# **Non-Technical Report: Understanding Coupon Acceptance Behavior**

## **Introduction**

The goal of this analysis was to understand the behavior of customers when offered driving-related coupons, specifically focusing on what factors influence whether a customer accepts or rejects a coupon. The data was collected via a survey, covering various scenarios such as weather conditions, time of day, passengers in the car, destination, and the type of coupon being offered.

### **Key Objective:**

To highlight the differences between customers who accepted the coupons ("Yes") and those who did not ("No"), based on various contextual factors.

## **Key Findings**

### **1. Type of Coupon:**

One of the most significant differences between those who accepted and rejected coupons was the **type of coupon** being offered.

* **Coffee House** coupons were the most accepted. Customers were more likely to redeem coupons for coffee houses, indicating that these types of establishments appeal more broadly across different customer segments.
* **Bar** coupons had the lowest acceptance rate. Customers showed a reluctance to redeem coupons for bars, possibly due to time constraints or personal preferences.
* **Carry Out & Takeaway** and **Restaurant (<$20)** coupons saw moderate acceptance, with customers showing more interest in food-related coupons.

### **2. Passenger Type:**

Another important factor influencing coupon acceptance was the presence of passengers in the car.

* Customers driving **alone** were more likely to accept coupons compared to those with passengers, especially **kids**.
* When customers were driving with **friends**, the acceptance rate was slightly lower, but still higher than when driving with children.
* **Customers driving with kids** had the lowest acceptance rate, which could be due to the distractions of managing children or a lack of time to use the coupon.

### **3. Weather Conditions:**

The weather had a noticeable effect on coupon acceptance.

* **Sunny weather** correlated with a higher acceptance rate. This may be because good weather encourages people to stop and take advantage of offers like coupons.
* In contrast, **rainy** and **snowy** weather saw significantly lower acceptance rates. Adverse weather conditions may discourage drivers from stopping or making extra trips.

### **4. Destination:**

The destination of the customer also played a role in whether they accepted the coupon.

* When customers were driving to **non-urgent places**, they were more likely to accept the coupon. This suggests that if the driver has no pressing time constraints, they are more open to redeeming offers.
* Customers driving to **work** had a lower acceptance rate, likely due to being time-bound and focused on reaching their destination promptly.

### **5. Time of Day:**

There were clear patterns in coupon acceptance based on the time of day.

* **Afternoon (2 PM)** and **early evening (6 PM)** had the highest coupon acceptance rates. This is likely when people are more open to making stops, either during a break or after work.
* **Late night (10 PM)** saw the lowest acceptance rates, suggesting that people are less likely to use coupons during later hours.
* **Morning (7 AM and 10 AM)** acceptance rates were moderate, which may align with people being more inclined to use coupons during early errands or coffee runs.

## **Conclusions**

This analysis reveals several key differences between customers who accepted coupons and those who did not. **Coupon type**, **time of day**, **weather conditions**, **destination**, and **passenger type** all play a role in determining whether a customer will take advantage of a coupon.

### **Actionable Insights:**

1. **Focus on Coffee House Coupons**: Since these are the most accepted, businesses should prioritize distributing coffee house coupons, especially during afternoons and early evenings.
2. **Target Customers in Good Weather**: Coupons are more likely to be accepted on sunny days, so businesses may want to increase their marketing efforts during favorable weather conditions.
3. **Offer Coupons to Solo Drivers**: Customers driving alone are more likely to accept coupons, making this a key demographic to target with offers.
4. **Time-Sensitive Offers**: Afternoon and early evening are peak times for coupon usage, suggesting that time-limited discounts during these periods could boost coupon redemption rates.