Mobile Fare Services in Mass Transit

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Agenda

• Contactless Open Payment
• Migration strategies
• The mobile landscape
• It is more than ticketing
• The four facets of mobile
• Bringing them all together
• The business case
Contactless Open Payment
Migration Strategies

• Systems Replacement
• Gradual
  – Mobile optimization
    • Primary or secondary web site
  – Mobile app- with or without barcode
  – NFC- with or without provisioning
  – Open Payments
    • Reader swap
    • Back office upgrade
    • Communications upgrade
The mobile landscape

- 90% of Americans over the age of 18 have a mobile phone
- >50% of teens 13 and over have a mobile phone
- 48% (and growing) of mobile phones are smart phones
- 2 of the top 3 selling smart phones now ship with NFC
- Four models of Blackberry are shipping with NFC
- 30 handsets to be in market this year
- 90% of the top 100 brands now have a mobile app

(Source: Canalys, Nielsen)
It is more than ticketing
Mobile Service, Ticketing, Payment, Marketing
2 Key Components

The Credential

- A 2D Bar Code
- A Transit “Card”
  - Key set and data file
  - In or out of wallet
  - Applet to interact with the app and/or wallet
- A Transit token
  - An encrypted form of ID to be used for account based systems
- An Open Payment Card
  - Network branded credit, debit or prepaid
  - Held within mobile wallet

The App

- User Interface
  - Interaction with credential
    - Both internal and external
  - Interaction with transit back office
  - Interaction with payment network
- Key Features
  - Enrollment/card registration
  - Balance/transaction inquiry
  - Fare product purchase/top up
  - Options management
  - Program info- agent/station locator
  - RTPI integration
Discovery
Integration Across Sub-systems
Mobile Fare Services Platform
Provisioning Options

*Where Transit Issuer Aggregator is SE Issuer (e.g., Sleeve)*
The Business Case

Benefits

• Increased customer satisfaction
  – Increased convenience
  – More informed passengers

• Reductions in media issuance cost

• Reductions in agent fees
  – Real time product delivery

• Reductions in call center volume

• Efficiency in benefits administration

• Funding source optimization

• Participating in cross promotions and advertising
  – New sources of revenue

Costs

• Systems configuration, hosting, and maintenance

• Provisioning and “occupancy” rental

• Payment processing

• Alert delivery

• Administration and reporting

• Audit, compliance, security

• Customer support

• “partners”
Conclusion

- Mobile will be a primary component of AFC operations in the near future
- NFC promises to bring substantial added benefits and is being aggressively rolled out now
- Cubic is proactively bringing to bear an integrated solution to serve our customers

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