TRAVEL ASSURED:
CUSTOMER ANALYTICS

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MARCH 24, 2022

IDENTIFY PROBLEM

- Background:

The epidemic has hit travel insurers hard. Therefore, it's a top priority to reduce unnecessary costs.

- Objective:

Cutting the marketing budget by over 50%.

- Method:

Targeting the customers with potentially high response rate.

UNDERSTAND DATASET

- Variables:
  - Travel Insurance
  - Response Rate
  - Age
  - Employment Type
  - Graduate Or Not
  - Annual Income
  - Family Members
  - Chronic Diseases
  - Frequent Flyer
  - Ever Travelled Abroad

- Travel Habits

Frequent Flyer	Travel Insurance: Yes	Travel Insurance: No
Yes	33.66% 239	13.94% 178
No	66.34% 471	86.06% 1,099
Grand Total	100.00% 710	100.00% 1,277

- Customers are **19.72%** more likely to travel often than non-customers.

Ever Travelled Abroad	Travel Insurance: Yes	Travel Insurance: No
Yes	41.97% 298	6.42% 82
No	58.03% 412	93.58% 1,195
Grand Total	100.00% 710	100.00% 1,277

- The percentage of customers who have ever travelled abroad is **35.55%** higher than non-customers.

VISUALIZE DATA

Response Rate:

- Was **35.73%** on average.
- Increased drastically with annual income, especially at the higher income stages.
- Of people in "Private/Self-employed" was higher than in "Government".
- Increased with number of family members.
- Was highest for those who travelled abroad and flied frequently. However, the vast majority(68%) neither travelled abroad nor flew frequently.

CREATE INSIGHTS

Target Customers by Following Steps:

- Filter out the groups with lowest response rate dynamically;
- Meanwhile, monitor the total number of targeting people.
- Repeat these two steps until the number of targets is less than half of the original number.
- Result: the population with annual incomes of **<1000k** is not considered to be our target customer.

PREDICTION & COMPARISON

Annual Income (200k-bin)

- [ ] (All)
- [ ] 200K
- [ ] 400K
- [ ] 600K
- [ ] 800K
- [x] 1000K
- [x] 1200K
- [x] 1400K
- [x] 1600K
- [x] 1800K

Family Members

- [x] (All)
- [x] 2
- [x] 3
- [x] 4
- [x] 5
- [x] 6
- [x] 7
- [x] 8
- [x] 9

Employment Type

- [x] (All)
- [x] Government Sector
- [x] Private Sector/Self Empl...

Travelled Abroad

- [x] (All)
- [x] No
- [x] Yes

Frequent Flyer

- [x] (All)
- [x] No
- [x] Yes

Please enter different data into below boxes to see the calculated results of ROI

Marketing Cost per person

$1.00

Profit If Sold per person

$4.00

Travel Insurance

No	Yes	Grand Total
473 49.74%	478 50.26%	951 100.00%

# of People Before Targeting	# of Targeting People
1,987	951
Response Rate Before Targeting	**Response Rate**
35.73%	50.26%
ROI Before Targeting	**ROI**
42.92%	101.1%

SUMMARY

- Marketing Strategy:
  - Focus on people working in private sector/self-employed, with higher incomes, more family members and frequently flying and once travelling abroad.
  - Target at the population with an annual income of no less than **$1 million**.

- Predicted Outcome:
  - Narrow the target population by **52%**
  - Increase the response rate by **49%** than before.
  - Potential ROI will rise by **134%** (Based on Assumption) than before.

THANK YOU!