

# Southern Rail Passengers Perception on Ticketcharges (Study with References to Coimbatore and Palakkad Junctions)

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**Abstract-;** Pricing strategies of the Indian railway is the most important and attractive feature, that influences huge number of lower to upper middle income people to use this mode of transportation. The article attempt to measure and assess the Southern rail passengers perception on ticket charges. Article found that 74.80 per cent of the sample passengers have stated that cost of general compartment ticket is the major attractive service feature, which they like to benefit by travelling in Southern railway trains. The sample rail passengers are appreciate Southern railway features like: suitability of ticket fair: tax and cost of value added services, benefits enjoyed on luxury travel, ticket concessions enjoyed and refund and penalties charged. Ticket rate fixation strategies adopted by the Indian railways, greatly influences in attraction of new and more passengers.

**Key Words:** Pricing Strategies, Indian Railways, Rail Passengers.

## I. INTRODUCTION

Mode of conveyances and its easy accessibility is very important and key factor that has supported in the fastest growth of the modern society. Numbers of transportation services are available to human being to commute from one place to other. And the usage of various mode of transportation difference from one place to another like: usage of water ways, surface mode, air etc. rail transportation service is one of the mode important mode of travel preferred by millions of Indian populations. Pricing strategies of the Indian railway is the most important and attractive feature, that influences huge number of lower to upper middle income people to use this mode of transportation. More idea for long-distance travel. In India railway services cover distance of 115000 kilometer with effective operation of 12617 passenger trains and 7421 cargo (freight) trains, on an average 23million people and 3million tonnes of cargo are moved by railways per day. Rail is the largest transportation system in India.

Indian economy being mixed in nature i.e., both social and capitalistic in nature most of services offered by the Government of India to the common man is more social oriented than based on the profit earning concept, offering of railway service is one of the best example. Indian railways runs every day for nation's interest and not driven by commercial principles. Due to this socialistic attitude of

the Indian railways it incur huge losses, carry out various uneconomical activities and end-up in foregoing revenues /profit for the benefit of the common man. In true, sense Indian railways struggle very hard to manage its business operations and earn feasible revenue to run its business. There are three primary sources through which Indian railways earn revenue i.e., through revenue earned from freight and passengers transportation services, budgets allocated by the Central Government of India and the funds raised from external sources of borrowing i.e., from financial market and from financial institutions. Among the three categories revenue earned through passenger spending is considered as the direct revenue earned by Indian railways based on its efficiency of services rendered to different class of customers. Revenue earning of Indian railways have been reducing with the mounting of various operational expenses and passengers movement to other mode of transportation like: low cost airway services, luxury bus services or to other mode of surface transportation.

## II. ISSUES FOCUSED

Being working with the socially responsible i.e., socialistic concept for number decades, Indian railways have started adopting flexi pricing concept i.e., a concept of charging high for the rich and luxury service seekers and charging low for the marginally poor and economically weaker section of the society and to the elders. Introduction of flexible price scheme have brought in revenue to the extent of Rs.6.71 billion (i.e., around US \$ 99 million) in the year 2016. These modified ticket rates are found to be nearer and competitive with low cost air ticket charges or charges of luxury deluxe bus charges. Many of the passengers considered that the train travel is more cost-effective compared to other modes of travel.

## III. AIMS OF THE ARTICLE

- The article attempt to measure and assess the Southern rail passengers perception on ticket charges.

## IV. REVIEW OF LITERATURE

Brief discussions of few reviews collected are presented in this section of the article.

Kumar (2006)had commented that with introduction of online /e-ticking practices is the better progressive implementation of information technology served as a thrust towards better responsiveness to the raising passenger demands. Dekkers and Rietveld (2007) claim that rail

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passengers were satisfied with the service of Mobile-tickets and they found the Mobile-ticket services are very convenient and easy to use, no more queuing etc. According to Vanniarajan and Stephen (2012) Southern railways has stood up to the expectations of their passengers and its railqual factors positively influencing the passengers' satisfaction and image of reliability and empathy. Gandhimathi and Saravanan (2013)claim that passengers feel comfortable in train travelling and majority of the passengers are satisfied towards features like: tangible, empathy, assurance, comfort, reliability, frequency, speed and travel time of trains. Yadav et al., (2014)registered in his article that technological upgradation bought some advantages for railways like: revenue, procurement of tickets by touts is eliminated. Indian Railways takes all possible measures to fill-in each and every seat even vacant for one station to next station. The study mentioned that maintenance of transparency in berth allocation and makes the ticket checking process fast. According to Anbupriya and Subadara (2017)Indian Railway has taken necessary steps to reduce the traffic during peak hours and should provide fast retrieval of information to save more time. As per Sanyal et al., (2018)study conclusion rail passengers expressed their satisfaction with the overall services provided by the Indian Railways i.e. train fares, display board of time, canteen facilities or food stalls at the major stations.

At the end of the reviews discussion it has been understood that Indian railways have enhanced its service offering efficiency with the introduction of e-ticking (electronic) services. Passengers claim a feel of satisfactiontowards service offered to them Indian Railways i.e. train fares, display board of time, canteen facilities or food stalls at the major stations.

**V. METHODOLOGY**

The study adopted two types of sampling framework. One for selection of sample stations and another for selection of respondents. The study is focused on the two railway division of the Southern Railway Zone i.e., Salem and Palakkad. In total 71Trains Passing through Salem division and running through Palakkad, thus, these seventh one trains are considered as samples. Out of the 71 train, thirty per cent (30) was chosen as sample i.e., 21 trains. A sample of 125 rail passengers of two zones i.e., Salem and Palakkad were approached for collection of data.

**VI. RESULTS AND DISCUSSION**

The empirical study was conducted among 250 Southern Railway passengers, of which 65.10 per cent of the rail passengers are surveyed are male and 34.90 per cent are female. It has been observed that on an average 39.22 per cent of the passengers are aware of the nature of services offered by the Southern railways. Sample respondents are well aware of the nature of ticket rates charged by the Southern railways such as: ticket fare concessions for senior citizens (69 per cent), ticket charges for general compartments travel (68.80 per cent), age limit concession for children (68.60 per cent), ticket charges for second class

travel (67.20 per cent) and ticket concession for air conditioned compartment travel (67 per cent).

**TABLE: 1  
RAIL PASSENGERS OPINION ON TICKET CHARGES OF SOUTHERN RAILWAYS**

Variable	Sum	Mean	Rank
Flexibility of Train Fairs	903	3.60	3
Cost of General Compartment Ticket	934	3.74	1
Cost of the Ticket Second Class Travel	906	3.63	2
Cost of the Tickets During Seasonal Period	829	3.31	6
Ticket Fare Concession offered	870	3.49	4
Rate of Reserved and Unreserved Ticket	837	3.36	5
Tax Charged of Tickets	772	3.09	14
Cost of Insurance Services Offered	819	3.27	8
Cost of A/C Travel Ticket	790	3.16	9
Cost of Tathkal Tickets	766	3.07	15
Refunding of Ticket Charges in Case of Cancelation	779	3.12	10
Penalty Charged in Case of Any Default	784	3.12	10
Special Benefits Attached with the Ticket Fair	821	3.28	7
Cost of Leisure and Luxury Train Services	774	3.10	12
Others (Extending Travel, Change in Class of Travel etc.)	774	3.10	12

Source: Primary Data

As per the data analysis results majority of the sample passengers has opined on various features of southern railway ticket fares i.e. cost of general compartment ticket, cost of ticket for second class travel, flexibility of train fairs, offer of ticket fare concession, rate of reserved and unreserved ticket, cost of the tickets during seasonal period and special benefits attached with the ticket fair. In the next stage of data analysis, it was inferred that passengers stated the feature claimed by southern railway ticket fares i.e., cost of insurance services offered, cost of air conditioned travel ticket, refunding of ticket charges in case of cancelation, penalty charged in case of any default, cost of leisure and luxury train services, others (i.e. extending travel, change in class of travel etc.), tax charged of tickets and cost of tathkal tickets.

In the current study explorative factor analysis technique has been applied to find the underlying dimension (factors) that exists in the 15 variables relating to the rail passengers opinion on ticket charges of Southern Railways.

**TABLE: 4.4**  
**ROTATED COMPONENT MATRIX RAIL**  
**PASSENGERS OPINION ON TICKET CHARGES OF**  
**SOUTHERN RAILWAYS**

Variables	Factors				
	Suitability of Ticket Fair	Concern of Tax and cost of value added Services	Benefits Enjoyed on Luxury Travel	Concessions Enjoyed	Refund and Penalties Charged
X <sub>1</sub> - Flexibility of Train Fairs	-	-	-	-	-
X <sub>2</sub> - Cost of General Compartment Ticket	-	-	-	-	.836
X <sub>3</sub> - Cost of the Ticket Second Class Travel	-	-	-	-	.811
X <sub>4</sub> - Cost of the Tickets During Seasonal Period	-	-	.598	-	-
X <sub>5</sub> - Ticket Fare Concession offered	-	-	.768	-	-
X <sub>6</sub> - Rate of Reserved and Unreserved Ticket	-	-	.676	-	-
X <sub>7</sub> - Tax Charged of Tickets	-	.741	-	-	-
X <sub>8</sub> - Cost of Insurance Services Offered	-	.759	-	-	-
X <sub>9</sub> - Cost of A/C Travel Ticket	-	.512	-	.577	-
X <sub>10</sub> - Cost of Tathkal Tickets	-	-	-	-	-
X <sub>11</sub> - Refunding of Ticket Charges in Case of Cancellation	.706	-	-	-	-
X <sub>12</sub> - Penalty Charged in Case of Any Default	.736	-	-	-	-
X <sub>13</sub> - Special Benefits Attached with the Ticket Fair	.505	-	-	-	-
X <sub>14</sub> - Cost of Leisure and Luxury Train Services	.517	-	-	.535	-
X <sub>15</sub> - Others (Extending Travel, Change in	-	-	-	.833	-

Class of Travel etc)					
Eigen Value	6.602	4.571	1.198	1.005	0.953
% of Variance	43.680	20.471	17.856	6.702	6.352
Cumulative	43.680	64.151	82.007	88.709	95.061
Cronbach's Alpha	.858	.853	.738	.668	.661
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.824				
Bartlett's Test of Sphericity Approx. Chi-Square	969.276				
DF	105				
Sig	.000				

Level of Significance: 5 per cent

Kaiser-Mayer-Olkin test value 0.824 is found to be appropriate to the data. Bartlett's test of Sphericity chi-square (969.276) is established significant relationship among the variables tested. The total variance accounted for, by all the five factors with Eigen value greater than one is 95.061 per cent. The computed Reliability analysis Cronbach's Alpha values of (Suitability of ticket fair: .858, tax and cost of value added services: .853, benefits enjoyed on luxury travel: .738, concessions enjoyed: .668 and refund and penalties charged: .521) indicate significant correlation between the variables tested and a good internal consistency.

- Suitability of Ticket Fair: Refunding of ticket charges in case of cancellation, penalty charged in case of any default, special benefits attached with the ticket fair and cost of leisure and luxury train services are grouped as first factor and it accounts for 43.680 per cent of the total variance.

- Concern of Tax and cost of value added Services: Tax charged of tickets, cost of insurance services offered

and cost of a/c travel ticket constitutes the second factor and it accounts for 20.471 per cent of the total variance.

- Benefits Enjoyed on Luxury Travel: Cost of the tickets during seasonal period, ticket fare concession offered and rate of reserved and unreserved ticket represent the third factor and it accounts for 17.856 per cent of the total variance.

- Concessions Enjoyed: Cost of a/c travel ticket, cost of leisure and luxury train services and others (extending travel, change in class of travel etc) establish the fourth factor and it accounts for 6.702 per cent.

- Refund and Penalties Charged: Cost of general compartment ticket and cost of the ticket second class travel constitute the fifth factor and it accounts for 6.352 per cent of the total variance.

## VII. FINDINGS AND CONCLUSION

The study found that 74.80 per cent of the sample passengers have stated that cost of general compartment ticket is the major attractive service feature, which they like to benefit by travelling in Southern railway trains. The sample rail passengers appreciate Southern railway features like: suitability of ticket fair: tax and cost of value added services, benefits enjoyed on luxury travel, ticket concessions enjoyed and refund and penalties charged. Ticket rate fixation strategies adopted by the Indian railways, greatly influences in attraction of new and more passengers. With the change in flexi-rate fixation strategies adoption, Indian railways is forced to focus on enhancing passengers amenities, facilities and comfort features both at the platforms and inside the trains, which in turn increases its operational expenses overhead. To sustain its business in long-run Indian railways needs to draw balance between its operating income and expenses.

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