

LightCastle Business Analytics Case

Market Analysis of Online Ticketing Services

By

Muammer Galib Mahdi

Phone: 01757294541

Email: mgmahdi97@gmail.com

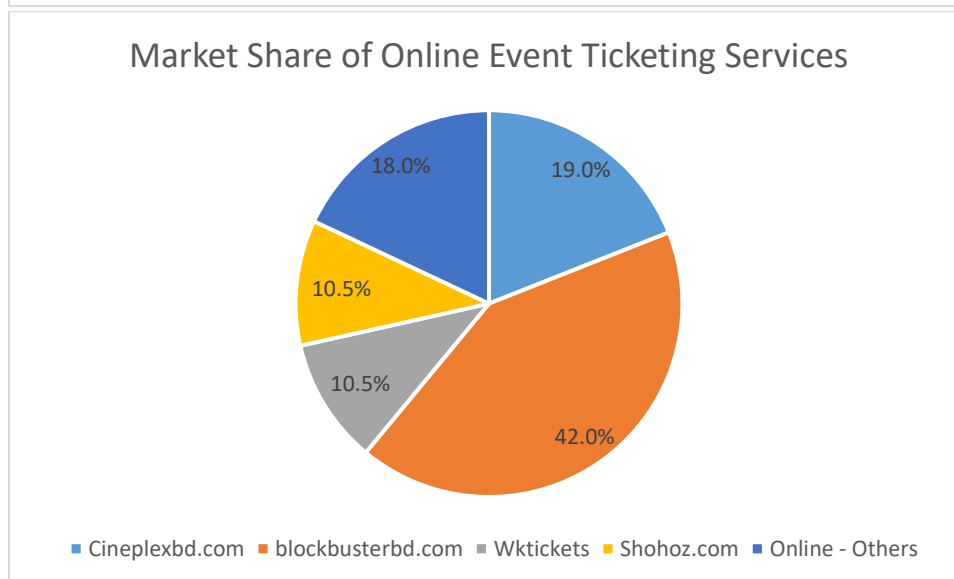
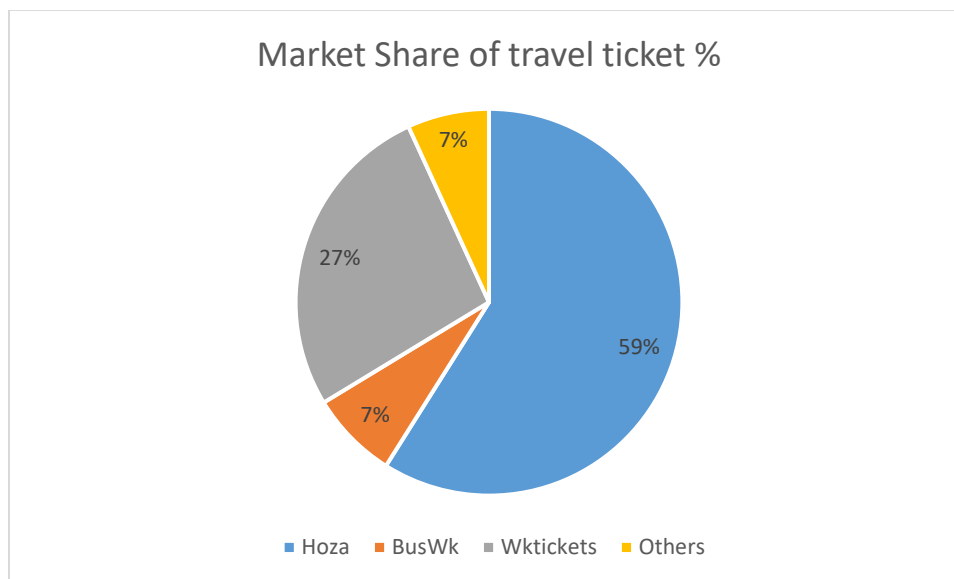
*Names used are pseudo names of real companies/places

Market Analysis of Online Ticketing Services

Competitive landscape:

Crono is the newer player in the telecom industry, Sunrise is the older bigger player in the Wakanda market. Seeing the opportunity in online ticketing market Crono invested in Hoza, who has the biggest market share in online ticketing market. Sunrise the vintage giant is now looking to enter this market as well.

Market Shares:



From LightCastle Partners collected data, after removing the missing data and putting aside untapped market, the market share of the digital travel ticketing service providers are illustrated on the pie chart. We can see Hoza being the biggest player consisting of 83% of the market. Wktickets is in 2nd place with 15% share, and BusWk has the smallest cut of the pie with 2% share.

In movie, sports & other event ticketing service Blockbusterbd.com is the biggest player with 42% market share, which is a movie ticketing service of Blockbuster Cinema's. Cineplexbd.com is the 2nd biggest player with 19% share, which is the rival of Blockbuster in movie tickets market. Wktickets and Shohoz.com having 10.5% share each in event ticketing.

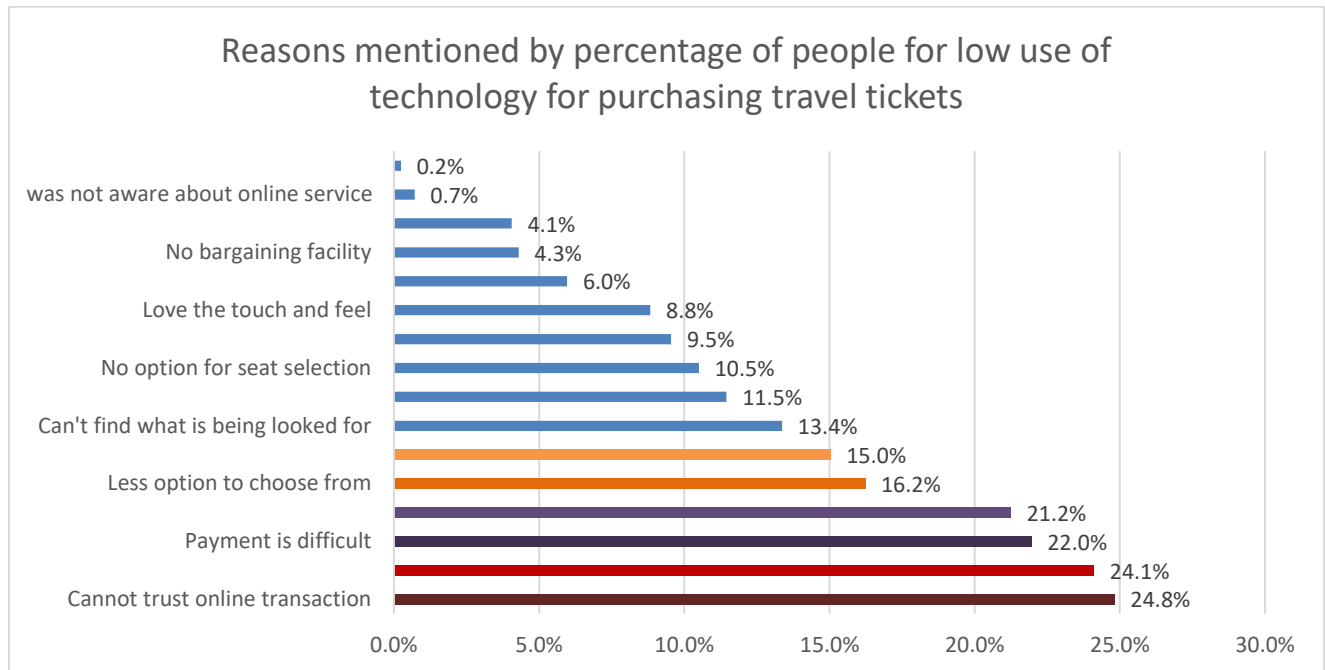
Future Trends of the industry:

Middle and Affluent Class are the main target consumers of the online ticketing industry, in the 200 million+ population country they consist of about 6% of the population, by 2025 at 10.5% rate which is expected to triple, and go up to 34 million. On top of that 57% of the 200million+ population is young and technology adaptable. It is safe to say that by 2025 the online ticketing industry will also at least triple in size or more. Similar to how E-commerce exploded, experts predict online ticketing will also explode, which currently sits at 7% of entire ticketing industry of \$2 billion. With a huge young population and a fast growing mac population, this is inevitable.

Addressable Market Size: The addressable market size currently sits at \$2 billion, online ticketing service now holds 7% of the share. The mac population aged within 15-54 years age, are the main target consumers.

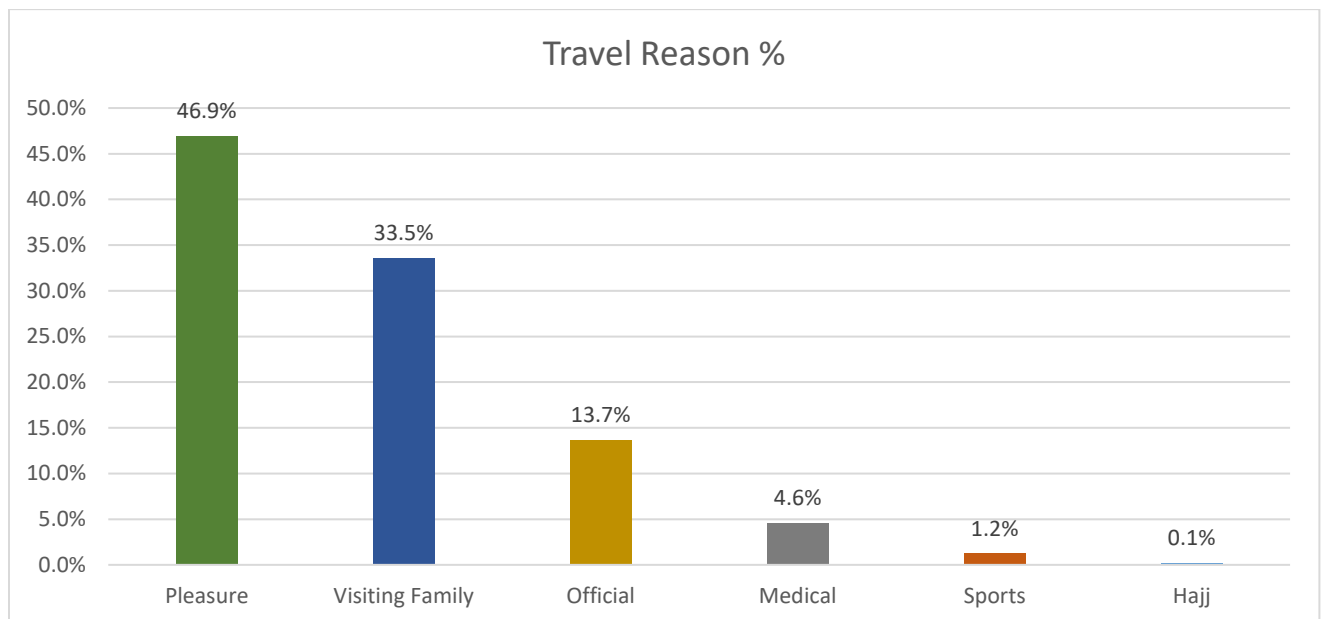
Characteristics of Consumer Segment:

Reasons for low use of technology for purchasing travel tickets:



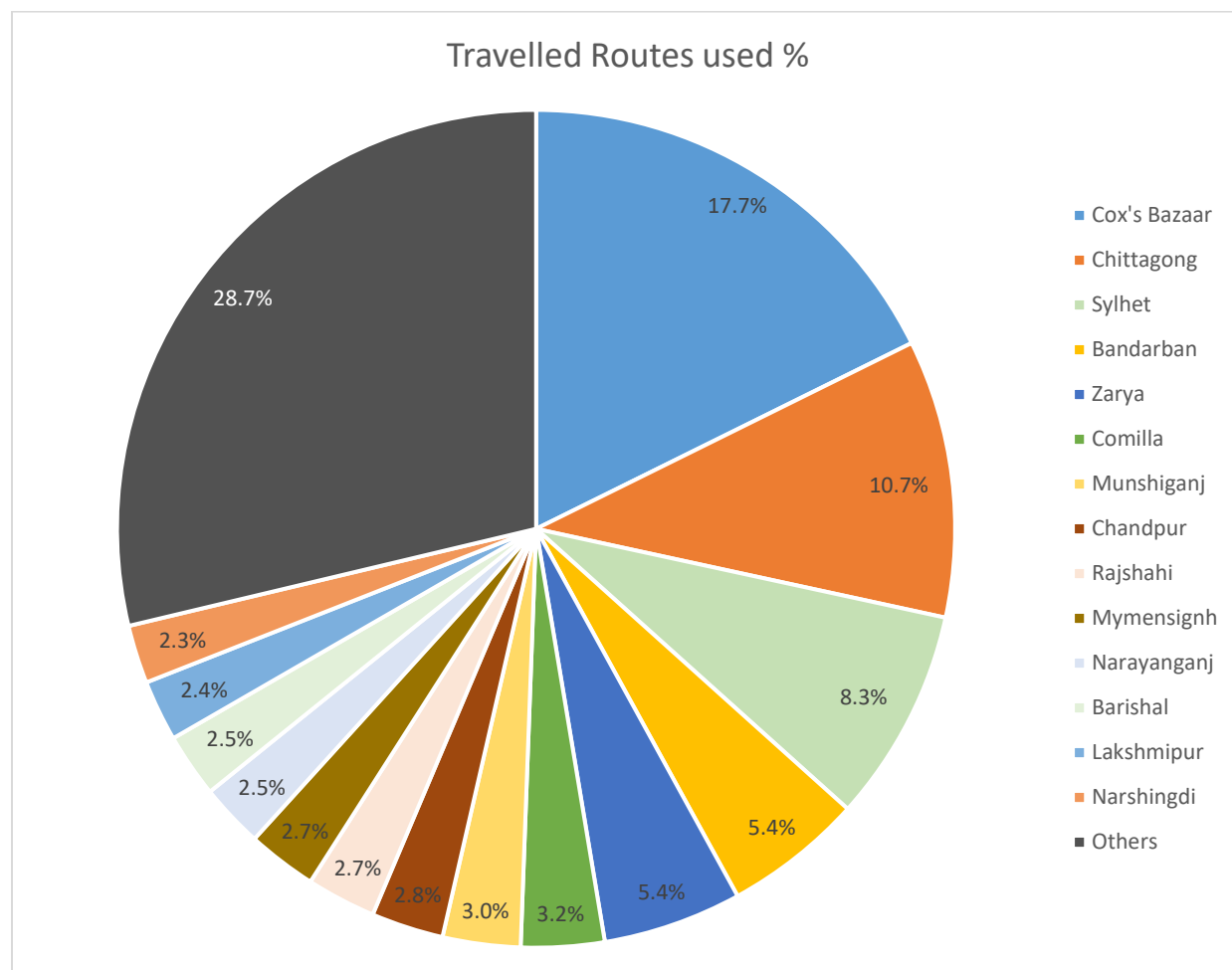
Two major reasons of low usage of technology to purchase travel tickets are trust issues and finding the process complicated. The next two big reasons are difficult payment system and poor customer service.

Reasons for Travelling:



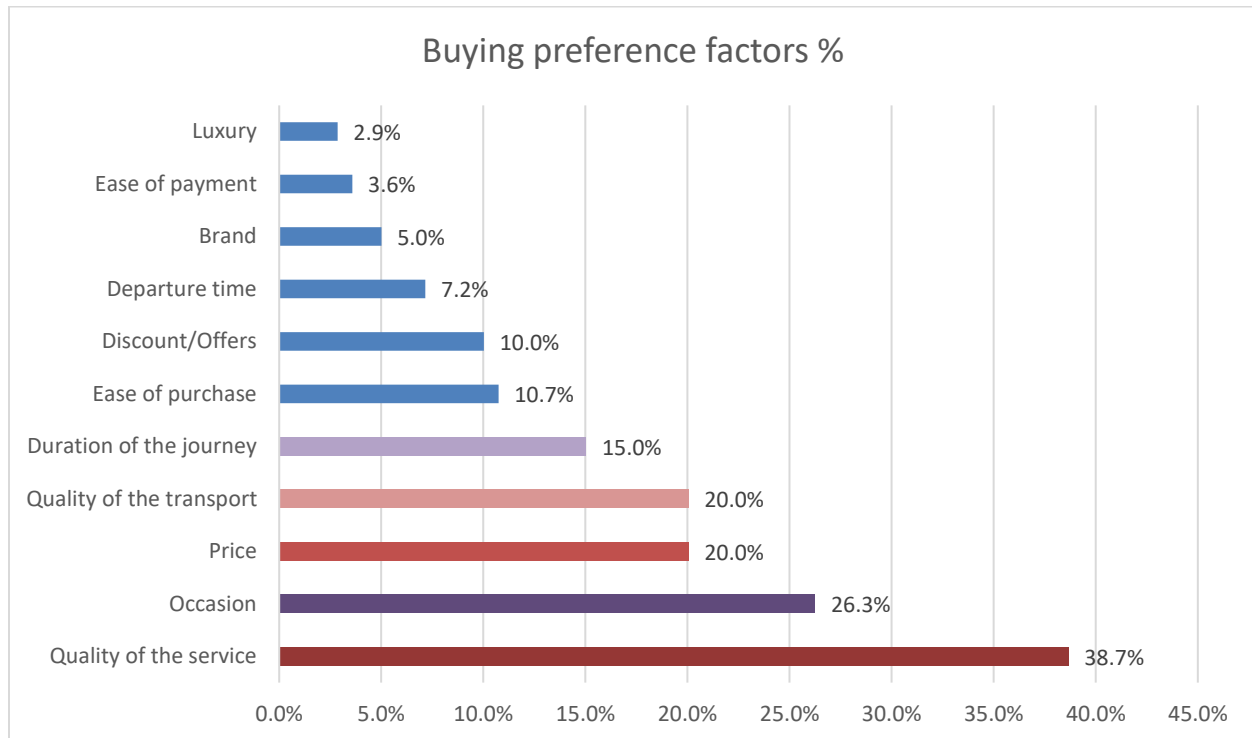
46.9% of travels' reason is Pleasure. Next major reason for travelling is visiting families consisting of about 33.5% of the total travels. A big number of people also travel out of necessity, like official or medical purposes.

Preferred Routes:

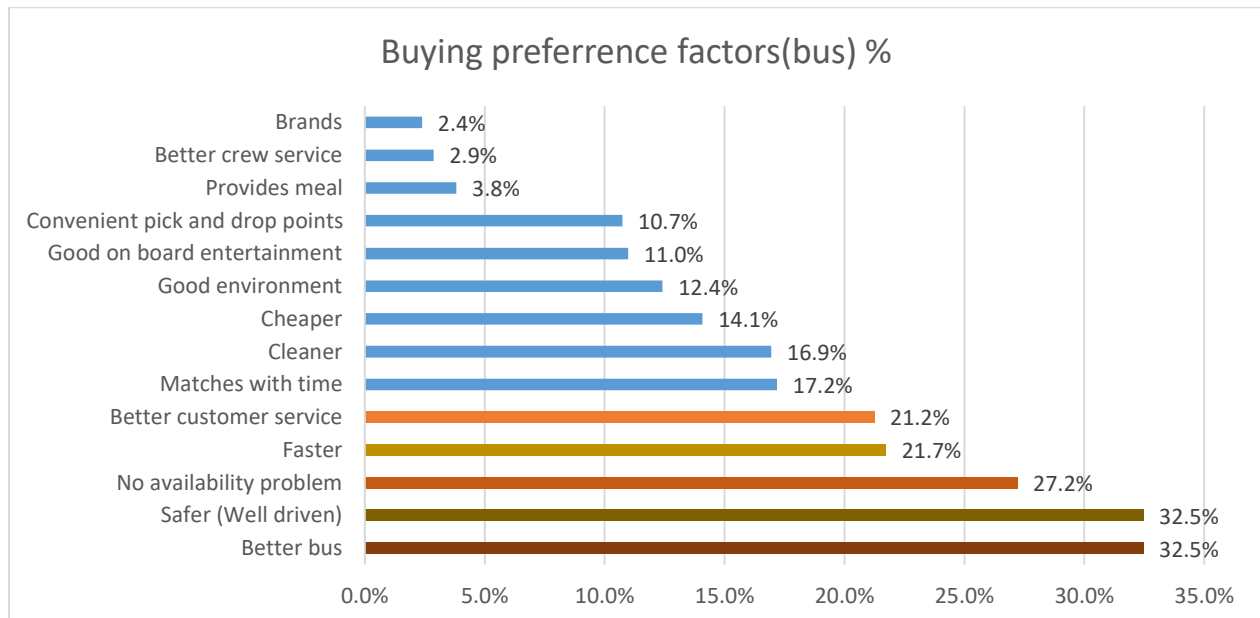


We can see that most preferred routes, to or from Zarya, are the major cities or towns, most travels happened in these routes. The top 4 destinations are not only major cities or towns but also tourist destinations as well: Cox's Bazar, Chittagong, Sylhet & Bandarban. Fifth is the capital Zarya.

Buying preference factors:

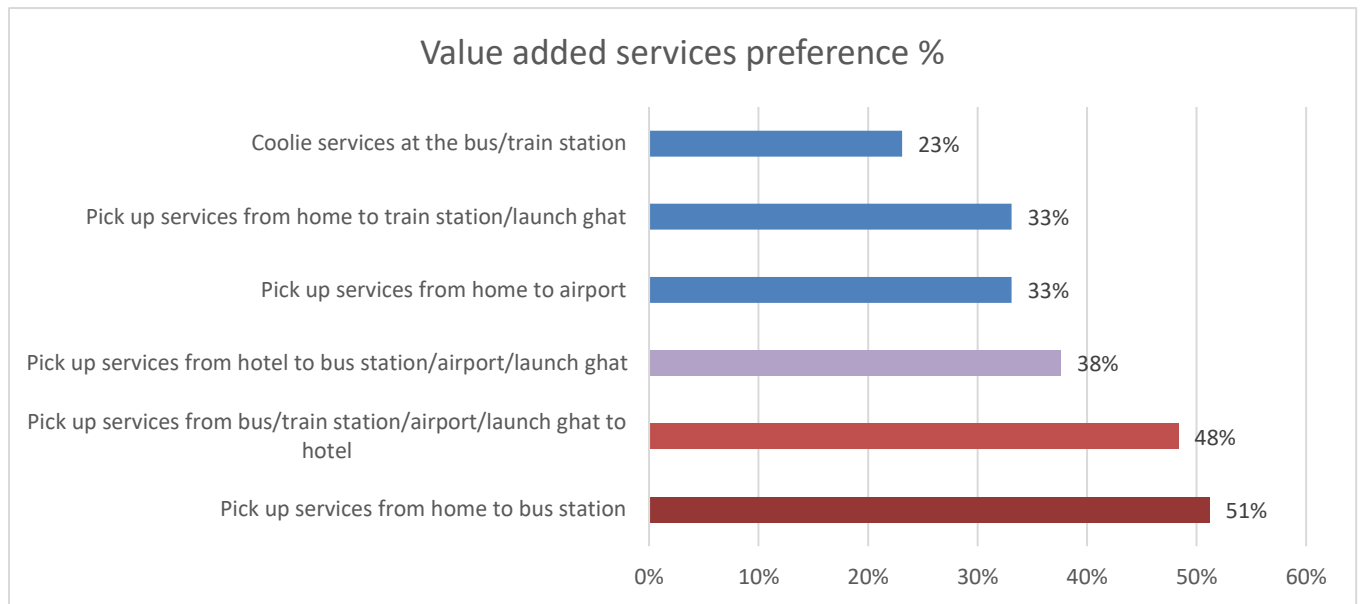


38.7% people want quality of service most, from the service providers. Occasion, price, quality of transport, & duration of the journey are also very important factors.



Most sought-after qualities from a service by the consumers are better-quality vehicle and safer well driven bus. Regular availability is the next most wanted quality. Faster vehicle, better customer service, matching timetable, cleaner and good environment are also important factors for the consumers.

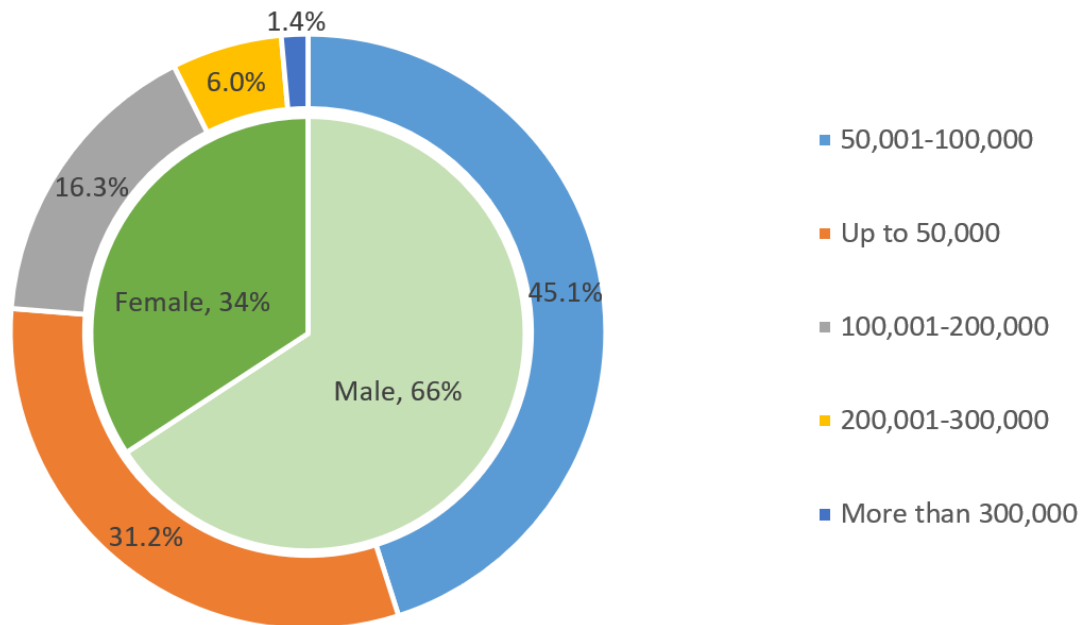
Preference for value added services:



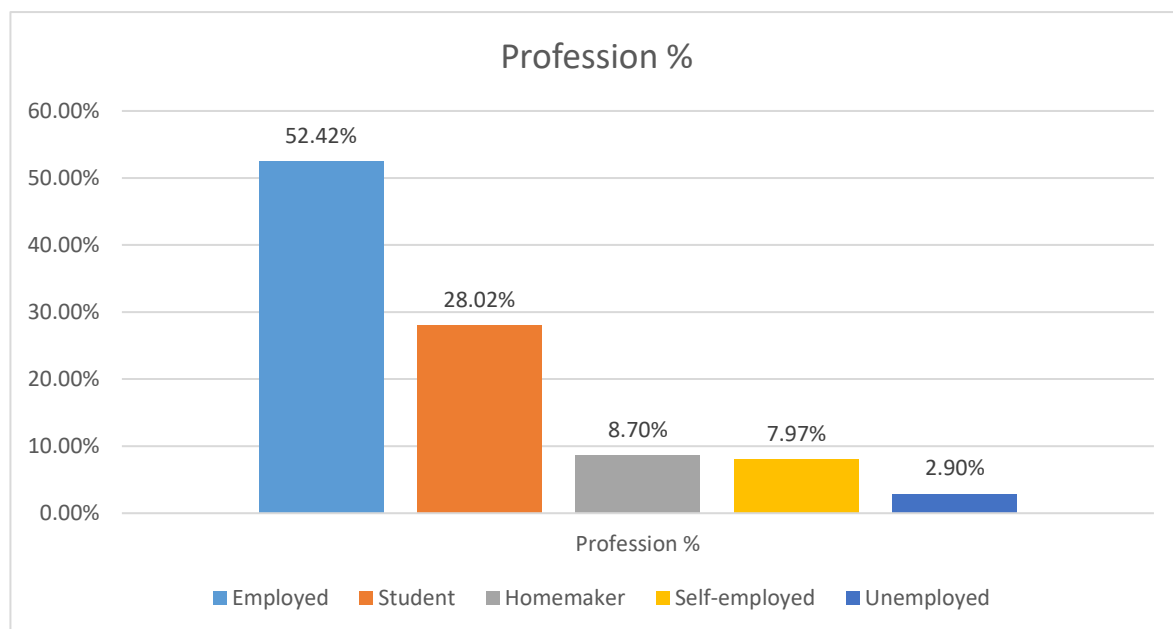
All these value added services are more or less preferred. But pickup service from home to bus station and bus/train station/airport/ launch ghat to hotel these two are more preferred by the consumers.

Income and Demographics and Customer Segmentation:

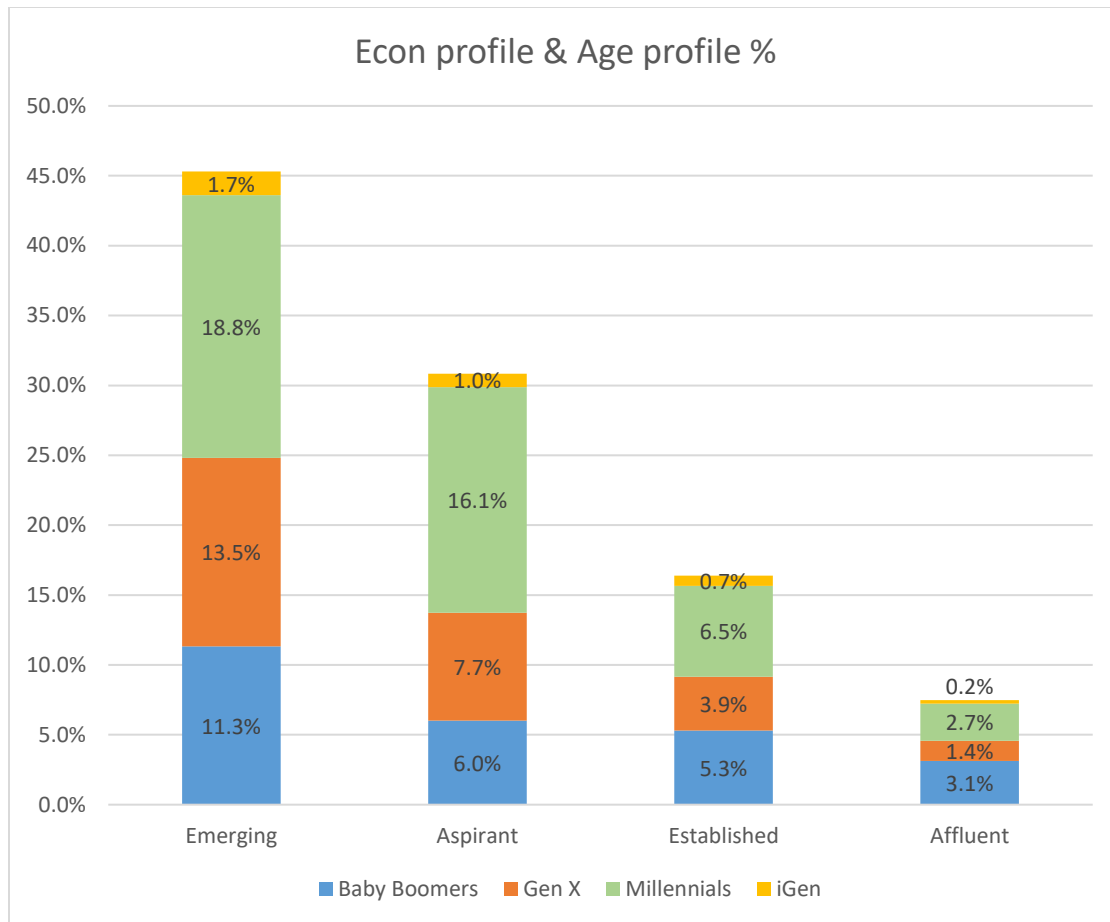
Income & Gender of consumers %



50,001-100,000 BDT income group are the largest consumer base consisting of 45.1% of the total consumers base, people earning up to 50,000 are the second largest being 31.2% of the total. Gender demographic amongst ticket consumers: males are 66% of the customers and females are 34%.



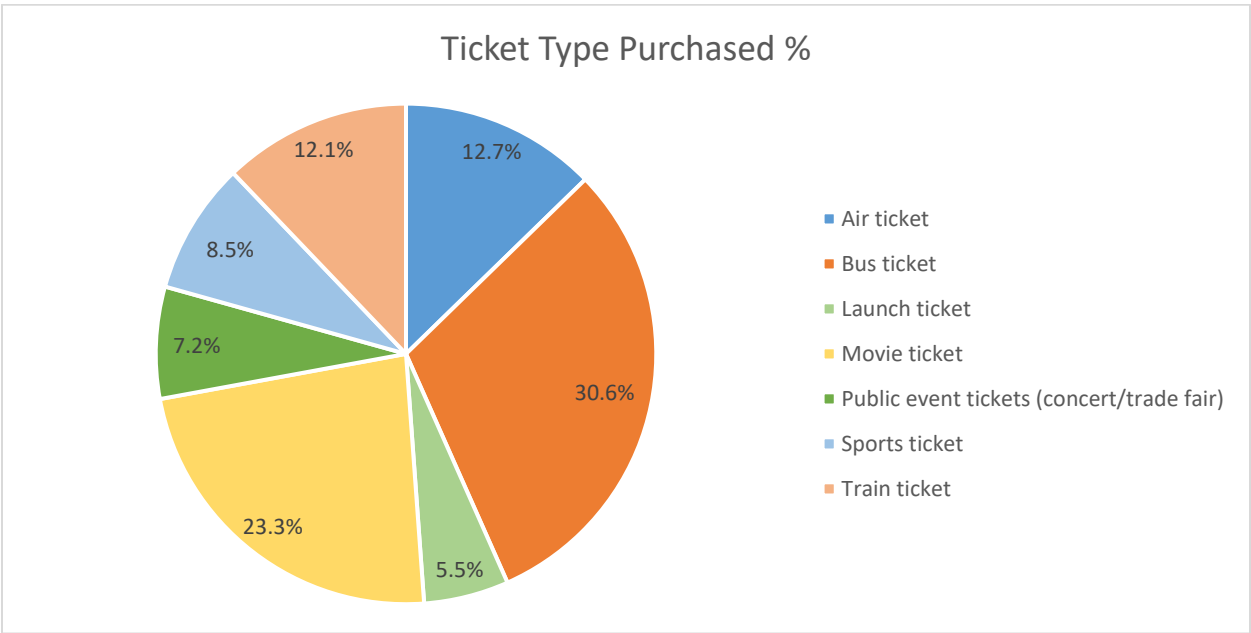
General employed people and students combined make up more than 80% of the customer base.



Amongst age profiles millennials are the biggest consumer base, and in econ profile emerging and aspirants are the biggest segment. And to be more specific emerging and aspirant millennials are the biggest sub segment of this customer segmentation.

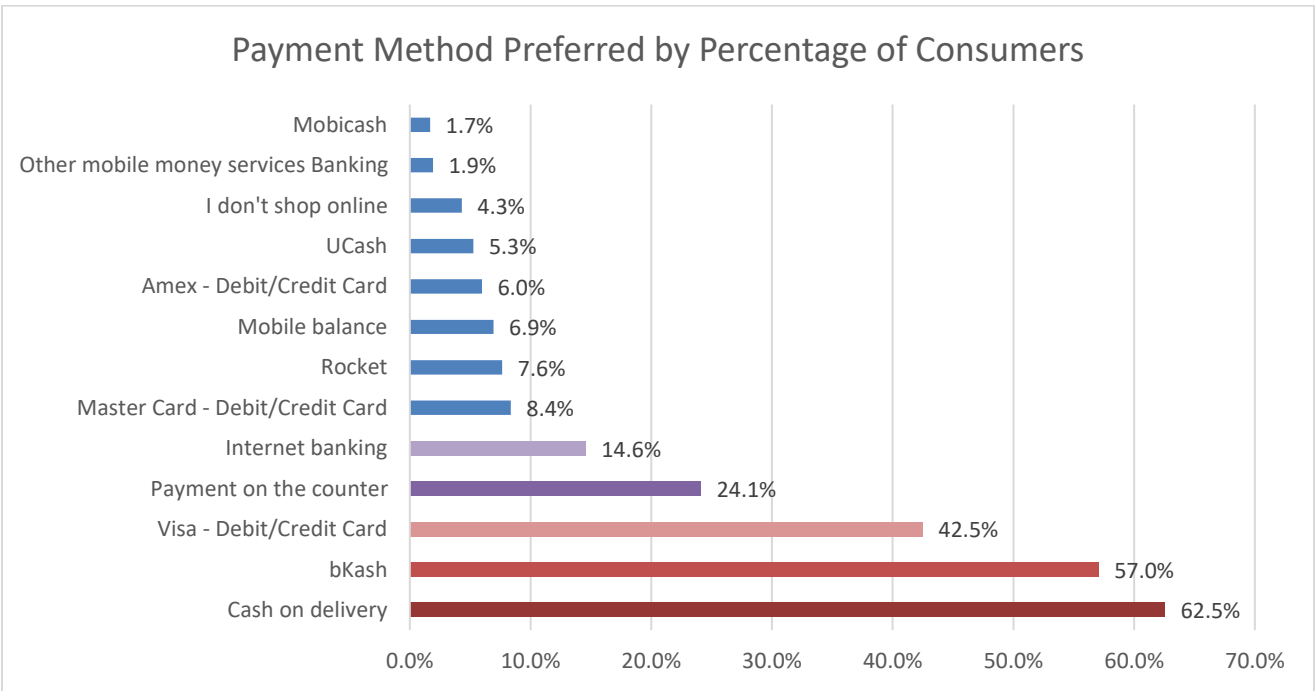
Purchase Behavior:

Most popular ticket categories:



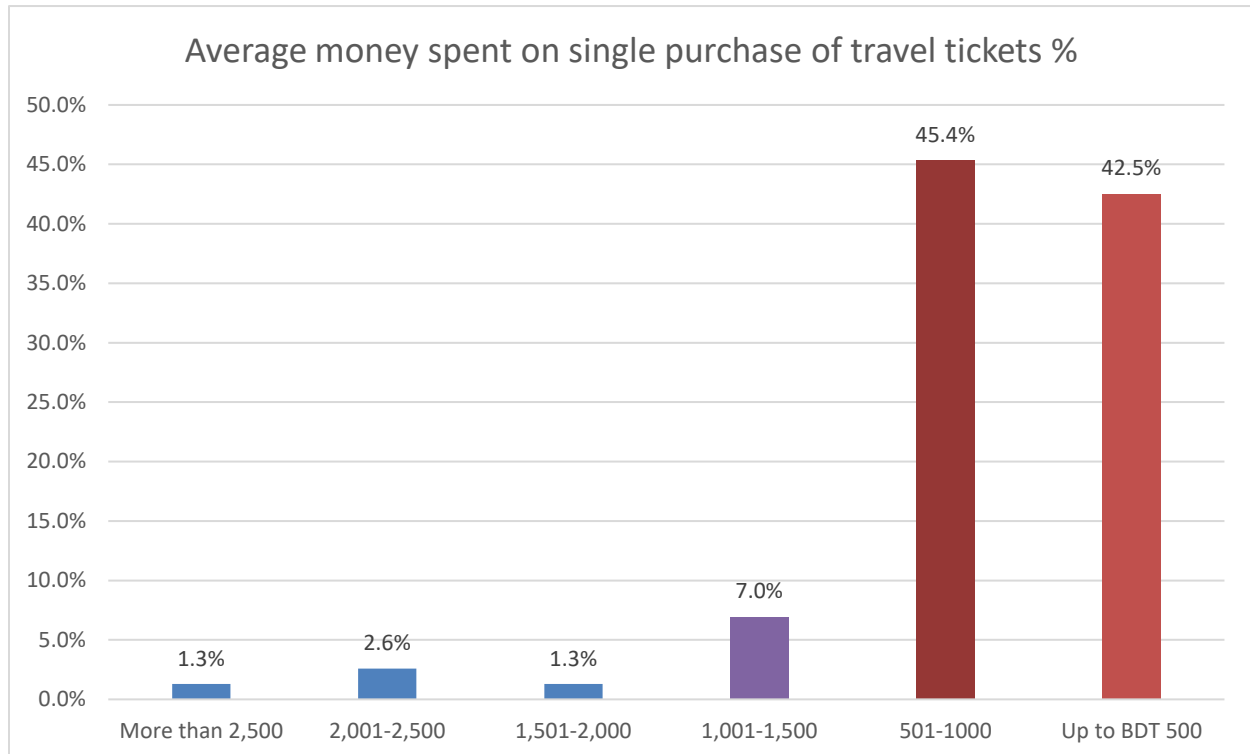
Bus tickets and movie tickets are most demanded ticket types, these two combined are purchased 53.9% of total ticket purchases. Air, Train and Sports ticket are the next most demanding ticket types.

Preferred Payment Methods:



The most preferred payment methods are cash on delivery and bKash, people also prefer card payments heavily, but Visa cards are more than four times more preferred by the customers than Master cards. Other notable preferred methods of payment include payment on the counter and internet banking.

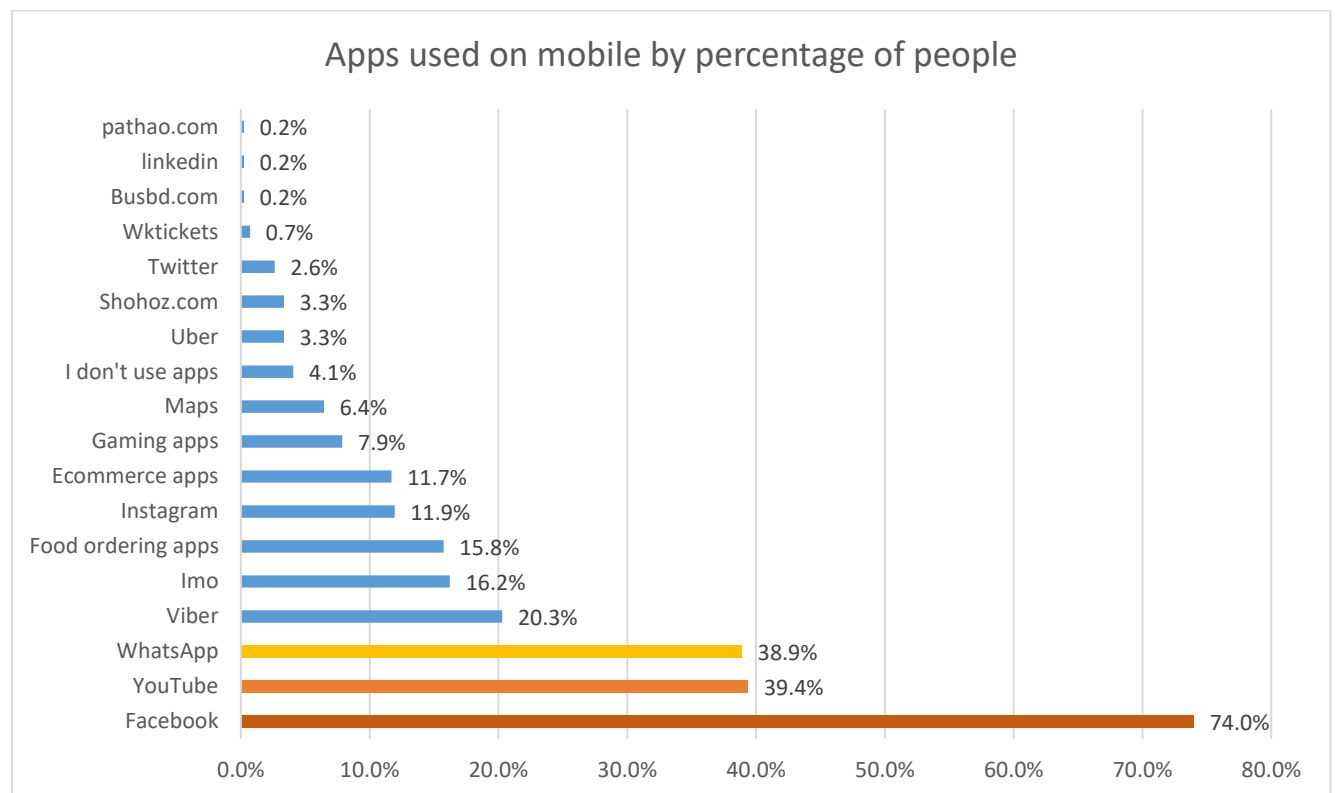
Average money spent on single ticket purchases:



We can see that the lowest two price segments are the most popular, interestingly 501-1000 BDT price segment is slightly more popular compared to <500 BDT price segment. We can guess people are willing to pay little bit more money for a bit more comfort and quality.

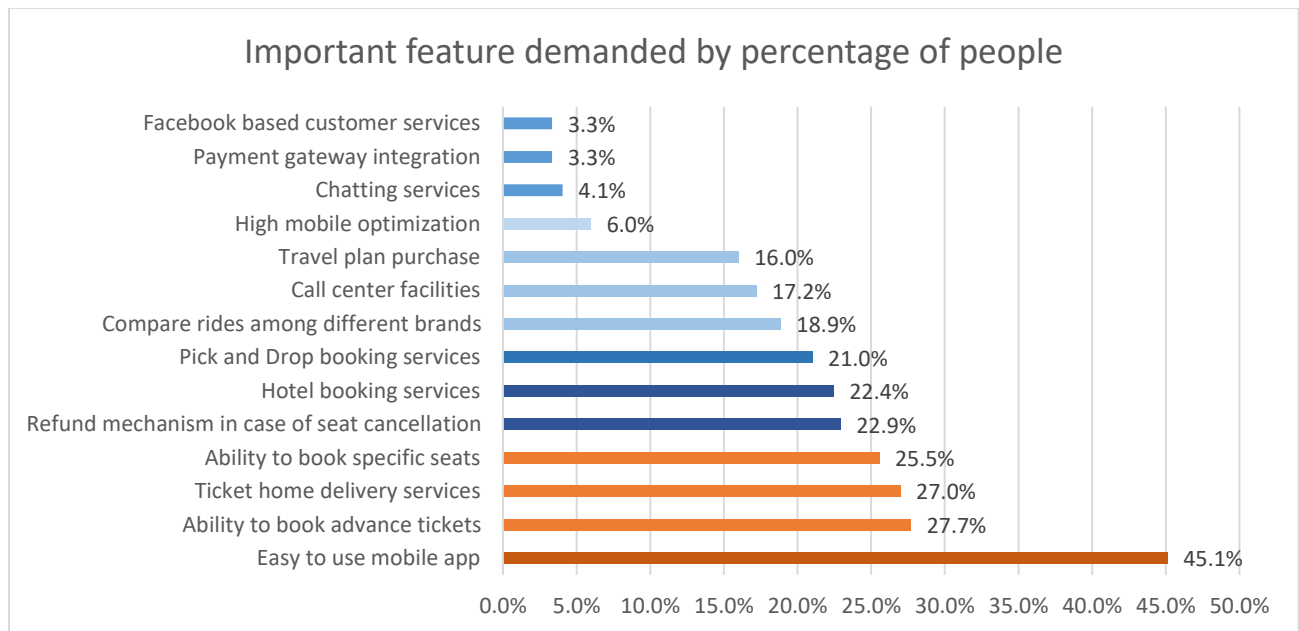
Channels to market to customers:

As we see more than 95% of the customers are baby boomers, gen X, and millennials; majority of these groups of people still read news papers, so we cannot ignore newspaper ads. As almost all of the targeted customers use internet and apps like Facebook, YouTube, Whatsapp etc.; so, digital marketing, social media promotions are absolute necessary. Most people watch TV still whether for TV series, sports or natoks, TV ads are the next most important thing. A well scripted video ad that connects with people easily latches onto customers, the same ad's long format can be advertised on TV and 10-30 second version short ad can be run on YouTube and other social media platforms. Also the service should be accessible on all platforms such as iOS, Android and Web.



Winning Factors:

Important Features Demand:



We see from the bar chart the most demanded feature is an easy to use mobile app. Booking advanced tickets is second most demanded feature from the consumers. Ability to book specific seats and hotel booking services are also very important features demanded by the consumers. So service providers should first prioritize in developing a refined, bug free, intuitive mobile app.

From previous insights here are the winning factors to convert customer into digital:

1. Easy to use & intuitive mobile app
2. Convenient process
3. Integrated easy payment and refund system
4. Quality customer service
5. Variety of payment method like bKash, cash on delivery, card payment, internet banking etc.
6. Better quality and safer vehicle
7. Pickup and drop off service from/to station/ports and home/hotel
8. Along with travel tickets, providing movie tickets and hotel booking services in the app will be extremely attractive feature