

# SCOTTSDALE TRANSPORTATION COMMISSION REPORT



**To:** Transportation Commission  
**From:** John Kelley, Transportation Planner  
**Meeting Date:** May 17, 2012  
**Re:** 2012 Hospitality Route Update

## ITEM IN BRIEF

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**Action:** Information/Possible Action

**Purpose:** Recommend continuance of the Hospitality Route for 2013 to City Council.

### Overview:

The Hospitality Trolley Route was first operated in 2011 as a means to link visitors staying at the City's major resorts and hotels with Downtown Scottsdale events, entertainment venues, shopping and restaurants. In 2012, the second year of operations, the route again provided service to key event centers such as Barrett Jackson Museum, Scottsdale Stadium, Scottsdale Museum of Contemporary Arts, WestWorld, and the Tournament Players Club Golf Course. The route was in service from December 26, 2011 thru March 31, 2012. From beginning to end, this second year Hospitality Route project was a partnership between the City of Scottsdale and the Convention and Visitors Bureau (CVB).

### Route Design

For 2012, the route was kept on Scottsdale Road and expanded south to Thomas Road to include the Barrett Jackson Museum. It was expanded west to include stops at the Valley Ho and east to include Scottsdale Museum of Contemporary Art and the W Resort. Based upon the previous year's experience with limited ridership, the WestWorld Loop was eliminated, and a shuttle service was provided during the 14 days of the Barrett-Jackson auto show and the Waste Management Phoenix Open.

### Operating Cost

As with the first year of service, the City Council directed staff to obtain up to half the project funding from Bed Tax revenues and at least half from sponsorships in the form of vehicle advertising. Cost savings were achieved by eliminating the WestWorld loop on every route this year, as well as by eliminating the last two hours of service (10:00 p.m. to 12:00 midnight). These changes allowed service frequency along Scottsdale Road to improve from 60-minutes to 30-minutes, while still maintaining the Council-approved \$180,000 budget.

### Ridership and Goal Attainment

A summary of ridership data, measured by the number of vehicle boardings, is shown in Table A below. A ridership productivity goal of 12 boardings per hour, or 144 riders per day, was established in 2011 and was based on 50 percent of Downtown Route ridership. The data indicates boardings steadily increased from the beginning of January through the peak tourism month of March. For the season, ridership averaged 14.2 boardings per hour, compared with 11 boardings per hour for the 2011 route. Data

collected for the duration of the project clearly indicates boardings were higher for spring training game days compared to non-game days.

**Table A. Hospitality Route Boardings**

Month	Service Days	Game Days	Boardings	Boardings per Day	Boardings per Hour	Game Days Goal Met	Non Game Days Goal Met	Total Days Goal Met
December	6	0	400	67	5.6	0	0	0
January	30	0	3,670	122	10.2	0	0	0
February	29	0	5,187	179	14.9	0	29	29
March	31	16	7,059	227	19.0	16	15	31
<b>Total</b>	<b>96</b>	<b>16</b>	<b>16,316</b>	<b>169</b>	<b>14.2</b>	<b>16</b>	<b>44</b>	<b>60</b>

### Survey Results

All surveys were conducted by Transportation Department staff during the final two weeks of March. A total of 150 riders took part in the survey. The results provide information about the primary users of the service. A summary of all survey responses is included in Appendix A and summarized relative to last year's survey results as follows:

- Origination of user: Of the 150 riders surveyed, 69 percent indicated they were from outside of the Valley.
- Information/Outreach: 42 percent of riders learned about the route from concierge or other hotel staff--an increase over last year.
- Marketing: The number of riders learning of the service from the signage fell from 42 to 16 percent, and can be attributed to the number of return ridership from the previous season, as well as better marketing online and with printed material such brochures.
- Trip purpose: All destinations were within +/- 3 percent of the previous year except Giants Spring Training which was up 16 percent.
- Alternate transportation: Options remained within +/- 3 percent, except for the use of an automobile as an alternate rose 12 percent.
- Choice: Remained within +/- 3 percent for choice of the trolley due to parking, convenience, free fare, etc.
- Age: The largest user group remained at 50-69 years of age, with the 18-29 age group showing a decrease.
- Transit experience: Our riders were less experienced using transit at home this year compared to last year; however, more riders indicated they were more familiar with Scottsdale's Trolley service this year.
- Overall experience: 99 percent indicated their ride was a good experience.
- Written comments: Riders expressed many positive thoughts about the service and highlighted the need for improving the brochure.

### **Potential Rt. 72 Attrition**

A question was raised during the Hospitality Route planning in 2011 regarding whether or not riders from the Route 72 would switch over to riding the new service because the fare was free. Survey results indicate there are fewer local residents riding the Hospitality Route in 2012. In addition, Valley Metro ridership figures are up in comparison to 2011 for weekday/Saturday/Sunday ridership on the Route 72 as shown in Table B below. As a note, Sunday frequency on Route 72 was dropped from 30 minutes to 60 minutes as part of the Fiscal Year 2012-13 budget process.

**Table B. Route 72 3-Month Ridership, January-March, 2011 vs. 2012**

<b>Ridership</b>	<b>2011</b>	<b>2012</b>
<b>Weekday</b>	100,477	115,760
<b>Saturday</b>	15,691	16,408
<b>Sunday</b>	13,800	11,830
<b>Total</b>	<b>129,968</b>	<b>143,998</b>

### **Sponsorship Results**

Sponsor feedback has been mainly positive, with many expressing an interest in extending their sponsorship to other City of Scottsdale programs. An area for improvement is to increase sponsorship participation by enterprises along Scottsdale Road that enjoy the most direct benefits from the Hospitality Trolley.

Eleven local sponsors contributed approximately 50 percent of the \$180,000 operating cost. Using the trolley vehicle instead of the bus this year required adjustments to advertisements sold and pricing. The full wrap on a bus was changed to a banner wrap that covered the waist of the trolley on both sides and the back panel. Interior advertisements were also sold. Sponsorship packages ranged from \$3,000 to \$19,500.

### **Marketing**

The Scottsdale Convention and Visitor's Bureau (SCVB) was instrumental in helping staff connect with the sponsor businesses and in helping us to market the service to customers by producing a two-color brochure that included information on the route schedule, stops, and lodging and event locations. In addition, the SCVB staff trained the hotel concierges and distributed information to them.

Two key reasons for the SCVB's interest in the Hospitality Route are:

- Perception: Scottsdale is a 60 percent group market, meaning the hotel and resort properties heavily depend on meetings to fill room nights and drive occupancy. The SCVB participates in a national meeting planner survey, called Metropoll, which rates Scottsdale against 40 North America destinations. Transportation and transportation costs are major factors meeting planners consider when selecting a destination for meetings purposes. Consistently, meeting planners rank Scottsdale "weak" for good local transportation. The

SCVB sales team uses the Hospitality Trolley as a benefit to meeting planners and their attendees to help sell Scottsdale as an advantage against other destinations.

- **Competitive advantage:** Leisure consumers also take transportation costs into consideration when selecting a vacation destination. In Arizona, car rental taxes are relatively high and cabs are not well organized. Attractive transportation options often help to solidify a leisure consumer's decision for traveling to a particular city. The SCVB considers the Hospitality Trolley a definite asset to Scottsdale as a competitive advantage against other vacation destinations.

### **Future Route Considerations**

1. **Lead Time:** Starting earlier provides more time to develop and distribute marketing materials and to start service earlier to include Insight Bowl, Fiesta Bowl football games, related downtown activities, and New Year's activities. Since the schedule and route brochure are based on sponsors, the activities for solicitation of sponsors should be completed a minimum of two months in advance (October). This would afford greater opportunities to advertise and promote the route.
2. **Vehicles:** Continued use of trolley vehicles in lieu of buses provides a better marketing tool, as well as a distinctive vehicle presence for riders..
3. **Route:** The 2012 version addressed the two largest issues with the pilot program by: 1) reducing the travel time from 60 minutes to 45 minutes; and, 2) improving service frequency from 60 minutes to 30 minutes. In addition, the data collected and field observations indicated that the Barrett-Jackson auto show, Waste Management Phoenix Open, and the Arabian Horse Show were the only periods with ridership warranting the WestWorld to Fairmont Princess Loop.
4. **Advertising/Sponsorship:** Begin work early with the Giants to gain their participation in advertising. Structure the Hospitality Route advertising program so that it adds revenue above those required to meet the transit advertising budget goal.
5. **Operating Time Frame:** No customer complaints were received regarding reduced service hours. No customers expressed the desire for year-round service except employees that used the service instead of the Route 72. Ridership, the first week of service from December 26 – 31, was disappointing. Having all issues resolved and materials available 30 days prior to the start of service will correct that situation. Ending service with the final home Spring Training game seems to work well.

# Hospitality Trolley 2012

Transportation Commission

May 17, 2012

# 2012 Service Objectives

- Obtain Transportation Commission and City Council approval for a second year
- Redesign route to be more frequent
- Use trolley vehicles instead of buses
- Start service earlier in the day
- Start service earlier in the season
- Maintain \$180,000 public/private budget
- Improve ridership

# 2012 Service Design

- Service provided 10:00 a.m. to 10:00 p.m.
- December 26, 2011 through March 31, 2012 (the last Giants home game)
- Seven Days a Week for a total of 96 days
- Route extended from south on Scottsdale Rd. at Barrett Jackson Museum (Thomas Rd.), north to Fairmont Princess Resort
- Separate shuttle loop provided from Fairmont Princess to WestWorld and TPC
- Utilized three vehicles for service to achieve 30 minute frequencies on Scottsdale Rd. (two in 2011 at 45-55 minutes)

# WestWorld Loop

- Operated using a fourth trolley
- Operated only for the weeks of Barrett- Jackson and Waste Management Phoenix Open (14 days)
- Eliminating this portion of the daily route allowed doubling of service on Scottsdale Road, and increased service frequency from 60 to 30 minutes.



# Bus vs. Trolley

- Moved from a fully wrapped bus in 2011 to the traditional trolley with an advertising banner along the waist of the vehicle with a rear panel wrap. Interior advertising was also sold.
- Use of the trolley retained a “traditional ambiance” and also provided patrons with an easy to identify vehicle along the route.

# Venues/Events Served

- Barrett-Jackson Auction at WestWorld and Scottsdale Rd. Museum
- Waste Management Phoenix Open Tournament
- Fairmont Princess Resort
- Scottsdale Resort & Conference Center
- W Resort
- Valley Ho Resort
- Scottsdale Baseball Stadium
- Scottsdale Museum of Contemporary Arts

# Boardings, 2011 vs. 2012

Month	Boardings		Service Days		Boarding's/ Hr	
	2011	2012	2011	2012	2011	2012
December	0	400	0	6	0	5.6
January	1,640	3,670	15	31	8.0	10.2
February	3,987	5,187	28	29	10.2	14.9
March	2,757	7,059	16	31	12.4	<b>19.0</b>
<b>TOTAL</b>	<b>8,384</b>	<b>16,316</b>	<b>90</b>	<b>96</b>	<b>10.7</b>	<b>14.2</b>

# Rider Survey, 2011 vs. 2012

- Staff conducted a ridership survey in the last week of March
- Number of riders from outside Scottsdale or the Phoenix valley increased from 54<sup>0</sup>% in 2011 to 69<sup>0</sup>% in 2012.
- Number of riders who learned of the Hospitality service from concierge/hotel staff improved from 36<sup>0</sup>% in 2011 to 42<sup>0</sup>% in 2012.

# Rider Survey, 2011 vs. 2012 (cont.)

- The destination purpose of the trips for Giants Spring Training games rose 16% above 2011.
- Ridership in 18-29 yr. old bracket decreased (27% to 15%), while the 40-49 yr. old bracket increased (36% to 41%).
- Rider knowledge of other trolley routes increased 11%.

# Challenges for the Future

- New route design based on sponsor locations
- Complete sponsor sign-up and route details and develop marketing tools (trolley wraps, brochures, website postings, etc.) minimum of 60 days prior to start-up
- Broaden sponsorships to include more businesses and events that are receiving service benefits

# Summary

- The service is a valuable tourism and economic development tool
  - Free transportation door to door encourages people to stay in Scottsdale instead of other destinations
    - Conversations with riders during the survey indicated a large percentage of return ridership. Riders indicated the service was an added incentive to visit Scottsdale.
- In year two, the Hospitality Trolley has only begun to show its true potential
- With longer lead time to promote/advertise and garner additional community support, the Hospitality Route can become a successful asset for Scottsdale