

Consumer Psychology on Vacation Pricing

Leveraging customer research to discover key value drivers & trade-offs

Situation

The client was a division of a leading entertainment conglomerate that focused on family theme parks. The client wanted to understand the underlying consumer psychology on purchasing behaviors and value perceptions when customers book their vacation online.

The client wanted to know what influences guests' online purchase choices and trade-offs between:

- Number of park days
- Number of park passes (the client had multiple parks)
- Hotel – client's hotels on property versus another hotel off property
- Food & Gift pre-paid plans (size and duration of the plan)

Approach

1. Pre-Work & Data Gathering

- Conducted internal interviews to gather client's data and identify core customer segments that included:
 - *Newbies* – never been to the park before; *New Adult Returners* – had previously been as a kid and now taking their kids; *Experienced Returners* – had previously been as an adult with their kids and were coming back again with their kids

2. In-Depth Interviews

- Conducted 55 online qualitative in-depth 1-hr interviews with the targeted guest segments
 - Depth questions & probing: Value Hierarchy walk, Buying Process mental map, Price Value mapping
- Conducted 4 focus groups to challenge findings & insights developed from the individual guest interviews

3. Deliver Key Findings

- Different customer segments had different expectations and understanding of certain value drivers the client offered
- Some aspects of the total vacation package were non-negotiable while others were flexible when the customer was deciding how to configure their vacation.

Results



The research found that the concept of an **'all inclusive' vacation** is very appealing as there are minimal temptations for +cost moments integral to their experience.

Customers found that there is **no perceived appreciable benefit to purchasing in-market** as discounts and plans seem to be the same in-market.

