

Where do we loose them? Using data analysis to improve customer loyalty

After a remarkable growth into one of the European largest online air ticket seller, Kiwi.com decided to focus on customer retency. As a disruptive digital business, they had the most valuable they could – rich data. However, they did not have capacities and knowledge to capitalize fully on its potential. And this was where our know-how could have helped.

STEP 1: DEFINING THE PROBLEM THROUGH THE DATA ANALYSIS

The competitive advantage of Kiwi.com lies in combining flights of non-cooperating airlines in a single flight itinerary, which allows to reduce travel costs to a minimum. It provides travellers with an end-to-end itinerary and guarantees for the case of missed transfer between flights of non cooperating airlines. Kiwi.com is a fast-moving, digital-native company that has evolved into one of the fastest-growing startups in a matter of 5 years.

The speed of growth and geographical expansion has been the key focus for the management team and for the company. The management realised that while the company was meeting goals on the customer acquisition and growth, their retention numbers (i.e. numbers of customers with repeated bookings) were not as satisfactory. This is where Colours of Data came in as the client did not understand the key drivers and inhibitors behind retention and required to draft an loyalty program to keep the existing customers coming back.

STEP 2: UNDERSTANDING THE CUSTOMER EXPERIENCE



We started with client team workshops and analysing of available data to map the entire customer journey and analyse the touchpoints important for customer experience and satisfaction. As a result, we were able to present and discuss with the client what parts of the business model required attention (to improve customer satisfaction) and a number of other business insights important for understanding customer motivations for coming back.



When we enriched the company data with external data sources, we also could find a reliable, more in-depth explanations.

STEP 3: DRIVING RETENTION AND LOYALTY THROUGH BUSINESS MODEL IMPROVEMENTS

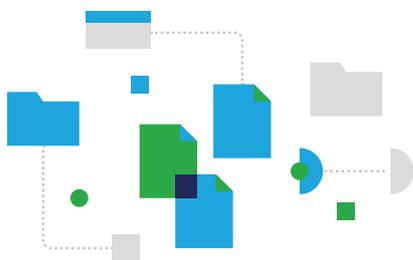


Given the specific focus of kiwi.com on a) young travellers and nomads b) young business travellers, we defined a set of steps across number of business areas with the goal of

- 1 engage current customers in sharing of their plans and travel experiences in the travel community
- 2 stimulate the future demand by offering benefits in exchange for sharing plans and user content
- 3 improving the customer experience by expanding the service portfolio based on partnership with businesses providing adjacent services

For this part we teamed up with our business partner Aspiro, who brought in their expertise in business model redesign.

THE COLOURS OF DATA PROCESS



AT THE BEGINNING, THERE WAS A COMPLEX BUSINESS MODEL WITH VAST AMOUNTS OF DATA IN WE HAD TO GET ACQUAINTED WITH



THE DIALOGUE WITH KEY PEOPLE IN THE COMPANY HELPED US TO DEFINE THE PARTICULAR TOUCHPOINTS OF CUSTOMERS LIFECYCLE



FOR ANALYSIS OF CUSTOMER BEHAVIOUR AT EVERY TOUCHPOINT, WE USED KIWI.COM DATA ENRICHED BY OTHER DATA SOURCES

TRACKING OF CUSTOMER LIFE CYCLE HELPED US TO FIND OUT THE POSSIBLE REASON OF CUSTOMERS DROP OUT

Moreover, our work did not end only with what we had in the assignment. As a bonus, we moved beyond the loyalty framework and proposed a potential strategic cross-industry partnership that may not only increase loyalty but also significantly boost (and expand) the entire business!

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Extensive data analysis that includes not only internal, but also external data can provide important, yet unexpected results.

We are looking forward, how our findings will affect the performance of Kiwi.com in the future.



Joint team of Aspiro and Colors of Data mobilized itself very quickly and adjusted to the dynamic work environment of kiwi.com. After developing a common framework, they came with inspiring ideas on how to tackle customer retention in kiwi.com, beyond traditional industry solutions. The company has been diligent and responsive. Company's involvement is recommended for future projects.

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