Role of
Freight Behavior Research on
Living Labs

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Key principle: In complex systems, obvious solutions are (almost) always wrong...

❖ Too often, we act when we do not need to:

  ❖ If private interest coincides with social interest
    → Do not do anything, you will make things worse

  ❖ There are plenty of examples

❖ Confirm the existence of the market failure

  ❖ Try to understand why the market does not reach the most efficient solution

  ❖ Once that is done, act based on science and pragmatism

❖ Proper and honest private sector engagement:

- ❖ Confirms/rejects the analysis of the problem to be solved
- ❖ Provides a thorough idea of the constraints and expectations of the various stakeholders
- ❖ Enables the public sector to chart implementation paths that have a better chance of succeeding
- ❖ <u>Do not surprise the private sector!</u>

❖ How to engage:

- ❖ Get input from as many independent sources as possible
- ❖ Positions expressed may be biased
- ❖ Designate one person at the agencies as the freight-person
- ❖ Create an Industry Advisory Group (IAG)
- ❖ Complement IAG input with targeted outreach to avoid bias

Lesson #3: Follow the Science

❖ Private sector behaviors are difficult for "outsiders" like us to fully understand:

  ❖ They know what they are doing…

  ❖ We do not have full access to all the information they have

  ❖ If they do things that look "crazy" to us, there is a reason

❖ Behavior research is key for successful policy making

  ❖ Focus groups, in-depth-interviews

  ❖ Behavioral modeling based on attitudinal surveys

❖ Design policies on the basis of the Science

❖ A well-designed pilot test:
  ❖ Provides a real-life test of a new idea or program
  ❖ Is an excellent way to identify problems that need to be ironed out before full-scale implementation
  ❖ Develops new, unexpected insights into overlooked aspects
  ❖ Is a great mechanism to attract attention and support

❖ A poorly-designed pilot test:
  ❖ Could damage the reputation of a good idea, and its proponents, considerably (false negative)
  ❖ Could "confirm" the "validity" of a bad idea (false positive)
  ❖ Do pilot tests based on the science

Key thoughts

❖ Complex problems defy simple solutions…

❖ If things were easy to solve, they would have been solved already…there is no way to escape complexity

❖ Unilateral solutions do not work in complex systems, there two many interconnections that will push back

❖ Freight behavior research is the key to navigate these complex environments

   ❖ It will give you credibility to negotiate solutions with the private sector

   ❖ It will ensure that you do not pursue wrong ideas…

   ❖ It will prevent political embarrassments…

Thanks!