



EXPLORER

Today's Challenges
for Tomorrow's Mobility

2018 Survey Results

Introduction

As an operator and global integrator of mobility, Transdev gives people the freedom to move whenever and however they choose. We are proud to provide 11 million customer journeys every day thanks to efficient, easy-to-use and environmentally-friendly transportation services that connect people and communities.

Our approach is rooted in long-term partnerships with local governments and transport authorities, and our commitment has always been to better understand their challenges, anticipate their needs and support their long-term vision. Since 2009, the Transdev Multi-Country Barometer Survey of transport authority leaders has been designed for this purpose and has produced a benchmark through time to assess mobility evolution and sometimes ...revolution.

In the 2018 Edition, key transport decision-makers from five participating countries were interviewed by worldwide market research firms – Ipsos in the United States, Canada, and Sweden; and Kantar TNS in Australia and New Zealand. The diversity of public transport policies in economic, demographic, and infrastructure contexts provide a wide-ranging view about the way transport agencies wish to shape mobility in the future. This Edition of our survey highlights a major inflection point in many aspects: acceleration of digital solutions, growing importance customer-centricity, interest in first- and last-mile solutions and more.

We thank the transport leaders who kindly agreed to share their views with us and are pleased to bring these results to our industry. The rapid evolution of mobility is rich with opportunity. Our Transdev teams are pleased to share these results, but more importantly to demonstrate how our solutions are shaped by the needs of our customers, clients, local communities and governments. We are inspired by the relentless pursuit of the safest and most innovative and sustainable mobility services.



Thierry Mallet

Chairman and Chief Executive Officer of Transdev Group



René Lalande

Chief Executive Officer of Transdev Australasia

***We are a team of people serving people to achieve better mobility.
We are the mobility company.***

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Top Four Priorities:

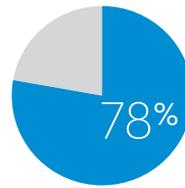
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1 Customer Experience

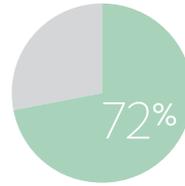
When asked about their most important goal for improvement, transport leaders rate the customer experience first. Over 90% of respondents rank it as most important. Even more, when asked what they would do to **take action in improving services to customers**, responses are very consistent among countries and quite comprehensive, including:

- Improving service to customers and their satisfaction
- Enhancing courtesy and empathy of staff and instilling a service culture
- Providing a digital platform or app with all-in-one functionality for customers.

On average, 66% of respondents see private operators as potential partners to help them implement such marketing programs. In addition, a significant percentage believe that private sector partners could help measure



Transport leaders interested in using data science to develop or increase their knowledge about customers.
(Average - all five countries)



Transport leaders interested in open data on mobility from all sources and stakeholders.
(Average - all five countries)

customer satisfaction (67%), manage customer complaints (67%), handle customer feedback via social media channels (49%) and oversee call centres (44%).

Improving the Transport System:

	Aus / NZ	U.S.	Canada	Sweden
Likelihood of improving the customer experience in the next 3 years	87%	98%	93%	91%

Interest in Mobility Services:

Currently testing or interested in testing in the next 3 years

	Aus / NZ	U.S.	Canada	Sweden
Using data science to develop or increase customer knowledge	77%	80%	76%	79%
Open data on mobility from all stakeholders	61%	71%	70%	84%

There is a strong link between improved customer experience and patronage growth. Plans to prioritise patronage-building range from 80% to 100% across the five countries, even though patronage trends vary, with a slight decline in the U.S. and growth in the other countries. Some 62% plan to re-design their bus services and routing, 80% plan to deploy a diversity of payment channels and 58% to 79% plan to implement patronage-building marketing programs.

"We have lower patronage and low density — this creates a challenge for cost recovery.

— Canadian transport decision maker

"We need to find a combination between public and private transport to meet the inhabitants' demands and make it easier to travel.

— Swedish transport decision maker

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Transport leaders across Australia and New Zealand continue to hold customer satisfaction as a priority, with 87% likely to take action in improving customer experience in the next three years.

At Transdev, we keep our customers at the heart of everything we do. We do this by better understanding customers through surveys, our Mystery Traveller program, our Meet the Manager programs and our customer feedback management program (Listen) where we record,

respond and analyse feedback across multiple channels. This data provides insights into customer perceptions, issues and trends. We audit our customer experience via our formal program T.ex, to identify the pain points and opportunities to create a better customer experience.

Transdev is also focused on continually improving our customer experience by providing real-time information to customers particularly through times of planned and unplanned disruption.

Overwhelmingly 97% value private operator's international technical resources and expertise. Transdev recently completed a pilot program partnership with Transport for NSW and our global behavioural science unit CHANGE by Transdev. It applied a scientific approach to modify customer perceptions and behaviours and achieved a 21% improvement in fare compliance across Sydney's light rail network.



2 Modal Integration

This is the second priority of transport authority leaders. A range of 78% to 90% of respondents across the five countries plan to take action to improve modal integration in the next three years. A high percentage expressed a commitment to the following:

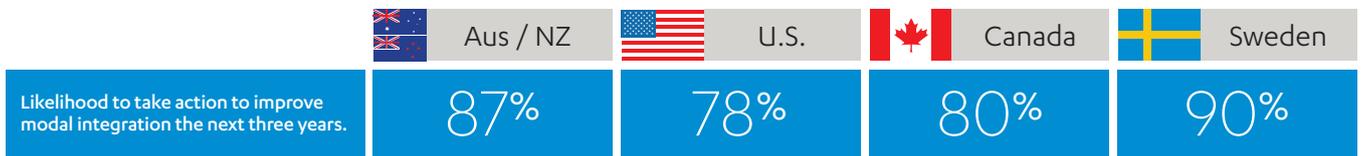
- providing seamless end-to-end customer journeys (67%)
- re-designing their bus system (61%)
- implementing or expanding ride-hailing (46%)
- implementing alternative modes (53%)
 - car share, bike share, car pools or ride sharing.

A high percentage look to private operators for proven intermodal expertise (64%).

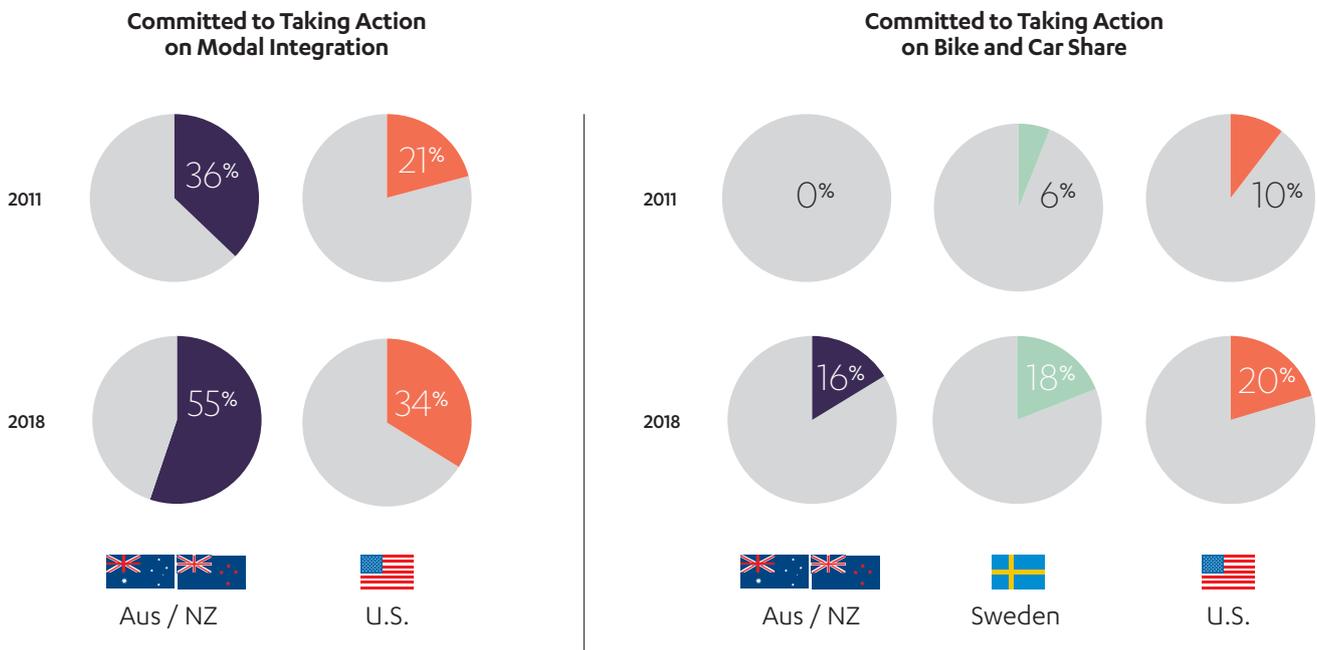
“We need to evolve with changing customer trends and people’s interest for more on demand services.”

Customers want service that is immediate, convenient, flexible and affordable. They are adopting ride share services for this reason, but ride share services are not always affordable or accessible. Our challenge is meeting the needs of these customers in a way that works and at a cost customers are able and willing to pay and that can be supported by taxpayers.

— Canadian transport decision maker



From 2011 to 2018, there is a significant increase in commitment to prioritising modal integration:



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With rising congestion levels and population growth impacting our cities, more people are using public transport than ever before. When asked what the main public transport challenge was in the next three years, the number one response was meeting growing demand. With increasing network pressures, 87% view improving modal integration and 65% see first- and last-mile solutions as key goals for improving services.

Transdev is the largest provider of multi-modal public transport services in Australia and New Zealand, operating seven modes

– heavy rail, light rail, bus, coach, ferry, on demand and now autonomous shuttles. We understand customers today expect seamless end-to-end mobility where all modes work together and are well-integrated.

In Sydney, Transdev proudly operates two On Demand Services as part of Transport for NSW’s innovative on demand public transport trials. Ride Plus is a point to hub on demand service operating in Manly and surrounds and Transdev Link is a point to point on demand service operating in the Sutherland Shire. Both of Transdev’s

on demand services combine pioneering technology with high operational efficiency and importantly improve modal connections with key train, bus and ferry transport hubs. Our Ride Plus and Transdev Link services have been well received by customers with an average of 1,100 weekly customer trips being completed and a 4.89 customer service star rating.

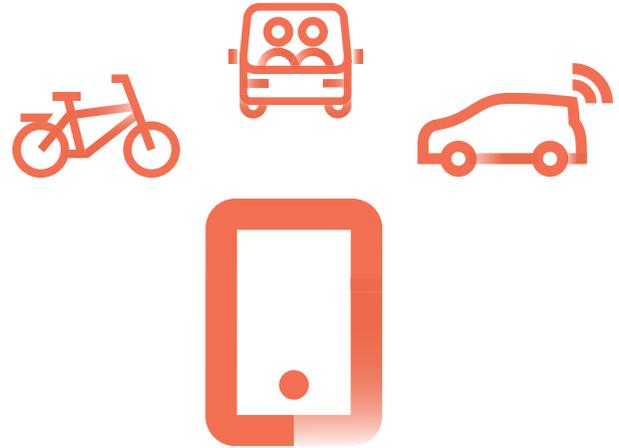
We are committed to helping our clients improve transfers and multi-modal connectivity, as it is a key contributor to customer satisfaction.



3

Mobility as a Service (MaaS)

We focused the 2018 Barometer to include significant attention to the new mobility space, given the massive changes underway in our sector. This includes “Mobility as a Service” (MaaS) which is defined as a single place to plan, book and pay for mobility, combining public transport, car-pooling, ride-sharing, ride-hailing, bike-sharing and other services. Interest in MaaS is very high in all countries, including 72% in Sweden and 74% in the U.S., who are either taking action toward implementing MaaS or are interested in developing it.



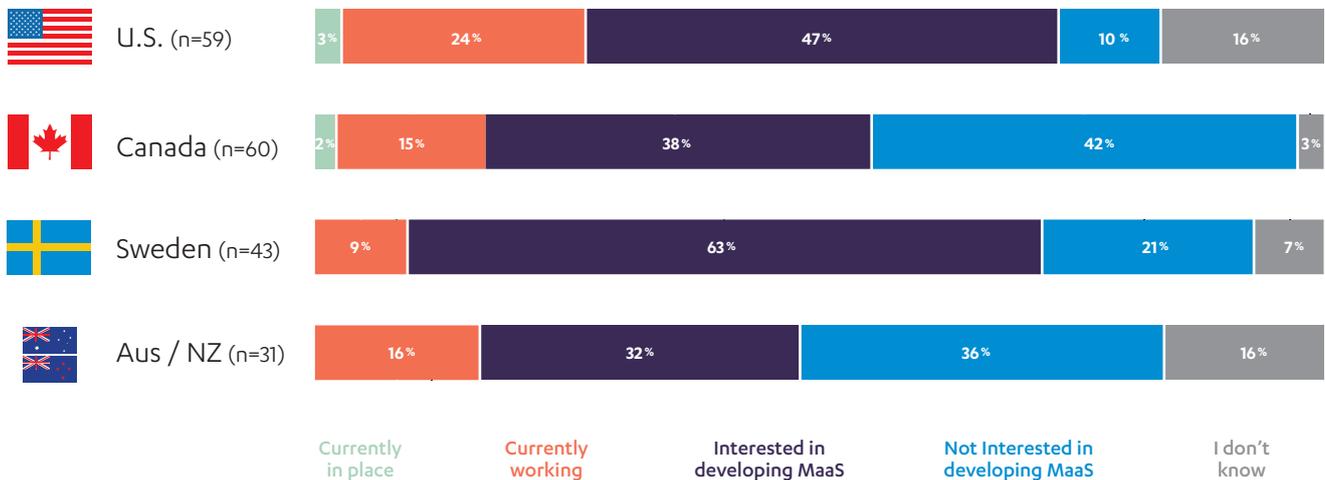
Keeping up with technological innovation to remain customer friendly and cost effective.

— U.S. transport decision maker

Relatively fewer transport leaders in Canada and Australia/New Zealand (55% and 48% respectively) are working toward MaaS or interested in doing so. Some 11% of all respondents don't yet know if they are interested in developing a MaaS platform.

Transport leaders in the U.S. and Sweden see MaaS as a major future opportunity for our industry and for customers.

High Levels of Interest in Developing a MaaS Platform



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MaaS is a real revolution in the way it is helping people organise the way they travel. While Australia and New Zealand are looking to take advantage of MaaS, interest and actions are still early stages. Forty-eight percent advised they have actions and interest in MaaS. Only 16% indicated they are working towards MaaS and 0% have MaaS platforms in place.

Strong partnerships between public and private sector will be crucial if we are to harness the MaaS potential to transform transport. Transdev is working

in partnership with Intelligent Transport Systems (ITS) to deepen the understanding of global advances in MaaS technology and determine how operators and public transport authorities can partner to deliver best outcome for customers.

At Transdev, we see our strengths as collaborators and innovators to help foster real potential for MaaS development in Australasia. We have been delivering MaaS solutions in Europe since 2016 in France with the Moovizy platform. In September 2018, Transdev launched the Mobility

Account in Mulhouse, France – a first in Europe that proposes a fully integrated MaaS platform with multiple modes: bus, trams, bikes, car sharing and parking. The platform will provide its users with an individual and tailored account enabling them to pay each month in post-payments for their journeys at the best rate, regardless of the transport operator or service provider.

We know that MaaS will simplify and enhance the customer experience which will promote further use of public transport.

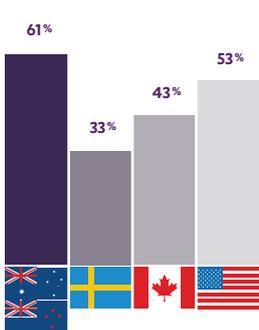


4 Emerging New Mobility Options

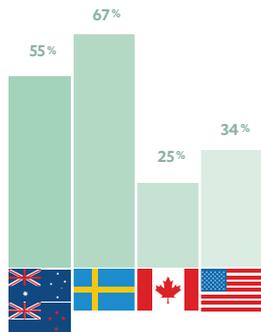
There are new technologies emerging which our training system must be on top of so that we are learning about the innovation and new technologies that are emerging in the industry.
— Australian transport decision maker

Interest in testing autonomous vehicles

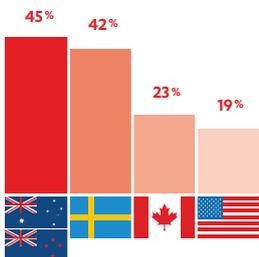
Aus / NZ (n=31), Sweden (n=43), Canada (n=60), U.S. (n=59)



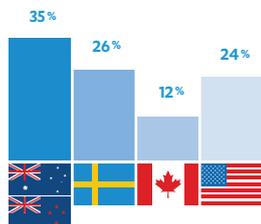
As a first and last mile solution
(shuttle, transport on demand, and targeting populations with specific needs)



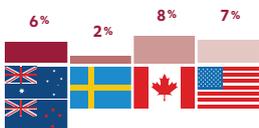
In closed environments
(hospital, university, and planned communities)



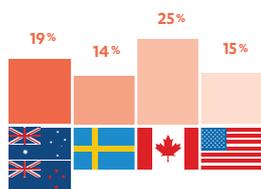
As a bus replacement for off-peak hours



In downtown pedestrian areas



Other



None

Of the questions raised regarding emerging mobility solutions, there is high interest in first- and last-mile solutions for low-density areas for the development of autonomous vehicle and shuttle systems. First- and last-mile services are among the priorities to improve transport systems with expected action by 72% in Sweden, 68% in the U.S., and 65% in Canada and Australia/New Zealand.

Many see partnering with a private transport operator as a likely option, including 76% of transport leaders in the U.S., 70% in Sweden, 61% in Australia/New Zealand and 55% in Canada.

As for autonomous vehicles, all countries are interested in deploying and testing AVs in the next 3 years with an average of 43%, with the U.S. at 52%.

There's a possibility of deploying AVs in a shuttle service within airport parking areas – but not on public airport roads.
— U.S. transport decision maker

Transport authorities see AVs as strong contenders for utilising in first- and last-mile solutions. The top ways transport leaders see the following uses of AVs:

- First- and last-mile solutions (47%)
- Closed environments like hospitals, universities and planned communities (42%)
- Bus replacement at off peak hours (30%)
- Downtown pedestrian areas (22%)

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At Transdev we see the future of transport as P.A.C.E; Personalised, Autonomous, Connected and Electric.

The research supports a local appetite for emerging mobility options with 48% testing or interested in testing autonomous shuttles as a first- and last-mile solution or within closed environments. In Australia, Transdev recently completed a six month roadshow visiting metropolitan and regional cities

demonstrating our autonomous shuttle. We were also selected as a trusted partner of the NSW Government along with Armidale Regional Council and EasyMile to carry out a one year autonomous shuttle trial, with the findings to be used and applied to other parts of the State.

Transdev is well positioned to work with cities to make emerging new mobility options happen. We have global expertise in operating, maintaining autonomous

shuttle systems and transporting more than two million passengers since 2005.

We also operate the largest electric vehicle fleet in The Netherlands offering innovative, technical and industrial solutions to reduce the environmental impact of public transport.



Working in Partnership

Transdev has been a leading provider of mobility solutions across Australia and New Zealand since 1998. Our team of 5,800 employees enable 145 million customer journeys a year across seven modes including heavy rail, light rail, bus, coach, ferry, on demand and now autonomous shuttles.

As a daily provider of mobility services we understand the pace of change is accelerating. Resources are constrained and public transport decision makers are face increasing demands for better customer experience, seamless integrated journeys, and new mobility options.

Transdev's 2018 Barometer puts quantifiable numbers to these challenges and opportunities in Australia and New Zealand:

- 87% of authorities surveyed want to enhance the passenger experience and 77% plan to use data science to increase customer knowledge
- 87% want to improve modal integration for seamless end-to-end journeys
- 81% will implement or expand light rail, heavy rail, bus or ferry services
- 65% are looking to increase services via first and last mile solutions.

The survey also outlines your key expectations of private operators and your future priorities for public transport in the region. This helps us shape our commitment to you to keep communities on the move.

Delivery expectations	Future priorities	Transdev's commitment
<ul style="list-style-type: none">• Partnering to solve industry wide challenges together• Stimulating innovation through global technical resources• Implementing first-and last-mile solutions• Offering intermodal expertise• Unflinching focus on improving customer satisfaction• Supporting efforts to achieve GHG emissions reductions.	<ul style="list-style-type: none">• Meeting growing demand• Expanding networks, increasing services• Improving modal integration• Strengthening our customer service culture• Fostering service delivery innovation• Achieving value for money outcomes• Supporting MaaS and other new emerging mobility options.	<ul style="list-style-type: none">• Be Journey Makers and communicate openly and often to strengthen our community relationships• Deliver Operational Excellence and exceed performance, reliability and customer experience standards to increase patronage• Adapt fastest and innovate with you to drive local and emerging new technologies• Grow sustainably ensuring we provide best value for money while being ethically and socially responsible in all that we do.

As Journey Makers, our role is to exceed the expectations of the communities we serve and to contribute to liveability and the sustainable development of our cities. From design to operation and project ownership, Transdev is a trusted partner to build effective, innovative and responsible mobility solutions addressing the needs of today and tomorrow.

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integrator of mobility,
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