

To: Metrolinx Board of Directors
From: Kathy Haley
President, Union Pearson Express
Date: September 22, 2015
Re: UP Express Quarterly Board Report

RECOMMENDATION

That this report be received for information.

PROJECT UPDATES

Operations

On June 6, UP Express opened for revenue service and we have had a strong operational start. On-time performance, measured by the number of cancelled trips, is currently 96.5%, which is well above our target.

Ridership has been growing and management expects it will continue to increase as UP Express builds awareness as a fast and reliable option to travel between downtown Toronto and Toronto Pearson. Ridership increased overall between June and August, despite the slower summer period for business travel, which is consistent with summer travel behaviour. Given that UP Express is a brand new service in the region, we are very pleased with ridership so far. Average daily ridership since launch is approximately 2,500 and is expected to grow until maturity, in the next 3 to 5 years. As we increasingly understand our guests and the market, we anticipate that we will reach our daily ridership target of 5,000 riders by the end of the first full year of operation.



Customer feedback since launch has been almost entirely positive, as demonstrated through comments on social media and the website, via the Customer Contact Centre, our Guest Services Representatives and through research. UP Express has used both social media and the Contact Centre to quickly respond to questions and concerns, the majority of which are related to fare payment, e-ticketing support and the Airport Employee Program.

As reported in June, UP Express undertook a First Impressions Survey in the weeks following launch and saw excellent scores. Guests were very pleased with the speed, reliability and available amenities. The majority of respondents (87%) are very likely to ride UP Express again and 85% would recommend the service to others. A comprehensive guest satisfaction survey program will be rolled out this Fall for ongoing performance measurement across key customer experience touchpoints.

Immediately after launch, UP Express received several comments related to wayfinding, particularly at Toronto Pearson International Airport. UP Express responded by working with the GTAA to quickly implement additional signage and wayfinding, including “Trains to City” inside the terminal buildings and additional front-line staff support in the arrivals halls. At Union Station, a temporary signage program was developed to coincide with the closure of the GO Bay Concourse in mid-August, which affected connections from the TTC’s Union Subway Station. Improvements have also been made to signage in the VIA Concourse and in the West Wing corridor leading to the UP Express Station in the Skywalk. UP Express continues to work with the City of Toronto and GO Transit Signage Services to ensure that appropriate signage is in place as construction progresses throughout Union Station. In addition, the team is working closely with downtown property owners and the Toronto Financial District BIA (Business Improvement Area) to add UP Express as a destination on overhead signage in the underground PATH system. Finally, per a request from UP Express and GO Signage Services, additional signage was installed by the City of Toronto to improve the pedestrian connection between Bloor UP/GO Station and the Dundas West TTC Subway Station.



Capital Infrastructure

On July 10, UP Express opened a new service booth in Toronto Pearson International Airport, Terminal 1. Located directly within the international arrivals area, the service booth is staffed with Guest Services Representatives who sell tickets, provide wayfinding directions to the station and answer general questions about the service.



On July 16, the CIBC UPSTAIRS lounge, featuring Mill Street Brewery, opened on the second level of UP Express Union Station. The lounge is open to the public and is a place where people can meet and greet travellers or relax before or after a trip. The lounge includes a Mill Street Brewpub, which is open between 11am and 11pm and serves both alcoholic and non-alcoholic drinks, as well as delicious meal options. The official unveiling of the lounge was held on September 17 and was jointly hosted with CIBC. The opening of the CIBC UPSTAIRS lounge is another concrete example of the innovative strategic partnership between UP Express, CIBC, Mill Street Brewery and FAB Concepts.



The construction and fit-out of Bloor and Weston UP Express Stations is fully complete. UP Express is now working to advance the construction of the Bloor passenger pick-up and drop off area.

Technology

Airline check-in kiosks were installed at Weston and Bloor Stations in July and August, respectively, offering guests the ability to get boarding passes and baggage tags for both Air Canada and WestJet flights. An additional kiosk will be installed on the second floor of UP Union Station.

In August, UP Express installed and commissioned four additional ticket vending machines (TVMs) at Toronto Pearson International Airport. These machines are prominently located in the domestic and international arrival halls at Terminals 1 and 3 to sell fares and provide additional signage and wayfinding information to guests. In addition, as the result of a joint effort between UP Express, GO Transit and the GTAA, a GO Transit TVM was installed on the ground transportation level of Terminal 1. This installation is part of a broader program to enhance the visibility and customer friendliness of the public transit offering at Toronto Pearson.

Business Development

UP Express is gearing up for a busy fall and winter season due to an increase in business travel and the number of conferences. Business travellers are an important source of recurring ridership and we are targeting businesses or government agencies whose employees frequently travel between downtown Toronto and Toronto Pearson by offering a volume discount. More than 60 agreements have been signed with these businesses, including but not limited to the Government of Ontario, Air Canada, CIBC, and PwC.

In addition, travellers can now purchase UP Express tickets from major resellers (including Air Canada and VIA Rail) when they purchase a flight departing from or arriving at Toronto Pearson. Since launching the reseller program, approximately 5,000 UP Express tickets have been purchased through these resellers.

Marketing

The *UP and Running* advertising campaign is continuing with a major presence at Union Station and Toronto Pearson. The pre-launch and launch digital campaigns performed well above industry average, delivering over 42 million users across desktop and mobile devices and over 283,000 clicks to sites with a click-through rate of 0.62% (versus industry average of 0.08%). In addition, the *On the UP* magazine was redistributed to include a 20-page Pan/Parapan Am Games special insert.

Now that UP Express is in operation, we are monitoring the guest experience and increasingly understanding the market. The Airport Employee Program has been very successful with more than 1,500 people now registered. PRESTO users represent approximately 30% of our current guests. Given the lower fare on PRESTO, there is opportunity for growth in the local market for this fare option.

Non-paid marketing efforts included targeted tours of the system and have generated awareness both locally and internationally. Since launch, UP Express has appeared in 57 local media publications and 20 internationally, generating more than 20 million print circulation viewers and 2.8 billion online viewers.

After the Pan Am Games, UP Express focused on specific traveller engagement tactics to build awareness and increase ridership. The tactical plan focused on leveraging our presence in the airport to help travellers navigate to UP Express Pearson Station. Additionally, UP Express will continue to build awareness through social media and digital channels as well as promote UP Express to our corporate clients who frequently travel between downtown and Toronto Pearson.

Since launch, UP Express continues to build strong relationships with the travel, tourism and conference planning industries. Familiarization tours are particularly effective, providing the opportunity for industry experts to experience UP Express and become enthusiastic ambassadors for the service. Many hotels near UP Express stations include information about UP Express on their websites, through digital signage and via client communication, presenting UP Express as a stress-free and convenient way to travel between downtown and Toronto Pearson.

In July, UP Express ran a very successful ad campaign on social media, which helped to build brand awareness, boost overall engagement and resulted in a 28% increase in Facebook fans and a 17% increase in Twitter followers. These additional followers on social media builds awareness and generates ridership. UP Express saw the most activity on social media around the Pan Am Games, particularly in the week leading up to the Torch Relay when UP Express carried the torch from Toronto Pearson to Union Station. There was an estimated 3.9 million impressions between July 4 and 10: an increase of 179% when compared to the previous week.

The longer term marketing plan is currently underway. UP Express conducted a US/Canada survey of 1,000 people who have flown into or out of a major international airport in the last 12 months. The survey included specific questions about decision-making and which key sources of information were used in those decisions. The results of the survey will help us understand which strategies are effective in building ridership in order to refine the longer term marketing plan.

Pan/Parapan American Games

On July 10, UP Express carried the Pan/Parapan Am torch from Toronto Pearson International Airport to downtown Toronto. The torch was delivered to UP Express Pearson Station by Howard Eng, CEO of the Greater Toronto Airports Authority (GTAA). I then had the honour of carrying the torch on UP Express to Union Station, where I passed the torch to Stephan Mehr, Director of Business Planning for UP Express.

Metrolinx employees were invited to participate by entering a contest to win a seat on the train that carried the torch. More than 200 employees entered the contest and 15 were





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chosen to participate. The event also brought positive media attention to UP Express and was a proud moment for the entire organization. In addition to the torch event, UP Express participated in the Games by providing transportation for Games clients (media and technical officials) between Toronto Pearson and downtown Toronto.

Overall, I am very proud of the dedicated teams within Metrolinx and beyond that have contributed and continue to contribute to the success of the first dedicated air-rail link in North America and the first rail project completed from The Big Move. Over the next few months, UP Express will continue to learn from our guests and deliver a reliable, stress-free connection between downtown Toronto and Toronto Pearson.

Respectfully submitted,

Kathy Haley
President, UP Express