Travel Assured Case Study

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Travel Insurance Market Insights

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Introduction

Business Problem

- Due to the COVID pandemic, Travel Assured cut the marketing budget by over 50%.

- A new market strategy needs to be defined for an efficient use of the reduced budget.

- Travel habits of current customers and non-customers need to be analysed.

- We are interested in knowing whether customers travel more often and travel more abroad than non-customers.

Methodology

- We have access to the data of 1987 customers and non-customers with ages in the range of 25 to 35 with a variety of backgrounds and personal circumstances.

- The analysis will cover how the different characteristics of the customers relate to each other to be able to target the marketing strategy to the right sector.

- The language used for the analysis is Python with the libraries Pandas, Seaborn and Matplotlib.

Analysis

What is the distribution of the Customers age and their income?

Age Distribution of Customers


Income of Customers and Age
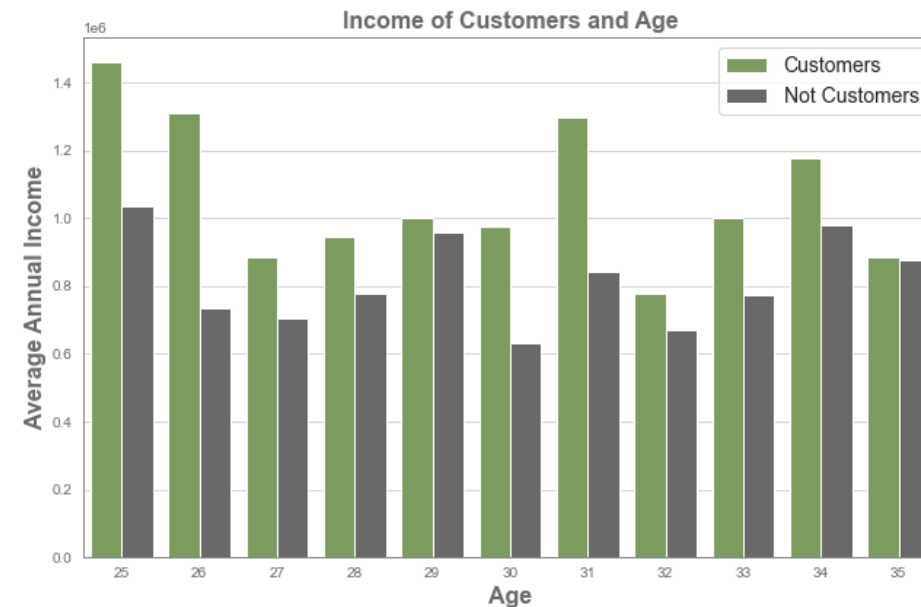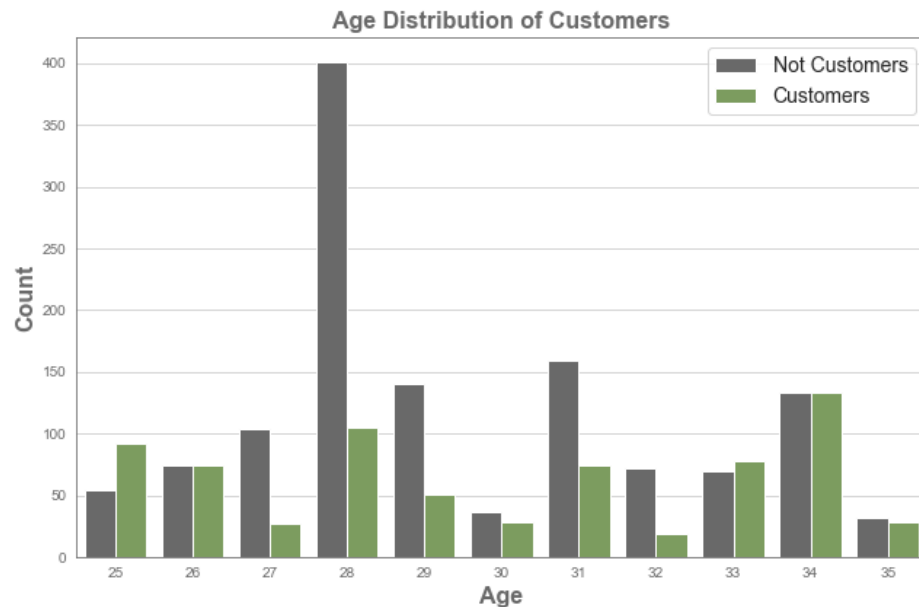
- From the distribution of **Ages** of **Customers** and **Not Customers**, no clear conclusion can be withdrawn.

- The majority of **Customers** have higher income than **Not Costumers**, being the difference smaller as the age of the customer increases.
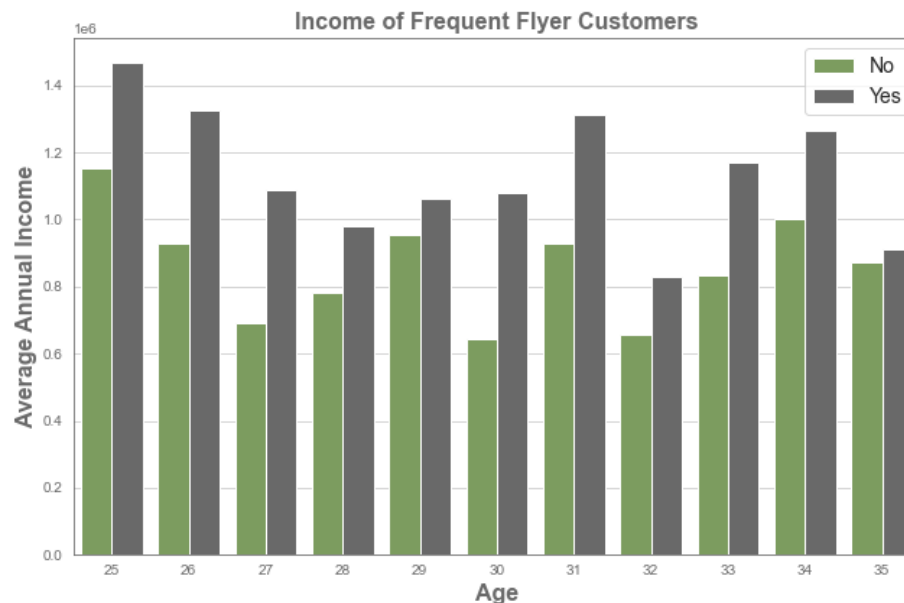
Mean Customers Annual Income: 1,065,309.90
Mean Not Customers Annual Income: 816,824.49

Analysis

How does the Frequency of flying affect Customers/Not Customers?

Customers that are Frequent Flyers

Income of Frequent Flyer Customers
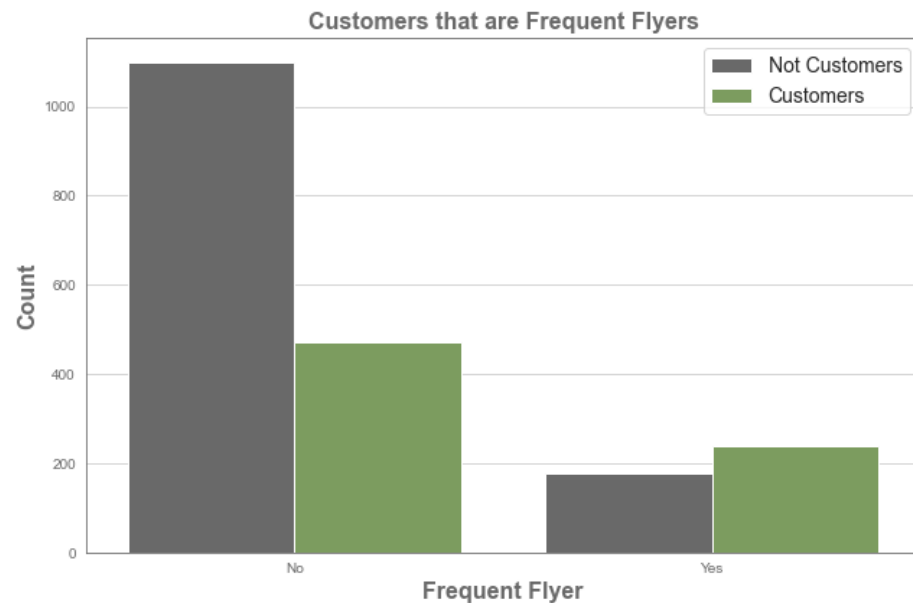
- The number of **Not Frequent Flyers** that are **Not Customers** is more than twice as large as the **Customers**. However, the majority of **Frequent Flyers** are **Customers**.
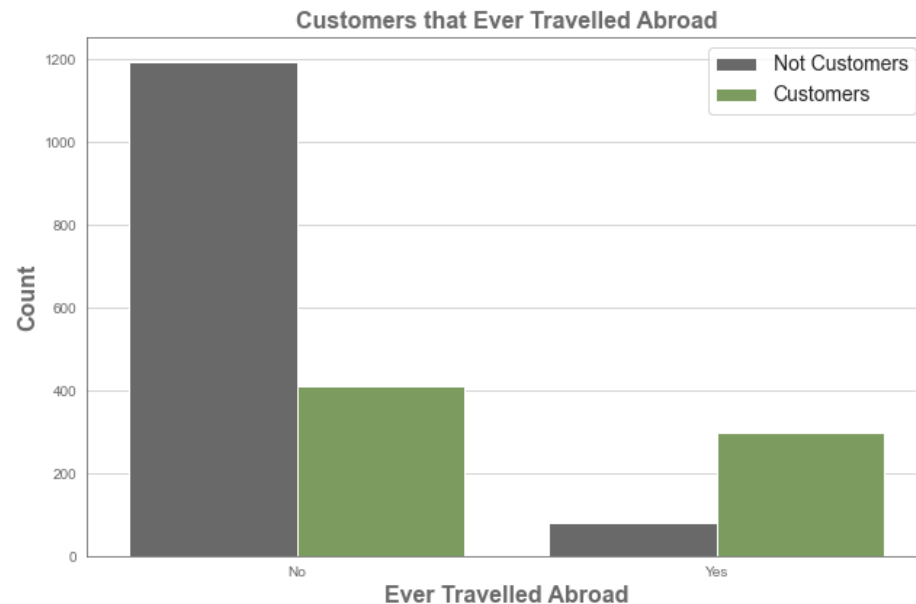
- In general, travellers with a greater **Annual Income** tend to travel **More Frequently** than those with a lower income.
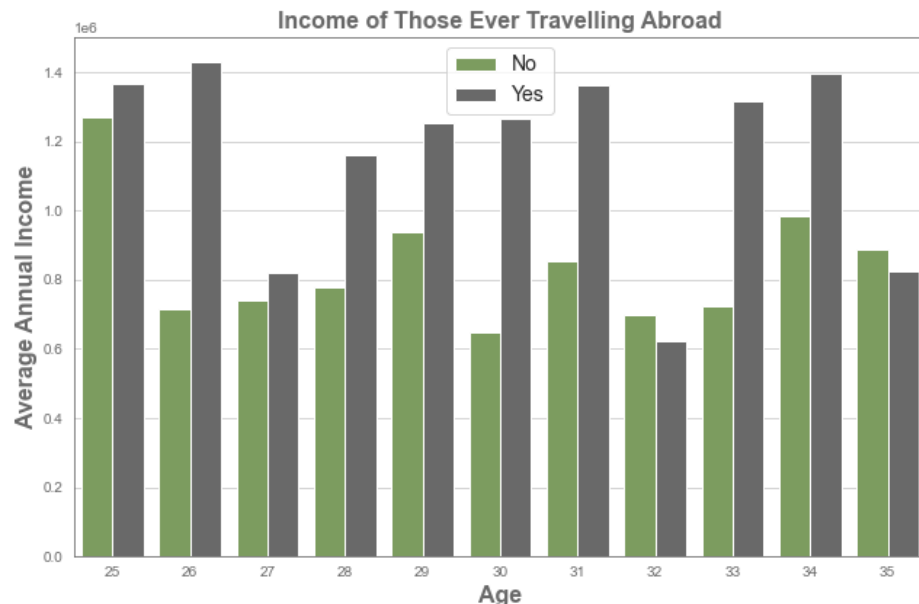
Mean Customers Annual Income: 1,135,841.08
Mean Not Customers Annual Income: 859,232.23

Analysis

How does it impact the fact that Customers have Never Travelled Abroad?

Customers that Ever Travelled Abroad

Income of Those Ever Travelling Abroad

- One-fourth of the travellers that have **never** been abroad are **Customers**. However, only one-fifth of the travellers that **have been abroad** are **Not Customers**.

- The Income of travellers who have been abroad tends to be higher except for two age groups (32 and 35).

Mean Customers Annual Income: 1,165,423.07
Mean Not Customers Annual Income: 838,936.61

Analysis

What this the relationship between Family Members and Customers?

Family Members of Customers

Income of Customers and Family Members

- Families with an amount of members **greater or equal to 6** are more often **Customers** than smaller families. This could be due to large family discounts.

- Different family sizes have a similar income regardless of them being **Customers** or **Not**. However, the income **difference** between them is **36.51%**.

Mean Customers Annual Income: 1,107,966.75
Mean Not Customers Annual Income: 811,633.59

Analysis

Additional Analysis

- Travellers that **have been abroad** tend to be **more frequent travellers**.

- The fact that travellers are **Graduates** or **Not** does not affect whether they choose to buy our travel insurance.

- **Chronically Ill Travellers** tend to buy more often our travel insurance than **Healthy Costumers**.

- Travellers from the **Government Sector** tend to buy less often our travel insurance than those of the **Private Sector**.

Travel Assured
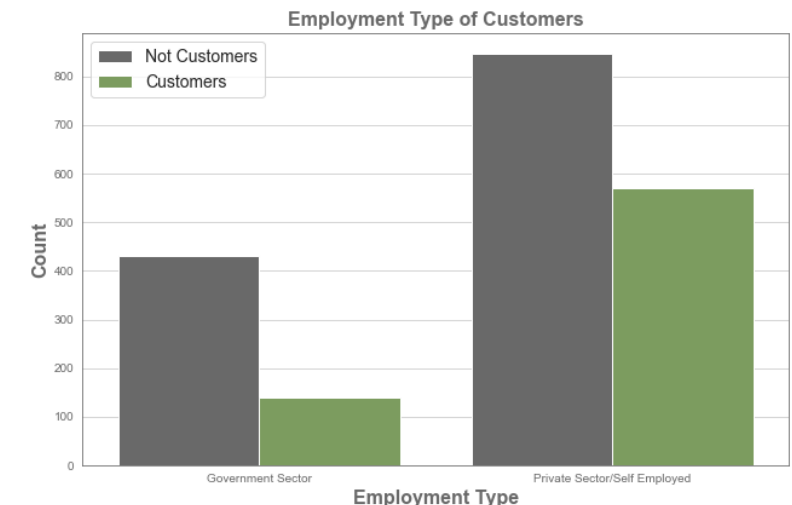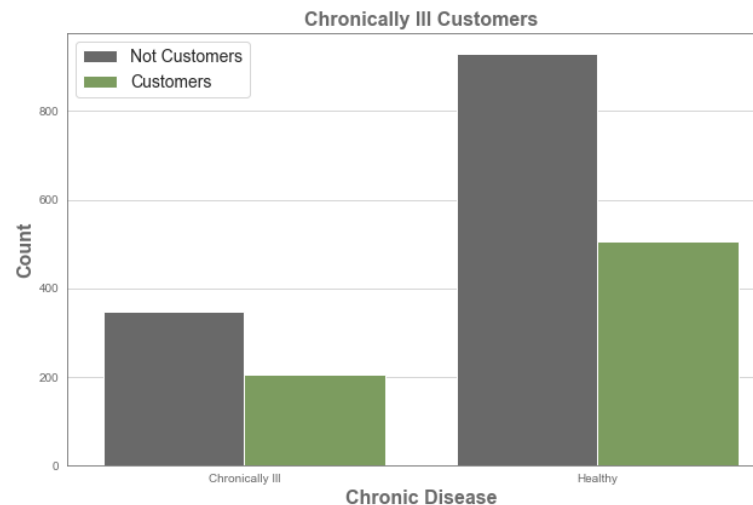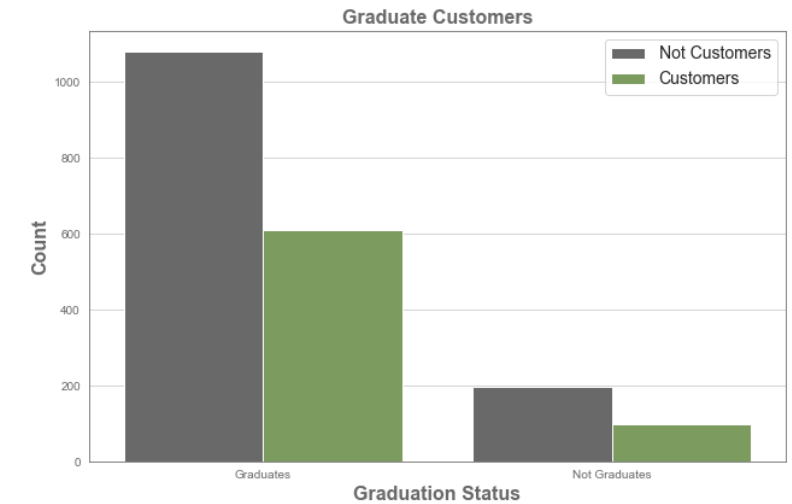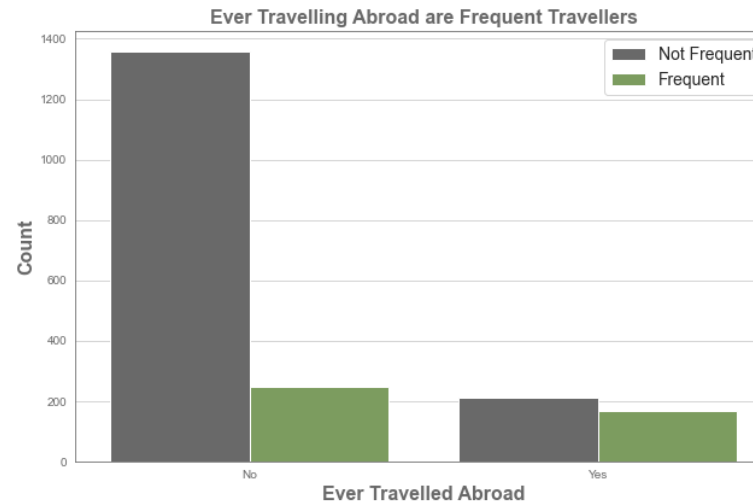
Conclusions

Good Engagement Rate

The Percentage of travellers that are Customers is 35.73%.

The Annual Income of Customers is Key

Our Customers have an Annual Income 30.42% higher than Non-Costumers.

Frequent Travellers are Keen on Being Insured

Travellers with a greater Annual Income tend to travel More Frequently than those with a lower income. The majority of Frequent Flyers are Customers.

International Travellers Need Being Insured

Only one-fifth of the travellers that have been abroad are Not our Customers.

Larger Families get Insured More Often

Smaller Families (less than 6 members) should be targeted to incentivise them to be insured. Discount plans could be revised.