

How does a bike-share navigate speedy success?

April 2022 Tzu Han Hsu

Abstract of the case

- *Cyclistic, a bike-share company in Chicago, this is the company I'm working as a junior data analyst working in the marketing analyst team.*
- *Although the pricing flexibility helps Cyclistic attract more customers, the director of marketing believes that **maximizing the number of annual members will be key to future growth.***
- *Cyclistic's finance analysts have concluded that annual members are much more profitable than casual riders.*



- Rather than creating more marketing campaign that targets all-new customers, the director of marketing believes there is a very good chance to **convert casual riders into members.**
- To design a new marketing strategy to convert casual riders into annual members, our team needs to better understand...
 - **How annual members and casual riders differ?***(This case study in focusing on.)*
 - Why casual riders would buy a membership?
 - How digital media could affect their marketing tactics?



About the dataset

- The data we are using for this analysis is **collected by Divvy system**, which is owned by *the city of Chicago*.
- The Divvy system is operated by third party(*Bikeshare*), and was permitted by the city of Chicago to share partial data to public for research.
- Although the data was collected from 2013 till now, we will only be using the **recent 3 months** for data analysis, due to device frequent exception while processing.

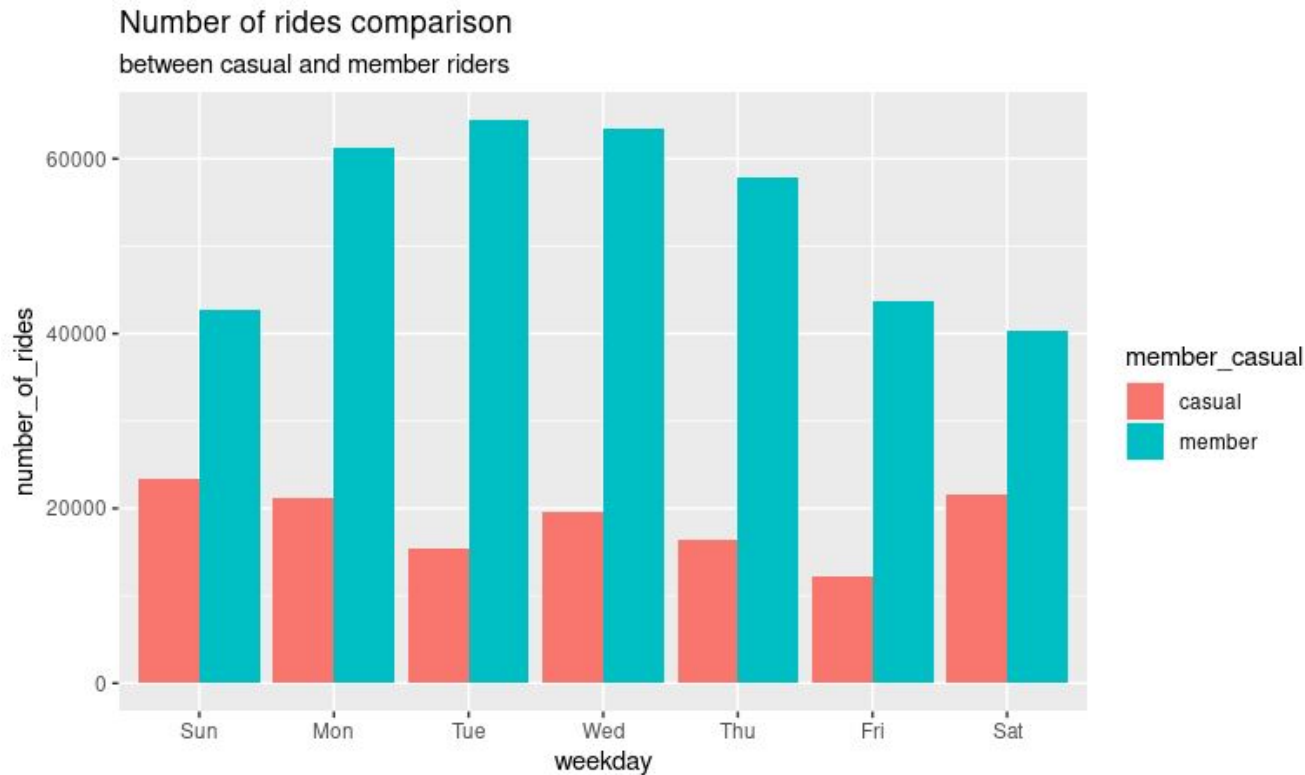




How

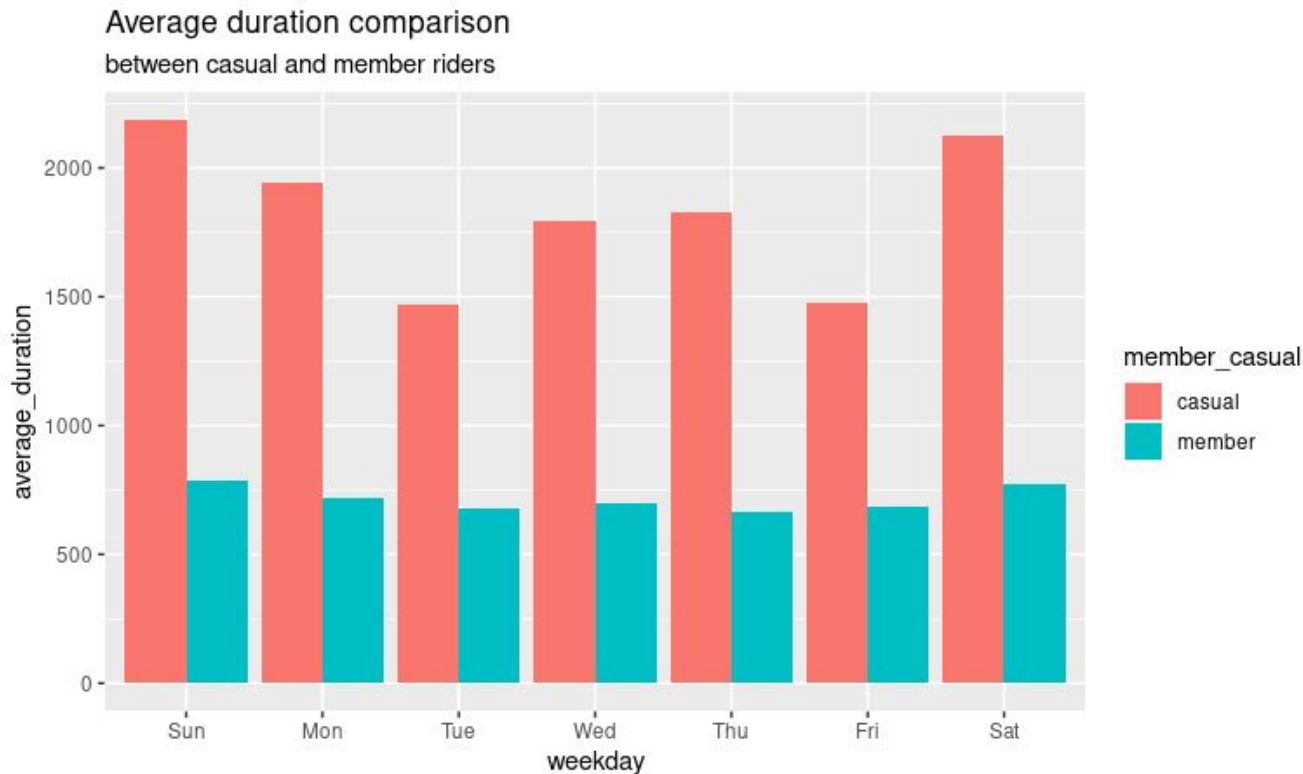
do annual members and casual riders
use Cyclistic bikes **differently?**

The difference of how often they take on rides



- Members tends to take more rides than casual riders.
- For the members, the rides are mostly taken during weekdays.
- Whereas casual riders tends to take more rides during weekends.

The difference of how much time they spent on rides



- Casual riders tends to spend more time while taking rides.
- For the casual riders, the longer durations are landing in weekends.
- Whereas the trends of the members' duration are smoothly even if it's weekend.

Conclusion

***Main difference
between
casual riders
and members.***

Casual riders tends to
ride for longer period sometimes,
and **members** tends to ride
ride for a shorter period frequently.

To Convert casual riders to members

Since the casual riders are spending more time on the rides...

1. Encourage casual riders to **increase the number of rides.**
 2. Price modification for **weekend casual users.**
 3. Set a **restriction on riding duration and number of rides** for casual passes.
-

Recommendation 1:
Create
a new program
for casual riders.

Once the casual riders
**achieved the target ride of
length**, they get to
join membership at lower cost
or free of charge.

Recommendation 2: Modify the pricing system.

Increase the selling price of one-time pass/ all-day pass during weekends, since casual riders tends to go on rides during weekends.

Moreover, member riders won't be affected by the price increase, which might **trigger casual riders to join membership**.

Recommendation 3:

Set limitations
to casual riders,
provide discount
to join membership.

Set limitation to the one-time pass/all-day pass. **Limit the numbers of ride and duration in a day.**

Once the limitation is stricted, provide re-marketing discount to the casual riders, trigger them to **join membership with lower cost.**



Thank you