

Expedia's Advertisement in Relation to the Type of Users?

Abstract: Advertising is a key part of marketing spending by Expedia. In our model, we show how Expedia can improve advertising decisions for day-time and night-time mobile users with or without children. In addition, we do a map analysis for different income earners. 64% of total mobile users are also day-time users, while the remaining 36% are night-time users. We then subdivide the night and day variables into six different combinations: in terms of travel price and whether or not an individual user has children. The historical purchase price is categorized into a range of low, medium and high.

Despite there being greater percentage of day-time users than night time users, there is also a similarity of the distribution, when you consider both children and no children crossed with the three levels of historical purchase price. We notice that there is a greatest percentage of individual night-time users with children are willing to spend for hotel prices that are in the medium range. The second biggest proportion is the night-time users with no children, targeting medium-income travel. The similar pattern applied to day-time users. Furthermore, from our map analysis we notice that in San Francisco, there is a cluster of high-income earning individuals interested in expensive traveling and vice-versa.

In conclusion, a good approach would be for Expedia to invest in advertise by identifying night-time and day-time user preferences:

1. Affordable travel destinations, since a greater portion of night-time and day-time users are interested in traveling to medium-price range travel destinations.
2. Cheaper travel destinations for night-time users, since there is a clear proportion of individuals with children who are interested in traveling to low-price destinations.
3. From our map analysis, high median income places have clusters of people traveling for expensive travel, whereas we also notice that medium/low income places have clusters of people interested

Given our analysis, we suggest that Expedia should invest more money into gearing advertising towards the group of people suggested above, at specific location times.