

CHAPTER 9 – MARKET RESEARCH

The market research component of the Transportation Development Plan (TDP) focuses on expanding transit ridership with emphasis on choice riders, specifically engaging those riders who have an option to use a private vehicle or public transit. The research was built on upon the feedback gained through a focus group with representatives of Savannah area employers. Participants discussed the use of public transit by their employees, accessibility, barriers, potential incentives, and trends that might increase demand for transit services in the future. Sixteen participants representing 13 organizations were present and included government agencies, health facilities, human service organizations, and other public and private sector organizations.

Market Research Approach

The fundamental goal of this effort was to solicit practical, local input from major employers who may, or already do, promote the use of transit with their employees. A questionnaire consisting of 18 items was developed to assess the following:

- Nature of organization’s business
- Type of employees and shifts worked (full time, part-time, etc.)
- Provision of free or subsidized parking, bus passes
- Commuter and other benefits provided on a pre-tax basis
- Interest in implementing Commuter Choice benefits
- Primary reasons for implementing Commuter Choice benefits as well as barriers
- Future company plans over the next three years for expansion, reduction, etc., that might impact parking and transit needs

Following the focus group meeting, nine of the 13 companies were contacted as well as 12 additional employers. Of the 21 that were targeted and received questionnaires, 14 responded. Telephone calls were placed to human resources administrators as well as agency vice presidents and managers. All potential respondents were contacted by telephone and provided with an overview of the TDP and the purpose and content of the questionnaire.

The majority of agency representatives preferred to fill out the questionnaire on their own and return them electronically. In some instances, the initial contacts passed the questionnaires on to other employees to complete. The study team requested a phone interview with each, to review their responses; all were responsive. Four face-to-face interviews were also conducted with representatives of the City of Savannah, Chatham County, Savannah-Chatham Public Schools and St. Joseph’s/Candler Health System.

The companies contacted for the questionnaire included:

Government Agencies

- City of Savannah
- Chatham County
- Savannah-Chatham County Public Schools
- U.S. Corps of Engineers*

Educational Institutions

- Savannah Technical College*
- Savannah College of Art and Design (SCAD)

Manufacturing Companies

- International Paper
- Fuji Vegetable Oil
- Universal Food and Beverage
- Colonial Group
- Gulfstream*

Law Firm

- Hunter McLean

Banking

- Coastal Bank

Teleservices

- Sitel

Cable Services

- Comcast

Hotel

- Westin*

Utilities

- Georgia Power*

Medical Facilities

- St. Joseph's/Candler Health System
- Memorial Health
- Coastal Health District*

Employment Services

- Express Personnel Services*

* Did not return questionnaires or keep phone interviews.

Findings

All of the potential respondents were provided with a written description of the TDP and an explanation of Commuter Choice benefits. However, in some instances, as the survey was passed on to various employees for completion, the introductory information concerning Commuter Choice benefits was overlooked. As a result, some respondents had difficulty with a couple of related questions and the explanations were provided during the phone interviews.

Of the 14 respondents, many were familiar with some aspect of transit benefits, but none had experience with parking cash-outs, whereby companies offer their employees financial incentives to commute by means other than their own [usually single occupant] vehicles. St. Joseph's/Candler, Memorial Health, and the City of Savannah were the organizations most interested in the concept, but did not see an immediate need for such benefits, given the current availability of parking.

The government agencies (City of Savannah, Chatham County, Public Schools) and St. Joseph's/Candler were the most receptive to providing subsidized or full-fare bus passes on-site. Public Schools and the City representatives were interested in purchasing "bulk" passes to obtain a discount. Memorial Health is the only facility interviewed that provides free passes at present, however the passes are provided only to specific groups of employees including dietary and environmental service workers. The hospital representatives view the provision of transit passes at no cost to employees as an incentive for employees to arrive at work on time and indicated that the pass program has facilitated a more reliable means of transportation for employees.

Several agencies (private and public) offer free or subsidized parking and three (Chatham County, the City of Savannah and the Public Schools) offer their employees parking rates at public parking facilities lower than those paid by the general public.

The agencies located downtown, as well as the hospitals, recognized that with continued growth in the Savannah area the demand for parking will increase, and at some point they would have to explore incentives to encourage use of public transit. Despite Savannah College of Art and Design's (SCAD) continued expansion, the SCAD employee who responded to the questionnaire could not provide any detailed information on that institution's plans. Attempts to obtain input from other SCAD employees, such as facilities professionals, went unfulfilled.

All of the manufacturing companies reported that only a small number of employees use public transit and that because of shift work and ample parking there is little incentive to use public transit. One employer was located in Pooler, which is outside of the CAT Transit District.

The Hunter McLean law firm and Coastal Bank felt that their employees were unlikely to use public transit given that parking is either free or subsidized. The law firm reported that many of their employees live in Effingham County and would not give up the convenience of personal vehicles. A similar response was reported by the two hospitals. These institutions stated that because they are 24-hour operations, and shifts are often extended during staff shortages, employees want the convenience of leaving immediately after their shifts have ended (rather than waiting for a bus).

Guaranteed ride home programs were discussed with the larger employers, to offer them an enhancement to transit incentives. This service provides employees who use transit a no-cost ride home (e.g., taxi ride) should an emergency occur, such as picking up a sick child at day care, during the work day. Most of the respondents thought that such a service would be a good idea, but did not see a need at this time.

The smaller employers (Hunter McLean, Coastal Bank, and some of the manufacturers) felt that employees who use public transit represented a very small percentage of their overall staff and did not see a need to pursue Commuter Choice benefits.

Generally, there appeared to be a perception among employers interviewed that there is little incentive (at this time) to provide Commuter Choice benefits beyond their current practices. Despite an interest by the larger companies, it appears that as long as parking is still available on-site or at nearby public garages, the assumption remains that “choice riders” will continue to use their private vehicles rather than public transit.

Conclusions

The feedback gleaned from employers in Savannah and Chatham County underlines how transit properties nationwide face an ongoing challenge of engaging employers and successfully expanding the commuting market share. Across the country, interest is generally low among employers in providing transit benefits to employees, and more importantly, for encouraging the use of transit by limiting “free” parking or providing other incentives for alternative transportation modes.

A positive example of collaboration between a transit property and large regional employers can be found in Rochester, Minnesota. The Mayo Clinic and several hospitals, which represent some of the largest employers in and around Rochester, made a conscious decision in recent years to halt the increase in parking supply. In conjunction with this decision came a collaborative effort with Rochester City Lines to develop park & ride lots and express bus services to the work sites.

In New Jersey, NJ Transit has developed numerous bus routes serving industrial parks and office developments that are funded in part by contributions from employers in those areas. The routes are always open to the general public, however they are designed to connect rail stations or other hubs with employment sites that might not otherwise have been served. Most importantly, the services were designed to connect the large labor pool of lower-income residents in urban areas with growing suburban job centers.

This interview process did, however, reveal several employers or types of employers that may be amenable to transit programs in the future. The hospitals in particular demonstrated an awareness that parking will eventually become constrained in the City of Savannah, and that public transportation may take on a greater role in getting employees to work. Furthermore, providing bus passes to employees is seen by some as an effective incentive to promote strong work habits and punctuality.

It is recommended that Chatham Area Transit continue to both market its services publicly as well as maintain ongoing interaction with large local employers such as St. Joseph's Candler and Memorial Health. These employers have shown some interest in employee transit use already and may be receptive to expanding their relationship with CAT as parking availability and costs become more restrictive. Similarly, suburban office and industrial developments outside of the City of Savannah represent opportunities for vanpool or other non-traditional transit services. These may often be developed with Job Access Reverse Commute (JARC) funding assistance, as well as assistance from employers who rely on lower-wage workers and shift workers.

It is important in all cases to focus on a message of long-term cost savings and sustainability of transit as a viable and efficient commuting choice rather than the short-term convenience of single-occupant automobiles. Public transit increases mobility, and thus job attendance and reliability, for all workers.

Policy Recommendations

As a matter of policy, several approaches to improving access to transit- and transit's viability- should be pursued based on the themes that emerged through discussions with these employers. The somewhat pervasive feeling that transit is not needed because parking is readily available for employees and most companies' employees drive their own cars can be countered with policy considerations aimed at both changing employer and employee mindsets about commuting and improving the access and mobility provided by transit providers such as CAT.

Parking Policy

Parking is never "free" for employers or employees. There exists a direct cost for the development and maintenance of facilities and the use of land. Employers can reduce their own costs for the provision of parking while at the same time encouraging employees to consider transit, car pool or van pool opportunities. "Cashing out" for parking allows employees to receive direct financial incentives to not drive to work, such as a monthly or annual salary bonus, while the incentive paid is typically less than the savings gained for employers by reducing their own parking footprint.

This type of program allows both employer and employee to recognize the actual value of parking and provides the opportunity to adjust behavior by encouraging commuting carpooling and transit use, as well as inform current and future facility development practices by limiting the physical space needed for employee parking. By encouraging employees to use alternatives to the single occupancy automobile, employers can reduce their own costs while playing an important role in traffic congestion mitigation. The same principle applies to employers that encourage transit use through weekly or monthly pass subsidies rather than subsidizing employee parking in public parking facilities.

Land Use and Transportation

Municipal and regional zoning and land use policies have historically dictated *minimum* parking requirements for businesses and employers rather than focusing on limiting the amount of land devoted to automobile parking and encouraging alternative forms of public transportation. By working with municipalities and regional planning bodies, CAT and others invested in the future of public transportation must prompt a greater dialogue on site planning, parking requirements, and roadway design to ensure that transit can feasibly serve these businesses and facilities.

Lower density development is, by nature, more difficult to serve with public transit in a cost-effective manner. However, when land use and transportation are considered in tandem and from the outset of a development project, relatively simple design guidelines (e.g., pull-offs at bus stops, adequate turning radii and roadway widths, avoiding cul-de-sacs, etc.) can greatly increase the potential for transit service in more suburban contexts. When transit is seen as a viable alternative to the personal automobile, subsequent growth of an area can be furthered as a result.