



TORONTO PARKING AUTHORITY

New Rate Structure for an Expanded & Modernized Bike Share Toronto

Infrastructure & Environment Committee, City of Toronto

March 20, 2023

Executive Summary

PURPOSE:

Review the recommendations towards modernization of bike share's rate structure:

- How we took a research based approach to developing recommendations
- New rates will generate an incremental \$3.3M in user revenue vs 2022 which TPA will invest back into bike share
- Supports investments in the customer experience, network expansion and electrification across the city

We have Crystal Clarity about our Purpose

Our Mission

Create a seamless customer experience that delivers on choice, ease, and speed through the city.

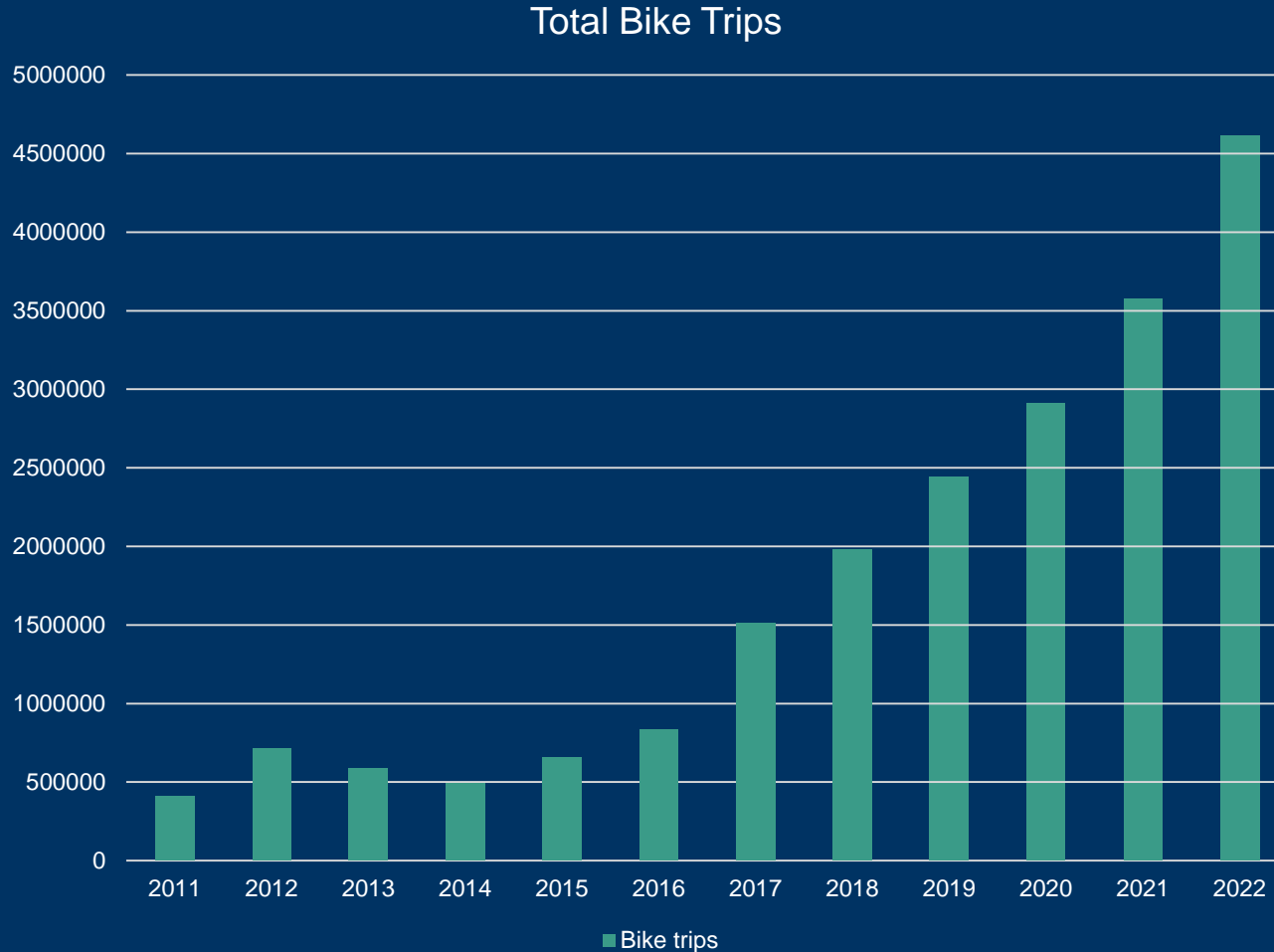
Our Vision

To become the world's best provider of sustainable parking, bike share and last mile mobility experiences for our customers, our partners and our city.

Our Approach



Ridership grew from under 500k in 2011 to over 4.6M in just a decade



453%

Ridership growth since 2016

2022 is breaking all records

- 4.6M trips
- CSAT score of 92% & NPS of 53
- \$8.1M Revenue
- 33K annual memberships sold (up 29% YOY)

Operating expenses +19.4% vs 2021 due to investments in staffing, operations ,inflation and expansion

An aerial, high-angle photograph of a basketball arena, likely the Air Canada Centre in Toronto, during a game. The arena is packed with spectators. The basketball court is visible in the center, with players and the Toronto Raptors logo on the floor. The text "BIKE SHARE HAS MORE ANNUAL RIDERS THAN THE TOTAL ANNUAL ATTENDANCE OF AT HOME GAMES FOR THE LEAFS, RAPTORS, ARGOS AND TORONTO FC COMBINED!" is overlaid in large, bold, white and green capital letters. A thin green horizontal line is positioned above the text.

BIKE SHARE HAS MORE ANNUAL RIDERS THAN
THE TOTAL ANNUAL ATTENDANCE OF AT HOME
GAMES FOR THE LEAFS, RAPTORS, ARGOS AND
TORONTO FC COMBINED!

By 2025 Bike Share Will be Available to Most Residents of Toronto

EXPAND THE NETWORK

From 625 stations and 7,165 bikes to over 1,000 stations and 10,000 bikes

INCREASE ACCESS TO ALL 25 WARDS

Prioritizing neighbourhoods where residents need access to affordable mobility options

HELPING ACHIEVE NET ZERO CLIMATE ACTION STRATEGY

TransformTO's goal of having 75% of all work and school trips under 5 km being made by walking, cycling, and transit by 2030

ELECTRIFICATION OF OUR NETWORK

Through introducing more E-bike Stations and EV Stations



RIDERSHIP

We're making it easier for more people to move and connect. With over 1,000 stations and 10,000 bikes, including e bikes, we continue to expand Bike Share destinations across the city.



ACCESSIBILITY

Connecting the city north and south of the 401, by utilizing the Don and Humber river crossing, will provide greater accessibility throughout the GTA.



FIRST/LAST MILE

By 2025, we will improve residents' options for first/last mile travel by having a Bike Share station located at 101/138 transit stations, 8 more GO Stations, including every station along the TTC Bloor Line subway station.



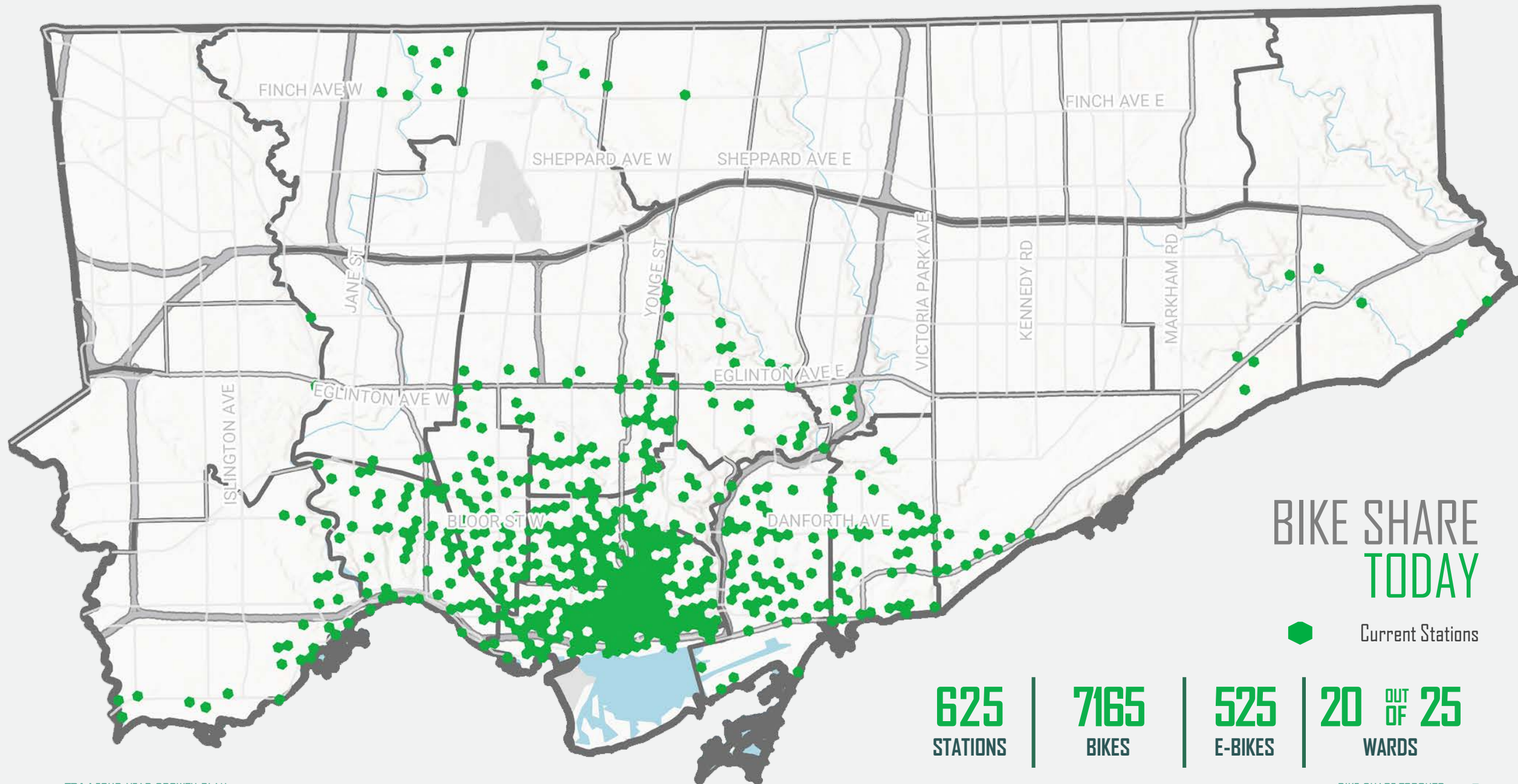
EQUITY

Expanding Bike Share to all neighbourhood improvement areas, plus offering a \$5 annual pass to low income households and those on ODSB /OWSB



REVENUE

The financial impact of the Bike Share network expansion is sustainable.



BIKE SHARE TODAY

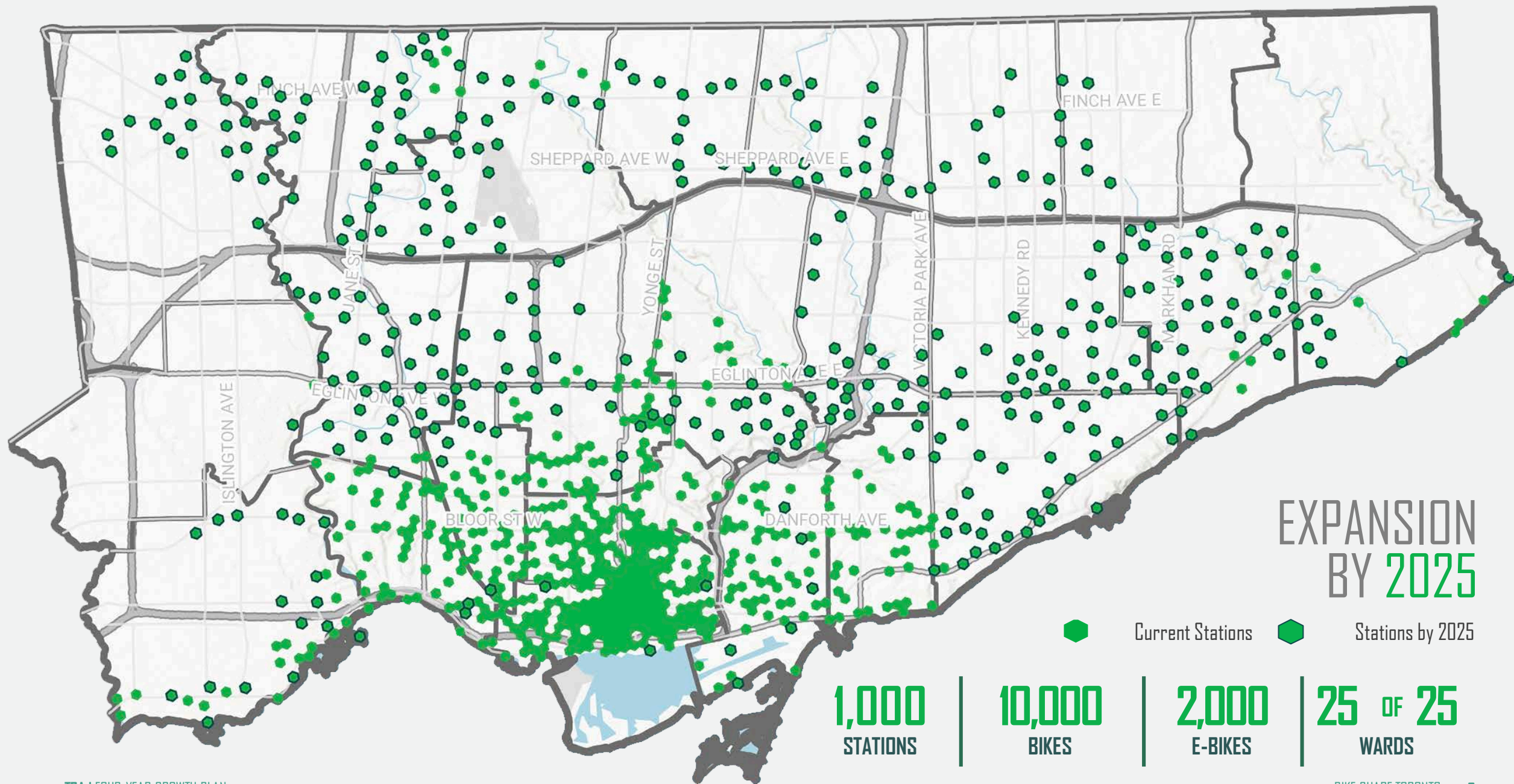
 Current Stations

625
STATIONS

7165
BIKES

525
E-BIKES

20 OUT OF **25**
WARDS



Our Approach Towards Making a Recommendation

Business Objectives:

1 Simplicity and Choice: Simplicity in pricing, providing customers with greater flexibility and choice

2 Revenue & Productivity Management: Increase revenue to offset the increase in operating expenses and changes in system mix

3 Incentivize cycling as a transportation option

1

- Competitive research, 20 different systems from across North, South America, Europe and Asia

2

- Co-Design workshop with internal TPA staff, City of Toronto Transportation Services, TTC and Metrolinx

3

- Customer feedback surveys (Online + Intercept) using Discreet Choice Modelling

4

- Pricing analysis with comparator group (NYC, Chicago, Montreal, Vancouver, Washington)

5

- Develop price recommendations based on key insights from each of the previous stages of work

6

- Run different scenarios into the model to reach objectives

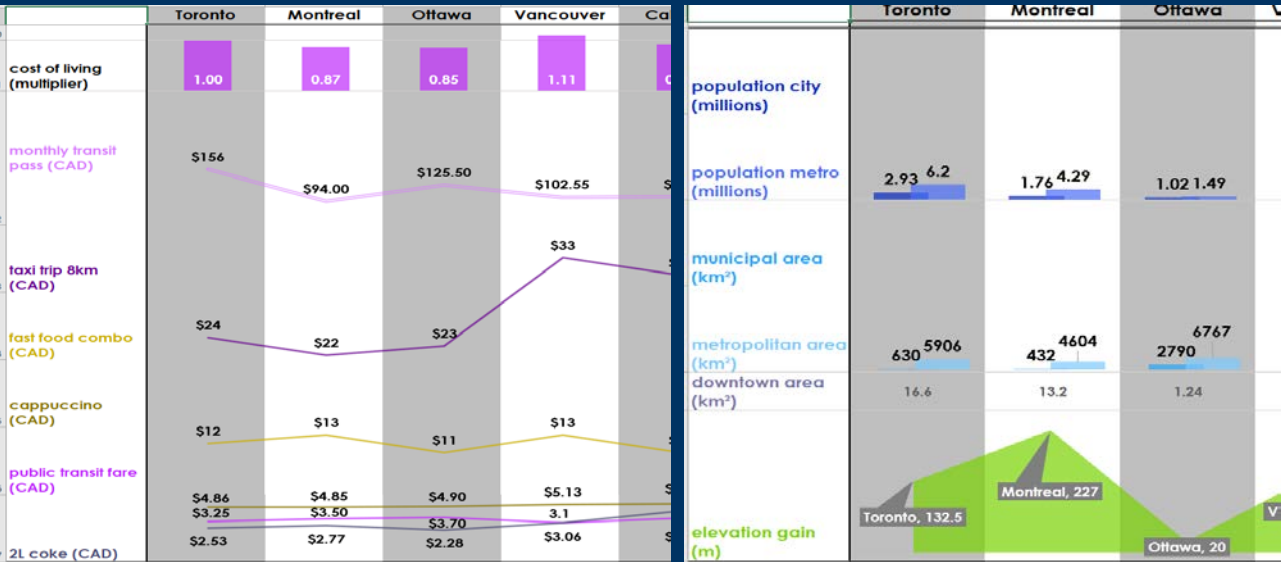
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- Revenue projections based on price variance, volume variance, advertising and sponsorship

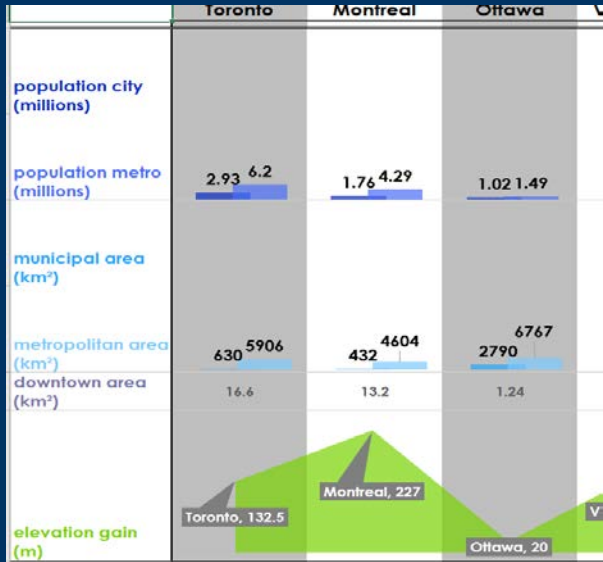
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- Developed a 2023-2025 P&L

To Modernize we looked abroad and co-designed with SME's



	Toronto	Montreal	Ottawa
COMPLEMENTARY INFRASTRUCTURE			
metro/subway (km)	76.9	69.2	64.5
public transit	Streetcars, buses, GO (commuter)	Buses, AMT (commuter)	O-Train (Light metro), BRT, Bus
scooter sharing	None allowed	Montréal Scooter, Lime, Dyad (ongoing pilot) Helmets required	Bird Canada & Neuron Mobility Pilot (3/5 year, designated parking)
TNCs	Lyft, Uber, facedrive, Turo, Communauto, Zipcar, Enterprise Carshare, Poparide	Lyft, Uber, Eva Helmets mandatory for E-bikes Communauto, Car2Go	Uber, Lyft, Blacklane, Supershuttle
other			Turo, Communauto, Poparide



	Toronto	Montreal
name	Bike Share Toronto	BIXI Montréal
PBSC?	PBSC	PBSC
total fleet size	7,185	9,600
electric fleet	300	2,395
total stations	630	794
coverage	200 km2	142 KM2
system structure	30-min and 45-min Docked mobile app kiosks smart stations (w/o kiosks) 3 superstations (staffed 7-11am for unlimited bikes and spaces) 3 Valet stations (weekends May-Sep) 15min time credit when station full	45-min Docked kiosks mobile app 5 drop-off stations (valet) All stations and bikes removed Nov15 to Apr15

WHAT: Jurisdictional Scan

- pricing models
 - local cycling infrastructure
 - demographic and geographic features
 - cost of living
 - set up, management, and elements of success / failure
- 10 North America (Canada & USA)
 - 10 Global (Latin America, Europe, Asia)
 - 6 on the PBSC system

WHO: Workshop Ideation Session

TPA, Metrolinx, TTC

OUTCOMES: Areas of Focus and Consideration

- Simplicity in pricing: Balance offering different options without making it confusing or overwhelming
- Different pricing schemes between casual users and members
- Different tiers within casual users and memberships
- Additional discount options beyond corporate



Customer Feedback Conducted in November Helped Shaped our Recommendations

Survey

- Online & Onsite
- 15 minutes long
- 984 responses
- 82% members, 18% casual

Model

- Tested various scenarios against each cx segment
- Pay-as-you go vs time block
- E-bike per min vs. premium fee
- Tested various city scenarios

Findings

- Prefer easy to understand price
- Members prefer time block pricing
- High demand for e-bikes & willingness to pay
- Pay-per-minute model preferred by casual users

Please consider the Bike Share Toronto service offerings below. Based on what is presented in each option, which one are you most interested in? If you would not select either, choose option 3 – 'Neither of these'.

Please review each option carefully as they will change on each screen.

You are now on exercise 8 of 20.

	option 1	option 2	option 3
Bike type	e-bike	standard bike	
Usage fees	Buy a membership \$45 for a monthly membership Unlimited number of 30 minute blocks of time No fee to undock Overage fees: \$4.00 for each 30 minutes or less	Pay by the minute \$0.15/minute \$1.00 to undock	Neither of these
Services	Reserve a bike	30-minute hold	
Payment type	Debit Prepaid card	Pay through Bikeshare kiosk Prepaid card PayPal	

Attribute	Time Block Pass		Membership Pass	
	Tier 1	Tier 2	Tier 1	Tier 2
Bike Type	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Usage Fees	standard bikes & e-bikes	standard bikes & e-bikes	standard bikes & e-bikes	standard bikes & e-bikes
Time Block (minutes)	30 minutes	24 hour pass (unlimited 30 min)	30 minutes	45 minutes
Membership Type & Fee			\$99 for annual membership	\$115 for annual membership
Undocking Fee	No fee to undock	No fee to undock	No fee to undock	No fee to undock
Overage Fee	\$4.00 for each 30 minutes or less	\$4.00 for each 30 minutes or less	\$4.00 for each 30 minutes or less	\$4.00 for each 30 minutes or less
Reserve a bike	[Blank]	[Blank]	[Blank]	[Blank]
Reserve a bike return dock space	[Blank]	[Blank]	[Blank]	[Blank]
Payment type	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Total Sample	Total	Buy a Block of Time		Buy a Membership	
		Tier 1	Tier 2	Tier 1	Tier 2
Pass Share	78.4%	45.6%	28.2%	3.4%	1.3%
Number of Passes Sold	518,121	301,108	186,089	22,653	8,272
Number of Rides	4,343,492	328,634	704,152	2,425,153	885,552
Revenue from Passes	\$5,475,079	\$978,600	\$1,302,625	\$2,242,611	\$951,244
Profit from Passes	-\$2,690,685	\$360,768	-\$21,181	-\$2,316,677	-\$713,595

Bike Share has Two Distinct User Groups



	Annual Members	Casual Members
User Demographic	Residents, primarily used as a transportation option	Visitors, first-time riders, recreational riders
Avg. Trip Duration Iconic	12.5 minutes	25.4 minutes
Avg. Trip Distance	4.0 km	8.8 km
Avg. Trip Duration E-bike	17.1 minutes	22.3 minutes
Avg. Cost per Trip	\$0.83	\$3.14
% of Total Ridership	74.7%	25.3%
% of Total Revenue	44.9%	55.1%

Key Insights that Drove the Final Recommendation

- 1 All customers want an easy to understand price structure
- 2 Annual members prefer time block pricing
- 3 All large bike share systems charge a premium fee for the use of an e-bike
- 4 Casual customers prefer a pay-as-you go system

2023 Rate Modernization Recommendation

**lowest e-bike price for members amongst large city systems in N.A*

~~***\$5 low income pass (Annual 45 Iconic)~~

Bike Type	Casual		Day Pass		Annual Membership		Corporate and Student Discounted Memberships	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
Iconic	\$3.25 for 30 min + Overage charges (\$4 per 30 min over)	\$1.00 to undock + \$0.12/min	\$7.00 for unlimited 30 min rides for 24hrs + overage charges (\$4 per 30 min over)	\$15 for unlimited 90 min rides for 24 hours + overage charges (\$0.12/min over 90 min)	\$99 for unlimited 30 min rides + overage charges (\$4 per 30 min over) \$115 for unlimited 30 min rides + overage charges (\$4 per 30 min over)	\$105 for unlimited 30 min rides for iconic bikes only + overage charges (\$0.12/min over 30 min) \$120 for unlimited 45 min rides for iconic bikes only + overage charges (\$0.12/min over 45 min)	20% Discount off all Annual Memberships for group corporate sign-ups and university/college students	
Electric		\$1.00 to undock + \$0.20/min		No day pass for electric bikes		Undock fee Included + \$0.10/min		Undock fee Included + \$0.10/min

Key Highlights:

- Avg trip cost for an annual member will increase from \$0.83 to \$0.88 and from \$3.14 to \$4 for a casual user on an iconic bike
- Low income pass of \$5 for an Annual 45, also available to those on ODSB and OWSB

Our Proposed Rates are the Most Affordable in North America

City	One-Way	24 Hour Pass	Annual Pass
Toronto 	\$1.00 + Classic Bike: \$0.12/minute Ebike: \$0.20/min	\$15 Classic Bike: 90 min Ebike: \$1 + \$0.20/min	\$105 Classic Bike – 30 min \$120 Classic Bike – 45 min Ebike: \$0.10/min
Montreal 	\$1.25 + Classic Bike - \$0.15/min Ebike - \$0.30/min		\$99 Classic Bike – 45 min Ebike - \$0.13/min
New York 	\$4.49 + Classic Bike – 30 min Ebike - \$0.26/min	\$19 Classic Bike – 30 min trips Ebike – \$0.26 / minute	\$205 Classic Bike – 45 min Ebike - \$0.17/min
Chicago 	\$1 + Classic Bike – \$0.16/min Ebike - \$0.42/min	\$16.50 Classic Bike – 3 hrs	\$119 Classic Bike – 45 min Ebike - \$0.17/min
Vancouver 	\$1 + \$0.25/min for standard \$1.50 + \$0.35/min for ebike	\$15 Classic Bike – 30 min Ebike - \$0.25/min	\$129 Classic Bike – 30 min Ebike - \$0.15/min



Lowest Member E-bike Pricing in North America



- Toronto rate is 30% less expensive than Montreal and 50% less expensive than Vancouver
- San Francisco is the most expensive at \$0.20 per min
- Washington D.C. has a federally funded system operated by Lyft

TPA is Investing in Bike Share to Modernize and Improve the Customer Experience



16% Front
Line Staff



\$28.5M

Capital Investment 2022 – 2025:
25 Wards, 1000+ stations,
10,000 bikes (2,000 e-bikes)



26%
Rebalancing
Trucks



New Bike Share
Toronto App



70%
availability

Thank you