2023 Mobility Outlook

This annual survey provides a glimpse of budgets, technology adoption, as well as vehicle and equipment procurement expectations for the year ahead.

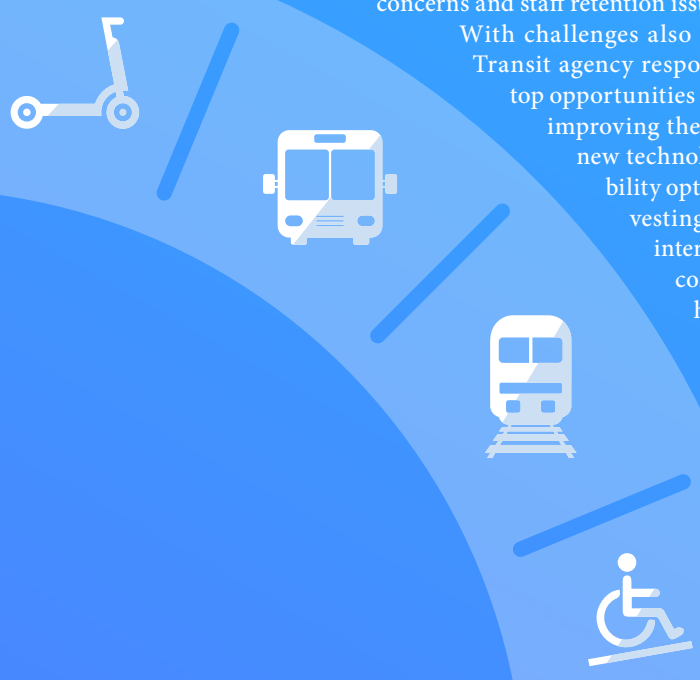
BY MASS TRANSIT STAFF

In the fourth iteration of *Mass Transit*'s annual Mobility Outlook survey, the industry remains in a state of transformation. Lingering impacts from the pandemic, such as reduced ridership remain, but survey respondents from transit agencies report ample opportunities for services to expand and shift to better serve their respective communities.

The majority of agency respondents reported increased budgets in 2023 but slightly less than half, 46 percent, anticipate budget shortfalls within the next two years. On the private side of the industry, suppliers, manufacturers, consultants and other non-agency entities also report budgets that are up or significantly up in 2023.

Top challenges citied among transit agency respondents include recruitment, supply chain and inflation issues while the private side of the industry's top concerns (in order) were inflation, recession concerns and staff retention issues.

With challenges also comes opportunities. Transit agency respondents reported their top opportunities of the next year will be improving the rider experience with new technologies, improving mobility option integration and investing in new technology for internal efficiencies. Private companies are looking to harness opportunities to improve customer experience, find and develop new collaborations and invest in technology upgrades.



How was this information gathered?

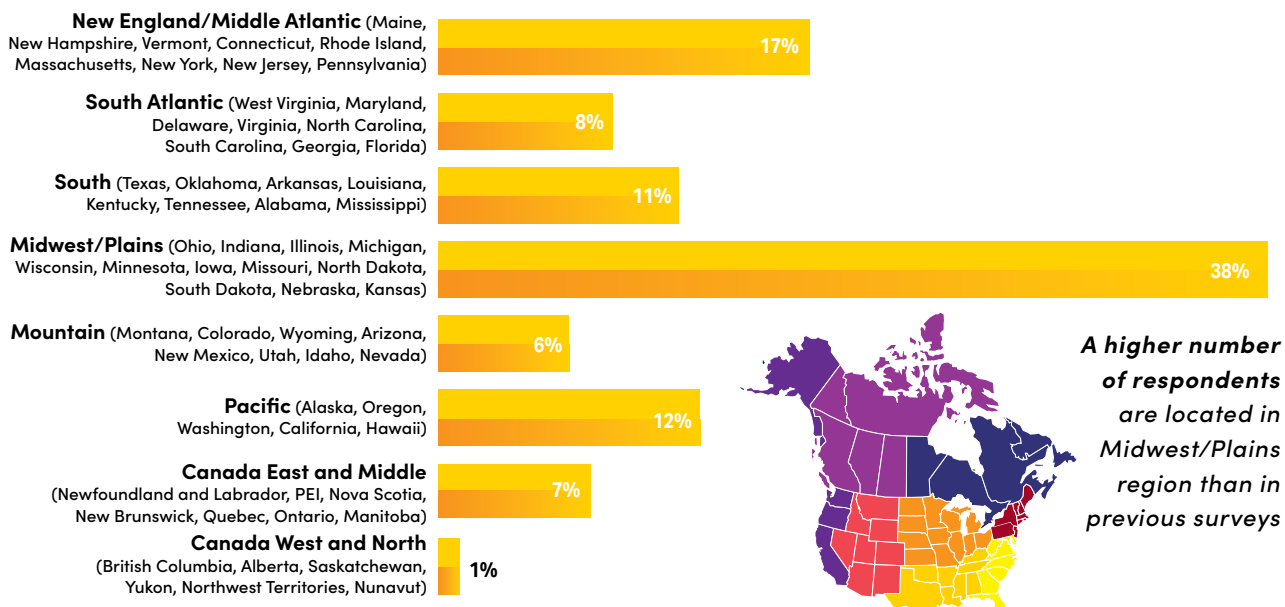
Mass Transit queried transit agency subscribers, as well as representatives from private companies during a two-week period in January 2023. The survey received 157 responses, with 115 from transit professionals and 43 from non-transit agency professionals. The survey included intelligence with separate questions being asked of the two groups. For example, the survey only asked transit providers if they planned to purchase vehicles in 2023.

An ideal world would allow the survey to be answered by every transit provider in North America, but this is not practical. We do believe the data found within this survey offers valuable insight as the industry continues to emerge from under the umbrella of the pandemic.

The following pages are a sample of the full report, which can be viewed at MassTransitmag.com/21294425.

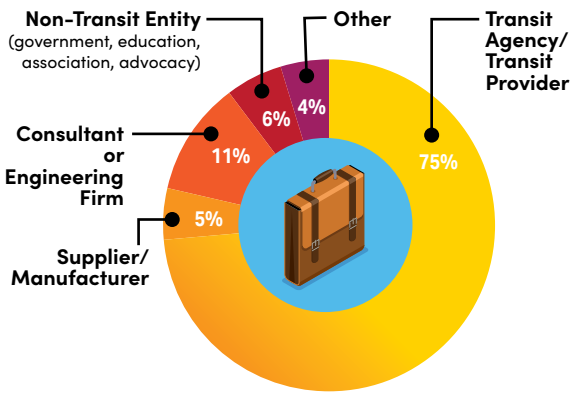
Demographics: Geographic, size and services offered

Where responding agencies are located



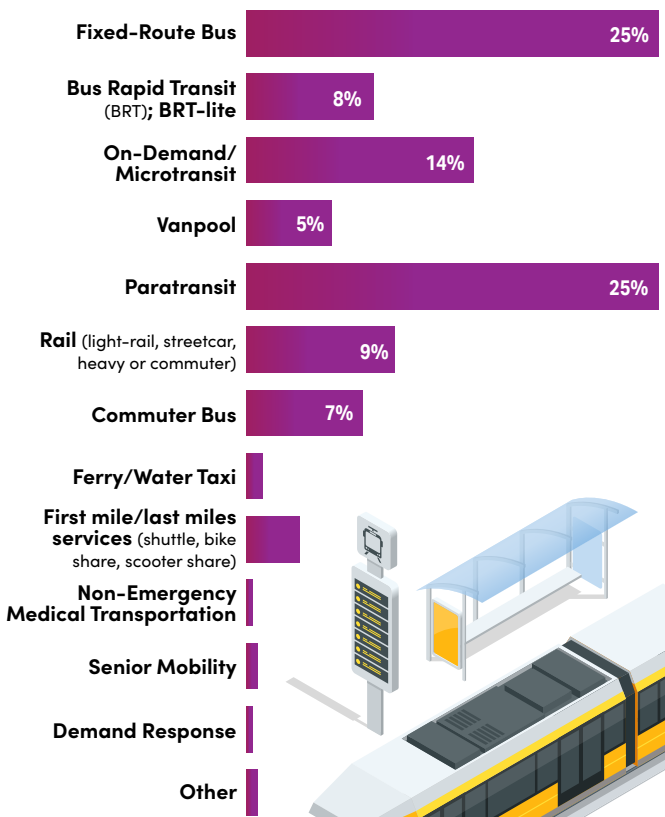
A higher number of respondents are located in Midwest/Plains region than in previous surveys

For which type of entity do you work?

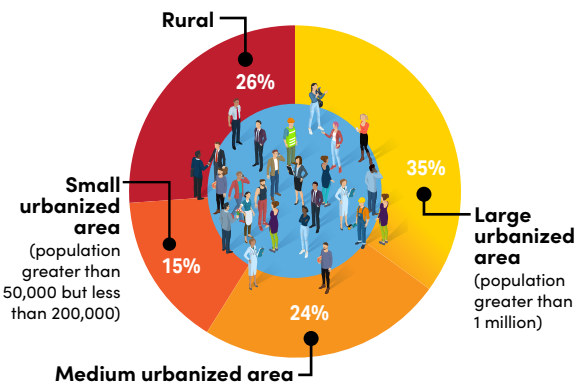


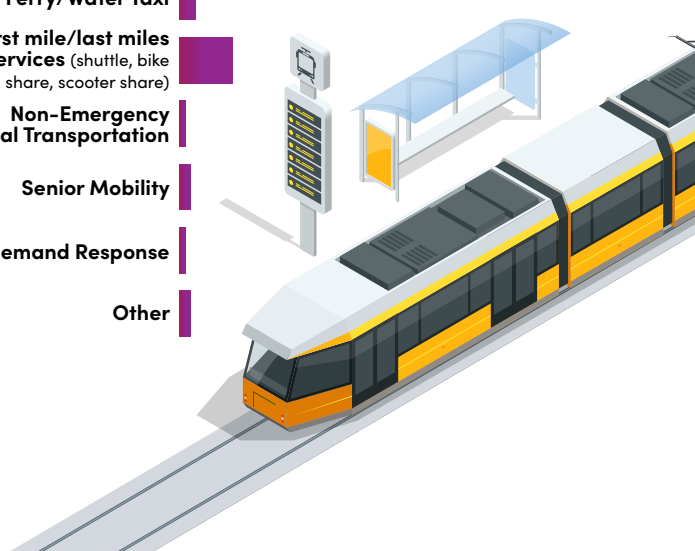
What services does your agency provide?

(select all that apply)



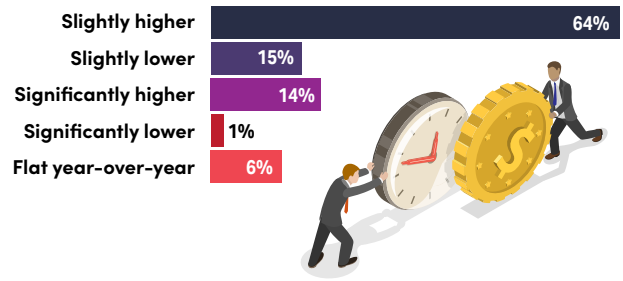
What is the population of your service area?





Budgets: 2023 budgets compared to 2022

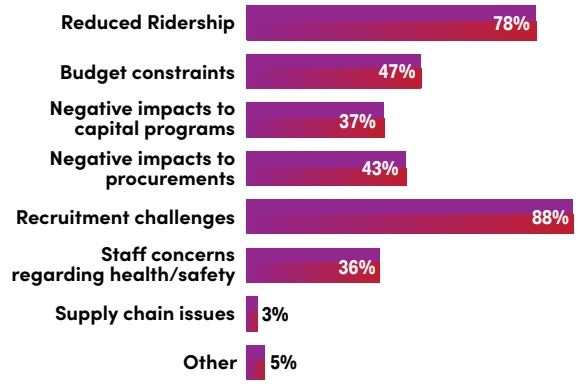
TRANSIT AGENCIES: How does your anticipated 2023 budget, both operating and capital, compare to 2022?



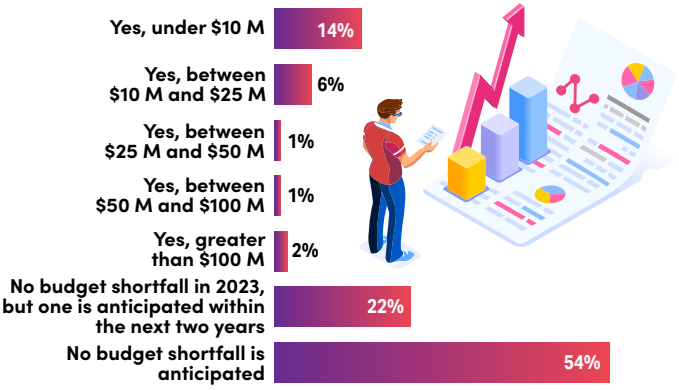
***While 78% of respondents** report higher budgets in 2023, 46% anticipate budget shortfalls within the next two years.*

***Nearly two-thirds** of respondents operating systems in South Atlantic states reported continued negative impacts to capital programs – the highest of any region.*

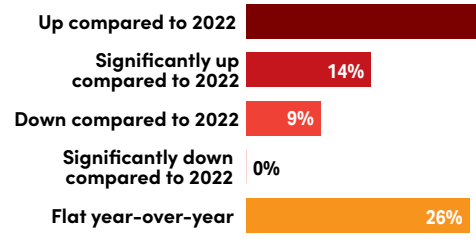
TRANSIT AGENCIES: What residual impact does the pandemic still have on your agency?



TRANSIT AGENCIES: Is your agency facing a budget shortfall in 2023? (in millions)

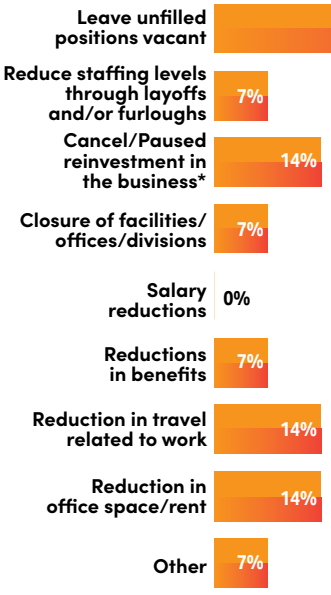


PRIVATE COMPANIES: Where do you believe revenues will be in 2023?



***46 percent** of respondents from private companies report their organization's budget has increased in 2023.*

PRIVATE COMPANIES: Where will any cost savings be realized in 2023?

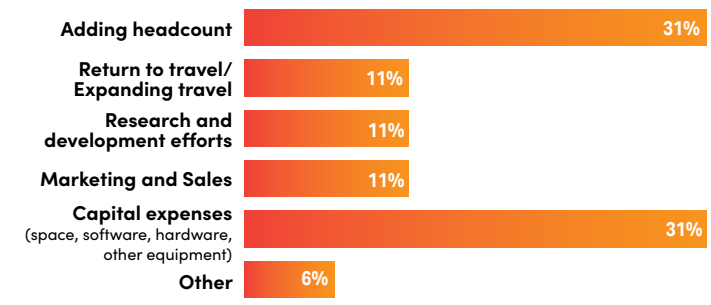


*For example through facility expansion, pausing technology upgrades, etc.

***26% of respondents** from private companies report their organizations do not anticipate cutting costs in 2023.*

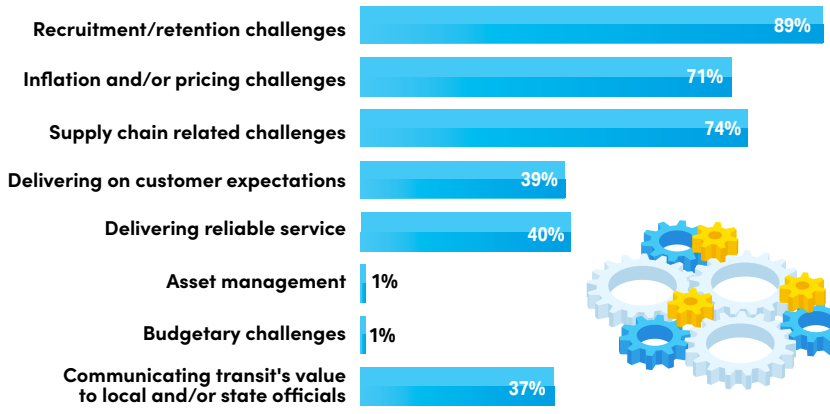
As with previous surveys, leaving vacant positions unfilled is among the top cost mitigating actions.

PRIVATE COMPANIES: For anticipated budget increases in 2023, where will the increase be seen?

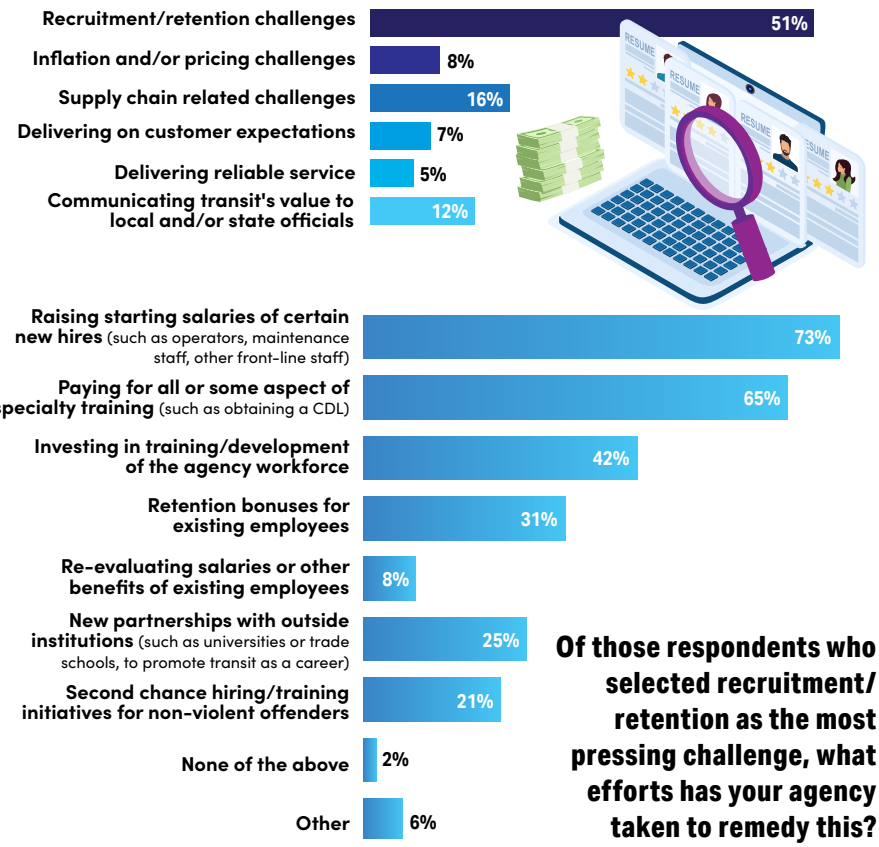


Operations: Challenges and opportunities foreseen in 2023

TRANSIT AGENCIES: What challenges are anticipated in 2023?

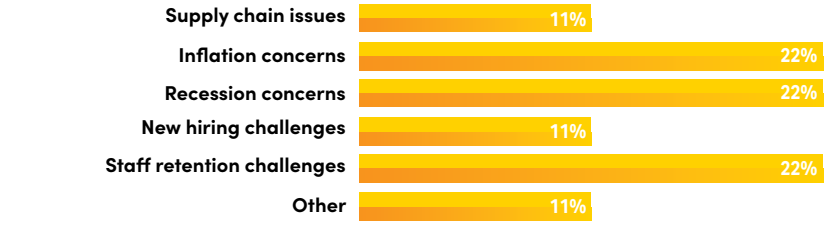


TRANSIT AGENCIES: Which would classify as the most pressing challenge?



Of those respondents who selected recruitment/ retention as the most pressing challenge, what efforts has your agency taken to remedy this?

PRIVATE COMPANIES: What is the main challenge anticipated in 2023?



TRANSIT AGENCIES: Where do you see opportunities for your agency in 2023?

42% More contactless ways to pay for transit fare

17% Exploring zero fare options

15% New fare structures

40% Delivering reliable service

57% Investing in new technologies for improved rider experience

44% Investing in new technologies to deliver internal efficiencies

45% More or improved integration of mobility options or regional services

7% Other

PRIVATE COMPANIES: Where does your organization see opportunities in 2023?

20% New collaborations

5% The launch of new products/ services

10% Improving processes

15% Investing in technology upgrades

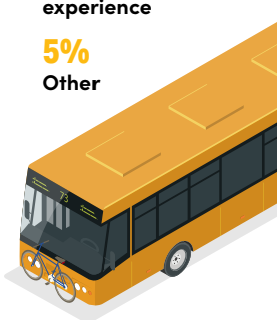
5% Investing in staff training/ development

5% Adding headcount

10% Building resilience into the supply chain

25% Improving client/customer experience

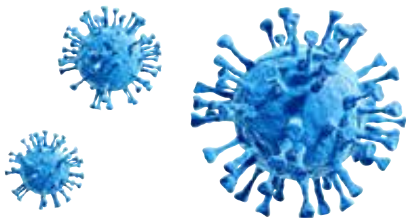
5% Other



Images: 111402307 | 111444686 | 116210981 | 126387363 | | 149969462 | 170205303 | 191899650 | 224988289 255552061 | Dreamstime

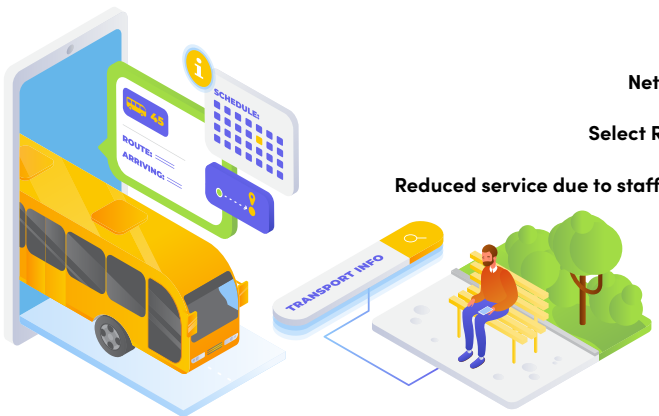
Service: Rider Experience

What residual impact does the pandemic still have on your agency?



*Percentage represents rounded value; respondents could select more than one answer

How has your agency's services changed during the past year?



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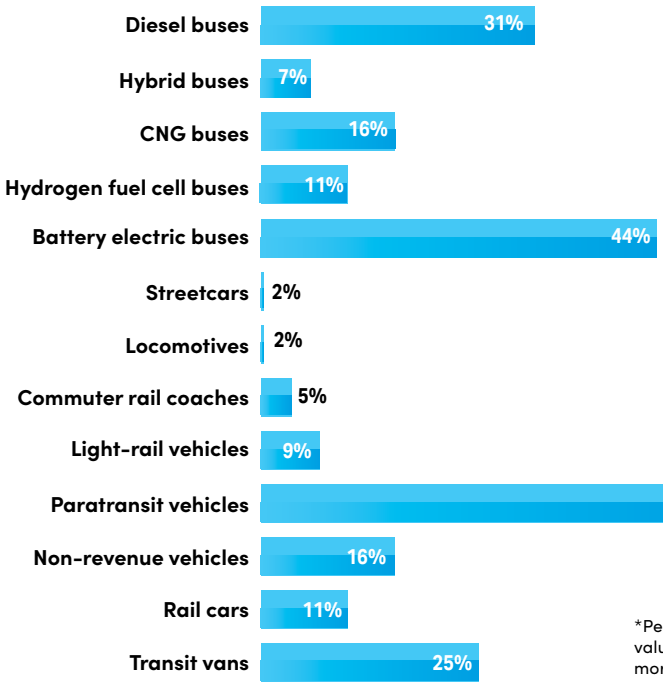
***More than 68%** of transit entity respondents report they measure rider satisfaction within their systems.*

Regarding rider experience, what are the top factors that are expected from your system?

Images: 181545300 | Somchai Somsanitangkul, 254210402 | Wanlee Prachyapanaprai | Dreamstime

Procurement: What vehicles will be procured? What purpose will they serve?

Does your agency anticipate awarding a contract(s) for new vehicles in 2023?



*Percentage represents rounded value; respondents could select more than one answer

***70%** of agency respondents plan to award a new vehicle contract in 2023.*

***98%** of planned 2023 vehicle procurements will be to replace aging fleets.*

***18%** of planned 2023 vehicle procurements will be to accommodate new service.*

***13%** of planned 2023 vehicle procurements will be to add capacity to existing route(s).*

***4%** of planned 2023 vehicle procurements will be to meet a zero-emission vehicle initiaitve.*

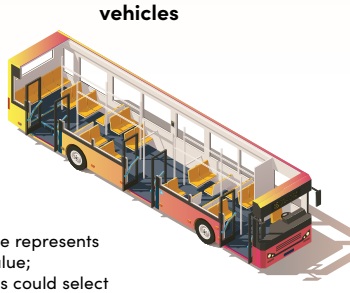
What size vehicle are you interested in procuring?

16% 20-foot
27% 35-foot
71% 40-foot
13% 60-foot
0% Double-decker
16% Vans
13% Minibus

***71% of agency respondents** report their agencies have experienced a vehicle order cancellation or delay in vehicle delivery.*

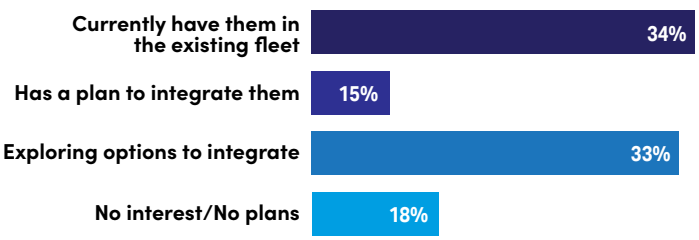
Of those respondents to experienced vehicle cancellations or delays, what size vehicle was impacted?

19% 20-foot
3% 30-foot
16% 35-foot
50% 40-foot
9% 60-foot
31% Vans
18% Minibus
9% Paratransit vehicles/ cutaways
1% Service vehicles



*Percentage represents rounded value; respondents could select more than one answer

Regarding low-emission and zero-emission buses, does your agency:

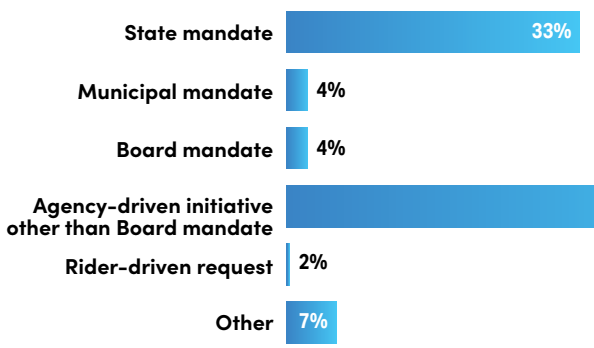


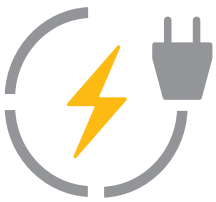
***60%** of respondents report their agency has a plan to transition fully to a zero-emission fleet*

Timeframe to transition to a zero-emission fleet:

4% by 2030 *24% by 2035* *36% by 2040* *16% Unsure of timeframe*

What is the main motivating factor for your agency's integration of low-emission and/or zero-emission buses?

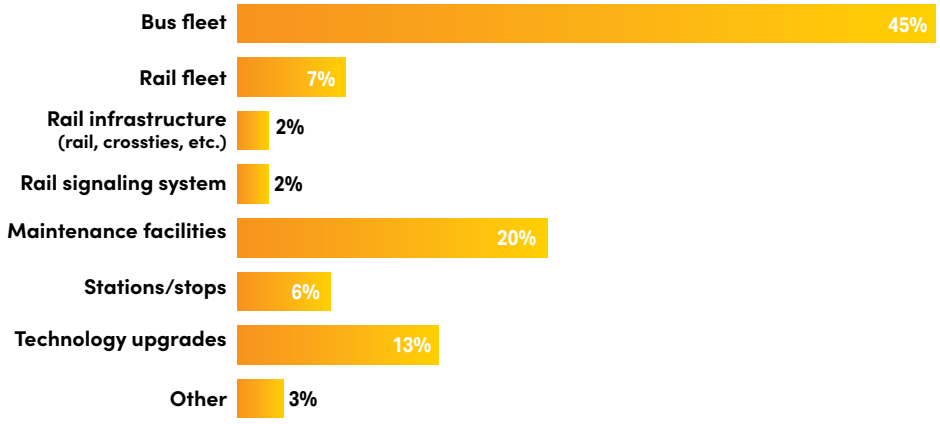




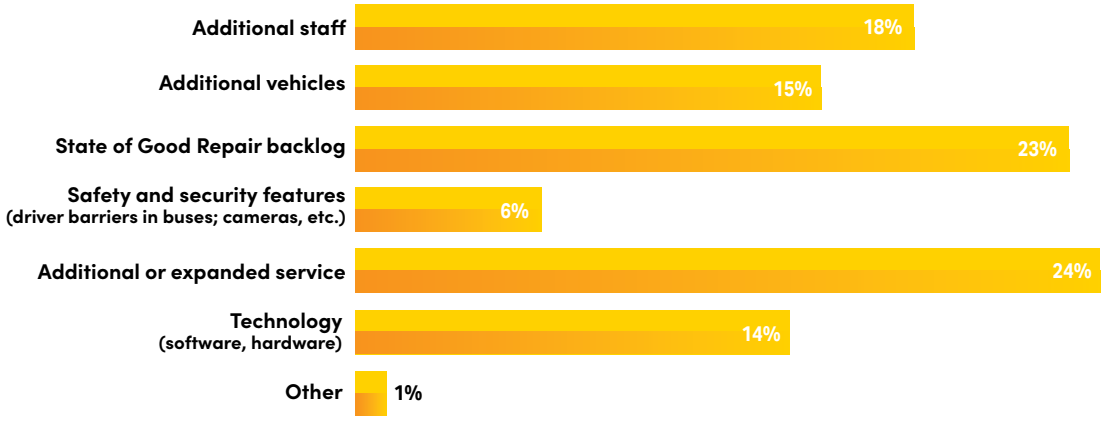
Availablity of federal funds was the top "other" factor influencing pursuit of low or no emission fleets.

State of Good Repair: Where is investment needed?

Regarding the State of Good Repair backlog, what area of your transit system requires the most immediate investment?



If provided an unlimited budget, in which of the options below would your transit agency invest the most?



Several respondents noted they would want to provide additional pay to staff if they had unlimited budget.

Popular "other" responses included funding to cover expanded service and the supporting vehicles for that service.

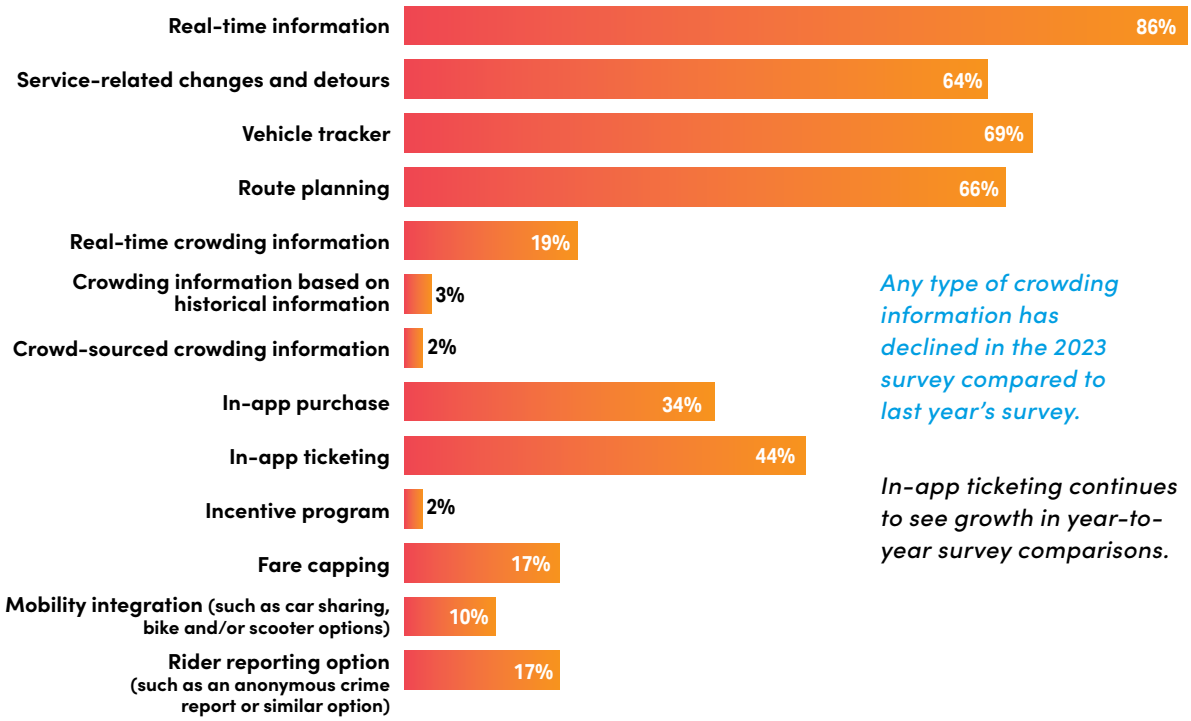
Images: 134351813 | Bazuzzza | Dreamstime

Technology: Advances for smarter transportation

71% of respondents *said their agency had an app.*

43% of respondents *said they had an app to assist low-vision or blind riders navigate their systems.*

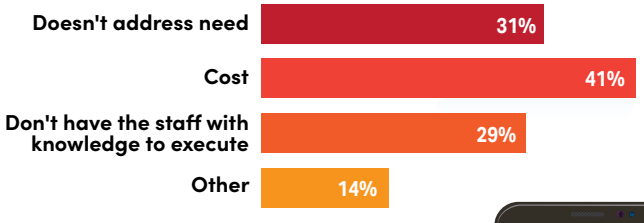
What information is provided to riders in your app, select all that apply?



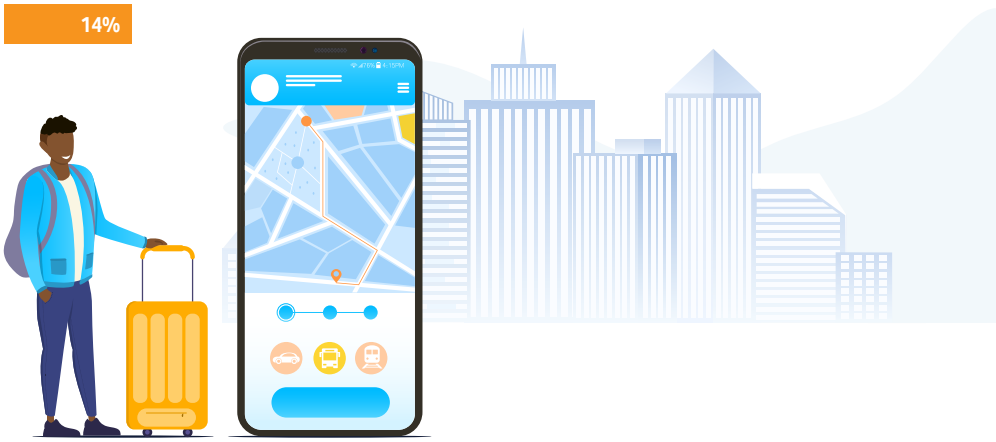
Any type of crowding information has declined in the 2023 survey compared to last year's survey.

In-app ticketing continues to see growth in year-to-year survey comparisons.

What's preventing your system from adopting an app?



The top "other" reasons given for not offering an app was that riders had not expressed interest or need for an app.



Images: 165344673 | Rudzhan Nagiev | Dreamstime

Cybersecurity: Mitigating risks

67% of respondents *responded in the affirmative when asked if cybersecurity is a concern of their agencies.*

36% of respondents *do not know if their agency has a cyber incident response plan, a cybersecurity designate or cybersecurity insurance.*

Does your agency have the following:

45%
Cybersecurity Insurance

48%
Cybersecurity designate

52%
Cybersecurity Incident Response Plan

36%
I don't know

How often does your agency review its Cybersecurity Incident Response Plan?

76%
Once a year

7%
Every few years

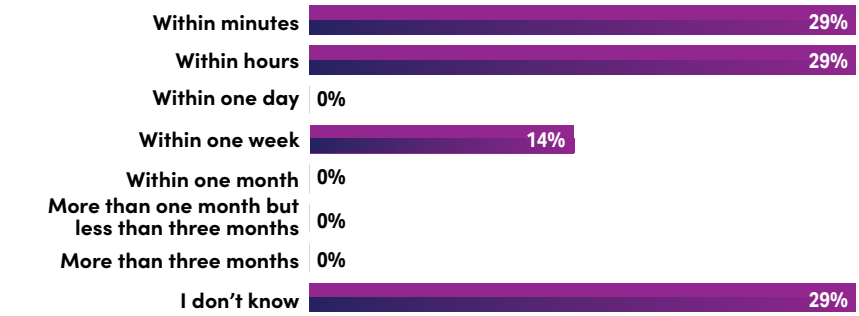
17%
I don't know

What is your organization's biggest challenge regarding enhanced cybersecurity?

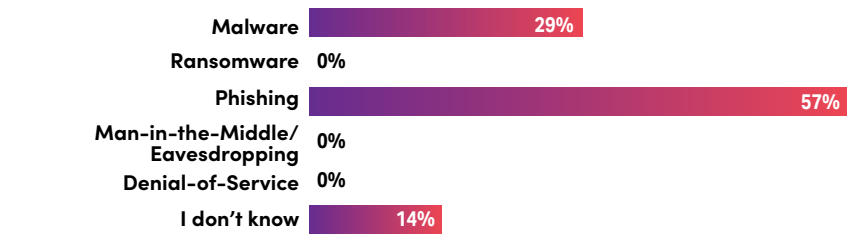
About 1/3 of the "other" answers *to cybersecurity's biggest challenge related to this responsibility falling under the umbrella of municipal responsibility rather than within the transit agency's control.*

9% of respondents *report their agency's have fallen victim to a cyber attack in the past year.*

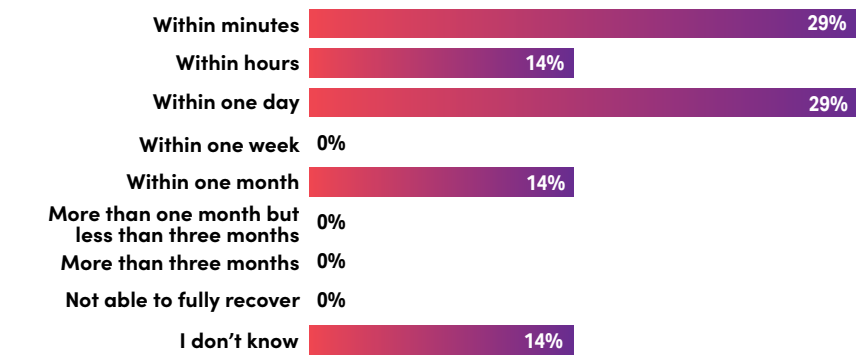
For those who indicated a cyberattack had occurred, it took the following amount of time to recognize an attack occurred:



The type of cyberattack to have been attempted on those who indicated their agencies had experienced an attack:



For those who indicated a cyberattack had occurred, it took the following amount of time to recover from that cyberattack:



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