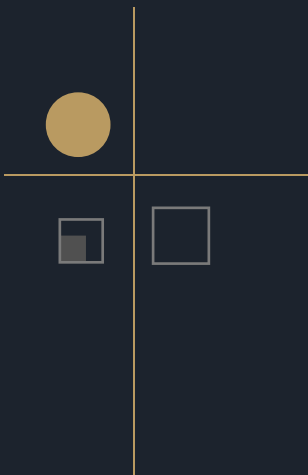


IDENTIFYING MEMBERS FOR CO-BRANDED CREDIT CARDS



THE CLIENT PROBLEM

Co-branded credit cards are a major source of revenue for leading hotel chains. Our client, the **world's largest hospitality chain** wanted to **target high value members** who were not current card holders with **promotions** for credit card enrolment.

THE AQ SOLUTION

1

We identified high value cardholders (HVC) based on tenure, spend, frequency and redemption attributes

2

We used clustering techniques (K-means) to segment the HVCs using demographic and transactional variables

3

We created unique HVC profiles based on segments

4

We applied these segments to members who were not card holders to identify potential targets

5

We created customized offers for each segment

IDENTIFIED SEGMENTS AND ATTRIBUTES

SEGMENT 1	SEGMENT 2	SEGMENT 3	SEGMENT 4	SEGMENT 5
<p>LEISURE WEB DABBLERS</p> <p>Predominantly stays on the weekends and 95% have WEB as their dominant booking channel</p>	<p>BRAND 1 ENTHUSIASTS</p> <p>89% of the members have Brand 1 as their dominant brand</p>	<p>CORPORATE CRUSADERS</p> <p>Predominantly corporate travelers (76% corp room revenue share) with average length of stay >2 days</p>	<p>LUXURY LEISURES</p> <p>Predominantly a leisure traveler with high ADR</p>	<p>GO APPERS</p> <p>88% of members have a mobile app as their dominant booking channel</p>
BOOKINGS				
12.1	10.4	18.8	8.8	18.6
ADR				
\$110	\$106	\$103	\$119	\$110
ROOM REVENUE				
\$2,244	\$1,897	\$4,208	\$1,955	\$3,334
68% have Brand 1 as their dominant brand with high P&C transactions	78% have CRO or INN as their dominant booking channel	Low value High volume	High value Low volume	Medium value High volume with high BPP transactions

SUGGESTED PROMOTIONS TO TARGET IDENTIFIED NON CARD HOLDERS

- | | | | | |
|---|---|--|---|--|
| <p>▶ Apply for a Brand 1 credit card and get 10,000 points free on your next stay at any hotel</p> | <p>▶ Apply for a Brand 1 credit card and get 10,000 points free on your next Brand 1 booking</p> | <p>▶ Apply for a Brand 1 credit card and get 20,000 free points on your next stay of three or more nights at any hotel</p> | <p>▶ Apply for a Brand 1 credit card and get 10,000 points free on your next stay at Brand 2, Brand 3 or Brand 4</p> | <p>▶ Apply for a Brand 1 credit card and get 10,000 points free on your next stay at any hotel</p> |
| <p>▶ As these members predominantly booked via a web channel, electronic mail channels were recommended</p> | <p>▶ As these members predominantly booked via INN or CRO channels, direct mail channels were recommended</p> | <p>▶ Direct mail was recommended</p> | <p>▶ As 49% of members from this category used websites or apps as their dominant booking channel, e-mailers were recommended</p> | <p>▶ Mobile apps were recommended for these members</p> |



Thank You

For any queries, get in touch with us.

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