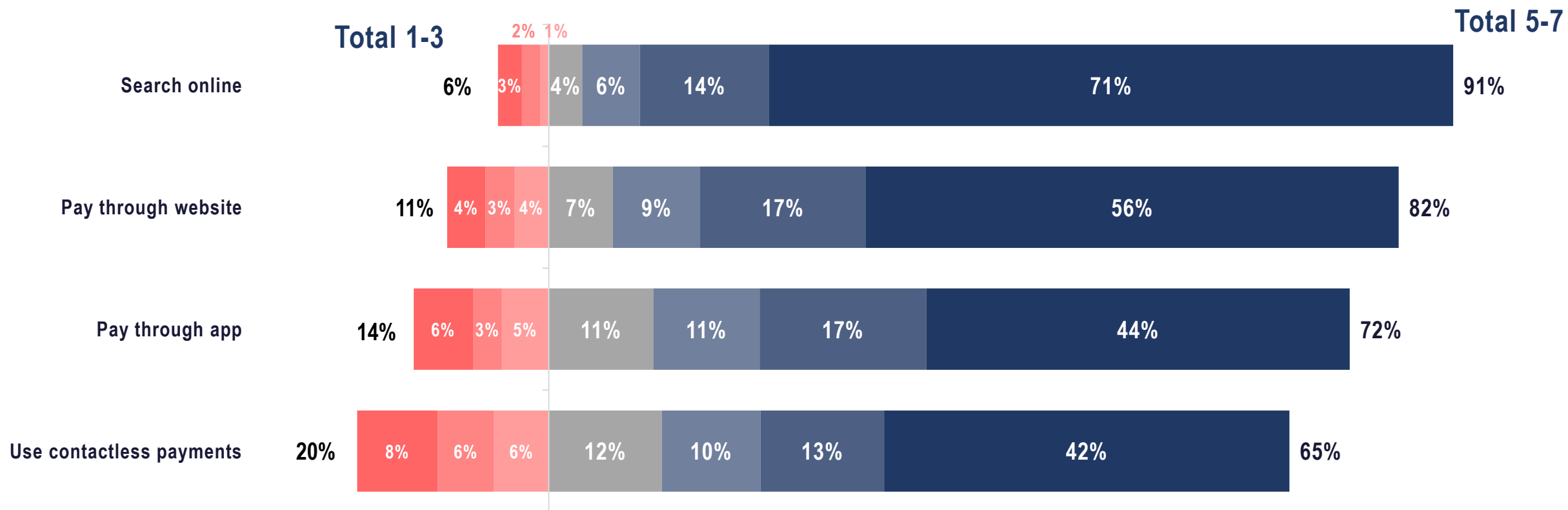
Smartphone Use



93%
Have access to a smartphone

Another 2% have access to someone else's phone, leaving just 5% who do not have access to a smartphone at all.

Those with access to a smartphone are confident using their phone to...



1 Not confident at all 2 3 4 Neutral 5 6 7 Very confident

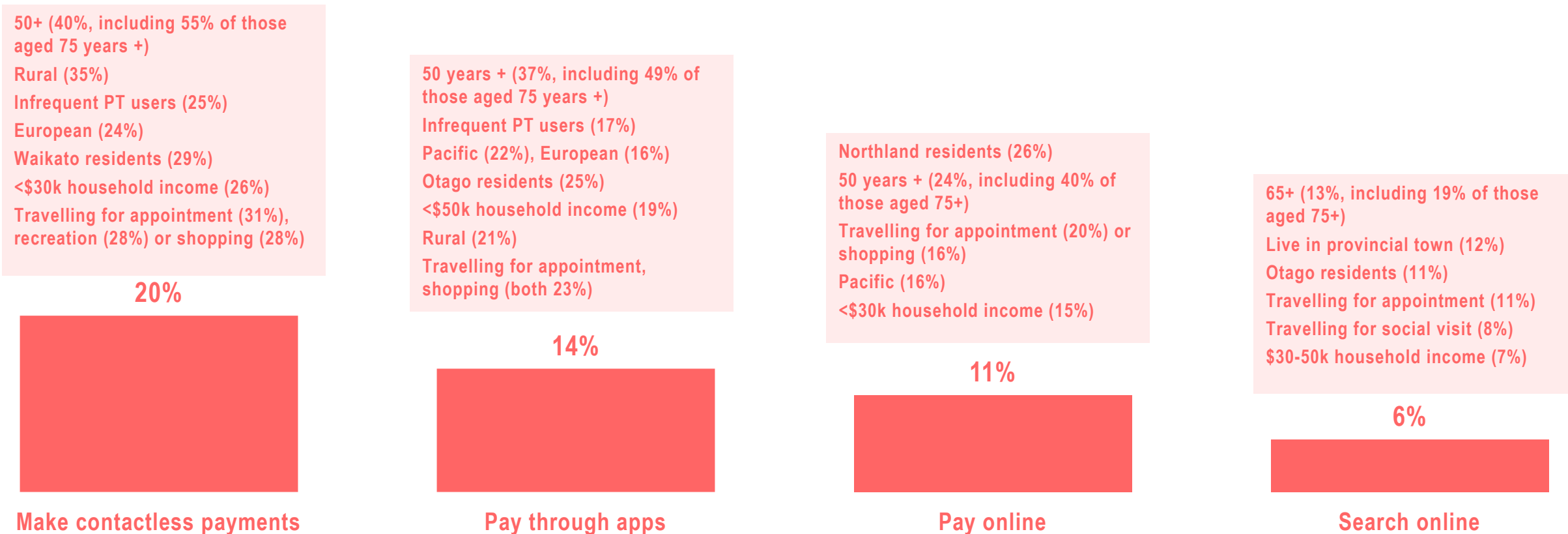
Base n=2419.

Who Is Uncomfortable Using A Smartphone? (Rating 1-3)

Smartphone users were least confident/comfortable making contactless payments on their phone (20% feel uncomfortable to some extent).

Lack of comfort/confidence using a smartphone either to pay or search online increases with age. Others who tend to be significantly less comfortable include those in the lowest income bracket, those making non-work trips (e.g. shopping, appointments or recreation), infrequent travellers and those living rurally or in provincial towns.

Significantly higher levels of discomfort for ...

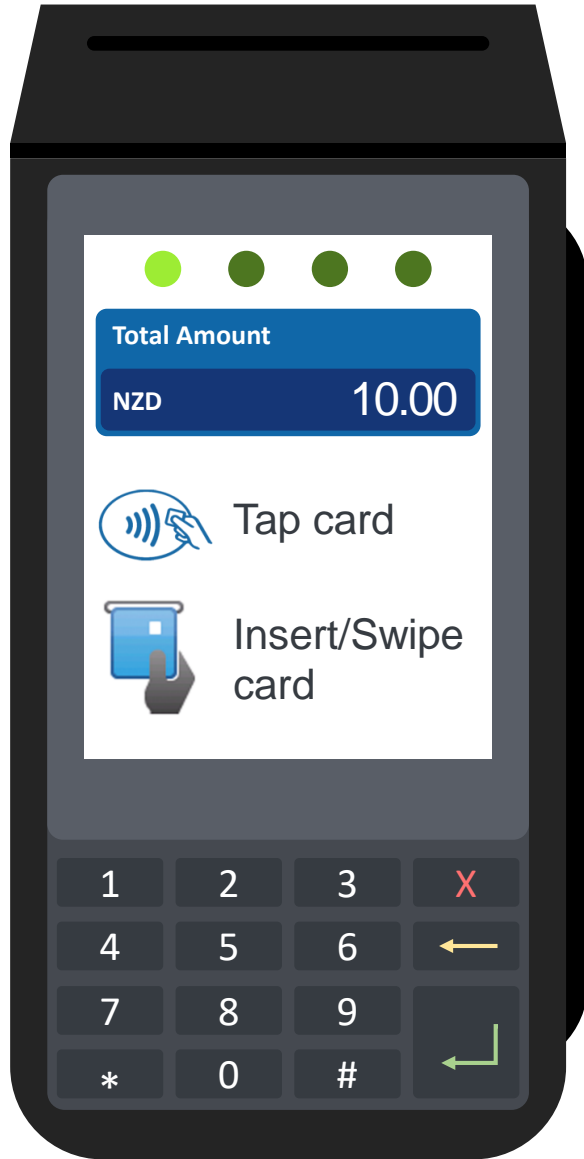


Base n=2419.

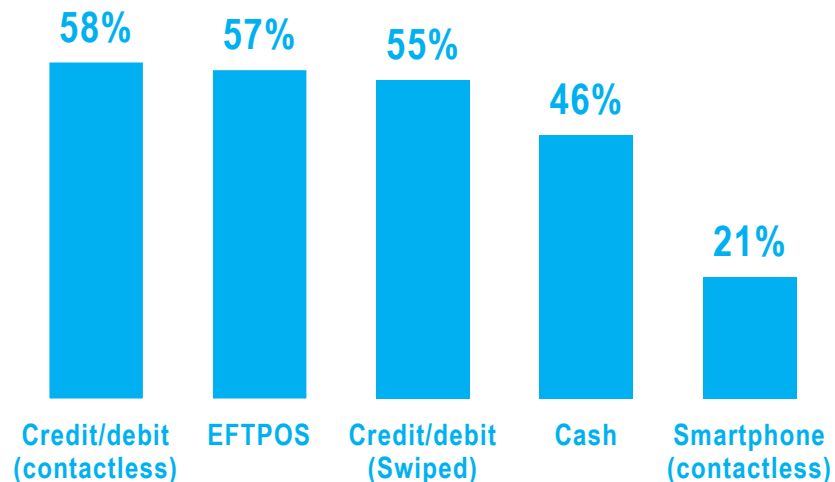
Making Payments Face-To-Face

When buying products face-to-face, almost three out of five use a contactless debit/credit card (58%). A similar share (57%) use EFTPOS. Fifty-five percent use non-contactless credit/debit cards (55%). While use of credit, debit and EFTPOS cards is relatively high, 46% still use cash for at least some payments.

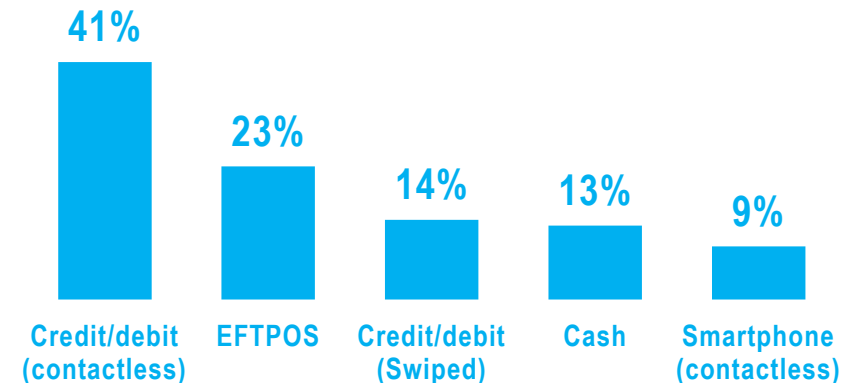
When asked for their preferred payment method, 50% prefer some form of contactless payment, whether this be a card (41%) or via their smartphone (9%). Twenty-three percent EFTPOS and 14% prefer non-contactless debit/credit card payments. Thirteen percent prefer cash payments.



All payment methods used



Preferred payment method



Base n=2419. Multiple payment methods (when asked for all methods used) can be selected, so total may not add to 100%

Face To Face Payment Preferences: Preferer Profiles



50%
contactless payment
(41% card; 9% smartphone)



23%
EFTPOS



14%
credit/debit card (swiped)



13%
cash

- 10-trip pass (67%)
- 20-29 (61%)
- Study (58%)/work (55%)
- Flating situation (56%)/family (children 5-13 years) (54%)
- Asian (55%)

- 65+ (36%) 75+ (48%)
- Appointment (33%)/shopping (31%)
- Beneficiary (34%)/retired (33%)/work part-time (31%)
- Live alone (30%)
- <\$50k(29%)

- Retired (26%)
- 65+ (24%)
- Making social trips (23%)
- SuperGold card (21%)
- Canterbury (20%)
- Disability (18%)

- Māori (34%)
- Beneficiary (29%)
- Rural (23%)
- Disability (22%)
- Making social trips (21%)
- <\$30k (19%)
- 50-64 (18%)
- Family, children 5-13 (17%)
- Want to use PT less(17%)

Base n=2419. Note that multiple payment methods can be selected, so totals may not add to 100%. Note that no regions were significantly higher/lower



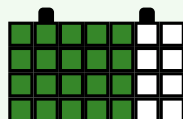
Face To Face Payments: Exclusive Cash Users

46% use cash face-to-face at least some of the time. 5% of those surveyed use cash exclusively (i.e. they never use other payment methods such as EFTPOS, credit/debit cards when shopping face-to-face)

Exclusive cash users are significantly more likely to be...



Bus users



Frequent travellers



Māori



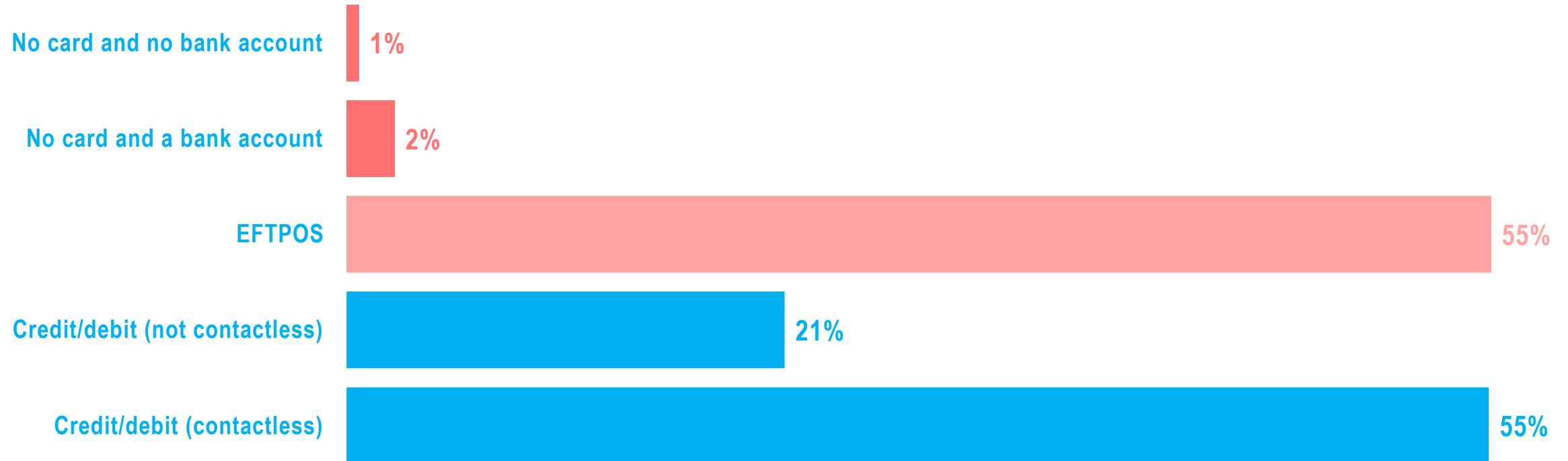
Young
(under 20 years of age)

Note that sampling from previous GWRC and AT survey participants boosted the number of cash users in the survey. However from the survey data it was not possible to identify those who were exclusive cash users

Face To Face Payments: Access To Bank Cards

Among those who do not use a credit/debit card face-to-face, credit/debit/EFTPOS card ownership is still relatively high. Just 3% do not have a bank card of some sort, including 2% who have a bank account but no cards and 1% who do not have a bank account. Note that those without a bank card (3% total) are significantly more likely to be younger (14% under 20 years of age).

Non-users of credit/debit card face to face: Access to bank cards



Base n=609. Multiple card types can be selected, so total may not add to 100%. Table lists those reasons given by 9% or more of respondents. A full list of reasons can be found in the Appendix

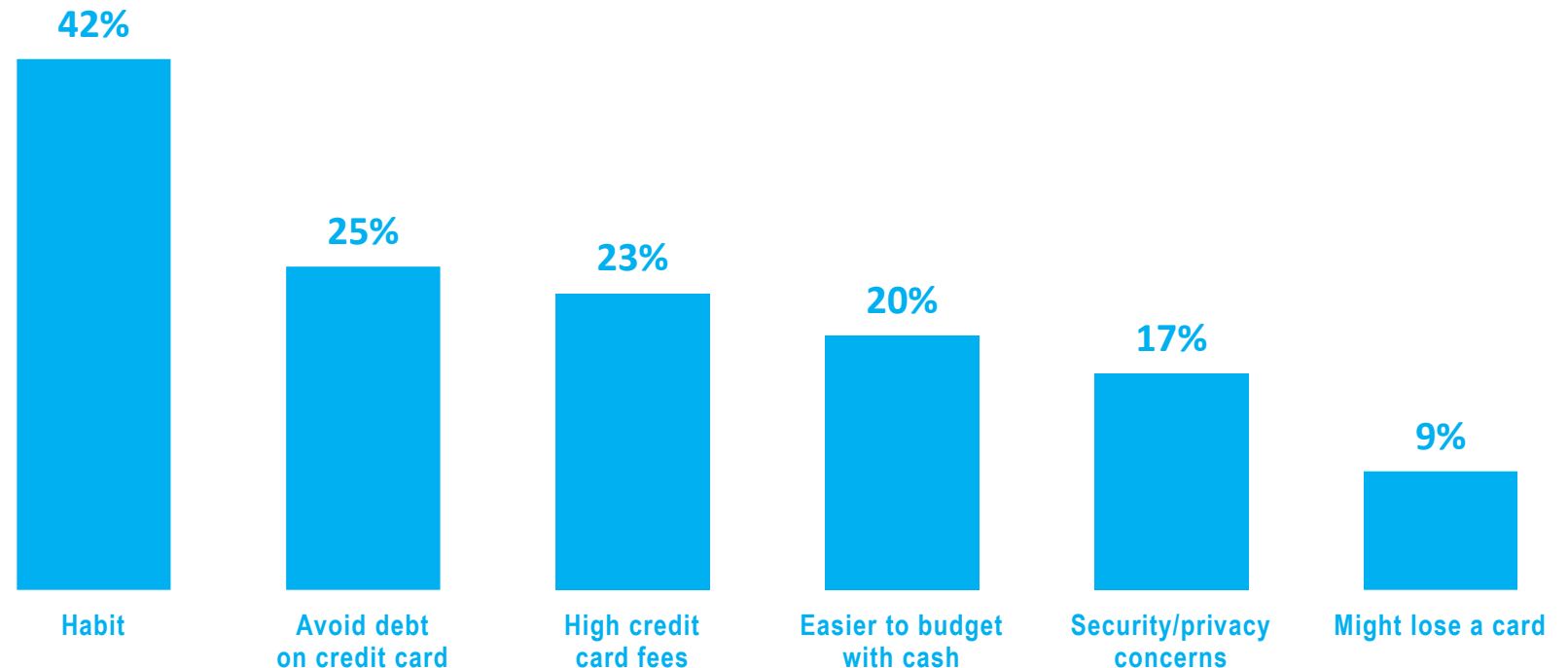
Face To Face Payments: Access To Bank Cards

Of all who were surveyed, 18% said that they do have a credit/debit card, but choose not to use it for face-to-face payments. This is most likely to be due to habit (42% of all non-credit card users). Those from lower/middle incomes in particular note that not using credit cards is a way to save money or avoid spending too much - 25% do not want to go into credit, 23% want to avoid credit card fees, and 20% find cash easier to budget with).

18%
Of all PT users
have access to a
credit/debit card
but don't use it
face-to-face



They don't use their card face-to-face because...



Base n=609. Multiple card types can be selected, so total may not add to 100%. Table lists those reasons given by 9% or more of respondents. A full list of reasons can be found in the Appendix

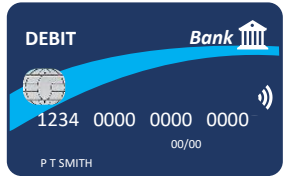
A person is shown from behind, holding a smartphone to a yellow transit fare reader. The phone screen displays a PNC BANK payment interface with options for 'Pay with Touch ID' and 'with Passcode'. The background shows the interior of a public transport vehicle with blue seats.

Perspectives on Proposed Payment Options

Proposed Payment Options

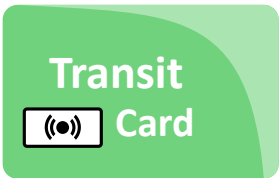
The **NTS** proposes introducing a new open-loop payment system which aims to remove or minimise cash transactions and replace all regional payment methods with one national system. Passengers would scan/tap something when getting on/off public transport. Respondents were asked to assume all prices, concessions (e.g. SuperGold/student), zones and timetables stay the same and only the payment methods would change.

The following would be available. In order of preference for Waka Kotahi (due to the cost to administer), they are:



1. Contactless credit/debit card

- Cards would need contactless (e.g. Paywave) payment enabled, not an EFTPOS card
- Money taken directly from bank account
- No advanced top up required
- One card required per passenger
- Contactless smartphone payment also available



2. Pre-paid transit card

- Similar to HOP/Snapper/Bee/Metro cards, but would be one new nationwide card
- Money would be loaded on cards in advance online or at some stops/retailers
- Intended for those not able to access a credit/debit card (e.g. children or the unbanked)



3. Single-use Pre-paid tickets

- Single-use ticket
- Would need to be bought in advance (not onboard PT) online or at some stops/retailers
- Would replace cash fares
- Could be used to pay for multiple people using one ticket



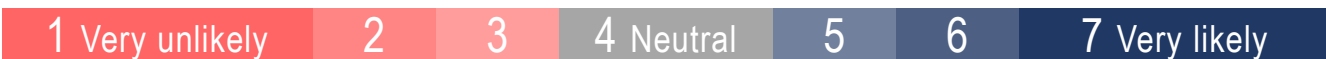
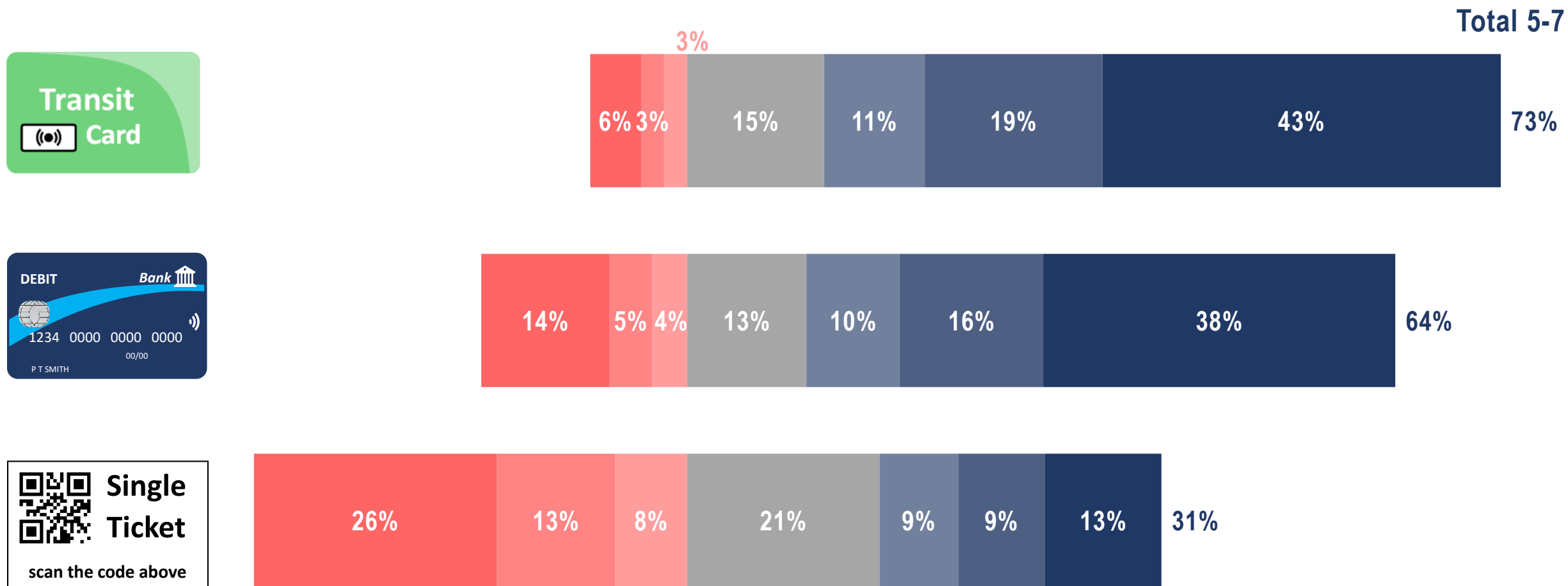
Proposed Payment Options: Summary

- The survey presented three payment methods - to pay for PT with a contactless credit/debit card, with a pre-paid transit card or with a single use paper ticket.
- Three-quarters of regular PT users (those using PT monthly or more often) are likely to use a **prepaid transit card**. Interestingly, key benefits of the card option identified – convenience, nationwide availability and multi-modal use – also apply to the contactless credit/debit card option. Key barriers to the prepaid transit card are perceived top-up challenges and the inconvenience of having another card to carry.
- Convenience is also cited as the main drawback of the **contactless credit/debit card** payment option, likely to be used by 64% of regular PT users. Being able to use a card they already have also has strong appeal. Security concerns are the key barrier to uptake of the contactless credit/debit card payment option, particularly loss/theft of the card, information hacking and identity theft. Perceived budgeting challenges are also a barrier for low/middle income PT users – although using a debit rather than credit card may address these challenges.
- Likelihood of using a single-use ticket is relatively low compared with other options (31%), its perceived relative inconvenience results in it being viewed more as a 'back-up' if the other options are not accessible. It is also seen as an appropriate option for infrequent PT users and visitors.
- When asked for their preferred method, transit cards were most likely to be preferred (48%), followed by contactless credit/debit cards (41%). Only 6% preferred single-use tickets. A further 5% said they do not prefer any of the three options (this group predominantly older PT users currently paying via the SuperGold card).
- When single-use ticket preferers were asked what they would do if paper tickets were not available, three-quarters said they would use a transit card or contactless credit/debit card. Twenty-four percent of single-use ticket preferers would stop using PT entirely. This group represents 3% of all regular PT users.



Likelihood Of Using Each Method

Of the three options, regular PT users (using PT once a month or more often) reported being most likely to use a transit card (73% rated this 5-7). Just less than two-thirds (64%) were likely to use a contactless credit/debit card. Of the three options, PT users were least likely to use a single ticket (31%).



Base n=2419.


Likelihood Of Using Prepaid Transit Cards: Profile

Likelihood of using a transit card is significantly higher among those travelling for work and those aged in their 20s. Reflecting the ongoing call from its PT users for integrating ticketing, Wellington PT users are also over-represented among those likely to use a prepaid transit card. Unsurprisingly, those who already use a transit card are also significantly more likely to continue using it.





In contrast, 12% said they were unlikely to use a transit card. Reluctance was significantly higher among older PT users, those in the lowest income bracket (<\$30K) and those making non-work trips.



Significantly higher (1-3) for:

-  Manawatu-Whanganui (28%)
-  Aged 65 years + (24%)
-  Provincial town (23%)
-  Travel for shopping (16%), recreation (15%)
-  <\$30k (15%)
-  Infrequent traveller (13%)

Significantly higher (5-7) for:

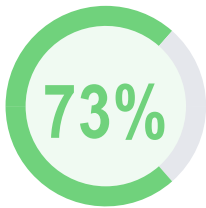
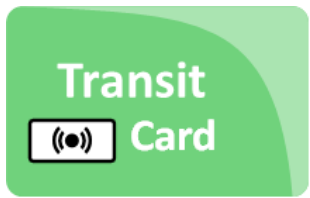
-  Travel for work (78%)
-  Wellington (78%)
-  In their 20s (76%)
-  Already use a card (76%)

Total unlikely (rating 1-3)

Neutral (rating 4)

Total likely (rating 5-7)

Base n=2419.



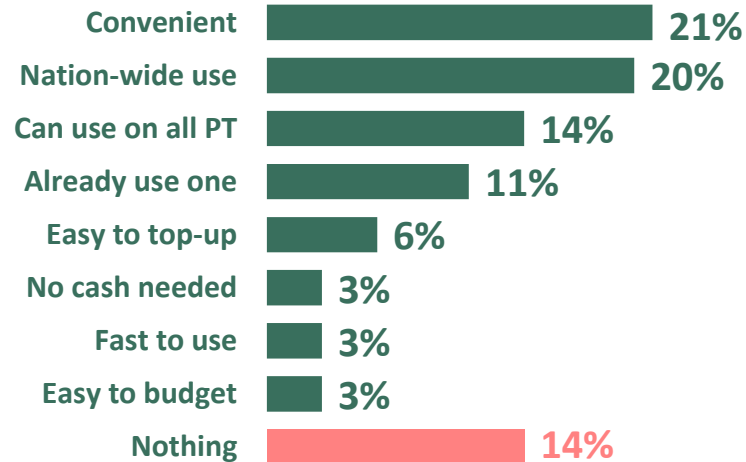
would be likely to use pre-paid transit cards

PT users who like the idea of transit cards noted that this was a convenient way to pay, convenient to top-up, fast to use and easy to budget. Interestingly, when asked what they like about this payment method, respondents tended to identify general benefits - such as nationwide availability across all PT modes or replacing cash – which are also attributable to the contactless credit/debit card option. (Note that the order of the options was randomised across the surveys.)

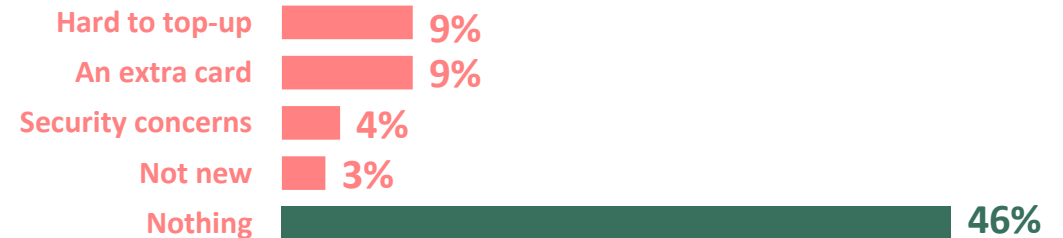
Those who dislike this option feel that a transit card is hard to top-up or means they have to get an extra card. Security concerns (particularly cards being lost or stolen) were raised by some, whilst others noted that the transit card idea was not something new or innovative.



They like this because...



They dislike this because...



Base n=2419. Graphs show likes/dislikes mentioned by 3% of respondents or more. A full list of reasons for liking and disliking this option is provided in the Appendix.



I like the idea of pre-paid transit cards because ...

“Really easy to use. Prepaid online so it is ready to go whenever you need it. Single card for all trips.”

“Very familiar as I already use a HOP card, proven system as several cities already use this. Easy to set up top ups, concessions linked to the card.”

“Would be great to be able to use it outside of Auckland.”

“I like this is separate from my personal EFTPOS/debit card and currently can top this up at any time using my smartphone when needed. For security, having a separate card to use feels safer than my own bank card.”

“Usable nationwide is a big plus. I visit family in Wellington and have to borrow their Snapper.”

“It puts money aside for transportation which helps with budgeting”

“Concentrates risk onto one card.”

“Don't have to carry cash. Lots of convenient ways to top up.”

“Familiar technologies. Relatively quick to get onto public transport.”

“It is the same as the current system, therefore I know it already. Does not require any extra toys such as a smart phone”

“The card is public transport-specific and cannot go into debt, would be able to check amount online, top ups similar to current system and can be done a number of ways.”



I don't like the idea of prepaid transit cards because ...

"Extra card in my wallet. Still needs to be topped up - unless you have auto top-up. Has risk of not having enough funds to ride. Also not as accessible for tourists who have to buy a card for a short period."

"No cash option for when I forget my card"

"Having to have another card in wallet and tying up cash."

"It usually takes too much time for the money topped up online to load to the card. The availability of [physical top-up locations] is limited."

"No security to stop people who are not you using your card in the event it is lost."

"The only thing I don't like is taking cash transactions away as there are times my pre-paid cards aren't juiced and need another option to access transport."

"I always find it a pain that I have to log into some random website or app to make sure there's money on my card. It would be easier for it just to come off my debit card."

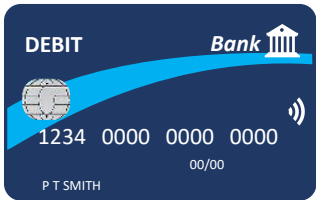
"The expense going in to introduce something already in existence."

"Potentially having to buy a new transport card. Will people who already have current transport cards get a new one automatically and be able to transfer remaining money from current cards?"

Likelihood Of Using Contactless Credit/Debit Cards: Profile

Just over two thirds of regular PT users said they are likely to use a contactless credit/debit card to pay for public transport. Likelihood of use is significantly higher among middle income earners, those aged 20-40, Canterbury residents and those living in the CBD. As is to be expected, those who use a contactless credit/debit card already for face-to-face transactions are significantly more likely to be open to using this method to pay for PT.

There is a strong inverse relationship between age and likelihood of using contactless credit/debit cards to pay for PT trips, with 40% of those aged 75 years + unlikely to use this payment method. Those living in Otago and rural areas, travelling for shopping, in the lowest income bracket, female or European are also significantly less likely to use a contactless credit/debit card to pay for PT.



Significantly higher (1-3) for:

- 50+ (35%) – 75+ (40%)
- <\$50k (29%)
- Otago (35%)
- Female (25%)
- Shopping (30%)
- European (24%)
- Rural (30%)

Significantly higher (5-7) for:

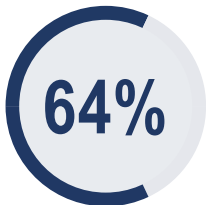
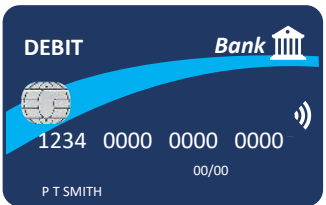
- Canterbury (72%)
- \$50k+ (72%)
- 20-39 years (69%)
- CBD (69%)
- Travel for work (68%), recreation (72%)
- Use contactless cards elsewhere (70%)

Total unlikely (rating 1-3)

Neutral (rating 4)

Total likely (rating 5-7)

Base n=2419.



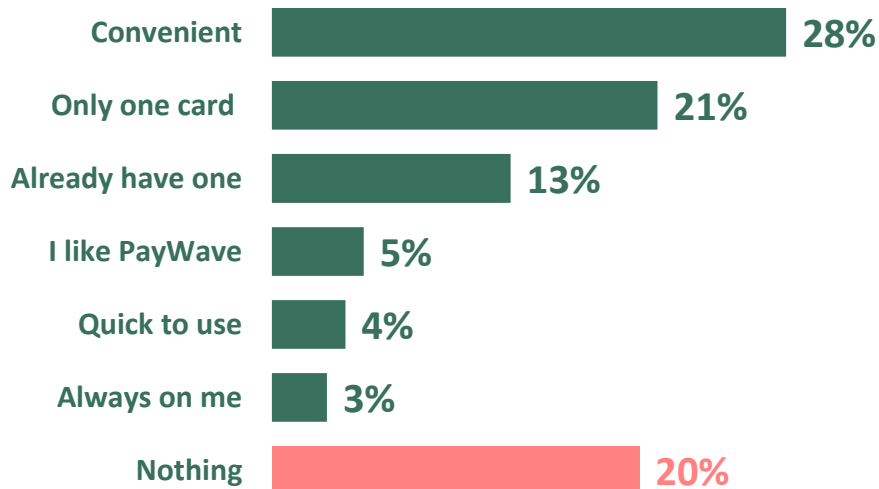
would be likely to use contactless credit/debit cards

Overall, those who were positive about payments via contactless credit/debit cards felt it would be a convenient method of paying – particularly if they already have access to this type of card – and it means they only need to carry one card.

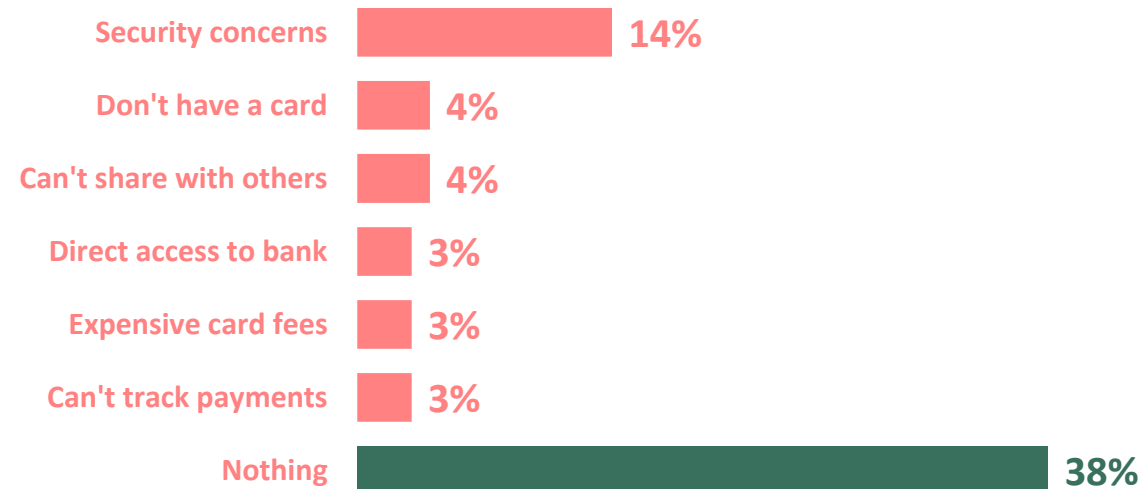
However, 20% said they liked nothing about this option. When asked what they dislike, 14% said they have security concerns (specifically the card getting lost, stolen or hacked). Other concerns include not currently having access to this type of card, as well functionality issues such as being unable to share it with others and being unable to keep track of payments.



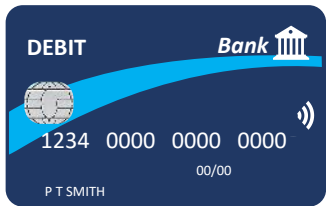
They like this because...



They dislike this because...



Base n=2419. Graphs show likes/dislikes mentioned by 3% of respondents or more. A full list of reasons for liking and disliking this option is provided in the Appendix.



I like the idea of contactless credit/debit card PT payments because ...

“... I wouldn't need to worry about different payment methods for trains and buses, both of which I use. I would save time because I would pay directly from my phone, and would not have to queue for monthly passes.”

“No delay in payment (i.e. online top ups not showing until hours later). Tourists can easily use it without having to buy a special card.”

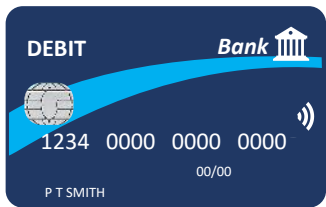
“Already carry this form of payment everywhere, and safe and easy to cancel if we lose it”

“Convenient for people who don't have transport card and travel less frequently. Doesn't require top-ups.”

“...the times I travel is during rush hour so to be able to tag and go would be such a time saver. It's equivalent to the HOP card but not needing to either wait in line to top up. There are times that waiting in line to top up becomes a time pressure to either catch the train on time or find a seat.”

“Money is taken directly from bank account/credit card. Don't have to do top ups. Don't have to pay for another card or worry about top ups. Could be good for one time use or infrequent users...”

“It's a system that majority of people understand and know how to use and it's something that people usually already carry around with them as a necessity for every day use.”



I don't like the idea of contactless credit/debit card PT payments because ...

"[I] don't feel safe and right using my own personal bank card for a bus/train"

"Kids won't have these cards. You'll need to have another card as an option for those without contactless cards."

"Feels weird, even though it seems the most convenient. I feel like I would like to have a control over my commute spend and this way I'd lose track of it."

"Harder to track my transport spending. Easier if I have a separate card and transaction history."

"It's hard to trace each transaction if we get overcharged and personally I like to have travel cost separate for house bookkeeping purposes."

"Makes me wary in terms of theft, etc... I still think a cash option should be available alongside this method."

"Needing a card per passenger. This would not work for travelling with dependents."

"I really really dislike using PayWave and would not be comfortable using it for transport as I would be concerned for the safety of my card. Waving it out in the open 10 times per week means anyone could steal it with the PayWave enabled."

Likelihood Of Using Single-Use Tickets: Profile

Those significantly more likely to use a single-use ticket include Māori, those aged 30-49 years and males. They are frequent travellers, currently use either a daily/monthly/ten-trip pass and typically travelling for work.

Those significantly less likely to use this method are 50 years of age or over, earning \$30-50,000 and/or European. They are significantly more likely to be infrequent travellers, travelling for study and living in the Otago region.



Significantly higher (1-3) for:

- Aged 50 + (62%)
- Infrequent (49%)
- Study (55%)
- Use a transit card (49%)
- \$30-50k (53%)
- Otago (58%)
- European (52%)

Significantly higher (5-7) for:

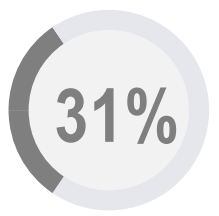
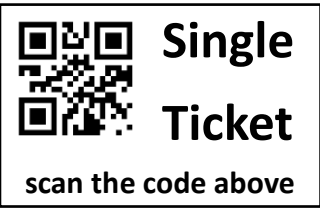
- Māori (52%)
- Waikato (39%)
- Bay of Plenty (44%)
- Male (35%)
- Currently use a pass (47%) or cash (43%)
- Work (34%)
- 30-49 years (43%)
- Frequent (34%)

Total unlikely (rating 1-3)

Neutral (rating 4)

Total likely (rating 5-7)

Base n=2419.



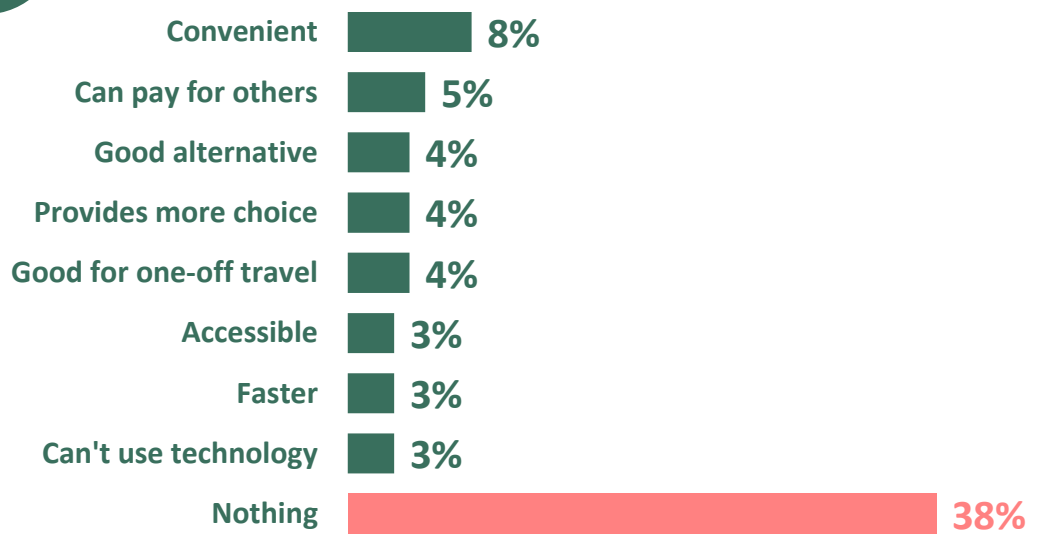
would be likely to use a single paper ticket

Positive features of the single-use ticket option cited by regular PT users include its convenience, it allows flexibility (they can pay for others, it is an alternative if they lose a card), it is good for one-off travel (so would have appeal to tourists etc), as well as being accessible for children or the elderly, including some who are not comfortable with other technology.

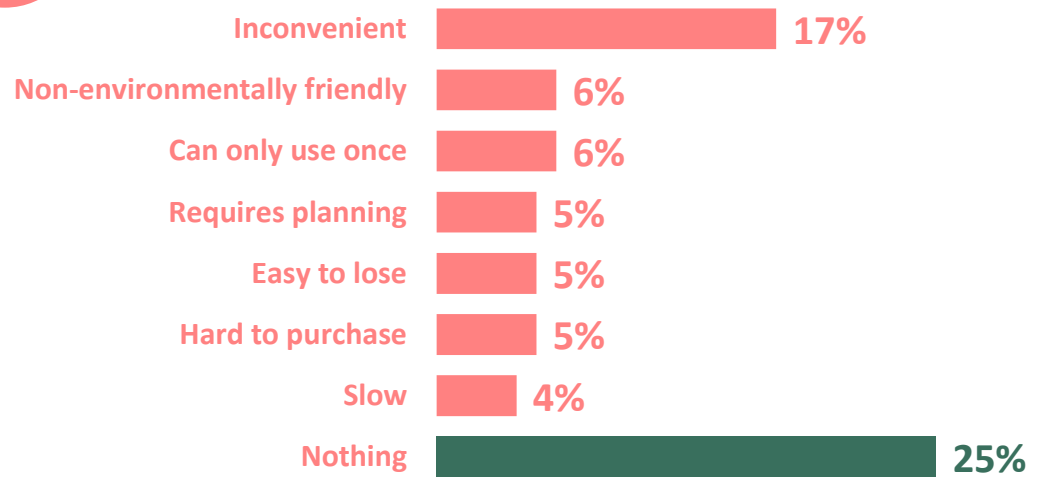
Those who dislike this option perceive that the system is inconvenient and is not environmentally friendly. They also dislike that this option requires more planning, can only be used once and tickets are easy to lose. There is also a perception that paper tickets would be difficult to purchase as there may be few locations to purchase from.



They like this because...



They dislike this because...



Base n=2419. Graphs show likes/dislikes mentioned by 3% of respondents or more. A full list of reasons for liking and disliking this option is provided in the Appendix.



Single

Ticket

scan the code above



I like the idea of single-use tickets because ...

"I believe it's important for people to be able to buy tickets with cash, particularly unhoused people for whom public transportation and small amounts of cash are often vital."

"Good for people who only want to use public transport occasionally."

"This would be great when travelling in groups such as going on field trips where the travels expenses are paid in advance and the person in charge could buy the tickets for the whole group with just one single ticket."

"It doesn't require cash."

"It's good for people who can't afford to put money on a card or do not have a card."

"[It] would make boarding faster than a cash option. [It] is a good option for folks who do not have phones and are not confident with using a card or online system"

"[It's a] flexible payment option."

"Practical, but should be used as an alternative to other options."



Single
Ticket

scan the code above



I don't like the idea of single-use tickets because ...

"It would take far too long for everyone to tag on/off."

"I wouldn't use this as I take public transport often."

"Waste of paper and needless purchase every single time."

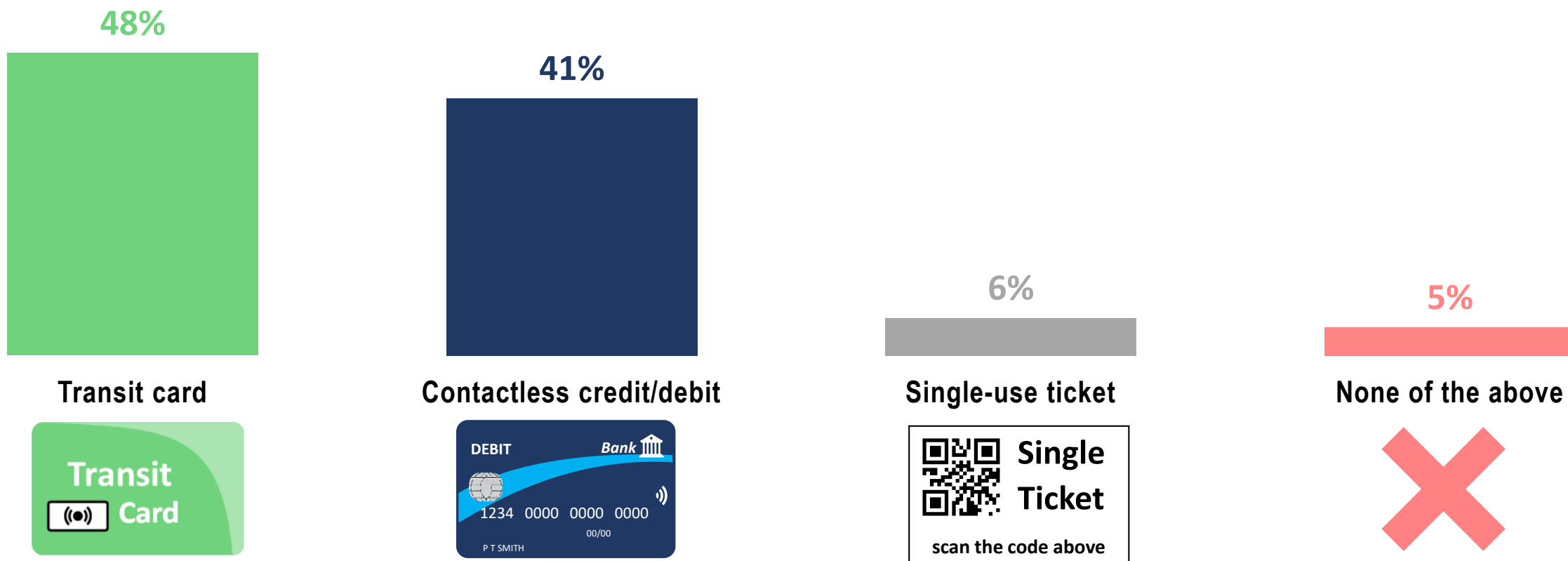
"Have to be bought in advance. Makes it harder for last minute emergency trips."

"Having to find the stores might be inconvenient. Also better to just have the bus still carrying cash. Out of the way having to pay for a ticket somewhere else when you can just buy it on the bus or train."

"Why does everyone these days just assume that everyone has an expensive toy smart phone that can scan these codes?"

Preferred Payment Option

As well as expressing their likelihood of use of each method, participants were also asked to nominate a preferred option. The strongest preference was for a transit card, with almost half opting for this (48%). Two in five (41%) opted for a contactless credit/debit card whilst just 6% preferred a single-use ticket. Five percent said they do not like any of the proposed options (this group are predominantly older PT users currently paying via SuperGold card). This means 89% would prefer to move from their current payment method to either a transit card or contactless credit/debit card.



Who Prefers Which Method?

The strongest preference was evident for a **transit card**. PT users in Otago and Wellington were significantly more likely to prefer this option, suggesting they are ready for a pre-paid card. Preference is also significantly higher among the lowest income and age groups, females, and those travelling for study.

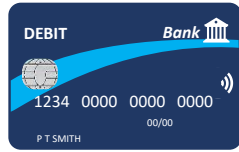
Those who preferred **contactless credit/debit cards** were over-represented among PT users travelling for non-work reasons – typically recreation - those in a higher income group and younger people.

Whilst **single-use tickets** were the least preferred option, preference was significantly higher among Manawatu-Whanganui residents, Māori, males and those in their 30s.

Note that those who use concessions are only slightly more likely to prefer a transit card (49%), but this is higher again for those with tertiary discounts (55%) who may not have understood that the concession will also be available on a contactless credit/debit card.



48% prefer a transit card. They're significantly more likely to be...



41% prefer a contactless credit/debit card. They're significantly more likely to be...



6% prefer a single-use ticket. They're significantly more likely to be...

- Otago (58%)
- <\$30k (56%)
- Under 20 years (55%)
- Travel for study (53%)
- Wellington (53%)
- Female (52%)

- Manawatu-Whanganui (57%)
- Travel for recreation (50%)
- \$100-150k (48%)
- In their 20s (44%)

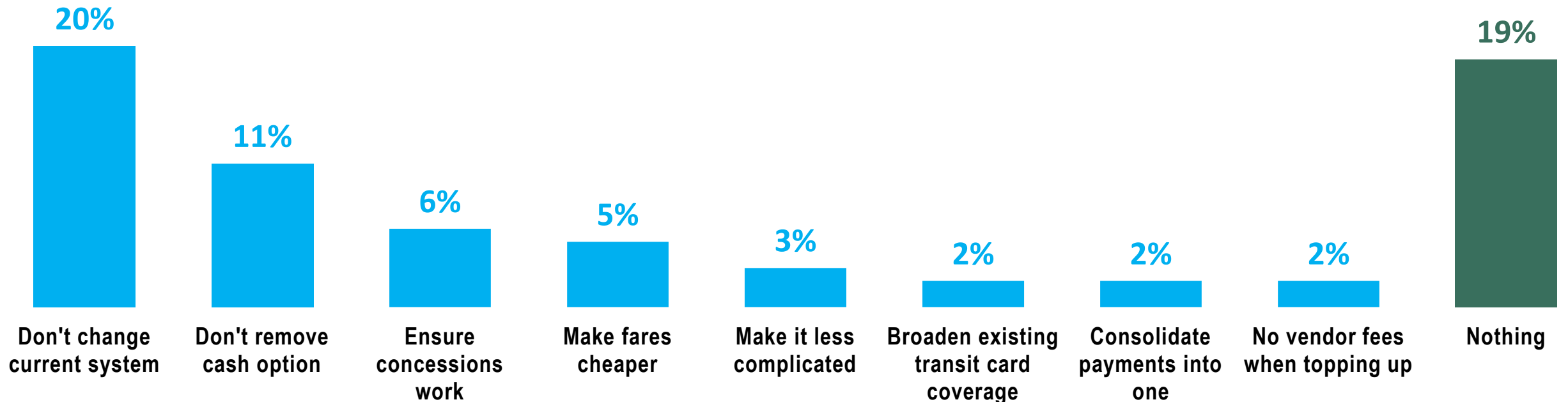
- Manawatu-Whanganui (13%)
- Use cash for PT currently (12%)
- Māori (11%)
- In their 30s (8%)
- Male (8%)

Improvements Suggested by Those Not Choosing Any of the Three Options

When asked how the proposed suite of payment options could be improved, the most common suggestions were to retain aspects of the current system, either suggesting that nothing be changed (20%) or that the cash option not be removed (11%).

Others appear to require more explanation about the proposed payment methods, with 6% mentioning the need for concessions to still be available under the new system, 2% recommending that coverage be extended to cover more areas/PT modes and another 2% recommending consolidating all current payment methods into one.

Other suggestions include making travel cheaper in general (5%), making the system less complicated (3%) and making sure vendors do not charge extra fees when topping up.



Base n=108. Showing suggestions with 2% or more. A full list of suggestions is provided in the Appendix

I would like to suggest ...

“Having lots of people tag onto a train is ridiculously slow. You would need to set up barriers at every station to tag into before getting on train. Any of the options would work for buses though.”

“These ideas are good for commuters who have to pay for their fare. I use a SuperGold card so these options are not feasible for me.”

“Cheaper fares, more frequent and reliable services.”

“Allow the use of cash.”

“None of these are appealing at all. I do not want a smart phone either. I turn 75 this year and would rather write a cheque as it is faster.”

“Keep the system we have now. Why change something that is working, just for the sake of it.”

“So used to what I have been doing it's all good. NZ Transport Agency don't need to change anything.”

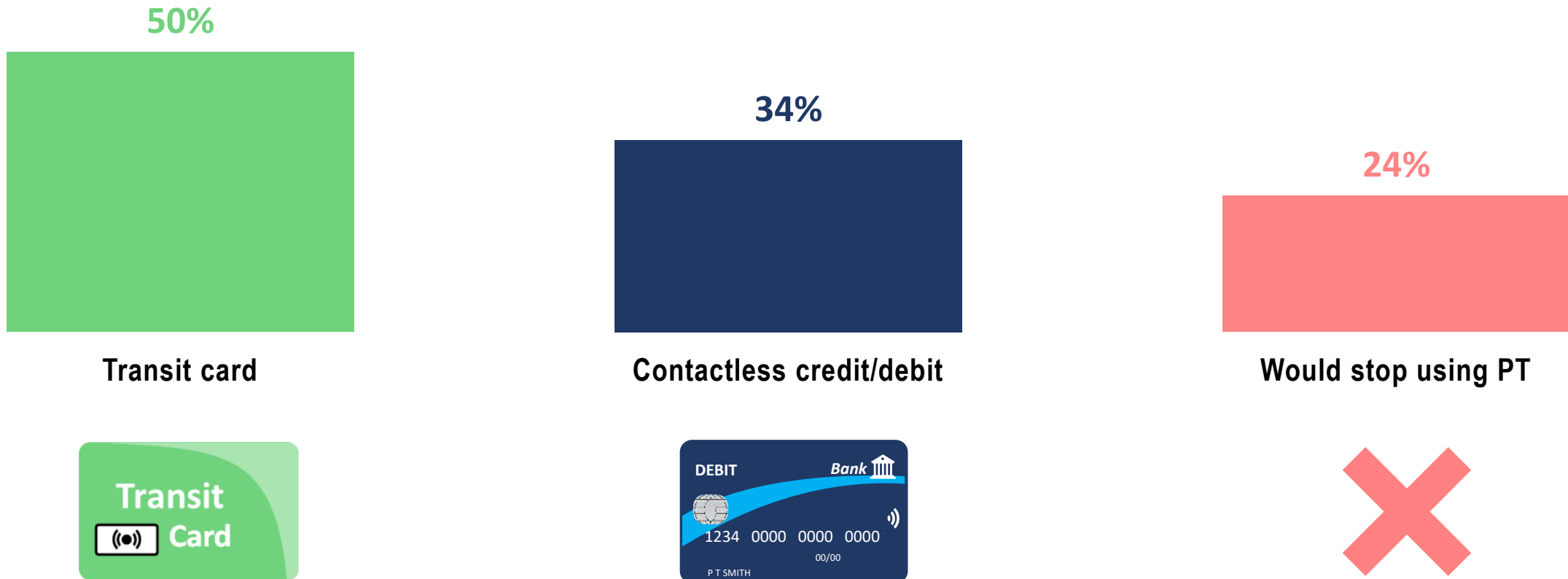
“Make it easier to swipe your card - for example, sometimes you have to do it twice and it's super annoying.”

“Whatever system is chosen, it needs to be able to automatically factor in discounts/free travel options so that the actual travel is recorded. The bank debit card possibly would be the best option as the chip could hold details such as age etc on it so students and pensioners would be able to use it securely as they do already for other transactions.”

What Would You Do If Single-Use Tickets Were Not An Option?

Those who said that they would prefer to use a single-use ticket were asked what they would do if this option was not available. Three quarters of this group could be converted to using a transit card (50%), or a contactless credit/debit card (34%) or both.

However a quarter (24%) of single-use ticket preferrers would only use cash or a cash substitute like a paper ticket. This means that this group would stop using public transport altogether if transit and credit/debit cards were the only available options. Overall, this represents 3% of all public transport users surveyed.



Base n=262 (Those who prefer a single paper ticket).
Note that both 'pre-paid transit card' and 'credit/debit card' could be selected together. Consequently totals may not add to 100%

Who Would Stop Using Public Transport?



24% of those who prefer a single-use ticket said that if this option was not available to them, they would stop using PT altogether. This represents 3% of all regular PT users surveyed. Note, however that this proportion would likely be higher among non-regular/first time users (who were not surveyed).

Likelihood of no longer using public transport is significantly higher for...



65+ years (58%)



Work part-time (47%)



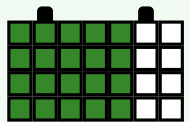
Exclusive Cash Users

46% use cash face-to-face and 5% use cash exclusively (i.e. they never use other methods like EFTPOS/credit/debit cards).

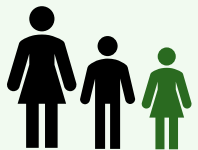
Exclusive cash users are significantly more likely to be...



Bus users



Frequent travellers



Young (under 20 years)



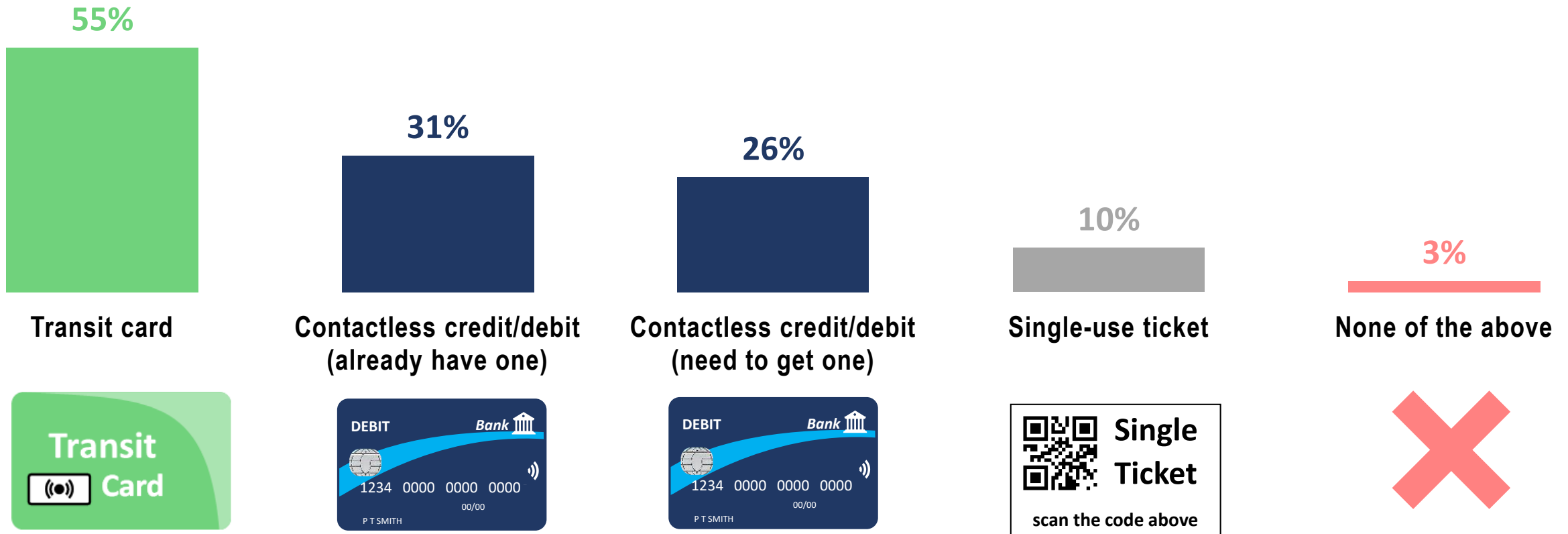
Māori

What would happen if cash was no longer an option on PT?

- Just under half (45%) who use cash exclusively to buy things face-to-face currently use other methods (smart cards/pre-pay tickets) for PT, meaning some already have been converted to using a different method of payment but only when paying face-to-face for public transport.
- Those who only use cash for both paying face-to-face and for PT are significantly more likely to say this is out of habit (61% compared to 39% of all PT users) and are not significantly more likely to have other objections.
- Smart card users who use cash for everything else are significantly more likely to top up their card onboard PT, implying they still have the mindset of a cash user, but their payment mechanism has moved from paying cash onboard for a one-off ticket, to using cash onboard to top up a card.
- This group are significantly more likely to say they want to use public transport less (37% compared to 21% for all PT users). Removing their preferred way of paying may be the push needed to stop using PT.
- Only slightly more exclusive cash users feel it is important to still have a cash option (75%) than all other PT users (65%).
- About two-thirds of cash users (64%) have access to a credit/debit card. Their main barrier to credit/debit card use is significantly more likely to be habit (58% compared with 42% of all PT users), meaning they could be convinced, encouraged and/or incentivised to change.
- While exclusive cash users are significantly more likely to prefer a single use ticket (12% compared with 6% overall), most would convert to other methods (42% prefer a credit/debit card and 33% prefer a transit card)

Preferred Payment Option For Children

Contactless credit/debit cards were the most popular option among those who have children, with 31% saying they would use this for their child and their child already has a card they can use, as well as another 26% saying they would use this option but would need to get their child a card (57% total). Just over half (55%) also said they would like to use a transit card and 10% would use a single-use ticket. Just 3% felt none of the three options were suitable for their child.



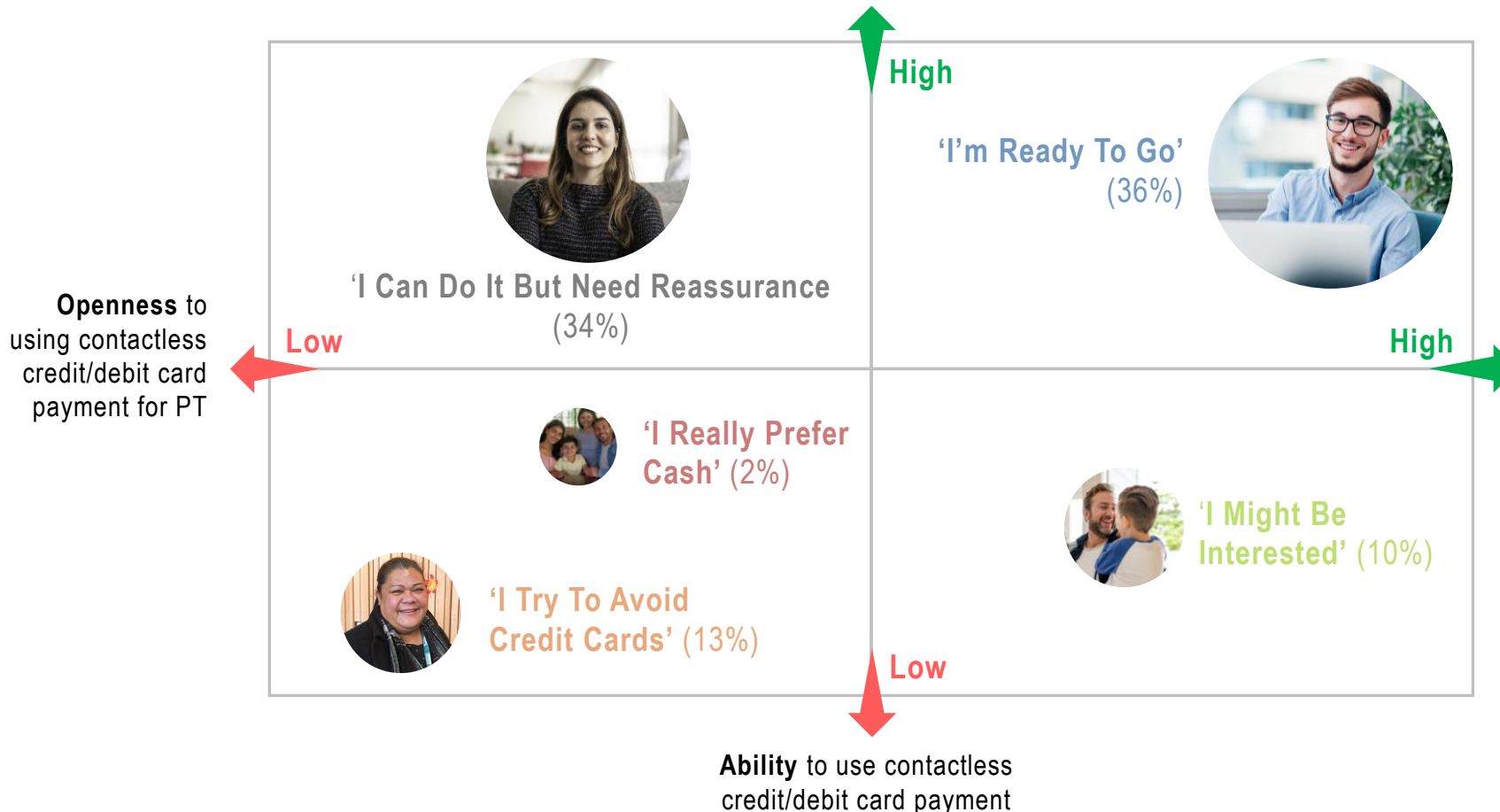
Base n=702 (Those with children at home). Note that multiple options could be selected, so totals may not add to 100%

Encouraging Uptake of Contactless Credit/Debit Cards

Contactless Credit/Debit Card Payments: Barriers to Address and Key Messages to Encourage Uptake

The research has identified that different groups of public transport users have different propensities (ability and willingness) to change their PT payment method, and in particular, to adopt the contactless credit/debit card payment system. These groups vary by demographics, current behaviour (use and payment methods), access to technology and attitudes to change/level of risk aversion.

Segmentation analysis was undertaken to identify and understand each of these propensity groups. Five groups have been identified – as follows:

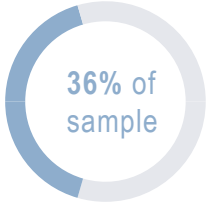


A full description of each segment is provided on the following slides, with barriers to uptake and suggestions for key messages highlighted.



Note that 5% of respondents did not fit into the segmentation. Some of these were SuperGold card holders. Despite being told that SuperGold card holders would still need to use one of the payment methods (and that the current SuperGold discount would be applied to that method), a number of SuperGold card holders rejected all three payment options. An overview of this group is also provided in this section.

'I'm Ready to Go'



Meet Liam

Liam (24) lives in suburban Auckland with his flatmates, and recently secured his first full-time job in the CBD. To save money, he typically cycles to work, but takes the train when the weather is bad – or to watch the Blues at Eden Park. Convenience, simplicity and speed are important to Liam when making purchases; he uses contactless payments via his smartphone wherever he can. Paying for public transport is not something he wants to have to think about; he has an automatic online \$20 top-up on his HOP card, which is enough to get him wherever he needs to go. He sees no point in having large amounts stored on his card; he'd rather have this money available to spend. Because his use of PT is often spontaneous, he loves the idea of contactless credit/debit card payments for PT as he always has his phone with him so doesn't need to do anything – it's easy, quick, multi-modal, generic by location and requires no pre-planning.

Who?

Those who prefer to pay for PT using contactless credit/debit card payments and have the technology available to do this.

It's convenient, simple, quick - and I wouldn't have to do anything to get started. Perfect!

Segment Profile

- 20-29 years
- Suburban dweller
- Living in flatting situation
- Work full-time
- Medium to high income

- Train, cycle users
- Less frequent (once a week or less often) PT users, spontaneous trips
- Use PT to get to work, for special events
- Currently pay using HOP or ten-trip ticket
- Online top-ups in place (manual, automatic)

- Very comfortable with, and prefer, making contactless payments including from phone

Likely Barriers To Uptake

✗ None

Key Messages To Encourage Uptake

- ✓ They are ready to go:
 - ✓ There is nothing that they need to do to prepare for the change
 - ✓ They already have technology required
- ✓ They are ready to go as soon as the system is in place– no pre-planning is required (This message will have strong appeal to those who make spontaneous PT trips)
- ✓ No extra cards required, including when travelling to other regions
- ✓ Convenience, particularly that 'top ups' are not required
- ✓ They retain control over their money – no money tied up on cards, no upfront costs, no minimum top-ups etc.

'I Can Do It But Need Reassurance'

34% of sample



Meet Kaz

Kaz likes to be socially responsible so walks, carools or uses PT wherever she can. She enjoys the convenience of her transit card and chooses to top this up manually online as this gives her more control over her spending and she can track her transactions. She enjoys the convenience of contactless card payments and used this method almost exclusively during COVID-19 lockdowns. However, she has a number of concerns about the use of contactless card payments on PT, particularly system security. She worries about cards being a target for thieves and, having heard stories about cyber-attacks and identity theft, has concerns about data security. Kaz also worries that those who don't have contactless cards will find themselves excluded from using PT. She will be looking out for information about the security of the new system before giving it a try.

Who?

Those who currently use contactless credit/debit card payments but are reluctant to pay for PT this way.

I love my contactless credit card. It makes paying so easy. But I'm not sure about using it onboard. I can see so many things that could go wrong.

Segment Profile

- Living in a flatting situation
- Travel as a car passenger or walk/run as well as using PT
- Use PT for work, shopping, personal appointments
- Currently pay via transit card (topped up manually online) or monthly pass
- Very comfortable with, and prefer, making contactless payments including from phone

Likely Barriers To Uptake

- ✗ Security concerns – card being lost, stolen, hacked
- ✗ Inability to share payment method with others
- ✗ Perceive that transactions would be difficult to track
- ✗ Fear that contactless function may not work
- ✗ Perception that contactless credit/debit system would be more expensive
- ✗ Privacy concerns – government getting access to personal data
- ✗ Current payment system works well – easy, convenient, accessible to all

Key Messages To Encourage Uptake

- ✓ Security and privacy reassurances
- ✓ No need to top-up card
- ✓ Relative administration costs of each payment option (card purchase fees, bank fees etc)
- ✓ Ability to track transactions

'I Might Be Interested'

10% of sample



Meet Chris

Chris (34) is Canterbury 'born and bred'. Whilst he is a regular PT user, he doesn't really think about it too much. Provided it gets him to where he needs to go, he's happy. Like all his transactions, he uses a range of ways to pay depending on what is in his wallet at the time. His current credit card is not contactless. Despite contactless cards being encouraged during COVID-19, he never got around to asking his bank about one. He worries that it might be easier to rack up more debt on a contactless card – or someone else could if the card was lost. Chris thinks the idea of contactless credit/debit payments on PT sounds okay but he is not sure of what benefits it would offer to him personally as everything seems to be working fine as it is. Since he doesn't currently have a contactless card he could use to pay, he plans to sit back and see what happens with the new system. He might have another think when he gets his new credit card next year.

Who?

Those who are interested in paying for PT using contactless credit/debit card payments but currently don't have technology to do this.

Hmm, sounds like a good idea. Not sure how it would benefit me but worth a go – although I would need to get a new credit card first.

Segment Profile

- Male
- 30-44 years
- Live in provincial town or rural area, esp. Canterbury and Manawatu/Whanganui
- Living as a family, predominantly with children aged 5-13 years
- Low to medium income
- Regular (5+ days a week) PT users – for a range of trip types
- Range of payment methods inc. cash and daily passes
- Have access to smartphone but lower confidence/comfort making online payments, paying via apps
- No current access to contactless credit/debit card

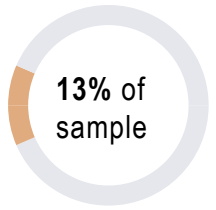
Likely Barriers To Uptake

- ✗ Don't have contactless credit/debit card
- ✗ Less familiar/comfortable with online and contactless payments
- ✗ Personal benefits of PT payments via contactless credit card are not obvious
- ✗ Lack of engagement with payment options; ambivalence – which may manifest as reluctance to change

Key Messages To Encourage Uptake

- ✓ Contactless debit card can be used; don't need to go into credit
- ✓ Security and privacy reassurances
- ✓ Highlight personal benefits of the contactless card payment system, personalised as far as possible
- ✓ Highlight convenience – don't have to think about how to pay
- ✓ Provision of information about how to change to a contactless credit/debit card

'I Try To Avoid Credit Cards'



Meet Louisa

Louisa (59) lives alone in west Auckland but often has her grandchild come to stay. She works part-time in a rest home and receives a small income 'top up' from Work and Income. She doesn't enjoy driving in Auckland traffic and is finding walking more difficult, preferring to use the bus for shopping and personal appointments. She prides herself on her budgeting skills and will only buy what she can pay for. She has a credit card in case of emergencies but hasn't needed to use it for several months. She loves her HOP card as it gives her cheaper fares, and she can top it up at her local diary using her EFTPOS card with whatever amount she can afford that month. The transit card is easy to use, but she worries a little about the cost of forgetting to tag off. Louisa admits that she is not very 'tech-savvy', gets anxious about having to use unfamiliar technology and is fearful of things 'going wrong', especially if there are cost implications.

Who?

Lower income PT users who prefer to continue using their current payment method because it 'works', and don't have/don't like credit cards.

I'm really happy with my transit card. It works well, so why change? If something's not broken, why risk trying to fix it?

Segment Profile

- 55-64 years
- Pacific Peoples
- Live alone or in extended family
- Suburban dweller or urban/rural fringe
- Retired/beneficiary/working part-time
- Low income
- Low use of private vehicle relative to other segments
- Use PT for shopping, personal appointments
- High transit card use and preference – but low online top-up. Small top-up value relative to other segments
- Lower access to smartphones
- Low use of online/contactless payments

Likely Barriers To Uptake

- ✗ Security concerns – fear of card being lost, stolen, hacked
- ✗ Perception that credit cards are only for emergencies/overseas travel; not a 'regular' form of payment
- ✗ Dislike going into credit; only buy what they can pay for
- ✗ Lack of familiarity/comfort with contactless transactions generally
- ✗ Fear contactless function may not work
- ✗ Familiar/comfortable with current payment method – they work; anxiety around change (and cost of change)

Key Messages To Encourage Uptake

- ✓ Debit as well as credit cards can be used
- ✓ Security reassurances
- ✓ No set-up costs involved
- ✓ Clear instructions as to how new system works, emphasising the similarities with the current transit card system

'I Really Prefer Cash'

2% of
sample



Meet the Karim family

Aran (35) lives with his wife and two young children. They only have one car so Aran uses PT to get to work; PT is also used for shopping, to visit family/friends and to access recreation activities. Saving for their own home means that the family is on a tight budget; cash payments are preferred as it helps the family to control and keep track of spending. While Aran and his wife recently got smart cards as they knew this would make travel cheaper, they continue to top-up their cards with cash, doing small top-ups frequently so money is not tied up and the financial risk of losing the card is low. Child concessions are important – and are easy to get via cash payment. Aran has strong concerns about using a contactless credit card for any type of payment, including PT. The risk of someone else using the card/having direct access to his bank account, high interest rates/transactions fees concern him.

Who?

Use cash for face-to-face transactions including paying for PT; feel it is important that cash payments for PT be available. Prefer a payment option other than contactless credit/debit card.

I feel safe paying with cash. It's familiar, I have control over what I spend and my bank account stays secure.

Segment Profile

- 35-39 years
- Males
- Living as a family, predominantly with children aged 5-13 years
- Work fulltime
- Medium household income
- (May include migrant families living in CBD)
- Regular PT users (2-4 days a week)
- Use PT for work, shopping
- Would like to use PT more if they could
- Predominantly pay using cash; transit card users top up in person using cash
- Often travel with children/use child concessions
- Less likely to have smartphone, but search for information/make payments online

Likely Barriers To Uptake

- ✗ Perception that (child) concessions would not be available
- ✗ Need for everyone travelling to have their own card
- ✗ Dislike directly accessing bank account; using cash is seen as a control on over-spending
- ✗ Security concerns
- ✗ High credit card interest rates/transaction fees

Key Messages To Encourage Uptake

- ✓ Debit as well as credit cards can be used
- ✓ Security reassurances
- ✓ No need for money to be tied up on card
- ✓ Simple process and clear instructions on accessing concessions
- ✓ No cost to move to new payment option
- ✓ Messages in languages other than English

SuperGold Cardholders



Meet Rose

Rose (76) lives independently in a retirement village. Whilst she is comfortable driving herself to the local shops, she prefers to use the bus for the longer trips. She plans her day carefully to ensure she always travels off-peak when her trip is free. She loves the ease of just showing her SuperGold card to the driver as she boards. She knows a couple of her friends put money on their cards in case they want to travel at different times; Rose would worry more about losing her card if she knew there was money on it, and she has no idea where to go to set this up or how to check her card balance (being able to do this is important so she is not embarrassed by having no money on her card). It all sounds a bit too 'technical'. Rose doesn't feel any of the new proposed payment options are relevant to her as her travel is free. A complicated new system would most likely put Rose off using PT, especially if it meant she had to pay for anything.

Who?

SuperGold card holders. *Note that some SuperGold card holders are included in the earlier segments; however others rejected all three payment options proposed.*

I don't want any of those new ways to pay. I have my card for free travel and that's all I need.

Segment Profile

- 65 years +
- New Zealand European
- Living alone or as a couple
- Low to medium income
- More likely to have a disability esp, hearing and physical movement
- Mixed-modal – high use of private vehicle, walking and bus
- Use PT predominantly for shopping, recreation, church
- Lower transit card use – don't need one, don't know where to get one
- Less likely to have smartphone
- Low confidence with online and contactless payments – but some do have contactless cards

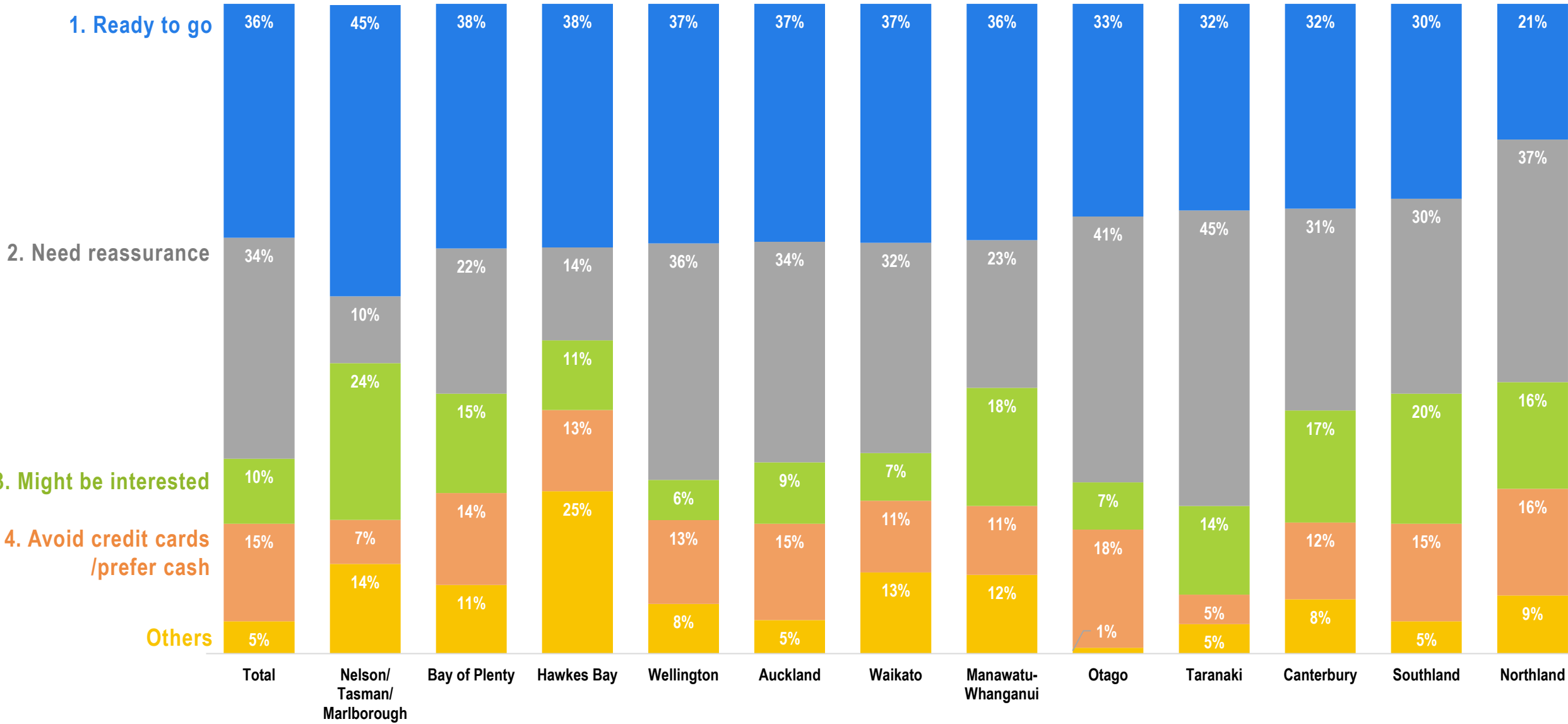
Likely Barriers To Uptake

- ✗ Dislike going into credit – and hassle to make sure there is always money on card
- ✗ Security concerns – fear of card being lost, stolen, hacked
- ✗ Perception that credit cards are only for emergencies/overseas travel; not a 'regular' form of payment
- ✗ If it gets too hard, will stop using PT altogether

Key Messages To Encourage Uptake

- ✓ Debit as well as credit cards can be used
- ✓ Security reassurances
- ✓ Clear explanations of what is required and where/how to do it
- ✓ Minimise amount of effort to make change, especially loading SuperGold concession onto credit/debit card

Propensity to Uptake Contactless Credit/Debit Cards – By Region

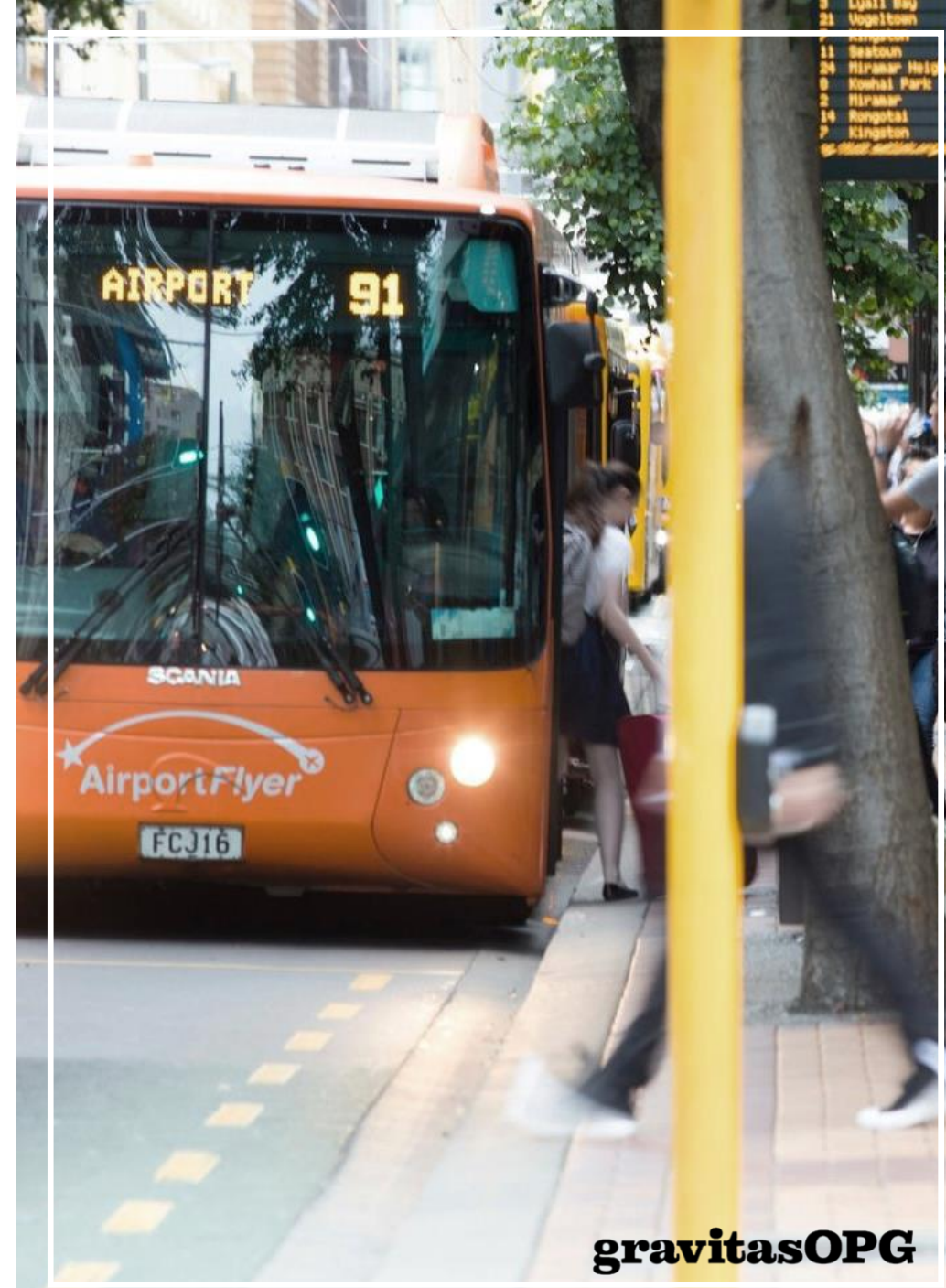


Base n=2419. Note due to smaller sample sizes in the Tasman and Marlborough regions, they have been combined with Nelson to provide statistically reliable results

Moving Forward

Moving Forward

- Consider conducting qualitative research to understand and further refine the propensity segments. For example, in-depth interviews and/or focus groups with the 'I can do it but need reassurance' group will enable a more comprehensive understanding of their concerns and therefore the nature of the reassurances required so targeted messages can be designed. Similarly further work with the 'I might be interested' segment is recommended to identify messages which will have the greatest personal resonance for them and promote engagement.
- More public education is needed on contactless debit cards as the benefits of these are likely to address many of the financial and security concerns raised about credit cards.





MANUKAU/GI	1306 21	3	12:45:20
ONEHUNGA/N	1342		
free with			

HENDERSON	1250	4	12:45:20
PAPAKURA/N	1310 25		
free with			

Appendix

Appendix One - Questionnaire

Introduction:

Waka Kotahi (New Zealand Transport Agency) is looking at creating a single, simple way for all New Zealanders to pay for public transport, no matter where they live.

This survey collects information about how you travel and how you currently pay for transport. It also asks for your thoughts on some ideas Waka Kotahi have about new ways to pay.

This is an important survey; the information you provide today will help shape how we all pay for public transport in the future. Thank you for your honest and thoughtful answers.

Important note

New Zealand has recently undergone some COVID-19 alert level changes. When answering this survey, please think about the time **before the most recent changes** – so prior to Monday the 15th of February 2021.

Section 1: Eligibility Check

Q1.1 In the last 12 months, what types of transport have you used when travelling in your town or city?

Select all that apply

- Car – as a driver
- Car – as a passenger
- Bus
- Train
- Ferry
- Cycling
- Walking/running
- Other (please specify)

Exclude as ineligible if haven't used PT (bus/train/ferry)

Q1.2 Before the recent COVID-19 alert level changes, on average, how often did you travel using public transport? By public transport we mean bus, train and/or ferry

Select one only

- 5 days per week or more
- 2-4 days per week
- Weekly to monthly
- Less than monthly *Exclude as ineligible*
- Never *Exclude as ineligible*

Section 2: Demographics – For quotas

Q2.1 Which age group do you belong to?

Select one only

- 15 or younger *Exclude if <16*
- 16-19
- 20-24
- 25-29
- 30-34
- 35-39
- 40-44
- 45-49
- 50-54
- 55-59
- 60-64
- 65-69
- 70-74
- 75 or older
- Prefer not to say

Appendix One: Questionnaire

Q2.2 Which of the following best describes you?

Select one only

- Male
- Female
- Gender Diverse
- Prefer not to say

Q2.3 Which ethnic group or groups do you belong to?

Select all that apply

- New Zealand European
- Other European
- Māori
- Pacific Peoples
- Chinese
- Indian
- Other Asian
- Other (Please specify)
- Prefer not to say

Q2.4 Which region of New Zealand do you live in?

Select all one only

- Northland
- Auckland
- Waikato
- Bay of Plenty
- Gisborne *excluded from survey*
- Hawke's Bay
- Taranaki
- Manawatu-Whanganui
- Wellington
- Tasman
- Nelson
- Marlborough

- West Coast *excluded from survey*
- Canterbury
- Otago
- Southland
- Prefer not to say *excluded from survey*

Only ask if Q2.4=Auckland, Wellington, Canterbury, Manawatu-Whanganui, Southland or Tasman/Nelson/Marlborough. Only show applicable codes

Q2.5 What part of *[insert city]* do you live in?

Select one only

Auckland

- Rodney – including Helensville, Whangaparaoa, Matakana
- North – including East Coast Bays, Albany, Takapuna and Devonport, Glenfield
- Central – including Mt Eden, Mt Albert, Panmure
- West – including Henderson, Waitakere
- East – including Howick, Pakuranga, Dannemora, East Tamaki
- South – including Papakura, Manurewa
- Franklin – including Pukekohe, Waiuku
- Gulf islands – including Waiheke and Great Barrier
- Other (Please specify)

Wellington

- Wellington City
- Upper Hutt
- Lower Hutt
- Kapiti Coast
- Porirua
- Wairarapa
- Other (Please specify)

Appendix One: Questionnaire

Canterbury

- Banks Peninsula
- Coastal-Burwood
- Fendalton-Waimairi-Harewood
- Halswell-Hornby-Riccarton
- Linwood-Central-Heathcoate
- Papanui-Iness
- Spreydon-Cashmere
- Ashburton
- Kaikoura
- Timaru
- Kaiapoi
- Rangiora
- Other (Please specify)

Manawatu-Whanganui

- Whanganui
- Palmerston North
- Elsewhere in the region

Southland

- Invercargill
- Elsewhere in the region

Nelson/Tasman/Malborough

- Nelson City
- Elsewhere in the region

Q2.6 Which of the following **best** describes your household?

Select one only

- Family with mostly pre-school aged children
- Family with mostly children aged 5-13 years
- Family with mostly children aged 14 years or older
- Couple only
- Living alone
- Flattening or house sharing
- Other (Please specify)
- Prefer not to say

Q2.7 For those flattening/house-sharing in Q2.6: What is your annual personal income (before tax)? All others What is your annual household income (before tax)?

This includes income from all sources, including wages/salary, benefits, superannuation, investments etc.

Select one only

- Less than \$20,000
- \$20,001 - \$30,000
- \$30,001 - \$50,000
- \$50,001 - \$70,000
- \$70,001 - \$100,000
- \$100,001 - \$125,000
- \$125,001 - \$150,000
- \$150,001 - \$200,000
- Over \$200,000
- Prefer not to say

Appendix One: Questionnaire

Section 3: Current Public Transport Use

Q3.1 In the last 12 months, which of these have you used public transport to get to or from?

Select all that apply

- Work
- Study (high school/tertiary)
- Personal appointment (e.g. doctor, lawyer)
- Recreation (e.g. sport, entertainment, sightseeing, dining out)
- Visiting friends/family
- Shopping (including using services such as banks and libraries)
- Special one-off events e.g. concerts, sports fixtures, parades
- Other (Please specify)

Ask if more than one selected at Q3.1. Only show codes selected at Q3.1

Q3.2 Before the recent COVID-19 alert level changes, which of these would have been your one main reason for using public transport?

Select one only

- Work
- Study (high school/tertiary)
- Personal appointment (e.g. doctor, lawyer)
- Recreation (e.g. sport, entertainment, sightseeing, dining out)
- Visiting friends/family
- Shopping (including using services such as banks and libraries)
- Special one-off events e.g. concerts, sports fixtures, parades
- Other (Please specify)

Q3.3 Which best describes your preference for using public transport?

Select one only

- I would like to travel by public transport less/only if I have to
- I am happy with my current use
- I would like to travel more by public transport
- Don't know

Section 4: Current Ticket and Payment Methods

Q4.1 How do you pay for public transport trips?

Select all that apply

- Cash
- HOP Card
- Snapper Card
- Bee Card
- Metro Card
- GizzyBus Card
- Other prepaid public transport card (please specify)
- Daily pass
- Ten trip pass
- Monthly pass
- SuperGold card
- Other (please specify)

If not currently using a prepaid public transport card, skip to Q4.9

Ask if more than one card (Codes 2-7) mentioned in Q4.1

Q4.2 Which one of these cards do you use most often?

Select one only

- HOP Card
- Snapper Card
- Bee Card
- Metro Card
- GizzyBus Card
- Other prepaid public transport card (please specify)

Appendix One: Questionnaire

Q4.3 How do you top up your *[insert card type from Q4.1/Q4.2]* card?

Select all that apply

- At a train station/bus stop/customer service centre
- *[Exclude if selected HOP (Q4.1/Q4.2)]* Onboard buses, trains or ferries
- At a retail outlet (e.g. dairy, newsagent, kiosk)
- Online – automatic top up
- Online – manual top up
- Someone else tops up card for me
- Other (Please specify)
- Don't need to top up card (e.g. SuperGold card holder) *Skip to Q4.8*
- Have never topped it up *Skip to Q4.8*

Only if Codes 4 or 5 not mentioned

Q4.4 Why do you choose not to top up online?

Select all that apply

- Habit/familiar/comfortable topping up in person
- Don't know how to do it
- Doesn't work well/have had difficulties topping up online
- Takes too long for top up to be available for travel
- I don't travel often enough
- Too expensive
- Top up minimums are too high
- Don't have access to smartphone/computer/Wi-Fi
- More convenient/easier/quicker to top up in person
- Don't have a credit/debit card or bank account
- Prefer to top up using cash
- Haven't got around to setting this up yet
- Privacy concerns, don't want to register card
- Smartphone/computer won't allow me to top up
- Other (Please specify)
- Don't know

Q4.5 On average, how much do you top up your card each time?

Type in below

-
- Varies too much to say
 - Prefer not to say

Ask if dollar amount entered in Q4.5

Q4.6 Why do you top up with that amount?

Select all that apply

- Habit
- This is all I can afford
- Don't want to have a lot of money tied up on card
- Don't want too many bank account transactions
- Just enough to cover my longest trip
- Concerned I will lose card – and prepaid money
- Don't want to risk running out of money on card/less stressful if I know I have lots of money on card
- Dislike having to top up often
- Just enough for a certain amount of travel e.g. one week's trips
- Other (Please specify)
- Don't know

Q4.7 On average how often does your card get topped up – either manually or automatically?

Select one only

- 5 days per week or more
- 2-4 days per week
- Weekly to monthly
- Less than monthly
- Varies too much to say
- Don't know
- Never

Appendix One: Questionnaire

Q4.8 What kind of concession do you have on your card (if any)?

Select all that apply

- No concession - pay full fares *Exclusive*
- Child/ student
- Student (tertiary)
- Senior and SuperGold
- Accessibility
- Other (Please specify)
- Don't know *Exclusive*

Only ask if pay with cash at Q4.1, otherwise skip to Q4.10

Q4.9 Why do you *[if more than just cash selected at Q4.1 sometimes]* choose to pay for public transport using cash?

Select all that apply

- Habit/familiar/comfortable paying this way
- Convenient as always have cash with me
- Easier to get concessions/discounts
- Don't travel enough to use other methods
- Easier to pay for others travelling with me (children etc)
- Cheaper/can't afford a card
- Card lost, stolen or forgotten
- Don't know where to get a card
- Don't want to pay a fee for a card
- Can't top up card conveniently
- Top up value not available for travel immediately
- No other options available/I'm not aware of other options
- Don't want to have money tied up on card
- Cash helps me keep track of how much I spend
- Can be used on all forms of public transport
- Have privacy concerns about using cards
- Have concerns about faulty cards/being declined, losing card, card getting stolen
- Other (Please specify)

Ask only of those currently using pre-paid transport card

Q4.10 Thinking about paying for public transport using a prepaid public transport card, how important would it be for you to be able to...

Select one per row. Rotate rows

	Not at all important	Neutral					Very important	
	1	2	3	4	5	6	7	DK
<i>[Skip for Auckland/Wellington]</i> Top up your card onboard a bus/train/ferry								
Have no minimum top up required on cards								
Have low/no up-front purchase fee for a card								
Have a nationwide system (where you can pay for all public transport in NZ with the same card/system)								
Get your prepaid credit refunded fully at any time								
Have top up amount immediately available for travel								
Still have the option to pay for public transport with cash								

Section 5: Non-Cash Payments

Q5.1 Do you have your own personal smartphone that you use?

By smartphone we mean a mobile phone that performs many of the functions of a computer, including having internet access.

Select one only

- Yes
- No – but I share a phone/use someone else's smartphone
- No – I don't have access to a smartphone
- Don't know

Appendix One: Questionnaire

If 'yes' or 'no but share a phone', ask:

Q5.1 How comfortable and confident are you using your smartphone to...

Select one per row. Rotate rows


Not confident
at all

Very confident/
comfortable

	1	2	3	4	5	6	7	DK
Search for things online (e.g. Google, social media)								
Pay for things online								
Pay using contactless payments (e.g. Apple/Google Pay/ANZ app)								
Pay directly through apps (e.g. TradeMe, Parking apps)								

Q5.3 When paying for products and services face-to-face (not online), how do you pay?


Select all that apply

- Cash
- EFTPOS card (This is a card that must be swiped and requires a pin number when using).
- Credit/debit card - swiping/inserting your card
- Contactless credit/debit card e.g. PayWave
- The card can be held near a payment machine instore to pay. It will have this symbol 
- Contactless payments using a smartphone (e.g. Apple/Google Pay/ANZ app etc.)
- Other (Please specify)

Only ask if more than one selected at Q5.3. Only show codes selected at Q5.3

Q5.4 Which one method do you prefer when paying for products and services face-to-face?

Select one only.

- Cash
- EFTPOS card (This is a card that must be swiped and requires a pin number when using).
- Credit/debit card - swiping/inserting your card
- Contactless credit/debit card e.g. PayWave 
- The card can be held near a payment machine instore to pay. It will have this symbol
- Contactless payments using a smartphone (e.g. Apple/Google Pay/ANZ app etc.)
- Other (Please specify)

Only ask if do not use a credit/debit card/pay with a smartphone at Q5.3

Q5.5 Which of the following types of bank cards do you personally have?

Select all that apply

- A credit/debit card – that I can use for contactless (e.g. Paywave) payments
- A credit/debit card that I cannot use for contactless (e.g. Paywave) payments
- An EFTPOS card
- I do not have any bank cards - but I do have a bank account *Exclusive*
- I do not have any bank cards - and I do not have a bank account *Exclusive*
- Don't know *Exclusive*

Appendix One: Questionnaire

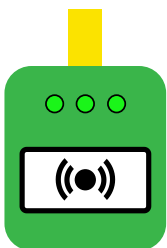
Only ask if have a credit/debit card at Q5.5 but do not use it at Q5.3

Q5.6 Why do you not use your credit/debit card to buy things face-to-face?

Select all that apply

- Habit/familiar/comfortable paying using other methods (have always used other methods)
- Don't like going into credit/only buy what I have the money to pay for
- Credit card interest rates high
- Easier to budget using other payment methods
- Hassle having to make sure there is always money on card
- Security or privacy concerns
- Worried about losing card
- Places I shop do not accept credit/debit cards
- Credit card is only for emergencies or overseas travel
- Other (Please specify)
- Don't know

Section 6: Assessing New Payment Options



For these next questions, please imagine that a new way of paying for public transport has been introduced. This system would be the same throughout New Zealand.

Imagine cash payments are no longer available onboard; the new system would require all passengers to tag or scan at a machine as they get on and off their bus, train or ferry.

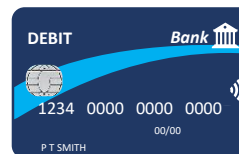
You will now be shown some different options to pay for your trips. We would like your thoughts on each option.

When considering these options, please assume that the following stay as they are now:

- Fare prices
- Concessions/discounts available (for children, student, SuperGold card etc.)
- Fare zones and the way fares are calculated
- Public transport timetables

If >65 at Q1: Note that even if you have a SuperGold card, you would still need to use one of these payment methods. The current SuperGold discount would be applied to that method.

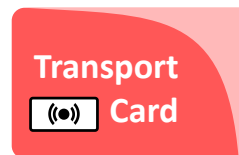
Show all three options. Rotate order which options are shown.



Credit/Debit Card

Pay by tagging your contactless credit/debit card when you get on and off. Cards would need to be set up for contactless payment (e.g. Paywave). *If don't currently have contactless card (Q5.3 or Q5.5):* This may require you to upgrade your current card.

- Money would be taken directly from your card once a day after you travel
- There is no need to top up your card in advance (provided you have credit on your card/have not reached your credit card limit)
- You would need one card per passenger
- You could also use a smartphone with contactless payment enabled (e.g. Apple/Google Pay)



Pre-paid Public Transport Card

Pay by tagging a pre-paid card when you get on and off.

This would be similar to HOP, Snapper, Bee or Metro cards but would be a completely new card. There would be one card for the whole of New Zealand.

- Money would need to be loaded onto the card in advance
- top ups could be done online, including with automatic payments, as well as at a range of stops, stations or retailers
- *If current prepaid card 4.1:* Note that you will not be able to use your current prepaid public transport card e.g. HOP, Snapper, Bee card.

Appendix One: Questionnaire



Single Pre-paid Ticket

Pay by scanning a code either on a paper ticket or on the screen of your phone when you get on and off.

- Tickets would be bought in advance either at a limited number of locations or online
- This would be a single-use ticket
- You could pay for this ticket using a range of payment methods including cash
- You could use this ticket to travel with a group of people together

[Ask Q6.1 – Q6.3 for each payment method. Show the pictures on-screen throughout] Rotate order they're shown

Q6.1 How likely or unlikely would you be to use *[insert payment method]* to pay for public transport?

Please select one only

- 1 Very unlikely (including definitely wouldn't use this)
- 2
- 3
- 4 Neutral
- 5
- 6
- 7 Very likely
- Don't know

Q6.2 What do you **like** about this option? What are the benefits for you?

(You will get a chance to say what you don't like on the next screen)

Please provide as much detail as possible

Type in

-
- Nothing I like about this option
 - Don't know

Q6.3 What do you **not like** about this option? What concerns do you have? *If unlikely at Q6.1: Why are you not likely to use this option?*

Please provide as much detail as possible

Type in

-
- Nothing I don't like about this option
 - Don't know

Q6.4 Of the three options presented here, which one would you choose to use to pay for public transport?

Select one only *Rotate order*

- Contactless credit/debit card (including via smartphone)
- Pre-paid public transport card
- Single pre-paid ticket (paper or smartphone)
- Would not use any of the above

Ask if would not use any of the above at Q6.4

Q6.5 What could be done to make these options better or more appealing to you?

Please provide as much detail as possible

Please type in

Ask if single pre-paid ticket or 'would not use any of the above' selected at Q6.4

Q6.6 If you only had the option to pay by contactless credit/debit or pre-paid public transport card, what impact do you think this would have on you?

Select all that apply

- I would use a contactless credit/debit card instead
- I would use a pre-paid public transport card instead
- I would stop using public transport altogether
- Other (Please specify)

Appendix One: Questionnaire

Q6.7 If you are travelling in other parts of New Zealand, how likely or unlikely would you be to use one of the new payment options - either a contactless credit/debit card or the new prepaid public transport card - in a different region?

Select one only

- 1 Very unlikely (including definitely wouldn't use this)
- 2
- 3
- 4 Neutral
- 5
- 6
- 7 Very likely
- Don't know
- Not applicable/I never travel to other regions

Section 7: Children Using Public Transport

Ask if family with pre-school/school children at Q2.6

Q7.1 Do any children in your household use public transport at least once a month?

Select one only

- Yes
- No

Ask if yes at Q7.1

Q7.2 Thinking about the new payment system, what payment method(s) would you choose for your child(ren)?

Select all that apply

- Contactless credit/debit card (including via smartphone)
- Pre-paid public transport card
- Single pre-paid ticket (paper or smartphone)
- None of the above

Section 8: Other Demographics

We're almost finished

Q8.1 Do you live in...

Select one only

- A city centre
- A suburban area
- A provincial town
- A rural area but within 5 km of a town
- A rural area, more than 5 km of a town
- Other (Please specify)
- Don't know

Q8.2 Do you have...?

Select all that apply

- Difficulty seeing, even if wearing glasses
- Difficulty hearing, even if using hearing aids
- Difficulty walking or climbing steps
- Difficulty communicating with others who speak the same language as you (e.g. difficulty understanding others or being understood)
- Difficulty communicating in English
- None of these
- Prefer not to say

Appendix One: Questionnaire

Q8.3 Which of the following best describes your working situation? If you do more than one of these things, please select the one you spend the most time doing.

Select one only

- Work full-time (30 hours a week or more)
- Work part-time (less than 30 hours a week)
- Student
- Retired
- Home responsibilities
- Beneficiary
- Other (Please specify)
- Prefer not to say

Q8.4 If you have any other comments about the new payment options discussed in this survey, please include them here.

Please type in

-
- Nothing more to add

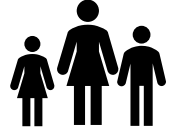
Only ask if AT/GWRC sample

Lastly, we may be conducting further research about public transport ticketing in New Zealand in the next few months. If this research does go ahead, would you like us to invite you to participate in it?

Yes *Collect name, email and phone number*

No

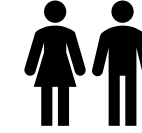
Appendix Two: Sample Profile



Age	%	n=
16-19	6%	153
20-24	12%	280
25-29	12%	300
30-34	13%	323
35-39	16%	375
40-44	11%	273
45-49	7%	157
50-54	6%	138
55-59	5%	111
60-64	4%	93
65-69	3%	76
70-74	3%	77
75+	3%	64



Household	%	n=
Family – Children <5	9%	213
Family – Children 5-13	24%	571
Family – Children 14+	18%	433
Family – Mixed ages	<1%	7
Family – Extended	1%	19
Couple only	20%	482
Alone	12%	301
Flatting	15%	363
Refused	1%	29



Gender	%	n=
Female	50%	1215
Male	49%	1182
Gender diverse	1%	23



Region	%	n=
Northland	2%	56
Auckland	36%	875
Waikato	6%	133
Bay of Plenty	3%	66
Hawke's Bay	3%	60
Taranaki	1%	28
Manawatu-Whanganui	3%	77
Wellington	28%	681
Tasman	<1%	3
Nelson	1%	30
Marlborough	<1%	8
Canterbury	11%	269
Otago	5%	113
Southland	1%	21



Household income	%	n=
\$0-20,000	8%	204
\$20-30,000	7%	178
\$30-50,000	10%	236
\$50-70,000	13%	309
\$70-100,000	15%	362
\$100-125,000	10%	235
\$125-150,000	9%	208
\$150-200,000	12%	278
\$200,000+	5%	131
Refused	12%	279



Ethnic group(s)	%	n=
European	64%	1668
Asian	15%	392
Māori	14%	362
Pacific Peoples	4%	114
Other	3%	87

Appendix Two: Sample Profile



Auckland	%	n=
Rodney	7%	61
North	19%	165
Central	39%	342
West	14%	118
East	9%	74
South	11%	99
Franklin	1%	9
Gulf Islands	1%	7



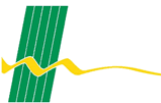
Canterbury	%	n=
Banks Peninsula	8%	22
Coastal-Burwood	9%	23
Fendalton-Waimairi-Harewood	9%	25
Halswell-Hornby-Riccarton	18%	48
Linwood-Central-Heathcoate	20%	54
Papanui-Inness	9%	24
Spreydon-Cashmere	8%	21
Ashburton	3%	7
Timaru	4%	11
Kaikoura	1%	3
Kaipoi	1%	2
Rangiora	2%	5
Christchurch	6%	15
Selwyn	3%	8
Hurunui	<1%	1



Wellington	%	n=
City	51%	347
Upper Hutt	11%	77
Lower Hutt	22%	151
Kapiti Coast	5%	36
Porirua	8%	57
Wairarapa	2%	13



Southland	%	n=
Invercargill	81%	17
Elsewhere	19%	4



Manawatu-Whanganui	%	n=
Whanganui	29%	22
Palmerston North	56%	43
Elsewhere	16%	12



Nelson/Tasman/Malborough	%	n=
Nelson City	68%	26
Elsewhere	32%	12

Appendix Two: Sample Profile



Difficulty with...	%	n=
Seeing even with glasses	9%	216
Hearing even with hearing aids	5%	130
Walking/climbing stairs	8%	194
Communicating/being understood	3%	80
Communicating in English	2%	52
None of the above	78%	1896
Refused	1%	27



City/rural	%	n=
City	35%	843
Suburb	56%	1354
Town	4%	103
Rural (<5km to town)	2%	58
Rural (>5km to town)	2%	47
Other/don't know	1%	15



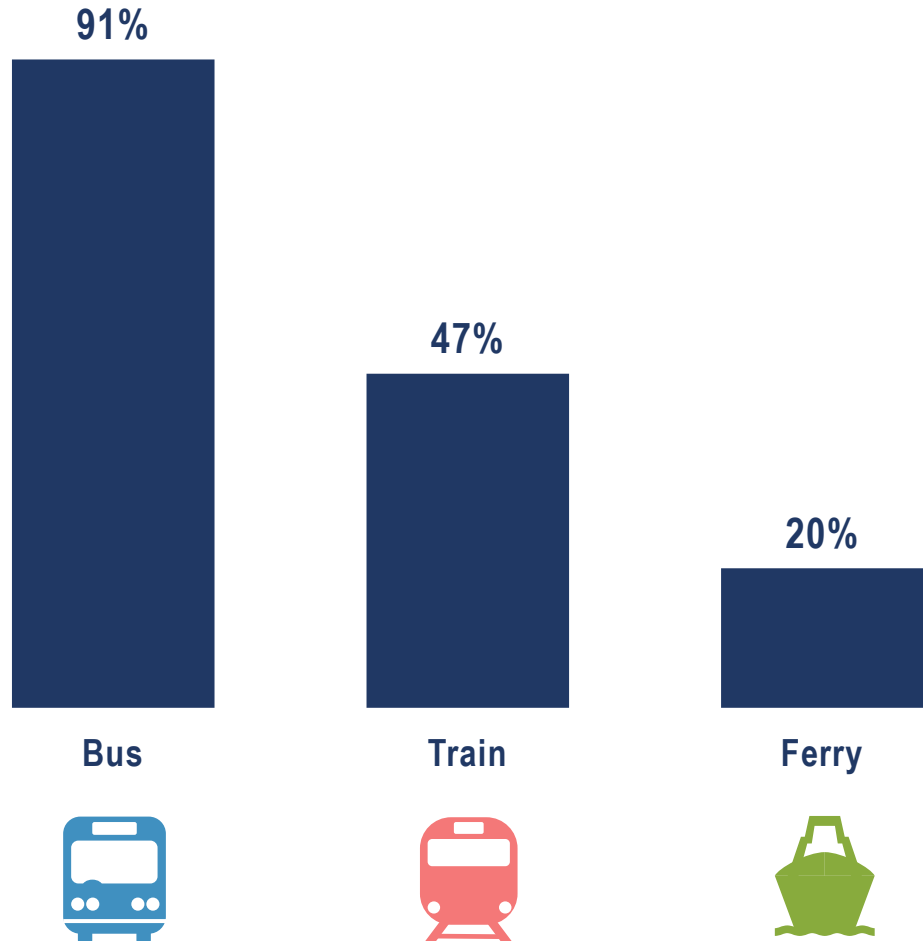
Occupation	%	n=
Work full time	58%	1397
Work part time	12%	287
Student	12%	282
Retired	8%	184
Home responsibilities	4%	88
Beneficiary	5%	125
Refused/other	2%	57

PT Use Profile

Among public transport users surveyed, bus use was the most common, with nine out of ten (91%) saying they have caught the bus at least once a month in the last 12 months. Just less than half (47%) have caught a train, and one in five (20%) have used a ferry.

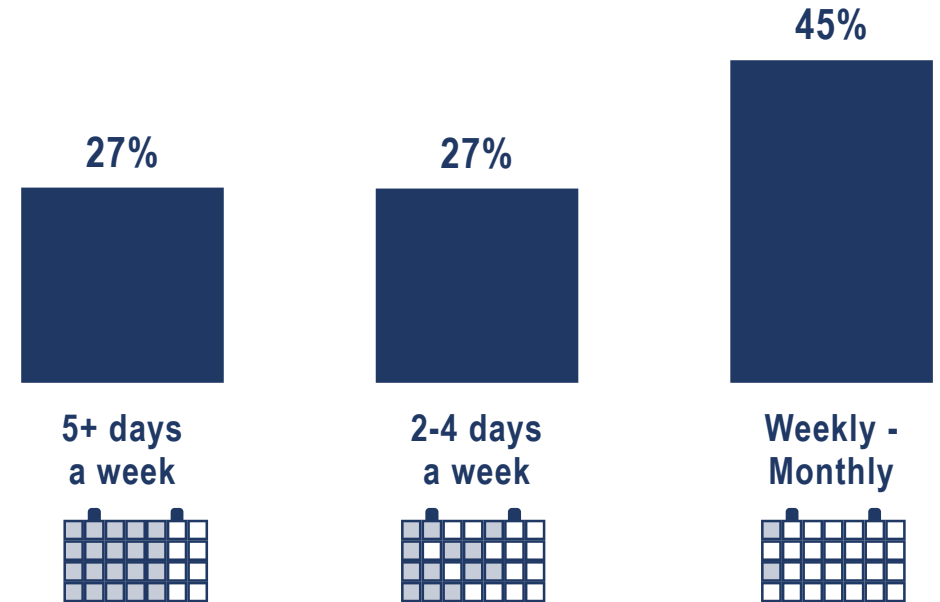
Frequency of use varies, with almost half (45%) using PT infrequently (weekly to monthly) and just over a quarter each (27%) using PT either 2-4 days a week or 5+ days a week.

PT Mode Used



Frequency of PT Use

Note: To be eligible for the survey, respondents needed to use PT at least monthly



Base n=2419. Note that multiple modes can be selected, so totals may not add to 100%. Note also that the survey excluded non-PT users.

Who Uses Each Mode?



91% use the bus and they are significantly more likely to be...



Younger (99% under 20)



Low income (97% \$0-30k)



Study/shopping (both 97%)



Female (93%)



Māori (94%)



47% use the train and they are significantly more likely to be...



Pacific (66%) or **Asian** (56%)



Wellington (59%) / **Auckland** (57%)



Frequently/for Work (both 56%)



Events (69%) or **recreation** (54%)



Younger (53% in their 20s)



Mid-high income (52% \$50-150k)



20% use the ferry and they are significantly more likely to be...



High income (29% \$100k+)



Recreation (31%)



In their 30s (26%)



European (24%)



Auckland (24%)

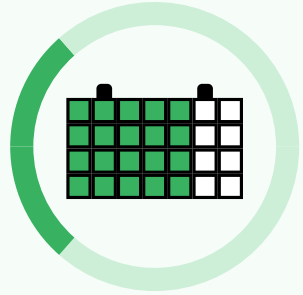


Male (23%)



Work (22%)

Frequent Versus Infrequent Travellers



27% are frequent travellers (5+ days a week). They are significantly more likely to be...



Younger (35% in their 20s)

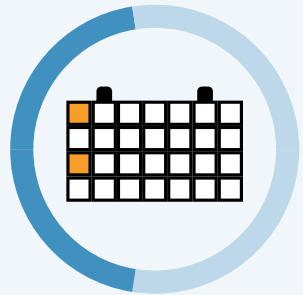
Asian ethnicities (34%)



Commuting (41% work, 36% study)



Living in the suburbs (29%)



45% are infrequent travellers (weekly-monthly). They are significantly more likely to be...



Older (68% 50 or over)



European (48%)



Female (48%)



Living rurally (67%)



Earning \$30-50,000 (56%)



Non-commuting trips

Event (90%)

Shopping (75%)

Appointment (69%)

Recreation (68%)

Social (62%)

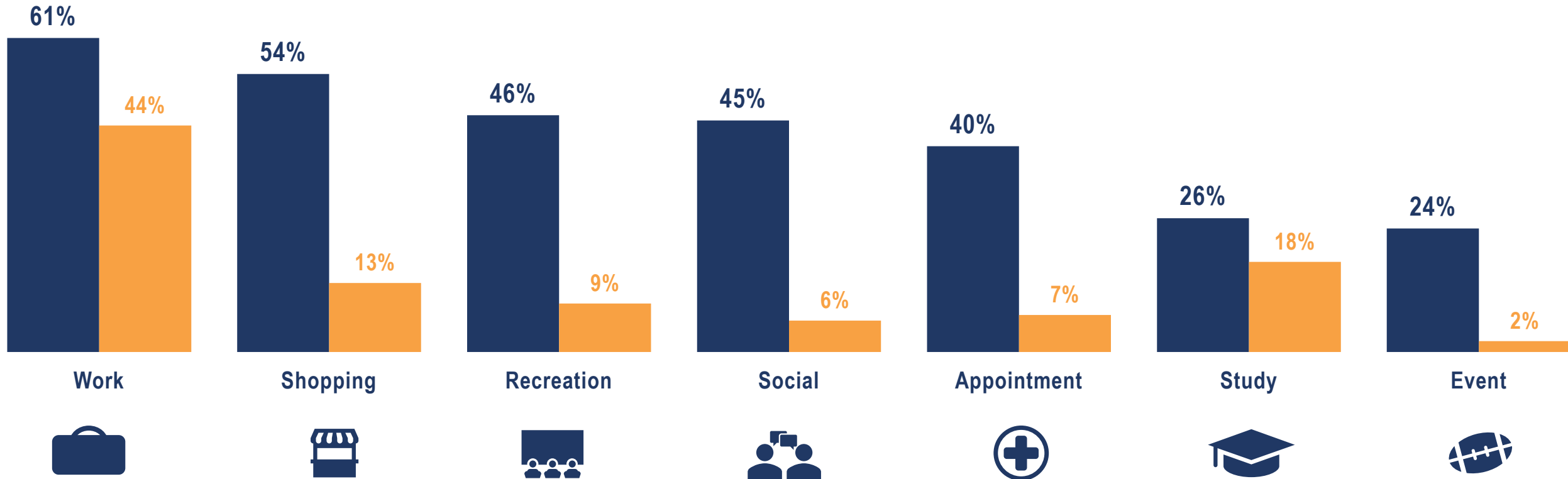
PT Travel Frequency - By Region

	5+ days a week	2-4 days a week	Weekly-Monthly
Total	27%	27%	45%
Northland	14%	19%	67%
Auckland	33%	28%	39%
Waikato	15%	25%	60%
Bay of Plenty	15%	25%	60%
Hawke's Bay	21%	26%	54%
Manawatū-Whanganui/Taranaki	18%	40%	42%
Wellington	31%	26%	43%
Canterbury	16%	30%	54%
Otago	15%	24%	61%
Rest of South Island (excl. Canterbury/Otago)	13%	18%	69%

Green text is significantly higher than the national total and red is significantly lower

Reasons For Using PT

Work was the most common reason for travel using PT, both when asked for all reasons for using PT (61%) and the main reason (44%). While just over half (54%) travel to shop and almost half travel for recreation (46%) or social reasons (45%), a relatively low share (13%, 9% and 6% respectively) said this is their main reason for travel using PT. A quarter (26%) travel on PT for study, 18% citing this as their main reason for using PT.



Total who travelled for this reason

Main reason for travelling

Base n=2419. Note that multiple reasons for travel can be selected, so totals may not add to 100%. Not showing 0.5% 'other' which included trips to the gym/church/dropping off children etc.

Who Is Making Each Type Of Trip?

Just over three out of five said their main reason for using PT is to travel either to work or to study. Both groups are significantly more likely to be frequent PT users.

Those travelling to work are also significantly more likely to be male, Asian, aged 20-50, in the highest income bracket and living in the CBD, particularly Auckland and Wellington.

Those using PT to travel for study are significantly more likely to be younger (under 30), in the lowest income bracket, Pacific, Asian or other ethnicities, living either rurally or in the suburbs, particularly in Auckland and female.

Almost two out of five said their main reason for travelling is for something other than a commute, including shopping, recreation, events, appointments or social reasons. This group are significantly more likely to be infrequent users, older, Māori or European, living in provincial towns or rurally outside of Auckland and Wellington and earning over \$50,000 a year.



44% use PT to get to work. They are significantly more likely to be...



Frequent users (68%)



CBD (55%)

Wellington (55%) / **Auckland** (48%)



High income (55% \$150k+)



Working age (53% 20-50)



Asian (50%)



Male (46%)



18% use PT to get to study. They are significantly more likely to be...



Younger (35% under 30)



Low income (35% <\$30k)



Other (28%) **Pacific** (26%) **Asian** (25%) ethnicities



Rural (26%) **Suburban** (21%)



Frequent users (23%)



Female (22%)



Auckland (21%)



38% use PT for non-commuter trips. They are significantly more likely to be...



Over 50 (69%)



Infrequent users (60%)



Provincial (60%) **Rural** (53%)



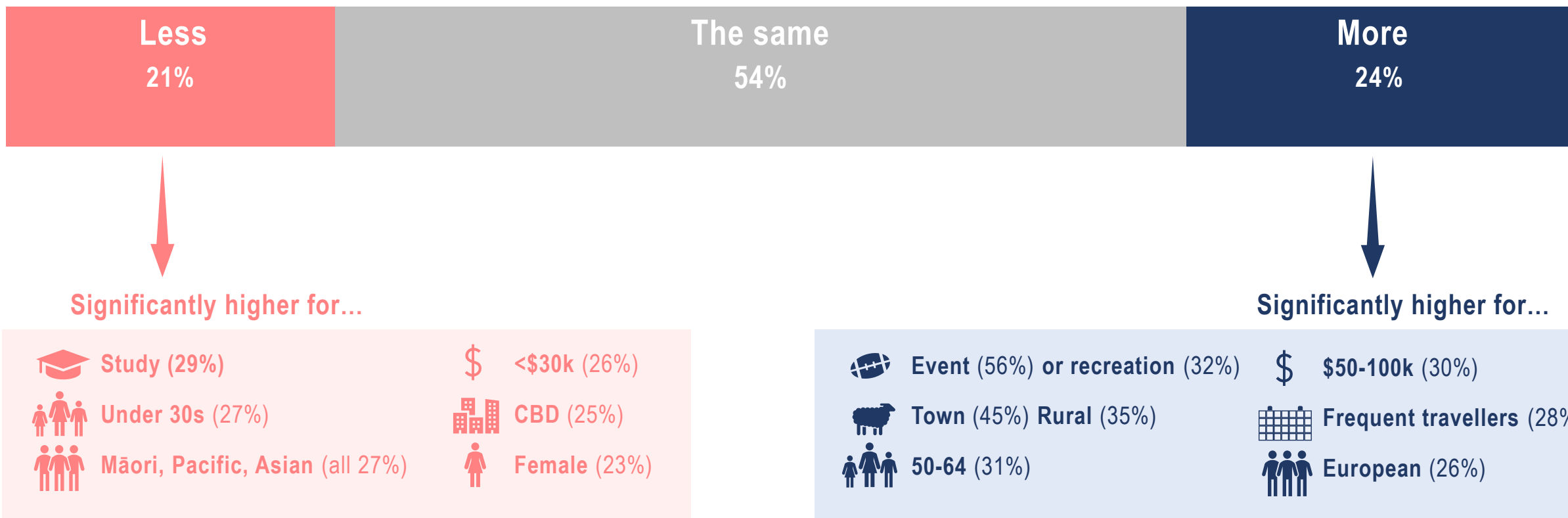
Lower income (48% <\$50k)



Māori (46%) **European** (43%)

Preference For Using PT

Among public transport users surveyed, just over half (54%) said they are happy with their PT use and wish to continue using PT as much as they currently do. Another quarter (25%) would like to travel more on PT than they do currently and 21% want to travel less using PT.



Base n=2419. 1.4% said they don't know

Q4.4: Reasons For Not Topping Up Online

	Share of Respondents (n=765)
Habit/familiar/comfortable topping up in person	36%
Takes too long for top-up to be available for travel	28%
More convenient/easier/quicker to top up in person	19%
Don't know how to top up online	18%
Doesn't work well, have had difficulties topping up online	14%
I don't travel often enough	11%
Prefer to top up using cash	11%
Haven't got around to setting this up yet	10%
Smartphone/computer won't allow me to top-up	5%
Top-up minimums are too high	4%
Too expensive	3%
Privacy concerns, don't want to register card	3%
Don't have access to a computer/smartphone/computer/WiFi	2%
Don't have a credit/debit card or bank account	2%
Wasn't aware that you could top up online	1%
Easier to top up via phone app	<1%
Forgot password for online top-up	<1%

Q4.6 Reasons For Topping Up To Chosen Amount

	Share of Respondents (n=1,702)
Habit	35%
Reasons for Keeping Top-Ups Low	
Don't want to have a lot of money tied up on card	33%
Just enough for a certain amount of travel e.g. one week's trips	27%
All I can afford/budgeted amount	23%
Just enough to cover my longest trip	17%
Concerned I will lose my card – and all prepaid money	15%
Reasons for Making Top-Ups High	
Don't want to risk running out of money on card/less stressful if I know I have lots of money on card	14%
Dislike having to top-up often	11%
Don't want too many bank account transactions	7%
Largest amount card will allow for a top-up	<1%
Saves money/saves transaction fees	<1%

Q4.9: Reasons For Paying For PT With Cash

	Share of Respondents (n=553)		Share of Respondents (n=553)
Convenient as I always have cash on me	40%	Top-up value not available for travel immediately	9%
Habit/familiar/comfortable paying this way	39%	Don't want to have money tied up on card	7%
Don't travel enough to use other methods	22%	Don't want to pay a fee for a card	7%
Easier to get concessions, discounts	18%	Don't know where to get a card	5%
Card lost, stolen, forgotten	16%	Not other options available	5%
Easier to pay when travelling with others e.g. children	16%	Have concerns about faulty cards, being declined	5%
Cash helps me keep track of how much I am spending	14%	Have privacy concerns about using cards	3%
Inconvenient to top-up card	13%	Forgot to top-up, no balance on card	1%
Can be used on all forms of public transport	12%	Need a receipt to claim as a work expense	<1%
Cheaper/can't afford a card	11%	Ticket kiosk closed	<1%

Q5.6: Reasons For Not Using Credit/Debit Card For Face-To-Face Transactions

	Share of Respondents (n=424)
Habit/familiar/comfortable paying using other methods	42%
Don't like going into credit/have buy what I have money to pay for	25%
Credit card interest rates/transaction fees high	23%
Easier to budget using other payment methods	20%
Security or privacy concerns	17%
Worried about losing card	9%
Hassle having to make sure there is always money on card	7%
Credit card is for emergencies, overseas travel only	5%
Places where I shop do not accept credit cards	3%
Only use credit/debit card for online purchases	1%
Use EFTPOS instead	1%
Use smartphone/smartwatch instead	1%

Q6.2: Positive Aspects of Contactless Credit/ Debit Card Option

	Share of Respondents (n=2,419)		Share of Respondents (n=2,419)
Ease of use, convenient, simple	28%	Discounts, concessions still available	<1%
Multipurpose – don't need separate cards	21%	Can be used anywhere in New Zealand	<1%
Don't need cash/to top-up, no need to buy ticket	13%	Lower interest rates	<1%
Payment is contactless	6%	Easier to budget, control payment	<1%
Generic positive answer e.g. 'great'	5%	Environmentally friendly option	<1%
Quicker to use	4%	Easy to cancel/replace	<1%
Always have credit card on me/less likely to forget it	3%	Can be linked to rewards for spending e.g. Fly Buys	<1%
Cheaper (only paying for what you need)	1%	Provides more payment options	<1%
Easy to understand, to learn what to do	1%		
Payment details, balance can be checked	1%	Don't like anything about this option	20%
More secure, safer	1%	Don't know	14%

Q6.3: Less Favourable Aspects of Contactless Credit/Debit Card Option

	Share of Respondents (n=2,419)		Share of Respondents (n=2,419)
Security concerns e.g. card being lost, stolen	14%	Difficult to replace card	1%
Accessibility e.g. no credit card, no paywave, no phone	4%	Prefer to use cash	1%
Can't share payment method with others	4%	Have to set up card	1%
Dislike having direct access to bank account	3%	Unable to travel if card is lost, not working	<1%
More expensive – additional charges, fees	3%	Generic negative answer .e.g bad	<1%
Tracking payments will be difficult, unclear	3%	Lack of trust in management	<1%
Worries about card malfunctioning e.g. overcharging	3%	Remembering to tag on/off	<1%
Prefer separate payment methods; don't consolidate	2%	Doesn't track journey information	<1%
Worries about contactless function not working	2%	Inconvenient, difficult to use	<1%
Impractical for some PT users e.g. children	2%	High interest rates	<1%
More difficult to budget, control payments	2%	Difficulty using smartphone/device	<1%
Don't always carry credit or debit card, don't use often	2%		
Privacy concerns e.g. government having personal access to data	2%	Nothing I don't like about his option	38%
Perceive discounts, concessions would not be available	2%	Don't know	15%

Q6.2: Positive Aspects of Prepaid Transit Card Option

	Share of Respondents (n=2,419)		Share of Respondents (n=2,419)
Ease of use/convenient/simple	21%	Easy to learn, understand	1%
Can be used anywhere, regardless of city	20%	Discounts, concessions can be loaded onto card	1%
Multipurpose – don't need separate cards	14%	Contactless payment	1%
Already using something similar, familiar	11%	Greater variety of payment methods	<1%
Easy to purchase/top-up	6%	Good to have as a back-up (in case contactless card doesn't work)	<1%
Generic positive answer e.g. good	6%	Environmentally friendly option	<1%
Don't need cash/don't need to buy a ticket	3%	Easy to cancel/get refunds	<1%
Quicker to use	3%	Encourages PT use	<1%
Easier to budget/control payments	3%	Don't need to have a smartphone or device	<1%
Separate, dedicated method of payment	2%	Just better than using a credit card	<1%
More secure, safe	2%		
Cheaper	1%		
Can be shared/use multiple linked cards	1%	Don't like anything about this option	14%
Tracking details/payment balance available	1%	Don't know	15%

Q6.3: Less Favourable Aspects of Prepaid Transit Card Option

	Share of Respondents (n=2,419)		Share of Respondents (n=2,419)
Difficulties topping up (e.g. topping up in transit)	9%	Worries about card malfunctioning e.g. overcharging	1%
Have to get another card esp. if have to pay	9%	Can't use everywhere (perceive different cards by region)	1%
Security concerns e.g. card being lost, stolen	4%	Takes longer to use – have to tag on, off	1%
Already using something similar, no reason to change	3%	Generic negative answer	<1%
Have to remember to travel with card	2%	Having to learn a new system	<1%
Money tied up on card esp. if lost/stolen	1%	Tracking payments will be difficult	<1%
Perception that no discounts, concessions available	1%	Harder to budget, control payments	<1%
Funds from existing card not transferrable to new card	1%	Difficult to replace, get refunds	<1%
Inconvenient, difficult to use	1%	Privacy concerns e.g. government having personal access to data	<1%
More expensive	1%	Environmental concerns e.g. replacing cards with new plastic	<1%
Prefer to use cash	1%	Can't share payment method with others	<1%
Credit/debit card is a better option	1%	Worries about contactless function not working	<1%
Smartphone option is better	1%	Hygiene concerns	<1%
Have to remember to tag on/tag off	1%	Nothing I don't like about his option	46%
Would be stranded if card lost/not working	1%	Don't know	18%

Q6.2: Positive Aspects of Single Ticket

	Share of Respondents (n=2,419)		Share of Respondents (n=2,419)
Easy/convenient to use	8%	More secure/safer	1%
Can be shared/used for multiple passengers	5%	More options to travel	<1%
Good alternative if card is lost/forgotten	4%	Discounts/concessions	<1%
Generic positive answer (e.g. good)	4%	Cheaper (pay for what you need	<1%
Different ways to purchase (cash/card)	4%	Already use this/something similar	<1%
Good for infrequent travellers	4%	Environmentally friendly	<1%
Accessible (e.g. children/elderly/tourists)	3%	No need to tag off	<1%
Quicker to use	3%	No money tied up	<1%
One-off payment	3%	Easy to carry/remember	<1%
Can use a phone to scan QR code	3%	Tracking payments easier	<1%
Easy/quick to purchase	3%	Less privacy concerns (i.e. doesn't track my journey)	<1%
Easier to budget/plan ahead	1%		
Contactless	1%	Don't like anything about this option	38%
Don't need to carry/purchase/set up a card	1%	Don't know	18%
Easier to understand	1%		

Q6.3: Less Favourable Aspects of Single Ticket

	Share of Respondents (n=2,419)		Share of Respondents (n=2,419)
Inconvenient/inefficient/complicated	17%	Need to carry cash to buy a ticket	<1%
Not environmentally friendly	6%	Credit/debit card a better option	<1%
Single purpose (rather than multiple trips)	6%	Less secure (e.g. if stolen)	<1%
Has to be bought in advance/requires planning	5%	Hard to replace/get a refund	<1%
Easy to lose/forget	5%	Less options for travel payment	<1%
Difficulties purchasing (e.g. location of sales points)	5%	Having to keep track of tickets/codes	<1%
Slow to use (e.g. causes queues when boarding)	4%	Another thing to carry	<1%
Smartphone difficulties (slow/battery/connection)	3%	Not available nationwide	<1%
Generic negative answer	3%	Can't change easily (route, number of passengers)	<1%
Outdated	2%	Privacy concerns (tracking my movements)	<1%
Having to scan a code	2%	Too reliant on technology	<1%
No access to smartphone/data	2%	Technology may malfunction	<1%
More expensive	2%	Can be abused (e.g. photocopied tickets)	<1%
Not useful for frequent travellers	2%	Need to print out the tickets myself	<1%
Hard to understand/confusing	2%	Loss of money if ticket lost/damaged	<1%
Requires a smartphone	1%	Hard to track payments	<1%
Less accessible (e.g. to children/elderly)	1%	Hygiene concerns	<1%
Ticket durability (e.g. wet paper)	1%	Hard to budget	<1%
Discounts/concessions may not be applied	<1%	Nothing I don't like about his option	25%
Prepaid card is a better option	<1%	Don't know	19%

Q6.5: How Could The Options Be Made More Appealing?

	Share of Respondents (n=108)		Share of Respondents (n=108)
Keep current system (don't change anything)	20%	Better control of payments	1%
Keep a cash option	11%	Less dependent on technology	1%
Apply discounts/concessions	6%	Be able to share/pay for other passengers	1%
Make fares cheaper	5%	Generic negative answer (e.g. bad)	1%
Make it simpler/less complicated	3%	Generic positive answer (e.g. good)	1%
Broaden existing coverage (e.g. HOP/Bee/Metro)	2%	Rewards for use	1%
Consolidate into one payment method	2%		
No vendor fees when topping up	2%	Don't know	8%
Make it quicker to use	1%	Nothing (no improvements)	19%



National Ticketing Research

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