MTA Procurement

DATE: 12/06/2024

NON-CONSTRUCTION CONTRACT SOLICITATION NOTICE

MTA- HQ IS NOW ADVERTISING FOR THE FOLLOWING:

SSE #: 16036	**OPENING/DUE DATE:** 01/08/2025
TYPE OF SOLICITATION: RFP	**DOCUMENT AVAILABILITY DATE:** 12/06/2024

SOLICITATION TITLE: Catalyzing Behavioral Change to Address Fare Evasion

DESCRIPTION: NYCT operates subway, bus, and paratransit services in the five boroughs of NYC. It is an agency of the Metropolitan Transportation Authority ("MTA") and serves approximately 5 million customers daily. Fare evasion on public transportation in New York is at a historic high. Approximately 900K transit riders use subway and local bus service without paying each day, summing to $600M in annual lost revenue due to fare evasion in 2022. Revenue loss from unpaid ridership exacerbates the MTA "fiscal cliff" and ability to provide the frequent, high-quality service that New York depends on. The MTA is seeking vendors who can apply the theories of civic cultural change and tools of behavioral science to reduce fare evasion on New York City Transit ("NYCT") Buses and Subways. Key phases ("Services") of the project include:

1. <u>Phase 1 Research - Personas:</u> Conduct grounded research on the motivations behind fare evasion and segment public transit customers into "personas" based on distinct motivations or psycho-social factors and size customer segments.

2. <u>Phase 2 Ideation - Interventions:</u> Co-design and develop at least 3 distinct behavioral interventions for each persona and transportation mode, including a summary of the intervention, the target persona(s), why this intervention should work, which channels will be used to deploy the intervention, a cost estimate and return on investment ("ROI") calculation for each intervention, and evaluation metrics for each intervention.

3. <u>Phase 3 Roadmap - Intervention Implementation Plan:</u> Develop a roadmap forward for piloting interventions that considers estimated ROI and prioritizes interventions.

4. <u>Optional Phase 4 Pilots - Intervention Design, Production, Deployment, and Evaluation:</u> Refine design, produce intervention assets, deploy, and evaluate pilot interventions.

Funding: 100% Federal   Goals: N/A   Est $ Range: $500K - $1 M   Contract Term: 6 Months

****PLEASE SEE THE ATTACHED SCOPE OF WORK FOR ADDITIONAL INFORMATION****

(x) <u>PRE-BID CONFERENCE</u>	**DATE:** 12/18/2024	**TIME: 10:00AM**

Virtual via Microsoft Teams- Please contact the assigned procurement representative at christopher.medina-consultant@nyct.com

( ) <u>SITE TOUR</u> N/A	**DATE:**	**TIME:**

PLACE:

FOR MORE INFORMATION, PLEASE CONTACT:

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Catalyzing Behavioral Change to Address Fare Evasion – Consultant Services
Scope of Work

Purpose

Apply the theories of civic cultural change and tools of behavioral science to reduce fare evasion on New York City Transit ("NYCT") Buses and Subways. Key phases ("Services") of the project include:

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Problem and Context

NYCT operates subway, bus, and paratransit services in the five boroughs of NYC. It is an agency of the Metropolitan Transportation Authority ("MTA") and serves approximately 5 million customers daily.

Fare evasion on public transportation in New York is at a historic high. Approximately 900K transit riders use subway and local bus service without paying each day, summing to $600M in annual lost revenue due to fare evasion in 2022. Revenue loss from unpaid ridership exacerbates the MTA "fiscal cliff" and ability to provide the frequent, high-quality service that New York depends on.

A new social perspective on fare evasion emerged in the wake of COVID-19: not paying the fare is simply not as 'bad' as it once was. Whether students jumping the turnstiles or elderly people toting designer shopping bags, we frequently observe opportunistic riders of all ages, genders, races, and perceived socioeconomic backgrounds evading the fare.

Historic approaches to solving this problem have identified punitive enforcement as the antidote to rising fare evasion. Physical barriers, fare inspection, penalties, and messages emphasizing the potential consequences of evading the fare are the most common tactics used. However, these costly and sometimes controversial methods have had limited success in reversing the upward trend in riders who do not pay.[1]

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[1] Barabino, Lai, and Olivo. "Fare evasion in public transport systems: a review of the literature." *Public Transport*, February 14, 2020. https://doi.org/10.1007/s12469-019-00225-w.

Civic Behavioral Change

Theoretical Underpinnings

Social science research shows that the external enforcement of regulations has limitations, particularly when laws conflict with widespread social norms.[2] Civic leaders at the vanguard of tactics for changing civic behaviors (e.g., traffic, crime) posit that lasting change is catalyzed by addressing moral and social regulations, in addition to enforcement of legal regulations.[3] Moral regulations are implicit regulations that stem from individual's own understandings and beliefs and guide an individual's behavior. Social regulations are context or groups dependent regulations and are incorporated in one's social identity to give them a sign of belonging. In an ideal society, these three systems should be congruent: all behaviors that are morally valid tend to be culturally accepted and what is culturally permitted fits within what is legally allowed.[4]

Avant-garde interventions reshape civic behavior by tapping into emotions and sense of shame.[5] They also positively reframe what "good" behavior looks like by fostering shared identity and civic appropriation. These principles of civic behavioral change apply directly to our efforts to shift behavior from transit service fare evasion toward payment for the use of subway and bus services.

Behavioral Change Efforts Applied to Urban Transportation Challenges

Going beyond enforcement to change civic behavior related to transportation gets results. In Colombia, mimes stationed at traffic intersections to reprimand errant drivers and pedestrians halved the number of traffic fatalities.[6] A similar program in Bolivia uses dancing costumed zebras for traffic calming at crosswalks.[7]

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[2] See: Acemoglu, Daron, and Matthew O. Jackson. "Social Norms and the Enforcement of Laws." *Journal of the European Economic Association*, April 1, 2017. https://doi.org/10.1093/jeea/jvw006; Suquet, Jean-Baptiste. "Moral Standards: Underpinning or (Re) Constructing Social Order? The Case of Fraud in a French Collective Transportation Service." In *17th Annual Meeting of the Society for the Advancement of the Socio-Economics (SASE)*, 2005.

[3] Mockus, Antanas. "Armonizar Ley, Moral y Cultura: Cultura Ciudadana, Prioridad de Gobierno Con Resultados En Prevención y Control de Violencia En Bogotá, 1995-1997." *Inter-American Development Bank Papers*, 1999. https://publications.iadb.org/es/armonizar-ley-moral-y-cultura-cultura-ciudadana-prioridad-de-gobierno-con-resultados-en-prevencion; Velásquez, Hugo Acero, Sayra Aldana, Alejandra Ariza, Sandra Camacho, Diego Cancino, Giancarlo Chiappe, Jimmy Corzo, Mónica Delgado, Susana Garavito, and Lina Gómez. *Antípodas de La Violencia: Desafíos de Cultura Ciudadana Para La Crisis de (in) Seguridad En América Latina*. Inter-American Development Bank, 2012.

[4] Mockus, Antanas (1994). Cultural amphibians and divorce between law, morality and culture. Political Analysis, 21.

[5] For example, see parking campaign "El poder del cono" from Bogotá, Colombia, 2017 https://www.movilidadbogota.gov.co/web/node/2183, https://www.youtube.com/watch?v=f__U4MnMLtA

[6] Mockus, Antanas. "El arte de cambiar una ciudad." *The New York Times*, August 11, 2015, sec. en Español. https://www.nytimes.com/es/2015/08/11/espanol/opinion/el-arte-de-cambiar-una-ciudad.html.

[7] Aguilar Aranda, Silvana Ninoska, and Diego (Tutor) Murillo Bernardis. "Análisis del programa cebra, en el contexto de la educación y cultura ciudadana del gobierno municipal de La Paz (2001 - 2011)." Thesis, Universidad Mayor de San Andrés. Facultad de Derecho y Ciencias Políticas. Carrera de Ciencia Política y Gestión Pública, 2014. http://repositorio.umsa.bo/xmlui/handle/123456789/8437.

As a dishonest behavior, fare evasion is a particularly challenging behavior to modify. In some contexts, dishonesty or misconduct may result in a compensatory reaction to a certain level of irritation or discomfort of individuals.[8] Likewise, cheating can be associated with feelings of self-satisfaction, especially when there is no evident damage on the system because of the misbehaving.[9]

Small shifts (or nudges) may result in positive changes in human behavior. Research shows potential for tapping into distinct motivations of passengers to change fare payment behavior. For example, a study of transit riders in Australia identified and sized four behavioral segments on a spectrum of degrees of intent to fare evade.[10] In France, a fare evasion campaign on urban rail used "watching eye cues" and positive messages about social norms significantly decreased fare evasion rates.[11] Research in Santiago recommends that campaigns "transform the feelings of irritation, outrage, and deceit… into feelings of appreciation, satisfaction, and fairness."[12]

Services Requested

Phases 1-3 are included as part of this solicitation and must be performed sequentially during a period of six months. Phase 4 will be awarded at MTA sole discretion at a later date. Although some analytical and reporting work may be performed remotely, we expect the majority of work to be performed in New York City to facilitate grounded research and encourage design thinking collaboration with the MTA team.

Phases 1-3

NYCT is seeking expert support in behavioral change to identify and size fare evasion "personas" based on grounded research, develop interventions targeted to specific "personas" to decrease fare evasion using design thinking, and create a prioritized roadmap for behavioral change interventions.

Phase 1 Research: Personas

In Phase 1, the Contractor will conduct grounded qualitative and quantitative research necessary to develop "personas" of subway and bus customers. We use the word "personas" from the field of user research to refer to archetypal representations of subway and bus customers. These personas must include the motivations or psycho-behavioral drivers that various transit rider groups have for evading the fare. They may include, but are not limited to, other variables, such

[8] Mazar, N., Amir, O., & Ariely, D. (2008). The Dishonesty of Honest People: A Theory of Self-Concept Maintenance. Journal of Marketing Research, 45(6), 633-644. https://doi.org/10.1509/jmkr.45.6.633

[9] Ruedy, N. E., Moore, C., Gino, F., & Schweitzer, M. E. (2013). The cheater's high: The unexpected affective benefits of unethical behavior. *Journal of Personality and Social Psychology, 105*(4), 531–548. https://doi.org/10.1037/a0034231

[10] Delbosc and Currie. "Four types of fare evasion: A qualitative study from Melbourne, Australia," *Transportation Research Part F: Traffic Psychology and Behavior*, Vol. 43, 2016.

[11] Ayal, Shahar, Jérémy Celse, and Guy Hochman. "Crafting Messages to Fight Dishonesty: A Field Investigation of the Effects of Social Norms and Watching Eye Cues on Fare Evasion." *Organizational Behavior and Human Decision Processes* 166 (2021): 9–19.

[12] Torres-Montoya, Mariana. "Tackling Fare Evasion in Transantiago: An integrated approach," *Transportation Research Board Presentation*, 2014.

as age, frequency of fare evasion behavior, and fare payment media (e.g., coin, MetroCard, contactless OMNY).

Preliminary personas NYCT has identified:

Youth	Unintentional	Opportunists
• Children and students who are uneducated about the importance of paying the fare • **Age**: K12 and college students • **Evasion Frequency**: varies	• Occasional fare evaders who believes they have "external excuses" to not pay the fare • **Age**: any age group • **Evasion Frequency**: rare	• People who would evade fare when there is a convenient situation • **Age**: any age group • **Evasion Frequency**: occasional
"I don't understand why I need to pay a fare for public transportation."	*"I really didn't plan on evading, but the train is here, and I don't have the time to pull out my metro card."*	*"If the emergency door is open, I will not pay."*

Rebels	Idealists	Low-income
• Youth who think it is cool and edgy to not pay the fare • **Age**: Middle to high school students • **Evasion Frequency**: often	• People with ideologies that believe they are not obligated to pay fare • **Age**: any age group • **Evasion Frequency**: often	• People in low-income bucket who struggle to pay transit fare • **Age**: any age group • **Evasion Frequency**: often
"Jumping over the turnstile is what the cool kids do."	*"Refusing to pay the fare is my way to express my political beliefs."*	*"I simply can't afford the ticket for public transportation."*

Elaboration of personas must be backed by research grounded in the New York City context that includes input from New York City Transit Subway and Bus riders. Research should incorporate qualitative and quantitative methods, as appropriate, and provide a realistic representation of transit riders. Analysis of video feed and/or selection of survey, focus group, and/or interview respondents should follow a clear methodology that will ensure adequate representation.

Phase 2 Ideation: Interventions
For each of the personas identified and studied during the research phase, the Contractor team should develop a minimum of three interventions to reduce the target persona group's fare evasion behaviors. Interventions should focus on the "social" and/or "moral" dimensions of behavioral change, rather than the "legal" dimensions. These interventions must reflect the challenges of the New York and MTA context, and they should focus on what is within MTA control to implement. MTA has conducted preliminary research and brainstorming to develop an initial list of potential interventions. The Contractor should build upon this list to validate or reject interventions and develop a more comprehensive intervention menu, where each intervention is clearly associated with one or more personas. We encourage creativity and the use of design thinking techniques and expect the Contractor to collaborate with MTA staff in the design of these interventions.

For each intervention, the Contractor team will develop the following framework and may also elect to mock-up the intervention:

- Target persona: What is the target persona for this intervention? What lever is this intervention targeting within the persona group – moral or social? Why would this intervention be effective with the selected persona? Each intervention can potentially target more than one persona group.

- Target mode: Which mode does this intervention apply to? We expect to see more emphasis placed on interventions that target buses, given the higher rate and growth rate of fare evasion on buses. Interventions should reflect the unique characteristics and challenges of each mode.

- Details of intervention:
  - Who: Who will deliver the message (e.g., should consider the trustworthiness of sources of information / institutions / people that this persona trusts more than others)?
  - What: What does this intervention entail? What is the key message this intervention is trying to deliver?
  - When: What is the timeline of this intervention? What is the minimum duration needed to test if the intervention will work?
    How will it be delivered? How will the intervention successfully target the intended persona?
  - Where: Where (within the NYCT system) is the best place to implement the intervention, based on our understanding of personas and fare evasion data?
  - Why: Why do we think this intervention will work (i.e., what behavioral science principles or research backs this up)?
  - How: How will the intervention be delivered? Through what channels?

- Resonance with New Yorkers: How will this intervention respond to New York culture and New York-specific challenges?

- Cost, feasibility, and risks: Approximately what will it cost to implement this intervention? What are the feasibility constraints and/or risks, and how should we mitigate the risks? What is the expected ROI of this intervention?

- Evaluation plan: Beyond measurements of fare evasion, what are the key metrics that indicate success of this intervention? What is the right method to capture these metrics in a quantifiable way? What data are necessary to measure the causal impact of an intervention?

- Intervention end state: Is the intervention intended to be one-time, short-term, or indefinite / ongoing? If long-term, what are key constraints to effectiveness?

Phase 3 Roadmap: Intervention implementation plan
After creating the menu of interventions, the Contractor will develop a thorough roadmap for intervention implementation that is realistic for NYCT to carry out, including prioritization of interventions, phases of pilot implementation and/or testing, and resources needed for each implementation. The roadmap must be developed with input from MTA staff.

The roadmap should consider, but is not limited to the following elements:

- Ability of MTA to implement: priority should focus on what is solely within MTA control to implement

- Expected ROI of the intervention: applicability of intervention to multiple personas, how much effort/resources are needed, and the estimated impact on fare evasion
- Impact timeline: minimum estimated time to observe impact, long term benefit vs immediate impact
- Compatibility with existing initiatives at MTA: how will the behavioral intervention fit with other fare evasion policies (e.g., enforcement policies) and / or programs
- Intervention timeline: phases of intervention pilots and evaluations, ability to conduct interventions simultaneously, minimum time to conduct intervention pilots
- MTA capacity: outlining which tasks MTA can likely conduct in-house vs. tasks that need to be outsourced

Service Requested [Optional]: Phase 4
Pilots: Intervention Design, Production, Deployment, and Evaluation:
Pending successful completion of Phases 1-3, MTA may elect, at its sole discretion, to award Phase 4 to the awardee or another proposer subject to the evaluation criteria set forth in this Request for Proposal.

Phase 4 aims to pilot multiple interventions identified in the roadmap and selected by the MTA. The following four stages should be applied to each selected intervention. Each step outlined below must include a collaborative review and response to feedback from MTA staff.

- Design: the Contractor is responsible for refining the design of all additional materials necessary to implement the pilot intervention(s). These may include, but are not limited to, designing key messages and assets for the intervention(s) (e.g., visuals and taglines for posters, training materials for bus drivers) and mechanisms for targeting the intended persona group(s). The Contractor is also responsible for developing a thorough evaluation plan for each pilot implementation, such as designation of the treatment group vs. control group, measurable Key Performance Indicators ("KPIs"), quantified goals for the intervention. The Contractor will identify data routinely collected by the MTA (e.g., ridership, automated passenger counts, fare evasion) necessary for each pilot and will coordinate with the MTA to obtain these data directly from the MTA.

- Production: the Contractor is responsible for the creation of the final assets necessary to carry out the pilot of each intervention (e.g., filming an education video for TikTok, producing a series of campaigns to be posted on subway, training materials). The Contractor will also organize the logistics of production (e.g., asset delivery to specified locations). The MTA will support access to MTA facilities, as needed, for this activity.

- Deployment: the Contractor is the primary party responsible for deployment. The Contractor will work closely with the MTA team during this stage to deploy the assets in field (e.g., uploading video to MTA TikTok account, printing and putting posters in selected buses) as well as monitor outcomes of interventions using the evaluation plan. The MTA will support deployment to platforms mutually agreed upon owned and/or controlled by the MTA. The Contractor will ensure sufficient personnel are available on site in New York to ensure intervention deployment corresponds to intervention design.

- Evaluation: the Contractor is responsible for evaluating the final causal effects of the intervention on fare evasion and analyzing the ROI of the pilot. It is the Contractor's responsibility to collect all data needed for evaluation and coordinate with the MTA to obtain any data routinely collected by the MTA. The Contractor must synthesize learnings from the pilot to improve the selected intervention as well as the menu of interventions and the roadmap.

Operating Constraints (non-functional)

Personnel Skills & Knowledge

Key Personnel – The Contractor must designate a Behavioral Change Lead and a Project Manager. The Behavioral Change Lead and Project Manager must be separate individuals who meet or exceed the following requirements:

- The Behavioral Change Lead must demonstrate research and practical behavioral change experience and may come from a variety of disciplinary backgrounds, including but not strictly limited to behavioral economics, behavioral science, organizational behavior, sociology, psychology, or anthropology. This person will be responsible for ensuring that the Contractor's team follows research-backed approaches to collecting and analyzing data, defining personas, and designing behavioral change interventions.

- The Project Manager must demonstrate ability to work with diverse stakeholders, prioritize among competing demands, and lead projects through implementation to steady-state operation.

Key Personnel shall:

a) be dedicated to Contractor's performance of this Contract or, if not dedicated to the performance of this Contract, shall have this Contract as his/her highest priority;
b) not be removed by the Contractor from the performance of this Contract without MTA prior written consent, as applicable;
c) be removed from the performance of this Contract at the request of the MTA; and
d) be replaced only by a person with the same or similar credentials who is approved in advance in writing by the MTA.