

# Cyclistic's Customer Type Differences on Bikes Use



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# Agenda

## Cyclistic's Customer Type Differences

Problem

01

Objective and Goals

02

Data Insights

03


Conclusions

04

Recommendations

05





What are we talking  
about?



## **Problem**

Annual members are much more profitable than casual riders.



## **Solution**

Maximizing the number of annual members by converting casual riders into members.

# Business Task

Identify how **casual riders** and **annual members** use Cyclistic bikes **differently**.



# Analytical Goals for our discussion today:

1

Examine the number of rides and ride length for casual customers and members according to day of week and hour of the day

Identifying trends throughout the week and hour of the day can help understand how both types of customers use Cyclistic bikes differently, spotting patterns that will help us draw conclusions that serve business needs

2

Examine seasonal, geographic and bike preference trends in Cyclistic bike usage for casual customers and members

Understanding seasonal, geographic and bike preference trends in how both types of customers use Cyclistic bikes can help forecast docking station needs and inform planning

3

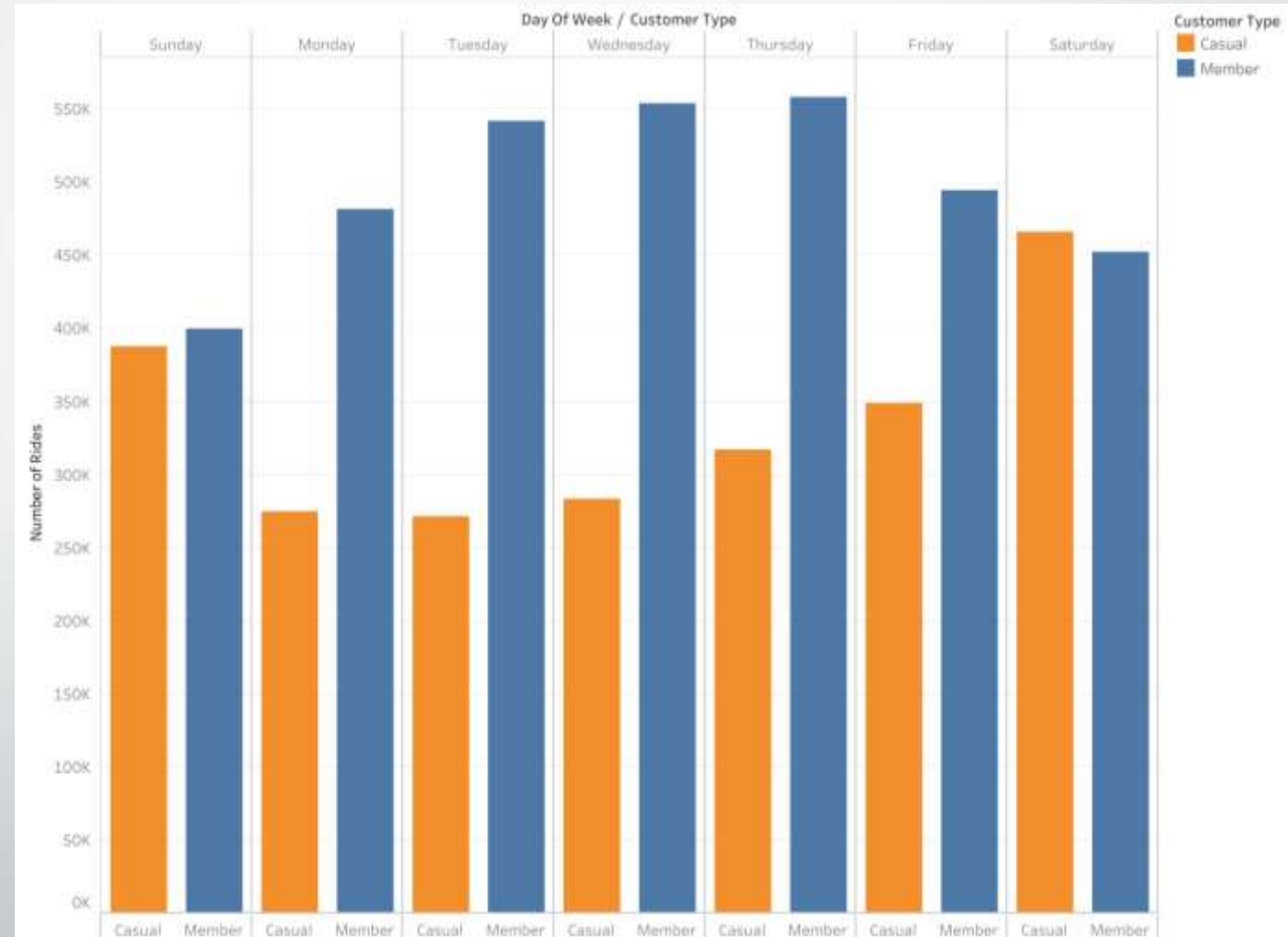
Discuss any potential actions Cyclistic can take based on their business needs and any potential areas for further exploration

There are many different next steps and important actions that Cyclistic can take based on the insights presented, just as further analysis needed to perform

## Number of Rides by Day of Week

- Data limited to rides where bikes were not part of Quality Control and less than 10 seconds of duration.
- **Members** take much **more** rides than casual customers on **weekdays**, but the number of rides **stabilizes** on **weekends**.
- **Members** take **more** rides overall compared to casual members, with the exception of Saturdays.

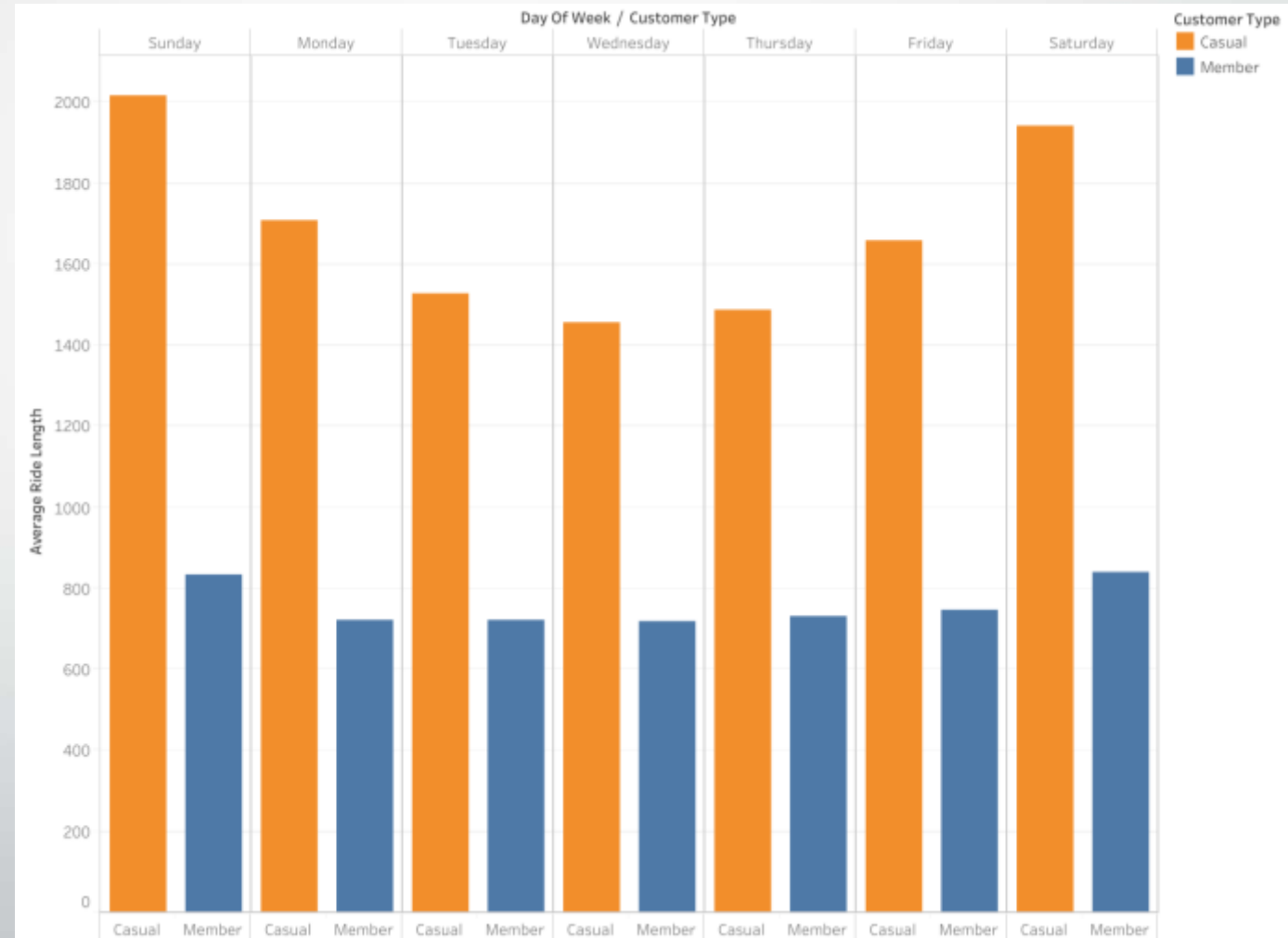
Number of Rides by Day of Week and Customer Type



## Average Ride Length by Day of Week

- The average ride length for **casual** customers is **much longer** than members for all days of the week.
- Rides are **longer** for both types of customers on the **weekends**.
- For casual customers, the average ride length is somewhat higher on Mondays and Fridays than the rest of the weekdays, while for members it's the same but much steadier overall.

Average Ride Length by Day of Week and Customer Type

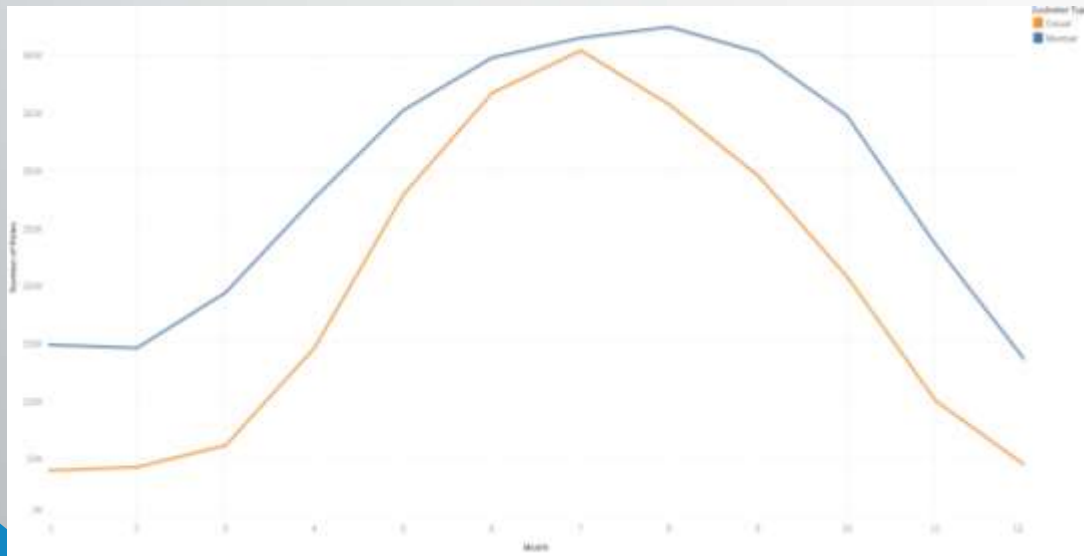




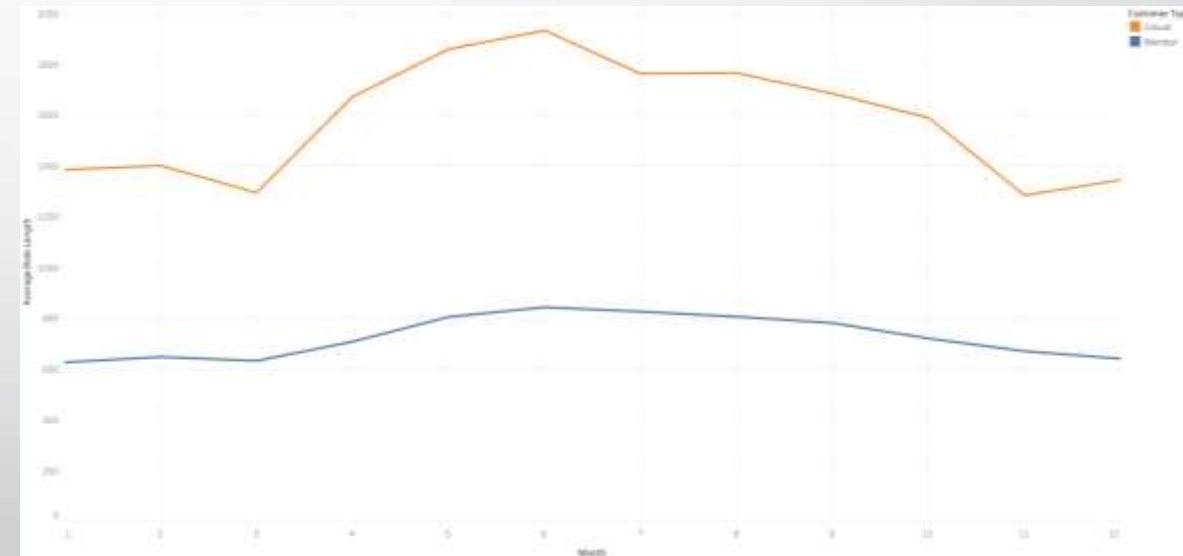
## Seasonal Trends in the Year from May 1<sup>st</sup>, 2022 through April 30<sup>th</sup>, 2023

- Both types of customers take many **more** bike rides in the **summer** and **fewer** in the **winter**.
- **Casual** customers also take **longer** rides in the summer, from **May** through **August**, while for members this trend is also present but much less prominent.

Number of Rides by Month and Customer Type



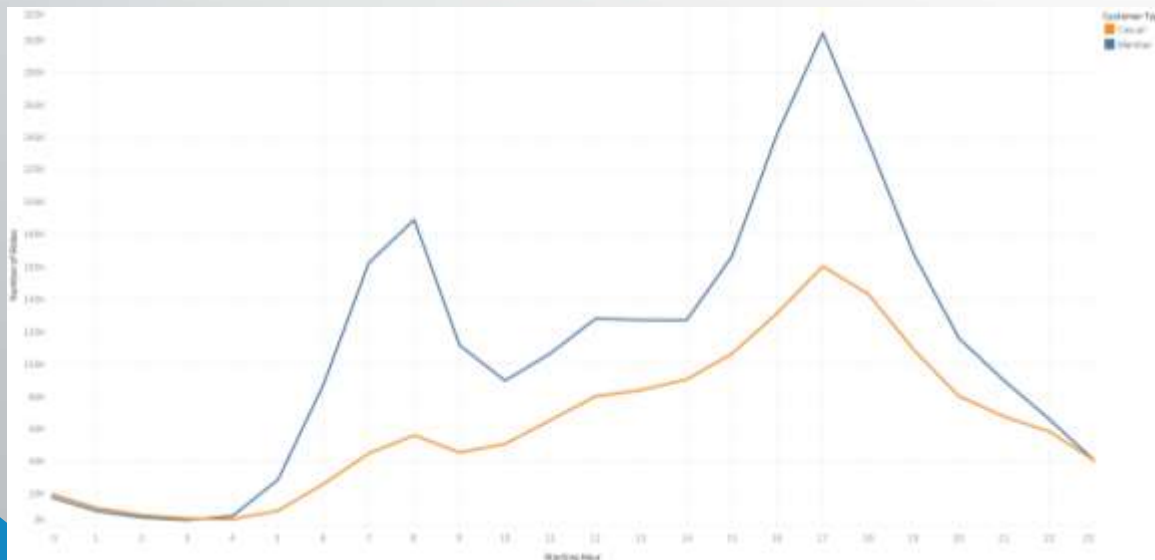
Average Ride Length by Month and Customer Type



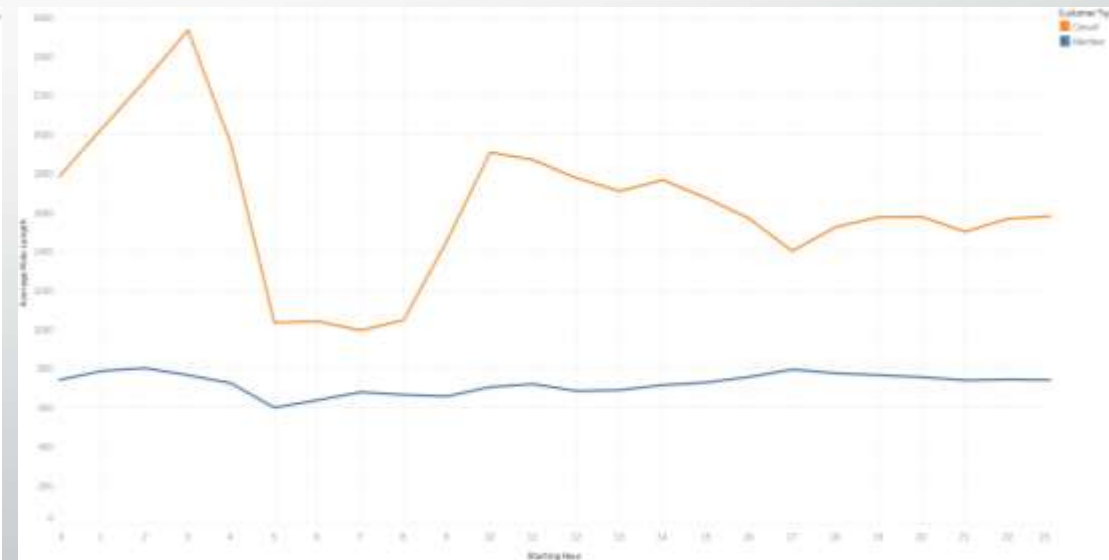
## Hourly Trends

- On **weekdays**, the **peak hours** for members and casual customers are from 15:00 to 19:00, with the highest traffic observed at **17:00**; **members** also exhibit a trend of increased bike rides in the **morning** hours.
- Casual customers** have **longer** average ride lengths during the night hours (2:00 to 6:00), indicating longer rides for **late-night** leisure activities. They also exhibit longer rides in the **morning**.
- Members** exhibit more **consistent** ride lengths throughout the day.

Number of Rides by Hour for Weekdays



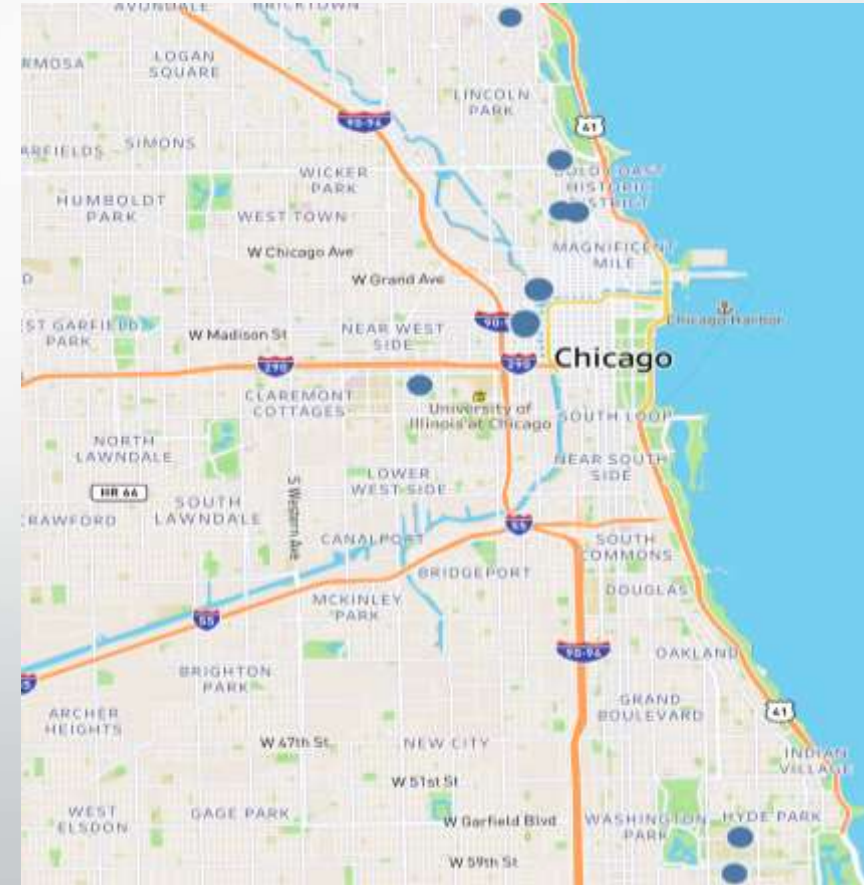
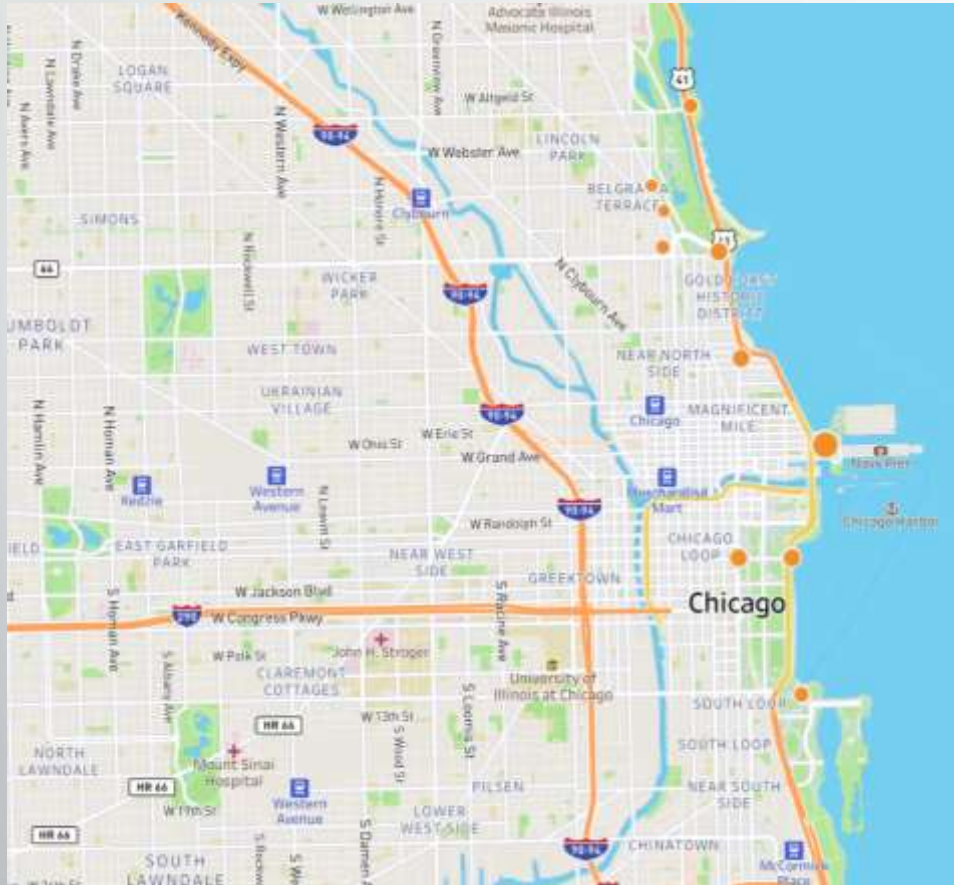
Average Ride Length by Hour for Weekdays



# Most Popular Stations

- Casual customers tend to frequent stations near the coast, close to parks, beaches, aquariums, lakes and other touristic places like museums.
- Members frequent stations in urban areas with corporate buildings, universities and residential zones.

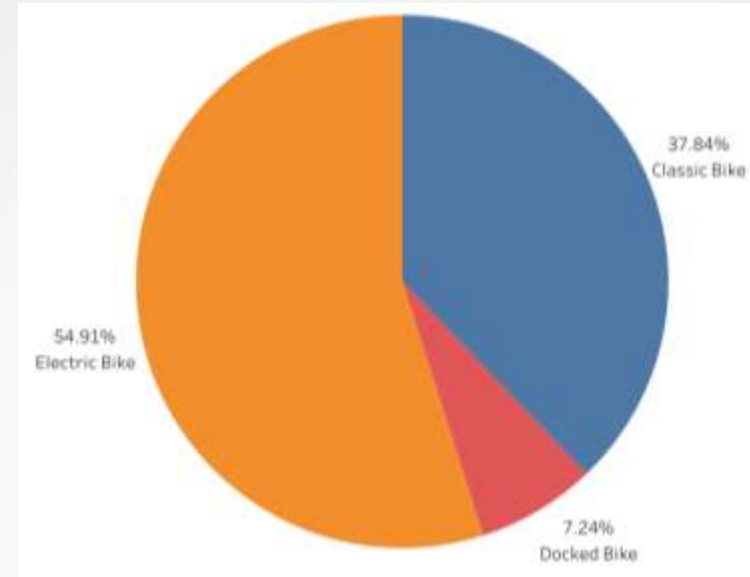
Top Ten Most Popular End Stations by Customer Type on Weekdays



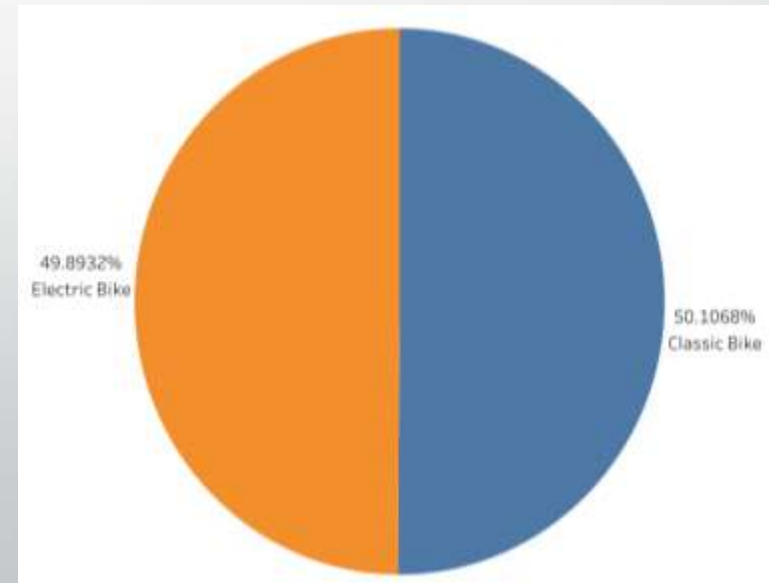
## Number of Rides by Type of Bike

- Casual customers show a strong preference for electric bikes over classic bikes.
- Members don't exhibit a strong preference for a specific type of bike.

Percentage of Rides by Type of Bike for Casual Riders



Percentage of Rides by Type of Bike for Members





# Conclusions

# Conclusions

1

On **weekdays**, **members** take **more** rides but their travels are **much shorter**.

On the **weekends**, both types of customers take the same number of rides but **casual** customers take **much longer** rides.

On **weekdays**, there's a **high** demand for Cyclistic bikes in the **afternoon** and **evening** hours; on **weekends**, the peak demand occurs throughout **daylight** hours.

2

Overall, **members** take **more** rides, whereas **casual** customers take **longer** rides.

Overall, people take **more** rides in the **summer** and **fewer** in the **winter**.

**Casual** customers frequent stations near **coastal** and **waterfront attractions**, while **members** frequent stations in **urban** areas with corporate buildings and residential zones.

3

**Casual** customers show a strong **preference** for **electric** bikes, valuing their convenience for leisure and tourism activities.

There are **two** segments of **casual** customers: **local** recreational casual users, and **tourists** who don't live in the Chicago area.

**Casual** customers use bikes mainly for **leisure**, while **members** use them mainly for **day-to-day** travels.



# What should Cyclistic start doing now?

## 1. Focus on the segment of local recreational casual customers with marketing campaigns

Cyclistic needs to mainly address the segment of local recreational casual customers with marketing campaigns that focus on the cost-effectiveness of the annual membership for both recreational and everyday activities, highlighting the eco-friendly benefits too. This should be done mainly in the summer, when there's a peak in casual riders, and with outdoor advertising near the most popular stations.

## 2. Adjust Cyclistic pricing plans and limits

Cyclistic should increase the price of single-ride and full-day passes, adjust the limits and restrictions for their pricing plans, and implement overcharging measures for rides that exceed the maximum allowed time to encourage casual members to convert into annual members.

## 3. Address casual customers with special marketing campaigns during the winter

Cyclistic should offer special discounts, free trial periods and exclusive benefits for memberships in the winter. They should also implement ride challenges with rewards during the winter months to increase usage and engagement. Cyclistic should also develop seasonal campaigns that highlight the advantages of using Cyclistic bikes during the winter.

## 4. Consider how Cyclistic can optimize docking station practices for electric bikes during the summer

Cyclistic should optimize docking station practices during the peak summer season for electric bikes, taking into account the most frequented stations during this period as the Cyclistic demand for electric bikes is very high and might lead to bike deficit.

# Further Exploration

- Track the bike usage patterns of Cyclistic users over an extended period to assess sustained engagement and usage modifications for both types of customers, and identify opportunities for membership retention and conversion.
- Conduct surveys to collect feedback from casual customers who have converted to members to understand their motivations for the conversion and identify areas for improvement in the membership program; general user surveys and feedback can also help understand their experiences and satisfaction with Cyclistic bikes and stations.



# Thank you!

