

Saskatoon Transit - Mobile Ticketing Implementation Update

ISSUE

This report will provide information on Saskatoon Transit's new mobile ticketing and fare payment system along with details on what customers can expect in Phase I and Phase II of the launch.

BACKGROUND

In 2018, Saskatoon Transit began a search for modern technology to support online fare product purchases. A Request for Proposal (RFP) was released on SaskTenders and after a review and evaluation of all proposals received, Masabi became the successful proponent in April 2020. Soon after, planning began to develop the solution for delivery to the Saskatoon community and bus riders. Saskatoon Transit and Masabi are now ready to roll out the new mobile ticketing platform.

CURRENT STATUS

Saskatoon Transit and Masabi will launch Phase I of the new fare payment system beginning with the deployment of the mobile ticketing platform this June. This platform will be available through two mobile ticketing applications, 1) Transit Go (TGo) and 2) the Transit app, which riders have been familiar with for several years. Each application has different benefits and use cases. Customers will have the option of selecting the one that best suits their needs.

The mobile applications allow customers to display, purchase and activate the fare product on their mobile device which is scanned by a newly installed touchless validator on the bus. Customers will also be able to purchase fare products online that will be available on their mobile device. All current fare options including cash, smart card and current vendor locations will remain unchanged.

Phase II, beginning later in 2021, will be a 12 to 18-month period where customers will be introduced to a new payment card industry (PCI). PCI is a compliant smartcard platform which will include Account-Based Ticketing, online smart card fare purchases, and in-person purchases of the new smart card at vendor locations. All customers will have the option of using the mobile ticketing platform, a new replacement smart card, or cash.

DISCUSSION/ANALYSIS

Saskatoon Transit's new mobile ticketing system will be a convenient and safe way to purchase passes and fare anywhere at any time. It is expected that there will be a positive early adopter rate. In Phase I, the touchless onboard validators/scanners will accept fare from both a mobile device and current smart cards. In Phase II, the onboard validators/scanners will continue to accept fare from a mobile device, but a new secure smart card will replace the current smart cards. Cash will continue to be received on all transit buses during all phases.

FINANCIAL IMPLICATIONS

The contractual agreement between the City of Saskatoon and Masabi was awarded May 22, 2020 in accordance with the City's procurement policy. Costs for implementation and ongoing operations and management of the fare ticketing system is based on a revenue sharing formula. Saskatoon Transit has budgeted for Masabi's portion of revenue sharing and this contractual portion is in line with the costs of the current agreement. Another benefit to this revenue-sharing agreement is that it is pro-rated and will decrease in percentage as the total fare revenue increases. The contract is for a period of five years with an option for a five-year extension.

OTHER IMPLICATIONS

There are no privacy, legal, social, or environmental implications identified.

NEXT STEPS

Saskatoon Transit is working with Masabi and Transit app on the creative element that will be used for advertisements and promotions as part of the campaign to launch Phase I mobile ticketing in June 2021. An extensive communications plan has been developed which includes a media release with both paid and earned media. The launch and implementation of Phase II will begin later in 2021.

Report Approval

Written by: Cory Shrigley, Customer Support & Engagement Manager
Reviewed by: James McDonald, Director of Saskatoon Transit
Approved by: Terry Schmidt, General Manager, Transportation and Construction