



# AAA Services

*How to increase customer conversion & revenue*

Daniela Matinho  
March 2020

# Agenda

- Brand
- Business Problem
- Data Findings
- Strategy
- Estimations / Forecasts
- Results

WHAT IS THE FIRST WORD  
THAT COMES TO YOUR  
MIND WHEN I SAY AAA?

[https://youtu.be/VihNWJEz\\_fl](https://youtu.be/VihNWJEz_fl)



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WE'RE HERE TO GET YOU THERE

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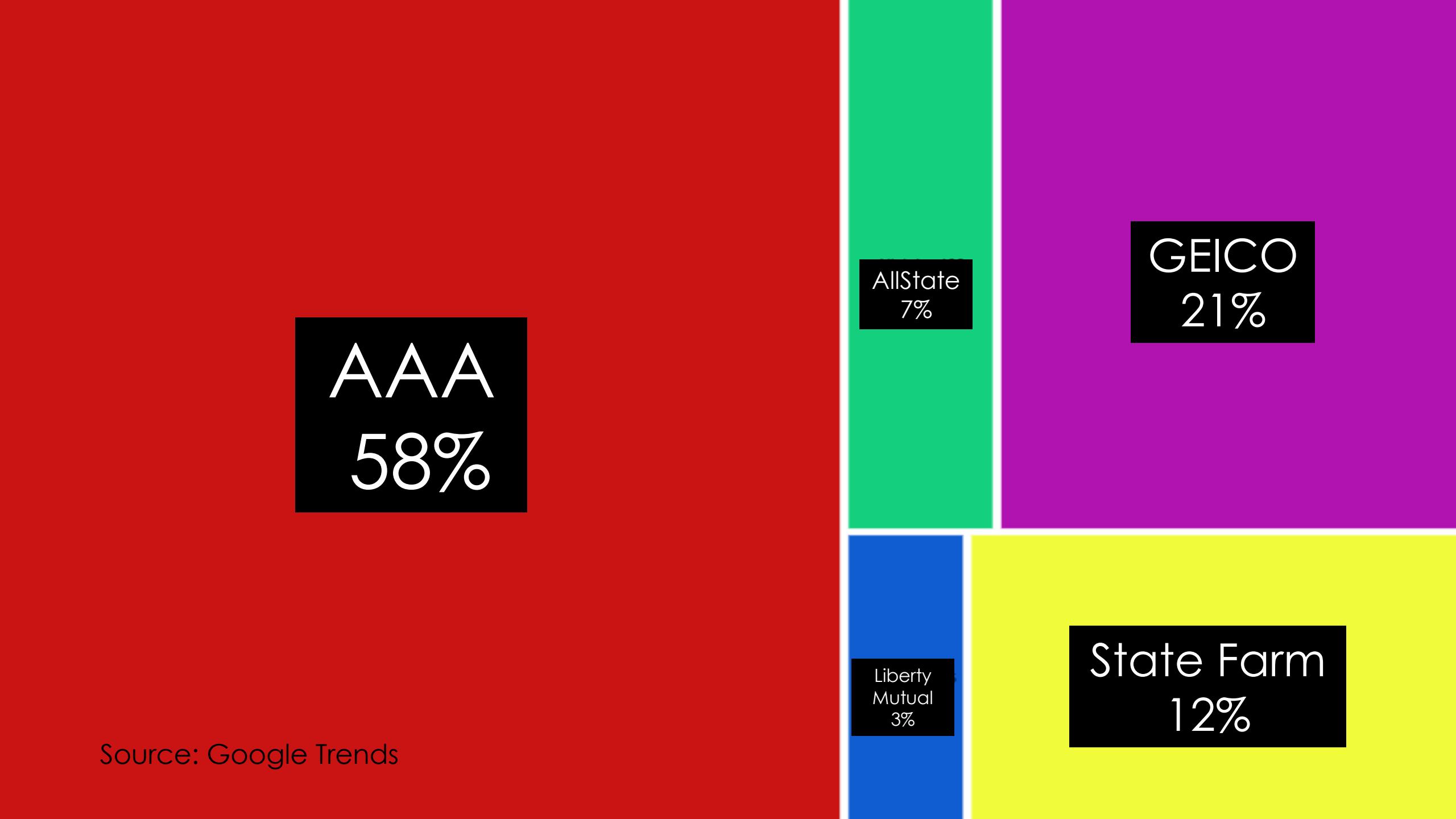
*AAA.com*

WHAT  
WHO  
WHERE  
WHEN  
  
HOW  
WHY

Privately held not-for-profit national member association and service organization with about 58 million members in the United States and Canada [Founded 118 years ago]. AAA provides services to its members, including roadside assistance.



Where does AAA stand  
in the market?



AAA  
58%

AllState  
7%

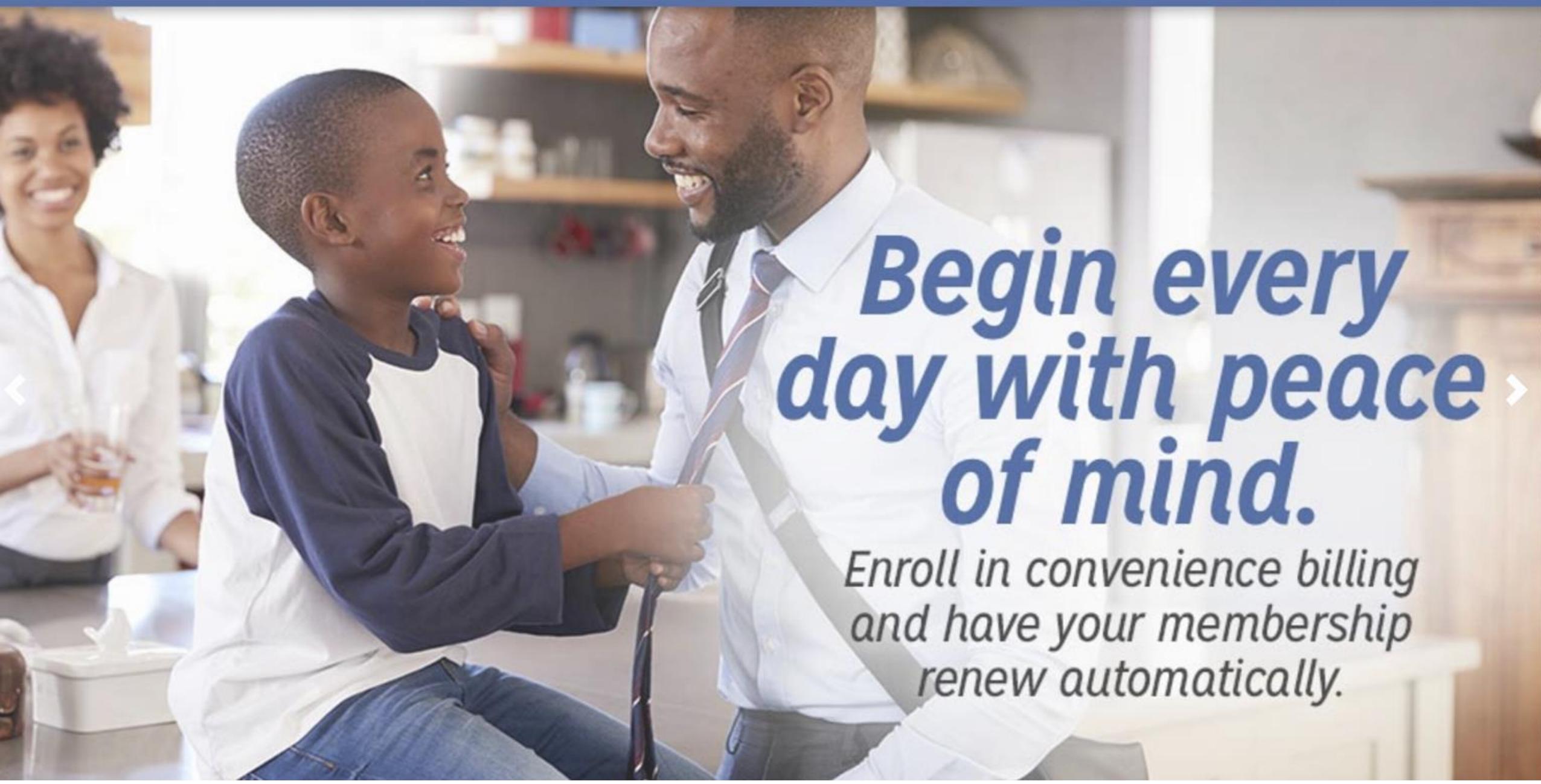
GEICO  
21%

Liberty  
Mutual  
3%

State Farm  
12%

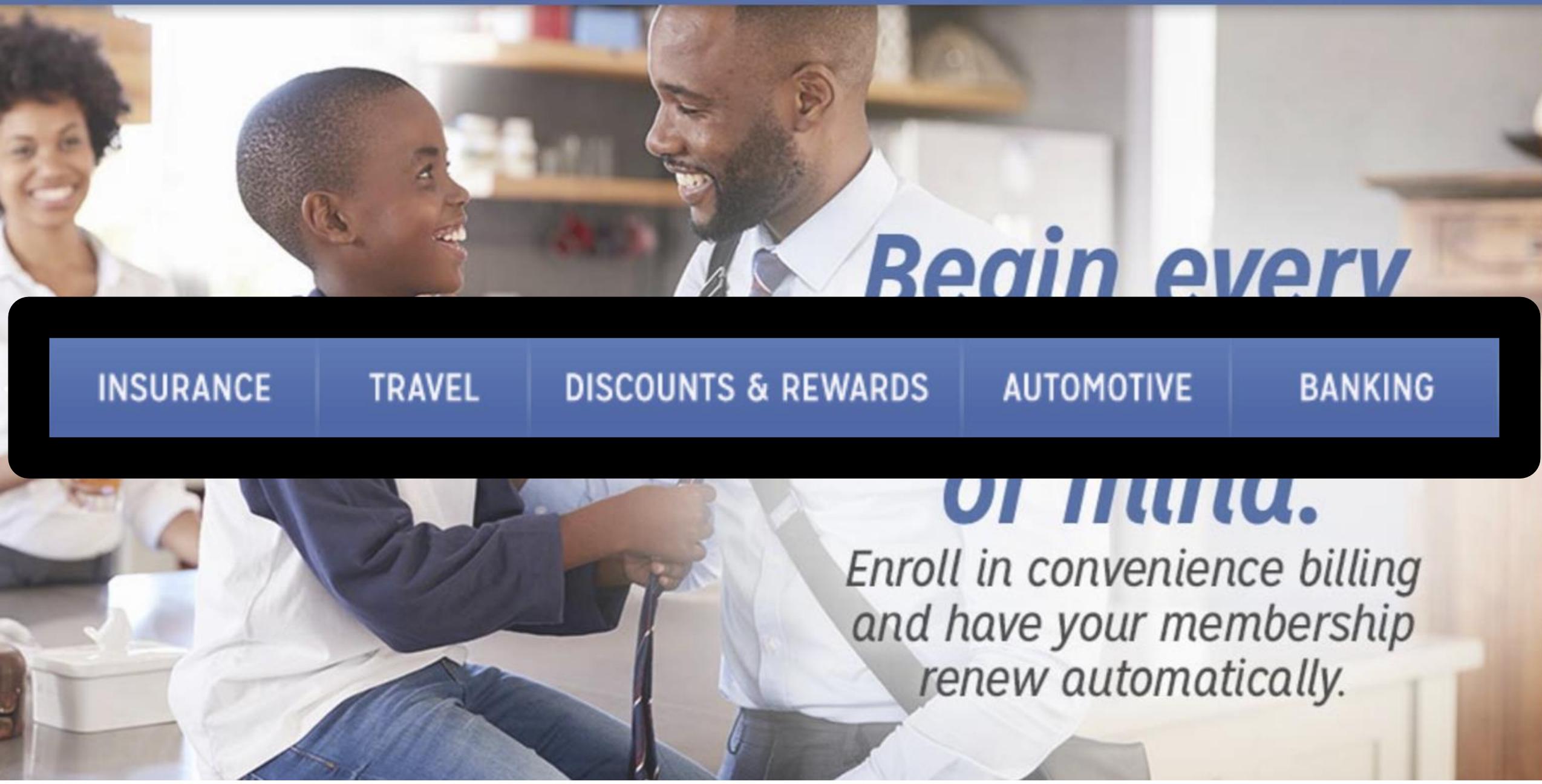
Source: Google Trends

What are AAA  
products?



***Begin every  
day with peace  
of mind.***

*Enroll in convenience billing  
and have your membership  
renew automatically.*



*Begin every*

INSURANCE

TRAVEL

DISCOUNTS & REWARDS

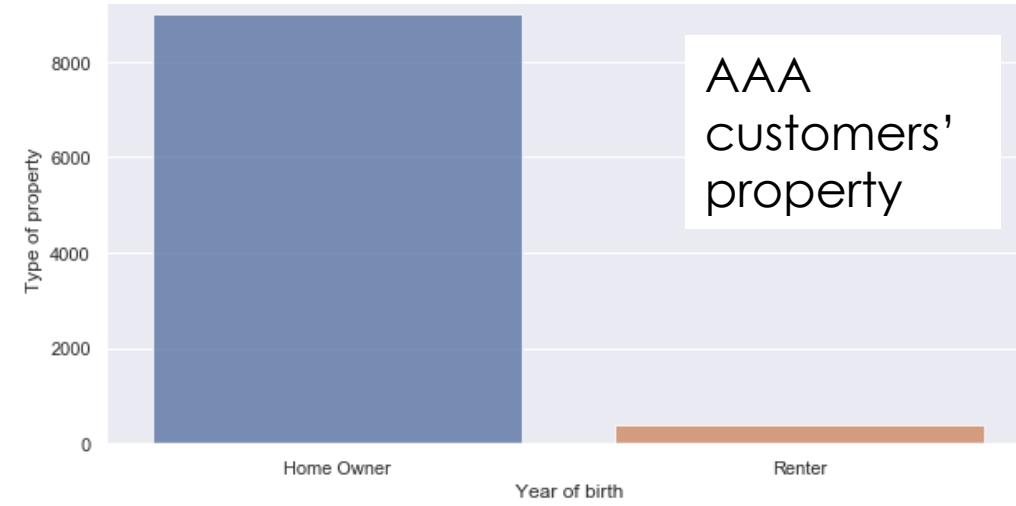
AUTOMOTIVE

BANKING

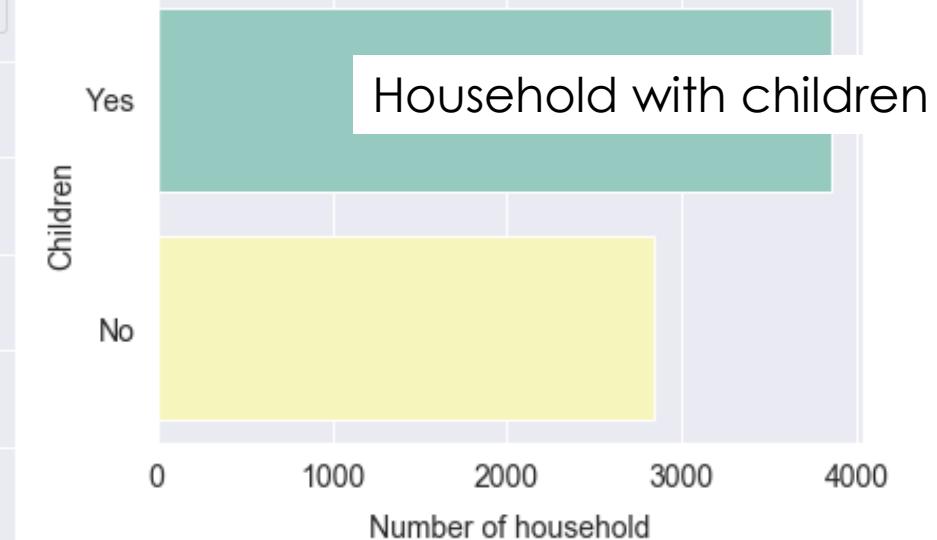
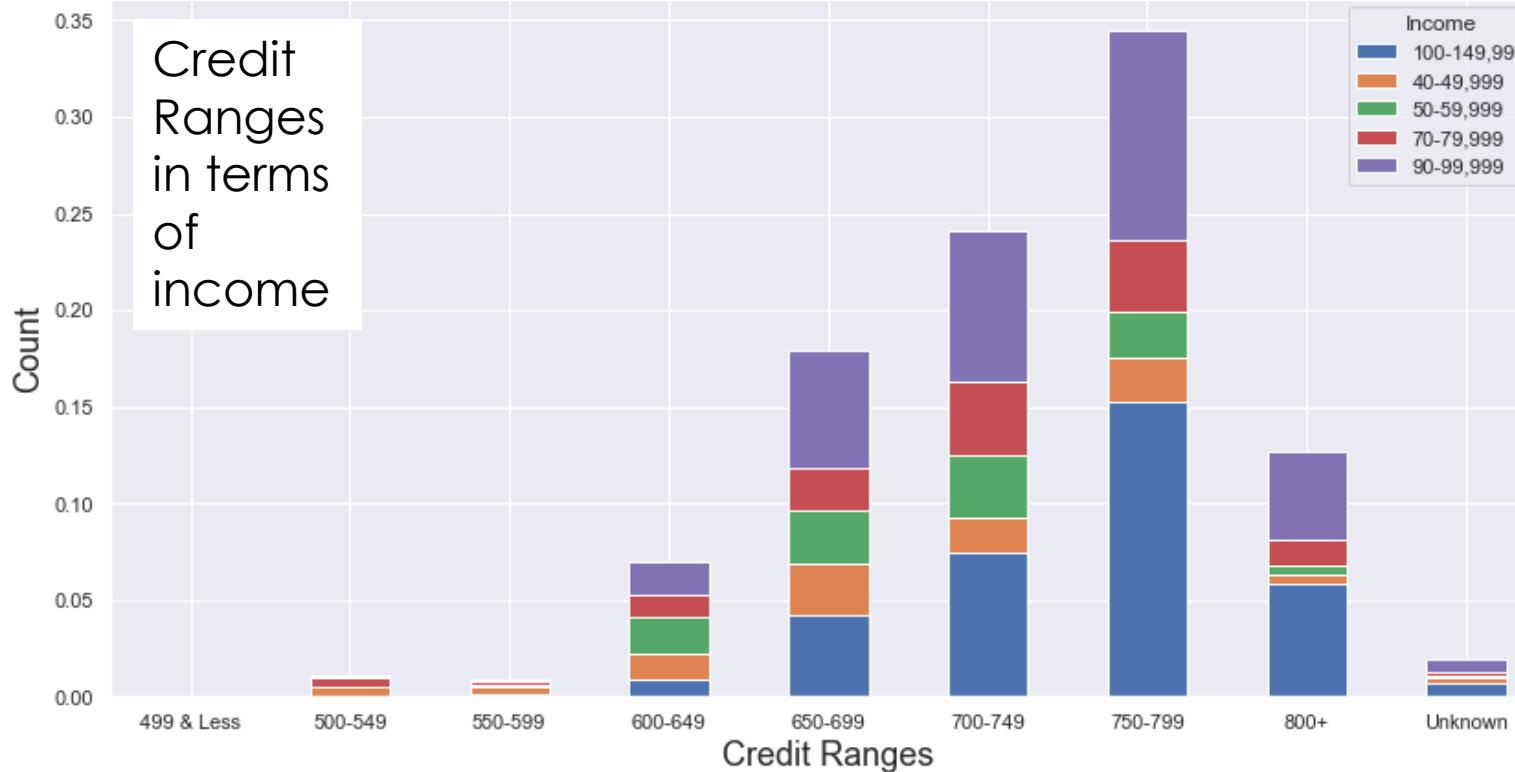
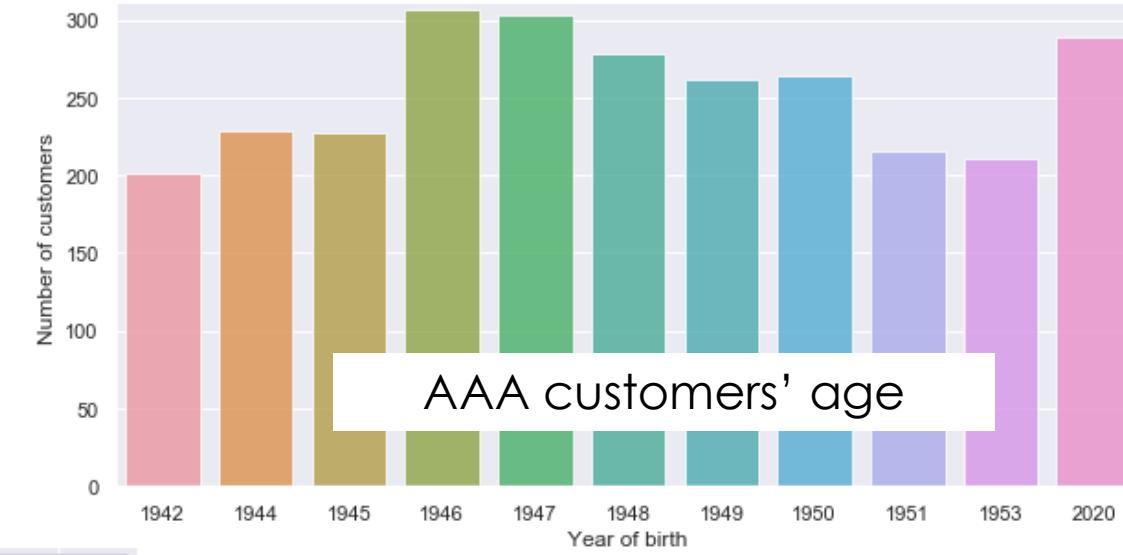
*of mind.*

*Enroll in convenience billing  
and have your membership  
renew automatically.*

Who are AAA  
customers?



AAA  
customers'  
property



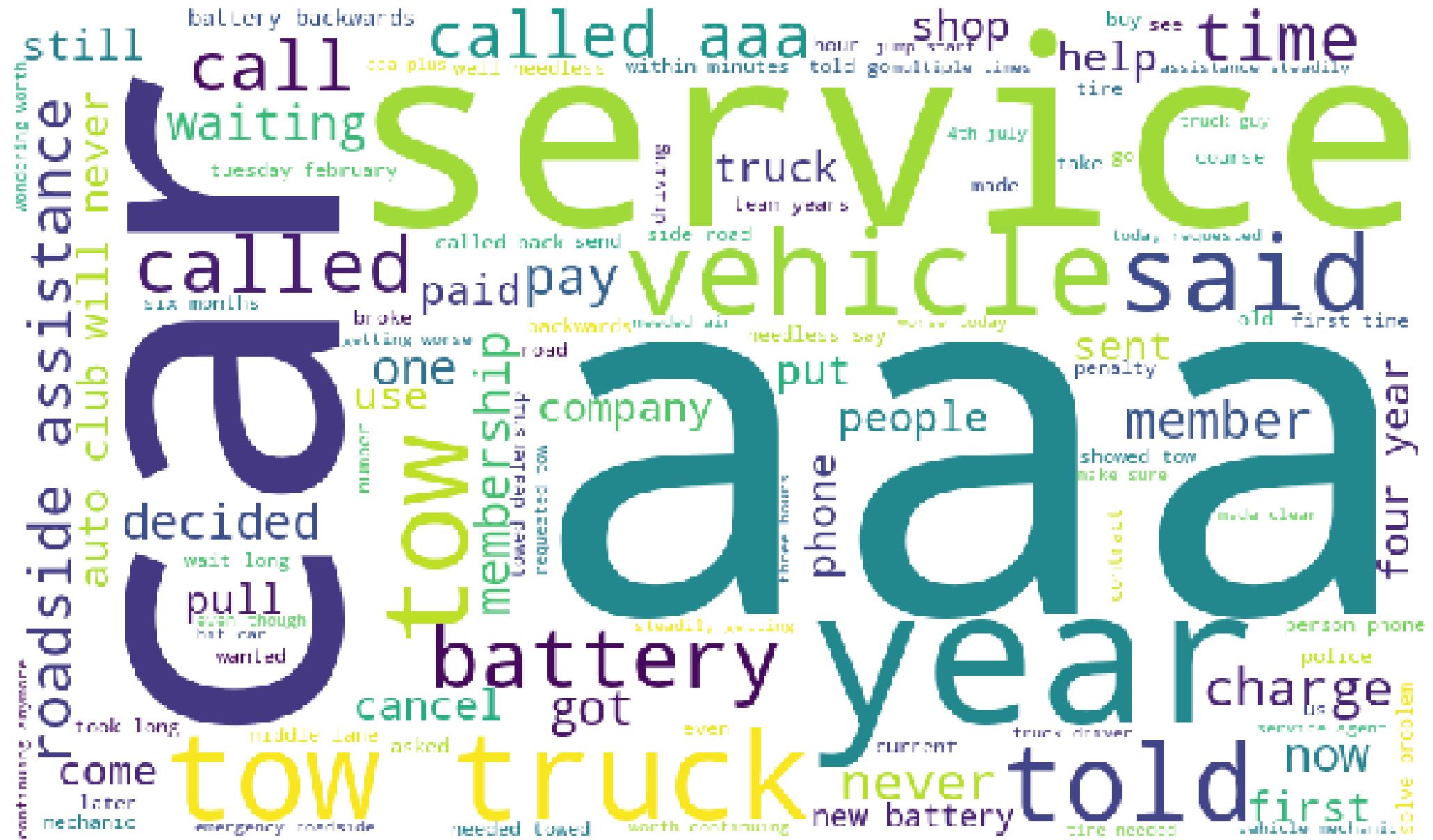
Source: AAA's Membership data

When do customers  
join AAA?

FAMILY  
MEMBERS

16 - 17  
YEARS OLD

How do customers see  
AAA?



Source: AAA's Reviews

Why do customers join  
AAA?

## Dependable Services

National  
Roadside  
Service

Family  
Membership

Marketing Actions

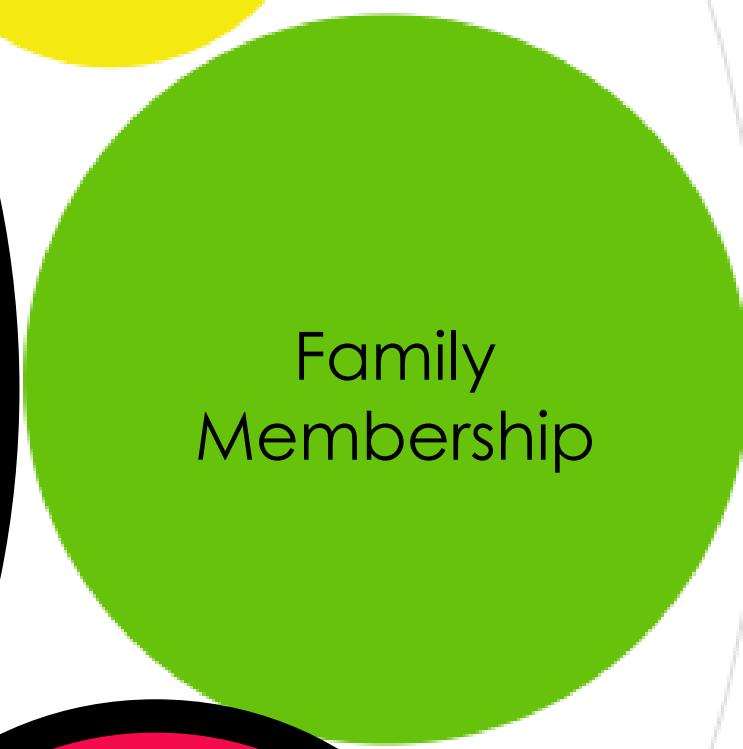
Source:  
AAA's  
Reviews



Dependable Services



National  
Roadside  
Service



Family  
Membership



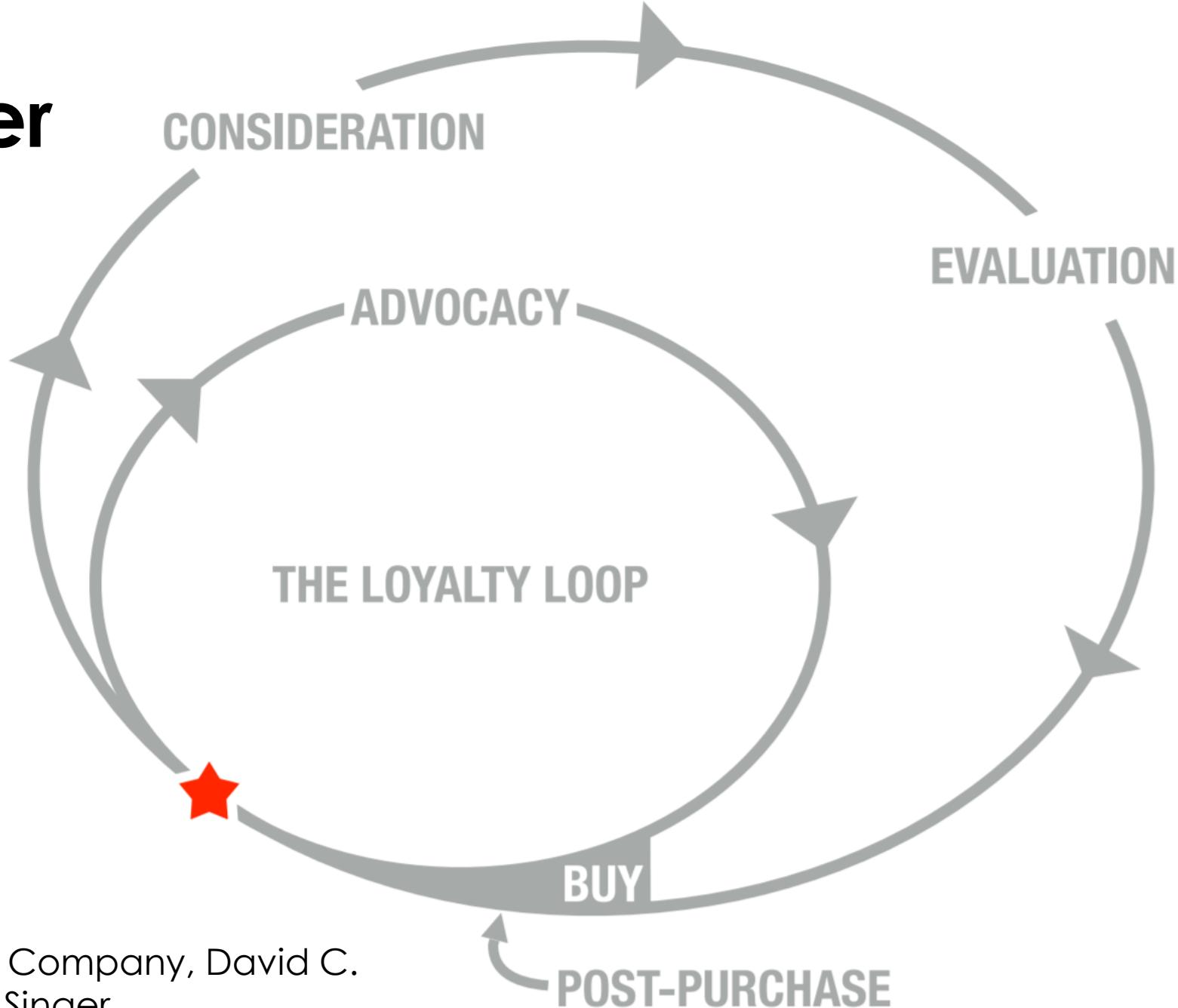
Marketing Actions

Source:  
AAA's  
Reviews

How do we combine services  
& marketing to increase  
customer conversion &  
revenue?

1

# Consumer Decision Journey



Source: McKinsey & Company, David C.  
Edelman and Marc Singer

Acquiring a new customer can cost **5 TIMES MORE** than retaining an existing customer. Increasing customer retention by **5%** can **INCREASE PROFITS from 25-95%**.

10-20 years

8%

21-31 years

13%

32-42 years

8%

43-53  
years  
45%

Number of  
years as a  
member

54 -64  
years  
14%

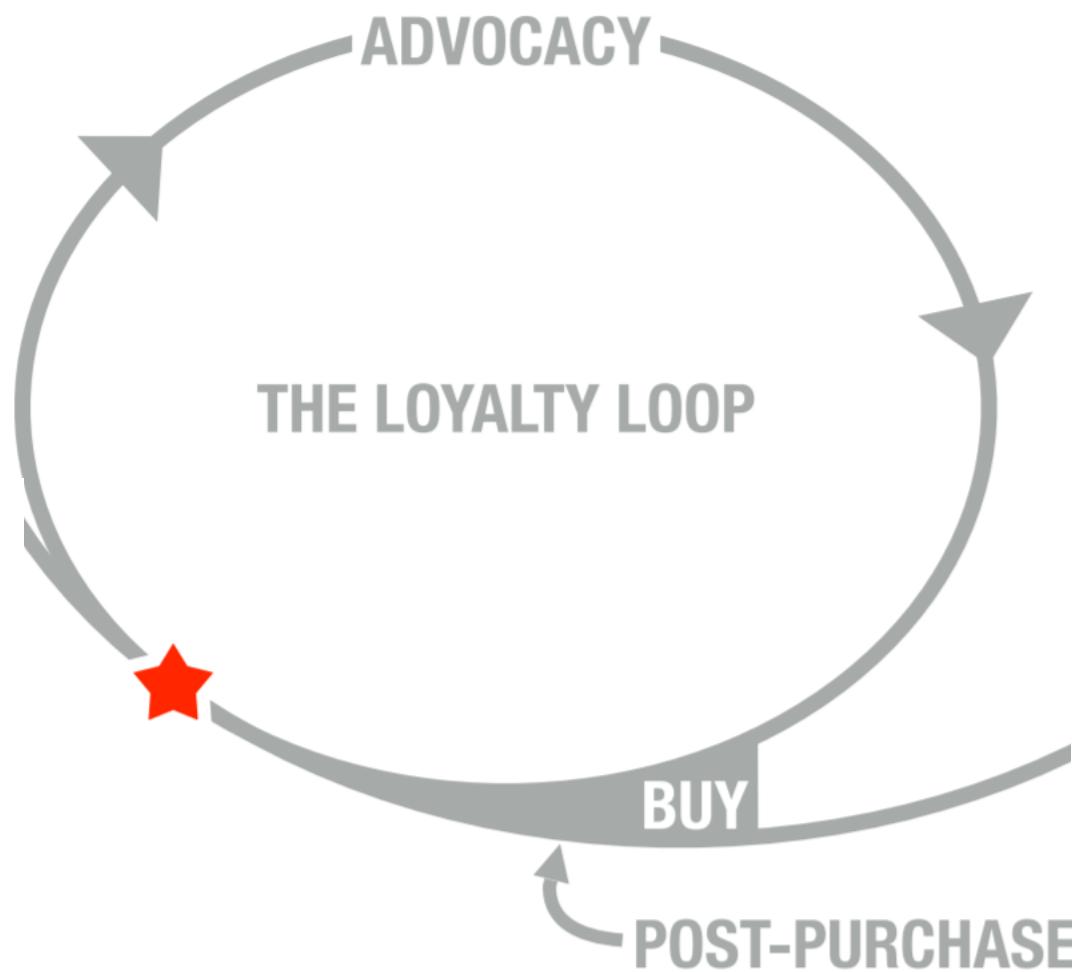
65-77  
years  
6%

<10  
years  
5%

Source: AAA's Reviews

Focus on the Loyalty  
Loop

# Consumer Decision Journey



Source: McKinsey & Company, David C. Edelman and Marc Singer

2

# Marketing-Mix

## 8Ps



3

People

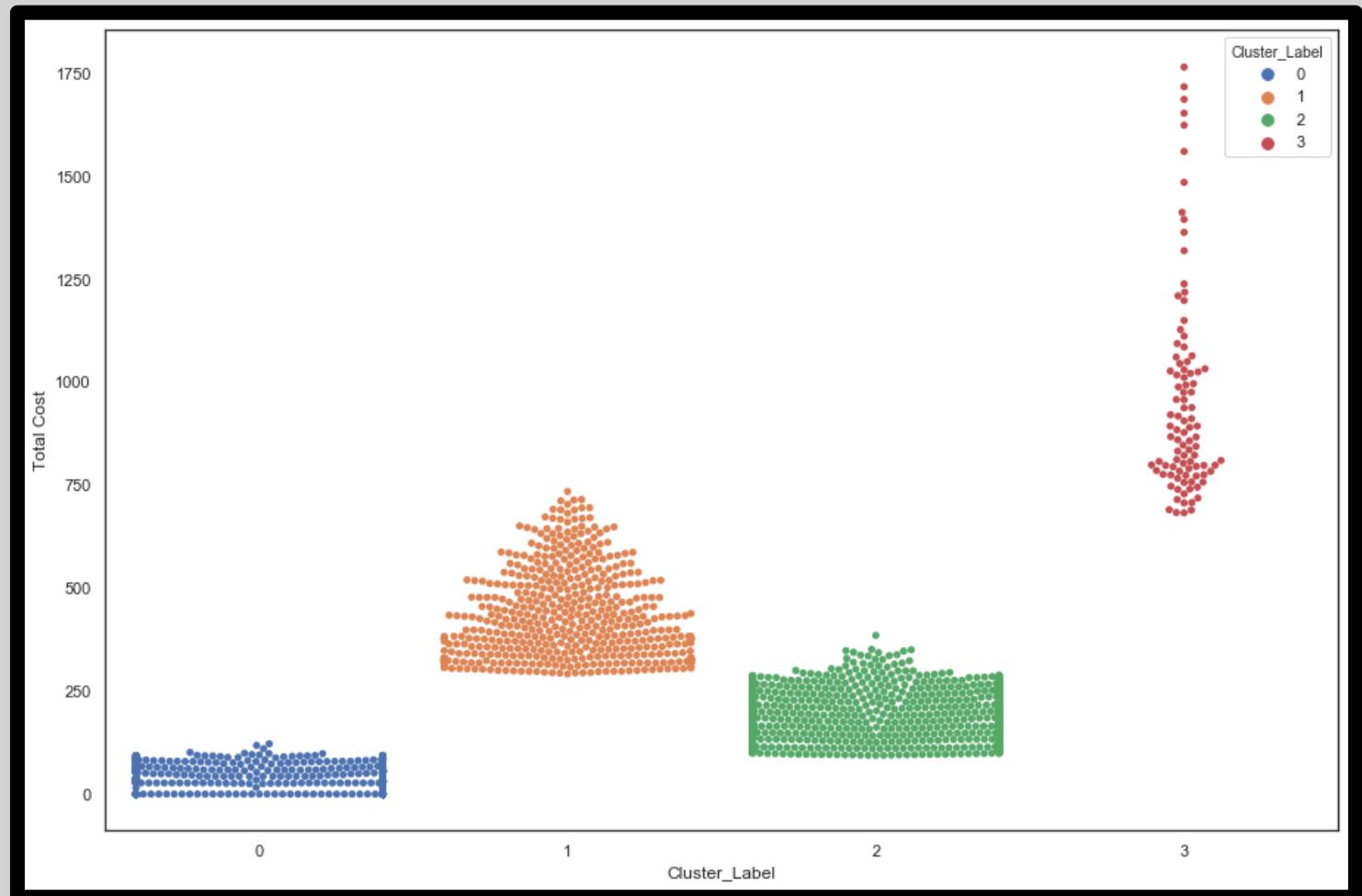


Target current customers

Revenue Frequency Recency

# Unsupervised Clustering Method

Cluster 0 - Highly Desirable - 3,113  
Cluster 2 - Desirable - 1,508  
Cluster 1 - Undesirable - 520  
Cluster 3 - Highly Undesirable - 96

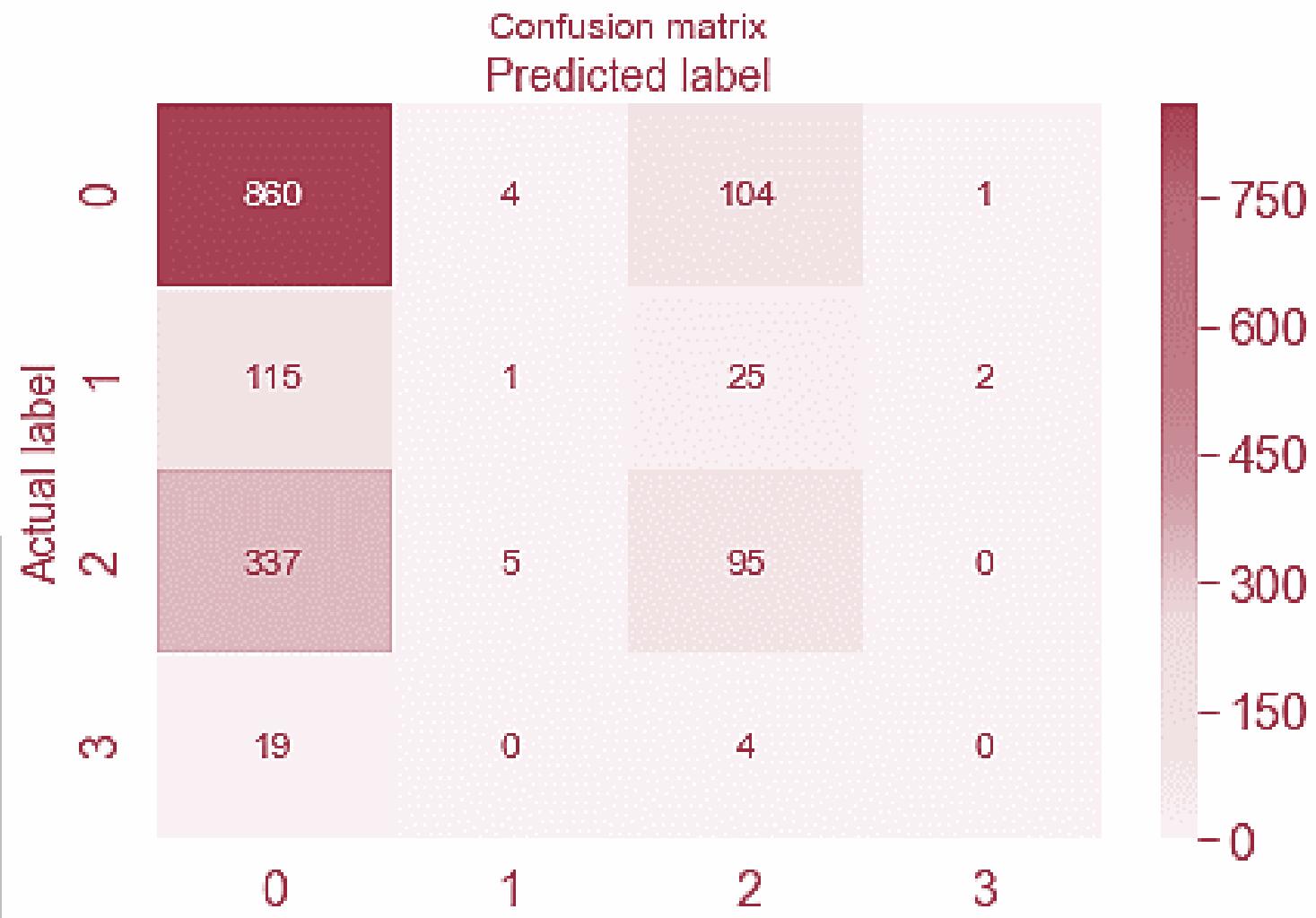


Source: AAA's Membership data

# Most important variables to predict:

- Credit Ranges
- Education
- Dwelling Type
- Age
- Income

Cluster 0 - Highly Desirable  
Cluster 2 - Desirable  
Cluster 1 - Undesirable  
Cluster 3 - Highly Undesirable



# Product

The United States remains the largest travel and tourism market when considering individual nations rather than regions. **Travel and tourism contributed \$1.6 trillion to the nation's GDP.** That's equal to 7.8 percent of the U.S. economy. The sector grew in this country last year by 2.2 percent.

# *Save during Aloha Days!*

*AAA Exclusive Offer*

*\$125 per booking air credit*

*+ \$100 per booking Activity Voucher*

**Pleasant Holidays.**





?



The POWER of  
the MESSAGE



**117**  
**YEARS**

<https://youtu.be/3lkbI9RvG0I>

# Bundling Service

## Road Assistance

- Towing
- Battery Boost
- Emergency Repair
- Extrication & Winching
- Fuel Delivery Service
- Minor Mechanical First Aid
- One-Day Free Car Rental
- Tire Service
- Vehicle Lock Out-Services

## Travel

- Hot Cruise Deals
- Hot Land Deals
- Top Destinations
- AAA Vacations
- Disney Destinations
- Universal Orlando Vacations
- TripTik, TourBook & Maps
- Travel Insurance
- Theme Park Tickets
- AAA Travel Money & Foreign Currency

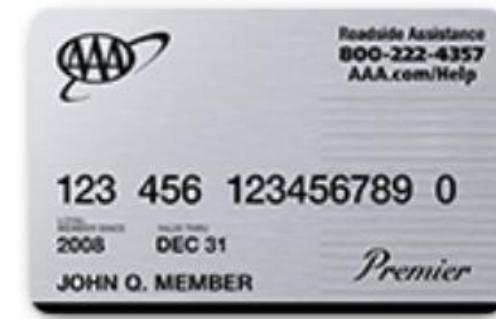
# Bundling Service

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# WALT Disney World®

**Dollywood**  
PARKS & RESORTS



Price

# TARGET

There is a basic commission rate of **15%** that charges on every booking and is directly paid to Booking.com.

Source: Nasdaq, Booking

## US Theme Parks

- One day: \$99
- Two days: \$92.50
- Three days: \$78.34
- Four days: \$65

## Compare Membership Plans



[Join for \\$60 per year](#)



[Join for \\$96 per year](#)



[Join for \\$126 per year](#)

Benefits	Classic®	Plus®	Premier®
Towing	Up to 4 tows up to 5 miles each	Up to 4 tows up to 100 miles each	Up to one tow up to 200 miles: Up to 3 tows up to 100 miles each
Emergency Starting	✓	✓	✓
Battery Service	✓	✓	✓
Flat Tire Service	✓	✓	✓
Fuel Delivery	✓ You Pay for Fuel	✓ Free	✓ Free
Vehicle Locksmith Service	Up to \$50 for Lockout Only	Up to \$100**	Up to \$150**
Extrication/Winching	1 Service Vehicle and 1 Driver	2 Service Vehicles and 2 Drivers	2 Service Vehicles and 2 Drivers
Car Travel Interruption	Up to \$600	Up to \$1,000	Up to \$1,500
Emergency Payment Acceptance	✓	✓	✓
Identity Theft Monitoring†	✓	✓	\$10,000 Identity Theft Insurance through Experian®††
Hertz Gold Plus Rewards Membership	FREE + 675 Points, <b>after</b> the first Gold rental = 1 Free Day	FREE + 675 Points, <b>after</b> the first Gold rental = 1 Free Day	FREE + 1,100 Points, <b>after</b> the first Gold rental = 2 Free Weekend Days
TripTiks, Maps and TourBooks	✓	✓	✓
Passport Photos	✓ Nominal Fee	✓ 2 Sets Free Per Member Per Year	✓ Unlimited Sets Free Per Member Per Year
Travel Accident Insurance for AAA Travel	✓ \$100,000	✓ \$300,000	✓ \$500,000
Vehicle Return	✗	✗	✗ Up to \$500
Home Lockout Service	✗	✗	✗ Up to \$100
Concierge Service	✗	✗	✗
24-Hour Travel Assistance	✗	✗	✗
One-Day Free Car Rental (with qualifying tow)	✗	✗	Yes
Coverage for Other Types of Vehicles (like RVs and Motorcycles)	✗	Rider included	Rider included

## ASSUMING

- Highly Desirable & Desirable: 4,621
- People travel at least 2 times a year
- 57% members with children
- Average travel cost per person in US per week (\$1500 taking in consideration accommodation represents 30% of it)

- **20% off on Theme Parks**
- **15% off on the top destinations identified**

Customer	Theme Park	Top destinations	Total
Cost Savings (scenario 1)	-	-	-
Cost Savings (scenario 2)	\$18 – \$52 (1-4 days at the park per person)	-	\$18 – \$52
Cost Savings (scenario 3)	\$18 – \$52	\$100 (travel once a year)	\$118-\$152
Cost Savings (scenario 4)	-	\$200 (travel twice a year)	\$200
Cost Savings (scenario 5)	\$18 – \$52	\$200	\$218-\$252



Source: Budget your trip & AAA's Membership data

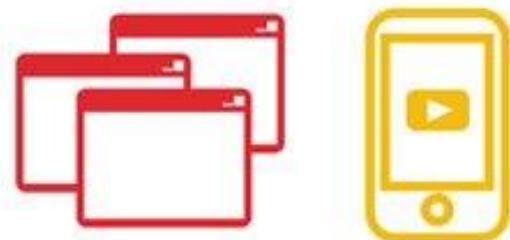
# Promotion



Stimulus



**ZMOT**



First  
Moment of  
Truth

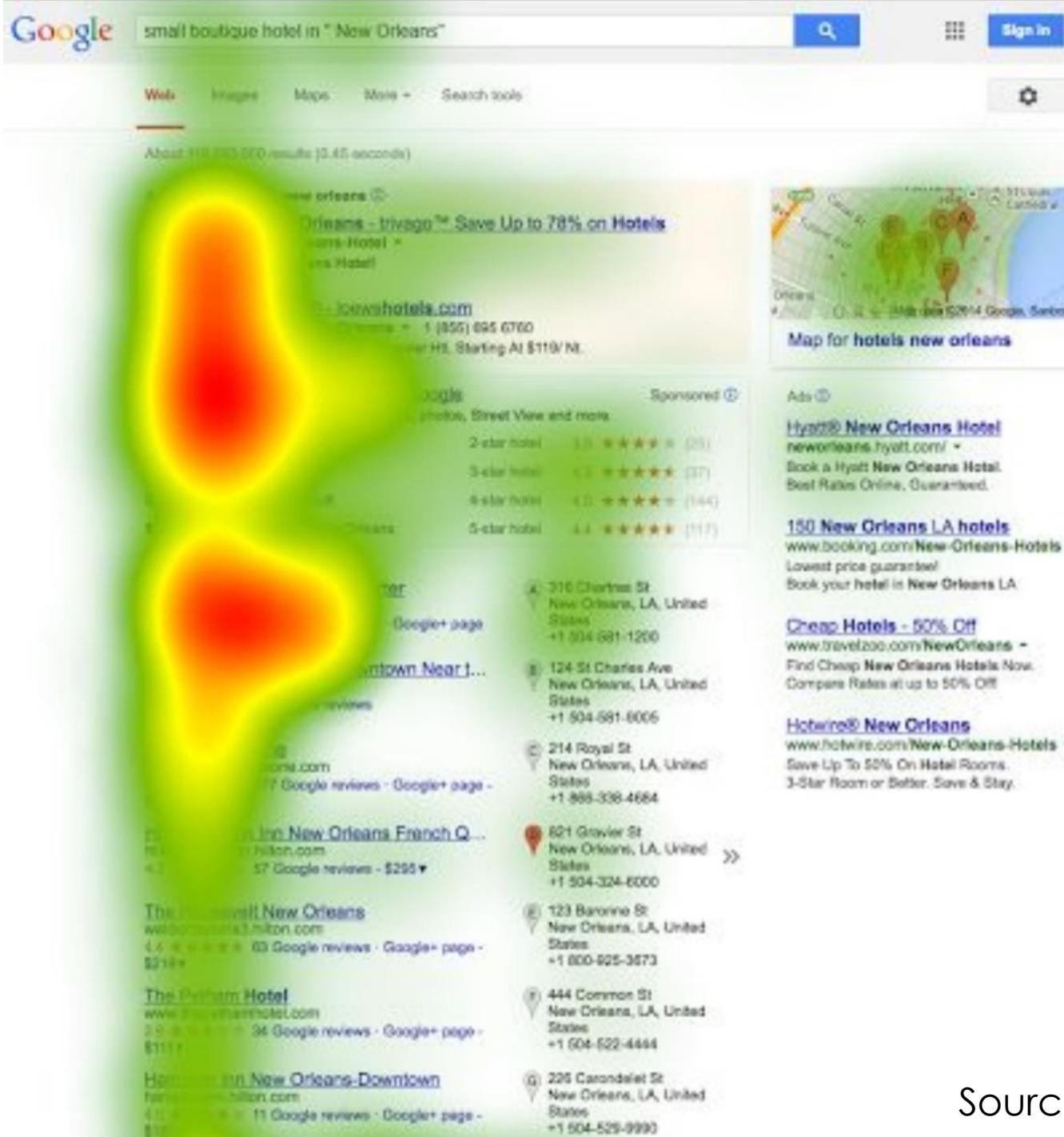


Second  
Moment of  
Truth

Source: Google

# OFFLINE ADS





# SEM / SEO

Ad · www.aaa.com/ ▾

## AAA® Membership Offer Only \$49 | Comprehensive Roadside...

Get 24/7 Roadside Assistance and Exclusive Member Deals - Join Today! 24/7 Towing Service. 24/7 Help. Reliable Service. Member Benefits. Vacation Deals. Instant Savings. Discounted Memberships. Discounts & Rewards. 55 Million Members. Approved Auto Repair. Join Now · Renew Your Membership · Give the Gift of AAA · Add a Family Member

## Target by:

- Device
- Time
- Geography
- Behavior

Source: NA Account Data, Paid + Organic Report, FY18



SET EDITION: U.S. | INTERNATIONAL | MÉXICO | ARABIC

TV: CNN | CNNi | CNN en Español | HLN

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updated 11:57 PM EDT, Thu August 14, 2014

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# Police plan to reveal

# Display

## Watch our Ocean Cruise Webcast.

AAA Travel experts share with you member values available on ocean cruises booked through AAA.



## Chief: Group named wrong man

Police in Ferguson plan to release Friday the name of the officer who shot Michael Brown, a source told CNN's Julian Cummings.

### FULL STORY

- [NEW Why no dashcam video?](#)
- [NEW See slaying's chilling aftermath](#)
- [Video shows Brown's body](#)
- [Head of security: 'How would I feel?'](#)
- [Opinion: Ferguson, take back power](#)

## Business Video Hosting

less than \$17/month

**vimeo**[Get Started](#)

ADVERTISEMENT

Watch CNN

## THE SIXTIES

**THE LATEST**

- Wife: Williams had Parkinson's disease
- Loved ones Williams left behind

**CRISIS IN THE MIDDLE EAST**

## Why intervene in Iraq

*The Sixties*

# EMAIL MARKETING



MEMBERSHIP CARS & DRIVING DISCOUNTS

## Switch to AAA Insurance

Get the service, benefits and savings you deserve!



The right coverage to fit your needs.

Insurance you need from a name you trust.

Up to 10% off with the loyalty discount + 5% off just for being a member!

Plus, get a free trunk organizer when you complete a free, no-obligation auto quote.\*\*

Start with a quick, online quote today! [GO >](#)

\*Insurance provided by CSAA Insurance Group, a AAA Insurer. Discounts vary based upon eligibility.

\*\*Trunk organizer gift available only when a AAA Insurance agent presents a complete auto quote. Preliminary online quotes do not qualify. One trunk organizer per household for a limited time while supplies last.



THE CARD OF THE AMERICAN DRIVER



For more information on AAA services & membership benefits, call 1.888.AAA.OHIO, visit us online at [www.aaa.com](http://www.aaa.com) or email us at [Info@aaaohio.com](mailto:Info@aaaohio.com). Stop in to your local AAA store for all your travel, savings and insurance needs.

\*Remember, your AAA Ohio Auto Club membership number is required in order to access certain features and functions on our website. Please have your AAA membership card handy! In order to correctly receive email from AAA in your inbox, please add [travel@aaaohio.com](mailto:travel@aaaohio.com) to your address book.

© 2014 %%Member\_BusName%% | %%Member\_Addr%% | %%Member\_City%%, %%Member\_State%%  
%%Member\_PostalCode%%

We provide permission-based marketing. Manage your subscription or unsubscribe [here](#).

## Segmented Campaign

IT'S SUMMER TIME

Summer travel is here so let AAA protect every trip you take.

Our roadside expertise and travel planning support make every trip perfect.

Offer valid only on new primary memberships  
Offer good thru 06/30/17  
Use Promo Code: WE2MTH517

AAA. We Know The Way.

[Join AAA Today](#)

Action

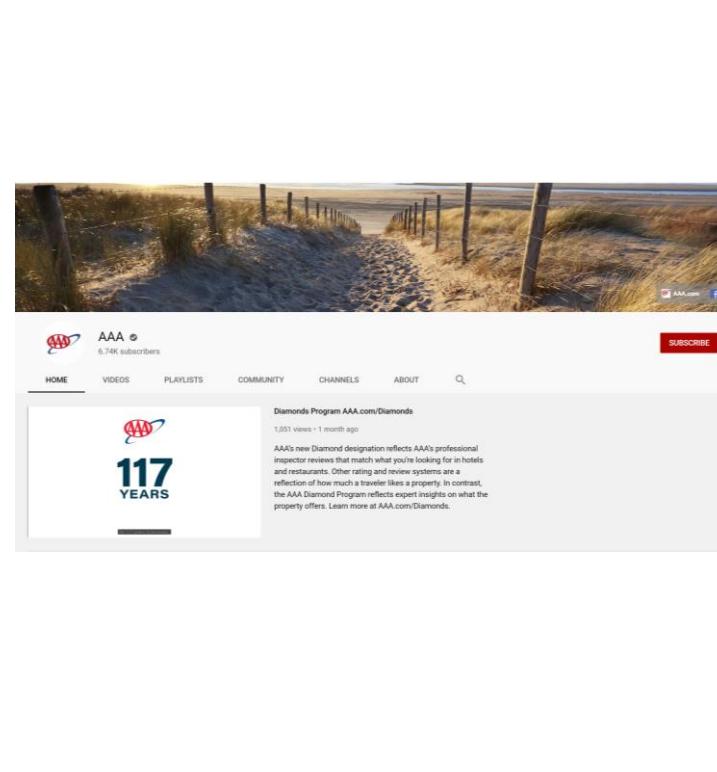
## Retargeting Campaign

# SOCIAL MEDIA

A vertical Facebook feed displaying several AAA-related profiles:

- AAA** (blue checkmark) - Página
- Lucha Libre AAA Worldwide** (blue checkmark) - Página
- AAA Chicago** (blue checkmark) - Página
- AAA Freight, Inc.** - 21 milhas · South Holland · Sempre aberto
- J.R. Todd** (blue checkmark) - Página
- Attack All Around**
- AAA Life Insurance Company** (blue checkmark) - Companhia de seguros

Each profile includes a blue "Gosto" (Like) button.



# YouTube

The Instagram profile for **aaa\_national** (blue checkmark), which has 860 posts, 4,236 followers, and 568 following. The bio reads: "Proudly serving our more than 60 million members for over 117 years. Tag your photos with #AAAMember. www.aaa.com".

aaa\_national Follow ...

860 posts 4,236 followers 568 following

**AAA**  
Proudly serving our more than 60 million members for over 117 years. Tag your photos with #AAAMember.  
www.aaa.com

Member Gr... Discounts Automotive Travel

A grid of 12 Instagram posts including:

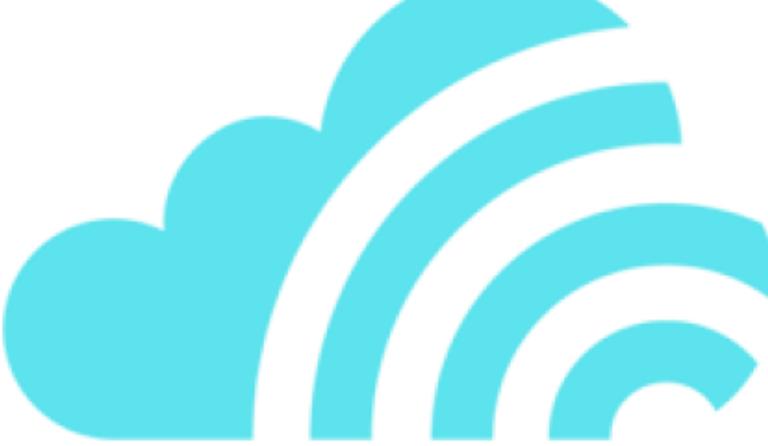
- A pizza slice with 23 likes.
- A blue abstract graphic.
- A colorful graphic for International Women's Day.
- A close-up of flowers.
- A couple relaxing on a balcony.
- A street scene in a historic town.
- A man in a room.
- A woman in a room.
- A graphic for the AAA Diamond Program.
- A graphic for the AAA Diamond Program.
- A dog sitting outdoors.
- A small dog sitting outdoors.

# Physical Evidence



# Partnership

Online  
Travel  
Services



skyscanner

Influencers



National  
Parks



Place

## Earn up to \$150 cash back.\*

Carry the AAA Dollars® Mastercard®.

[Learn more.](#)



\*AAA Dollars can be redeemed for cash back in the form of an electronic (ACH) deposit into a checking or savings account or a statement credit. The creditor and issuer of these cards is U.S. Bank NA dba ACO Card Services, pursuant to a license from Mastercard International Incorporated. Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated. If you are not at least 18 years of age please disregard this offer. ACO Card Services is an Equal Credit Opportunity Lender.



### Enjoy AAA Roadside Assistance & More

Experience the safety, security and peace of mind of AAA - plus great insurance, travel & savings benefits.

[JOIN NOW](#)

Already a member? [Sign In](#)

[HOTEL](#) [FLIGHT](#) [CAR](#) [BUNDLE & SAVE](#) [CRUISE](#)

### Book Your Trip with AAA Travel

Whether you're booking a hotel or contemplating a getaway, you've found the perfect place to start.

WHERE ARE YOU GOING?

Enter a City or Airport

CHECK-IN:  CHECK-OUT:

ROOMS:  GUESTS:

[SEARCH HOTELS](#)

Or Call

866.222.6033

[More Search Options](#)

[AUTO](#) [HOME](#) [LIFE](#)



### Insure through AAA and save.

Competitive rates and personal service help you get the coverage that fits your needs and budget. We'll even help you switch companies.

Also ask about coverage for:

- [Motorcycle & Off-Road Vehicles](#)
- [Recreational Vehicles \(RVs\)](#)
- [Boats & Personal Watercraft](#)

[LEARN MORE](#)

Would you prefer a  
LOW or HIGH APR?

\*Cash back can be redeemed in the form of a statement credit or ACH deposit.  
Equal Credit Opportunity Lender.

[GET A QUOTE](#)

Find an agent near you | [Learn more](#)

[CREDIT CARD](#) [LOANS](#) [SAVINGS](#)



### Save Money & Earn Rewards

Carry the AAA Dollars® Plus Mastercard® and earn up to 150 AAA Dollars redeemable for \$150 cash back\*.

- [Earn up to 3% on Qualifying Purchases](#)
- [Pay No Annual Fee](#)
- [No Foreign Transaction Fees](#)

[LEARN MORE](#)

Would you prefer a  
LOW or HIGH APR?

\*Cash back can be redeemed in the form of a statement credit or ACH deposit.  
Equal Credit Opportunity Lender.

[GET A QUOTE](#)

Find an agent near you | [Learn more](#)

More From AAA



### Earn Cash Back All Year

The AAA Dollars® Mastercard® earns you valuable cash back on every qualifying purchase. [Apply Now](#)

### Spread the word. Reap the Rewards.

Refer a friend to AAA and you both can earn 20 AAA Dollars toward your next membership renewal. [Refer A Friend](#)

# WEBSITE



# APP



# STORE

# PROCESS

Highly  
Desirable  
&  
Desirable  
**4621 PEOPLE**

**TEST PER STATE**

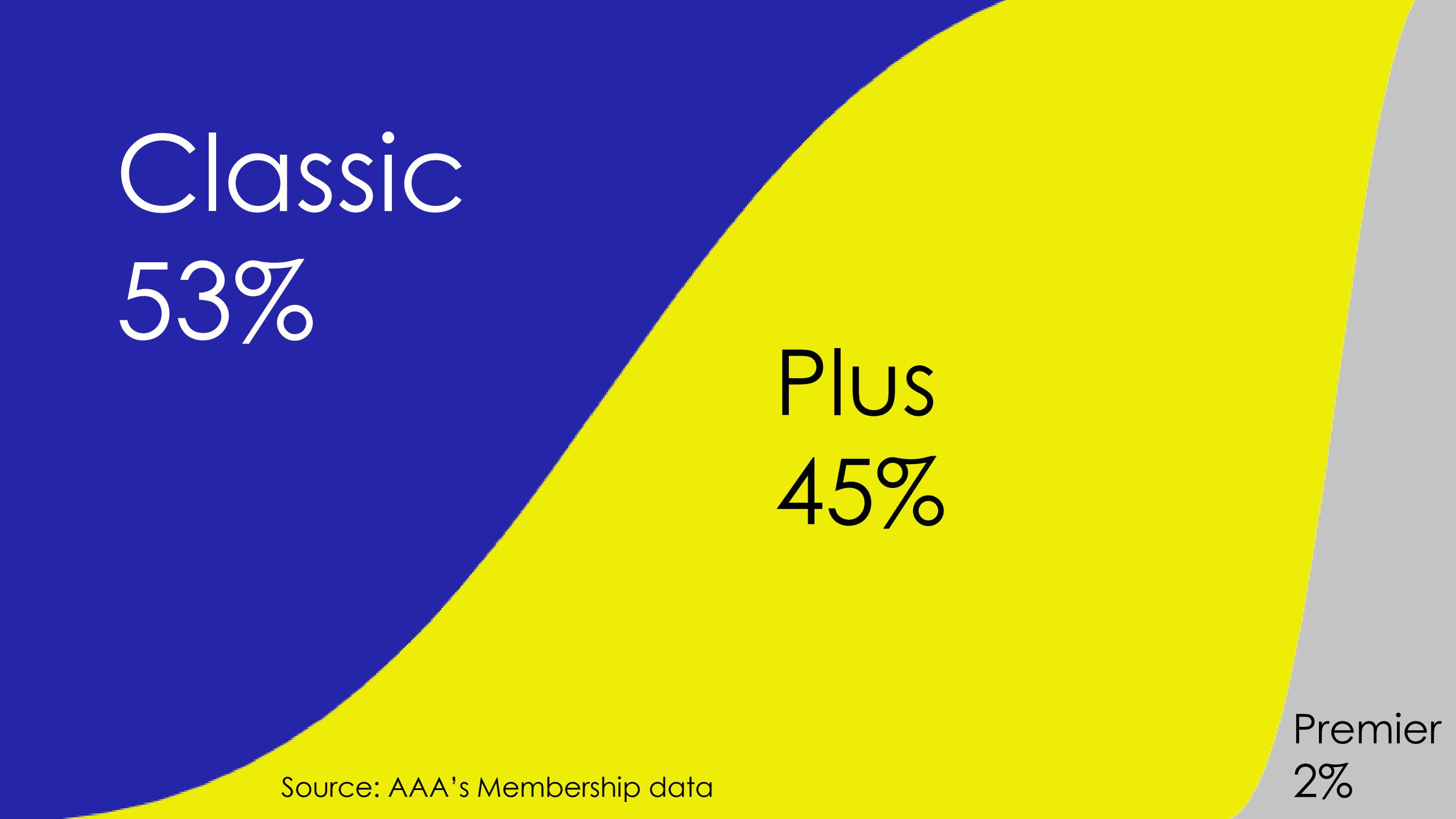
Connecticut  
Massachusetts  
New Hampshire  
New Jersey  
New York  
Rhode Island

**21 345 PEOPLE**

# ALL MEMBERS

**58 000 000 PEOPLE**

# Revenue



Classic  
53%

Plus  
45%

Premier  
2%

Source: AAA's Membership data

<b>REVENUE</b>	<b>Classic</b>	<b>Plus</b>	<b>Premier</b>	<b>TOTAL</b>
TARGET MEMBERS (14% switch)	\$152 082.9	\$203 756.8	\$11 759.44	<b>\$367 599.1</b>
Difference	\$5 142.9	\$4 076.8	\$167.44	\$9 387.14
TARGET MEMBERS (45% switch)	\$163 470.75	\$212 784	\$12 130.2	<b>\$388 385</b>
Difference	\$16 530.75	\$13 104	\$538.2	\$30 172.95
Target MEMBERS (100% switch)	\$183 675	\$228 800	\$ 12 788	<b>\$425 263</b>
Difference	\$36 735	\$29 120	\$1 196	\$67 051
All MEMBERS (58 million)	\$2 305 500 000	\$2 871 000 000	\$161 240 000	<b>\$5 337 740 000</b>
Difference	\$461 100 000	\$365 400 000	\$15 080 000	\$ 841 580 000

Source: New York Times

***Italy May Raise Coronavirus Support spending  
to 5 000 000 000 EUROS.***

<b>REVENUE</b>	<b>Classic</b>	<b>Plus</b>	<b>Premier</b>	<b>TOTAL</b>
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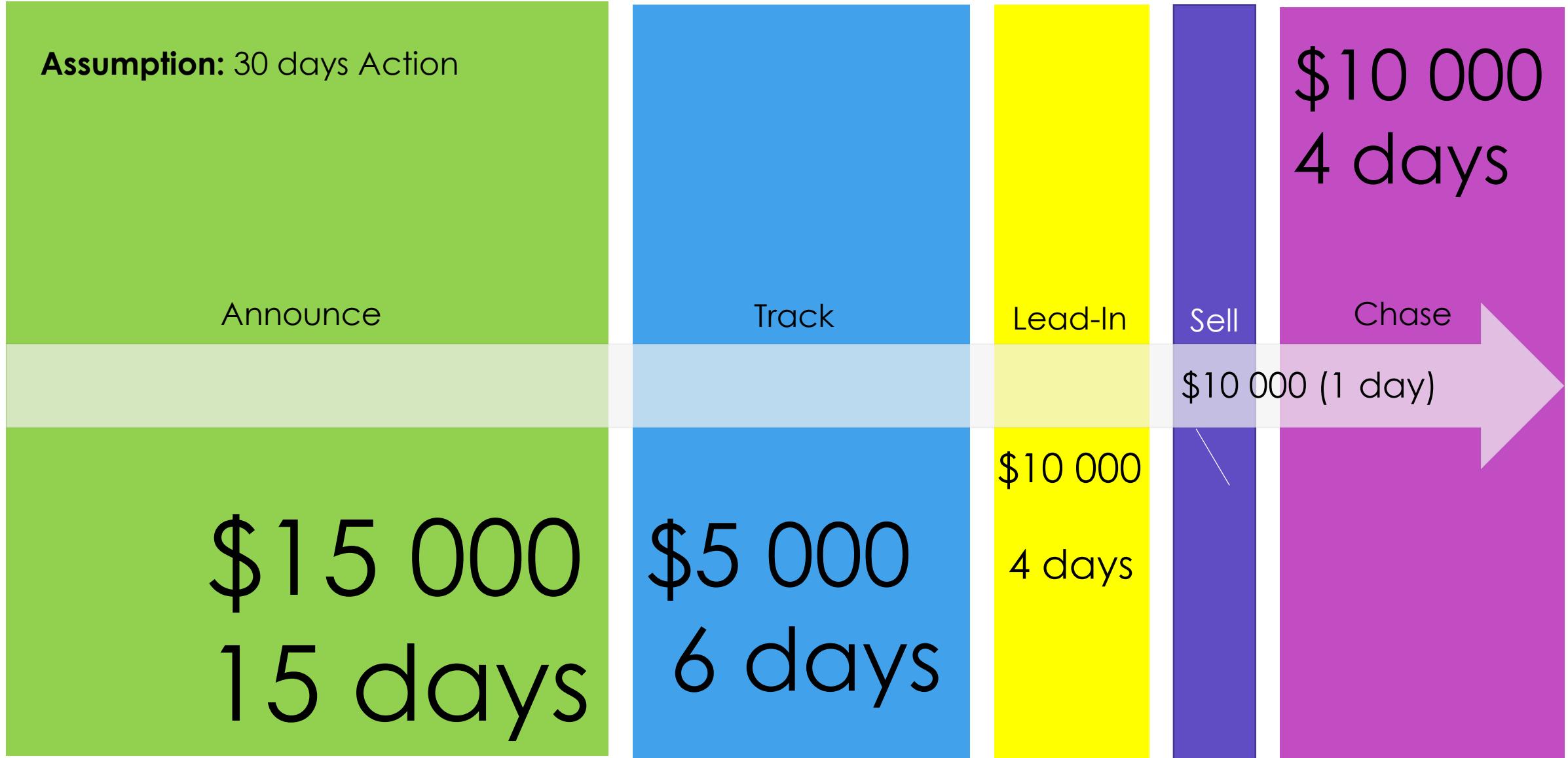
# Budget

Generated by the  
Bundling Service

\$ 67 051

\$ 50 000

**Assumption:** 30 days Action



Source: Google

**Assumption:** 30 days Action

Offline Ads  
(Magazine,  
Outdoor Plans)  
Display

\$15 000  
15 days

SEO  
SEM  
(branded  
and  
category  
keywords)

Email Marketing | Display

\$5 000  
6 days

SEO  
SEM  
Email  
Marketing  
Social  
Media  
Display

\$10 000 (1 day)  
Social Media (bumpers, skippable video)

\$10 000  
4 days

\$10 000  
4 days

Social Media  
Partnerships

thanks!

