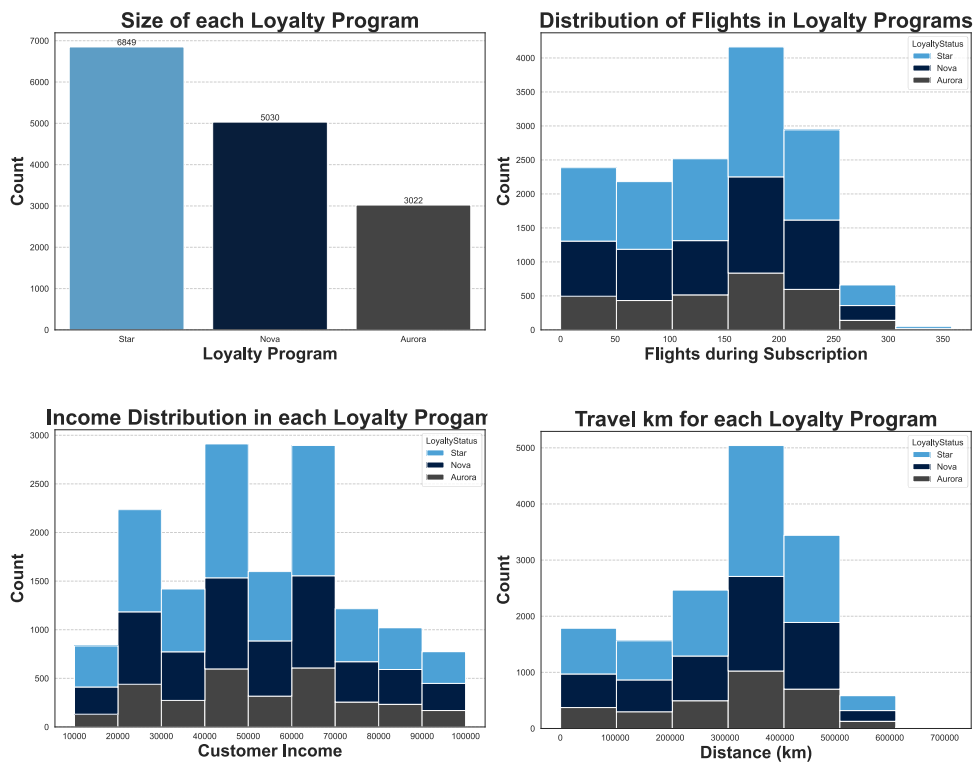


Amazing Airlines Customer Analysis

Moritz Baldauf, Libero Biagi, Jenny Cubelo, Marcell Hajdú

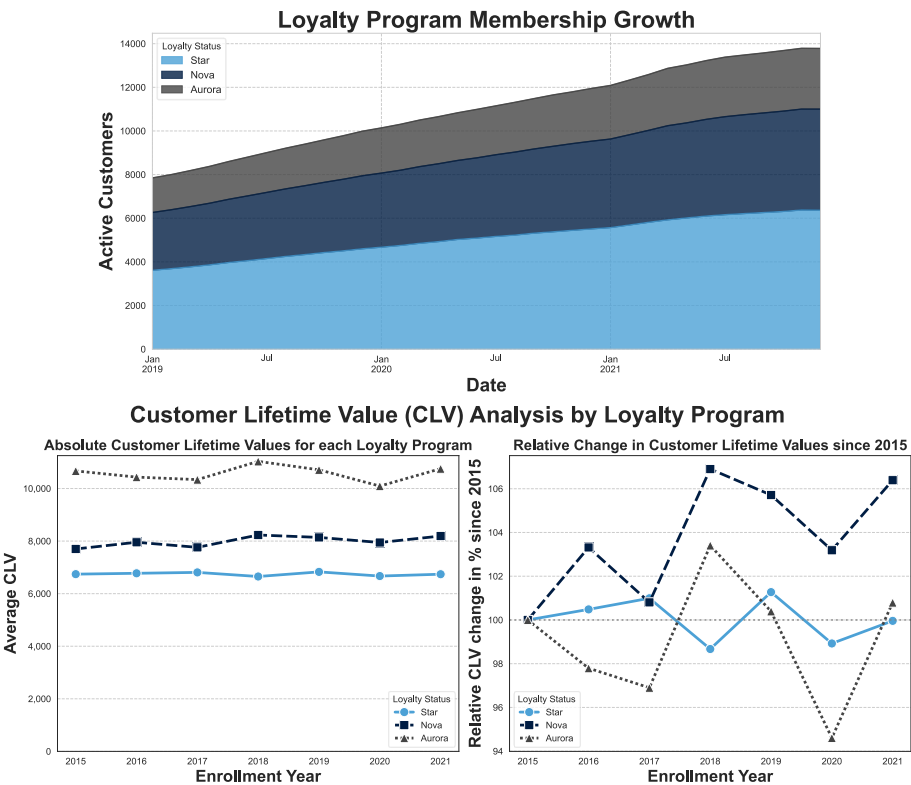
Current Customer Segmentation doesn't separate for Travel or Income



Analysis

As shown above, there is **no clear behavioral distinction** between customers across loyalty segments. This shows the **need for a new approach to customer segmentation** and a rethinking of the existing loyalty program.

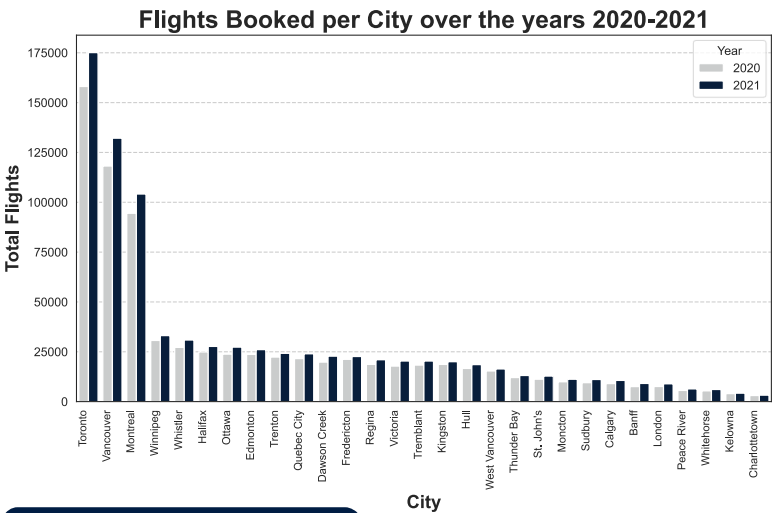
Loyalty program growth is constant, but Lifetime Value growth is stagnating



Remarks

Although all loyalty programs grew in the past, their **customers' lifetime values remained constant**. This suggests that the customer acquisition is not targeted towards finding the most profitable clients.

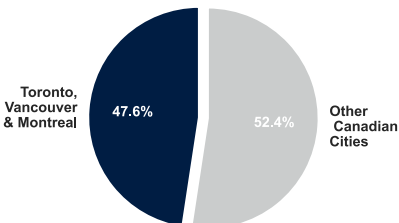
Three Cities make up 47% of customers' Travels



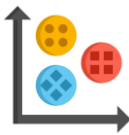
Mega Hubs

Three hub airports account for **nearly half of all flights**. This offers a great opportunity for targeted services in that area.

Flight Distribution: Major Hubs vs Other Cities (2021)



Further clustering approaches should be based on behavioural and profit metrics



Based on Recency, Frequency, and Monetary value



Refine segments by points redemption rates to fine-tune for the most profitable customers



Consider different geographical features, such as hub development and customer density, for marketing campaigns