More, happier passengers? The role of value for money in driving rail passenger satisfaction

By Anthony Smith, Chair of Independent Rail Retailers

In business increased demand is a good thing. More demand means more revenue, more revenue allows more investment, more investment drives more demand: a virtuous circle.

Rail in Great Britain is certainly fulfilling the first part of this equation. In June 2026 the Office of Rail and Road (ORR), the GB rail regulator, announced that journeys were at their highest level in more than a hundred years[1]. However, a closer look at the figures shows that revenue, while improving year on year, is not growing as well as demand – the current fare revenue of £12.32 billion still lags behind the pre-pandemic total of £13.39 billion. Income from Advance tickets and Off-Peak tickets has recovered well, but season ticket income remains well below pre-covid levels[2]. The cost-of-living crisis is also having an impact. More people are prioritising and making tough choices on how they spend their money – including what mode of transport they use or even whether they travel at all. Value for money and affordability are key issues.

So, while demand growth is good news, there are still numerous challenges to face and there is no room for complacency. In this climate the railway has to continue to work hard to attract and retain passengers. It has never been more important to understand what passengers want and how they view the services they receive. Knowing this gives a better chance of attracting new or lapsed customers, and persuading existing passengers to travel more.

What matters to passengers?

Transport Focus (the GB rail consumer champion) has conducted a series of research over the years looking at passengers' priorities. The latest, published in June 2026, asked over 12000 passengers what was important to them[3].

The top four criteria are punctuality and reliability, personal security (on the train and at the station) and the ticket being value for money. Passengers' other priorities also reflect an emphasis on the railway getting the basics right: accurate and timely information about train times and any delays, getting a seat and frequency of services. These form the 'core product' that passengers want to have. How well the industry delivers these core attributes goes a very long way in determining how passengers view the railway.

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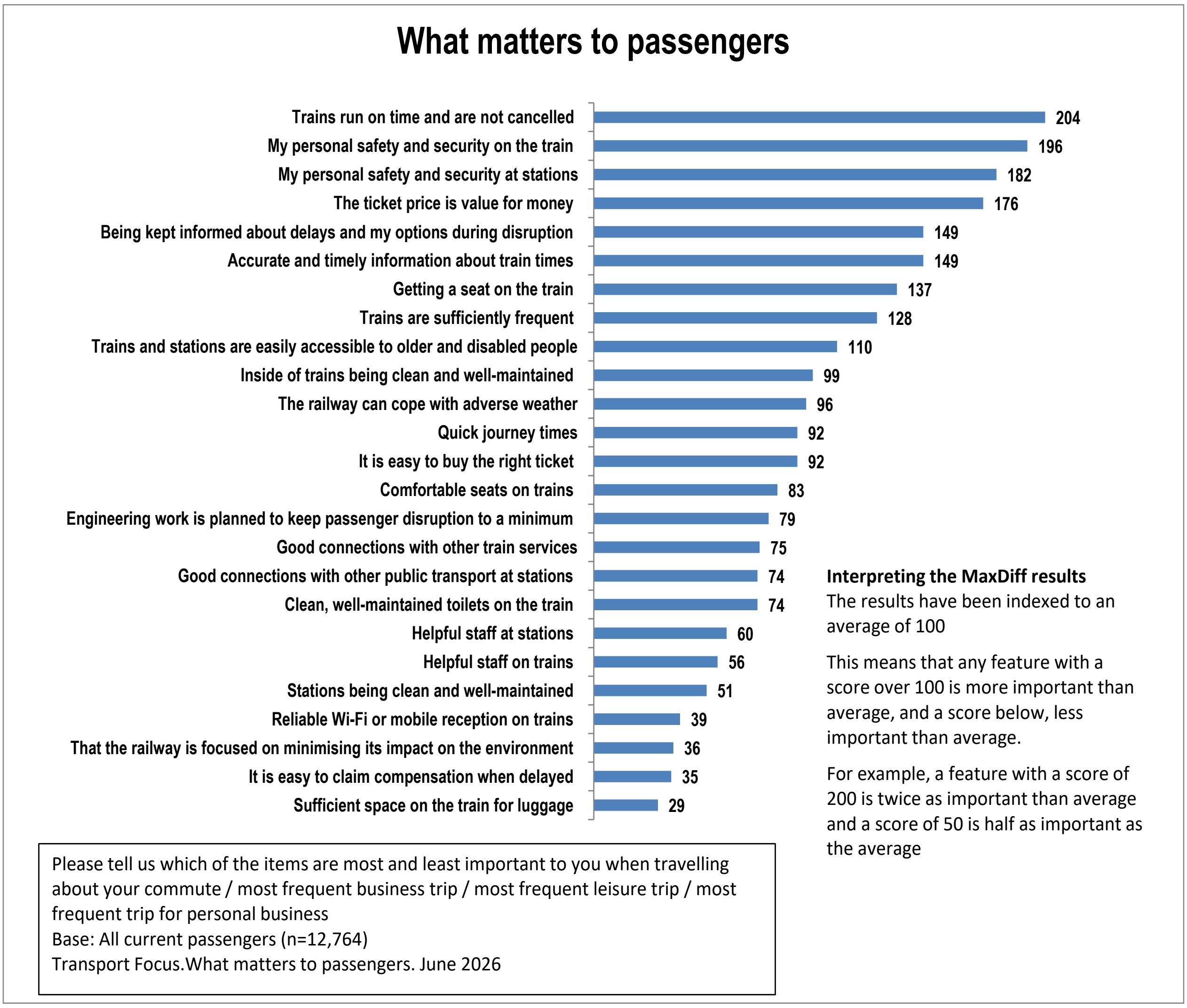
[1] Office of Rail and Road. Press Release. 18 June 2026.
[2] Office of rail and Road. Table 1212, passenger revenue by ticket type
[3] What matters to rail passengers in Great Britain. June 2026. Transport Focus



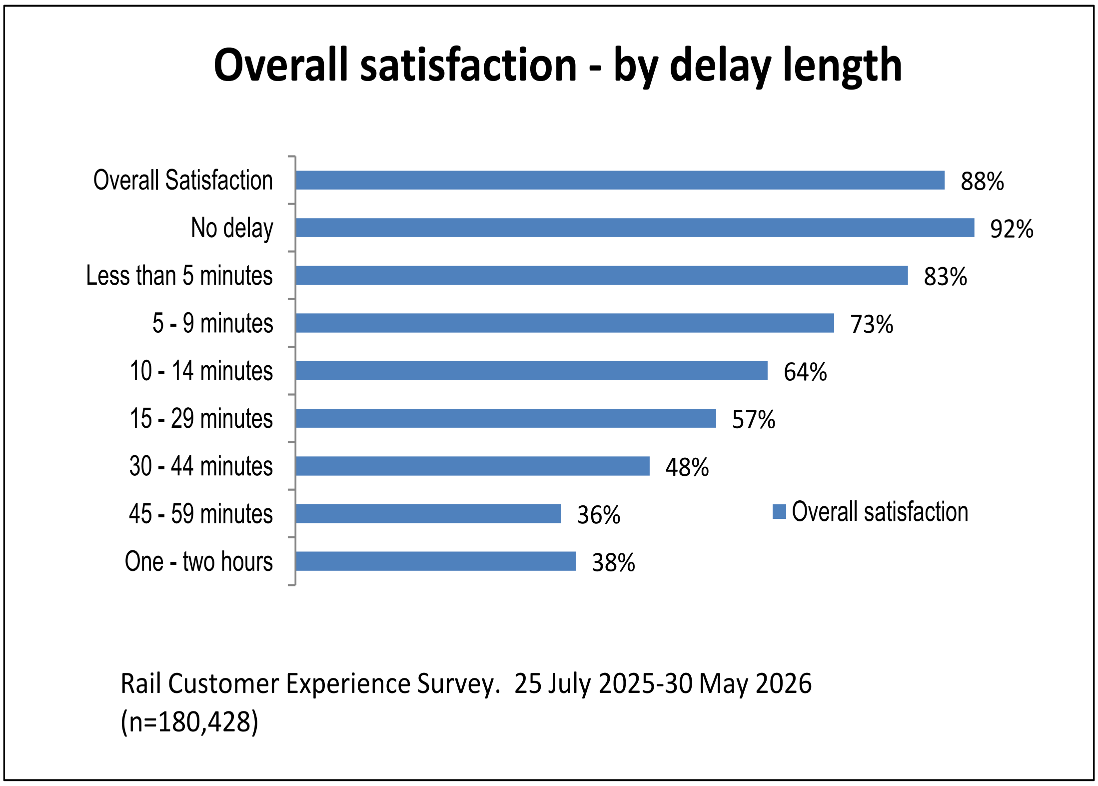
The same research also asked passengers how well they think the railway is performing on the same 25 aspects of a train journey. Interestingly, trains running on time/not being cancelled and value for money are in first and fourth place for importance but are areas where the railway is rated poorly for performance. In particular, one in four (25%) rated value for money as poor or terrible.

How satisfied are passengers?

The new, industry-wide Rail Customer Experience Survey (RCXS) provides crucial insight into passengers' experiences. On the surface the railway is doing reasonably well. Over the period 25 July 2025 to 30 May 26, 88% of passengers said they were satisfied (either very or fairly) with their train journey overall[4].

[4] Rail Customer Experience Survey. Rail Data Marketplace. Rail period P5 25/26 to P2 26/27.

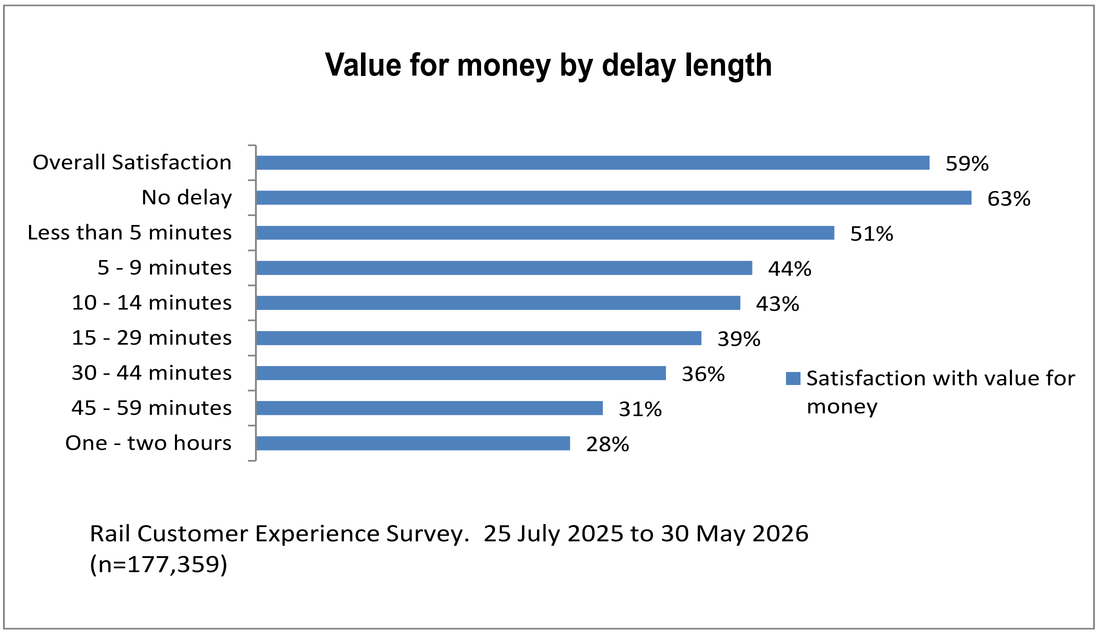
Perhaps unsurprisingly this drops when passengers experience a delay: the longer the delay the lower the overall satisfaction. This reinforces the importance of punctuality and reliability to passengers.



The survey also looks at value for money. Over the same period, 59% were satisfied with the value for money of their journey, with this dropping to 49% for commuters[5]. Both significantly lower than overall satisfaction.

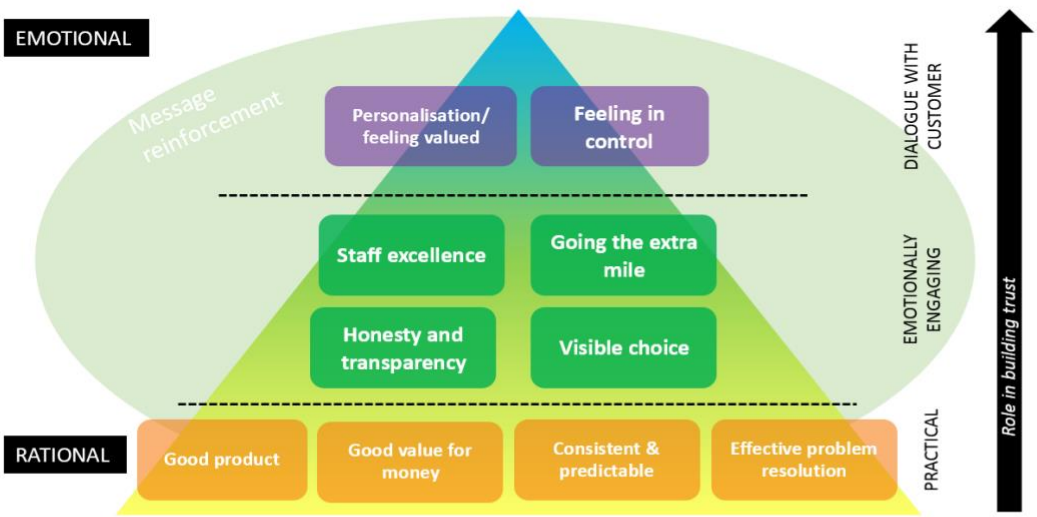
Satisfaction with value for money also varies considerably by whether or not passengers were delayed. Where there was no delay, satisfaction was 63% but even a five-minute delay sees the score drop to 51%, while a longer 15–29-minute delay causes a drop to 39%. This suggests that one of the keys to improving value for money is to run the trains on time.

[5] Rail Customer Experience Survey. Rail Data Marketplace. Rail period P5 25/26 to P2 26/27.



Levels of Trust

Performance and value for money also feature strongly in research looking at how well passengers trust the railway. Research by Transport Focus identified that the provision of a dependable, consistent, value for money product is the key building block that underpins everything else[6]. Without this it is hard to form a relationship with passengers – but doing this alone will not be enough. To really unlock the potential requires additional focus on things like honesty and transparency; helpful, visible staff that 'go the extra mile'; and giving passengers a greater sense of choice and control. It is this combination of rational and more emotive aspects that builds a relationship between the consumer and the 'brand'.

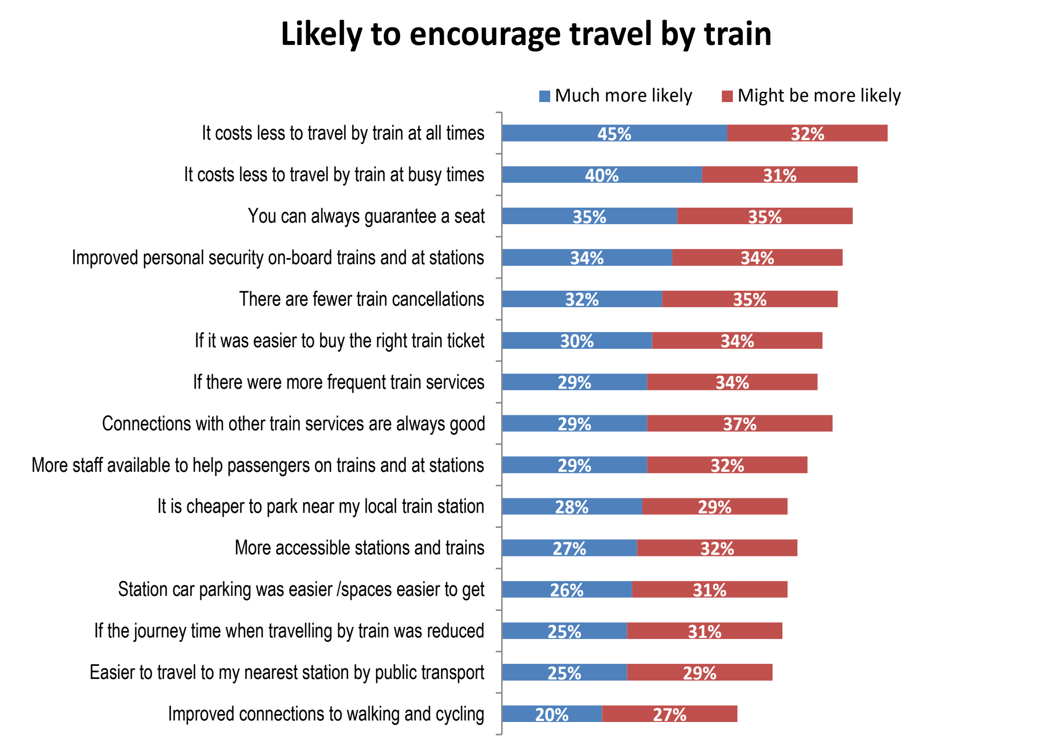


[6] Research in 2014 and 2017 as summarised in: Williams Rail Review: Trust in train operators: an exploration of issues influencing passenger trust in rail. Transport Focus 2019

The Rail Customer Experience Survey demonstrates a relationship between trust and value for money. The survey asks people how much they trust the rail industry overall. Those scoring trust at 9 or 10 (out of 10, with 10 being the highest) have a value for money satisfaction rating of 88%, this falls to 69% for those giving a 7/8 rating and to 39% for those who only rate trust at 0-6[7]. This is evidence of a correlation between the two factors, rather than causation, but it does show there is a link.

What do non or lapsed users think?

While it is important for any business to look after its existing customers it is also important to look at attracting new demand. To this end the Transport Focus research on ‘what matters’ also spoke to non-users to see what would encourage them to travel by train. Making tickets cheaper is the main issue, followed by getting a seat and improved personal security on board trains and at stations.



Question asked. We'd now like to know what, if anything, might encourage you to travel by train again in the future. looking at the following list, please rate the extent to which these changes would make you more likely to travel by train. (n=2502).
Transport Focus. What matters to passengers. June 2026

[7] Rail Customer Experience Survey – 25 July 2025 to 30 May 2026 (n=177,359)

So what does all this tell us?

It is clear that the key building blocks to creating 'happy passengers' are to deliver a safe and reliable railway that delivers on the timetable's promise at an acceptable price. The same attributes also attract new customers.

Punctuality is a more straightforward concept – a train either runs to the timetable or it doesn't. Fewer cancellations and higher punctuality will result in happier passengers and will have a positive impact on levels of trust.

Value for money is a much more nuanced calculation. The price of tickets is clearly fundamental to perceptions. It is also one of the main barriers to non- or lapsed users). But service quality and performance also matter – as witnessed by the value for money ratings are influenced by the length of delays. Ultimately value for money is a mix of 'what you get for what you pay'.

Can a competitive market help improve these perceptions?

There is some evidence to suggest that direct competition within the rail sector can have a positive impact on passenger satisfaction and perceptions. In 2016 The UK Competition and Market Authority (CMA) concluded that open access operators[8]:

- "Compete with franchised operators on price, frequently offering lower dedicated fares both for 'walk-up' and advance tickets.
- have developed improvements to service levels and introduced innovations, including selling a wider range of tickets on-board, free wi-fi and new information systems – which is reflected in high passenger satisfaction compared to the majority of franchised operators.
- appear to have generated some growth in the market for rail travel and delivered a number of wider economic benefits[9]."

These benefits are not limited to Great Britain. A European Commission study released in 2024 found the advent of competition had an immediate effect on the ticket prices, with most of the lines surveyed experiencing a sharp decrease in prices[10]. The most notable cases were of Italy, Madrid-Barcelona and Stockholm-Gothenburg where prices decreased by at least 31% upon the start of competition.

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[8] Open access train services are services which are operated on a commercial basis by private companies. They often compete with train operators which are operated by Government (or hold government contracts to operate train services).
[9] Competition in passenger rail services in Great Britain. A policy document. CMA. 2016
[10] European Commission: Directorate-General for Mobility and Transport, EY, De Rose, A., Trier Jørgensen, K. and Doklestic, N., *Study on passenger and freight rail transport services' prices to final customers – Executive summary*, Publications Office of the European Union, 2024, **https://data.europa.eu/doi/10.2832/441702**

The ticket price (as an average for all operators) will mostly decrease sharply in the first years and then decrease moderately or remain stable for the following years.

The same report also highlighted competition generating improvements in service quality. For example, in Czechia and Austria, the incumbent operators, upon the start of competition, introduced amenities such as free wi-fi. Competition has also pushed both non-incumbents and incumbents to invest in new rolling stock. Lastly, competition has also increased the frequency of departures, bringing added flexibility for passengers.

So, it would seem that head-to-head competition on some routes and services can improve the offering to passengers. Clearly there is still a need for these services to be punctual but price competition leading to lower fares will have a positive effect on value for money perceptions.

How can the retail market improve value for money perceptions?

Great Britain's rail retail market is another example where direct competition has brought benefits to consumers. Over 30 providers vie to sell rail to passengers. This market has grown up as a side effect of rail privatisation with so called 'third party retailers' operating alongside train companies own ticket sales.

Third party retailers have no impact on punctuality, nor do they set fares (that is done by train companies) but they can still play a big role in influencing customer perceptions. They do this through:

- Customer-centric innovation: attracting and retaining customers through superior digital experiences, choice, and convenience. This results in a customer-driven culture dedicated to continuous improvement.
- Marketing: investing millions in marketing at home and abroad, helping to grow the market for the benefit of all parties.
- Cost-efficiency for industry: pioneering lower-cost sales channels such as mobile ticketing, which now accounts for over 50% of industry revenue - significantly reducing distribution costs.
- Capital investment: investing over £25 million into infrastructure such as gateline and handheld inspection technology - investment that would otherwise fall to the taxpayer. This model benefits customers, the industry, and taxpayers whilst being free from the constraints of government funding cycles and conflicting priorities.

There are also occasions when third party sellers can save passengers money. This typically comes through offering 'split tickets', where dividing up your journey into multiple legs can work out cheaper than buying a normal end-to-end ticket.

Independent retailers have made it easier to find, and buy, to find these cheaper combinations. This is now a mainstream activity – 11% of those responding to the Rail Customer Experience Survey said they had used split-ticketing[11].

Savings from third party retailers can also arise from them displaying additional journey options not always shown on the train company's own website. These will usually involve longer journey times and/or more changes of train but will be cheaper. This puts choice back in the hands of passengers - giving them the option to make a trade-off between journey time and cost.

For example:

09:33 Bristol Temple Meads to Sheffield	
Train Company website (CrossCountry)	£58.20
Third party website (Trainline)	£35.39
Saving £	£22.81
Saving %	39%
The saving comes by combining two singles rather than using the through fare. The journey is the same	

09:31 Derby to Manchester Picadilly	
Train Company website (East Midlands)	£36.10
Third party website (Trainsplit)	£23.69
Saving £	£12.41
Saving %	34%
Fare if willing to add an additional 27 minutes to the journey time when changing trains	£16.70

Journey enquiries made on 24 June for travel on 25 August

The Rail Customer Experience Survey asks how easy it was for people to find the cheapest ticket. It is noticeable that 86% of people buying from the trainline website (the largest independent retailer) found it easy to do so compared to 77% for those buying from the website of the train company on which they travelled. There is a similar pattern when looking at purchases via apps: 87% using the trainline app vs 83% using the train company app[12].

In difficult financial times it is important to help passengers access value for money tickets and to choose rail over other modes. Third party retailers can help achieve this by making it easier to find and buy fares and, in some instances, by using split ticketing and search algorithms to find cheaper ways of travelling. Ease of use and, especially, cheaper fares can bleed through into passenger perceptions of the railway, including those on value for money. They also directly address barriers to attracting non- or lapsed users back to rail, namely the cost of tickets.

The creation of Great British Railways (GBR) will introduce a centralised retail operation, replacing the myriads of individual train company sites which still exist at

[11] Rail Customer Experience Survey. 25 July 2025-30 May 2026 (n=178,985)
[12] Rail Customer Experience Survey – 25 July 2025 to 30 May 2026

present. When independent retailers work alongside a state backed platform it creates a healthy competitive environment. Retailers are pushed to innovate, improve service, and offer better value. In turn, passengers benefit from better apps, higher standards, more journey offerings, and a wider range of price points. Together, in a fair and open market, they can create an even better rail retail environment that is easy, efficient and data driven, helping to drive revenue and better the passenger experience.