Cyclistic Annual Memberships Potential

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Executive Summary

- Cyclistic Annual Memberships typically use bikes for **less time, but take more trips than casual members**

- Key Takeaways
  - Annual Members average trip time is constantly under **20 minutes** after April 2020
  - Casual members take less trips with their average trip usually being over **30 minutes**
  - Both categories of user **see significant growth during spring and summer months, but casual users fall off much harder during winter months.**

- In order to convert more casual members to annual members, **we must find a way to incentivize shorter trips**

Our Goal

- The Cyclistic Marketing Analyst Team has identified the potential for **casual members** to be inducted as **annual members**. Our goal is to simply figure out how to influence casual members to make the switch to annual membership.

- **Key Questions:**
  - How do causal and annual members differ?
  - How does a annual membership benefit a casual user?
 - What forms of social and digital media can we use to influence casual users effectively?

Data Used

- All data comes from 12 months of Cyclistic trip entries. (In actuality it is licensed from Motivate International Inc. under this license.)
  - These entries data back to April 2020 through April 2021

- Data was thoroughly inspected before performing analysis.
  - Duplicate entries were removed before analysis.
  - Entries with blanks were removed to ensure consistency.
  - Entries with impossible time frames were removed before analysis.

Overall, Annual riders use bikes for less time but take more trips than Casual riders

Average Ride Length By Month
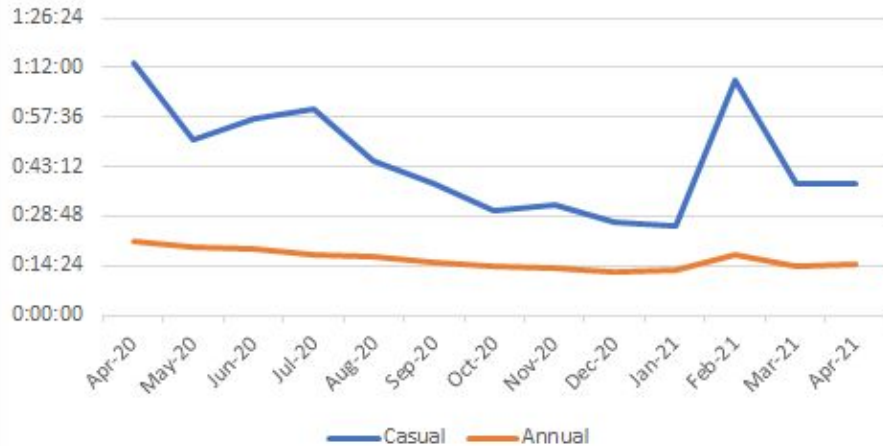
Number of Rides By Month
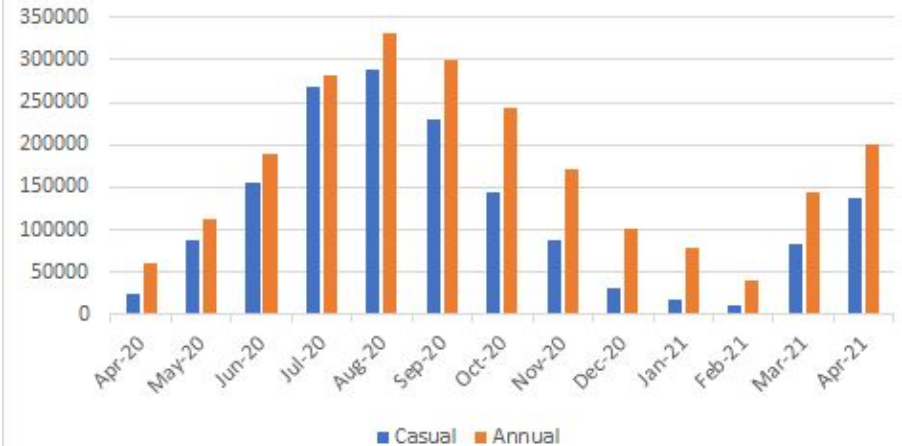
Potential Causes for Casual Riders taking less rides and more time

1. **Product Mismatch**

Hypothesis:

- Casual Members buy Single-Ride and Full-Day passes as they perceive more value than a yearly annual membership

Data Required:

- Pricing data(Cost effectiveness of each plan.)
- Customer usage data(What plans a user buys.)

Analysis Next Steps:

- Identify if Single-Ride or Full-Day passes of more popular with Casual Riders

2. **Marketing Mismatch**

Hypothesis:

- Casual Riders may buy Single-Ride and Full-Day passes as they don't know about annual membership

Data Required:

- Lead generation data(Where did you hear about us from?)
- Online Presence vs In City Presence

Analysis Next Steps:

- Identify where and how Cyclistic Riders hear about Cyclistic products

Product Mismatch: What's our strategy?

1. **Identify which package Casual Members are buying more of, Single Ride or Full Day Passes**

   By using qualitative and quantitative data we can determine which pass Casual Members are more fond of, identify target markets in the Casual Members, and further increase the odds of converting them to Annual Members.

2. **Identify main appeal of more popular pass over the other**

   By figuring out what makes this pass more appealing than the other we can decide if we want to change things to the less popular package or make changes to the more popular package.

3. **Create new test packages or alter existing packages**

   With the main appeal of the more popular package discovered, we can make test products and try them in new segments to see if they can replace older packages. With new products coming in we would also upgrade our annual package to have more benefits.

4. **Test and Record**

   With new products out in the market, we monitor their success or failure and then decide where to go from there.

Marketing Mismatch: What's our strategy

1. **Identify where Casual Members hear about our products from.**

    Being able to accurately identify what forms of marketing work for our product will prove useful in trying to convert more target segments to annual memberships.

2. **Determine the most effective lead generators and market segments we wish to target.**

    After determining where most Casual Members here about us from, we can figure out which segment we would like to market to. We can determine the most popular forms of interaction from surveys or other forms of data.

3. **Begin targeting segments with strategic marketing plans**

    Commence targeted marketing campaigns for our selected target markets. Target other market segments in a more broad way to facilitate comparison.

4. **Test and Record**

    Monitor how effective our targeted marketing is compared to our more broad marketing strategy to determine what works and what doesn't.