

Phillip Wilcox
Office of Rail Regulation
One Kemble Street
London
WC2B 4AN

10 November 2014

Dear Phillip,

Consultation Response – ‘Towards a Code of Practice on Retail Information’

I am writing on behalf of East Coast in response to the above consultation document we received from Nick Wortley. I have set out below some general supporting information which is relevant to this consultation and has supported our responses to the eight specific questions asked by the ORR.

Supporting Information

There has been strong growth in both revenue and web/self service channels and that would indicate that the industry is making inroads into fares and retail simplification, although clearly there is some way to go. During its five years of operation East Coast has seen the quantum of journeys booked on a website or self service machine increase from 45% to 62%. This is as a result of growth, market development, evolving customer needs and the rail retail offering becoming more sophisticated.

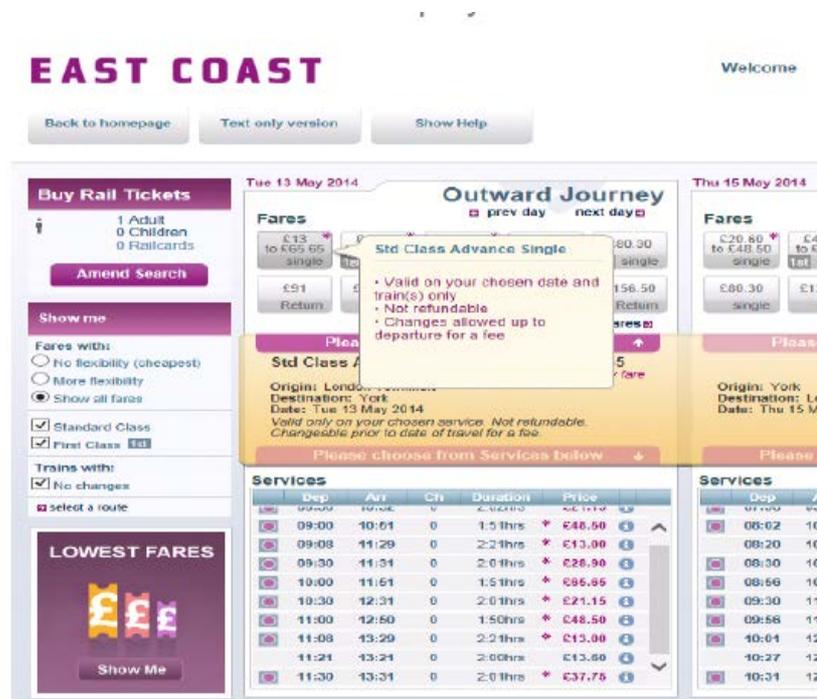
East Coast welcomes the principle of a code of practice and advocates a means of self regulation in this respect or, failing that, a ‘principles based’ code. We support many of the recommendations being made but, as is recognised by the ORR, requirements differ between customer type and retailing requirements by channel. There is no one size fits all approach to ticket retailing. For example, the requirements of a commuter are very different to an infrequent leisure customer. Also, the requirements of someone using a self service machine to travel on the next train, or simply to collect a ticket, are very different to those of a customer browsing the web for pricing and timetable options. For this reason East Coast recommends a ‘twin track’ approach to the code, to differentiate between familiar and non-familiar customers.

In Appendix A to this letter I have summarised, by sales channel, what information we currently provide from that listed in Annex B of the consultation paper. This table considers the website, ticket counters and self service machines. The web site has been split into the mixing deck (the front end booking engine), the confirmation page and the general web pages. What can be seen is that East Coast already provides much of the suggested information and is constantly seeking to reduce fare complexities; both in the fares structure and also in the presentation of fares. However, there is always room for improvement and a code of practice would certainly help provide clarity for both ticket retailers and customers. Further, it may also assist

train operators and suppliers plan upgrades and system improvements more effectively.

Although East Coast has a wealth of information on its website, there is still a general onus on the customer to 'seek' out this information e.g. through selecting an 'i' button to expand the fare terms and conditions. It must however be noted that East Coast and other online retailers do provide alternative ways of providing information by answering customer questions in a more interactive fashion. For example, on our website we provide a tool for our customers to see which trains they can use their Super Off Peak ticket on.

The natural focus of websites, including eastcoast.co.uk, is to present ascending fare options. By default many customers are drawn to the 'cheapest' advance fare but do not read the restrictions that apply to this fare despite being prompted. However, East Coast has taken steps to make these terms more visible such as by text boxes with the key terms being displayed before the point of purchase (see screenshot below).



East Coast has carried out research to understand the current levels of awareness of the various terms and conditions associated with different ticket types and the perceived importance of these when making a booking. The research sampled over 11,000 customers purchasing either Advance or Super Off Peak tickets on the Company website during the summer of 2013.

Many of the findings of our research correlate with those of the ORR. However, 'Delay Repay' (the East Coast compensation scheme for journeys delayed by more than 30 minutes) came up as a very highly rated item when choosing a ticket. Although Delay Repay is not specific to ticket type, as a result of research we increased the visibility of the information. The research also identified low levels of awareness for when customers could use restricted walk-up ticket types. This prompted our development of the online restriction checking tool.

The most difficult part of retail information to explain is restrictions and routeings. However, the developments underway at industry level to improve both of these areas will undoubtedly help reduce the level of customer confusion.

It must be noted that, particularly at peak times, customers are much more time sensitive and often leave little time to purchase a ticket before their intended train is due to depart. The industry must therefore find a balance between giving the essential information a customer needs rather than listing lots of information customers do not really want or need. If the latter became the norm, queuing times would increase significantly and therefore the customer experience would suffer.

It should be noted that East Coast complies with the Cap Code (i.e. Advertising Standards Authority Rules) and have very few allegations or complaints around mis-selling. We would expect the same to be true of all train operators. It is therefore important any changes made are proportionate to the issue.

A number of improvements, particularly in the self service channel, have been sought but held up due to industry suppliers being unable to deliver the required developments. For example, improvements to the user interface which were specified back in 2012 have yet to be developed fully by Worldline despite being much more customer friendly, intuitive and having the support of both Passenger Focus and East Coast. This development will incorporate timetable information into the retail process making the information presented to customers much more relevant. With the number of potential suppliers to industry wide systems being extremely limited, it is important for the ORR to recognise that many improvements and changes are also being sought by operators but have not been implemented due to issues outside their control.

Answers to Specific Questions within the Consultation Paper:

Q1 - *Given the requirements of consumer law and industry specific obligations, do you agree that the types of information highlighted above and in the associated Annex B are the types of information that passengers need when choosing, buying and using rail tickets?*

A1 – As detailed above, the needs of customers vary by customer type and retail channel. While the types of information being suggested are sensible, we need to make this distinction between customer type and retail channel to ensure we meet the requirements of our customers, not just achieve compliance with legislation or regulation. We must also ensure that any changes within ticket offices are proportionate to the problem and do not lead to transaction times increasing significantly and therefore damaging the customer experience.

Q2 - *Are there other types of information that should be covered by the Code?*

The information printed on the ticket itself is very important. While this is only accessible to customers after the ticket has been purchased, which is a very important distinction in terms of consumer law, key terms and restrictions should be printed on the ticket. Further to this, it is also worth distinguishing between the different types of ticket and what opportunities each afford retailers. For example, mobile tickets can have links to key terms and Print@Home tickets offer much more space to display information.

However, we are aware that this is an issue already being investigated and that industry improvements are impending such as reservations being printed on the actual

ticket and the introduction of a routeing graphical tool so customers can easily identify permissible routes for their journey.

Q3 - Are there any reasons why any of the information outlined above can't be provided at all, or certain, points of sale?

It is very difficult to communicate all ticket restrictions at every sales channel. The 'Routeing Guide' determines many of the more complex restrictions and it is very difficult to put these onto the traditional ticket types or to explain them in a straightforward manner to customers. Any simplification of ticketing restrictions will help to overcome this difficulty.

Q4 - If there are points of sale at which some of the information outlined above can't be provided, or can't be provided in a form that is useful to passengers, what measures do you take to mitigate for this and ensure that passengers buying their tickets from these points of sale have the information they need to make an informed decision?

Tools such as the East Coast ticket restriction checker, see below screenshot, helps customers to determine which trains they can use their ticket on. While not ideal, customers purchasing tickets on channels other than our website, who are not looking to travel that day, could be directed to this site.

My Bookings

last month last 3 months last 6 months all

Booking date	Reference	Outward	Return	Cost	Status	
15/10/2014 15:28:08	JNS44NCN (9519)	York - Newcastle Dep. 29 Nov 2014 09:37	Newcastle - York Dep. 29 Nov 2014 20:43	£40.50	completed	close

Passengers:
1 Adult(s)
Ticket(s):
1 Off Peak Return

Ticket Terms and Conditions:
Off Peak Return: Valid on off-peak services by the route and Train operator shown. Return travel any day within 1 month.

Which trains can I use my tickets on?

I would like to:

Our Loyalty Scheme
0 available
0 pending
[Find out more](#)

Train Validity Checker
York to Newcastle
Sat 29 Nov 2014

Outward Journey
prev day next day

Dep	Arr	Ch	Duration	Notes
06:26	07:34	0	1.08hrs	
06:34	07:39	0	1.05hrs	
07:06	08:19	0	1.13hrs	
07:37	08:37	0	1.00hrs	
07:46	08:45	0	0.57hrs	
08:08	09:14	0	1.06hrs	
08:29	09:27	0	0.58hrs	
08:35	09:40	0	1.05hrs	
08:50	09:47	0	0.57hrs	
08:55	09:51	0	0.56hrs	
09:08	10:15	0	1.07hrs	
09:32	10:30	0	0.58hrs	
09:37	10:37	0	1.00hrs	
09:48	10:44	0	0.56hrs	
09:53	10:49	0	0.56hrs	
10:08	11:14	0	1.06hrs	
10:32	11:29	0	0.57hrs	
10:35	11:40	0	1.05hrs	
10:48	11:46	0	0.58hrs	
10:53	11:49	0	0.56hrs	
11:08	12:15	0	1.07hrs	
11:32	12:29	0	0.57hrs	
11:44	12:51	0	0.57hrs	

Return Journey
prev day next day

Dep	Arr	Ch	Duration	Notes
15:30	16:30	0	1.00hrs	
15:41	16:40	0	0.59hrs	
16:09	16:55	0	0.56hrs	
16:06	17:13	0	1.07hrs	
16:26	17:28	0	1.02hrs	
16:35	17:31	0	0.56hrs	
16:42	17:40	0	0.58hrs	
16:59	17:55	0	0.56hrs	
17:06	18:15	0	1.09hrs	
17:26	18:28	0	1.02hrs	
17:32	18:31	0	0.59hrs	
17:44	18:40	0	0.56hrs	
17:59	18:55	0	0.56hrs	
18:04	19:13	0	1.09hrs	
18:30	19:28	0	0.58hrs	
18:35	19:32	0	0.57hrs	
18:44	19:41	0	0.57hrs	
19:04	20:00	0	0.56hrs	
19:10	20:13	0	1.03hrs	
19:25	20:33	0	0.58hrs	
19:45	20:41	0	0.56hrs	
20:43	21:48	0	1.05hrs	

Our Loyalty Scheme
0 available
0 pending
[Find out more](#)

Q5 - Do you agree that a principles' based Code, such as is outlined above, is the best approach? For example, that it would provide the flexibility necessary to address the

differing capabilities/uses of different points of sale and/or to respond to future developments?

As detailed in the above 'Supporting Information' section, East Coast believes that the approach being suggested is a sensible one.

Q6 - *Do you agree that the principles outlined above are appropriate to the provision of retail information to passengers? Are there any other principles that you think it would be helpful for the Code to cover?*

The principles in the main seem appropriate, but we would like to the ORR to also consider the following:

- a) A 'twin track' approach seems sensible to reflect the level and type of information which is presented to customers who are familiar or unfamiliar with booking a ticket. As an example, a customer could self select which route they want to travel on online or at a machine (or even choose between physical machines; one for fast buy, one for assisted buy). This would recognise the different needs and time constraints of customers;
- b) Consideration must be given to what information, if not presented, would lead to a negative outcome for the customer. For example, for Advance fares it is important to confirm that the ticket can only be amended before departure, not on the train. If the customer is not aware they may run the risk of feeling 'penalised' by having to buy a new, generally much more expensive, ticket. Another example would be self service machine sales for immediate travel; it is unlikely that anyone buying a single ticket with minutes to go until their train departs needs to know about refund conditions;
- c) Ticket fulfilment methods also need consideration. For example, if a customer chooses to have their ticket issued on the day via TOD (ticket on departure), the operator of the ticket office should manage issues with this ticket regardless of where it was retailed;
- d) Forms of payment. Whilst we are not advocating a specific list, it would be useful to inform customers about acceptable forms of payment, including different currencies; and
- e) A final consideration would be after sales service and how to get this. For example, it should be made very clear how a customer can obtain a refund for, or make an amendment to, their ticket.

Q7 - *Are there any specific issues retailers are likely to face in complying with these principals, given the different characteristics of different sales channels (e.g. Ticket Offices, websites, TVMs, etc.)? For example from a technological, practical or cost perspective?*

In terms of tickets being purchased at the ticket office, greater consideration is required to determine when it is acceptable to merely present information to a customer, such as with a leaflet, and when information needs to be read aloud. This needs to acknowledge our statutory obligations as ticket retailers under consumer law as well as understanding that there is only a finite amount of spoken information a customer will remember.

Additionally, as detailed above, we must be mindful that despite the best efforts of train operators amendments to systems or retailing equipment are often extremely slow. There are very few potential suppliers available so there is limited scope to change this. This needs to be acknowledged by the regulator should an operator experience difficulty implementing any part of the code of practice for reasons outside of its control.

Q8 - *Can you provide examples of good and/or bad practice of how retailers already provide information to passengers within this context?*

East Coast has implemented a number of initiatives to improve the quality of retail information provided to customers such as:

- The creation and implementation of a compulsory e-learning module for all customer facing, non-ticket office, staff working at our stations. This includes the basics on fares such as ticket restrictions. There are set pass marks all employees must attain as this ensures the information is understood;
- MVT (Multi-Variate Testing) Programme. East Coast regularly undertakes trials to improve the presentation of information on the website to help optimise the customer experience; and
- Use of conditions cards for Advance tickets sold in our ticket offices. These cards contain the key terms and conditions and are given to customers purchasing these tickets. This addresses the issue that only those online have access to all the restrictions that apply.

I hope the above, and appendices below, prove helpful. Should you have any questions regarding this response please do not hesitate to contact me on matthew.short@eastcoast.co.uk.

Yours sincerely,

Matt Short
Franchise Compliance Manager

Appendix A: Review of EC Retail Channels against the key Information Types specified in Annex B of the ORR Consultation Paper

Key: **Green** = already offered, **Amber** = broadly/partly offered, **Red*** = this information is not presented/provided.

* note that this does not necessarily imply a negative position – it could be a combination of areas where there is room for improvement and areas where there is little need to supply that particular piece of information – eg ‘refund rights’ is less applicable if collecting a ticket/buying a ticket for immediate travel at a self service machine.

Information Type	EC Web Mixing Deck	EC Web Confirmation	EC Web Site	EC Station Counters	EC Self Service Machines
Timetable Information (dept/arr time, duration etc)	Yes	Yes	Yes – via timetable download, tt tool and journey planner	Yes	No
Price Information (price, card charge, bkg fees etc)	Yes – charges for certain fulfilment methods laid out in delivery details stage	Yes	Yes – references to no fees	Yes (no fees to explain)	Yes (no fees to explain)
The route on which the ticket is valid	Yes – after selection but still need to understand ‘any permitted’ etc	Yes	No	Yes	Yes
Ability to break a journey	Yes – in T&C info behind ‘i’ button	No	No	If asked	No
Refund rights	Yes – in T&C info behind ‘i’ button	Yes – refund rules	Yes – specific pages	Yes	No
Compensation for delays	No	No	Yes – specific pages and prompts where relevant (eg travel alerts)	If asked	No
T&C’s (NRCoC, tkt T&C’s – eg OP times, other such as collection procedure)	Yes – although the exact times of off peak are not listed. Specific call out box for Advance fare selection on mixing deck. CMS panel for TOD process.	Yes	Some – my account advises trains valid for your booked ticket	Yes - times	Yes - times

T&C's (NRCoC, tkt T&C's – eg OP times, other such as collection procedure)	Yes – although the exact times of off peak are not listed. Specific call out box for Advance fare selection on mixing deck. CMS panel for TOD process.	Yes	Some – my account advises trains valid for your booked ticket	Yes - times	Yes - times
Assistance for pax with disabilities	Yes – DDA Site and can book via mixing deck	Not applicable – emailed if booked	Yes – information pages	Yes – DDA counter	No – although floorwalkers are in attendance in major stations
Availability of on-train service (e.g. wifi, catering)	Yes (in the info call out)	No	Yes – specific information pages	If asked	No
Ability to travel with luggage or a bike	No – but can book in flow	Yes – if bike booked	Yes – specific information pages	If asked	No
The range of tickets that are available at that point of sale	Yes - All available tickets listed in the mixing deck	No – not applicable	Yes – ticket information	No	Yes - Range of tickets are presented on screen for chosen destination and applicable to time of day