

Association of Train Operating Companies

# **Accurate and Impartial Retailing 2016: Ticket Offices**

***Final Report***

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## 2016 Accurate and Impartial Retailing Survey

### 1. Introduction

In February 2016, the Association of Train Operating Companies (ATOC) appointed Line by Line Ltd. to advise on the methodology for the 2016 Retail Mystery Shopper Survey. The survey has been carried out annually since 1997.

The purpose of this report is to outline the steps taken in the design of the 2016 Accurate and Impartial Retailing Survey and to comment on the results. In order to establish a consistent measure of Train Operating Company (TOC) performance over successive years this year's methodology is broadly based on that used by ATOC since 1999.

### 2. Background

The underlying objective behind the Mystery Shopper Survey is to improve the accuracy of station ticket retailing. The purpose of the survey is to measure this, with the key output being a table of industry retail performance by scenario and an overall industry score.

The key principle underlying the design of the methodology is that accuracy of retailing at stations is sampled and evaluated in the research in a way that is reflective of current customer transactions. This has two implications for the survey:

- The transactions undertaken by the mystery shoppers are based on actual transactions as recorded in LENNON, the national rail ticket sales database;
- The results by scenario are weighted by the actual proportion of ticket issues for each scenario so that the overall weighted score reflects the mix of ticket issues.

The process involves generating plausible customer questions in different ticketing scenarios. These random scenarios are chosen based on the most current ticket data and the definitions are the same as 2015. The ticket purchases are split into scenarios using assumptions laid out in section 4.

Overall sample sizes were the same as last year with 2,000 shops. As in 2015, there were three significant features to the methodology:

- There were no minimum sample sizes for scenarios so that scenarios could be selected at random based on ticket type. For this reason, there are much lower sample sizes for some scenarios such as First Class and Disabled Railcard;
- There was one restriction placed on scenario sample size. As before a maximum of 400 Scenario 1 records was set to ensure that this scenario would not be too dominant in the sample. However, the impact of this scenario is then restored with the weighting process;

- For the purposes of scenario analysis, some records which were picked at random were permitted to count towards more than one scenario. For example, purchasing a Brighton-London ticket at Worthing ticket office with a 16-25 Railcard would prior to 2015 have been allocated to the Remote Scenario and the railcard element removed. However, this year as in 2015, the record was permitted within each scenario. This means that records available for scenario analysis are higher than the 2,000, improving statistical significance. Also the survey is more representative as it takes into account more transactions with multiple facets.

Although, some records were allocated to more than one scenario, each record was given a primary scenario.

**Table 1: Comparison of sample sizes for 2016 and 2015**

Scenario No.	Scenario Description	2016 target shops	2015 target shops
1a	Turn up & go, return same day. Priority = flexibility/speed	284	307
1b	Turn up & go, Single. Priority = flexibility/speed	99	102
1c	Turn up & go, Return same day. Priority = cost	12	13
1d	Turn up & go, Single. Priority = cost	5	7
2	Turn up & go return 7 days' time	274	247
3	First Class	11	10
4	Advance Purchase	132	116
5	Remote Sale	237	248
6a	Frequent traveller (5 days a week)	105	129
6b	Frequent traveller (4 days a week)	53	43
6c	Frequent traveller (3 days a week)	52	43
7	Monthly or longer season ticket	82	82
8	Travelling with other adults	230	226
9a	Railcard-Senior	151	153
9b	Railcard-Family & Friends	31	29
9c	Railcard-Network	41	32
9d	Railcard-16-25 year old	157	173
10	Disabled traveller (using Disabled Persons Railcard)	44	40
<b>Total</b>		<b>2,000</b>	<b>2,000</b>

### 3. Scenario Definitions

The ten basic scenarios and their characteristics are shown in Table 2 below and described in further detail following the table.

**Table 2: Definition of the Ten Scenarios**

Scenario Number	Time of Travel	Return Date	Class	Customer Priority	Additional Factors
Turn up and go					
1	Immediate	Same day (or not if single)	Std	Journey time or cost	None
2	Immediate	7 days later	Std	Cost	Route & prices
First Class					
3	Immediate & Future	Same day	1 <sup>st</sup>	Comfort	Discounts on advance
Advance purchase					
4	Two weeks' time, off-peak	7 days later	Std	Cost	None
Remote sale					
5	Next day	Same day	Std	Cost	Route & prices
Frequent Traveller					
6	From today	3,4 or 5 days in same week	Std	Cost	None
Monthly season ticket					
7	Immediate		Std	Monthly season ticket	Multi-modal options
Travelling with other adults					
8	Immediate	Same day	Std	Cost	Group ticket options
Railcard user					
9	Same day and future	Same day & future	Std	Cost	None
Disabled Railcard					
10	5 days' time	Same day & future	Std	Accessibility	Minimise interchanges

Note that all scenarios involve return journeys except Season tickets and the single ticket sub-scenarios of scenario 1.

**Scenario 1 – Turn Up & Go, Return Today or Single ticket**

This scenario is based around a requirement for immediate travel either returning today (1a) or asking for a single ticket (1b). Both 1a and 1b shoppers want maximum flexibility as to the departure of the next most convenient train and to the time of the return journey later in the day, in the case of 1a. 1c and 1d are sub-scenarios where a shopper asks for a return or single but a cheaper fare is more important than flexibility.

**Scenario 2 – Turn Up & Go, Return in 7 Days' Time**

This is very closely based on Scenario 1. The difference is that the return ticket is for 7 days' time and cost is the main criterion, rather than journey time. The return journey time can be flexible, so slower but cheaper routes may be offered.

**Scenario 3 – First Class**

This is the only scenario asking about First Class, and comfort becomes the principal criterion with cost the second. In other respects it is broadly similar to Scenario 1. The journey will be one where First Class is available for at least part of the route. A proportion of these are designated as "weekend" so that the availability of cheaper first class supplements like Weekend First can be tested.

**Scenario 4 – Advance Purchase**

The advance purchase scenario considers the case of purchasing a ticket a significant time in advance – typically two weeks – to allow sufficient time to qualify for advance purchase fares. Advance purchase fares are quota restricted and come with reservations for specific trains. The return journey was specified as seven days following outward travel. All shoppers asked the clerk whether the ticket being sold was an Advance ticket and the clerk's response was noted. Where the shopper was informed that the Advance quotas had been checked and were no longer available, the shop was deemed void.

**Scenario 5 – Remote Sale**

The exercise for this scenario involves buying a ticket to travel from a station other than the one at which the purchase is being made. The principal criterion is cost, so some options with cheaper but slower routes may be presented.

**Scenario 6 – Frequent Traveller**

This scenario involves a shopper travelling 3, 4 or 5 days for this week only (starting from today) and asking the clerk for the cheapest way of doing this. This scenario is designed to test the clerk's ability to check whether several day tickets is cheaper than a weekly season or whether Oyster Pay As You Go (PAYG) in London may be the cheapest option. As per last year, all mystery shoppers for this scenario had passport photos in their possession so that if they were not offered a season (when it was the cheapest option), it would be down to the clerk's error rather than the shopper's.

**Scenario 7 – Monthly season ticket**

The test involves advance purchase of a monthly Season ticket with travel commencing from the following day. In London and Passenger Transport Executive (PTE) areas, integrated travel options (e.g., Travelcards) will be included.

**Scenario 8 – Travelling with other adults**

This scenario involves a shopper travelling with two other adults and asking the cheapest way of doing this. This is designed to test whether cheaper adult group options such as GroupSave are offered.

**Scenario 9 – Railcard User**

This is the only scenario involving purchases with railcards. The exercise involves 16-25, Senior, Family & Friends and (in the South East) Network Railcards. The Family & Friends Railcard option requires purchase of tickets for an adult and one child; the other three railcards involve the customer shopping for a friend or relative travelling alone. For fieldwork purposes, this scenario is split into four according to railcard. The Senior and Family & Friends sub-scenarios involve purchase of a ticket to return a week later while the 16-25 and Network sub-scenarios involve day return travel.

**Scenario 10 – Disabled Railcard**

This scenario involves buying a return ticket with a Disabled Railcard. It is designed to test the special needs of a passenger rather than merely speed, flexibility or cost. The shopper should be sold a ticket which minimises interchanges and has assistance available as well as a disabled toilet and these requirements take priority over other aspects such as cost.

## 4. Methodology Summary

### 4.1. LENNON Data Collection

Information on annual ticket sales for year ending 31 March 2016 was obtained from the LENNON sales database for each ticket sales location for each retailing TOC. This was broken down by Ticket Type, Ticket Status (i.e. with or without Railcard, and adult or child), and associated journey origin and destination. Records with differences between ticket selling location and journey origin were used in conjunction with scenario 5. During this stage, the outputs were checked and the following sales points were removed:

- Ticket Vending Machines (TVMs) – note that these were shopped separately as part of another exercise
- Telesales offices
- Business Travel Offices and travel centres
- Any other non-station sales points, especially Internet.

The remaining stations were checked in conjunction with the National Rail website to confirm that they were valid station ticket offices. Note that in some cases, a station will have more than one ticket office and each of these can appear separately in the sample if it has enough transactions. In a few cases, ticket offices at the same station are operated by different TOCs such as Euston (Virgin West Coast and London Midland) and Liverpool Lime Street (Northern and Merseyrail).

### 4.2. Scenario methodology

As our starting point, we selected a disproportionate stratified sample, selecting a maximum of 400 flows (where a flow is defined as a unique origin-destination-scenario combination) from Scenario 1, while the other scenarios were sampled in direct proportion to the ticket types and travel cards representing the scenario.

As the sample design is disproportionate, the overall pass rate was weighted by scenario at the analysis stage, to ensure it is a representative of all ticket types (see section 4.4).

Although the methodology is not designed to measure retail accuracy by TOC, to ensure a representative spread of mystery shops across all TOCs, the sample size within each scenario for each TOC will be proportional to the corresponding ticket issues.

### 4.3. Allocating flows to scenarios

For each TOC, all Origin and Destination, Ticket Type and Status flows were downloaded from LENNON to MS Excel. Ticket flows were then allocated to scenarios based on the scenario definitions. These were based on LENNON ticket type and status definitions (as shown in Table 4 below) with three exceptions:

- Scenarios 1c and 1d were based on choosing which of the Scenario 1 journeys could involve a cheaper dedicated or routed ticket based on checks using a combination of network and fares data.
- Frequent Traveller flows were taken from a sample of weekly season records;
- Travelling with other adults flows were taken from a sample of tickets purchased with group ticket types.



For each scenario, a sample of flows was randomly selected from each TOC file. The sample size for each TOC and scenario pair was calculated proportional to the ticket sales of the scenario type in that TOC. As in previous surveys, this random sampling process was proportionate to the issues of each flow.

As last year, a minimum sample size requirement for each TOC was also stipulated by ATOC. To accommodate this in the sampling plan the sampling was split into two sections. An initial sample was selected that achieved the minimum requirements for each scenario in direct proportion to ticket sales within that scenario. At the second stage a number of extra flows were selected for those TOCs which did not achieve the minimum sample size in stage 1. This involved a small number of flow samples so has a very minimal impact on the representative breakdown of the sample

Previously these scenarios would have been sampled at station level but as we require a fixed sample size for each scenario, it is much more efficient to randomly select them at TOC level. Additionally, as the sampling within scenarios is now completely random and not weighted, the sampling error is reduced.

However, as shown in Table 3 below, there is a representative range of station sizes being sampled in 2016. This table shows the number of stations within each size band for the railway as a whole and the number surveyed within each size band.

**Table 3: Selected station ticket offices by group**

Group Number	Ticket Issues Per Year	Number of Ticket Offices	Number of ticket offices sampled 2016
1	> 750,000	7	7
2	> 195,000	149	141
3	> 47,000	429	302
4	< 47,000	797	239
<b>Total</b>		<b>1382</b>	<b>689</b>

#### 4.4. Creation of scenario weights

As noted earlier, the overall rail pass rate needs to reflect the number of different transactions by scenarios; i.e., it needs to be a weighted result across the different scenarios based on LENNON issues and any other relevant market research available. Our definition and assumptions used in calculating the weights by scenario are shown in the table below.

**Table 4: Definition of scenario weights**

Scenario description	Scenario Number	Description
Turn up and go	1a	All Standard Class returns, non-advance purchase tickets, not from remote stations, not using a Railcard and travelling back the same day.
	1b	All Standard Class singles, non-advance purchase tickets, not from remote stations, not using a Railcard.
	2	All Standard Class, non-advance purchase return tickets, not using a Railcard and able to stay away at least one day.
First Class	3	All First Class tickets excluding seasons and advance purchase products.
Advance Purchase	4	All advance purchase tickets.
Remote Sale	5	Based on proportions from large sample of LENNON records studied as part of the Scenario Review (2010)
Frequent Traveller	6	Based on proportions from National Passenger Survey and National Rail Travel Survey analysis (2010)
Monthly season	7	All Standard Class season tickets with a validity of between 30 and 89 days.
Travelling with other adults	8	Based on proportions from large sample of LENNON records studied as part of the scenario review (2010)
Railcard User	9	All Standard Class tickets, non-advance purchase stations, using one of the 4 major railcards.
Disabled Railcard	10	All Standard Class tickets, non-advance purchase, not from remote stations, using a Disabled Railcard.

Note: Apart from Scenarios 9 and 10, all tickets are at public adult rate

#### 4.5. Reality check

Once all the mystery shop records had been selected, each record was checked to ensure that the ticket type and journey were compatible, for instance, to ensure that a same day return ticket was not bought for a journey between Portsmouth and Aberdeen. This is a very important concern, because any unusual ticket requests may alert the ticket office to the presence of a mystery shopper.

## **5. Fieldwork and Marking**

Line by Line (LBL) provided the fieldwork company, ESA, with a set of survey records. As well as carrying out the shops, ESA also marked the shops with any that they were unsure of, being sent to ATOC for further adjudication.

Spreadsheets which contained data on each completed transaction were sent from the fieldwork company to ATOC and LBL. LBL then sent those that were marked fails to TOCs for comment.

As in previous years, electronic copies of the actual tickets purchased were sent with the failure information.

Of the 18 TOCs covered by this research:

- 8 investigated the draft fails and engaged with the appeals process (GA, ATW, Chiltern, EMT, GTR, Merseyrail, SWT and VTEC)
- 2 have no individual to contact regarding the process and so RDG reviewed the drafts on their behalf (LOROL and TfL Rail)
- 1 TOC failed to acknowledge attempts to contact them regarding the process at all and so RDG reviewed the drafts on their behalf (TPE)
- 7 TOCs acknowledged receipt of the draft fails but then offered no further response, so RDG reviewed the drafts on their behalf (c2c, GWR, LM, Northern, SE, ScotRail and VWC)

After the return of these records from TOCs, ATOC made a further adjudication when TOCs had disputed a particular record. The data was then sent onto LBL for analysis of failure rates and reasons for failure.

## 6. Analysis of Results

### 6.1. Response Rates

31 of the 2,000 (1.2%) of the mystery shopper were not completed successfully, leaving 1,969 completed transactions (98.5% response rate) for analysis. This is higher than last year (97.9%) and higher still than 2014 (97.7%). The main reasons for the reduction from 2,000 to 1,969 were as follows:

- 12 records (0.6% of the proposed sample) were removed where no transaction took place because a ticket office was closed during its advertised opening hours. Because the transaction itself had not failed, these records were not classified as “retail” failures but were removed from the analysis sample. More on these records is shown in section 7.1. This proportion of closures is lower however than that recorded last year (0.8%).
- There were also 12 records (0.6%) where transactions were considered “void” because it was unclear from the shopper records whether they were passes or fails. This is a slightly better position than last year where this figure was 0.8%.

A breakdown of the completed shops by scenario is shown in Table 5 below.

**Table 5: Completed transactions by scenario (based on primary scenario)**

Scenario Number	Scenario Description	Sample size	Completed	Response rate
1	Turn up and go, return same day	400	397	99.3%
2	Turn up and go, return 7 days	274	268	97.8%
3	First Class	11	11	100.0%
4	Advance Purchase	132	131	99.2%
5	Remote Sale	237	235	99.2%
6	Frequent Traveller	210	204	97.1%
7	Monthly Season ticket	82	80	97.6%
8	Travelling with other adults	230	230	100.0%
9	Railcard	380	370	97.4%
10	Disabled Railcard	44	43	97.7%
<b>Overall</b>		<b>2,000</b>	<b>1,969</b>	<b>98.5%</b>

### 6.2. Success Rates

The 1,969 completed shops were used to calculate the proportion of successful mystery shop transactions. These figures were broken down by scenario. As noted earlier, to ensure that the overall industry result was a true reflection of the actual mix of ticket types purchased, the success rates were weighted using LENNON ticket issues data from the year ending March 2016.

Table 6 contains these results and the associated 95% confidence intervals. Confidence intervals are shown in Table 6 to demonstrate whether pass rates are statistically significant -if the (absolute) difference between the pass rates is greater than the confidence interval then the difference is said to be “statistically significant”. Statistical significance means that any differences are likely to reflect actual behaviour changes as

opposed to random fluctuations or “scatter” in the pass rate data such as might result from choosing a different sample of stations or survey dates (e.g., staff may differ).

As per previous years, the target pass rate was 96.5%. The overall (all-scenario) score of 97.4% this year is above this target and with a confidence interval of 0.7%, this result is statistically significant.

The overall score of 97.4% is also well above last year’s score of 94.8% and this difference is also statistically significant.

Table 6 shows that on an individual scenario level, there are several scenarios that are significantly different from last year – significance defined as the difference between the 2016 pass rate and the 2015 pass rate being higher than the confidence interval. The statistically significant scenarios are shown in italics – there are only statistically significant improvements this year.

**Table 6: Mystery Shopper Success Rates by scenario**

Scenario Number	Scenario Description	Pass rate 2016	95% Confidence Interval 2016	Sample Size 2016	Pass rate 2015
1	<i>Turn up and go, return same day</i>	99.0%	1.0%	397	96.9%
2	<i>Turn up and go, return 7 days</i>	96.3%	2.1%	301	92.2%
3	First Class	91.7%	15.6%	12	90.9%
4	Advance Purchase	96.1%	3.1%	154	95.1%
5	Remote Sale	95.3%	2.7%	235	93.0%
6	<i>Frequent Traveller</i>	89.4%	4.1%	217	82.6%
7	Monthly Season ticket	95.0%	4.8%	80	98.8%
8	Travelling with other adults	95.3%	2.7%	234	95.2%
9	<i>Railcard</i>	97.1%	1.5%	477	93.6%
10	Disabled Railcard	100.0%	n/a	46	95.2%
<b>Overall</b>		<b>97.4%</b>	<b>0.7%</b>	<b>2,153</b>	<b>94.8%</b>

As last year, sample sizes were too small to enable statistically robust analysis by TOC. However, more disaggregate analysis of pass rates was undertaken on a sector basis with TOCs divided between Long Distance, London and South East and Regional.

Table 7 below shows the pass rates by sector with Regional TOCs scoring highest. While the difference between Regional and the other sectors is statistically significant, the difference between Long Distance and L&SE is not. Note that all three sectors had statistically significant improvements on 2015.

**Table 7: Unweighted pass rates by industry sector**

Sector	Pass rate 2016	Pass rate 2015	Pass rate 2014
Long Distance	95.3%	91.3%	95.8%
London & South East	95.0%	91.7%	93.6%
Regional	96.8%	95.0%	93.1%

### 6.3. Reasons for failure analysis

Using data gained from the marking stage, those records which were marked as “failures” were analysed.

Table 8 below shows the analysis of reasons for failure by scenario.

**Table 8: Reasons for failure by type of failure and scenario**

Reason for failure	1	2	3	4	5	6	7	8	9	10	Total
Cheaper routed ticket not sold	3	7						1	6		17
Day tickets rather than cheaper weekly						16					16
Incorrect discount applied					4			7	3		14
Single instead of return		1	1		1	1			1		5
Day return rather than period return				1	1	1			1		4
Incorrect destination		1			1	1	1				4
Off-peak rather than peak		2		2							4
Peak rather than off-peak								2	2		4
Refused to sell ticket				1		1	2				4
Incorrect origin	1				2						3
Incorrect date on ticket					2						2
Multiple tickets for same day rather than individual ticket for several days						2					2
Period return rather than day return				1					1		2
Cheaper group ticket not sold								1			1
Incorrect number of tickets						1					1
Incorrect time of ticket				1							1
Rail only rather than multimodal							1				1
<b>Grand Total</b>	<b>4</b>	<b>11</b>	<b>1</b>	<b>6</b>	<b>11</b>	<b>23</b>	<b>4</b>	<b>11</b>	<b>14</b>	<b>0</b>	<b>85</b>

Overall, there were far fewer failures than last year (85 cf. 141). The main category which declined was “not selling a cheaper routed or dedicated ticket” where there were only 17 instances this year compared with 68 last year. A significant fall was also recorded for “selling day tickets rather than a cheaper weekly season” which fell from 25 last year to 16 this year.

However, the table also shows that these two reasons for failure are still the major types along with an “incorrect discount applied” which generally applies to railcard or group travel tickets.

As with previous years, we also split the type of failure into one of three groups:

- **Transaction failures** – where a clerk refused to sell a ticket without sufficient reason. While there were two instances of this last year, there were four this

year. Note that mystery shoppers are instructed to persist in trying to buy a ticket even if the clerk initially advises against.

- **Pricing failures** – where the correct ticket was sold but at the wrong price. This includes selling tickets in the Railcard scenario at the wrong discount and selling tickets for more than one traveller without an appropriate group discount. There were 15 instances of pricing failure this year, compared with only eight last year. Of the 15 failures, eight were associated with the Travelling with other Adults scenario (scenario 8).
- **Ticket failures** – where a ticket was sold but it was incorrect or inappropriate to the scenario for various reasons. This was by far the most common type of failure this year, accounting for 66 of the 85 failures. As noted earlier, not selling a cheaper routed/dedicated ticket was the single most common failure but there were also many instances of other failures, especially selling day tickets rather than a cheaper weekly season.

Reasons for failure for each scenario are now discussed in further detail.

### Turn Up and Go Scenarios

As per previous years, Scenario 1 was split into four sub-scenarios: -

- 1a (Turn up and go return same day, flexibility);
- 1b (Turn up and go, single journey - flexibility);
- 1c (Turn up and go return same day wanting cheapest ticket); and
- 1d (Turn up and go – single journey wanting cheapest ticket).

There was only one failure within scenario 1a, compared with eight last year, resulting in a pass rate of 99.6% for this sub-scenario – significantly higher than last year's 97.4%. The failure involved selling a ticket with an incorrect origin. The improvement in this scenario, which has the largest weight of any scenario, had a significant impact in improving the overall TOC score.

Scenario 1b had no failures this year compared with only one last year. This result is to be expected as this sub-scenario is the most straightforward of all.

Scenarios 1c and 1d are more complex scenarios as they are testing the clerk's ability to sell cheaper but often slower or less convenient turn up and go tickets. Reflecting the relative rarity of these scenarios amongst the general public, few shops of these types were undertaken. As a result, the three failures recorded in 1c mean that the overall score for this sub-scenario was only 75%. However, in contrast, 1d which usually also scores poorly had no failures this year. All of the failures in 1c were for not selling a cheaper routed or dedicated ticket.

Scenario 2 which is Turn Up and Go but Return a Week Later recorded 96.3% this year, significantly up on the 92.2% last year. As seen in Table 8 above, most of the failures (around two thirds) were associated with cheaper dedicated or cheaper routed tickets not being offered.

### First Class

This scenario scored slightly above last year (91.7% vs 90.9% last year), although the improvement is not statistically significant. There was only one failure -selling a single rather than the return requested.

**Advance Purchase**

This scenario score of 96.1% was an improvement on last year's score of 95.1%, although the difference is not statistically significant. As with recent years, the main reasons for failure were not associated with the advance nature of the product, such as not offering Advance products to the shopper which had dominated the failures in this scenario before 2014. Instead, the six failures this year involved a number of reasons, the largest single one being selling an off-peak ticket when the customer asked to travel in the peak.

**Remote Sale**

This scenario improved on last year although this change was not statistically significant. There were 11 failures this year, the most significant being failure to give the appropriate discount for cases where a remote ticket was bought with a railcard.

This is one of the more complex scenarios and it is interesting to note that there were only two cases of getting an incorrect origin, the reason for failure that one might most expect. It is possible, however, that with the clerk concentrating on getting the origin correct, it makes it more likely that errors will occur elsewhere.

**Frequent Traveller**

As shown in Table 6, while this was the worst scoring scenario this year, a statistically significant improvement on last year was achieved. Of the 23 failures recorded, 16 involved selling several day return tickets rather than a cheaper weekly season (significantly better than the 25 recorded last year). There were also no cases this year which involved the reverse situation – selling a weekly season rather than cheaper day tickets (compared with four cases last year).

Note that, as in the previous two years, the marking regime for this scenario has taken a deliberate hard line over price. There are some cases where there was very little difference between the cheapest option and the ticket(s) that the customer was issued. While in these cases, the price difference may only be a few pence, the marking regime is guided by what is in the customer's benefit.

Finally, this scenario was split into three sub-scenarios involving travel 3, 4 or 5 times a week. Travelling three times a week had a higher pass rate (92.2%) than travelling five times a week (only 88%). This is a surprising result as travelling five days a week should make the weekly season ticket the cheapest ticket in every case (unless compared with five off-peak returns which may be cheaper in some cases but are not appropriate to the flexibility asked for in the scenario). However, in the five days a week sub-scenario, there were 11 cases where day returns were sold rather than a cheaper weekly season ticket. It should be noted, however, that the 5 days a week score was superior to the four days a week (86.8%), a result which is more in line with expectations.

**Monthly Season Ticket**

This scenario declined on last year (statistically insignificant) having been the highest scoring scenario in 2014 and 2015. Four failures were recorded (compared with only one last year), two of which involved the clerk refusing to sell a ticket.

**Travelling with other Adults**

This scenario scored almost identical to last year's. The failures were dominated by not selling the tickets with a group discount which was available for the journey in question.



### Railcards

This scenario scored higher than last year and the improvement was statistically significant. Failures were dominated by not selling a cheaper routed/dedicated ticket and applying an incorrect discount (i.e., not applying the 34% discount at all).

This scenario is split between four sub-scenarios, the Senior, Family and Friends, Network and 16-25 Railcards. There were contrasting scores between the different railcards this year (98%, 93.5%, 92.5% and 96%, respectively) with the Senior and 16-25 Railcards scoring better than the Family & Friends and Network Railcards, although each railcard scored better than last year.

### Disabled Railcard

This scenario was the highest scoring this year with 100%. This was significantly better than 2015 which scored 95.2%.

## 6.4. Station Size Analysis

Analysis by station ticket office size was undertaken this year comparing station ticket offices with over 200,000 issues per year versus outlets with less than 200,000. Table 9 below shows that while small station appear to perform better (as was the case last year) this year the difference is not statistically significant.

**Table 9: Pass rates by ticket office size**

Ticket Office Size	Pass rate	Sample size	Confidence Interval
Large	95.2%	909	1.4%
Small	96.1%	1060	1.2%

**Note:** these pass rates are unweighted

## 6.5. Level of Partial Retailing

There was some evidence of potential partial retailing in 2016 based on the Retail Mystery Shopper survey. Partial retailing is defined to have taken place where the retailing TOC issued a ticket with a route which was not appropriate to the scenario and in doing so may have affected the earnings of other "carrier" TOCs who operate between the same origin and destination. In particular, these instances can occur when:

1. the retailing TOC sells the "any permitted" route rather than a cheaper routed ticket (where a competitor TOC may have gained more), as the scenario demanded;
2. the retailing TOC sells a cheaper routed ticket (where their own TOC stands to gain more) rather than the more flexible "any permitted" route as the scenario demanded.

There were eight instances of "1", but only one of "2". Each of the instances of "1" were within the 17 "Cheaper routed / dedicated ticket not sold" transactions identified in Table 8. There is no evidence of any deliberate strategy by a TOC to increase its earnings through partial retailing; indeed, there is a significant fall in this over last year (where there were 22).

## 7. Analysis of Quality factors

The Retail Mystery Shopper survey also collects information on several “quality-type” factors. These are now analysed in total and by sector and station size where relevant and any significant conclusions are drawn.

### 7.1. Ticket office closures

As noted, under 6.1, there were 12 cases of ticket office closure in the survey this year.

All of the closures were at smaller ticket offices (less than 195,000 issues per annum). Given the lower level of staffing at the smaller ticket offices, it is more likely that these ticket offices will be closed on any given day and this pattern has also been observed in past years.

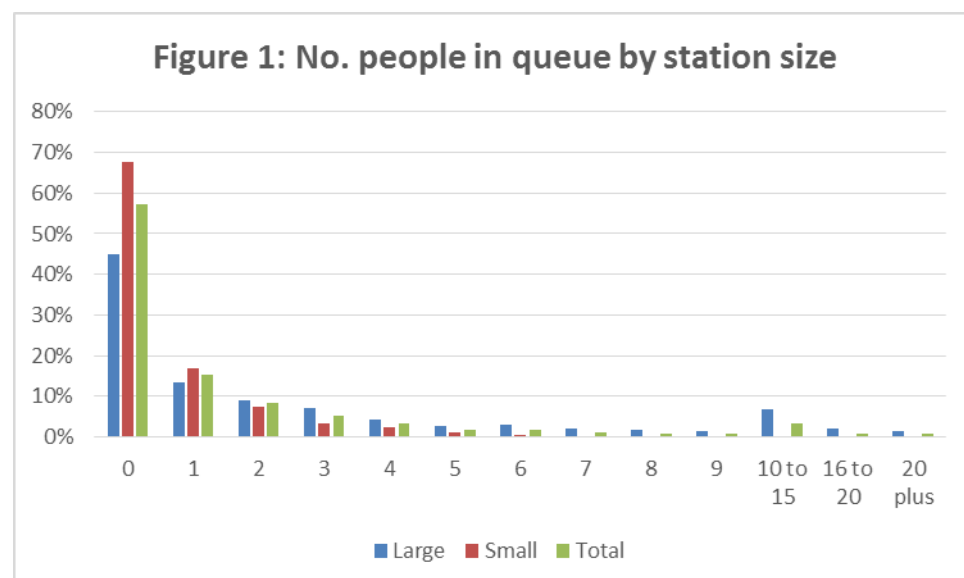
Of the 12 cases of ticket office closure, the mystery shopper readily received information on the reason for closure in four cases.

### 7.2. Queuing Data

Two measures of queuing were recorded in the survey:

- Numbers of people ahead in the queue – a measure of queue length
- Number of minutes waiting to be served (after arrival at station) – a measure of queuing time.

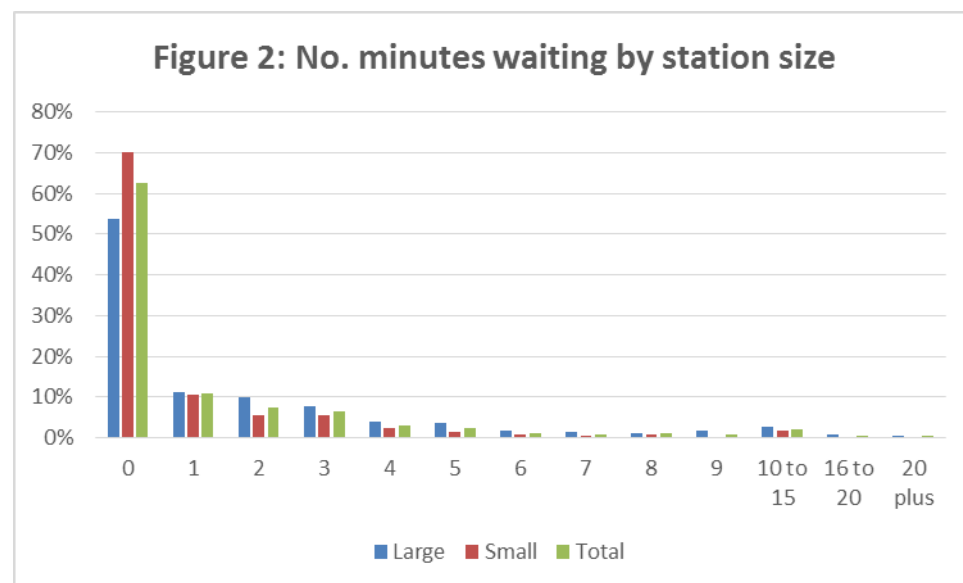
The average number of people in the queue ahead of the shopper on arrival was 1.8, above the figure of 1.6 for last year (see Table 10) but not as high as the average of 2 in 2014. The average of 1.8, though, hides a significant amount of variation as shown in Figure 1 below. Nearly three-quarters of the shoppers in the 2016 survey had no-one or only one person ahead of them in the queue. However, the long tail on this distribution (seen almost totally at the larger stations) pushes the average up to 1.8.



The average number ahead in the queue is strongly correlated with station ticket office size with larger ticket offices having longer average queue lengths (see Table 10).

**Table 10: Number of people in queue by ticket office size and year of survey**

Ticket Office size	2016	2015	2014
Large	3.1	2.6	3.2
Small	0.7	0.5	0.7
<b>Total</b>	<b>1.8</b>	<b>1.6</b>	<b>2.0</b>



A similar pattern is observed in the average number of minutes waiting to be served. The average is 1.6 minutes but the distribution of this shown in Figure 2 is very similar to that in Figure 1 with over half having to wait only a minute. As queue length is longer at larger ticket offices, so is queuing time as shown in Table 11.

Table 11 also shows that as with queue length there has been a significant change in the average minutes waiting to be served higher than 2015 but lower than 2014.

**Table 11: Average number minutes waiting by ticket office size and year of survey**

Ticket Office size	2016	2015	2014
Large	2.2	1.9	2.5
Small	1.2	1.0	1.0
<b>Total</b>	<b>1.6</b>	<b>1.4</b>	<b>1.8</b>

### 7.3. Clerk's questions and actions – outward journey

The Mystery Shopper surveys for 2016 contained a number of yes/no fields on whether the ticket clerk asked the shopper particular questions or undertook particular actions. This sub-section deals with questions that the clerk might be expected to ask about the passenger's outward journey. Note that in some cases, some scenarios have been excluded from these analyses – for example, the Monthly Season ticket scenario, Frequent Traveller and the Turn Up and Go flexibility scenarios (1a and 1b) are not scenarios where travelling earlier/later are relevant.

Table 12 below shows that in only around a third of the cases does the clerk attempt to confirm where the passenger wants to travel and in less than 60% of cases when they want to travel. However, these proportions drop considerably for options which might involve the passenger getting a cheaper ticket using some alternative route, especially for slower trains and for journeys which might involve changes. The lower percentages probably reflect the fact the clerk is likely to know that for some particular transactions there are no appropriate cheaper tickets associated with changing time of travel, using a slow service, changing trains, and/or taking a different route. In two cases here, "Exactly where going" and "Changing trains", small ticket offices show a higher score over large ticket offices which is statistically significant

**Table 12: Proportion asking by question for outward journey by ticket office size**

Clerk asked:	Large	Small	Total
Exactly where going	29.7%	36.4%	33.2%
When departing	56.0%	59.7%	58.0%
Can you travel earlier/later	18.2%	15.8%	17.0%
Can you take a slower service	5.1%	3.6%	4.3%
Would you mind changing trains	3.5%	5.9%	4.7%
Which route are you taking	8.3%	9.6%	9.0%

**Note:** All questions are adjusted by relevant scenario but the results relate to all transactions within relevant scenarios

Comparing these numbers with 2015 figures (Table 13) shows that clerks appear to be significantly worse than 2015 at asking questions about the outward journey, especially in the where and when of the outward journey. Further analysis shows that the poor performance in the "when" is similar across all relevant scenarios.

**Table 13: Proportion asking by question for outward journey**

Clerk asked:	2016	2015	Statistical significance
Exactly where going	33.2%	51.6%	Yes
When departing	58.0%	70.0%	Yes
Can you travel earlier/later	17.0%	19.9%	Yes
Can you take a slower service	4.3%	5.1%	No
Would you mind changing trains	4.7%	5.3%	No
Which route are you taking	9.0%	8.6%	No

**Note:** All questions are adjusted by relevant scenario but the results relate to all transactions within relevant scenarios

#### 7.4. Clerk's questions and actions – return journey leg

This sub-section deals with questions that the clerk might be expected to ask about the passenger's return journey. Note that as in 7.3 above, some scenarios have been excluded – for example, the monthly season ticket scenario and the turn up and go flexibility scenarios (1a and 1b) are not scenarios where coming back at specific times are relevant.

Table 14 below shows that in around 63% of cases, the clerk is trying to ascertain when the passenger is coming back. However, this proportion drops to 38% for time of day returning and just over 30% for confirming the restrictions on the return journey. In terms of differences between large and small stations, none of the differences here are statistically significant.

**Table 14: Proportion asking on return journey questions**

Clerk asked:	Large	Small	Total
When coming back	62.6%	63.9%	63.2%
Time of day returning	36.8%	37.4%	37.1%
Restrictions on return journey made clear	27.1%	34.1%	30.4%

**Note:** All questions are adjusted by relevant scenario but the results relate to all transactions within relevant scenarios

When compared with 2015, Table 15 below shows that in asking about when coming back has generally worsened over last year, although the reduction in making the restrictions clear is not statistically significant.

**Table 15: Proportion asking on return journey questions vs. 2015**

Clerk asked:	2016	2015	Statistical significance
When coming back	63.2%	68.2%	Yes
Time of day returning	37.1%	45.5%	Yes
Restrictions on return journey made clear	30.4%	32.9%	No

**Note:** All questions are adjusted by relevant scenario but the results relate to all transactions within relevant scenarios

#### 7.5. Clerk's questions and actions – cheaper ticket

This sub-section deals with questions that the clerk might be expected to ask specifically about cheaper tickets which may be gained from departing later, travelling by a slower route, changing trains or being offered an off-peak return. As above, these questions are only relevant to some scenarios (and also are not necessarily relevant to every transaction within the selected scenarios). Generally, Table 16 below shows that the proportions of the time that the clerk suggested these options are very low. In some cases, of course, a cheaper ticket may not be a realistic option, nevertheless the proportions when a cheaper option is available is still likely to be higher than the results below apart from the off-peak return option.

**Table 16: Proportion asking on cheaper tickets questions**

Clerk asked:	Large	Small	Total
Cheaper ticket – departing later	7.5%	10.2%	8.9%
Cheaper ticket – slower route	3.9%	3.6%	3.8%
Cheaper ticket – changing trains	2.2%	2.1%	2.1%
Cheaper ticket – off-peak return	56.7%	53.3%	54.9%

Despite the individual proportions being relatively low, however, there is ample evidence to suggest that two of these scores are significantly different from 2015 (Table 17). The deterioration in clerks asking about the cheaper ticket departing later suggest that even though there are fewer cases of clerks not selling a cheaper routed ticket, there is still considerable potential for improvement. However, the improvement in proffering the off-peak return is a step forward.

**Table 17: Proportion asking on cheaper tickets questions vs. 2015**

Clerk asked:	2016	2015	Statistical significance
Cheaper ticket – departing later	8.9%	11.4%	Yes
Cheaper ticket – slower route	3.8%	3.4%	No
Cheaper ticket – changing trains	2.1%	2.3%	No
Cheaper ticket – off-peak return	54.9%	47.1%	Yes

## 7.6. Clerk's question and actions – railcards

This sub-section deals with two specific questions over railcards (see Tables 18 and 19):

- Asking if the passenger had a railcard; and/or
- Suggesting the passenger buy a railcard to reduce the journey cost.

As per other questions in Sections 7.3 to 7.5, this analysis was confined to relevant scenarios.

In terms of asking whether the customer had a railcard, the 20.9% scored here is lower than 2015 and this difference is statistically significant. The proportion of times when the clerk suggested that the passenger buy a railcard to reduce the cost of the journey is very small at 2%, although this is even lower than last year's score and the difference is statistically significant.

**Table 18: Proportion asking on railcard questions**

Clerk asked:	Large	Small	Total
Asked if had railcard	20.6%	21.4%	20.9%
Suggested buying railcard to reduce journey cost	1.8%	2.2%	2.0%

**Table 19: Proportion asking on other questions vs. 2013**

Clerk asked:	2016	2015	Statistical significance
Asked if had railcard	20.9%	25.7%	Yes
Suggested buying railcard to reduce journey cost	2.0%	4.2%	Yes

### 7.7. Conditions of carriage

As in the previous four years, a designated 10% of the shops involved the shopper also requesting to see the national conditions of carriage. Table 20 below shows that just over 77.1% of transactions where the conditions were requested, a positive response was given. The difference between large and small ticket offices here is not statistically significant.

**Table 20: Proportion where clerk gave positive response on Conditions of Carriage**

	Large	Small	Total
Proportion	76.0%	77.7%	77.1%

Table 21 below shows, however, that the proportion of positive responses given by clerks has fallen significantly from 2015. Amongst the non-positive responses, there were a significant number of cases where the clerk confused Conditions of Carriage with Passengers' Charter along with cases where the clerk clearly did not know what the Conditions of Carriage were.

Table 21 also shows that the advice given by clerks is concentrated on advising the customer to consult the National Rail website ([www.nationalrail.co.uk](http://www.nationalrail.co.uk)). Compared with last year, though, there were more cases where a hard copy was provided permanently or temporarily.

**Table 21: Range of positive response on Conditions of Carriage**

Positive response to question	2016	2015
Advised to visit website	59.7%	78.7%
Given hard copy	13.2%	6.5%
Other	2.8%	8.3%
Hard copy to look at but had to give back	1.4%	4.6%
<b>Total</b>	<b>77.1%</b>	<b>98.1%</b>

## 8. Summary and Conclusions

The main points from the 2016 survey are as follows:

- The 2016 Retail Mystery Shopper Ticket Office survey showed a significant increase on that recorded last year.
- The all-scenario pass rate of 97.4% was above the target of 96.5% and this difference is statistically significant.
- The best performing scenario was the Disabled Railcard scenario, scoring 100%. This scenario, the Turn Up and Go Return Same Day (99%) and the Railcard scenario (97.1%) were the only ones that exceeded the 96.5% overall target.
- There were four scenario where scores were statistically different from last year – Turn Up and Go Return Same Day, Turn up and Go Return 7 days later, Frequent Traveller and Railcard. There were no scenarios that were significantly lower than last year.
- The worst performing scenario was the Frequent Traveller scenario with a score of only 89.4%, although this was significantly higher than the 82.6% scored last year. The next worst scenario was First Class with a score of 91.7%
- The main reasons for failure this year were associated with issuing the wrong type of ticket, in particular not selling a cheaper routed/dedicated ticket and errors associated with the Frequent Traveller scenario (especially selling day returns rather than a cheaper weekly). Though both of these fell in number this year, there was also a rise in some types of failure, especially neglecting to provide a discount either for railcards or adults travelling together.
- There was a fall over last year in instances of possible partial retailing, although the current level remains a cause for concern.
- Analysis of qualitative factors shows generally that performance deteriorated over last year in many respects. Both queueing times and queue lengths worsened over last year but the most significant deterioration came in clerks asking questions to confirm where the customer was travelling to and when they were departing. As last year, a general picture emerges of clerks being less likely to ask important confirmatory questions about the transaction. While less important to a customer's everyday travel needs, the significant decline in providing information on the Conditions of Carriage is also a cause for concern.
- Larger sample sizes this year by scenario have helped the statistical significance of improvements in scenario performance. It is therefore recommended that next year, target sample sizes are at least maintained at current levels if the survey is to provide conclusions which are useful for scenario analysis.



## 9. Actions to improve TOC retailing

Based on this year's survey, actions within the following areas would most help improve TOC retail performance:

- Improving awareness amongst staff of the cheaper dedicated or routed tickets that may be available for journeys sold from each ticket office. Staff should not make assumptions on a customers' behalf as to whether time of travel, length of journey or number of changes outweigh potential cost savings. Similarly, the clerk should not sell customers a more expensive flexible return ticket because they feel they do not have the time to exactly identify the customer's requirements for the return journey leg;
- Improving awareness amongst staff that it may not be clear cut as to the cheapest way of travelling for a number of days in a week and that they should check whether the weekly season or a number of day returns is appropriate;
- Improving concentration or checking by staff so that the railcard discount is applied;
- Encourage a culture among clerks of asking confirmatory questions, for example, the clerk repeating the customer's request, in order to confirm:
  - When the customer wants to depart;
  - where the customer wants to travel to; and
  - when the customer wants to return.
- Improving staff awareness of the Conditions of Carriage, where they can be accessed and what distinguishes them from other rail regulations such as the passengers' Charter.