



NCDOT Rail Division
Potential Revenue-Generating Activities Report
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I. Executive Summary

The Rail Division of the North Carolina Department of Transportation tasked Fountainworks and Lyerly Agency with determining revenue-generating opportunities for the NCDOT Rail Division. The Division will use the results of the study to develop strategies to enhance the train experience while creating a modest income from desired services and amenities, ultimately increasing ticket sales.

The research team reviewed prior Rail Division research studies to ensure there would be no duplication of information and to determine if any of the conclusions are relevant to the revenue-generating study. These studies focused on travel characteristics, demographics and origin/destinations statistics of passengers as well as increasing awareness and ridership of prospective passengers in North Carolina.

There are a number of rail service operations in the United States that are forward-thinking in generating revenue for on-train services and amenities for passengers. There is also interest and growth in specialty trains for scenic excursions and special holiday events. The research team explored these case studies to gain an understanding of services and goods passengers are purchasing in other markets. These trains offer everything from snack, meal and beverage options (both non-alcoholic and alcoholic) to pet, bike, transportation, branded items and luxury seating.

Passenger Preferences on the *Piedmont*

The research team conducted a series of one-on-one interviews with passengers to determine the types of amenities they would like to see on the train. The most common passenger requests focused on food and beverages.

- Passengers would prefer vending machines to have more options, including healthier snacks (nuts, fruit, bars) and more substantial options (sandwiches, hot meals).
- Passengers want vending machines to be easier to use. This would involve the capability to accept credit cards instead of only cash, and for the machines to be located in a more convenient location.
- “Down-the-line” food options (food that could be ordered on the train and delivered to an upcoming station stop) sparked interest and enthusiasm.
- Many passengers expressed enthusiastic interest in the option to purchase beer and wine, though not everyone was in support. Due to permitting and liability issues, a third party vendor is the best solution to manage the sale and service of alcohol.
- Passengers expressed interest in locally sourced food from places along the train route, such as craft beer, BBQ, Cheerwine, and local Yadkin Valley wines.

Other amenities were not supported as widely:

- There was some interest in a “Quiet Car,” but most passengers felt like a fee for this option should be minimal, if anything, and/or that they would only consider it on an evening train ride.

- Most people noted they would not be interested in movies or entertainment on the train since they have their own computers or tablets. This was an especially common response among millennial passengers.
- Bike rentals, discount packages, and parking options were not widely popular.
- Items on the train being local North Carolina products were not important to most, and only an “extra bonus” to others.
- Some passengers feel that because it is such a short ride, they do not need to purchase additional amenities to make the ride comfortable and pleasant.
- The demand for complimentary high-speed Wi-Fi is strong on all trains.

Stakeholder Preferences

The research team interviewed key stakeholders (convention and visitors bureaus, chambers of commerce, event venues, etc.) Stakeholders showed an overwhelming positive response to possible package deals for train tickets, event tickets, hotels, restaurants, etc., advertising on the train and promoting tourism. Following are their suggestions for creating a better ride experience for new and existing leisure and student travelers:

- Package deals with hotels in conjunction with the train
- Train from Raleigh is not a significant draw for Blumenthal due to similar attractions in Raleigh/Durham area.
- A number of stakeholders expressed interest in advertising and conducting promotions on the train. A few are currently advertising with Amtrak.
- In addition to a desire for various snack/beverage options, it was suggested that wine, beer, and gluten- and dairy-free food options be available on the train
- At least two suggestions for a “working commute” – group talks, meetings, speakers, etc. (Specific to business audience.)
- Multiple suggestions for videos and resources promoting the towns that the train travels through so passengers can learn more about the stops and locations between Raleigh and Charlotte, thus potentially plan future trips to other North Carolina destinations
- Some suggested that local history of cities along the route be included in messaging for students and adults to develop a deeper understanding of North Carolina.
- Some of the additional items that stakeholders would like to see sold on the train include postcards, newspapers, magazines, branded local sports team items, T-shirts and event merchandise.

Other information from stakeholders included:

- Surprisingly, stakeholders are not always aware where their attendees originate – more data is needed here.
- Stakeholders overwhelmingly responded that event attendees primarily arrive via car. Only a few reported use of the train among guests.
- There were recommendations for a permanent stop in Lexington and Thomasville
- Generally, stakeholders had an interest in potential cross promotions that would be a win-win for both the Piedmont and their organizations

- Stakeholders overwhelmingly viewed the riders of the *Piedmont* as a “captive audience” and see value in developing an experience, including amenities that would attract increased interest in the rails as an alternative mode of transportation.

Potential Vendors

Taking input from *Piedmont* passengers and stakeholders on their desired amenities that have revenue-generating potential, the team researched and identified a list of vendors. Meetings and conference calls were conducted with a short list of organizations to better understand their operations and determine if they could potentially be a fit for providing goods and services on the train. These companies included beer and wine distributors, a large vending machine company, operators of specialty excursion trains, a supplier of video monitors, and more.

Potential vendors revealed opportunities for the Rail Division to generate revenue, including upgraded vending options, on-train advertising, and outsourcing services, sales, and promotions to a turnkey operation including the sale of alcoholic beverages.

II. Scope of Work

Fountainworks and Lyerly Agency entered an agreement with the North Carolina Department of Transportation Rail Division in October 2015. The assignment was completed in March 2016.

The North Carolina legislature amended GS 136-18, allowing the Rail Division to enter into receipt-generating relationships for NCDOT-funded rail passenger service.

To that end, Fountainworks and Lyerly Agency developed a plan for new and additional revenue-generating opportunities involving North Carolina passenger trains and facilities where the law allows. Strategies focus on leisure and student travelers in the immediate term and ways to increase ridership while creating a modest income from desired services and amenities. The Department's objective is to provide improved amenities that will increase ridership and ticket revenue.

Goal: To determine passenger-desired revenue-generating opportunities for the Rail Division and identify potential vendor and business relationships for the sale of products and services on the trains without financial, staff, or legal burden to the Department

Audience: Leisure travelers and students

Focus: The state-supported *Piedmont* with services between Raleigh and Charlotte

Phase One plan development included the following:

➤ ***Team Meeting: Rail Division, Fountainworks and Lyerly Agency***

This was a kickoff and discovery meeting to discuss the parameters of the assignment and desired outcomes. Staff from the NCDOT General Counsel's Office attended to help us gain an understanding on any laws or liability concerns that may impact our work.

- **Discovery**

The research team gathered and reviewed existing research and data about ridership on North Carolina trains, reviewed ridership surveys previously conducted by the Rail Division, and identified and researched successful case studies in other states.

- **Targeted samples**

Once the discovery process was complete, the research team worked toward the best and most efficient methodology for gaining ridership insights from leisure and student travelers. The research focused on identifying and prioritizing desired amenities, determining inducements for increased ridership among current and potential riders, and testing amenity price points.

- Conduct research
Research methodology was on-train interviews and one-on-one conversations with stakeholders – organizations that stand to benefit from increased leisure travelers such as convention and visitors’ bureaus, tourism authorities, chambers of commerce, and targeted event venues. These surveys did not duplicate any earlier work conducted by the Rail Division.

- Vendor and sponsorship identification
The research team matched desired leisure- and student-traveler amenities with potential vendors and business relationships. This work also included outreach and engagement with the Department of Agriculture and Consumer Services regarding partnerships with North Carolina produced food and beverage products. The team investigated opportunities for advertising and sponsorships that do not interfere with the current branding of the passenger trains – as per NCGS 136-18.44a(c&d) Passenger Rail Receipt-Generating Activities.

- Preliminary vendor feasibility
To test customer interest, the research team selected 3 to 5 vendors whose products or services align with those requested by leisure travelers. This list of vendors included, but was not limited to, those who have previously been in discussion with the Rail Division prior to the passage of the amendment of GS 136-18. To test customer interest, the team developed a script and questions to create comparable data as per NCGS 136-18.44a (a&b), Passenger Rail Receipt-Generating Activities.

- **Team Meeting: Rail Division, Fountainworks and Lyerly Agency**
This meeting focused on the findings of the research and included input and discussion about the preliminary vendor conversations.

- **Final Report**
Phase One assignment was completed and the final report was sent to the Rail Division in March 2016.

III. Review of Prior Research

The following is an assessment of three research studies that Parsons Brinckerhoff conducted from March 2014 to March 2015. The purpose of evaluating these studies is to ensure no duplication of information and to determine if any of the conclusions are relevant to our revenue-generating study.

Spring 2014 Piedmont and Carolinian Survey

Purpose: To update travel characteristics (origination/destination, travel purpose, and demographics), and to assess the value that passengers place on services and amenities (public outreach, booking, method, station, and on-board service). Additionally, to guide the development of a marketing plan to improve awareness and establish a brand for North Carolina's state-supported intercity passenger rail program.

Methodology: The study included passengers on the *Piedmont* with service between Raleigh and Charlotte (nine stations) and the *Carolinian* with service between Charlotte and New York (12 stations in North Carolina only). Survey questionnaires were given to passengers and completed while they were on-board. They were distributed and collected by Volunteer Train Hosts along with contracted staff. Approximately 2,500 surveys were completed.

Timeframe: Passengers were surveyed between March and April 2014 on weekdays and weekends.

Assessment: Although much of this survey contained information not directly relevant for our revenue-generating purposes, there were a few related points of interest:

- More than half of all passengers were traveling to visit family and friends.
- Student and younger passengers are increasingly using state-supported train services. The *Piedmont* had more student passengers than the *Carolinian*.
- 60% of passengers were female and 40% were male. The majority of riders were under 30 years old and over 49.
- *Piedmont* passengers generally spent less than three nights away on their trip; *Carolinian* passengers spent five or more nights away.
- When passengers were asked what other types of services they would be interested in purchasing if made available, they responded in descending order:
 - Restaurant or dining options
 - Connecting transportation
 - Rental cars
 - Sporting event tickets
 - Lodging
 - Tour packages
- The demand for complimentary high-speed Wi-Fi is strong on all trains.

Fall 2014 Piedmont and Carolinian On-Board Surveys

Purpose: To gain an understanding of the characteristics of rail users in North Carolina. Similar to the spring 2014 study, this survey updated information regarding passenger demographics and origin/destination statistics for both the *Piedmont* and *Carolinian*. It was also used to guide the development of a marketing plan to improve awareness and establish a brand for North Carolina's state-supported intercity passenger rail program.

Methodology: The study included passengers on the *Piedmont* with service between Raleigh and Charlotte (nine stations) and the *Carolinian* with service between Charlotte and New York (12 stations in North Carolina only). Survey questionnaires were distributed to passengers and completed while they were on-board. To increase outreach, Spanish versions of the survey were distributed to accommodate non-English speaking Hispanic riders. Surveys were distributed and collected by Volunteer Train Hosts along with contracted staff. More than 6,000 surveys were completed.

Timeframe: Passengers were surveyed in November 2014 on weekdays and weekends prior to the Thanksgiving holiday.

Assessment: Although much of this survey contained information not directly relevant for our revenue-generating purposes, there were a few related points of interest:

- Complimentary Wi-Fi continues to be a consistent demand.
- Riders in the 35-49 age group are less likely to use the train for visiting family and friends than other passengers.
- Riders with higher income levels are more likely to use the train for business as well as leisure travel.
- The *Piedmont* remains more popular with students, while the *Carolinian* is more popular with the elderly and those visiting family and friends.
- Both the *Piedmont* and *Carolinian* are used by passengers to visit family and friends.
- Approximately three quarters of passengers travel alone on both the *Piedmont* and *Carolinian* trains.
- When passengers were asked what other types of services they would be interested in purchasing if made available, they responded in descending order:
 - Connecting transportation
 - Rental cars
 - Restaurant or dining options (This was the first choice in the spring study.)
 - Lodging
 - Sporting event tickets
 - Tour packages

Winter 2015 Public Awareness Survey

Purpose: To assess public awareness of the state-supported *Piedmont* and *Carolinian* passenger train routes. Information garnered from the study may be used to determine

advertising channels and other actions to increase overall awareness and ridership. The survey focused on people who do not use rail services.

Methodology: Unlike the other two surveys, this one was conducted with the general public and not on the *Piedmont* and *Carolinian*. Survey questionnaires were developed for self-completion in both online and paper versions and were designed to be completed within five minutes. A website link to the online survey created in SurveyMonkey was distributed to organizations throughout the four service areas (Charlotte Metro, Triad, Triangle, and Rocky Mount). The paper surveys were distributed to the public during intercept survey events to cover populations without access to the internet. Trained contracted staff administered the paper surveys. More than 4,800 completed responses were received.

Timeframe: The survey was conducted in March 2015.

Assessment: Much of this survey did not provide relevant information for revenue-generating purposes. However, there is one point of interest below:

- Survey participants were asked to rate the importance of a list of factors if they were to ride a train to their destination. Their preferences are listed in descending order:
 - Reliable and frequent service
 - On time performance and facility cleanliness
 - Seat comfort and spacing
 - Discount on tickets
 - Access to Wi-Fi
 - Food service
 - Checked baggage
 - Snack and beverage vending machines
 - ADA compliant service
 - Business Class/Premium class service
 - Ability to handle bicycles

IV. Case Studies

In an effort to learn how other states have tackled similar rail-related situations, the research team reviewed several case studies including the Northern *New England Passenger Rail Authority (NNEPRA)*'s "*So Easy, So Obvious*" campaign, the *Capitol Corridor Joint Powers Authority (CCJPA)*'s "*Traffic Free. Hands Free. Stress Free*" campaign, *Northern Indiana Commuter Transportation District (NICTD/South Shore)*'s "*Life is hard. The train is easy.*" campaign, in addition to researching rail lines that successfully sell merchandise on trains. Following are a few of interest:

Northern New England Passenger Rail Authority (NNEPRA)

"So Easy. So Obvious."

Created in 1995 to provide passenger rail service between Boston and Maine, as well as destination points within Maine, NNEPRA holds a 20-year agreement with Amtrak to operate the Downeaster passenger rail service. The first ride occurred in December 2001 following years of track upgrades to restore the intercity passenger rail. Train and online amenities are plentiful with an approximate \$17 million per year total operating budget. Each year, nearly 500,000 people – all ages – utilize the 145-mile Downeaster for leisure, school and business.

On-Train Amenities

The Amtrak Downeaster places considerable emphasis on supporting small businesses throughout New England, including promoting regional tourism and directly contributing to the economy. In 2014, the train service purchased \$5 million in goods and services for various rides from 155 Maine businesses in addition to the \$29 million economic impact achieved from its 100,000 transported visitors to the northern state.

- The Downtown Café aboard the train supplies numerous local products – snacks, light meals and beverages. For example, they regularly feature Amato's sandwiches, Wicked Whoopie Pies, Shipyard Beer, Capt'n Eli's Blueberry Soda and Wilbur's of Maine Chocolate Confections.
- In one year, 73,000 Maine-made products generated more than \$67,800.
- All trains are equipped with free Wi-Fi access.
- Business Class seating is available for \$9 extra per person, offering additional space and amenities – complimentary newspapers, a free non-alcoholic beverage to one's seat, spacious fully reclining leather seats and car location at the end of the train, adjacent to the Downeaster Café.
- Limited bicycle transportation space is available. Advanced reservation is required as well as a \$5 service charge.
- Small cats and dogs are permitted for \$25 per carrier with reservation and pet waiver. Reservations are first-come, first-served. No more than five pets are allowed per train.

Station Amenities

Station amenities, compared to on-board amenities, are few, as provided by NNEPRA. However, this rail authority is currently working to improve train facilities and stations for passengers along the rail line.

- Train stations – with the exception of Portland, Maine – are owned and operated by the individual municipality locations.
- Quik-Trak machines are available at most stations for easy ticket purchases; Portland and Boston are the only stations with Amtrak ticket agents.
- Several Downeaster stations offer transportation connections, including intercity and regional bus services, ferries, airports, subways and additional Amtrak train services.
- Efforts are underway toward a seasonal Amtrak stop in Kennebunk, requiring new platform construction.
- State and national grants – applications were recently signed for up to \$1 million – will help refurbish existing stations.

Online Amenities

“The Downeaster Store” offers interested consumers limited branded items for purchase online. Items ranged from \$6.99 (stuffed moose) to \$15 (conductor hat or 4GB train-car flash drive). Only eight items – glassware and baseball hats in addition to the previously mentioned – were available for purchase during the time of research, all branded for the Amtrak Downeaster.

Capitol Corridor Joint Powers Authority (CCJPA)

“Traffic Free. Hands Free. Stress Free.”

A California train that runs daily from Auburn to San Jose, providing 170 miles of intercity passenger service, the Capitol Corridor is operated by Amtrak with day-to-day management by CCJPA (trains) and Bay Area Rapid Transit (employees). Running since December 1991 with ridership records reaching nearly 1.8 million in a single year, the Capitol Corridor has service to 16 stations across eight counties. This single line serves the second-largest urban service area in the western U.S.

CCJPA is a partnership among six local transit agencies within the eight-counties served by the Amtrak rail. Capitol Corridor’s current level of intercity service is 30 weekday roundtrip trains and 22 weekend trains at a FY2015-16 budget of \$36.4 million.

On-Train Amenities

Ample amenities are available on Capitol Corridor trains, which overall provides a convenient, quick, reliable transportation option to California’s congested freeway system.

- “Quiet cars” are available free of cost – courtesy – on weekday mornings for riders who choose a silent riding experience.
- Free Wi-Fi access is extended to all guests.
- Café Cars offers daily featured items as well as a regular selection of sandwiches, salads, beverages – alcoholic and non-alcoholic – fruit and snacks. Many trains designate this car as “California Café” and it is located in the middle of the train.
 - In November 2012, Capitol Corridor reintroduced a “Free Refills” campaign for passengers who purchased a 12-ounce coffee, tea or hot water in a designated cup while in the Café/Lounge Car. They were entitled one free refill. This program has been temporarily suspended, but a new policy is anticipated.
- California cars offer luxury seating and “social” seating areas with tables on both levels. Many seats also provide footrests and tray tables. All seating is first-come, first-served.
- Surge-protected electrical outlets are available on both levels of the train.
- Capitol Corridor encourages greater environmental sustainability through the installation of recycling bins within the Café Car, next to the luggage compartments and at the top of each stairwell.
- Each train has two “bike cars” with ample storage – approximately one dozen each – for passenger bicycles. Storage is free for riders.

Station Amenities

Capitol Corridor’s 16 passenger stations across 170 miles offer riders varying amenities at nearly every stop. From quiet platform locations to busy destinations with significant bells and whistles, travelers gain different experiences depending on which station they encounter along the route.

- Capitol Corridor works within a free transfer program, allowing riders to easily connect to a local bus or light rail system once they reach their desired community Amtrak station.
- Whether transferring to a motor coach for additional travel to Nevada or ready for a jet-setting adventure, Capitol Corridor has partnered with various travel services toward joint programs for additional travel services to aid passengers on their continued adventures.
 - Joint ticketing programs exist with regional and motor coach bus services.
 - Hertz Rental Car Services are available at select stations.
 - Capitol Corridor provides specific directions, including the best transfer shuttles, for accessing the three area airports.
- Most – but not all – stations provide bike storage racks for train passengers, allowing a location to lock bicycles. Staff is continually working toward improving this service and providing additional racks at more locations.
 - Five stations boast BikeLink eLockers
- Parking costs vary between stations; some requiring paid or validated parking.

- Not every station has a restroom.
- Some stations only have outdoor seating for waiting guests.
- Stations such as Sacramento and Emeryville boast numerous amenities: Indoor and outdoor seating, ATM, refreshments booth, vending machines, Starbucks/Peet's Coffee
- Quik-Trak machine and/or station agent available and/or travel information at some stations.

Online Amenities

The online store offers numerous logo products for kids and adults alike, all branded by Amtrak and the Capitol Corridor. Additionally, the store introduces "Cappy," the train mascot. Prices range from a \$1.75 Cappy mini button to a \$48 logo zip hoodie. Nearly 100 products are available for purchase.

- Online ticket purchasing also available elsewhere on the site.

Northern Indiana Commuter Transportation District (NICTD/South Shore)

"Life is hard. The train is easy."

Running between Chicago, Ill. And South Bend, Ind., passenger operation of the South Shore Line began under NICTD in 1989 although the train's history – both passenger and freight – extend to the early 1900s. Annual ridership exceeds 3 million for the 90-mile, 19-station line.

On-Train Amenities

Since its first run in 1908, the legendary South Shore Line track has received significant upgrades, including amenities such as the recent venture into wireless internet service. NICTD primarily boasts its improvements to rail lines, travel times, safety measures and commuting options over its amenity availability.

- Ten trains were newly equipped with Wi-Fi access in August 2015.
- South Shore offers several options for buying train tickets. Ticket purchases are available on the train (cash only) or via manned ticket offices (cash only), Ticket Vending Machines at stations (credit cards) or online for passengers wanting to purchase 10 or more rides. Monthly tickets are also available by mail through subscription service.
- Bike racks and transportation are not a fixed offering on the South Shore line. However, testing is currently underway on the commuter trains for potential implementation in Spring 2016. NICTD aims to allow 25 to 30 racks per car on weekends only between April and November at no extra cost to passengers.
- New express train offered on weekdays – "Sunrise Express" – creating a shorter commute time. (Receiving positive reviews from business travelers.)

Station Amenities

Unfortunately, not all stations along the South Shore line offer weekend/holiday service or the full-breadth of ticketing options.

- Two stations – Hegewisch and Gary Metro Center – have paid parking lots.
- A nine-mile, \$571 million extension with a new station is currently proposed with a projected date of 2023.

Online Amenities

South Shore has a sparse website; however, they offer online ticket sales for the train as well as a mobile ticketing app for convenient purchases.

Other

- The train schedule for South Shore alters on designated holidays, providing decreased rail services.
- If a ticket agent is on duty at the station and a passenger chooses to board the train then purchase a ticket (with cash), he/she will experience an additional \$1 surcharge.

Railroad Sales

Souvenir sales across railroad lines – commuter, passenger, excursion, etc. – vary from one site to the next. Some offer no means for leaving with a trinket to remember the day; others provide ample opportunity both at the station and online to capture the memories with logo memorabilia. The following examples display several excursion/tourist railroads and related sites that host gifting opportunities for their audiences:

American Heritage Railways

Several of the trains offered under American Heritage Railways offered a variety of souvenirs in conjunction with the ride experience. However, this one-stop-shop provided online – raileventsretail.com – also allows guests to purchase items for any of the displayed excursions. From Polar Express to Durango & Silverton (noted separately below) or Great Smoky Mountain Railroad, the online component contains an abundance of memorabilia: toys, train trinkets, apparel, posters, books, blankets, etc. Also featured only here are gifts associated with the Dinosaur Train, a family-friendly attraction offered from a variety of locations, including Morrison, Colo., Bryson City, N.C. and French Lick, Ind. As well as the United Kingdom and British Columbia.

Alaska Railroad

Not only can interested individuals purchase a wide variety of authentic Alaska Railroad souvenirs from the online store – alaskarailroadgiftshop.com – but those visiting the great north can travel to three retail locations for a personal shopping experience: Anchorage, Denali or Fairbanks. The gift shop is filled with items for the Alaska train enthusiast, including apparel, collectibles, hats, model trains and posters. Additionally, children’s selections are available as well as holiday gifts and select Alaskan-railroad DVDs and books.

The items range in price significantly -- \$5 for currently discounted train jewelry to a nearly \$80 winter jacket or model trains exceeding \$500.

Colorado Railroad Museum

Featuring 15 acres of railyard as well as steam and diesel locomotives, passenger cars, a working turntable, an 1880s Depot replica – filled with artifacts – and much more, the Colorado Railroad Museum is a Mecca for rail enthusiasts. Its Depot General Store, filled to the brim with train gifts, is also quite the attraction, boasting a large selection of Thomas the Tank Engine™ collectibles as well as other toys, memorabilia, magazines and gifts.

For those unable to make the trek to Colorado, however, the museum notes its online store presence – shop.coloradorailroadmuseum.org – which contains all the unique items also found at the Golden, Colo., location.

Cumbres & Toltec Scenic Railroad

Winding through Colorado and New Mexico, offering splendid views on its tourist operation, Cumbres & Toltec give riders an authentic, award-winning, steam-powered adventure. In addition to their on-site gift shop and matching online retail shop (www.dynamicticketsolutions.com/candt/store/index.cfm) – offering the typical accoutrements – the rail has a partnering non-profit organization aiding fundraising for the train.

Friends of the Cumbres & Toltec Scenic Railroad, Inc. operates a secondary website (cumbrestoltec.org) utilized for spreading its message and collecting donations toward historic preservation, restoration and interpretation on the rail. Additionally, a considerably small online store, “Whistle Stop Shop,” offers books and other merchandise – including \$175 silver commemorative medallions – for the nonprofit mission.

Durango & Silverton Narrow Gauge Railroad & Museum

From the heart of its original 1882 depot in Durango, Colo., Durango & Silverton Narrow Gauge Railroad operates and includes a gift shop, also available online. Shop items include a variety of books, collectible pins, glassware, toys, hats, wooden railroad pieces and more. Logo items are plentiful as well as Polar Express gifts for the rail's upcoming holiday feature.

Massachusetts Bay Transportation Authority (MBTA)

MBTA's memorabilia, with innumerable gifts displaying different lines and transportation methods of the “T,” allows every fan to obtain the perfect present. MBTA provides significant opportunity for reaching its audience by offering a retail store in Cambridge, Mass. And a limited-hours warehouse outlet in Somerville, Mass., with a heavy online presence at MBTAGifts.com.

Antique track plans are available (\$95 or \$125) in addition to signage and other wall art, toys, trains, games, apparel, ornaments, jewelry and more. Household items displaying T line artwork range from office to kitchen and bath. Maps, old equipment and tokens – starting at \$2.50 – are available for purchase as well.

North Carolina Transportation Museum

In addition, the museum's 57 acres of events and exhibits, unique railroad mementos are always available at the Spencer, N.C. site. You can also find the same items listed on the museum's online gift station, *ShopNCTrans.com*.

Dive into heritage with T-shirts, ball caps, posters and books displaying railroads from around North America. From the museum store, you can discover new items and a few historic as well, ranging in price significantly at times. The store – online and in Spencer – carry patches and pins from various rail lines in addition to toys, kitchenware, apparel and more. Also, find memorabilia for the museum, books, DVDs and model trains to add to growing collections.

The Train to Christmas Town

Created to mimic the book of the same night, this holiday excursion ride is offered in four cities across the U.S.: Alamosa, Colo., Belmont, N.C., Hyannis, Mass., and Watsonville, Calif. At each location, a small gift shop with logo products – mugs, stuffed toys, etc. – is created for the season. Additionally, an online store (*traintochristmastown.com*) allows for purchase of the accompanying book, *The Train to Christmas Town*. Ticket sales are also available online, although other gift products are not for sale.

V. On Train Interviews

Objectives

In November and December 2015, the research team conducted 60 passenger interviews over six Piedmont train rides. The research team's objectives were 1) to understand passengers' current satisfaction with the Piedmont train experience and 2) to gain insight into possible revenue-generating opportunities that would also enhance the passenger experience.

Data Collection and Analysis

The research team targeted two age groups: ages 18-35 and ages 50-75. Interviewers approached passengers during the train ride, asked them if they would like to participate in an interview, and then talked with them for 10-15 minutes each.

Interviewers asked questions across several topics. They first gathered general information about the passenger and the reason he/she is on the train. Then, they asked questions related to the passenger's current satisfaction and wishes around food/beverages, transfer needs, and other amenities. The interviewer concluded the interview by asking passengers to describe their preference between a 5-10 minute faster train ride and a better experience.

All interviews were recorded with the permission of interviewees. After the interviews, the research team again listened to each interview to record and analyze common themes across passengers. Below are the findings for each question and recommendations based on those findings.

Findings

General Passenger Information

On Wednesday, November 25, most passengers were on their way to visit family for the Thanksgiving holiday. When researchers asked why these passengers chose the train instead of another mode of transportation, many passengers cited the convenience and comfort that comes with avoiding holiday traffic. Others said they save on gas money, prefer not to drive at night, or do not have a car.

On Thursday, December 10, some passengers were students traveling for winter break. This group had similar reasons for riding the train as listed above. Also on this day, many passengers were riding the train for business. These passengers said they ride the train because they can work while riding, they avoid wear and tear on their cars, and they avoid the stress that comes with driving. They ride the train anywhere from twice per year to twice per week.

Food and Beverages

Some passengers did use the vending machines and/or complimentary coffee and water. However, most passengers said they do not use the vending machines or take advantage of

the beverages during their train ride. They cited several reasons for this, all of which relate to convenience of the machines or the selection in the machines:

- Unaware of vending machines
- Vending machines do not take credit cards (and they do not have cash on them)
- Vending machines too far
- Vending machines do not have desirable foods
- Brought their own food
- Ate right before riding
- Too short of a trip to need food

"I don't like moving between the trains. I wish the machines were on both ends of the train."

"I'd like fruits and veggies and things like that – I try to avoid candy and chips."

Some passengers were limited in their ability to purchase from the vending machines because the machines do not accept credit cards. This barrier was especially common among Millennials interviewed. Others said that the vending machines were too far away, which was more common among the older participants. They said they prefer not to move between multiple train cars to access the vending machines.

"I'd use the vending machines but I never have cash. I'd use it if it took credit cards."

When asked what foods and beverage options passengers would like to have on the train, the most common responses were full meals such as sandwiches, pizza, and hot dogs, and healthier foods such as nuts, fruits, and granola or protein bars. Some passengers said they would not buy any type of food because the ride is short.

Interviewers asked passengers for their thoughts on a down-the-line ordering option, in which passengers would preorder from restaurants located further down the train line, and then be able to pick them up when the train stops at that location. Most passengers were in favor of this idea, and many expressed excitement about it. A few added they would pay extra money on top of the price of an on-train sandwich to take advantage of this option.

"Yes! (The down-the-line food option) sounds pretty awesome."

"Oh I'd definitely do (the down-the-line option). That's different – I would know it was fresh."

Both Millennial and older passengers also were enthusiastic about the possibility of purchasing alcoholic beverages on the train ride. Many indicated they would be eager to buy a glass of wine or a beer. However, a few passengers expressed concern that alcoholic beverages might be available onboard. They said they want the train to remain safe and had concern about the potential for loud and disruptive passengers.

"I'd buy a glass of wine - maybe two!"

"I like that they don't serve alcohol on here. It's safer that way."

Interviewers asked passengers how important it is for food and beverages to be made in North Carolina. Most passengers felt this was not necessary, but would be a nice "bonus." However, there were a few passengers who felt strongly on the subject, saying that providing local North Carolina products is very important or not important at all.

Satisfaction and Wishes: Transfer Needs

Once passengers arrived at their final destination, the large majority of them were getting picked up by their friends or family. A few were going to walk, take a taxi/Uber, or take a bus. Most expressed minimal interest in learning about transportation options at their final destination when they buy their train ticket, nor about discounts to hotels, events, and amenities. However, several passengers mentioned that they would use a shuttle from the train station to downtown Charlotte. Additionally, most passengers were not willing to pay for parking at stations ahead of time, or to have access to a bicycle rental kiosk upon arrival to their final destination.

Satisfaction and Wishes: Amenities

Almost all passengers were aware that the Piedmont is equipped with complimentary Wi-Fi. Passenger satisfaction with Wi-Fi varied. Most said they were satisfied with the speed, but some said the Wi-Fi is too slow to stream videos or is generally "hit or miss." However, most passengers said they would not be interested in paying to upgrade to a high speed Wi-Fi option with the exception of a couple of businesspeople who said they would be willing to pay for faster and more consistent internet access.

Most passengers said they would not pay to have access to movies. Some said the ride is too short to watch a movie, while others, especially Millennials, said they could watch a movie on their own personal device. A few older participants said they would like to be able to watch a movie “the way that you can in airplanes.”

A substantial portion of passengers were interested in the option to ride in a “Quiet Car.” However, most of those interested said they would not be willing to pay for it, especially ahead of time.

“I already like the train experience, that's why I'm on here. It doesn't need improving.”

When researchers asked passengers what other amenities would make the ride a better experience, passengers mentioned several ideas:

- The train would have a loudspeaker or marquee telling passengers where they are from start to finish.
- There would be souvenirs for sale such as train gadgets and Amtrak items.
- There would be convenience items for sale such as neck pillows, earbuds, blankets, batteries, computer items.
- Passengers would have the ability to purchase additional workspace.
- Passengers could reserve a spot in a “party car,” a train car designated for Carolina Panthers fans on the way to a football game.

On-Train Experience vs. Speed of Trip

“5-10 minutes? That's nothing. I'd much rather have a beer than be in Charlotte five minutes sooner.”

As a final question, interviewers asked passengers how important is it for NCDOT to invest time and money to improve the overall experience with amenities versus time and money to make the trip 5-10 minutes faster. Two-thirds of passengers said the experience is more important to them. Many said that 5-10 minutes faster isn't enough of a difference. A third of passengers said a faster ride is more important. Many of them, especially businesspeople, said the ride is already comfortable and convenient, so there's not much to improve on.

Recommendations

Based on our findings, we recommend the North Carolina Department of Transportation pursue several options related to food and beverages. These options have potential to generate revenue and improve the passenger experience.

Make vending machines more convenient by adding credit card capability or providing an ATM machine onboard. Many passengers, especially Millennials, said that they rarely carry cash. Though they would like to buy a snack from the vending machine, they are not able to because it does not accept credit cards. Passengers accustomed to purchasing most goods with credit cards are unlikely to change their behavior, so adding card capability would create a relatively easy revenue opportunity for the train.

Make vending machines more accessible by putting them in the middle of the train or on both sides, and by posting signage as to where they are located. Some passengers said they do not like crossing between multiple cars when the train is moving; others said they never know which end of the train the vending machines are on. Placing the machines so that they are conveniently located for all passengers and ensuring passengers know where the machines are located are also potential opportunities to increase revenue and improve passenger satisfaction.

Make vending machines more desirable by including healthy options. Many passengers expressed the desire for healthy snack options. In anticipation of the lack of healthy options in the vending machines, some passengers came prepared with their own fruit or protein bars. Machines should offer options such as fruit, nuts, trail mix, and granola bars so that more passengers purchase goods from the vending machines.

Provide alcoholic beverages for purchase. Many passengers were excited at the idea of having a beer or glass of wine on board. This feeling was shared among businesspeople and leisure travelers, and among Millennials and older participants. We anticipate this opportunity to be popular and profitable. Though the research team does not anticipate alcohol to create a problem for the large majority of passengers, some additional precautions regarding unruliness may be required for rare occasions.

Pursue options to provide more substantial meals. Passengers want fuller meals available for purchase, such as sandwiches, burgers, and pizza. One way to accomplish this would be to add a vending machine with these types of options. Another option is to pursue the down-the-line food option, which many passengers were excited about. A third option would be to utilize a third party vendor on the train to provide these services

VI. Stakeholders Interviews

Objectives

In the fall of 2015, the research team interviewed 22 statewide stakeholders consisting of executives with convention and visitors bureaus, performing arts centers, coliseums, chambers of commerce, sports teams, and other event venues. The objectives were 1) to understand their knowledge level about the train as a transportation option for their target audiences and 2) determine desired amenities including advertising and cross promotions.

Data collection and Analysis

The research team developed a list of stakeholders from each of the nine *Piedmont* station stops including Raleigh, Cary, Durham, Burlington, Greensboro, High Point, Salisbury, Kannapolis and Charlotte. Calls and emails were sent to executives in 39 organizations to set up appointments for interviews. There were 22 interviews completed and each interview lasted approximately 15 minutes. Verbatim comments were documented and the comments analyzed to determine common themes.

Trends among stakeholders:

- Those interviewed overwhelmingly responded that event attendees primarily arrive via car. Few reported current use of train among guests
- Recommendations for a package deal with hotels, restaurants or events in conjunction with the train
 - Various packages suggested
 - Those interviewed offered ideas such as discounted train tickets if attending specific events or offering a hotel package to encourage overnight stays and increased tourism dollars in cities visited

“Our events occur mostly in the evening. It would be good to have a package deal that could include an overnight stay in a hotel as most people wouldn’t get back on the train after the show.”

- Blumenthal Performing Arts, Director of Marketing

- Packages with additional transportation (bus, light rail, etc.) also recommended to ensure train riders can easily get to venues not within walkable distance to stations

“To take the train, you still have to have transportation from the station to the event. So many people think it is easier just to drive their own personal car to the event. I think in order to maximize train usage there has to be some sort of package deal or added value to peak customer interest.”

*- Charlotte Regional Visitors Authority (CRVA)
Director of Marketing*

- Similarly, one participant suggested ridership discounts for veterans and active-duty service members to help increase ridership
- Some venues, mostly in Raleigh/Durham and Charlotte, noted that the train is not a significant point of interest because attracting visitors from more than a short distance is not a goal due to the availability of the same or similar events in other N.C. cities
 - For example, attracting an audience from Raleigh, including via the train, is not a draw for Blumenthal in Charlotte due to the same concerts and/or shows in Raleigh/Durham area
- Participants desired event-, attraction-, city- and brand-specific merchandise aboard trains
 - Examples: T-shirts, stickers, mugs, brochures, golf balls, postcards, calendars

“There is the Black & Blue Crew that might be able to ride the train for fan engagement. They have promotional items that they give out and are visible at other major Carolina Panthers events throughout the year.”

*- Carolina Panthers (Bank of America Stadium)
Stadium Operations Manager*

“Many of Salisbury’s events would benefit from rail visitors. We have a historical train depot in the downtown area, very charming. The CVB is very keen to lure more visitors to their local events and festivals via rail, in fact, increased rail travel is a major component of our 10-year plan.”

*- Salisbury-Rowan County CVB
Director of Public Relations*

- Some respondents would like movies/DVDs
- Approximately two-thirds of those interviewed indicated interest – “yes” or “maybe” – in advertising on the train
 - Commentary included positive remarks for advertising if it could reach the right audience and for specific events

- Some respondents noted they were unlikely due to limited/restricted budgets or a very localized advertising focus
- At least one respondent is currently advertising with rail (Amtrak specifically) and another noted a previous sponsorship conducted with Amtrak
- Among suggestions for various snack/beverage options, here are specific wishes:
 - About half mentioned wine (including those created in N.C.), beer (as well as local craft beer) and cocktails
 - Gluten- and dairy-free options
 - Local N.C. food and beverage products, such as barbecue, Pepsi, Cheerwine, Mrs. Hanes Gingersnaps

“The food on the trains needs to be better. It would also be great to sell HiToms branded items on the train and also have game schedules on trains to encourage attendance.”

- High Point-Thomasville HiToms Baseball Team

- Multiple suggestions for videos/resources promoting the towns/counties that the train travels through so passengers can learn more about the stops/locations between Raleigh and Charlotte, thus potentially plan future trips to other North Carolina destinations
 - Some also recommended utilizing these resources to promote events, destinations and activities

“It would be great, as people are traveling across the state, to be able to know the history of where they are; sell the spots in between their destination. If their experience on the train is great, they will be more likely to take another train trip, maybe even plan a trip to one of the locations they learned about on their first trip.”

*- Durham Bulls Athletic Park
Director of Corporate Partnerships*

- Wi-Fi was noted repeatedly as an important activity or commodity for train audiences
 - One individual suggested electricity for charging devices

Other notes:

- Surprisingly, venue/event/city respondents aren't always aware where their attendees originate from; more data needed there
- Only one individual commented that magazines, books and newspapers would prove beneficial
- A few participants mentioned children's items for sale upon the train

- At least two suggestions for a “working commute” – group talks, meetings, speakers, etc. (specific to business audience)
- One recommendation for arts and crafts – quilting, pottery, etc. – aboard the train
- Respondents primarily provided suggestions based on their own audiences rather than all potential ridership
- There did exist some uncertainty about the train overall, including its stops and if the train traveled beyond Raleigh or Charlotte
- Several recommendations for permanent train stops in Lexington and Thomasville
 - Currently, these cities employ temporary stops as needed – primarily for large-scale events – but some individuals interviewed noted a desire for these stops to become permanent, mentioning interest among residents as well as potential visitors

Partnering opportunities:

- A number of stakeholders indicated a desire to work with the Rail Division to put together package deals and cross promotions

“It would be great to have local wines sold on the trains. There has been talk that it would be great to host a wine festival at the same time as the BBQ festival. Having the train stopping here would allow folks to have wine and not worrying about driving.”

- Lexington Passenger Rail Committee, Chairman

“We are interested in working with the rail to bring a bigger audience to our events. The Thanksgiving Day Parade is televised to 1.5 million households. It would be great to have a special package that you could only get by riding the train - such as special parade seating, hotel and restaurant package and breakfast with Santa. We are excited to explore the rails.”

- Charlotte Center City Partners, VP Marketing and Chief Creative Officer

“Amtrak has sponsored the Mudcats before, but a consistent presence would boost awareness. The stadium will have a quarter million visitors this year, a very captive audience. We’re very open to any cross-promotion possibilities between the Rail Division and the stadium.”

- Carolina Mudcats Five County Stadium, General Manager of Sales

Recommendations

Based on the team's findings, we recommend the NCDOT pursue the following:

Build awareness of the *Piedmont* as a transportation option for stakeholders. There is very low awareness of NC trains among this group. They believe their audiences arrive to events and venues primarily by car and have not considered other options. The first step with stakeholders is educating them about the *Piedmont*, its schedules and stops.

Provide amenities their target audiences want. Stakeholders' suggestions include Wi-Fi, local food, beverages, movies and brand-specific merchandise.

Develop ways that stakeholders can promote their events and activities on the train. Many stakeholders are interested in advertising and including calendars and other information about game schedules, performances, etc. on the train.

Develop packages and cross promotions. A high level of interest and enthusiasm exists among stakeholders to create packages that include train and event tickets, hotels, restaurants and transportation. Several stakeholders have followed up with our team wanting to know who to contact to get started.

VII. POTENTIAL VENDOR INFORMATION

The research team researched and identified vendors who could potentially partner with the NCDOT to provide food and beverages, vending machines, flat screen televisions, and related merchandise. Also included are additional revenue-generating ideas from Amtrak's marketing manager. Following is a re-cap along with vendor contact information:

Beer and Wine Distributors

Adams Beverages

Territory includes: Mecklenburg, Union, Cabarrus, Mitchell, Yancey, Cleveland, McDowell and Rutherford counties.

- In order to purchase from them, the company needs to have a license from the ABC board. Applications can be completed online. There may also be a need for a permit; it's unclear the exact requirements from NCDOT. Most applications are for a fixed location, so a train traveling through different counties might alter requirements.
- Adams offers craft beers through approximately ten N.C. suppliers.
- They suggested that beer be served in cans for safety purposes.
- They also sell wine, but not local.
- Deliveries can be made to the station (free) and customer can pick up their orders. (American Airlines is a customer and they deliver directly to the airport.)
- Contacts:
 - Steve Cardone, Director of Marketing
 - John Biggerstaff, Sales Representative

RA Jeffreys

Territory includes: Raleigh, Fayetteville, Wilmington, Greensboro, Greenville, Goldsboro, and Lumberton.

- The Rail division would need a permit to purchase and receive deliveries from RA Jeffreys. Another permit would likely be needed in order for NCDOT to serve alcohol to passengers due to the crossing of county lines.
- They offer a large variety of beers, including N.C. and regional beers.
- They offer a small selection of California wines.
- Contacts:
 - Jim Jimaki, Zone Manager
 - Vinney Torrey, Sales

Note: Distributors are not retailers. They sell and deliver the products and it is up to the customer to establish pricing, check IDs and serve the beer and wine.

Vending Machine Services

Canteen

Canteen, a division of Compass Group, is the largest vending services company in the U.S. They offer state-of-the-art interactive vending machines with a wide variety of products. They can replace the existing machines on the trains with more modern and consumer-friendly options.

- Canteen suggested this option:
 - Canteen owns the machines and services them regularly
 - Technician services are free
 - Commission potential – Canteen collects funds and works with client to determine a commission structure based on product pricing and volume
- Canteen offers a standard “plan-o-gram” where eight items change quarterly.
- They can provide healthy vending options such as baked chips, low-calorie packs, Nutri-grain bars, Clif Bars, “energy” products, gluten-free products, etc.
- They can offer heartier items such as chicken and tuna in pouches.
- Canteen furnishes:
 - Newer machines that accept credit/debit/near-field technology (Apple/Android pay)
 - More modern, inviting machines
 - LED lighting – brighter and more appealing
 - Sensor for items not dropped, which handles refunds
 - Energy Star machines, i.e. “green” technology and a reduction in electricity use
- Contact:
 - Joe Costanzo, Regional Manager

Monitors (Screens) on Trains

Digital Ad

DigitalAd strategically places HD flat-screens in hotel lobbies, restaurants, coffee shops, service centers and other high-traffic areas that generate captive audiences for an extended period of time.

- They offer 32-inch and 42-inch monitors with attached media players; the players can be uploaded daily via the internet.
- DigitalAd suggests three or four 32” monitors per car. These monitors do not have audio; customers prefer not to be inundated with advertising sounds.
- Also suggest a monitor in the vending machine car with audio where people travel in and out of the car.
- Similar to airlines, seats can be retrofitted with 7” to 8” screens in the headrest, but this is an expensive option. This is not recommended over the monitor option.
- DigitalAd can outsource ad sales and production.
- Contact:
 - Saed Hamad, Owner

Passenger Rail Services

Premier Rails / Iowa Pacific

Premier Rail Collection railroads and companies are owned and operated by Iowa Pacific Holdings, LLC (IPH). Premier Rail Collection is a group of uniquely individual passenger railroads across the nation, inviting modern travelers to experience the revival of the golden age of rail journeys. It is also the nation's largest operator of specially-themed and holiday rail events.

- Premier has a contract with Indiana DOT, the Hoosier State, which travels from Indianapolis to Chicago four times per week.
- Provide rolling stock, equipment and onboard service staff.
- Provide on-train amenities; higher level of food service in Indiana.
- Coach and business class (enhanced level similar to flying) available:
 - Business class = segregated area with higher-level seating and service; two-level train car with dining on first level and business seating on second level; drinks served to seats; meal (provided on first level) is included in price of ticket
 - Coach = have an attendant; food (limited menu) can be brought to seat; coffee is free
- Tasked with helping Indiana train gain patronage, yield management, pricing, etc.
- Function as Indiana's full-time marketing person utilized to target colleges and universities.
- Premier proposes an enhanced train service – for four-to-five hour trips, dining is a plus; they note that it is good to walk into other car to eat (white tablecloth, menu and waiter) because it creates a better experience.
- Overall, they offer a variety of turnkey services, including full-time web and social media staff, marketing, earned media, building ridership packages, advertising sales and creation and extensive consumer rail expertise.
- They are potentially a one-stop solution.
- Contacts:
 - Ed Ellis, President (Iowa Pacific)
 - Angela Lane, Vice President Sales and Marketing (Premier Rails)

Governmental Affairs Management

Ridgetop Associates

Ridgetop Associates has been offering professional services in governmental affairs, public relations and association management since 1985. Its principals, David and Betty Huskins, are government affairs consultants and registered N.C. lobbyists with more than 30 years of experience and numerous awards for their work.

- Their work with the Great Smoky Mountain Railroad (GSMR) included obtaining funding through the Federal Rail Administration (FRA) and securing congressional support for the GSMR.
- Expertise also includes ABC legislation. Per N.C. law, a permit is required for the purchase of alcohol from the ABC Board. Ridgetop Associates worked with the state to

change N.C. law, now allowing GSMR – and only GSMR currently – to purchase from a distributor without needing a permit.

- Great Smoky Mountain Railroad is owned and run by Al Harper, who purchased it in 1992. He also owns the Durango & Silverton Narrow Gauge in Durango, Colorado.
- Ridgetop Associates manages seven county travel and tourism groups with a focus on marketing and government affairs.
- They do not provide goods or services on trains.
- Contact:
 - David Huskins, Co-owner

GrubHub

Grubhub is a national online and mobile food ordering company. They connect hungry diners with local takeout restaurants through direct online and mobile ordering methods.

- Passengers can go to www.grubhub.com, key in a city and choose from a selection of participating restaurants.
- Orders placed can be delivered to any of the *Piedmont's* nine stations.
- The timing of the delivery is not exact and will most likely not fall within the targeted two-minute timeframe for station stops.

Other Potential Food Options:

The research team spoke with the Department of Agriculture to identify options for sourcing North Carolina foods and products and determine the viability of restaurants they work with as a source for prepared food for passengers. At this time, there are no solutions as to how to get the food to passengers on the train. Simple boxed meals (sandwiches, chips, cookies) could potentially be an option if passengers ordered and paid in advance with the purchase of a ticket. The logistics of ordering the food, ensuring the accuracy and quality, putting the boxes on the train and making sure they get to the right passengers still needs vetting. Further investigation is needed to determine meal solutions for passengers.

Train Hosts

The Rail Division has a Train Host program consisting of train enthusiasts who volunteer their time to serve as hosts on the *Piedmont*. Most of the hosts are retired and their primary duties are to serve as greeters, share station and train information, and ensure that passengers have a comfortable experience. Although they may occasionally bring coffee to passengers, they are not a viable, reliable option to serve food, beverages or check IDs if needed.

Amtrak

Diana Cabot-Miller, Southeast Marketing, offered a few ideas of ways to generate additional revenue.

- Courier Services – Promotion of the train as a courier service has not been fully explored. At staffed stations, people can bring envelopes and boxes to the station and

have them delivered to another station on the line. Someone can pick up the envelope at the destination station. Suggested industries: UPS regional offices, courier companies, attorneys with court papers, flower companies, funeral companies (shipping embalmed bodies), etc.

- Guns – The Piedmont has a safe in the front of the train where people can check their guns. This could be promoted to the NRA to encourage their audience to travel by train.
- On-Board Magazine – New York state trains have their own magazine that is created and produced by an outside company. The contractor does all the work and then writes a check for the opportunity to be on the train.
- Seatback Distribution – *Our State* magazine is currently distributed on the train. There may be other publications or companies that would find value in putting their information in the seatbacks for a fee.
- Field Trips – Market to daycares and schools as an easy way to take school children on field trips.
- Bike Charges – Amtrak charges \$10 to put a bike on the train and currently North Carolina does not charge.
- Pet Charges – Amtrak charges \$25 per travel segment for pets.

APPENDIX

ON-TRAIN INTERVIEWS

Appendix A: Details of Research Team Train Rides

Date	Time	Departure – Destination	Train Number
Wednesday, November 25 th	11:45am – 2:55pm	Raleigh - Charlotte	75
Wednesday, November 25 th	5:15pm – 8:26pm	Charlotte - Raleigh	76
Thursday, December 10 th	6:58am – 9:14am	Cary - Salisbury	73
Thursday, December 10 th	12:44pm – 3:03pm	Salisbury - Cary	74
Thursday, December 10 th	12:19pm – 2:14pm	Durham - Salisbury	75
Thursday, December 10 th	5:59pm – 7:57pm	Salisbury - Durham	76

Appendix B: Summary Statistics of Passenger Interviewees

Sex		Age Range			Student Status	
Male	Female	18-35	36-49	50-75	Students	Non-student
31 (52%)	25 (48%)	31 (52%)	4 (6%)	25 (42%)	12 (20%)	48 (80%)

Appendix C: Interview Instrument

Hello, my name is _____ and I am a contractor working with the Rail Division at NC Dept. of Transportation. We are conducting interviews today with riders to understand how we might enhance the on train experience. This survey is confidential.

I. GENERAL QUESTIONS

Are you age 18-29 yrs.? (If applicable)

Are you 50-75? (If applicable)

Is your primary purpose on this trip business or leisure?

How did you purchase your ticket?

How often do you ride the train?

Where did you come onboard?

Where are you departing?

Are you a resident of North Carolina?

Tell me a little more about why the train v. other modes of transportation?

II. FOOD AND BEVERAGES

Currently, snacks and sodas are available in vending machines. Coffee and water are complimentary

Do you plan to have any of the complimentary beverages?

Did you bring food or beverages on the train with you?

Have you ever purchased food or beverages from the vending machines? How often?
How much?

We're exploring potential options for providing enhanced food and beverage options on the trains. What food or beverages would you ideally like to see on the train?

How likely would you be to purchase these?

Would you be interested in having wine or beer available to purchase? What specifically would you like to be able to buy?

How important is it to have North Carolina products to purchase (e.g. beer/wine or food) v. products from other states/countries?

Interest in food brought on the train from an outside restaurant along the corridor via an app/online order

III. TRANSFER NEEDS

When you depart the train, what are your plans for transportation to your final destination?

When you purchase your ticket or when you are on the train would you be interested in learning about transportation options at your destination?

Would you be interested in learning about discounts to hotels, events and other amenities at your destination?

If so, what would kinds of things would you be interested in?

Willing to pay for parking at stations ahead of time (interest when purchasing ticket) (Raleigh and Charlotte only)

IV. OTHER AMENITIES

Are you aware that the train has free complimentary Wi-Fi?

How satisfied are you with the Wi-Fi?

Would you be interested in paying to upgrade to a high speed Wi-Fi option?

Are there any other amenities you would be interesting in having access to on the train? (Prompts: neck and shoulder massages, games or activities for families/children, books, etc.)

Would you be interested in purchasing train memorabilia or branded items?

Kiosk for bicycle rental? What would you expect to pay to bring your bike on the train?

Quiet car on the train?

Interest in paying to have access to movies on the train via your PDA?

V. EXPERIENCE VS. SPEED

How important is it for NCDOT to invest time and money to improve the overall experience with amenities v. time and money to make trip 5-10 minutes faster?

Appendix D: Other Topics Mentioned

Throughout the interviews, passengers brought up some concerns and requests that the research team did not explicitly ask about. A few passengers mentioned security concerns. They expressed their concern for how easy it is for anyone to board the train, and also referenced recent terrorist attacks.

Most customers were satisfied with the overall train experience. However, a couple passengers mentioned poor customer service and “pushy” employees. They requested that train passengers be treated the same way that flight attendants treat airline passengers. Along the same lines, some passengers requested a type of loyalty program and discounts for frequent riders.

STAKEHOLDER INTERVIEWS

Stakeholders Questions

In the fall of 2015, telephone interviews were conducted with stakeholders including convention and visitors bureaus, chambers of commerce, travel and tourism authorities and event venues. Following are the questions asked:

Name and location of organization:

Name of person:

Contact information:

1. What are the top five events that you host or support throughout the year that bring leisure or student travelers from Raleigh to Charlotte (Or Charlotte to Raleigh as appropriate)?
2. How many miles do people typically travel to get to your location (or events)?
3. What are some of the cities they come from?
4. How do most of your attendees arrive for events?
(Prompts if needed: Cars, Uber, light rail, taxi, carpool, bus, train, etc.)
5. Are you aware that the *Piedmont* passenger trains have nine scheduled stops between Raleigh and Charlotte? (Or Charlotte and Raleigh as appropriate.)
(If asked, stops include Charlotte, Kannapolis, Salisbury, High Point, Greensboro, Burlington, Durham, Cary and Raleigh.)
6. Are you aware that the Rail Division can partner with you to have the *Piedmont* make special stops to promote attendance at community events such as festivals, fairs and other special events?
(Prompts if needed: State Fair in Raleigh, Lexington, NC BBQ festival)
7. Are you aware of any events where passenger trains support or *could support* visitors to attend an event?
8. What items do you believe could be sold on trains that would be of interest to your target audiences?
(Prompts if needed: snacks or food (ask what kinds) beer, wine, books, activities for children, train paraphernalia and souvenirs, branded apparel, etc.)
9. Would you be interested in purchasing advertising on trains? What would you need to be able to make that decision?
10. Are there activities that could be done on the train that would interest your target audiences?
(Prompts if needed: cards, coloring books, movie DVD rental, audio books, etc.)
11. Is there anything else you would like to add that I haven't asked you?

List of Stakeholders Interviewed

Blumenthal Performing Arts Center
Cabarrus County CVB
Carolina Mudcats Five County Stadium
Carolina Panthers (Bank of America Stadium)
Cary Chamber of Commerce
Charlotte Center City Partners
Charlotte Regional Visitors Authority
Charlotte Sports Foundation
City of Lexington
Durham Bulls Athletic Park
Greater Raleigh CVB
Greensboro Coliseum
Greensboro CVB
Greensboro Partnership Chamber of Commerce
High Point CVB
High Point Hi-Toms Baseball Stadium
Lexington Passenger Rail Committee
NC Music Factory
Raleigh Convention Center
Salisbury Rowan County CBV
Thomasville Chamber of Commerce
Thomasville Tourism Commission