# Cyclistic Case Study

Increase the number of annual subscribers

Author: Irakli Bulia
Date:    2021/12/13

# The problem

## Company

Cyclistic offers a fleet of 5,824 bicycles that are geotracked and locked into a network of 692 stations across Chicago.

## Context

Cyclistic's finance analysts have concluded that annual members are much more profitable than casual riders, maximizing the number of annual memberships will be a way of success for the company.

## Problem statement

Design marketing strategies aimed at converting casual riders into annual members.

# Challenges

**Study customers**

**Analysis**

**Marketing Strategy**

Find out how do annual members and casual riders use Cyclistic bikes differently?

Why would casual riders buy Cyclistic annual memberships

How can Cyclistic use digital media to influence casual riders to become members

# Current Tariff Plans

## Single Ride

$3.30/trip

One trip up to 30 minutes.

## Day pass

$15/day

Unlimited 3-hour rides in a 24-hour period.

## Annual Membership

$9*/month

Unlimited 45-min rides.
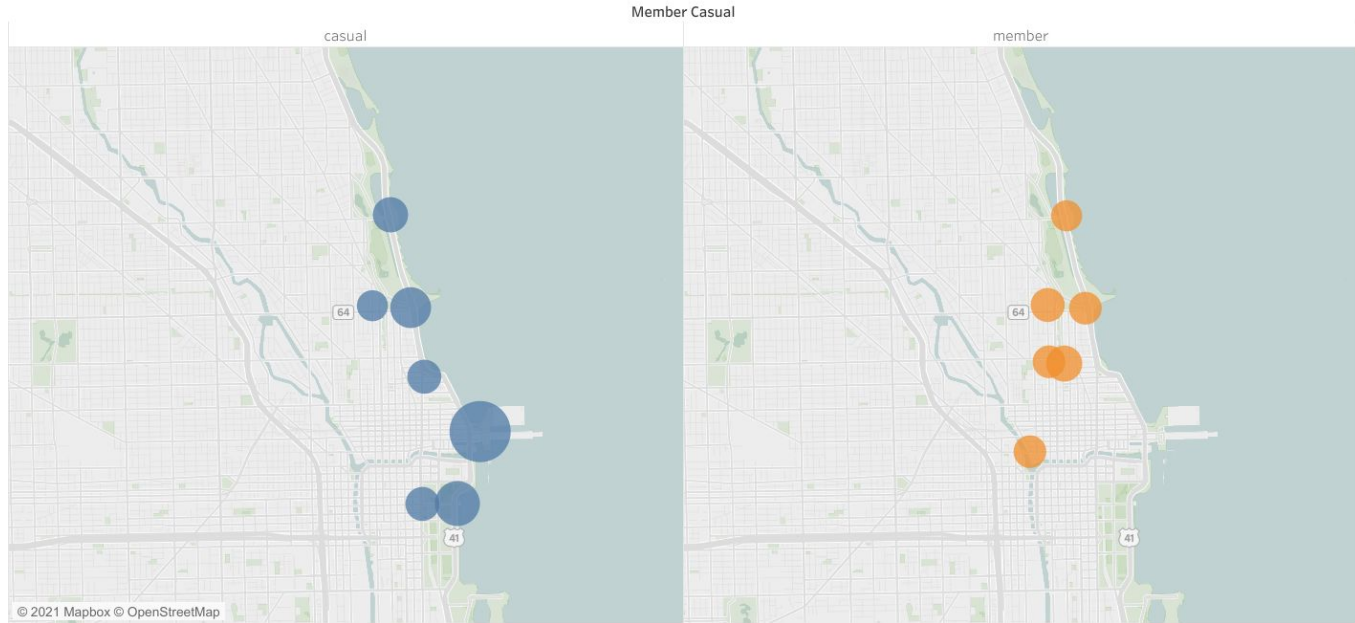
*$108 BILLED UPFRONT ANNUALLY

# Findings

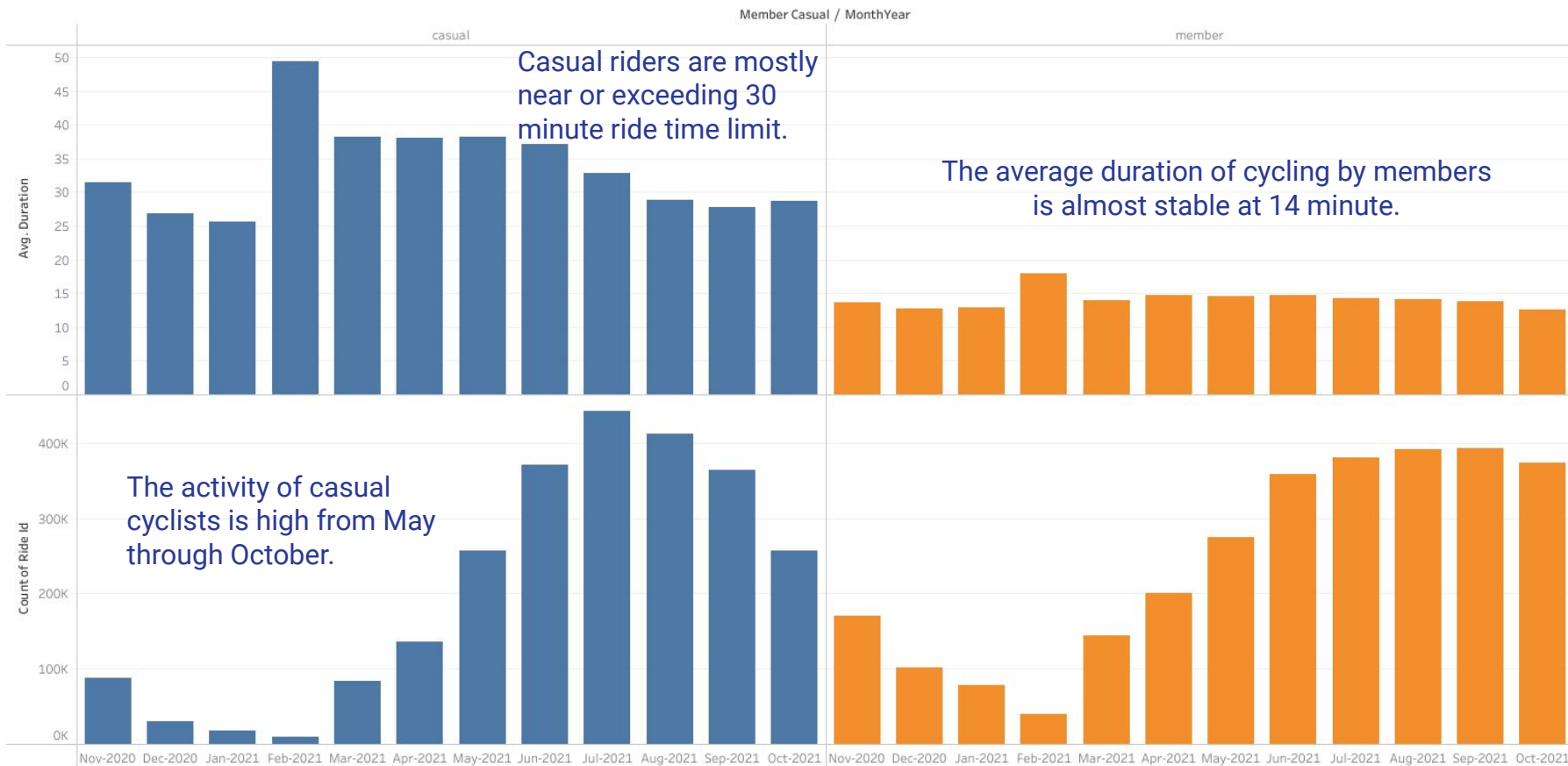# Members complete more rides than casual cyclists by 8%.

Casuals Vs. Members
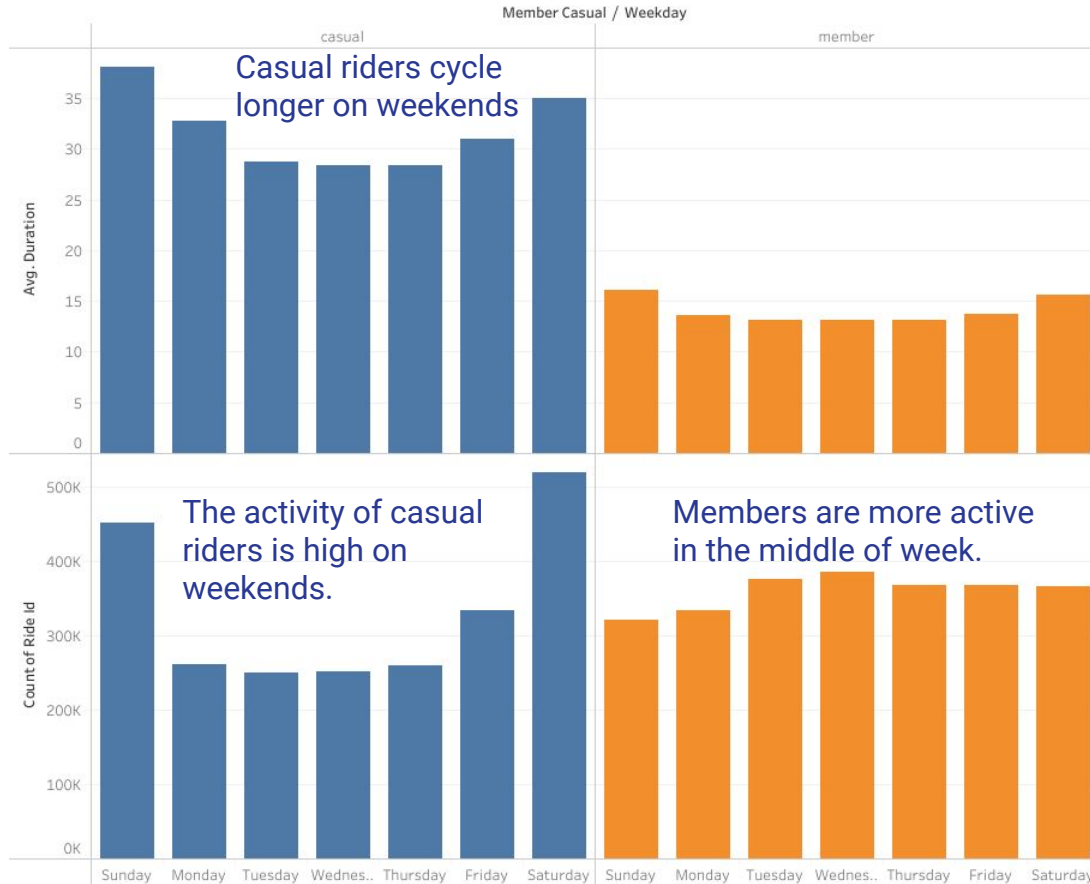
45.935%

54.065%
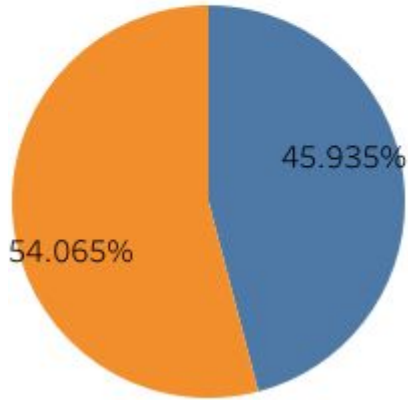
Popular Stations | Casuals Vs. Members

Member Casual

casual

member

© 2021 Mapbox © OpenStreetMap

Members and casual riders have different popular places.

# Trip Avg.Duration/Number by Months | Casuals Vs. Members



Casual riders are mostly near or exceeding 30 minute ride time limit.

The average duration of cycling by members is almost stable at 14 minute.

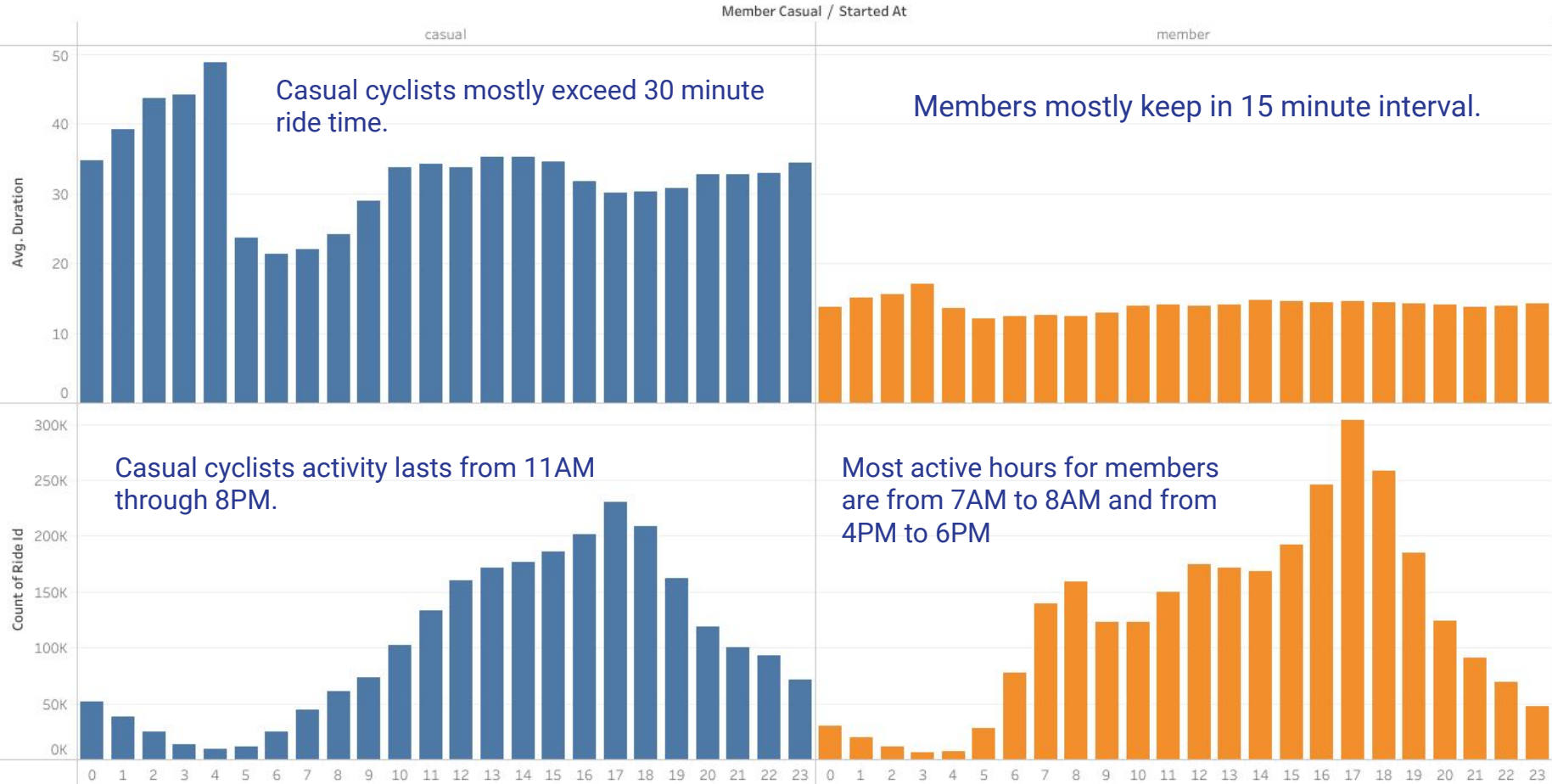The activity of casual cyclists is high from May through October.

Trip Avg.Duration/Number by Day of Week | Casuals Vs. Members

# Trip Avg.Duration/Number by Hours | Casuals Vs. Members



**Member Casual / Started At**

casual — member

Casual cyclists mostly exceed 30 minute ride time.

Members mostly keep in 15 minute interval.

Casual cyclists activity lasts from 11AM through 8PM.

Most active hours for members are from 7AM to 8AM and from 4PM to 6PM

# Distribution of Trip Duration on Weekends | Casuals Vs. Members | March-October



Customers average trip duration is exceeding 30 min on weekends from may to september.
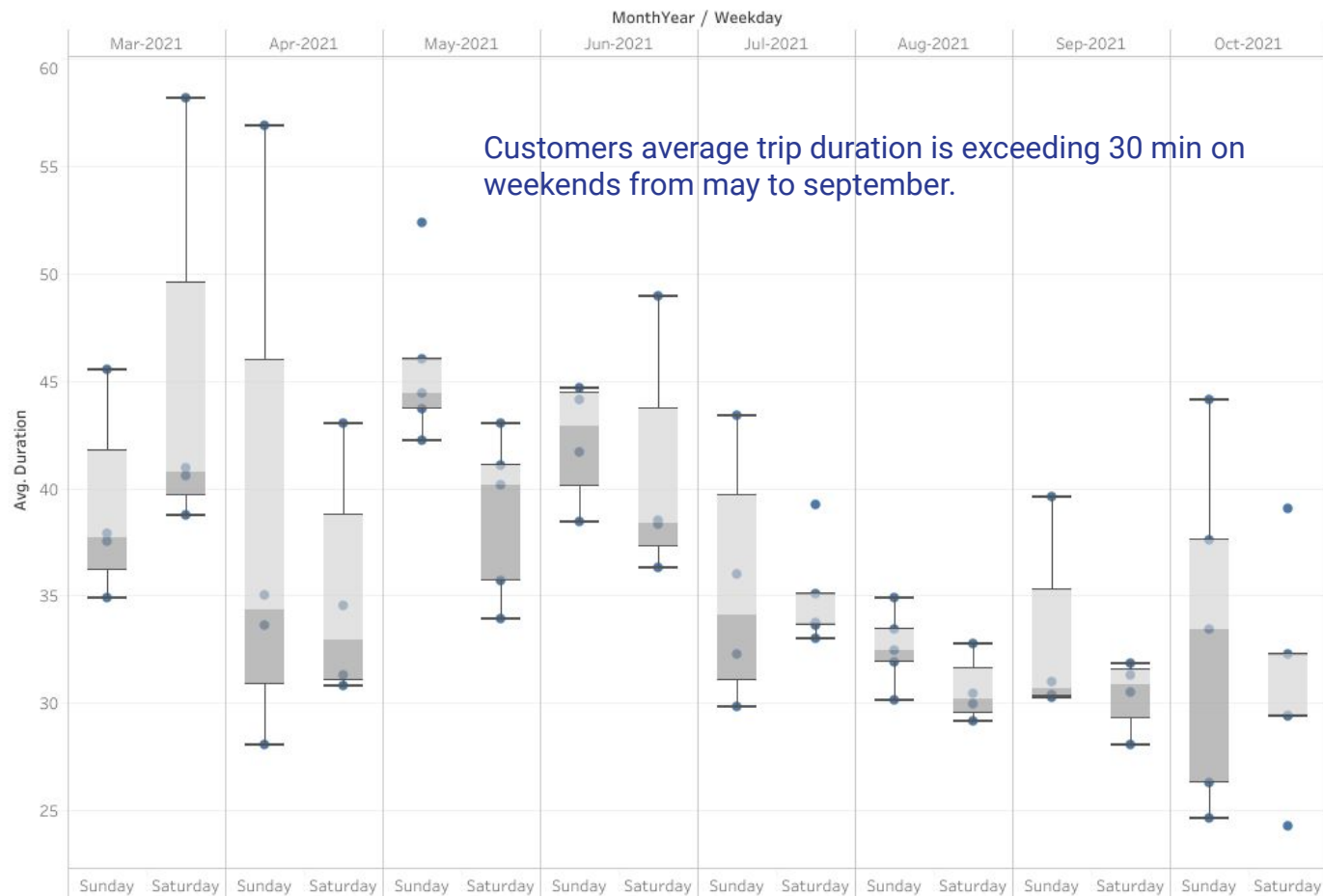
Bike Type Popularity by Months | Casuals Vs. Members | March-October
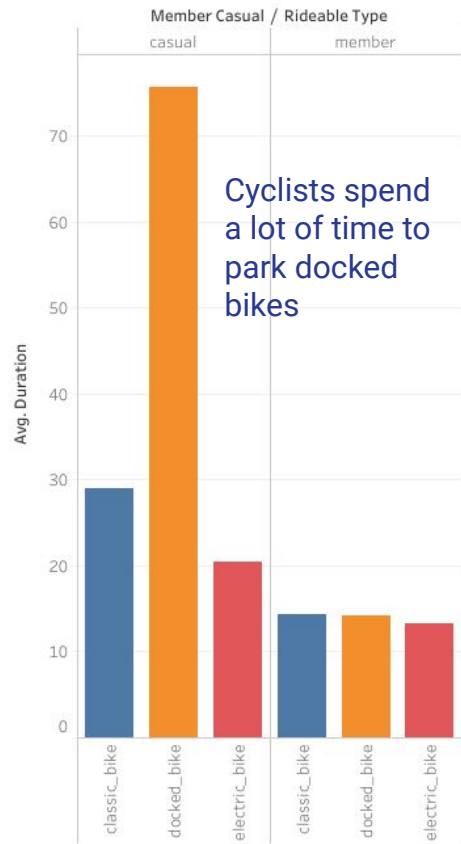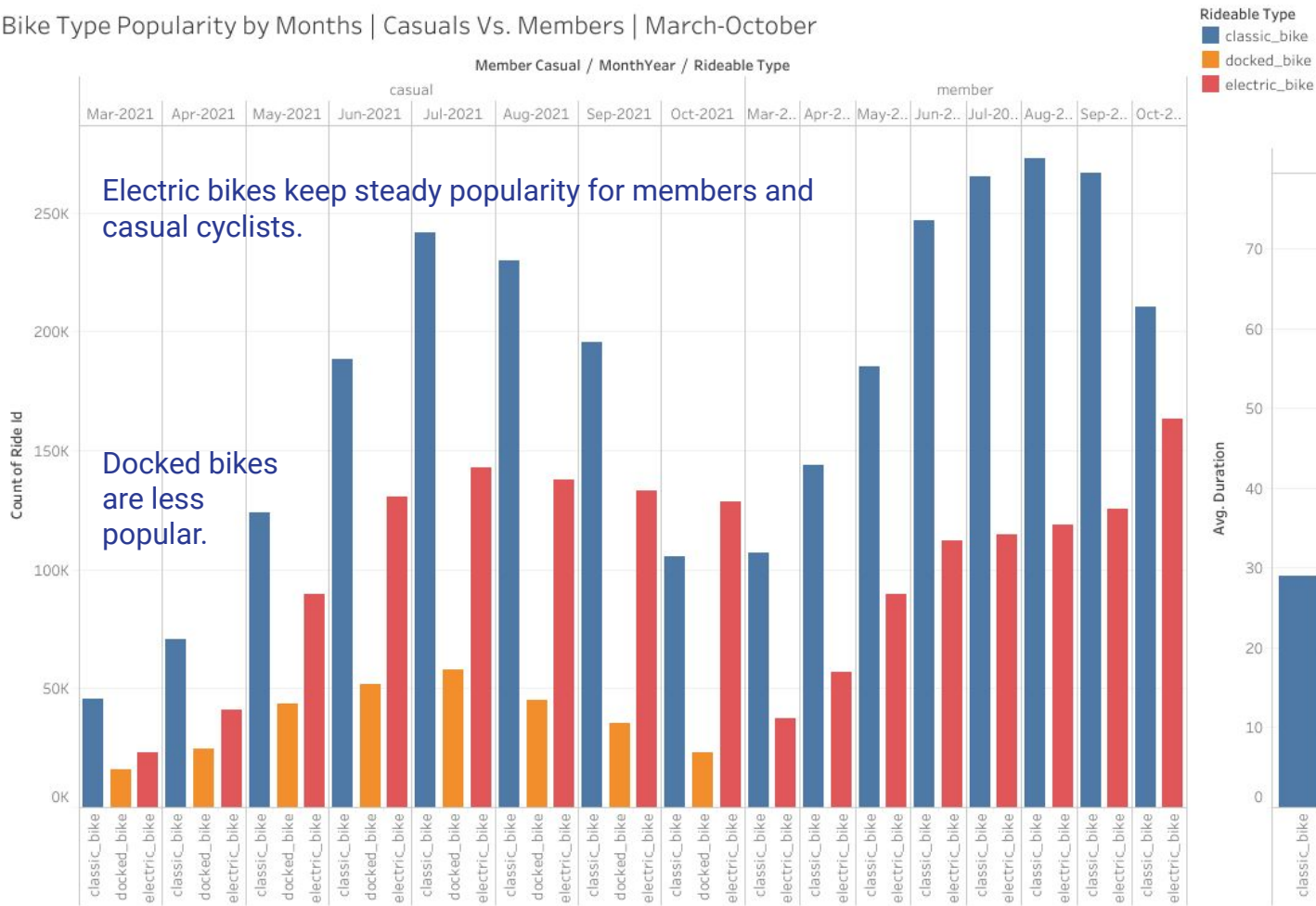
# Recommendations

# New plans

## Monthly membership

Targeted at:

- Casual cyclists, cycling regularly on weekends.

- Tourists visiting city for couple of days.

## Semi-Annual membership

Targeted at:

- Casual cyclists during warmer months - could potentially upgrade to an annual plan after a happy 6 months.

## Increased free ride time

- Motivate customers by giving them extra free cycling time when they buy new tariff plans.

# Next Steps

Identify unique customers.
Link ride details to customers tariffs.

Identify how daily pass and single trip owners use bikes differently

Ask about required improvements, new ideas, recommendations

Estimate customers number switching to new subscription plans

Expected income (gain/loss) throughout the year from new plans

## Data analyses

## Customer survey

## Estimation

Calculate extra minutes, and additional payments

How satisfied are they with Cyclistic services

Would they benefit from new plans

Specify new subscription plan prices

# Digital media advertisement

## Cyclistic App

In-app notifications:

- About bicycles environmental friendliness.

- About the health benefits of cycling.

- About various use cases demonstrating the financial benefits of cycling.

- Offer the most suitable plan depending on the cyclist's driving history.

## Social Media Sites

Advertising on digital media:

- Company's social network pages.

- Sponsored articles on popular websites.

**Github.com** Case Study Roadmap

**Medium.com** Complete Description of the Analysis Process

**Kaggle.com** Data Analyses in R Notebook

**Tableau.com** for Visualizations