Regional Interoperability & Customer Impact

How *E-ZPass®* Achieved Success in Regional Interoperability

E-ZPass History

- In 1987 several toll agencies in the Northeast Corridor spanning New York, New Jersey, and Pennsylvania began exploring the potential regional application of electronic toll collection

- In 1990 seven of these agencies joined to form an alliance known as the *E-ZPass* Interagency Group. These agencies represented almost 40% of all US toll transactions and 70% of all US toll revenue.

- The goals for development of E-ZPass Interoperability were key:
  – Appear as seamless as possible to the customer
  – One transponder and one account works for all E-ZPass agencies
  – Implement regional interoperability without interfering with local operations

E-ZPass Today

- Volumes
  - 25 Agencies in 15 States are Interoperable with *E-ZPass*
  - Over 16 million accounts, 26 million transponders & 33 million vehicles
  - 2.4 billion *E-ZPass* transactions annually
- Revenue
  - Agencies collect over $9.7 billion in annual revenue
  - $7.3 billion or 75% of revenue collected through *E-ZPass*
- Reciprocity
  - $3.3 billion or 45% of *E-ZPass* revenue exchanged between agencies
- So how did E-ZPass achieve this success?

Business Rules

- Agencies have differing customer service needs, business rules, laws and regulations. These differences are valued and respected.

- Success was achieved by maintaining local agency individuality but agreeing to a basic set of rules to maintain compliance and unity among all agencies

Regulations & Standards:	NOT Regulated:
Account Information Exchange	Toll Prices & Fees
Brand Usage	Advertising
Exchange of Customer Payments	Customer Cost for Transponders
Reconciliation of Credit Card Fees	Video Toll / Violation Enforcement
Transponder Technology and Reliability	Account Management
Privacy of Information	Any items governed by local laws

Business Rules Link to Customer Service

- E-ZPass saw success with its careful selection of core/standardized business rules that minimized impact on local agency customer service.

- E-ZPass recognized that business rules and customer service experiences do not exist in independent silos, they are tied to each other through an interactive process.

- The standards body, such as the E-ZPass Group, must have this perspective to achieve its goals.

Focus on Customer Service

- How can we achieve and preserve focus on the customer while on the path to interoperability?
  - Provide unique service to the customer
  - Respond to them personally and as an individual

- It is not as simple as "improving customer service" or making it more "Unique".
  - The focus on customer service starts with the agency aligning itself with a Customer's **Experience** goal.

Focus on Customer Service

- What Experiences do many of our customers want?
  - One stop shop for account inquires & payments
  - One Account & One Transponder (or none?)
  - A consistent experience at all toll facilities
    (knowing what to expect)
  - Higher utility value for toll account
    (usable for more services at more locations)
  - Uninterrupted travel (flow of traffic)
  - Better fuel economy & less pollution

  Interoperability

- With broader interoperability we can achieve and expand these customer service experiences.

E-ZPass Customer Service Initiatives:

Getting the Last 25% to *E-ZPass*

- Reciprocity between agencies / states for unpaid toll collection enforcement
  - Account holders need to know that agencies are actively pursuing payment of tolls and that they are not footing the bill for non-payers

- Focus on unbanked and under-banked customers
  - Make it easier to open and maintain an account without a formal banking relationship
  - Cash Reload Card - reloadable debit cards attached to E-ZPass account
  - 3rd Party Payment Services – to allow replenishment payments to accounts as well as other transactions at participating retailers

Conclusions

- Learn lessons from retail:
  - Don't expect a one-size fits all solution
  - The preservation of agency individuality is essential to maintaining customer focus although this individuality can conflict with some customer experience expectations
  - There are huge opportunities for economies of scale by coming together

- Achieving and preserving focus on the customer requires an alignment among our individual agencies
  - We must first think of our individual customer experience needs
  - Outstanding customer service can best be achieved with interoperability

THANK YOU