

Selection bias in reward experiments: evidence
from a real-life peak avoidance experiment among
train commuters

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Introduction

- ▶ Experiment conducted in the Netherlands (2012-2013)
 - ▶ Ca. 1000 participants
 - ▶ Train commuters received a monetary reward for traveling off-peak during a 15-18 week period
- ▶ Estimation of departure time choice models
 - ▶ Using discrete choice models: MNL and panel latent class
- ▶ Derivation of willingness-to-pay estimates
 - ▶ For reducing travel time, schedule delays, the number of transfers, crowdedness, and unreliability
 - ▶ Key values in infrastructure appraisals
 - ▶ Usually estimated from stated preference (SP) rather than revealed preference (RP) data

Current status of the research

- ▶ First paper using these data has been just submitted
- ▶ Next paper: focus on selection bias due to self-selection of the participants
 - ▶ Departure time choice models have been estimated (see this presentation)
 - ▶ Prediction/simulation part should be added

Motivation

- ▶ We observe differences between participants and non-participants in terms of socio-economic characteristics
- ▶ We observe differences between participants and non-participants in terms of their behavior in hypothetical choice situations (SP)
- ▶ We find that during the reward period the number of peak trips among participants decreases by 22%; compared to (non-experimental) findings from the UK, NZ and Australia, that seems to be too good to be true!

Background: Train travel in the Netherlands

- ▶ Dense & busy railway network
- ▶ Demand for rail travel is still increasing
- ▶ Service frequencies close to capacity on major links
- ▶ Trains tend to be crowded during peak hours
 - ▶ Especially in the central and Western parts (Randstad)
- ▶ Time-of-day dependent pricing as a solution?
 - ▶ External crowding costs
 - ▶ Marginal environmental costs are higher for peak train travelers when off-peak supply of capacity is determined largely by peak demand (Rietveld, 2002)



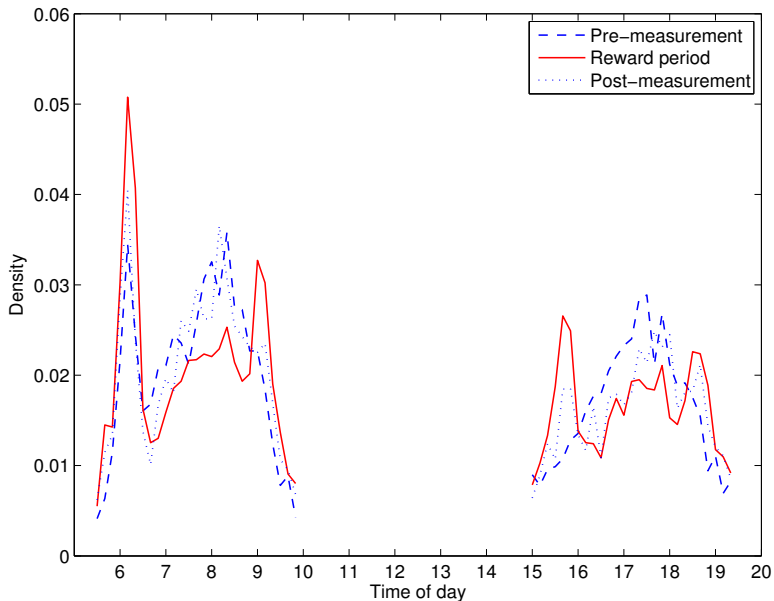
Experiment (I)

- ▶ Recruitment among train travelers with existing travel pass
- ▶ Behavior is measured via smartphone app
- ▶ Participants could gain a monetary reward for *traveling off-peak by train on their participation link*
 - ▶ No incentive to turn off app
 - ▶ Maximum 2 rewards/day
 - ▶ Morning peak: Departures between 6:30 am and 9.00 am
 - ▶ Evening peak: Departures between 16:00 am and 18:30 pm
- ▶ Reward per off-peak trip between 1.5 and 4.5 Euro
 - ▶ Reward is dependent on travel distance
 - ▶ Each participant goes through high and low reward regime

Experiment (II)

- ▶ 3 periods
 - ▶ 3 weeks of pre-measurement
 - ▶ 15-18 weeks reward period
 - ▶ 4 weeks of post-measurement
- ▶ Compulsory parts of the experiment:
 - ▶ Participation survey
 - ▶ Stated preference experiment
 - ▶ Evaluation survey
 - ▶ Logbooks during 6 weeks

Distribution of departure times over time of the day



Substantial behavioral changes induced by the reward

- ▶ During reward period: 22% decrease in peak trips compared to pre-measurement
- ▶ During post-measurement: 10% decrease in peak trips compared to pre-measurement
- ▶ Number of weekly trips per person is fairly constant between pre-measurement, reward period and post-measurement → little evidence of induced demand/selective use of app

Departure time choice model

$U = \beta_R$ reward + β_T travel time + β_{SDE} schedule delay early +
 β_{SDL} schedule delay late + β_{TR} number of transfers +
 β_{REL} high chance of a delay >10 min + β_C high extent of crowding

- ▶ Index: person n , alternative train connection j and choice situation (day; morning/evening) m
- ▶ Willingness-to-pay estimates can be derived
 - ▶ β_R can be interpreted as marginal utility of income

Willingness-to-pay estimates: MNL, RP only

<i>Valuations</i>				
W_{TT}	Travel time	€/hour	15.5	3.3
W_{SDE}^M	Schedule delay early (morning)	€/hour	6.62	0.86
W_{SDL}^M	Schedule delay late (morning)	€/hour	5.56	0.65
W_{SDE}^E	Schedule delay early (evening)	€/hour	4.95	0.64
W_{SDL}^E	Schedule delay late (evening)	€/hour	3.99	0.56
W_{TR}	Transfer	€/ #	2.77	0.56
W_C	Little crowding	€	(0.403)	0.313
W_{CU}	missing occupancy expectation	€	(-0.314)	0.484
W_{REL}	avoid P(delay>10min)>5%	€	(0.750)	0.603
<i>Estimation statistics</i>				
# observations	22174			
# individuals	544			
LL_0	-64891.476			
LL	-55471.579			

Representativeness of the results?

Recruitment:

- ▶ Invitation via personal e-mails and posters at stations
- ▶ 1011 active participants → Response rate of 1.2% to emails
- ▶ **Self-selection very likely**

- ▶ Explicitly model self-selection using
 - ▶ RP data from participants
 - ▶ SP data from participants and non-participants
 - ▶ A survey among non-respondents was conducted → 489 answers (response rate of 13%)
 - ▶ Data on socio-economic characteristics, reported travel behavior, reported scheduling restrictions from participants and non-participants

Data availability: overview

Data	Participants	Non-participants
RP	X	
SP	X	X
Socio-economic characteristics	X	X

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Data	Participants	Non-participants
RP	X	
SP	X	X
Socio-economic characteristics	X	X

Selection-bias: work in progress (II)

Model structure

1. Selection model (explains participation decision)
2. Scheduling choice model

Estimation

- ▶ Deterministic (participants and non-participants as observed)
- ▶ Staged (participants and non-participants as predicted)
- ▶ Simultaneous

Selection model: preliminary results

- ▶ 37 explanatory variables
- ▶ Probability of participation increases with
 - ▶ lower income
 - ▶ higher education
 - ▶ specific type of jobs (management, specialists, etc.)
 - ▶ usual time of travel being off-peak
 - ▶ higher scheduling flexibility
 - ▶ longer participation link
 - ▶ higher travel frequency
 - ▶ first-class travel pass
- ▶ Household composition and age have no effect

Joint deterministic SP-RP model for participants and non-participants

<i>Estimation statistics</i>	
LL Selection	-583.841
LL Choice	-17082.2
LL Global	-17666.024
Sample size	15797
Number of individuals	1132

		unit	non-participants		participants	
			val	std err	val	std err
model coefficients						
β_R	SP Reward	€	0.0323	0.0081	0.128	0.008
β_{TT}	SP Travel time	hour	-2.78	0.17	-2.72	0.15
β_{SDE}^M	SP Schedule delay early	hour	-2.04	0.10	-1.69	0.09
β_{SDL}^M	SP Schedule delay late	hour	-1.29	0.09	-1.37	0.08
β_{C3}	SP Crowded train		-0.0695	0.0516	-0.0853	0.0470
β_{C4}	SP Very crowded train		-0.327	0.042	-0.443	0.043
β_{REL}	SP P(delay>10min)>10%		-0.236	0.039	-0.385	0.040
β_R	RP Reward	€			0.288	0.029
β_{TT}	RP Travel time	hour			-4.21	0.64
β_{SDE}^M	RP Schedule delay early (morning)	hour			-1.44	0.11
β_{SDL}^M	RP Schedule delay late (morning)	hour			-1.13	0.06
β_{TR}	RP Transfer	#			-0.687	0.101
β_C	RP Crowded train expected				-0.0759	0.0830
β_{CU}	RP missing occupancy expectation				0.0411	0.1360
β_{REL}	RP P(delay>10min)>5%				-0.113	0.169
valuation						
W_{TT}	SP Travel time	€/hour	86.1	21.2	21.2	1.6
W_{SDE}^M	SP Schedule delay early	€/hour	63.2	15.5	13.2	0.9
W_{SDL}^M	SP Schedule delay late	€/hour	39.9	10.0	10.7	0.8
W_{C3}	SP Crowded train	€	(2.15)	1.70	(0.666)	0.369
W_{C4}	SP Very crowded train	€	10.1	2.8	3.46	0.38
W_{REL}	SP P(delay>10min)>10%	€	7.31	2.16	3.01	0.37
W_{TT}	RP Travel time	€/hour			14.6	2.5
W_{SDE}^M	RP Schedule delay early (morning)	€/hour			5.00	0.55
W_{SDL}^M	RP Schedule delay late (morning)	€/hour			3.92	0.39
W_{TR}	RP Transfer	€/ #			2.39	0.43
W_C	RP Crowded train expected	€			(0.264)	0.293
W_{CU}	RP missing occupancy expectation	€			(-0.143)	0.473
W_{REL}	RP P(delay>10min)>5%	€			(0.392)	0.593
class share in sample			44.0%		56.0%	

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model coefficients						
β_R	SP Reward	€	0.0858	0.0122	0.105	0.011
β_{TT}	SP Travel time	hour	-3.84	0.25	-2.18	0.19
β_{SDE}^M	SP Schedule delay early	hour	-2.56	0.17	-1.48	0.13
β_{SDL}^M	SP Schedule delay late	hour	-0.807	0.120	-1.95	0.12
β_{C3}	SP Crowded train		0.0271	0.0616	-0.178	0.056
β_{C4}	SP Very crowded train		-0.385	0.053	-0.459	0.052
β_{REL}	SP P(delay>10min)>10%		-0.321	0.055	-0.361	0.043
β_R	RP Reward	€	0.196	0.054	0.291	0.041
β_{TT}	RP Travel time	hour	-3.75	1.24	-4.45	0.93
β_{SDE}^M	RP Schedule delay early (morning)	hour	-5.65	0.74	-1.12	0.14
β_{SDL}^M	RP Schedule delay late (morning)	hour	-0.700	0.101	-2.10	0.19
β_{TR}	RP Transfer	#	-0.552	0.179	-0.773	0.161
β_C	RP Crowded train expected		-0.0660	0.1150	-0.0739	0.1160
β_{CU}	RP missing occupancy expectation		-0.189	0.225	0.218	0.215
β_{REL}	RP P(delay>10min)>5%		0.260	0.295	-0.410	0.253
valuation						
W_{TT}	SP Travel time	€/hour	44.8	7.6	20.8	2.8
W_{SDE}^M	SP Schedule delay early	€/hour	29.8	4.5	14.1	1.6
W_{SDL}^M	SP Schedule delay late	€/hour	9.41	1.66	18.6	2.0
W_{C3}	SP Crowded train	€	(-0.316)	0.730	1.70	0.54
W_{C4}	SP Very crowded train	€	4.49	0.85	4.37	0.60
W_{REL}	SP P(delay>10min)>10%	€	3.74	0.97	3.44	0.53
W_{TT}	RP Travel time	€/hour	19.1	7.1	15.3	3.4
W_{SDE}^M	RP Schedule delay early (morning)	€/hour	28.8	9.1	3.85	0.64
W_{SDL}^M	RP Schedule delay late (morning)	€/hour	3.57	0.90	7.22	1.25
W_{TR}	RP Transfer	€/#	2.82	1.27	2.66	0.68
W_C	RP Crowded train expected	€	(0.337)	0.608	(0.254)	0.406
W_{CU}	RP missing occupancy expectation	€	(0.964)	1.141	(-0.749)	0.743
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W_{TR}	RP Transfer	€/#	2.82	1.27	2.66	0.68
W_C	RP Crowded train expected	€	(0.337)	0.608	(0.254)	0.406
W_{CU}	RP missing occupancy expectation	€	(0.964)	1.141	(-0.749)	0.743
W_{REL}	RP P(delay>10min)>5%	€	(-1.33)	1.46	(1.41)	0.90
class share in sample			44.0%		56.0%	

Summary

- ▶ Experiment successful in shifting trips to off-peak periods
- ▶ Half of the decrease in peak trips persists during the post-measurement
- ▶ Longitudinal data, innovative data collection method
- ▶ One of the first studies that attempts to estimate value of comfort/reliability/number of transfers from RP data
- ▶ Self-selection very relevant
 - ▶ Various factors determine participation decision
 - ▶ Large difference in marginal utility of income between participants and non-participants

Next steps

- ▶ Simulation of departure time decisions for participants and non-participants using the estimated coefficients
 - ▶ To which extent would the number of peak trips decline among non-participants when fare differentiation is introduced?
 - ▶ Probably much less than 22%...