

CASE STUDY: Purchase Point Optimization

Client:
Large European Airline

Challenge:
Increase Ancillary Revenue

Solution:
Optimize the Sale of Travel Insurance in the Flight Booking Path

Results:
+9.4% Annualized Revenue Growth

EXAMPLE TEST RESULTS

Targeting Test:
+9.4% conversion benefit
+10.1% revenue growth per ticket

Merchandising Test:
+30.0% conversion benefit
+28.9% revenue growth per ticket

Product Test:
+5.7% conversion benefit
+17.8% revenue growth per ticket



THE CHALLENGE

As is the case with many airlines, flight sales drive the vast majority of revenue, while ancillary revenue drives the vast majority of profit.

Travel insurance used to be one of the biggest non-flight related ancillary products that delivered a significant year over year profit straight to the bottom line. However, due to

both regulatory changes and a major shift in the overall distribution of travel insurance across Europe, insurance revenues came under increasing pressure.

Fusion's challenge:
increase travel insurance revenue.

THE APPROACH

Previously, the airline sold the same ancillary product to all customers in the exact same way. So regardless of whether the customer was traveling on business, leisure, international, domestic, or as an individual, in a group or as a family — each person received the same product, same price, and same message.

Fusion's approach:
optimize the sale of travel insurance through a series of A/B and multivariate tests within the booking path.

THE SOLUTION

Following a brief technical implementation, Fusion began capturing and analyzing data (typical PNR data), identifying key trends, behaviors, patterns and ultimately defining key customer segments.

Through Purchase Point Optimization, Fusion was able to control and test on all aspects of the offer including product, price, copy, layout, images, headers, graphics, sequence, etc.

Each segment was continually optimized to deliver a targeted persona-based offer that resonated with each customer segment.

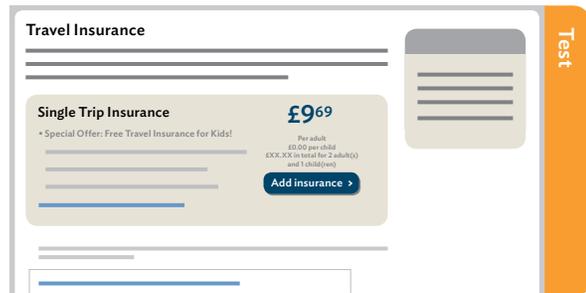
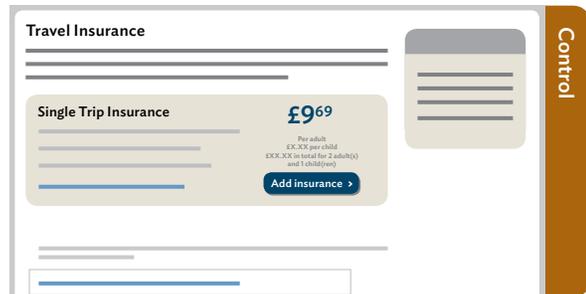
Fusion's solution:
deliver the right product to the right customer at the right time — increasing consideration and propensity to purchase.

EXAMPLE TESTS

In total, Fusion conducted 98 tests in 2013 on behalf of the airline. The data below relates to specific tests performed and provides an example of the results achieved.

Targeting

Fusion developed tailored offers to each customer segment which increased consideration and propensity to purchase.

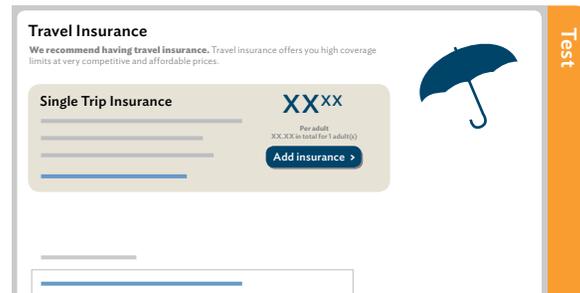
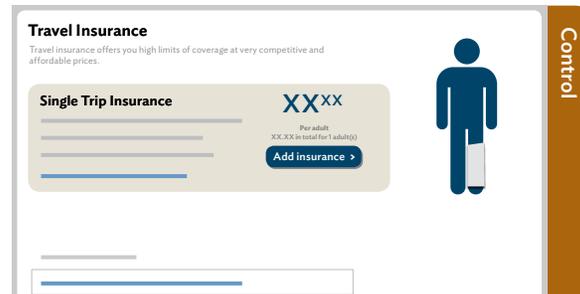


CONVERSION BENEFIT
+9.4%

REVENUE PER TICKET
+10.1%

Merchandising

Fusion created a stronger call to action utilizing a bold-styled font recommendation combined with a more friendly image.

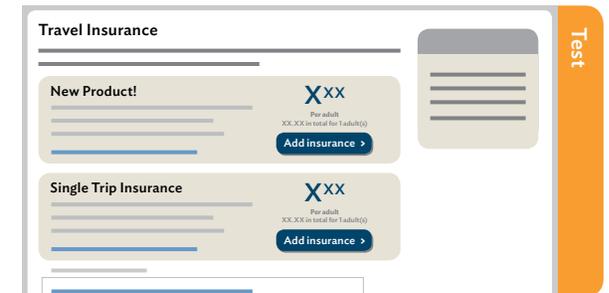
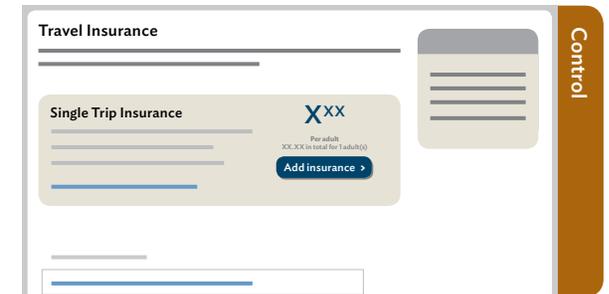


CONVERSION BENEFIT
+30.0%

REVENUE PER TICKET
+28.9%

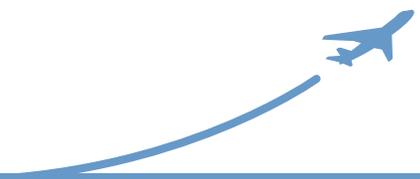
Product

Fusion identified and launched a new product which appealed to a wider segment of customers.



CONVERSION BENEFIT
+5.7%

REVENUE PER TICKET
+17.8%



Case Study: Purchase Point Optimization

SUMMARY

By delivering targeted persona-driven offers to each segment and conducting ongoing testing, Fusion helped drive optimization results that had a significant impact on the airline's bottom line.

In 2013, Fusion delivered almost 10% growth in annualized travel insurance revenue.

Who is Fusion?

Fusion equips digital retailers with the power to turn a single interaction into an extremely profitable longstanding relationship. Building on proven results in global merchandising optimization, Fusion delivers the right offer at the right moment, creating more online opportunities. The result: increased conversions, increased average transaction values, increased retention, increased lifetime value, increased profit.

Solutions & Services:

Experience Optimization:

Turn visitors into shoppers

Purchase Point Optimization:

Convert shoppers to buyers

Lifecycle Optimization:

Increase value of customers

Advisory Services:

Discover more opportunities

Product Services:

Expand your ancillary product offerings

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