

# Travel Tide

Understanding Customer Categories and Assigned Perks  
(2023)





# Understanding Customer Categories and Assigned Perks (2023)

- **Objective:**

To provide an in-depth understanding of the customer categories we've built and the perks assigned to each.

- **Importance:**


Tailoring our services to meet specific customer needs enhances satisfaction and loyalty.



# Customer Categories Overview

## List of identified customer categories

1. Solo Traveler (2207)
2. Family Traveler (288)
3. Budget Traveler (864)
4. Business Traveler (866)
5. Luxury Traveler (381)
6. The Explorers (404)
7. Frequent Flyer (189)
8. The Groupies (94)
9. Un-characterizable (723)

Customer Category 	
Solo Travellers	2.207
Business Traveler	866
Budget Traveler	846
The Explorers	404
Luxury Traveler	381
Family Traveler	288
Frequent Flyer	189
The Groupies	94



## **Solo Travelers**

**Number of Customers:** 2207

**Criteria:** One seat, flight count  $\geq 1$

**Perk:** 100 loyalty points



# Family Traveler

- **Number of customers: 288**
- **Criteria:** Married or has children, max\_seats  $\geq 2$  AND max\_rooms  $\geq 1$
- **Maximum Seats  $> 2$ :**
  - For family travelers, the mean number of seats is 2.84, and the median is 2. This indicates that many family travelers book 2 or more seats.
- **Maximum Rooms  $\geq 1$ :**
  - This means that the user has booked at least one room on a trip. This is a basic requirement for identifying travelers who stay in hotels or accommodations.
- **Perk: Family discount**
  - A family discount helps offset the higher costs associated with booking multiple seats and rooms, making travel more affordable for families.



# Example Family Traveler

## Name:

- Jane Smith

## Profile:

- Travels with her spouse and two kids
- Values family-friendly amenities
- looks for budget-conscious travel options.





## Budget Traveler

- **Number of customers:** 846
- **Criteria:** Flight and hotel discounts > 1
- **Perk:** Extra discount on flights/hotels
- The chosen criteria to classify budget travelers focus on users who exhibit discount usage patterns higher than the average, identifying a group that is particularly cost-conscious.
- This approach helps in understanding and targeting a segment that prioritizes affordability, potentially leading to better-tailored marketing strategies and offerings.



# Example Budget Traveler

## Name:

- Alex Johnson

## Profile:

- Searches for deals
- Prefers budget airlines and accommodations







# Business Traveler

- **Number of customers:** 866
- **Criteria:** max\_seats >= 1 AND max\_rooms >= 1 AND flight\_count > 3
- **Perk:** Free business lounge access
- The chosen criteria for identifying business travelers—more than 3 flights and at least one hotel room booking—are strongly supported by the statistical analysis.
- The data shows that business travelers typically book at least 4 flights, and their spending per trip tends to be around \$567.48 to \$600.027.
- These insights confirm that the criteria effectively capture users who are frequent and high-value travelers, making them suitable candidates for premium services like business lounge access.



# Example Business Customer:

## Name:

- Michael Green

## Profile:

- Travels weekly for work
- Needs to work on the go
- Values comfort and efficiency.





# Luxury Traveler

- **Number of customers:** 381
- **Criteria:** Average flight fare > \$800 or hotel fare > \$500
- **Perk:** Access to VIP lounges
- The criteria of an average flight fare above \$800 or an average hotel fare above \$500 effectively distinguishes luxury travelers from the general customer base.
- These thresholds are justified by the statistical analysis, as they focus on customers who are consistently spending well above the median and mean, aligning with the expectations of luxury services and experiences.
- The perk of VIP lounge access is well-suited to these travelers, reflecting their preference for exclusive services.

# Example Luxury Traveler:

## Name:

- Emily Brown

## Profile:

- Prefers first-class travel
- Five-star accommodations
- Seeks exclusive and premium services.





# The Explorers

- **Number of customers:** 404
- **Criteria:** 2+ seats
- **Perk:** Free coupons
- 2+ Seats: Setting the criteria to include users who book at least 2 trips with multiple seats is a reasonable threshold.
- This criterion is higher than the mean and closer to the higher end of the distribution, which helps in identifying users who consistently book multiple seats rather than those who do so occasionally.
- Free coupons are suitable for Explorers, encouraging their adventurous travel behavior and rewarding their frequent bookings with multiple seats.



# Frequent Flyer

- **Number of customers:** 189
- **Criteria:** Flight count > 3, flight discounts > 2
- **Perk:** Priority boarding
- The AVG of flight\_count= 3 and flight\_discounts= 1 and uses these values as the thresholds for classifying frequent flyers and discount users.
- If a user's flight count exceeds the median flight count which is 3, they are classified as a Frequent Flyer.
- If their flight discount count exceeds the median discount count which is 1, they are classified as a Frequent Discount User.
- Assigning priority boarding to frequent flyers with more than three flights and more than two flight discounts is a strategic decision based on data-driven insights.



# Example Frequent Flyer

## Name:

- John Doe

## Profile:

- Travels bi-weekly for business
- Values quick airport processing





# The Groupies

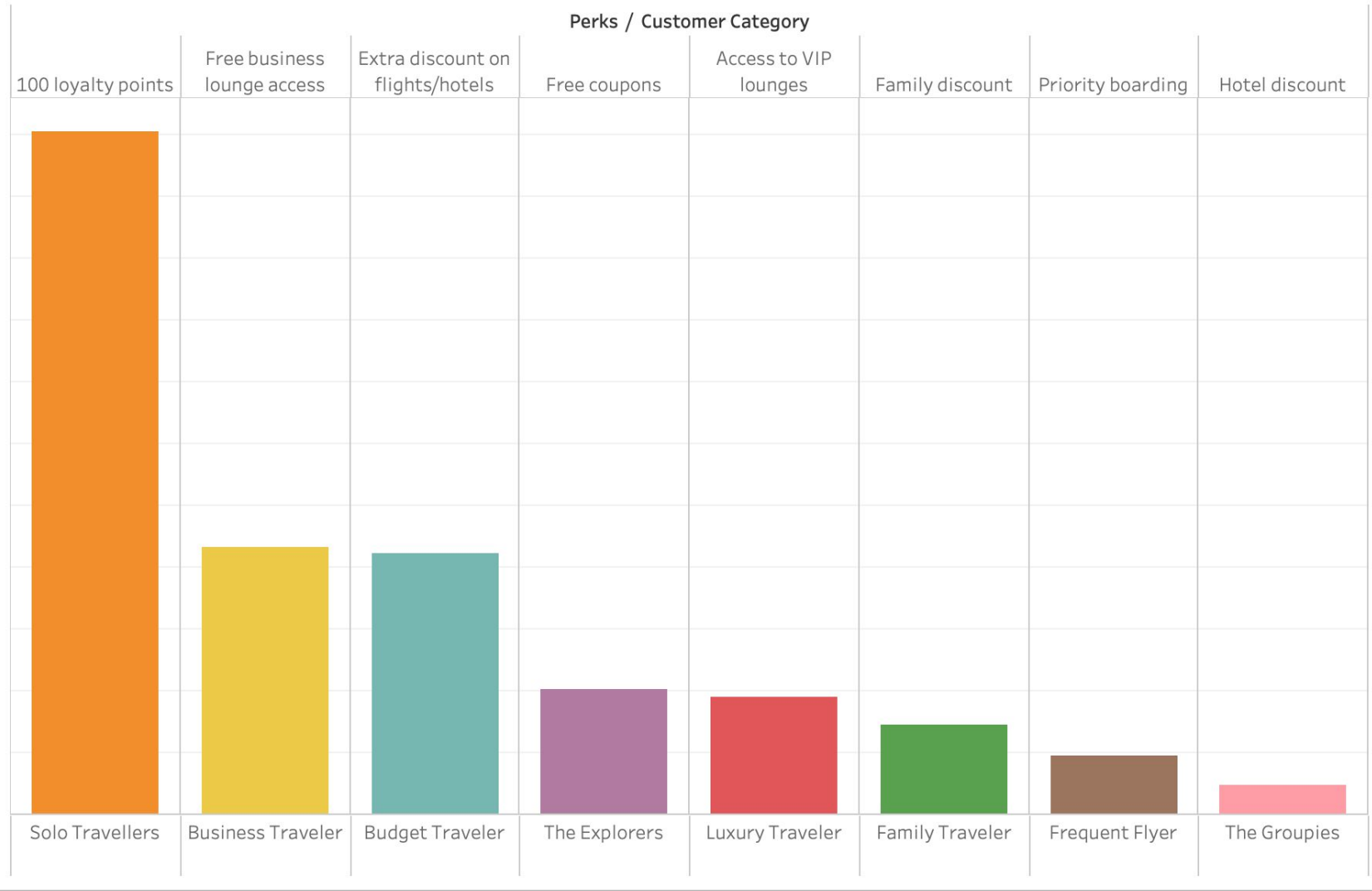
- **Number of customers:** 94
- **Criteria:** max\_seats  $\geq 3$  AND max\_rooms  $\geq 2$
- The Groupies travel in large groups, booking multiple seats and rooms.
- The chosen criteria of 3+ seats and 2+ rooms are justified based on the statistical measures. These criteria capture users who book significantly more than the typical user, as indicated by the median values.
- **Perk:** Hotel discount
- Offering a hotel discount as a perk aligns well with the identified behaviors and provides a tangible benefit that can enhance user satisfaction and engagement.





## Un-characterizable Customers

- **Number of customers:** 723
- **Criteria:** Customers who do not fit into any of the above categories
- **Perk:** Requires further analysis





# Recommendations for Future Progress

## Monitor & Update Categories

- Continuously track travel trends
- Adjust customer categories as needed

## Collect Detailed Feedback

- Gather customer insights
- Refine perks for greater relevance

## Explore Partnerships

- Collaborate with service providers
- Expand perk offerings

## Ensure Competitiveness

- Adapt to changing customer needs
- Maintain a competitive edge in the market

# Thank You

