



How change in customer behavior can be uncovered leveraging spend data

Unlock the strategic value of data

October 2024

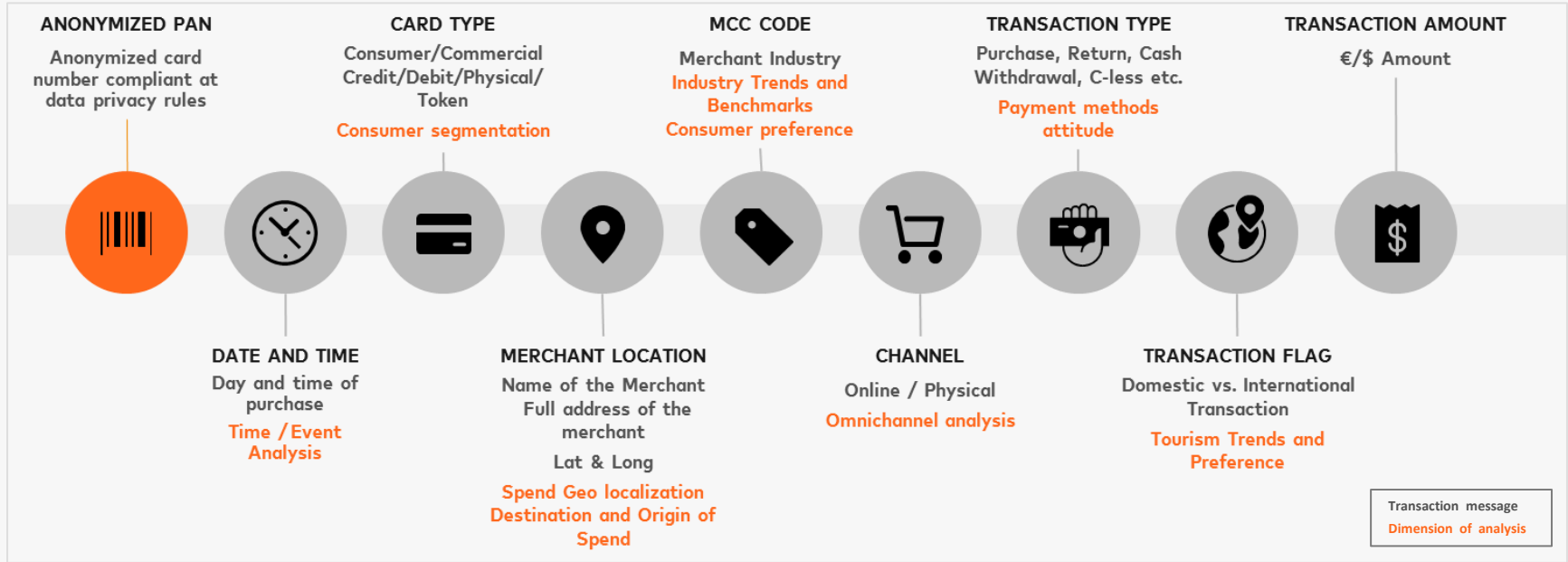


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Spend Data comes in different formats – Mastercard collects multiple data points of the transaction which helps understanding changes in behavior



Real Live Case: Influence of parking fees on customer behavior



Mastercard quantification of environmental and financial impact of the implementation of parking fees

Background

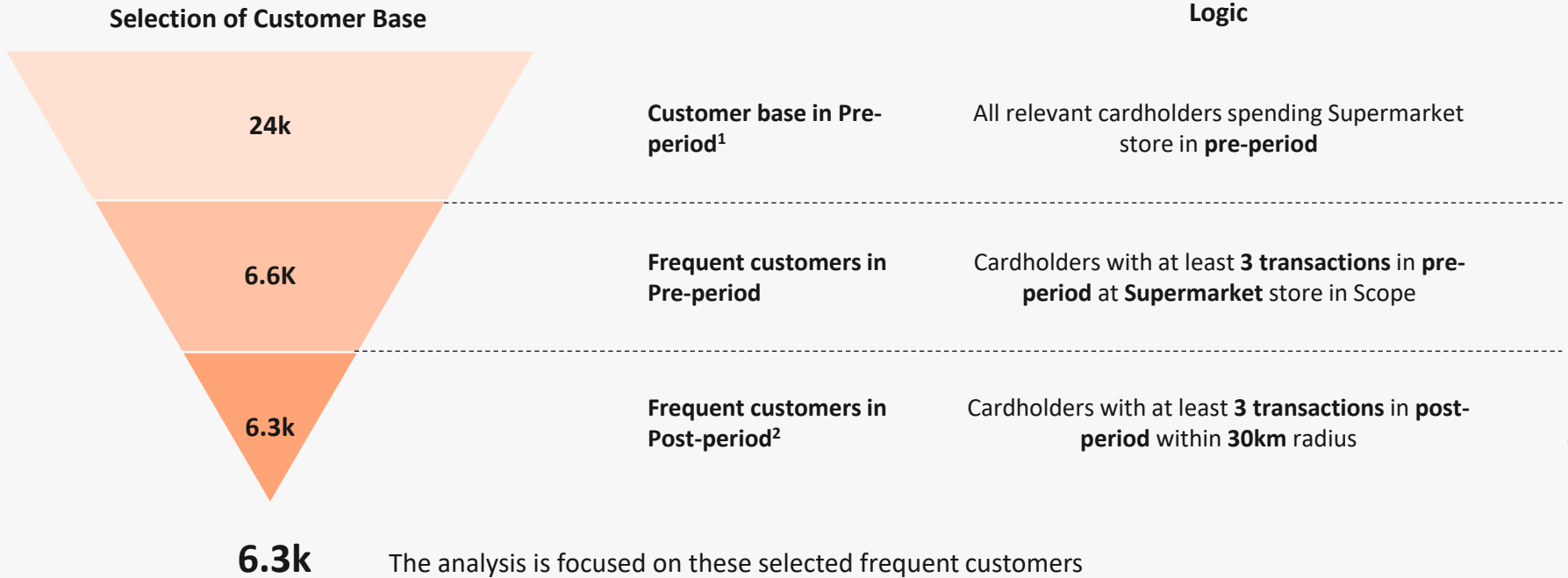
- Fees were introduced at the parking lots of a strategically important shopping centre
- The decree was driven by environmental protection considerations
- The supermarket assumes that customers are deterred by the parking fees, and they travel further to go shopping at other retailers (also in nearby country)

Objectives


- Mastercard will analyse transaction data at Grocery Stores and other competing industries, pre and post the implementation of parking fees.
- The resulting deliverable will cover 2 key metrics :
 1. For the Supermarket store, other store and competitors – change in transaction amount and count, post to parking fees rule.
 2. Quantification of the financial and environmental impact of additional travel in new zip codes.



The analysis is focused on ~6,300 customers, spending within 30 km of Supermarket store



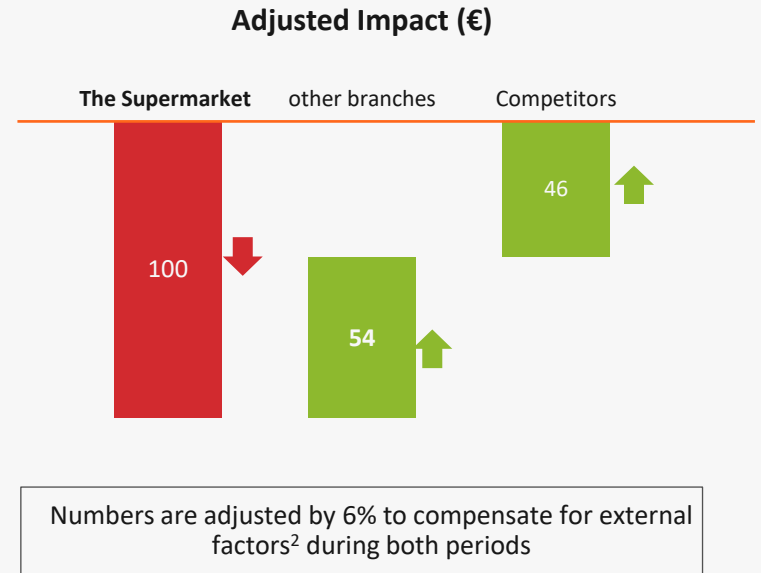
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		Raw Impact (% Change)	
		<u>Amount</u>	<u>Count</u>
 6.3k	→ The Supermarket	-32%	-27%
	→ Other Branches	13%	7%
	→ Competitors	2%	1%
Overall Grocery		-6%	-4%



Insights

Decrease in post-period is due to change in customer behaviour, majorly driven by increase in **dining-out**.



Of 100% opportunity lost at Supermarket store, **increase** in volumes at **other branches of Supermarket (54%)** and **competitors (46%)**.



Customers are travelling 0.6km more on average for every visit which causes 16 Ton increase in carbon emissions during Jan-May¹



Increase in Distance per visit



 Insight

Parking fees rule results in a **counter-intuitive negative impact** on the environment

SOURCE: MASTERCARD DATAWAREHOUSE, 8BILLIONTREES.COM, AUTOVISTA24, EURONEWS.COM
(1) ANALYSIS PERIOD: JAN 16 – MAY 31 (2) NUMBERS ARE ADJUSTED TO COMPENSATE FOR THE EXTERNAL FACTORS (3) ASSUMED AVERAGE CO₂ EMISSION OF 111G/KM



Thank you!



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