Insights from an innovative closed-loop system

SNAPPER

Aha Moment

At a recent industry conference for Smart Card ticketing, a Transport Authority official threw out a challenge to all the suppliers in the room. "We will no longer accept proprietary technology that locks us in for 10-15 years. We need flexibility and choice for our customers, an open architecture for interoperability, access to innovation and customer benefits."

While those words were bold and probably resonate with the majority of public transport operators around the world, you might also be thinking that the only way to achieve those goals is to throw out your existing system and start over? Not necessarily!

Snapper operates a fully functional closed-loop ticketing scheme in Wellington New Zealand that answers the plea from the Transport Authority. Snapper has an open architecture, innovates constantly, is interoperable and provides their customers with flexibility and choice, demonstrated with consistently high customer satisfaction ratings.

These benefits may also be possible for your scheme.

Reflections

Back in 2008 Snapper was in the same situation as a Regional Authority at the beginning of a new transport ticketing contract. It had sourced the best ticketing technology at the time (Korea Smart Card Company) and had rolled out the system to the 400+ bus network in Wellington.

Typical to any new technology implementation, once the initial teething problems were sorted out and real life use cases come into play, there was a need to change some of the specifications and extend the reach and functionality of the system for customers. Snapper was faced with a clear set of choices. Either make a significant investment of money to customise the KSCC system to meet local needs, or go without. In a typical Kiwi fashion, Snapper decided there was a third option, to do it themselves.

With a very talented team of software developers, Snapper was able to abstract the complexity from the KSCC system and create a Business Rules Engine that enabled the best local service providers to integrate, in a highly efficient and cost effective manner.

Snapper Moment

Since 2008, Snapper has systematically integrated with 3rd party suppliers to extend the reach and functionality of their ticketing system:

2008

Integrated with **ANZ Bank**, **EFTPOS New Zealand** and **Verifone** to provide retail micro-payments and retail reload services. Provided access to 50,000 terminals in the NZ market.

2009

Integration with **Taxicharge**, New Zealand's largest taxi payments provider, to allow payment by Snapper in up to 3,000 taxis in NZ.

Development of **MySnapper** providing PC and Mac based smart card services to Snapper users for balance checking, top-up and product purchases.

2010

Development of **CSA** providing customer service functions for Snapper's customer services agents including card management, problem management, customer account management, refund and balance transfers.

2011

Integration with **SmartPay** to provide access to an additional 30,000 retail terminals for micro-payments.

2012

Integration with **2degrees Mobile** to allow customers to use their smartphone in place of a Snapper card for mobile NFC payments. Access to over one million 2degrees Mobile subscribers.

Development of **Snapper Mobile App** to enable Snapper customers with an NFC phone to balance check, instant top up and purchase from their mobile.

2013

Integration with **Amazon Web Services** to deliver improved resilience and 90% reduction in total cost of ownership of transaction processing.

Integration with **ITS Limited** to allow payment by Snapper as well as balance checking at on-street parking meters. Initial implementation of 550+ meters in Wellington.

2014

Integration with **Vix devices** to support integrated ticketing on the Wellington iconic Cable Car. This integration demonstrated the flexibility and capability of the Snapper system and proved that multi-vendor interoperability is possible.

Can your system benefit from extended reach and functionality?

Questions to consider

If you answer yes to any of these questions, it is time to investigate the possibility of bolt-on services to your existing system, just as Snapper did.

If your ticketing system vendor has a published and validated interoperability specification, or your system is founded on a national standard such as ITSO, then it may be easier than you expect.

1. Do you have a limited network (or frequent complaints from customers) for reloading smartcards?

2. Do you need help with your mobile ticketing strategy?

3. Can customers top-up or purchase products on-line, and get the transfer to their card instantly?

4. Are your reload costs 3% or more of your operating budget?

5. Are you looking for new ways to reduce the cost to serve your customers?

6. Are there established 3rd parties who have already invested in smartcard payments infrastructure that you could leverage?

7. Do you want to innovate and provide new services to customers in a timely and cost effective manner?
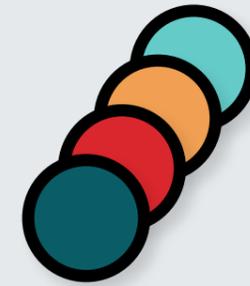
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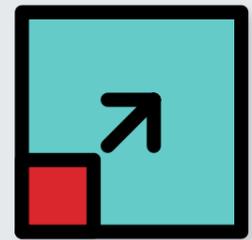
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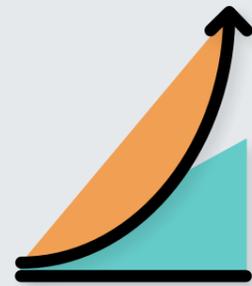
Improved convenience for customers and overall experience

Allow competitive procurement for specialist services

A reduction in cost to establish, maintain and support reload network

Extend the life of your existing scheme before having to invest again

Ability to innovate and provide new services without significant capital investment

That was then. This is now.

While Snapper remains a darling of the Wellington market, we have taken our experience and turned our attention to the global marketplace. Our vision is to provide bolt-on solutions to other closed loop ticketing systems, that will improve convenience, performance and reduce costs.

If you would like to know more about the services that Snapper has to offer, check out our website: services.snapper.co.nz Or to discuss your situation get in touch, we'd love to help.

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