Trust in the Rail Sector

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Contents

01
Introduction

02
Key Findings

03
Understanding of the railway

04
Trust in the railway

05
Building trust in the railway

01 Introduction

- Background and objectives
- Methodology and sample

Background and research objectives

- In December 2018, the Williams Rail Review commissioned the Department for Transport's Rail Analysis team and BritainThinks to carry out research to explore perceptions of trust in the railway.

- The Williams Rail Review is taking place against the backdrop of a decline in the public's trust in rail. However, the rail's low trust ratings are somewhat at odds with the public's overall satisfaction with rail journeys, which, according to DfT metrics, is fairly high.

- Given this background and context, BritainThinks was commissioned to conduct new research and to incorporate existing insight from other research. Findings from research about passenger perceptions of rail fares and pricing, due to be published by the DfT in the near future, have been included in this report (in sections 3 and 4).

- Overarching objectives include exploring:
  - Public trust in the railway, identifying what factors build up or undermine trust
  - Understanding of and attitudes towards current organisational structures, and the impact these have on trust

Methodology and sample

Throughout January 2019 we conducted 10 focus groups across 5 locations, with 6-8 participants in each group.

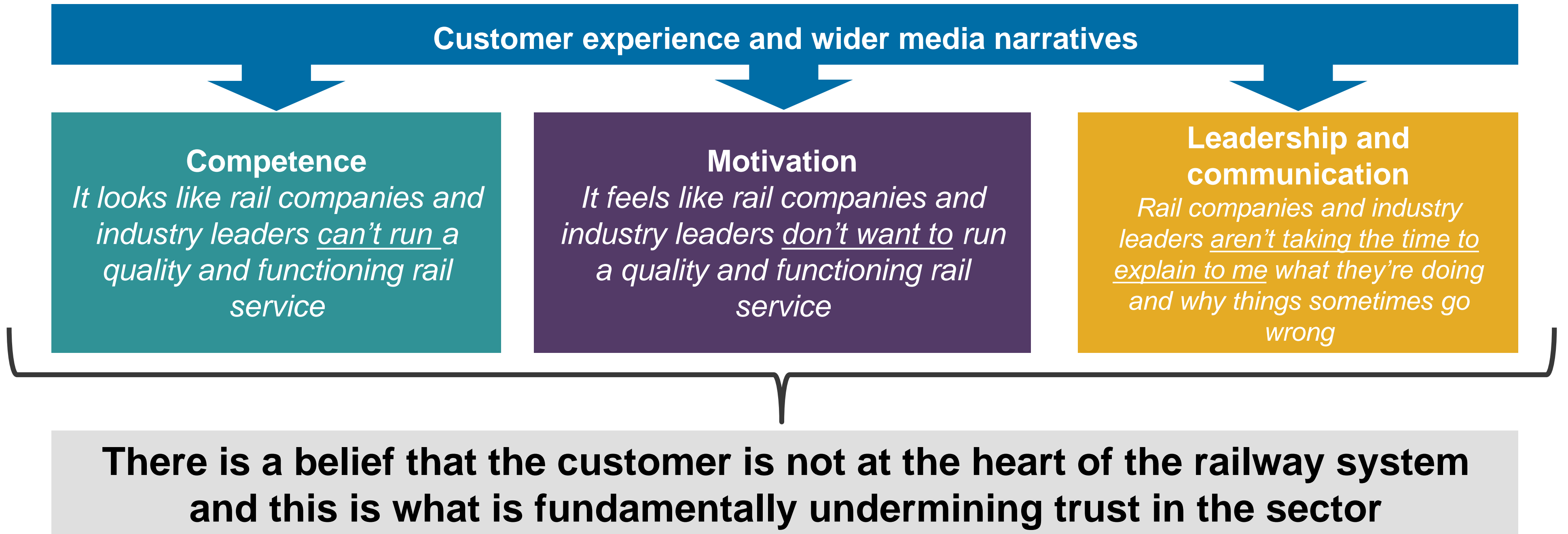|	**'Trustful'**	**'Distrustful'**
London	Frequent users	Frequent users
Edinburgh	Non-frequent users	Frequent users
Mansfield	Frequent users	Non-frequent users
Wrexham	Non-frequent users	Non-frequent users
Leeds	Non-frequent users	Frequent users

- Current levels of trust in the railway
- Factors that contribute to and undermine trust
- Participants' own ideas for how to build trust in the railway

The sample included participants living in a range of suburban and rural areas, as well as a spread of ethnicity, age and socio-economic group. 'Trustful' passengers were those who were more likely to say they trust a range of public organisations and private companies.

02 Key findings

Trust in the railway is low, and building it will require action on several fronts

Customer experience and wider media narratives

Competence
It looks like rail companies and industry leaders <u>can't run</u> a quality and functioning rail service

Motivation
It feels like rail companies and industry leaders <u>don't want to</u> run a quality and functioning rail service

Leadership and communication
Rail companies and industry leaders <u>aren't taking the time to explain to me</u> what they're doing and why things sometimes go wrong

There is a belief that the customer is not at the heart of the railway system and this is what is fundamentally undermining trust in the sector

Key findings: The current system

1   Customer experience is the dominant lens through which railways are judged but the constant negative contextual backdrop means that good experiences are thought to be "a lucky escape".

2   Three key criteria explain trust in railways: competence, motivation, and leadership and communication.

3   Communication is thought to currently be poor – both in describing the vision and aspirations for our railways and before, during and after individual travel experiences.

4   There is thought to be an absence of leadership and a lack of accountability – this may well be a result of a very fragmented system, but is thought to be because no-one wants to take responsibility.
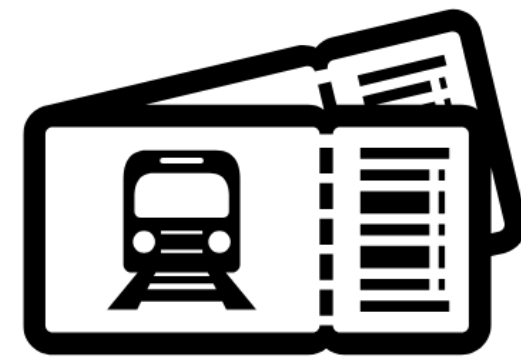
03 Understanding of the railway

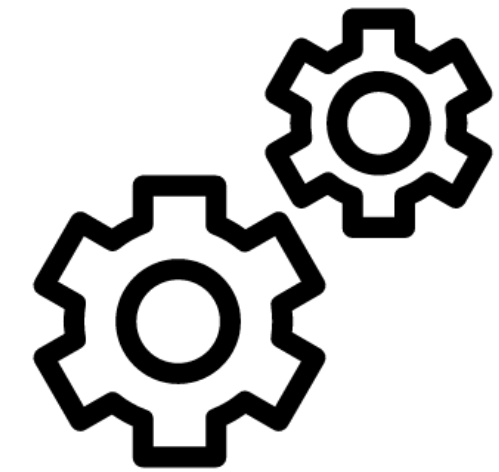# Beyond personal experience, there is little understanding of the wider workings of the rail industry
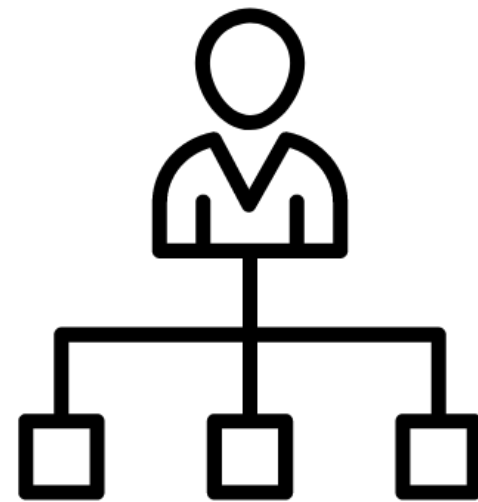
Responsibility for running the railway

The cost of running the railway

Tax and subsidies

Mechanism behind fare rises

In addition to these low levels of understanding, there are also very low levels of engagement with these issues

The responsibility for different aspects of the railway is largely unknown

- There is little knowledge of who is responsible for running the railway
  - While there is an awareness of some Government role, there is widespread confusion about how this tallies with rail companies being privatised

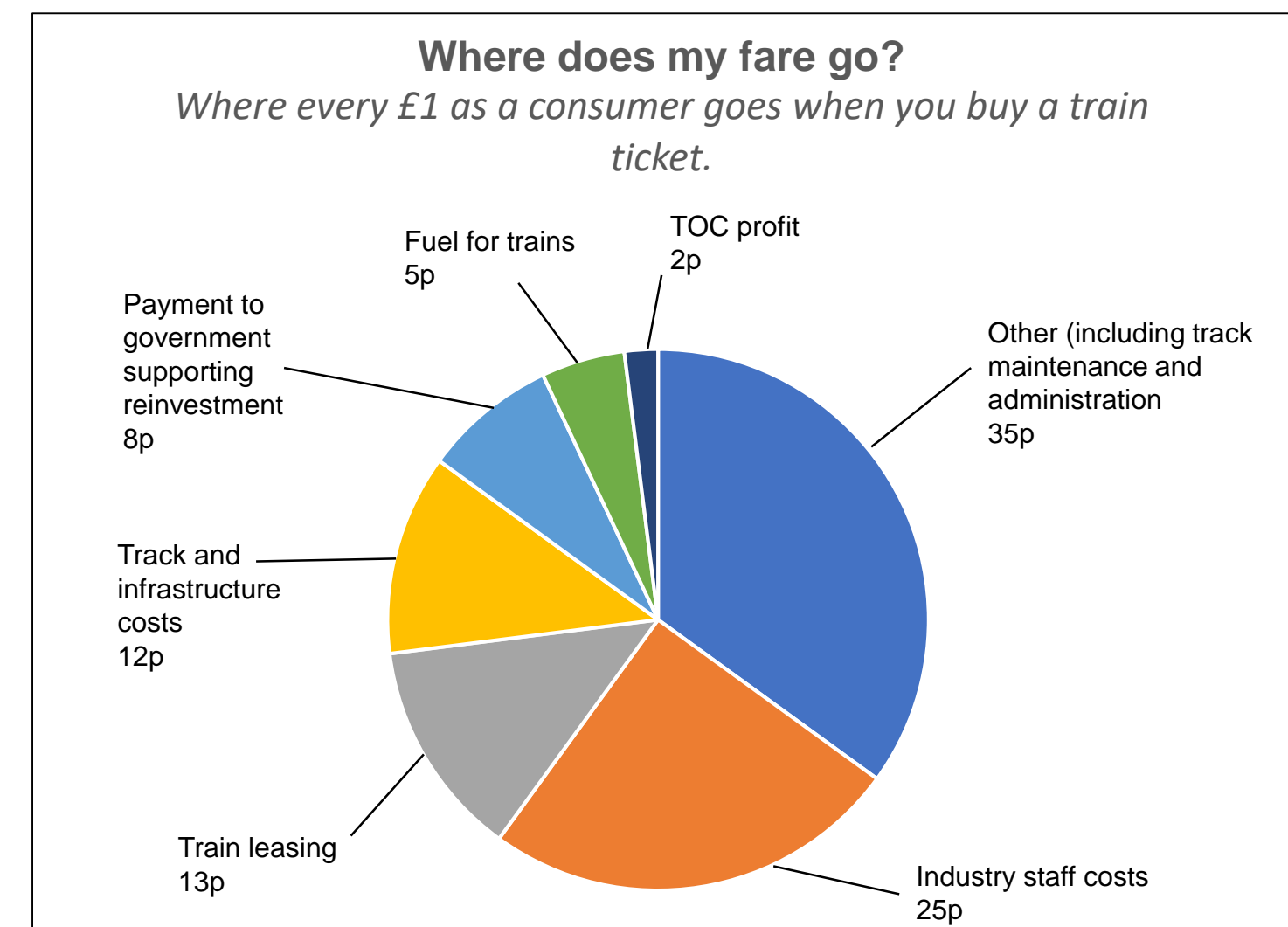**This wider confusion plays out in the specific case of recent disruption following changes to timetables**

- Few know who is responsible for the recent disruptions
- While many say it would be either the Government or the Train Operating Company (or both), this is often a guess and not based on anything they can recall hearing
- there is low awareness of Network Rail's remit around managing the infrastructure

Ultimately, there is little engagement with who is responsible, with passengers more focused on wanting to be reassured that things will improve

There is very little understanding or engagement with the cost of running the railway

- While overall costs are not front-of-mind, respondents are acutely aware of the fact that rail companies are privatised

- This often leads to a starting assumption that a high proportion of money from fares will go towards profits and executive pay

  - Figures anywhere from 5% - 40% are given for the proportion of money from fares that goes towards profits

- Respondents are often positively surprised when they see the actual breakdown of where their fare goes

Where does my fare go?
Where every £1 as a consumer goes when you buy a train ticket.

Fuel for trains
5p

TOC profit
2p

Payment to government supporting reinvestment
8p

Other (including track maintenance and administration
35p

Track and infrastructure costs
12p

Train leasing
13p

Industry staff costs
25p

Source: Rail Delivery Group
https://www.raildeliverygroup.com/our-services/about-my-journey/fares-explained/fares-faqs.html

There is some awareness of tax subsidies but little understanding of how it works
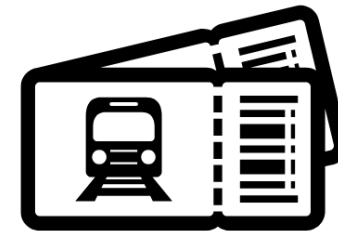
Whilst some are aware of tax subsidies for the rail industry, this is not front-of-mind for most who presume the railway is funded through fares

When prompted, there is initially some confusion about why there are tax subsidies for the railway
- Many question why Government money would be going towards privatised companies' profits

When pressed on why the trains might be subsidised, participants are able to come up with reasons behind this and often conclude that this is the right thing to do

- While not front-of-mind, the majority feel that fares would go up if the railway was not subsidised

- There is some concern about non-passengers paying for a service that they do not use, but most feel that it is right that the railway is subsidised
  - Participants make comparisons between the railway and a national service, saying that lots of people pay for things in their tax that they do not use

- While most are happy with the status quo, there is some disagreement about whether subsides should change
  - Commuters tend to be more comfortable than non-commuters with a greater subsidy for the railway, particularly if this led to improvements in the service

There is very low awareness of Government's role in capping certain fares, with fare increases seen as a combination of inflation and train companies seeking more profit

Government's role in capping fares

Many assume that train companies decide on any changes in fares and pricing, with few being aware of the Government's role in setting the cap for regulated fare rises.
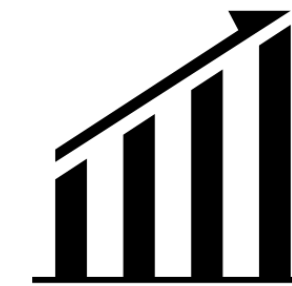
Inflation

While some are aware of inflation, and the role it plays in fare increases, this understanding of what it means is often at a very shallow level, with terms like RPI rarely recognised
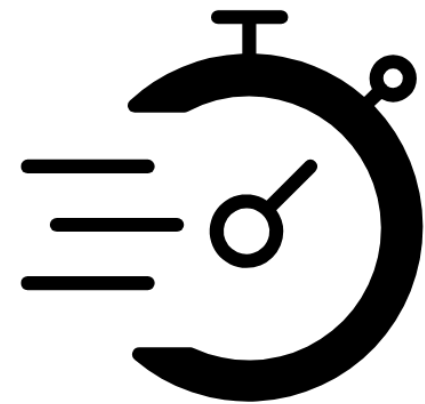
04 Trust in the railway

- How the public assess trustworthiness
- Competence trust
- Motivation trust
- Leadership and communication trust

In principle, train travel is perceived as having many benefits – particularly by leisure travellers

Quick

Often the fastest way of travelling – particularly over long distances

Fun

Can have a sense of occasion. Young children can love trains

Convenient

Mitigates the complications of parking and potential traffic

Relaxing

Can be a relaxing and less stressful way of travelling

For many rail users, alternative means of travel are either not an option or not desirable
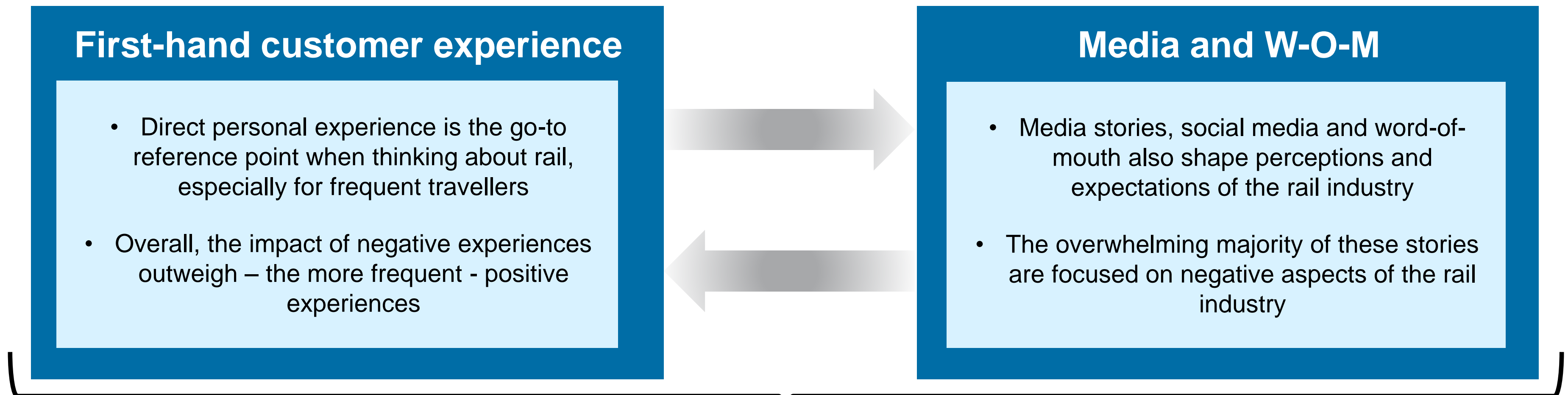
Car

- Driving into busy city centres during commuter times is seen as being slower and more stressful than the train

- A lack of affordable parking means that driving would be significantly more expensive for many

Bus

- While often cheaper, buses are seen as significantly slower and less regular

- For many, bus travel carries with it significant stigma, making it undesirable

  - Bus travel is also thought to be less safe due to the types of behaviour of people they would expect to meet on a bus

Expectations and the wider narrative of a 'failing' system mean that individual good experiences are considered to be luck

First-hand customer experience

- Direct personal experience is the go-to reference point when thinking about rail, especially for frequent travellers

- Overall, the impact of negative experiences outweigh – the more frequent - positive experiences

Media and W-O-M

- Media stories, social media and word-of-mouth also shape perceptions and expectations of the rail industry

- The overwhelming majority of these stories are focused on negative aspects of the rail industry

- **The role of direct experience and wider media narratives in shaping trust in the rail system is twofold:**
  - o Positive experiences are more likely to be undermined and dismissed as 'luck'
  - o A bad experience feels like it might be part of a bigger pattern of dysfunction

The trustworthiness of the rail industry is judged according to two key criteria: *competence* and *motivation*

Competence
Can rail companies and industry leaders run a quality and functioning rail service?

Motivation
Do rail companies and industry leaders want to run a quality and functioning rail service?
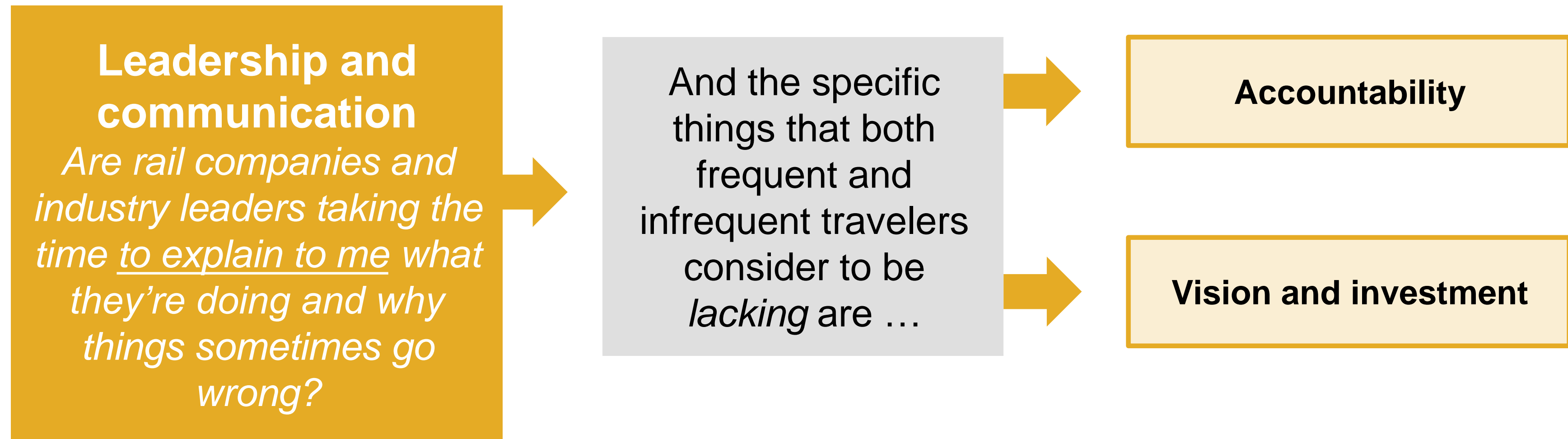
And the specific signs that frequent and infrequent travellers use are…

- **Reliability**
- **Safety**

- **Pricing**
- **Customer service**

There is also strong criticism of communications and a perceived lack of accountability

- In the absence of any understanding of, or interest in, the 'system', people feel frustrated by poor communications and an apparent lack of leadership and accountability

Leadership and communication

Are rail companies and industry leaders taking the time to explain to me what they're doing and why things sometimes go wrong?

And the specific things that both frequent and infrequent travelers consider to be *lacking* are …

Accountability

Vision and investment

There is a strong feeling that the UK's railways are unreliable

- Delays and cancellations to train journeys are felt to be a common occurrence, with the majority of participants having first-hand experiences

- Issues with reliability are particularly top-of-mind for participants because of the negative knock-on effect it has on their lives
  - This is an even bigger concern for passengers who rely on the railways for their work
  - As a result, passengers inconvenience themselves and go out of *their way* to minimise the risk (e.g. taking an earlier train)
  - Less frequent travel means that non-commuters typically experience less disruption and the non-work related nature of their travels means they can be more forgiving

- Negative feeling around unreliability is heightened by lack of clear communication and information around what's gone wrong, alternative travel arrangements, and compensation and/or refunds

"Our system is so old and declined and the systems abroad are just miles better and we perceive our service for what it is, really poor."
(Distrustful, Frequent User)

"I don't take the train if I'm going to the airport or going on holiday as I don't know if I'll get there in time."
(Trustful, Frequent User)

"I sometimes feel that they're way too unwilling to part with their money, it almost always takes so long for refunds to process."
(Trustful, Frequent User)

The majority of delays and cancellations are thought to be down to a lack of competence and a passenger-first mindset

- The starting point for delays and cancellations is thought to be a reflection of incompetence and, in some cases, a lack of motivation
  - Failure of train staff to turn up for work
  - Strikes which are not in the interests of the customer
  - Seasonal 'expected' weather conditions e.g. leaves on the lines

- However, there are occasions when, if communicated well, there is a high level of forgiveness
  - People on the lines (suicides/ trespassing etc.)
  - Extreme weather conditions

Commuter concerns are particularly acute in larger cities

- Recent disruptions have exacerbated their frustrations

- Particularly in London – it is felt that the service is on a downwards trajectory
  - Commuters acknowledged that more and more people are commuting daily as they move out of London and the very high housing costs
  - But there is no awareness of any attempts to develop the service in response to the increased pressure on services

Safety on the rail network is considered a hygiene factor but the sector gets little credit for a clean record

- Participants assume there will be a high level of safety when travelling on the railway system
  - They do not express any concerns about the risk of serious death or injury when travelling on trains

- When prompted on safety, the conversations tend to centre on issues of on-board safety

- Generally, on-board safety is felt to be undermined by:
  - A decrease in the number of staff physically present on trains
 - Passengers consuming alcohol

"Good security, they always seem quite safe. They are well policed, you feel secure, there are tons of stewards."
(Trustful, Infrequent User)

"I'd quite like there to be a no alcohol carriage alongside a private one…sometimes it can feel unsafe."
(Distrustful, Frequent User)

Many people approach the rail pricing system differently to the majority of other purchasing decisions

A lack of competition, low engagement with the system and a misunderstanding of how and why fares are discounted marks buying train tickets out from other consumer interactions
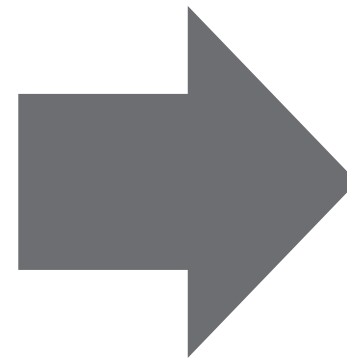
These differences mean that passengers often start from a position of little understanding of the pricing system and comparatively little motivation to understand it

High prices and complicated price structures raise suspicions of 'being ripped off'

- When considering rail prices, participants look at the time/distance covered and/or how much it would cost to travel by another means – generally trains are felt to come out as expensive
  - The cost can prevent some people travelling when/how they want to
  - Greater autonomy and choice of travel times amongst non-commuters means this can be more of a problem for commuters

- Rail pricing is seen as overly complex, hard to navigate and to contain numerous peculiarities which means that prices do not always reflect the service that is delivered
  - Inconsistent and opaque pricing structures add to a feeling that the cost and service are not related, and that the system exploits captive audiences
  - Participants feel that the increase in the price of rail travel over time has not been accompanied with an improved experience
  - And being presented with very different prices for two similar length journeys leads participants to question the logic of the pricing system

"It costs my daughter so much to go down to London and she has to stand the whole way."
(Distrustful, Infrequent User)

"Sometimes it's cheaper buying 2 singles than a double… It shows they don't have a good strategy and they don't have the public's interest at heart. They are trying to catch you out."
(Trustful, Infrequent User)

"There's been a massive increase in train fares but I haven't seen an increase in the level of service so I don't see how they can justify that when it's getting worse not better."
(Distrustful, Frequent User)

Passengers find the whole process stressful and anticipate or have issues at every stage of the customer journey
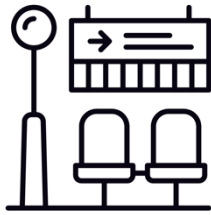
Booking and collecting tickets	Moving through the station	Boarding the train	The journey
• Confusing pricing system • Queues when collecting tickets • Problems with e-tickets	• Busy stations • Lack of comfortable waiting spaces • Late platform announcements • Difficulty finding the right platform	• Difficulty navigating platforms • Uncertainty around boarding the right train • Trouble finding a seat • Dealing with faulty seat reservation systems • Worries about safety of luggage	• Issues with the general condition of the train (e.g. unclean toilets) • Uncertain access to facilities (e.g. sockets, wi-fi, food) • Inability to track journey progress • Anxiety around missing audio announcements

"Usually the stations are very busy and sometimes confusing – the boards, the platforms aren't always easy to spot."
(Trustful, Infrequent User)

"It's stressful when you have little ones and you have to jump platform to platform."
(Trustful, Infrequent User)

"It's so complicated to get the cheapest fare, you can sometimes take a longer but faster journey and pay less."
(Distrustful, Frequent User)

These issues tend to be exacerbated if you're disabled or traveling with children

Poor customer service is seen as a sign that rail companies are de-valuing their customer experience

Train journeys are typically considered to be stressful and unpleasant experiences, and journeys often take on a disproportionate importance because of anticipated delays and problems

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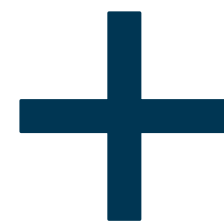
Many of the key factors contributing to stress are felt to be things that the train operators can control

This leads people to think: *'a decision has been made to prioritise making money over my experience as a customer'*

"If they cared about the customer they would actually invest in the stock… prices keep going up but the quality and reliability is still as horrendous as it was."
(Distrustful, Infrequent User)

There is a lack of clarity about how the system works, who is accountable for what, or where to turn for support

The extent of understanding is that several players are involved and all blame each other for problems

Network Rail is recognised by the majority of participants, but there is low awareness of their remit around managing the infrastructure

"I know the government pump some money into it and that they are overall in charge."
(Trustful, Infrequent User)

Both the government and DfT are seen to have some responsibility for managing the railway system, although their exact role is unclear

"They're responsible for LNER, I know that."
(Distrustful, Frequent User)

There is no awareness of Transport Focus as an organisation among our participants

"I have no idea who they are."
(Trustful, Infrequent User)

Respondents are not aware of there being a strategic plan or programme of long term-investment in the rail industry

- Having no understanding of progress or improvement on the railway leads participants to think that there is no investment or long-term vision for the industry

- Few participants have seen evidence of a strategic plan and are unlikely to look for one themselves.

- Their only awareness around anything investment related in the railway is high profile projects such as Crossrail or HS2

- Also contributes to a strong sense that the UK railway is lagging behind other countries

"As a country, we've progressed and moved forward and the one area of the country that really hasn't has been the rail sector."
(Distrustful, Frequent User)

"Abroad, the level of investment is massive and these companies are funded by us while in the UK we have countless stations that remain closed and the government isn't interested in reopening them."
(Distrustful, Frequent User)

"I think it's the government that doesn't see the forward thinking vision of trains like other European countries."
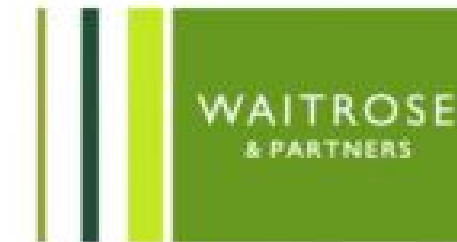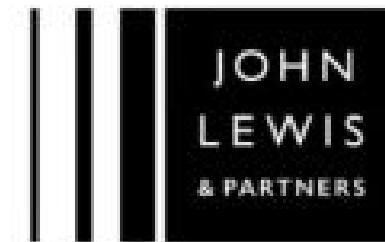(Trustful, Frequent User)

05 Building trust in the railway

The starting point for building trust is putting customers at the heart of the system

Who can they learn from?

All are felt to place their customer at the heart of what they do, with signs including:

- A consistently good service or product
- Good value for money
- Good customer service
- Responsibility being taken
- Issues being dealt with effectively
- Clear and proactive communication

And the suggestions fall under the same three criteria…

Competence
Can rail companies and industry leaders run a quality and functioning rail service?
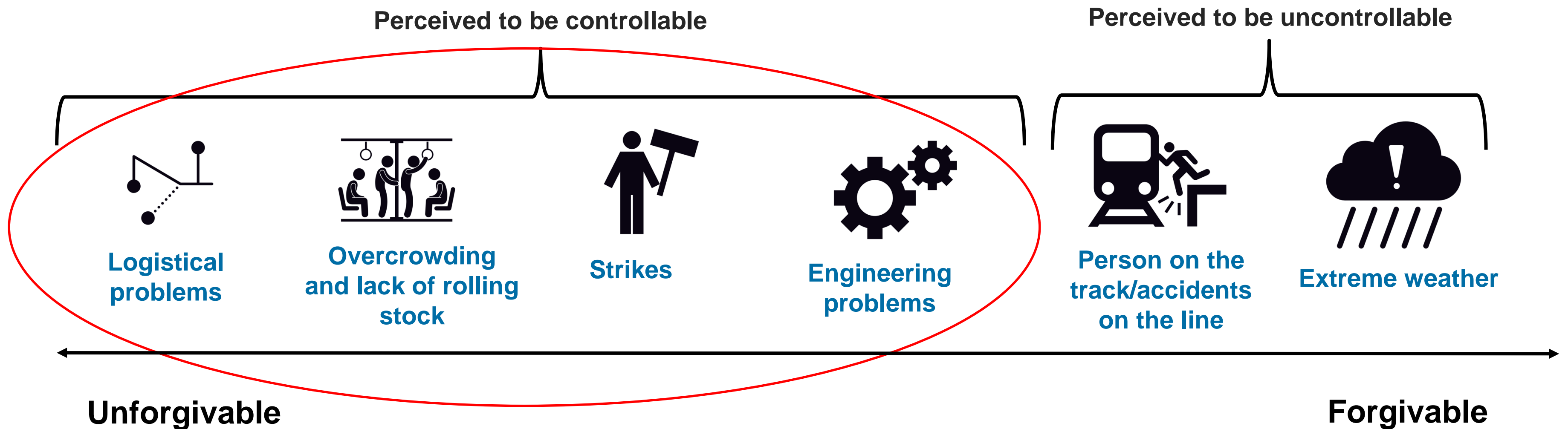
Motivation
Do rail companies and industry leaders want to run a quality and functioning rail service?
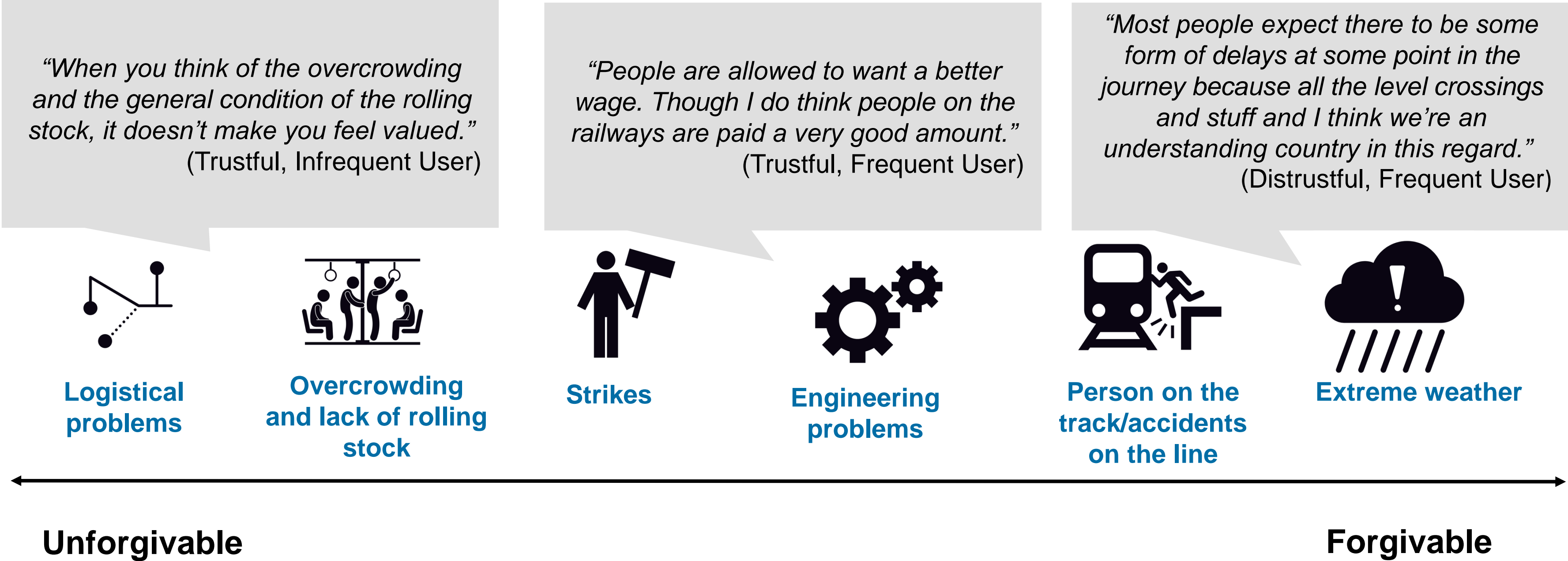
Leadership and communication
Are rail companies and industry leaders explaining to me what they're doing and why thing sometimes go wrong?

To improve trust priority should be given to fixing problems that are perceived to be more within the control of rail operators

- Respondents are less forgiving of unreliability when it feels like a failure of competence:

Perceived to be controllable

Perceived to be uncontrollable

Logistical problems

Overcrowding and lack of rolling stock

Strikes

Engineering problems

Person on the track/accidents on the line

Extreme weather

Unforgivable

Forgivable

Priority should be given to fixing problems that are perceived to be more within the control of rail operators

"When you think of the overcrowding and the general condition of the rolling stock, it doesn't make you feel valued."
(Trustful, Infrequent User)

"People are allowed to want a better wage. Though I do think people on the railways are paid a very good amount."
(Trustful, Frequent User)

"Most people expect there to be some form of delays at some point in the journey because all the level crossings and stuff and I think we're an understanding country in this regard."
(Distrustful, Frequent User)

Logistical problems

Overcrowding and lack of rolling stock

Strikes

Engineering problems

Person on the track/accidents on the line

Extreme weather

Unforgivable

Forgivable

Whilst tackling the causes of unreliability is clearly difficult, addressing issues through leadership and communication can really help

Establishing a customer-first approach will help everyone manage reliability challenges more effectively

Show visible leadership	Communicate
• Taking responsibility and accountability • Avoiding the blame game and focusing on both short-term and long-term solutions	• Developing effective communications to help people manage problems • Sharing a vision and key milestones • Celebrating progress e.g. the introduction of new rolling stock/ new information systems

"I didn't know that there are people out checking the tracks every night because people nick bits of track and stuff – I didn't know that and they should tell us because perhaps we would have a bit more sympathy."
(Distrustful, Frequent User)

Pricing should be transparent, simple and fair – not taking advantage of those with limited choice

Pricing systems are felt to be hard to navigate, and some passengers we spoke to said they appear to mislead or exploit customers. To some, prices seem arbitrary with different prices for different people, goods or services - this is taken to indicate a system that is not working well for consumers

Simple	Fair	Transparent
Participants want:	*Participants want:*	*Participants want:*
• Easy-to-understand pricing structure that is clearly logical or intuitive	• Costs to be consistent and customers to be treated equally	• An understanding of the different elements of the pricing system
• Clear language used to describe different types of journeys and tickets	• To feel that the price they pay is fair and reflected in the service they receive	• Money saving options to be clearly communicated
		• Costs to be consistent

"Fares and timetables could be unified, and you wouldn't have to search through to see which route is best."
(Distrustful, Frequent User)

"If the service was going up, I wouldn't mind paying out more but it definitely isn't."
(Trustful, Frequent User)

Information leads to an increase in positivity towards the rail pricing system
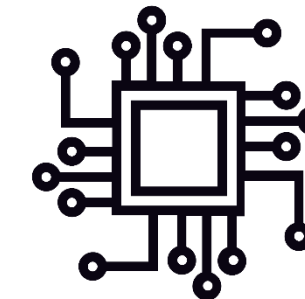
Information

- Information about the rail pricing system leads to a slight increase in positivity
  - Passengers are broadly happy with the way that the pricing system is funded and are pleased to find out that only 2% goes to profit
  - Explaining the demand management system aids understanding, but does not address frustrations around peak time travel
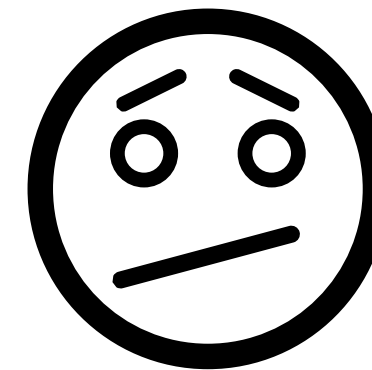
Simplicity

- In the context of rail pricing, simplicity is interpreted as helping passengers navigate the choice available to them
  - Initially there was strong support from passengers for a reduction in the number of options in order to simplify the system
  - However, when pressed on the cost implications, there is greater support for retaining the amount of options in order to maximise savings for passengers, and instead help passengers to navigate this system

Addressing convenience, comfort and embracing technology will go a long way to help build goodwill and trust

Information	Provisions on trains	Embracing technology
• Clear and proactive information at all points of the customer journey • Knowledgeable and helpful staff/ticket offices • Information screens on trains	• Relaxing environment • Cleanliness • Suitably-priced refreshments • Working, complimentary wi-fi • Secure luggage storage	• Loyalty schemes are seen as a key way to reward customers and to make them feel appreciated • When things go wrong, provide clarity and proactive information • Accessible and easy-to-use compensation processes e.g. automatic delay repayments

Addressing convenience, comfort and embracing technology will go a long way to help build goodwill and trust

"I'd like to see free facilities. If you go to the station, you have to pay 20p to use the loos and they're not even that good. Metal seats too."
(Trustful, Infrequent User)

"At the stations, I want someone who you can talk to and someone who will actually listen to what you're saying, unlike what we have now."
(Trustful, Infrequent User)

"I think basically you are just a number… when you saw the same staff regularly you felt you were more treated as a customer."
(Distrustful, Infrequent User)

"If something does go wrong, train companies should make clear that we can get a refund."
(Distrustful, Infrequent User)

"I've been stuck on some trains for a really long time and it would maybe be nice for them to bring some snacks along sometimes."
(Distrustful, Frequent User)

"I'd like a loyalty card for when you travel all the time, and you'd get something off if you travelled all the time and you'd be more inclined to go more than once a month. It would tell you they cared too."
(Trustful, Infrequent User)

Improved day to day communications are crucial because participants feel like someone is taking ownership of problems

They want to know…

Explanations for the delay or cancellation of service	Alternative travel options	If they are entitled to compensation	What is being done to minimise risks

…as clearly and quickly as possible.

Improved day to day communications are crucial because participants feel like someone is taking ownership of problems

"If companies gave you information on Twitter, social media or by texts and stuff, it would make delays far more palatable."
(Trustful, Frequent User)

"Having visible management and you actually see them doing things, it makes you think they're actually doing things. They greet you, they say hi, they look like they're doing things, taking charge of things."
(Distrustful, Frequent User)

"There's not a lot of staff interaction, you're often buying your ticket on an app… I think they need to have two people actually at the station, so people don't miss their train."
(Distrustful, Infrequent User)

"If trains are delayed then this should be announced on the platform with the delays."
(Distrustful, Frequent User)

"Having someone physical coming to speak to you on the trains or platforms if there's a delay."
(Trustful, Frequent User)

It will be hard to engage the public with the detail on long-term planning, but connecting them to a feeling of a vision and progress will be a vital builder of trust

Communicate	Make it concrete
Use your available communications channels to communicate key messages around investment and progress on an ongoing basis will help build confidence that change is coming	Find ways to make customers feel a sense of progress – e.g. focus on a symbol of improvement that matters to people and show them it's getting better

"We have to almost trust all of the rail providers but it would be nice to know what they're doing with the money and what they're spending the money on."

(Trustful, Frequent User)

We also tested the role of organisational structures in trust…

The current system is viewed to be a fragmented system of monopolies that does not deliver

- Whilst participants have little understanding of how the wider system works, there is an awareness that the current system is incredibly fragmented, with train companies working as individual monopolies. Some see the fragmented system as an easy way for the organisations involved to escape accountability and constantly blame others for problems

- While not the core focus of our research, we asked respondents about the extent to which the structure of the industry – including public ownership – impacted their feelings of trust in the railway. Views were mixed. For some, renationalisation would reduce the profit motive and reduce the fragmentation of the industry, which in turn would help it to focus on delivering a high-quality service. However, for others, there is significant concern about the competence of the public sector to directly operate the railway, and of the potential for the railway to become a 'political football'.

"The train companies are untouchable and the government aren't slightly involved."
(Distrustful, Frequent User)

"They just blame each other all the time… I just stick to my car, thanks."
(Trustful, Infrequent User)

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