

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 9/28/2022

Staff Report No. 21-347a

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager/Chief Executive Officer
SUBJECT: Fare-Free Friday Update

BRIEFING ITEM

AGENDA PLANNING REQUEST:

RECOMMENDED ACTION(S):

Consider receiving update on the September 2021 Fare-Free Friday Promotion [Requested by Director Shaw - 2/9/2022].

Staff Contact:
Beverly Greene, Executive Director of External Affairs, Marketing & Communications

STRATEGIC IMPORTANCE:

Goal - Strong Public and Policymaker Support
Initiative - Financial Efficiency and Revenue Maximization

District visibility generated from wide-spread promotion of free fare campaigns and associated rider goodwill provides renewed interest in AC Transit which translates into increased public support, ridership, and revenue.

BUDGETARY/FISCAL IMPACT:

There is no fiscal impact associated with this report briefing.

BACKGROUND/RATIONALE:

At the start of the COVID-19 pandemic, AC Transit ridership dropped dramatically as riders sheltered in place, attended school and work remotely, and social activities were curtailed. After 15 months of remote workplaces, education, and the suspension of most in-person activity, the Bay Area began to reopen schools, workplaces, and businesses. While transit ridership slowly increased around the region, concerns around COVID-19, hybrid work schedules, and restrictions on large gatherings served to hamper a robust return to previous ridership levels.

A cadre of transit public information, marketing, and communications staff, billed as the Blue Ribbon Communications Taskforce, started to hold regular meetings in 2021 to share information on ridership trends, planned marketing and promotional activities, and jointly develop a regional marketing campaign designed to shine a spotlight on the many safety and operational changes and improvements transit agencies had

implemented while ridership was constrained. September 2021 was dubbed “Transit Month,” and several area transit agencies wanted to capitalize on a return to in-person education and accompanying return-to-office by developing communications campaigns and promotional incentives to encourage riders to use transit. Bay Area agencies like BART, the San Francisco Bay Ferry, and others decided to offer discounted fares as incentives for riders to return to transit. AC Transit’s Board of Directors asked staff to come up with a plan to provide a specific fare promotion for riders.

Staff’s recommendation to welcome riders back to transit, as well as to rebuild ridership, was to offer free AC Transit rides each Friday in September 2021. Called Fare-Free Fridays, rides were free on all local, transbay, and paratransit lines each Friday in September. In support of Fare-Free Fridays, AC Transit launched a fully integrated marketing campaign to build awareness across multiple channels.

Fare-Free Friday Campaign

The campaign’s objectives were to:

- Bring riders back to transit
- Generate positive buzz about AC Transit
- Bring awareness to AC Transit’s operational improvements during the pandemic

The primary audience was current and previous AC Transit riders, and the secondary targeted audience were community members. The campaign team wanted to create a catchy and instantly recognizable creative foundation. To that end, the campaign moniker “Fare-Free Fridays” was adopted, with the tagline “Catch That Friday Feeling.” Lighthearted and fun, the retro creative was designed to provide a feeling of ease and opportunity. The campaign tactics were integrated and multi-channel, with both digital and traditional advertising elements employed. Advertising components included both interior and exterior bus advertising; covered fareboxes and Clipper readers every Friday; print and digital advertising in local publications; an eNews was sent to subscribers and distributed to elected officials and community-based organizations within the service area by the Legislative Affairs and Community Relations team; paid and organic social media deployed on Twitter, Facebook, Instagram, and LinkedIn; promotions on the AC Transit mobile fare platform; and a robust radio advertising campaign on multiple stations which included DJ callouts. All printed materials were multilingual with translations into Spanish and Chinese. Media Affairs distributed a press release to media outlets.

Campaign Budget

A working budget of \$475,000 was anticipated -- \$375,000 in projected revenue loss, and \$75,000 to market the promotion and cover staff and materials costs. In addition to marketing and creative staff effort, the Maintenance team was responsible for ensuring Fare-Free Friday elements were installed and removed on the fleet each week, the Transportation team ensured operators were aware of the promotion and the Business Intelligence team compiled and analyzed ridership data. The final campaign budget was approximately \$437,000. The estimated revenue impact was \$363,600 in foregone revenue (this assumes that these riders would have all made the trip without the promotional fare, which is unlikely) and an additional \$73,300 in marketing and overtime staff costs.

Campaign Feedback

The campaign generated a lot of interest on social media, resulting in thousands of impressions and dozens of @ mentions from riders and stakeholders. Transit partners and advocates provided cross-promotion,

extending the regional social media reach. Social media posts referenced safety and service improvements developed as outlined in the reNEW COVID-19 recovery plan. Feedback through the customer service channel was muted, with only a few riders commenting on the campaign, and always relative to a complaint or comment about a service issue.

Advertising Campaign Results

Twitter posts generated a large number of impressions, with nearly 150,000 eyeballs through organic and retweeted tweets. Gender was evenly distributed, with about 53% of impressions generated from males. 27% were from the 20-29 age range, followed closely by the 30-39 and over 50 audience, at 22 and 24% respectively. Paid social media on Facebook and Instagram generated 4,100 engagements, at an average cost of \$.21 per engagement. Nearly two-thirds of those engagements were women and while age distribution ranged from 13 to over 65, the largest engagement age group was 65+ and the most equal numbers of male and female were in the 18-24 age group. eNews saw a 25% open rate (industry average is 17%). Radio and print advertising generated over 1,500,000 impressions. Earned media was generated through outlets such as KPIX and the Richmond Standard.

Campaign and Post-Campaign Ridership

During the September campaign, Fridays averaged 101,000 daily riders with a total of 404,000 monthly Friday riders. This ridership number is 8% higher compared to the weekday average of 93,500 riders from the same timeframe. September monthly avg weekday riders increased +15% over prior month (August = 82,000, September = 94,000). The first time ridership exceeded 100,000 average daily riders since the start of the pandemic was on Friday, September 10.

Fridays performed 8% higher than weekday average riders, compared to +1.6% to +3.1% for Tues-Thurs (Mondays performed -15% below average due to 9/6 Holiday). Comparing just Tuesday-Friday, this translates to about 4% above average in riders from Fare-Free Fridays. Taking the net difference, the September promotions may have contributed a net +3% additional riders on Fridays in September. The highest Friday boarding percentages (of average) by line were generated from the 51B, 70, 76, 74, 71, and 51A. The first week following the Fare-Free Fridays promotion (September 27-October 1) saw a net decrease in ridership of 1.5% compared to the prior week. Average ridership by week fluctuated in the months of October and November, but the average number of weekday riders continued to climb in October and November, reaching an average of 96,815 daily weekday riders in the eight weeks following the promotion.

Conclusion

The Fare-Free Friday accomplished the outlined objectives of bringing riders back to transit, generating positive buzz for AC Transit, and leveraging reNEW content to inform riders about AC Transit improvements and activity that occurred while they were away from transit. Ridership saw some of the highest daily ridership during the promotion, which indicates that riders were well informed that the promotion existed. Earned media, social media, and other advertising and outreach channels generated millions of impressions and heightened awareness, and the regional fare promotion participation by other transit agencies within the same timeframe likely increased media and social media visibility. The challenges to implementing such a promotion is the loss of fare and the amount of staff time from multiple departments to ensure a high-quality effort.

ADVANTAGES/DISADVANTAGES:

There are no advantages/disadvantages to presenting this briefing report.

ALTERNATIVES ANALYSIS:

There are no alternatives to presenting this report.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report 21-347 Requesting Authorization for Fare-Free Fridays

ATTACHMENTS:

1. Fare-Free Friday Weekly Ridership Data
2. Fare-Free Friday Line Boarding Data
3. Sample of Fare-Free Friday Creative and Social Media

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