

# Converting Casual Riders to Membership Customers

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### Problem:

Most customers use the services **infrequently** and do not subscribe to the **annual membership**. This results in annual **profit loss** for the company.

### Solution:

Examine the differences in **riding behavior** between both audiences and provide **valuable insights** for developing a **marketing strategy** aimed at converting casual riders into annual members.

## **Analytical goals**

WHY: Examine the differences in riding behavior.

HOW: Identify what benefits can annual membership propose to casual subscribers.

## **Analytical goals**

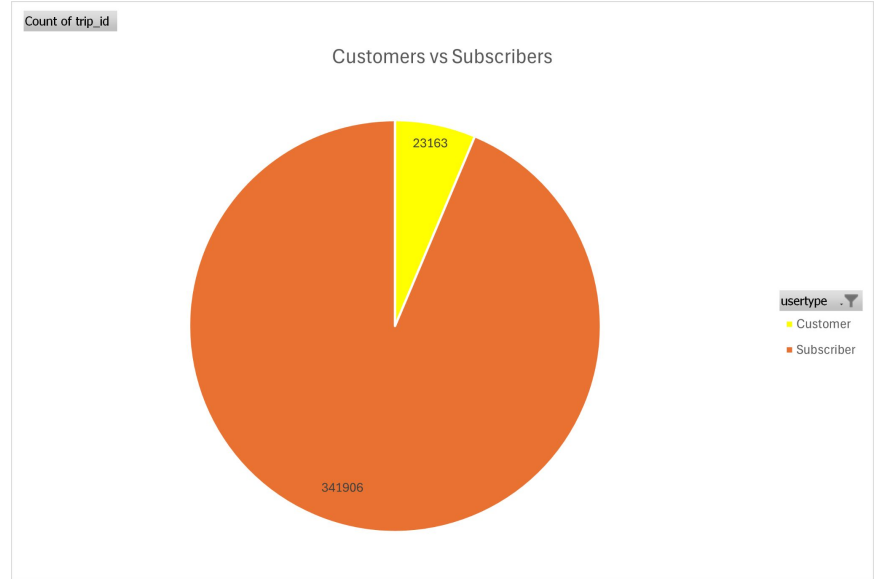
WHY: Analyze the differences in riding behaviour

HOW: Identify target audience for the marketing strategy and what benefits can annual membership propose to casual subscribers.

## Annual customers are a minority

There are **14x** more casual riders than annual subscribers.

This indicates significant business potential for the future.



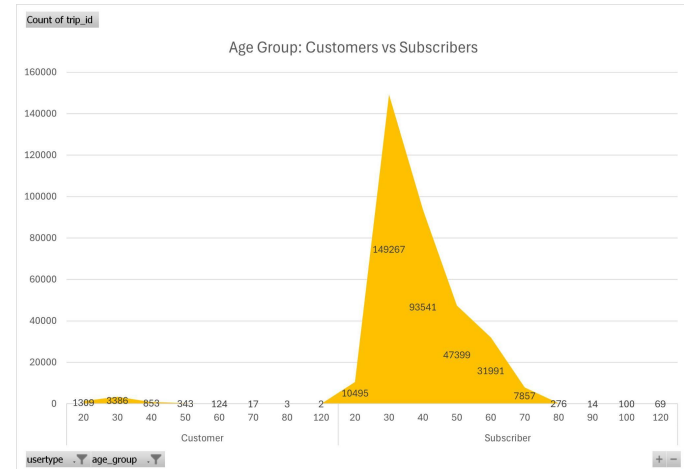
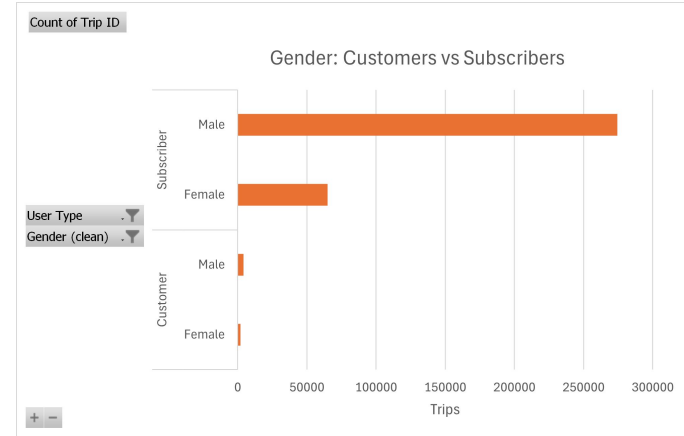
## Gender and age similarities

Both groups—casual riders and annual subscribers—show similar trends in terms of gender and age.

The majority of users are men in their thirties.

These similarities suggest that all users likely share a common intention for using a bike-share service.

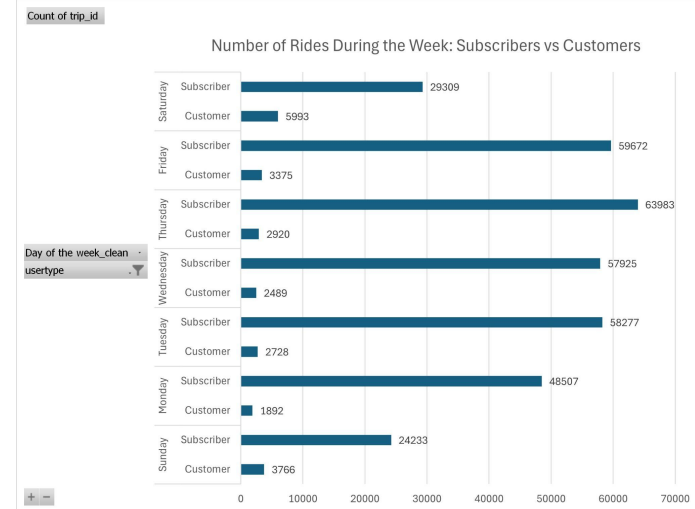
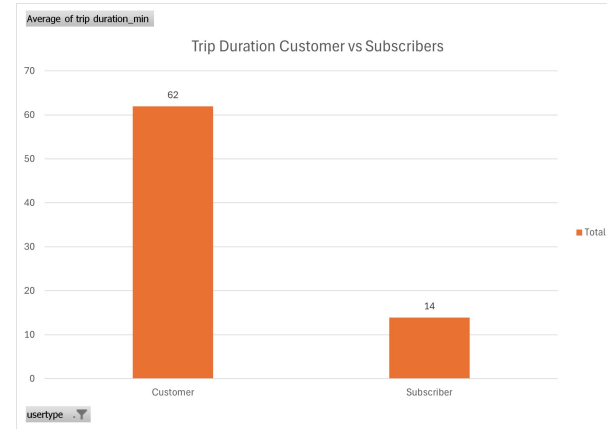
Additionally, this partially supports the company data indicating that 30% of customers use bikes to commute to work. We will explore this hypothesis further in the research.



## The riding habits of different customer groups vary significantly.

While the average trip duration for annual customers is **4.5x** longer, they tend to take fewer rides on any given day compared to casual riders.

Given that the ratio of casual customers to annual members is much higher (**14x vs 61x**), it is evident that the average subscriber participates in more rides each day than an annual member. This likely results in higher costs for the subscribers.

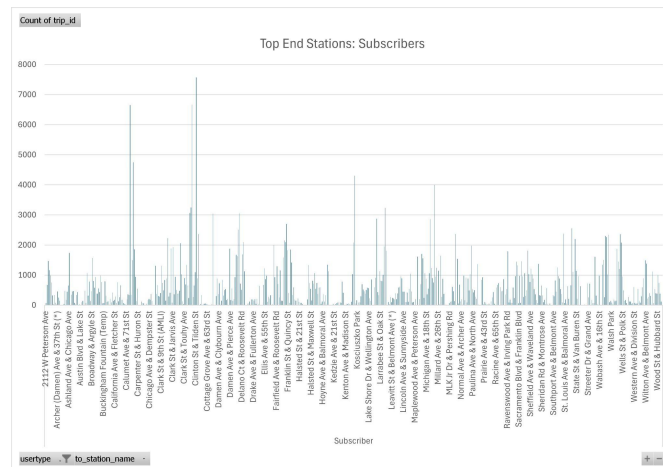
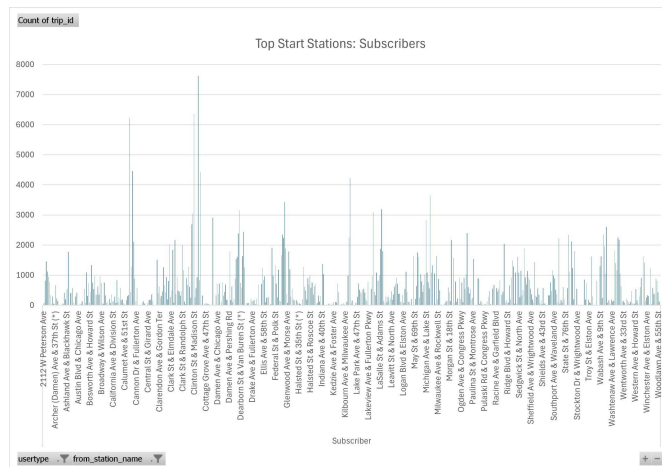


## Similar starting points and end destinations

When we analyze the starting and end stations of both users, we see that they are very similar - Chicago business district:

- Clinton st & washington blvd
- Canal st & Adam street
- Clinton st & Madison st
- Canal st & Madison st
- Kingsbury str & Kinzie st

That proves both audiences use bike-sharing service for the same purposes - commuting to work. This hypothesis is also proved by the spikes in the bike rides during working days from the previous slide.

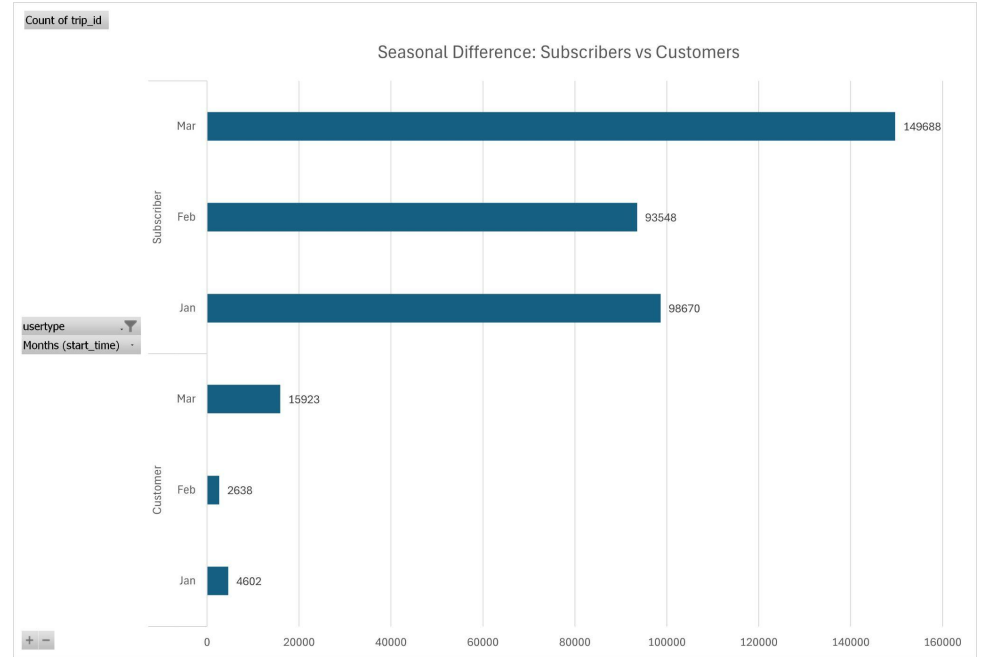




## Seasonal similarities

Another metric that annual members and casual riders share is the seasonality of their trips.

The bike-sharing service sees increased popularity primarily during the warmer months.



Thus, we need to promote the benefits of commuting to work by bicycle during warm weather for casual riders.

## **Analytical goals**

WHY: Analyze the differences in riding behaviour

HOW: Identify target audience for the marketing strategy and what benefits can annual membership propose to casual subscribers.

## Target audience analysis for a pilot marketing campaign

- Demographic: Men aged 30-40 years
- Occupation: Office workers
- Location: Chicago business district
- Interests: Healthy lifestyle, Eco-friendly transportation
- Purchase Intent: Daily commuting to work
- Campaign Timing: Starting in March



## Benefits of annual membership for the campaign

- Supporting a healthy lifestyle
- Promoting eco-friendly transportation
- Enjoying a traffic-free commuting experience
- Accessing attractive membership options.



## Further Exploration for v2

- Pilot marketing campaign analysis: How does marketing campaign correlate with a change of the annual membership? Have we attracted the audience we were targeted?
- Other target groups: How can we attract other demographic categories?

Thank You.