

Data Analytics Project

Airline Loyalty Program Analysis

Cover Page	Getting to know this project.	Campaign worked very well! #1	Campaign worked very well! #2	But churn is becoming more of a problem.	New members are more likely to churn.	Churn customers have less activities.	Summary
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Data Analytics Project

Airline Loyalty Campaign and Churn Analysis

By Supoj Xu (Sean)

Airline Loyalty Campaign and Churn Analysis

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Airline Loyalty Program Analysis

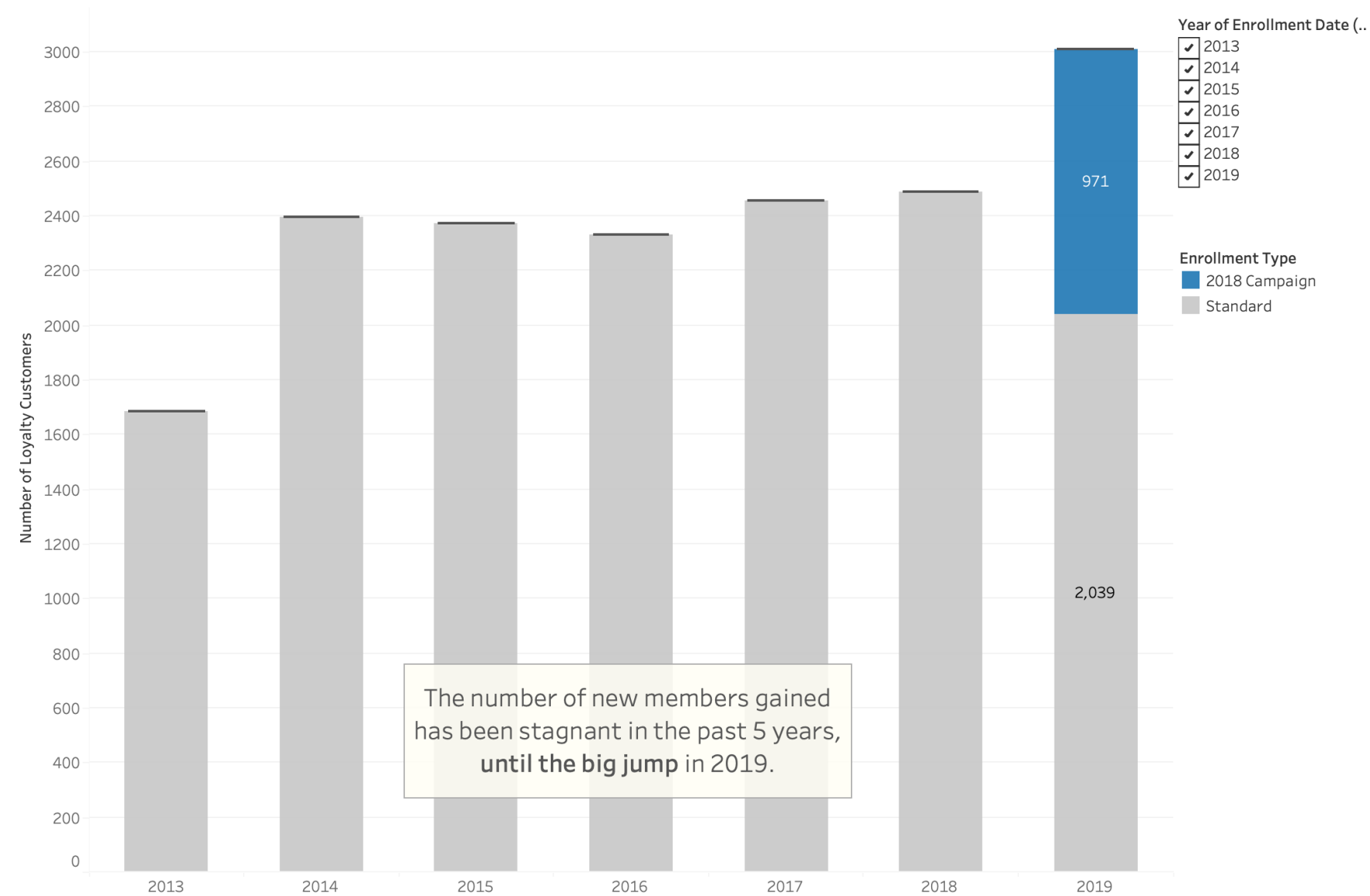
Background: An airline based in Canada has been running loyalty program since 2013.
In 2019, they ran a marketing campaign for 3 months between February and April in an attempt to boost the program enrollments.

Objectives: 1) Capture the impacts of the recent campaign.
2) Understand the current situation and problem to address.
3) Suggest improvement areas and next actions based on the findings.

Dataset: - Loyalty customer data (ID, locations, status, dates, demographics, etc.).
- Data size: 167k rows, 16 columns.
- Customer flight activity data (ID, dates, flights, loyalty points, etc.).
- Data size: 400k rows, 10 columns.

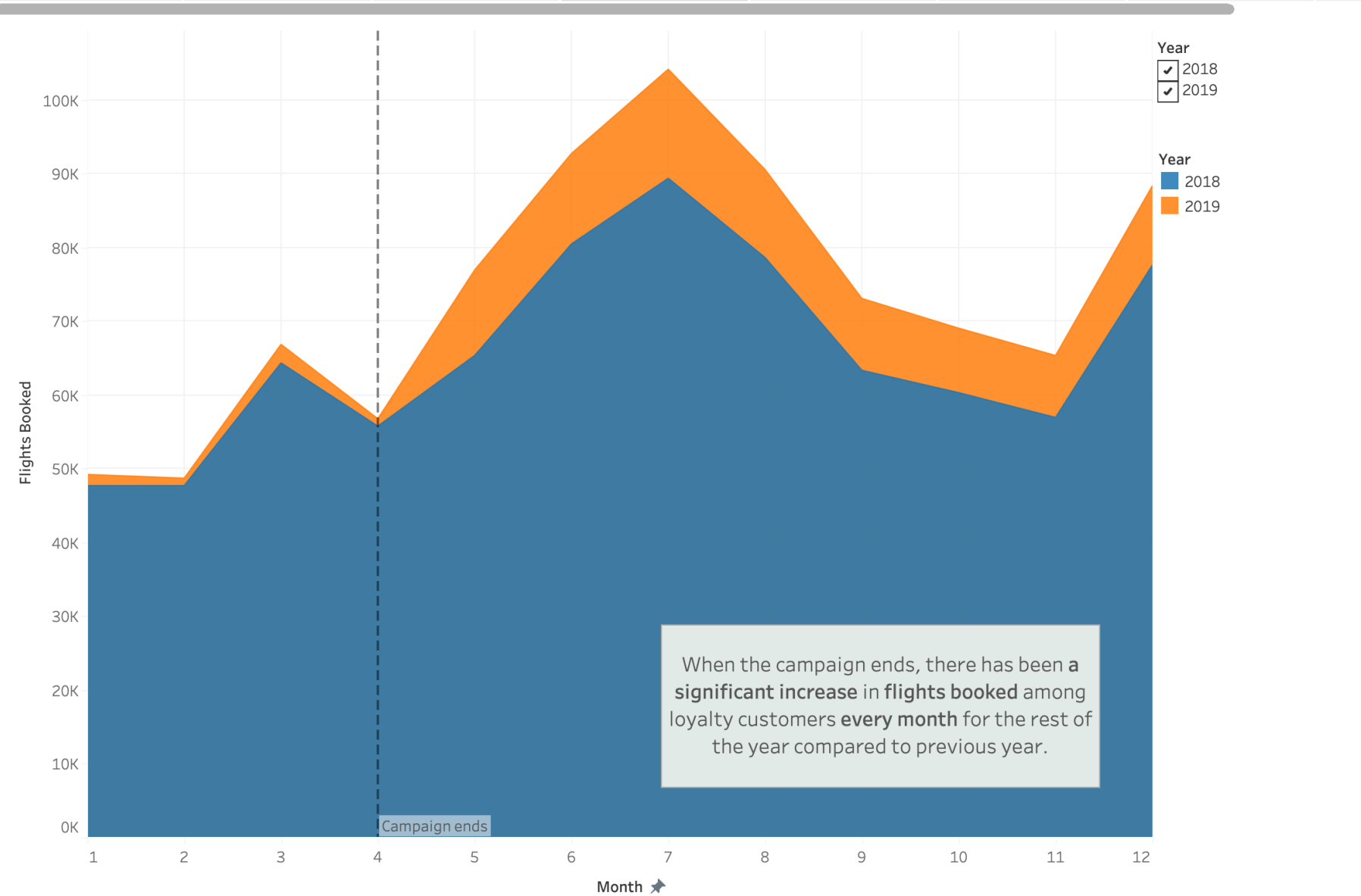
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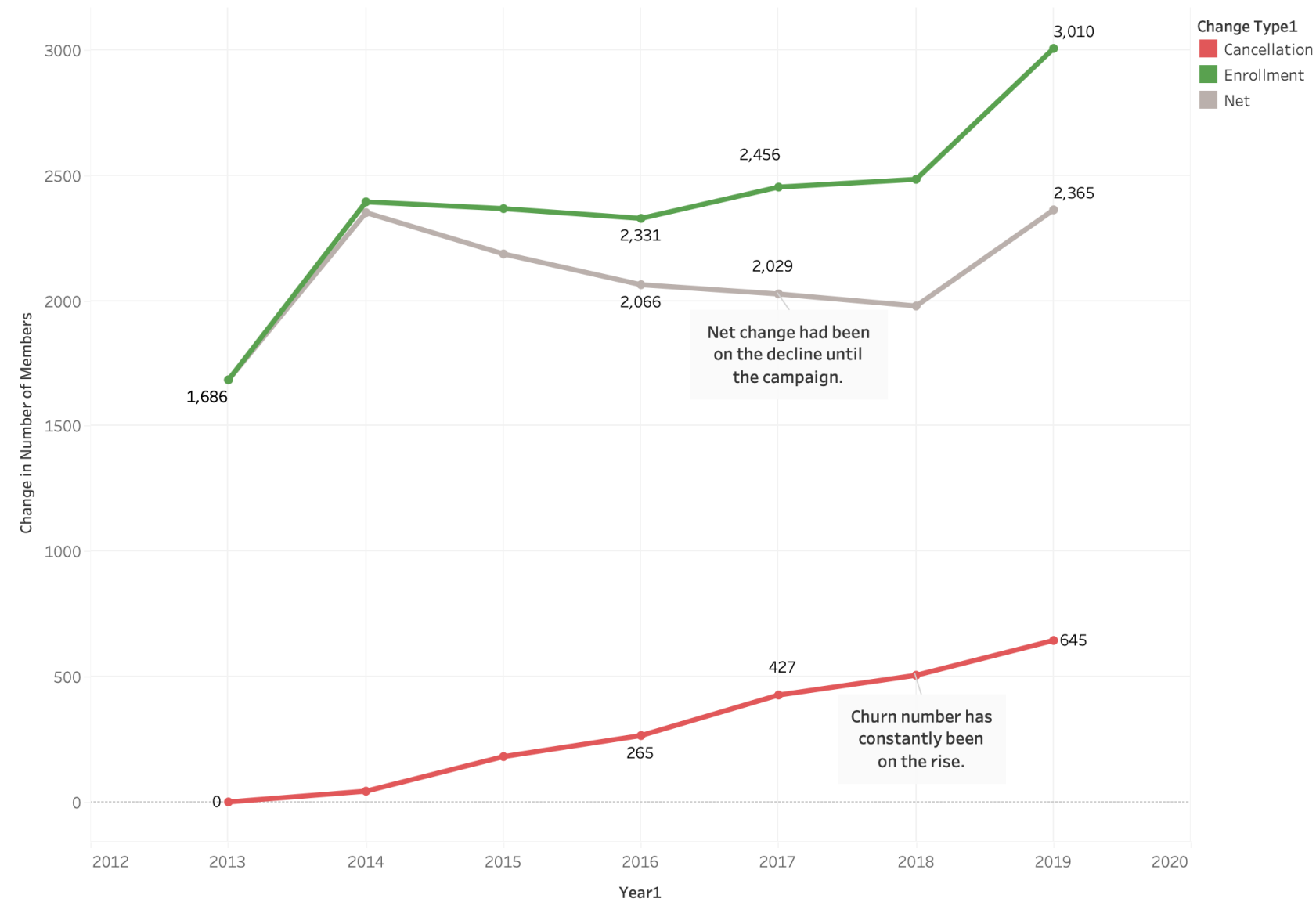
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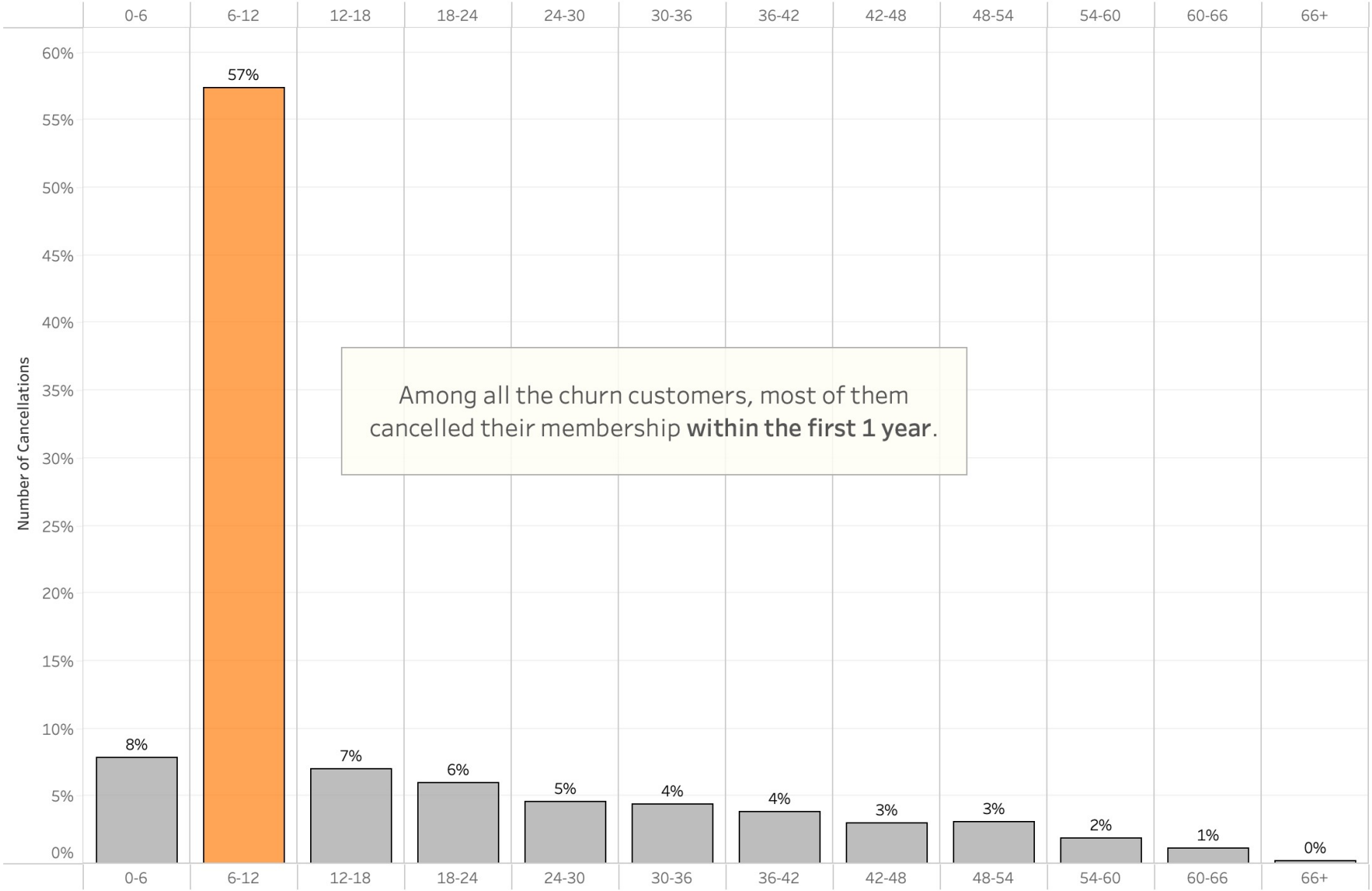
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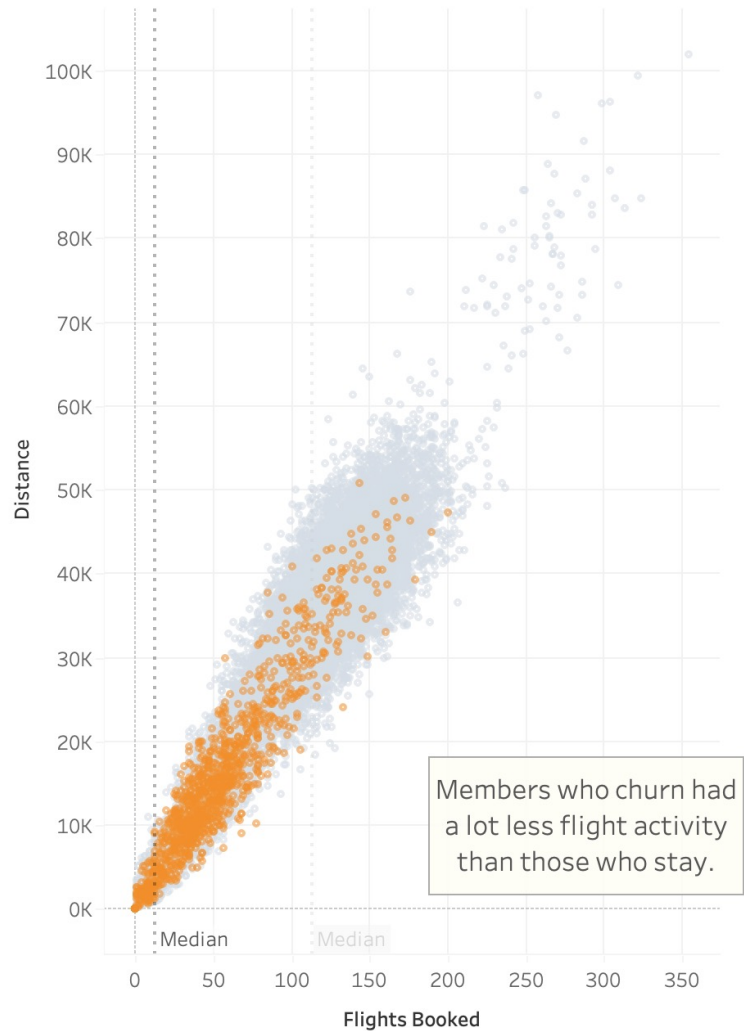
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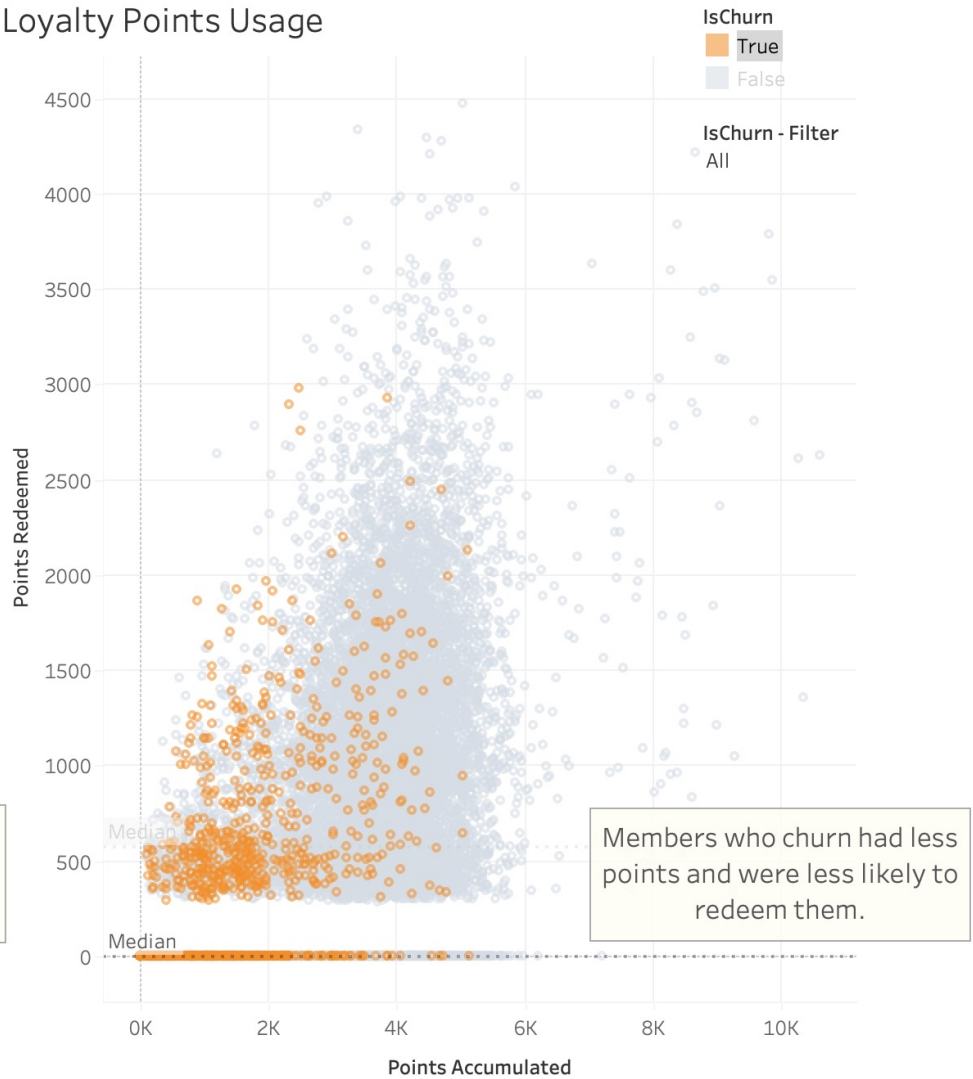
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Flights Activity



Loyalty Points Usage



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Summary of Findings and Suggestions

KEY TAKEAWAYS:

- **The campaign was effective.** It not only increased enrollment rate but also significantly improved the number of flights booked by loyalty customers for the entire year.
- **Cancellation number has been on the rise** for the past years signaling the need for improvements on value preposition of the loyalty program.
- Churn customers tend to have **less flight activity** and **accumulate & redeem less points**.
- Majority of churn customers **left within the first 1 year period**. Once passing 1 year, the longer they stay, the less likely they are to leave.

NEXT FOCUSES:

- 1) **Arrange another campaign** early next year to boost enrollment and the number of flight booked applying similar concepts to the recent campaign that worked well.
- 2) **Improve customer retention** by making loyalty rewards more attractive, achievable, and personalized to the airline’s main customer profiles.
- 3) **Investigate the reasons** why many members left within the 1 year period and form strategies accordingly. Utilize the insights on flight activity and points usage to build churn prevention plans.