

Flying Whale Airlines

Business Intelligence Report

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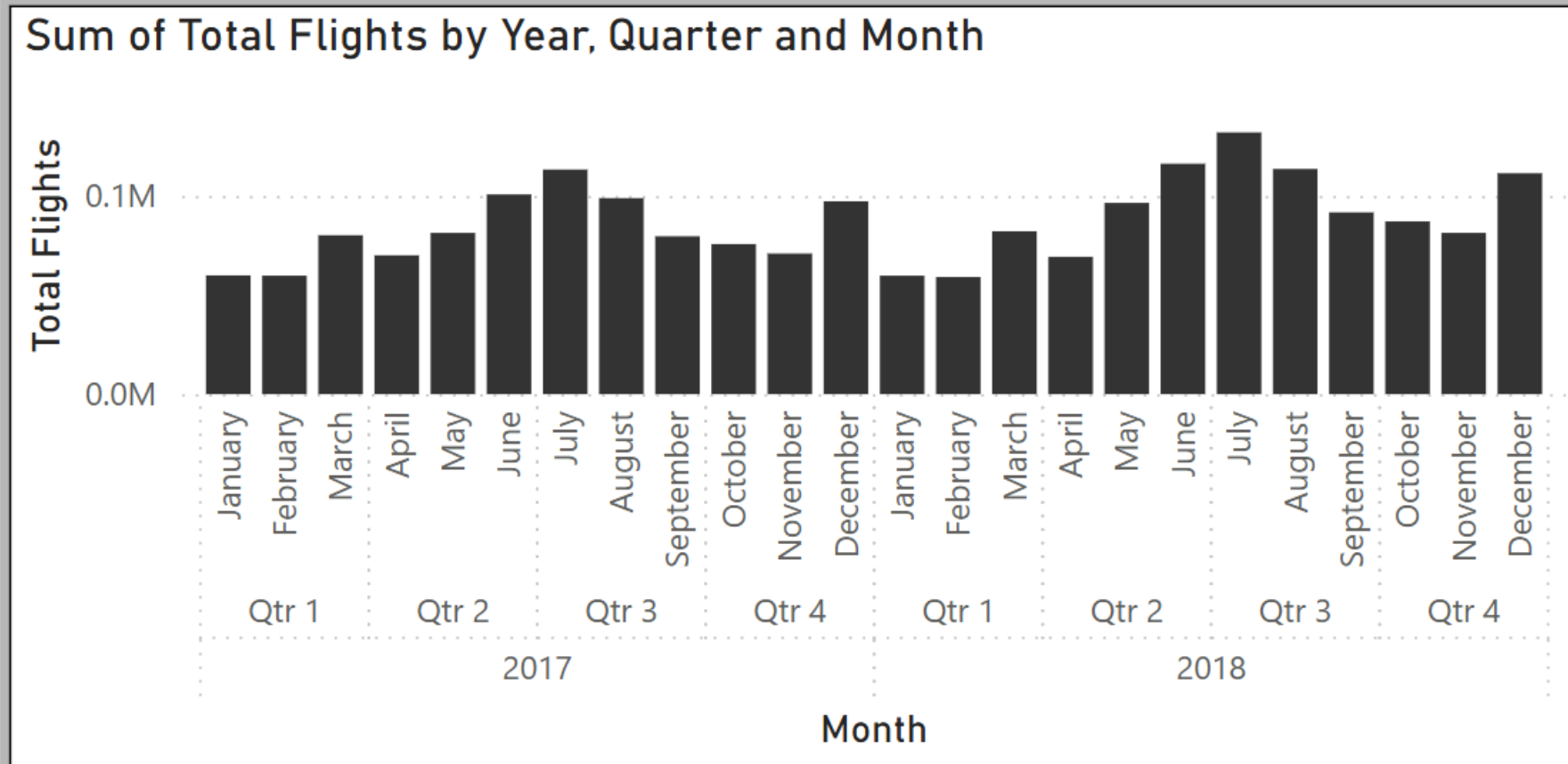
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Agenda

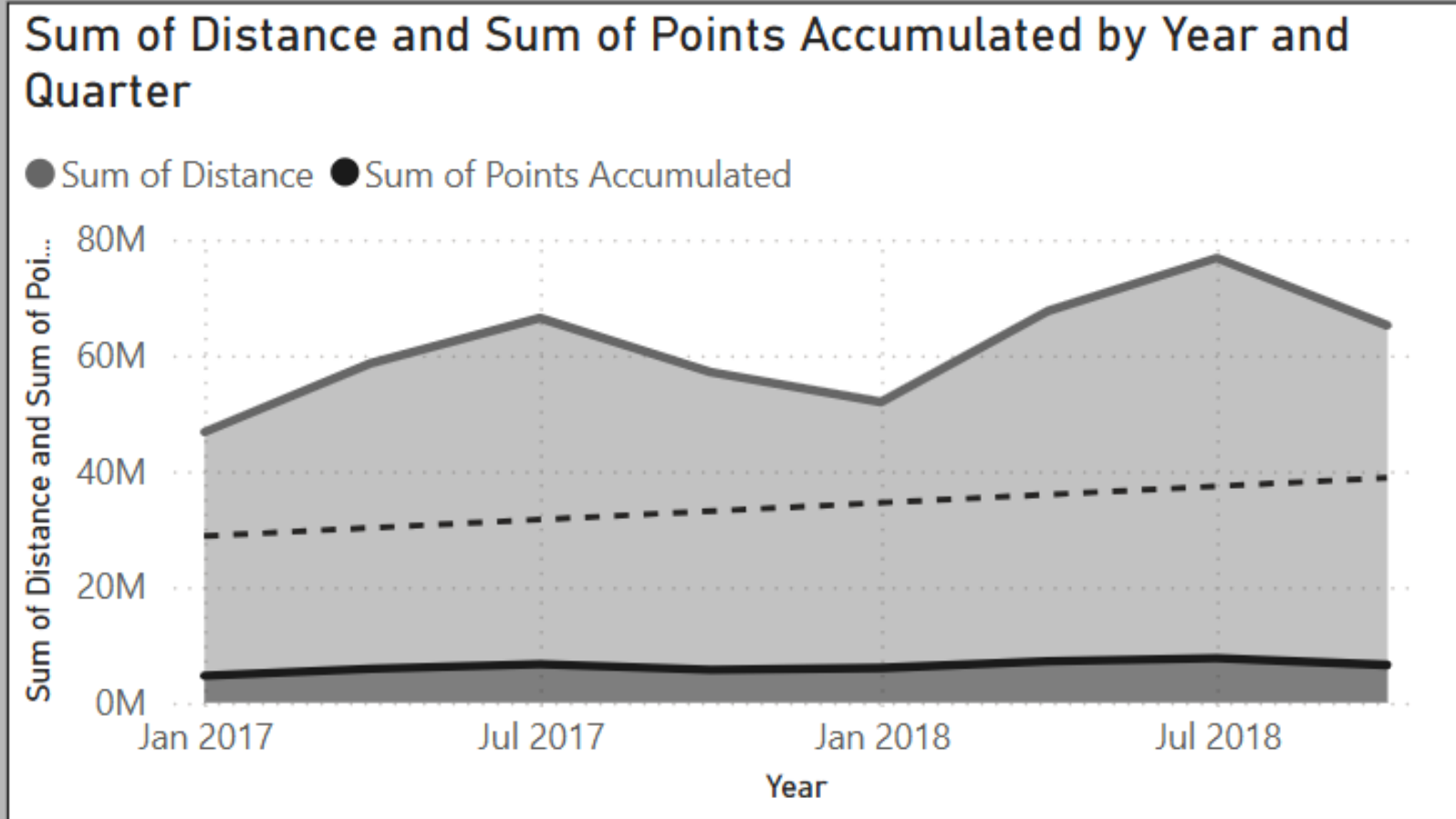
- The customer retention rate for loyalty programs has fallen from 89% to 87.6% in the year 2018.
- Identify the parameters impacting customers to improve customer experience.
- Improvements & Recommendations to maximize the effectiveness of loyalty program

Key Performance Metrics



- Over 2 million flights took off in the year 2017-18
- Majority of these flights were recorded in the months of June, July, August and September.

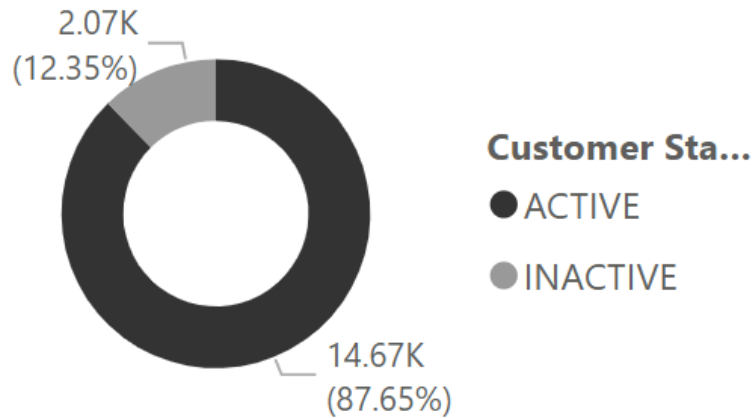
Key Performance Metrics



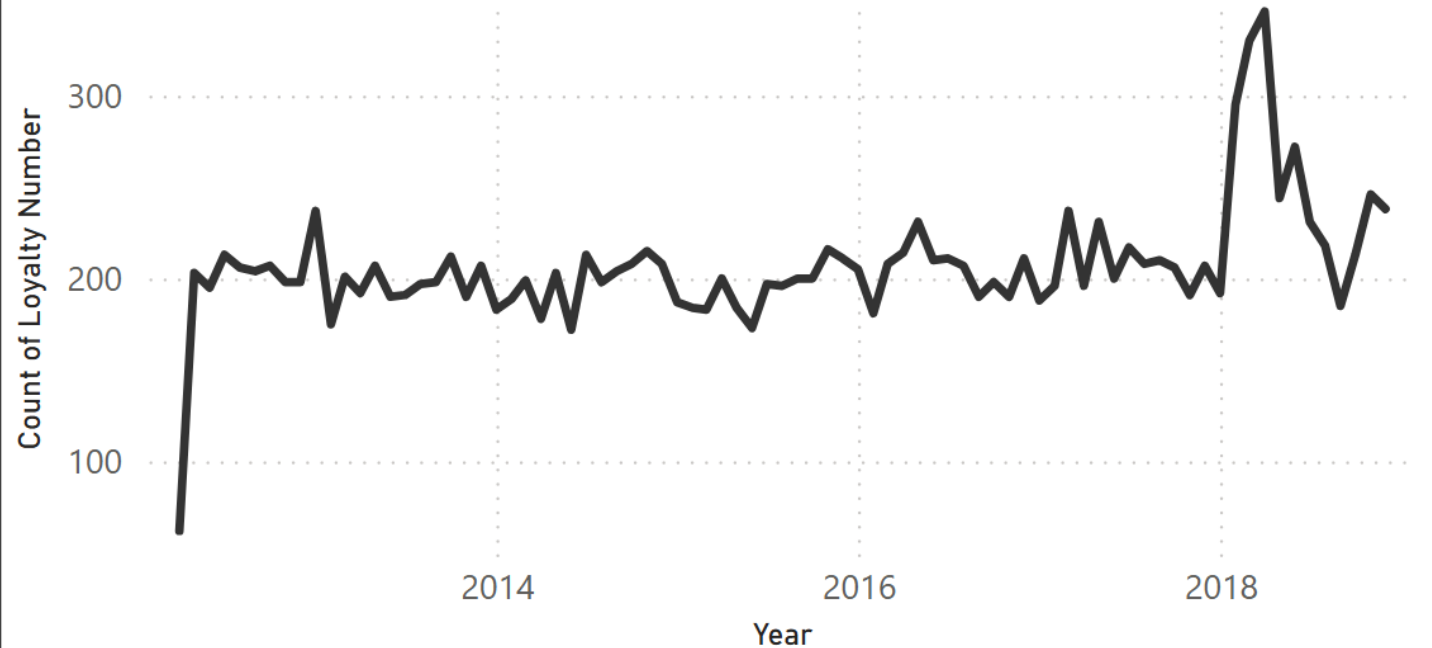
- 490 million kilometers were covered in the time duration and 50.17 million points were awarded to our customers.
 - This trend also shows that maximum distance was covered during the summer months.
 - There was a positive correlation between distance covered and the points awarded.

Key Performance Metrics

Active Members Till Date



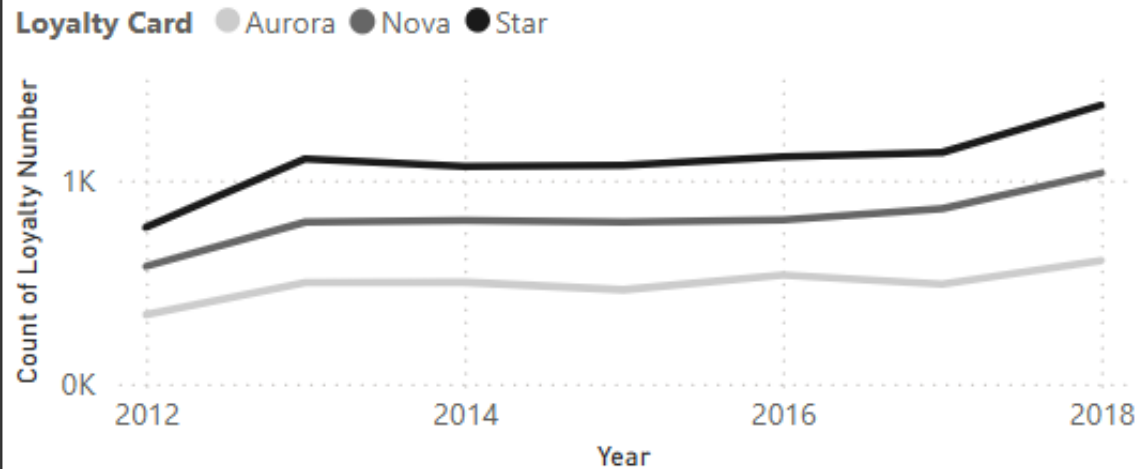
Count of Loyalty Number by Year and Month



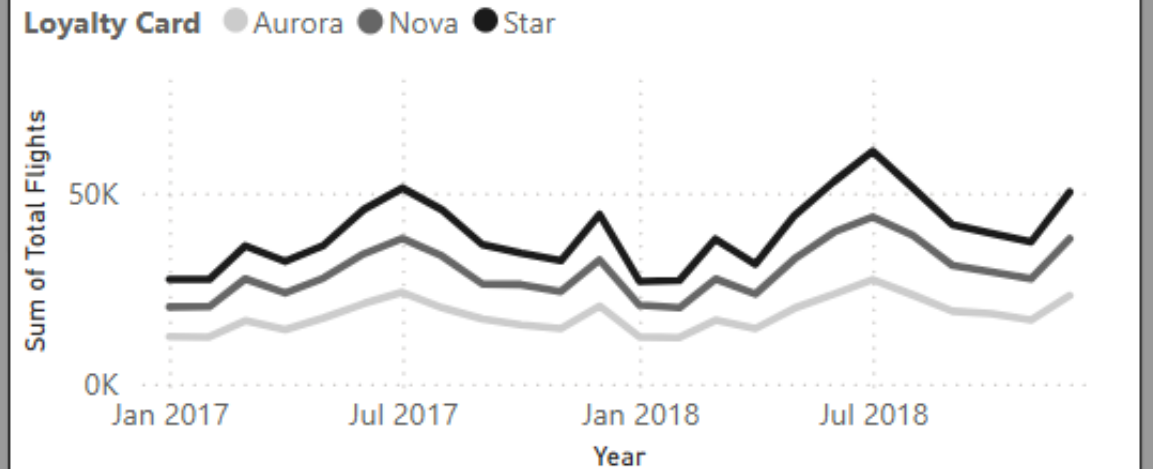
- Approximately 16 thousand people have enrolled in company's loyalty program since 2012.
 - Overall retention rate of loyalty card memberships is 87.6%.
- The enrollment rate remains consistent throughout except for a sharp increase from Jan 2018 to April 2018.

Loyalty Program Effectiveness

Loyalty Card Enrollment Trend Over Year



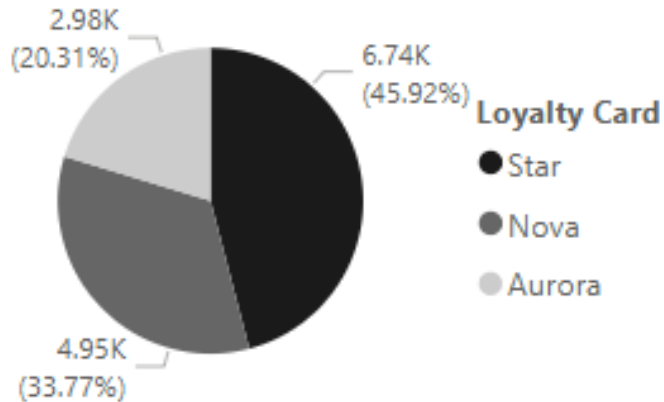
Flights Booked by Loyalty Card over time



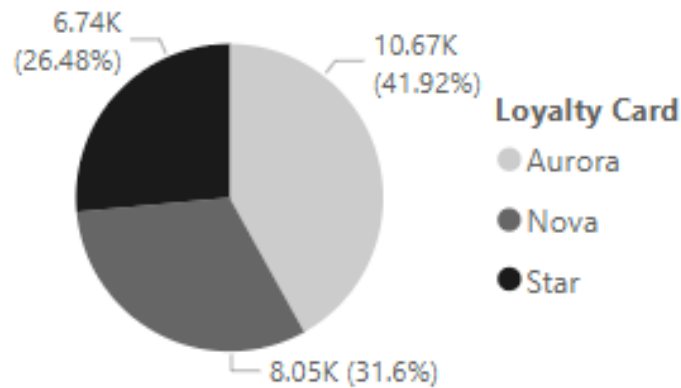
- Customer Preference for loyalty cards has remained consistent from 2013 till 2017, however a sudden increase in membership is seen from year 2017-18
 - Nova Loyalty Card has outperformed the remaining cards and has seen an increase of 37% usage.
 - Star Card holders remain the highest users of the airlines, with nova and aurora in second and third place.

Loyalty Program Effectiveness

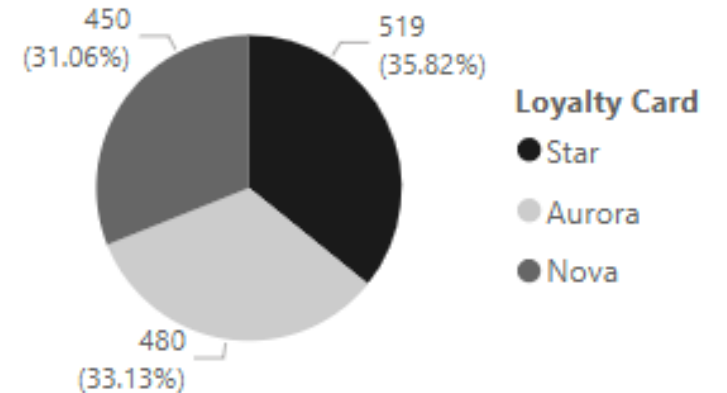
Active Customers



Average CLV

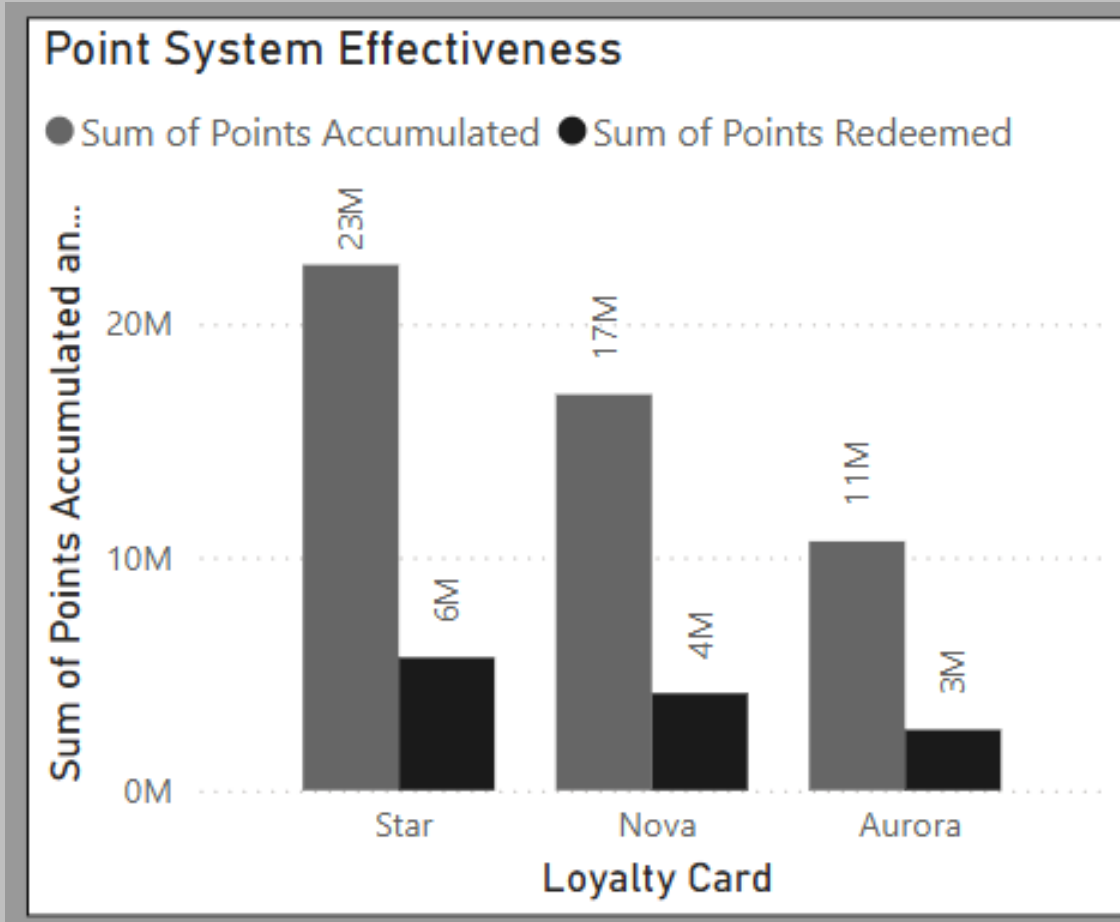


Median Distance Travelled



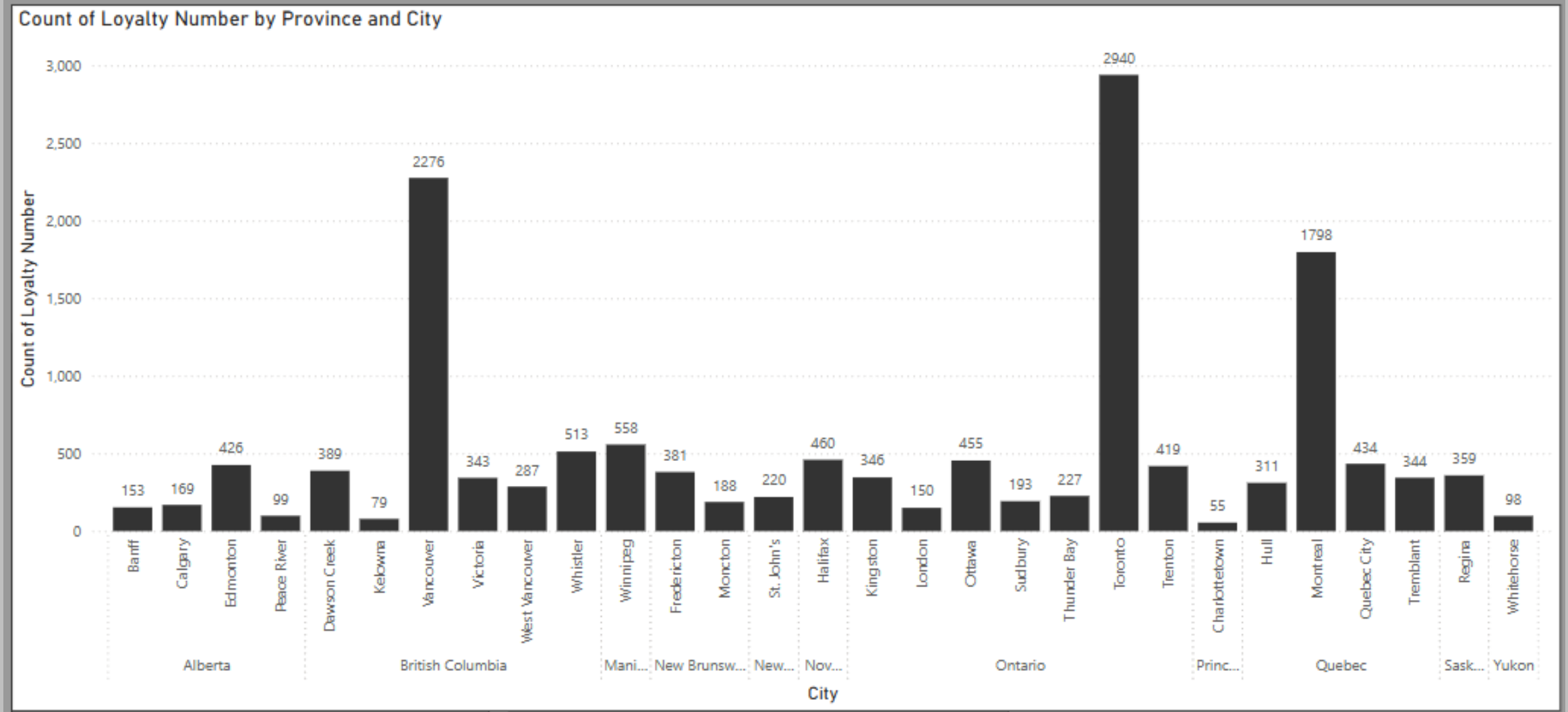
- Star Loyalty Card is significantly more in demand than Nova or Aurora making up almost half of the total clientele.
- However, the client lifetime value is lower for Star compared to the Aurora and Nova with an average CLV of 42% and 32% respectively.
- As can be seen that despite booking most flights the median distance travelled by the three loyalty card users does not vary significantly.

Loyalty Program Effectiveness



- The biggest perk offered by the loyalty program are the points awarded for each flight booked that can be redeemed for next journey with the airline.
 - According to the trend, despite earning a lot of points only 25% of them seem to get redeemed by the customer.

Loyalty Card Preference

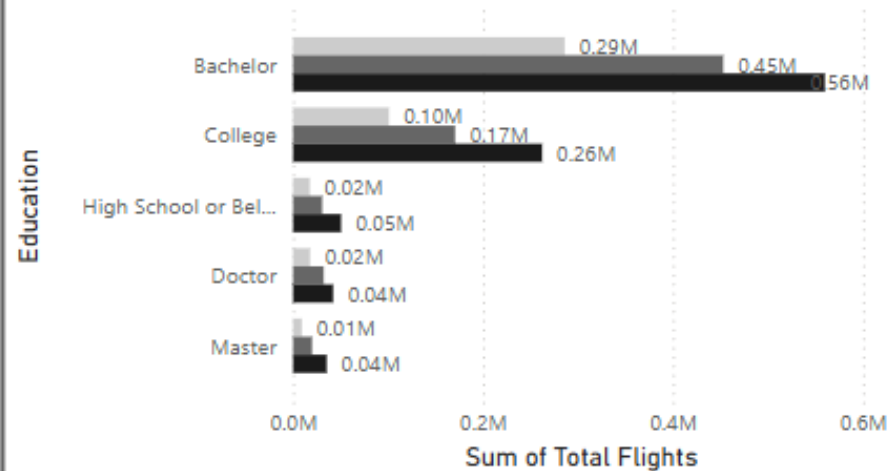


Most loyalty card members belong to the city of Vancouver, Toronto & Montreal.

Loyalty Program Preference

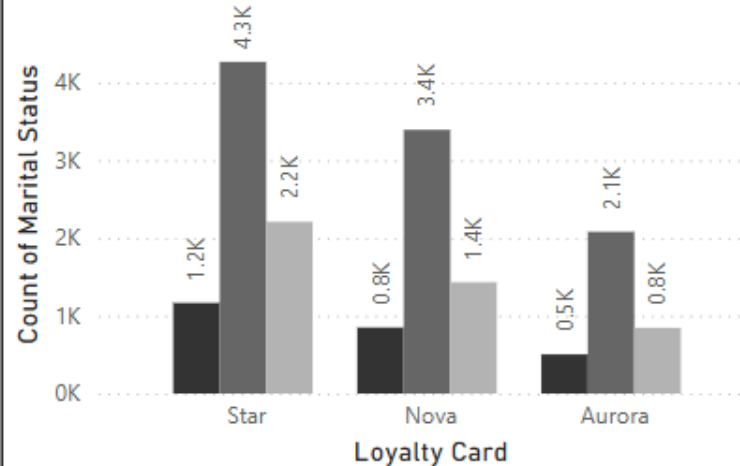
Loyalty Card Preference by Education

Loyalty Card ● Aurora ● Nova ● Star



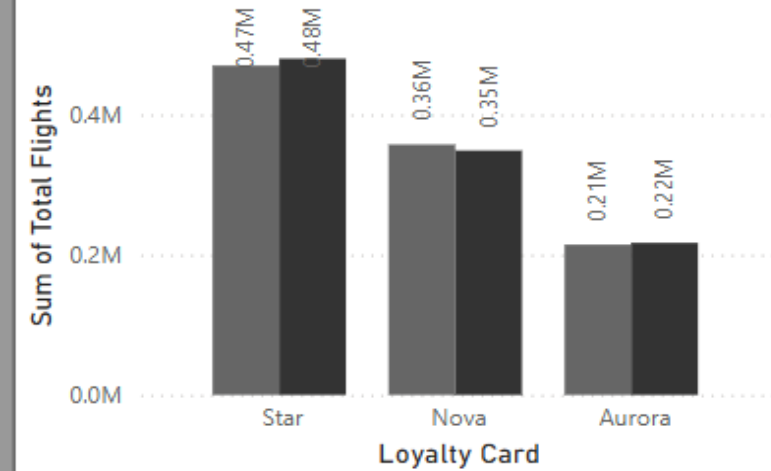
Loyalty Card Preference by Marital Status

Marital Status ● Divorced ● Married ● Single



Loyalty Card Preference by Gender

Gender ● Female ● Male

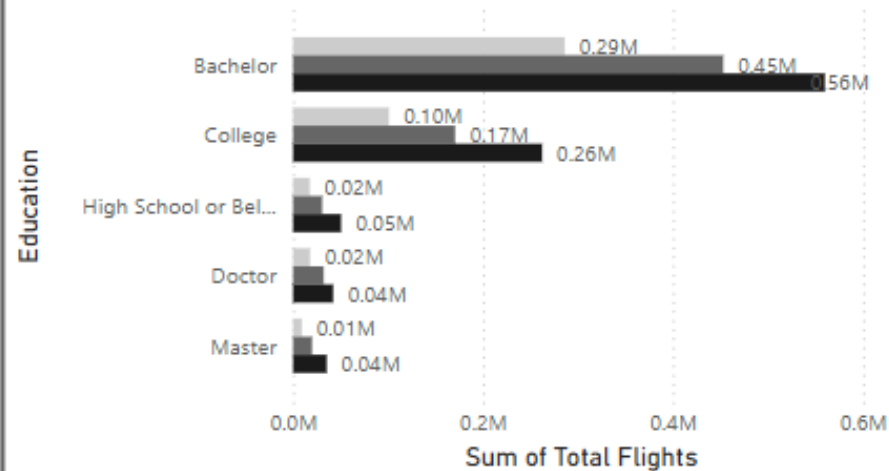


- 97% of the overall loyalty card holders earn between 35k to 55k.
- As can be seen most loyalty card members have either a bachelors degree or are in college.
- There isn't a considerable difference between the gender of card holder.
- A significant majority of card holders is married.

Loyalty Program Preference

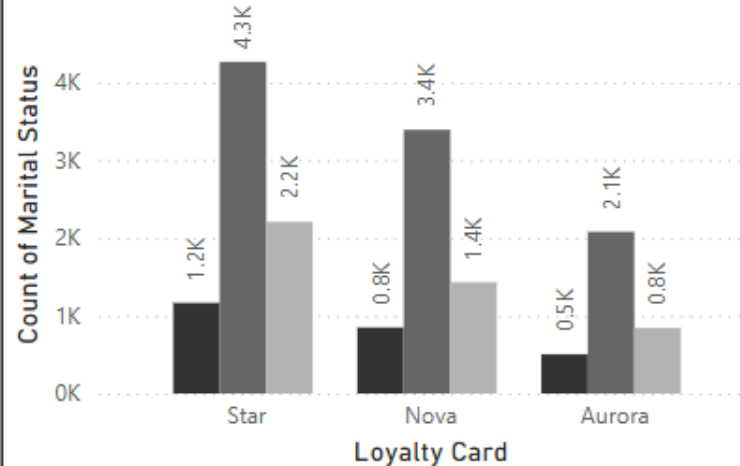
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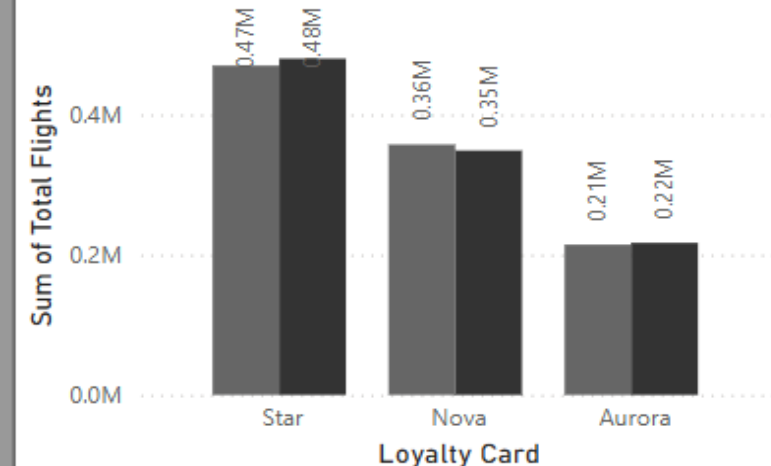
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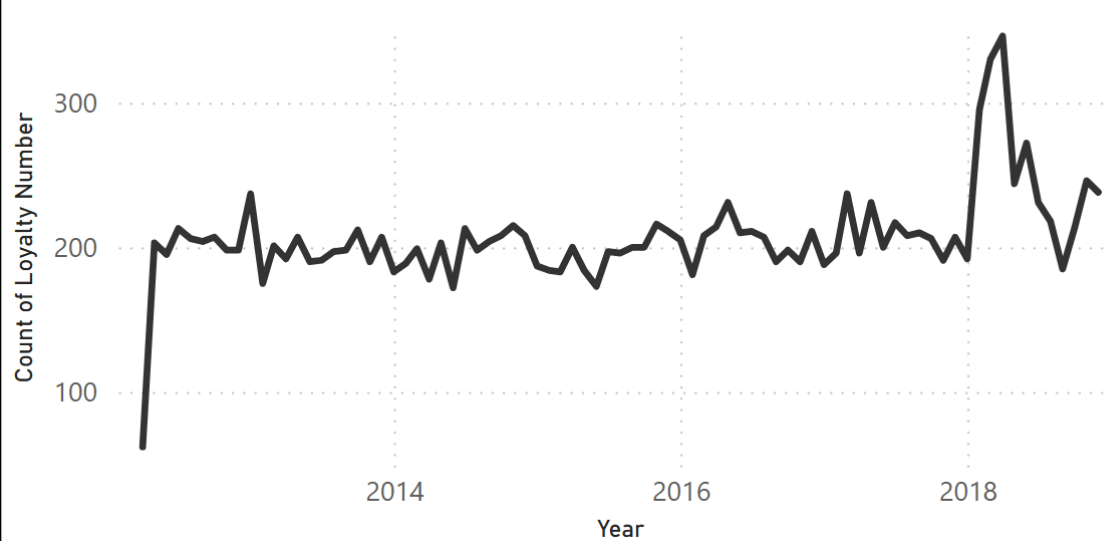


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Cancellation Trends

Enrollment Trend

Count of Loyalty Number by Year and Month



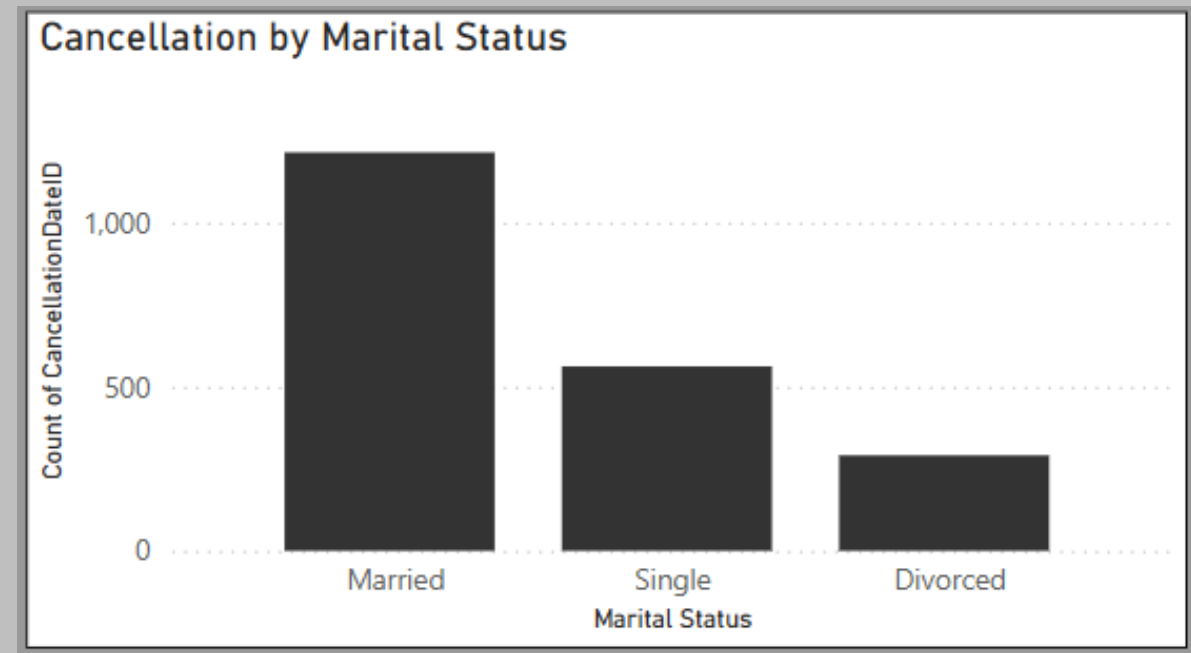
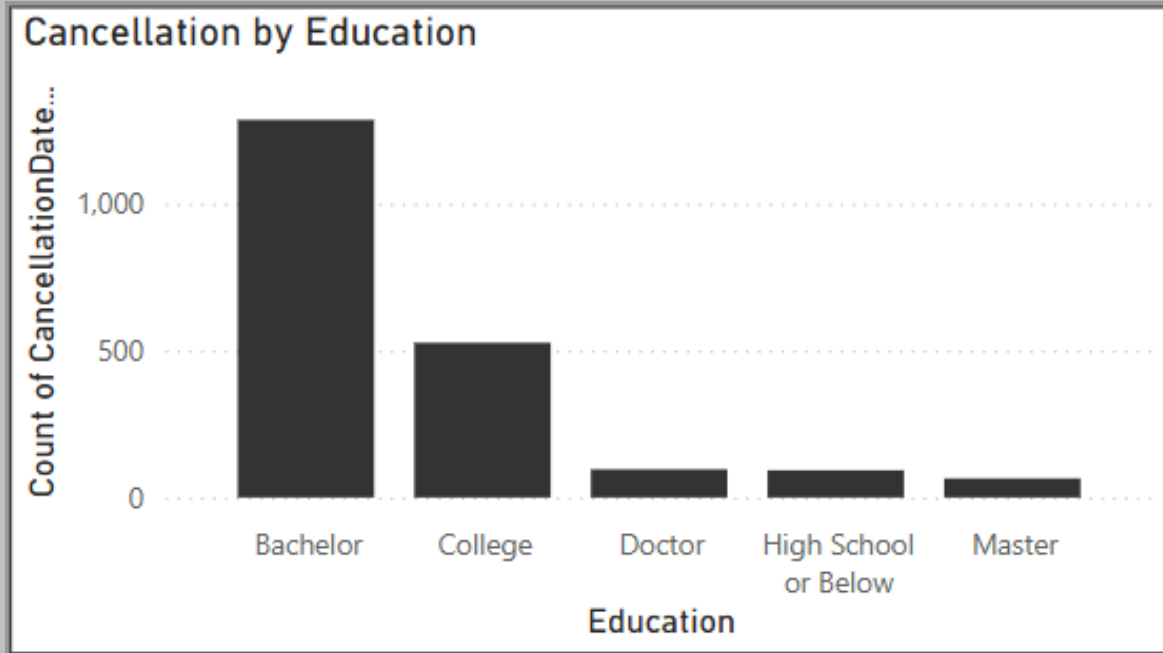
Cancellation Trend

Count of CancellationDateID by Year, Quarter and Month



- The cancellation of loyalty membership, even though seemingly insignificant, has been constantly rising. In contrast the enrollment trend has been consistent throughout with a sharp rise in April 2018 and then straightens out again.
- It is interesting that in April 2018, a significant number of loyalty memberships were taken out and in August 2018 highest cancellations to date were recorded.
- Since the beginning of 2018, retention rate of loyalty members has decreased from 89% to 87.6%.

Cancellation Trends



None of the trends regarding education, marital status, salary status or gender give a clear insight into the reason behind the cancellation. As the highest demographic in each category also shows a higher trend of cancellation.

Recommendations

It has been observed that most customers do not redeem the points that are awarded to them. Following steps can be taken to educate them on the benefits:

1. Marketing campaigns especially during summer break and winter break to promote the usage of points.
2. Inquiring the customer if they want to use their previous points while the purchase of ticket.
3. A prompt window suggesting them to redeem their points before checkout for online ticket purchase.

All of the above, can help improve the customer experience and will be beneficial in retaining membership.