

Customer Segmentation

Travel Tide

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About Project and Goals



ABOUT

- e-booking startup TravelTide is a hot new player in the online travel industry
- Customer feedback has shown, and industry analysts agree, TravelTide customers have access to the largest travel inventory in the e-booking space

GOALS

- Design and execute a fantastic personalized rewards program that keeps customers returning to the TravelTide platform.
- To do so we need to segment customers based on their shopping behavior

Reward Program

Enjoy Risk-Free Travel

inbox x

to me

TravelTide

offers@traveltide.com

to me



Become a TravelTide Member

Get Free Cancellation for thousands of flights and hotel deals

TravelTide's members can now book their trips worry-free, knowing they can cancel their booking ahead of time with a 100% refund guarantee.

Become a Member

As a member, you will also benefit from:

- ✓ Complimentary meals with selected hotels
- ✓ Free baggage with selected airlines
- ✓ First night free at selected hotels
- ✓ Exclusive members-only discounts

Your benefits are waiting

inbox x

to me

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Become a TravelTide Member

Non-stop benefits for TravelTide's members - are you in?

As a member, you will also benefit from:

- ✓ Complimentary meals with selected hotels
- ✓ Free baggage with selected airlines
- ✓ Exclusive members-only discounts
- ✓ First night free at selected hotels
- ✓ Free cancellation with selected airlines

Become a Member

To send customized emails we will try to differentiate our customers based on potential interest in our program:

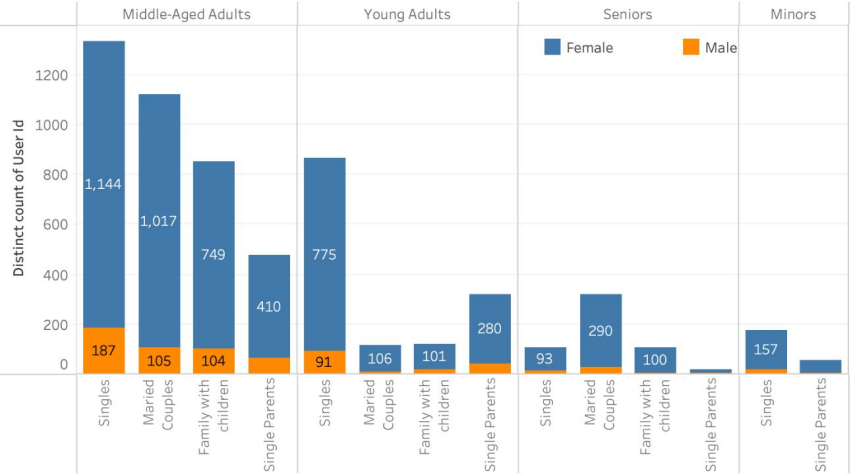
- Free Hotel Meal
- Free Checked Bag
- No Cancellation Fee
- 1 Night Free with Flight
- Exclusive Discount

Data Observation

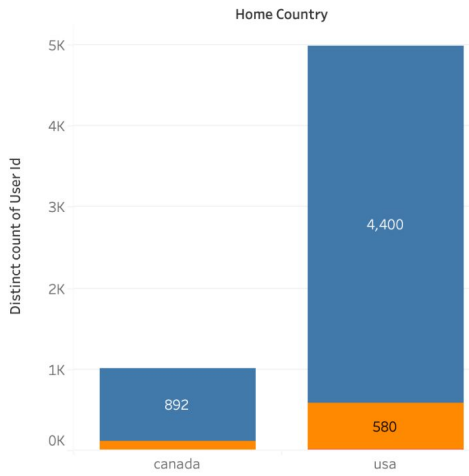
Distinct count of User Id	Count of Trip Id	Avg. Number of Trips	Avg. Page Clicks	Avg. Session Duration	Avg. Hotel Per Room Usd	Avg. Base Fare Usd	Avg. Discount Interaction
5,998	16,702	3	18	2.64 min	\$177.94	\$525.90	2

Total Users				Total Trips			
Female		Male		Female		Male	
5,292		695		14,745		1,927	

Age, Gender, Marital Status



Home Country



Out of a total of 5,998 users, we found that booked a total of 16,702 trips, with an average of 3 trips per user.

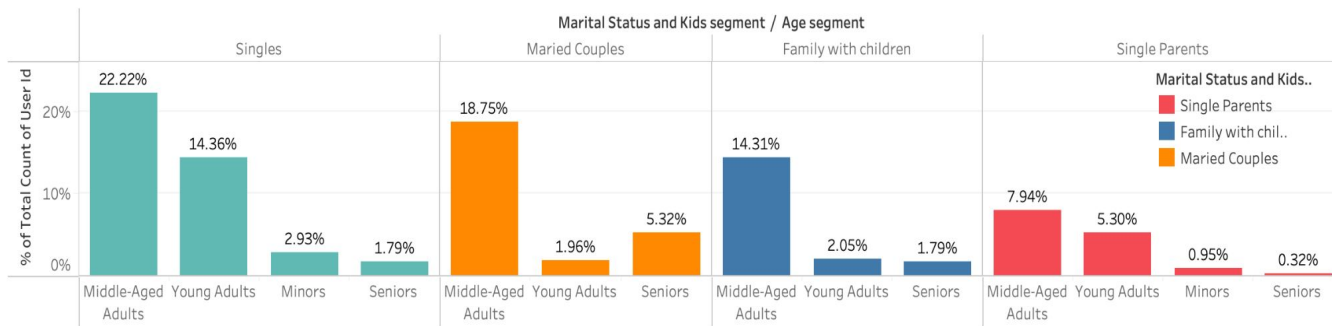
The majority of our users fall into the middle-aged bracket (between 36 and 55 years old).

Women tend to book trips more frequently than men.

All our customers originate from either the USA or Canada

Perk 1 - Free Hotel meal

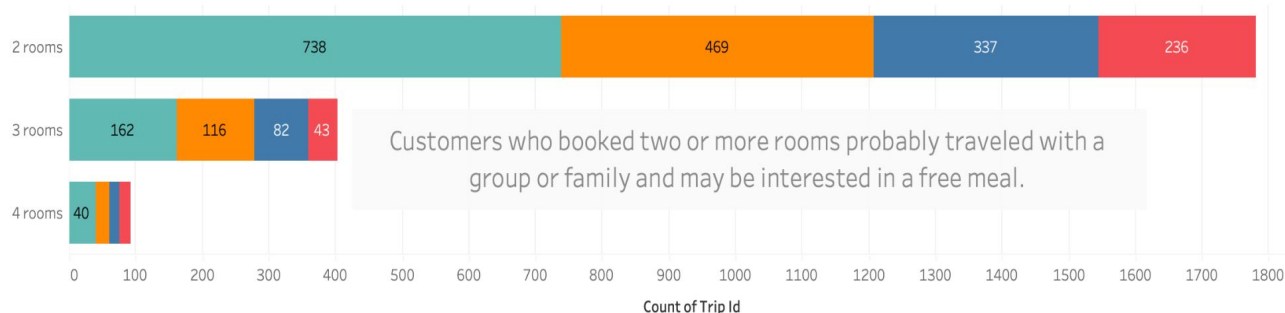
AGE and marital status of users



In our data, we have fewer than 5% of minors and less than 10% of seniors.

Additionally, there are around 18% of families with children and about 15% of single parents. These groups may be interested in a free meal due to their age or marital status.

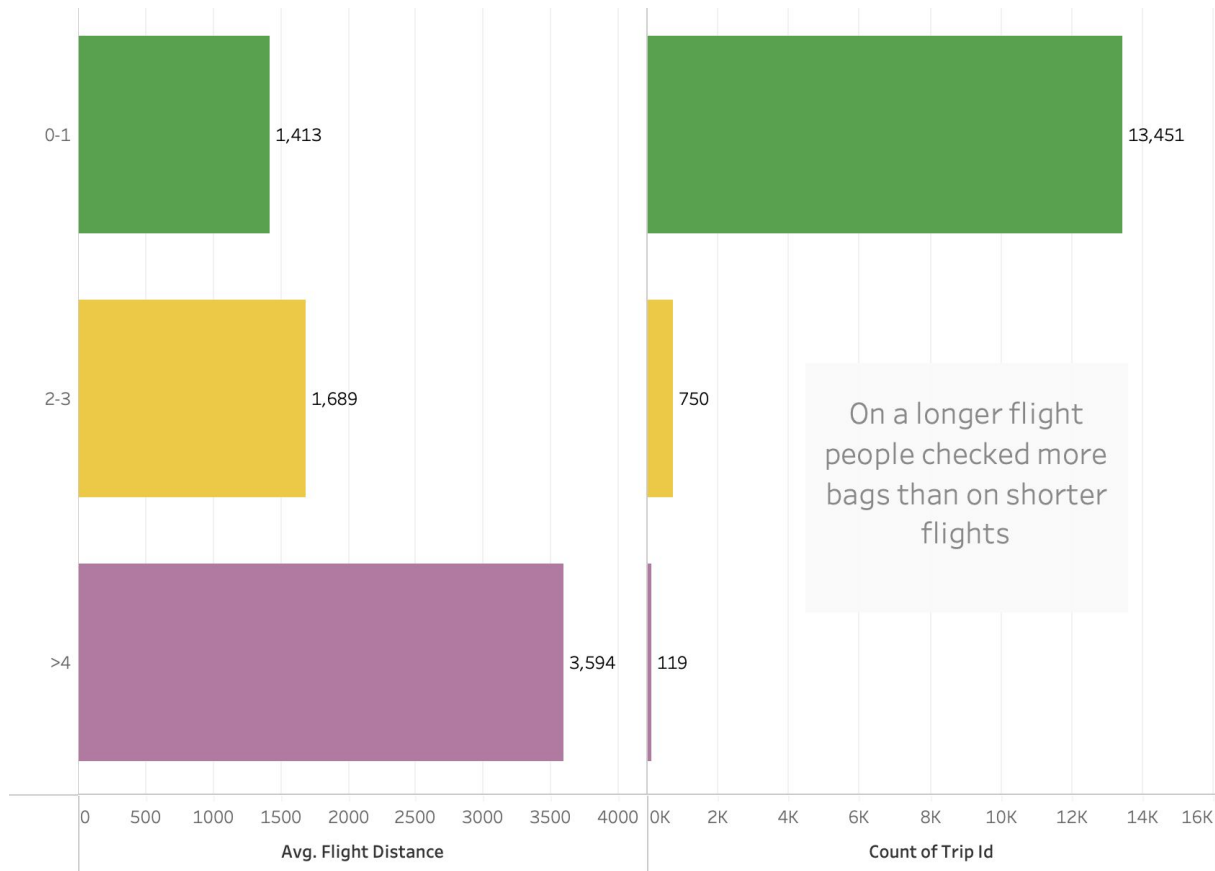
Perk 1- Free Hotel Meal



We filtered our data for users who booked hotels with 2 or more rooms to analyze age and marital status differences.

In total, we identified 2,276 users who might be interested in this perk, but we should take into account their age and marital status

Perk 2 -Free Checked Bag

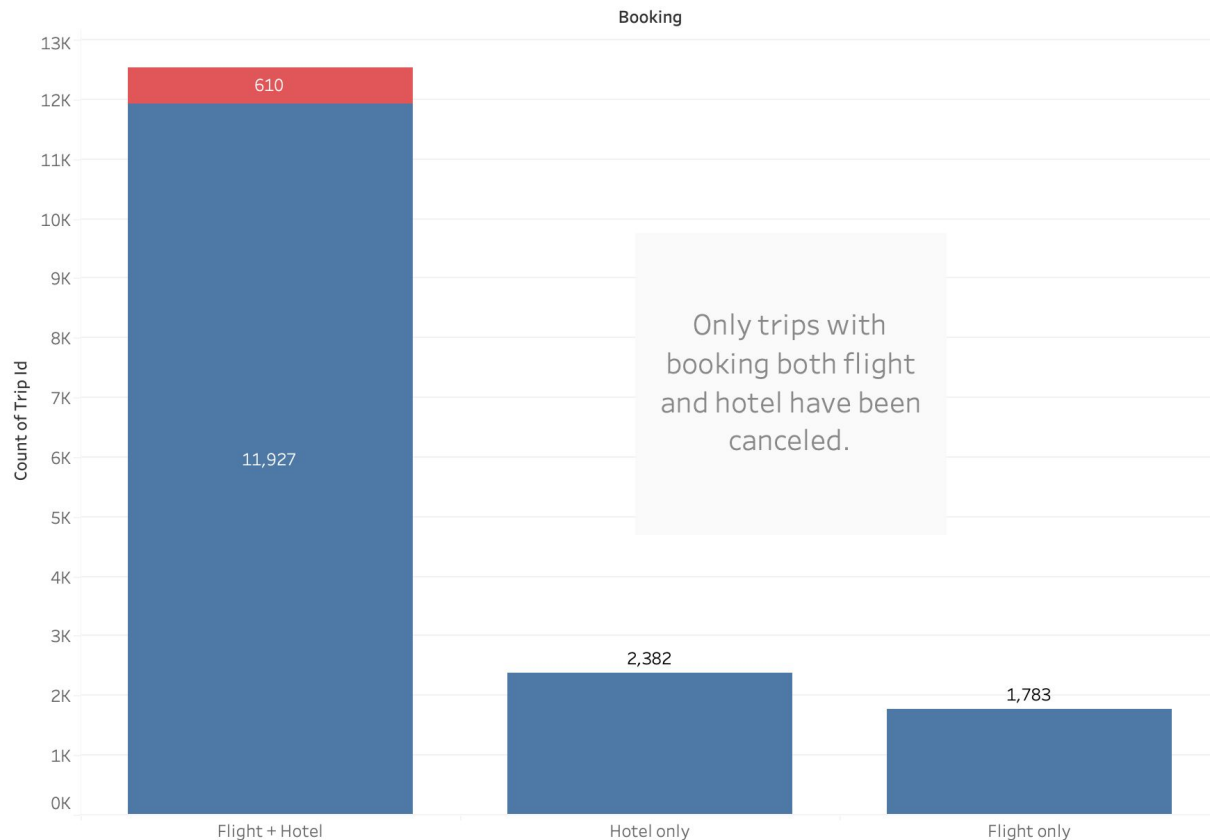


Most trips are for shorter distances and involve either no checked bags or just one.

Out of a total of 869 trips, there were users who took longer flights with 2 or more checked bags.

We can consider offering a free checked bag for flights exceeding, for instance, 1500 miles

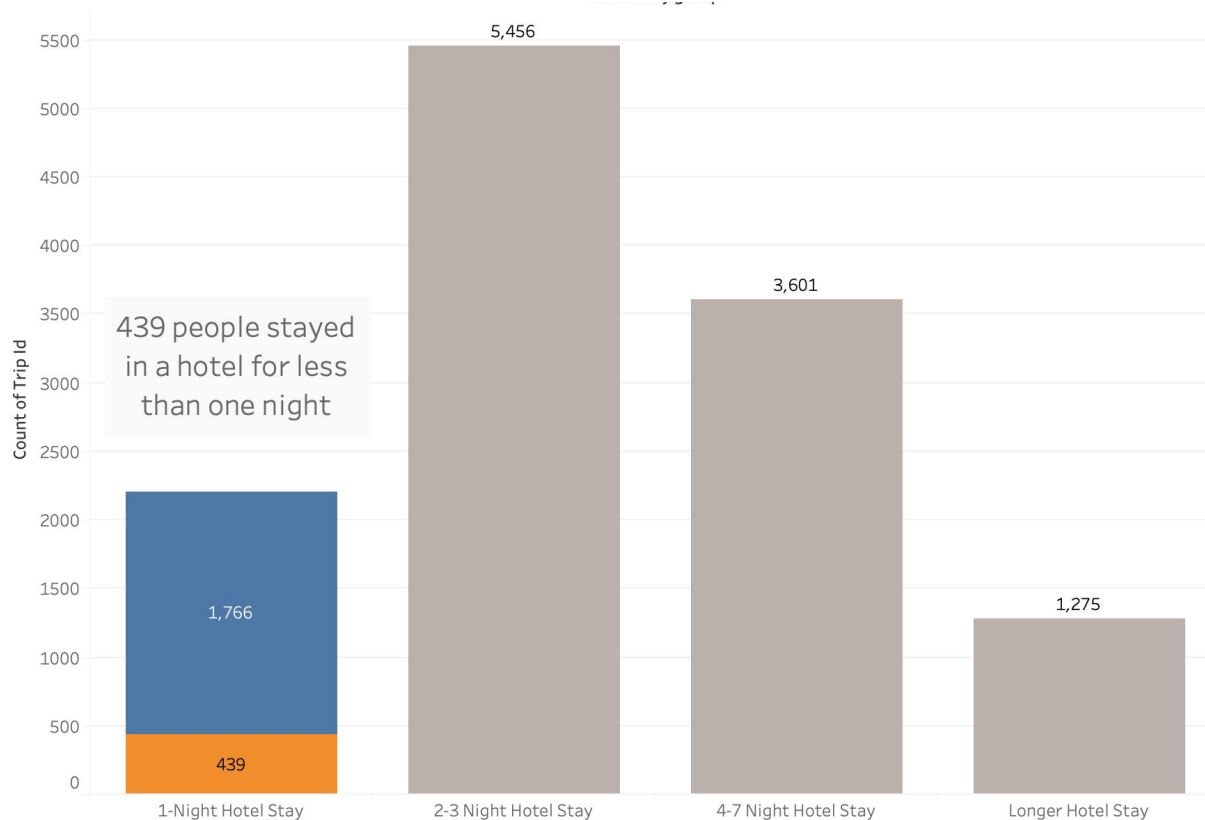
Perk 3 - No Cancellation Fee



In our analysis, we discovered that cancellations occurred exclusively for trips with both flight and hotel bookings

Because the cancellation rate is very low, we can provide a 'No Cancellation Fee' option for everyone who books a flight with a hotel

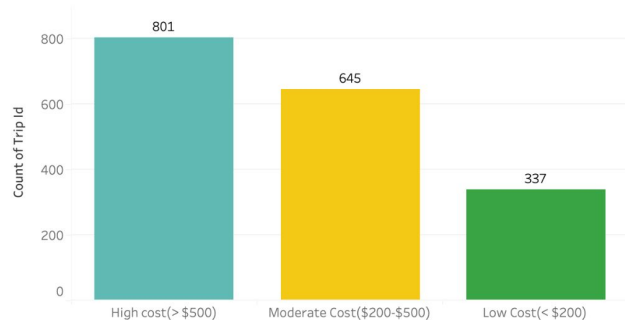
Perk 4 - 1 Night Free Hotel with Flight



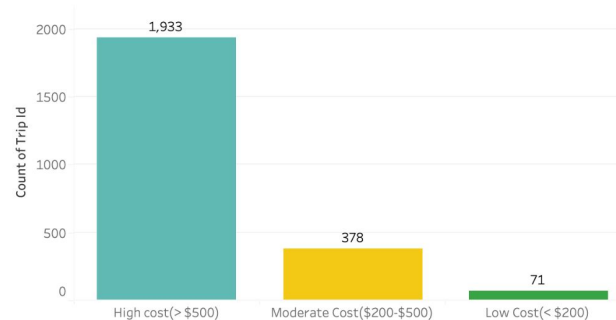
- Out of 2,205 travelers who paid for just one night, nearly 25% stayed for less than a day, often for layovers or while waiting to catch another flight.
- We have 2,205 potential users who might be interested in a promotion for one free night when booking a flight.

Spending Behavior

Spending Behavior Flight



Spending Behavior Hotel



Spending Behavior Flight+Hotel



For trips with just flights or only hotel bookings, most of them cost over \$500 per trip

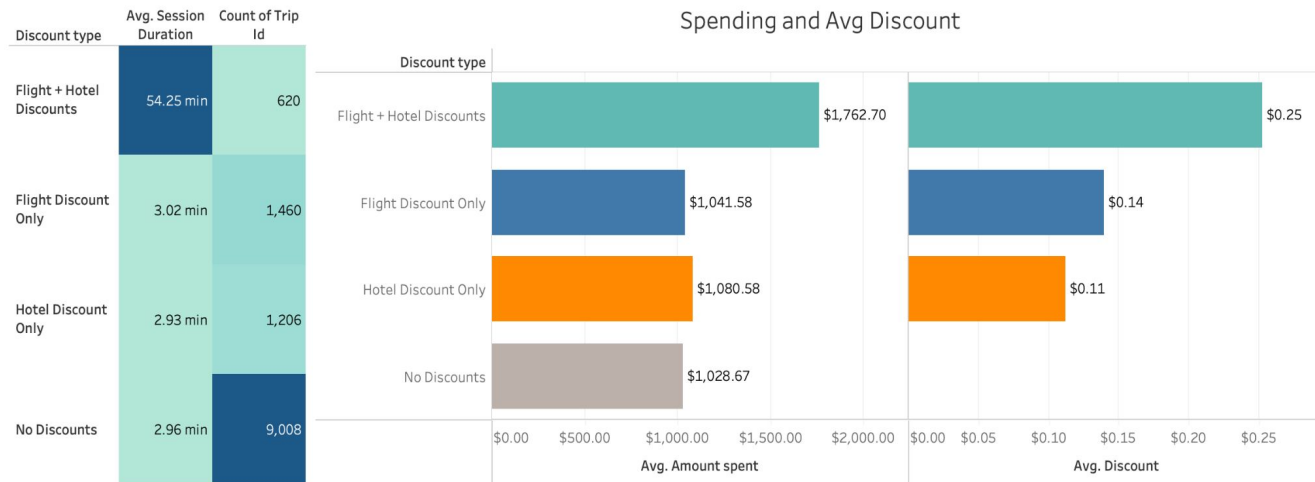
Similarly, trips that include both flights and hotels tend to be booked at higher costs

But, overall, people usually book both flights and hotels together for their trips.

Booking

Flight + Hotel	75.06%
Flight only	10.68%
Hotel only	14.26%

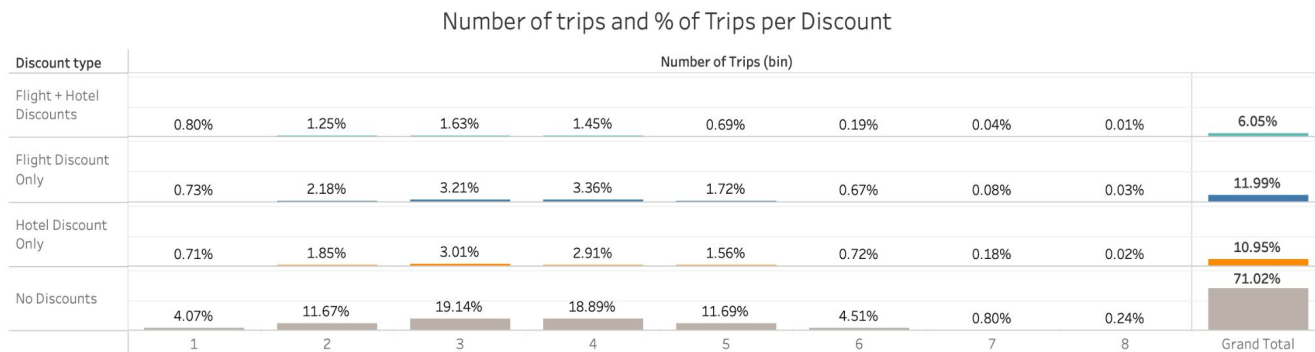
Perk 5 - Exclusive Discount



- On average, people took more time to book flights and hotels together

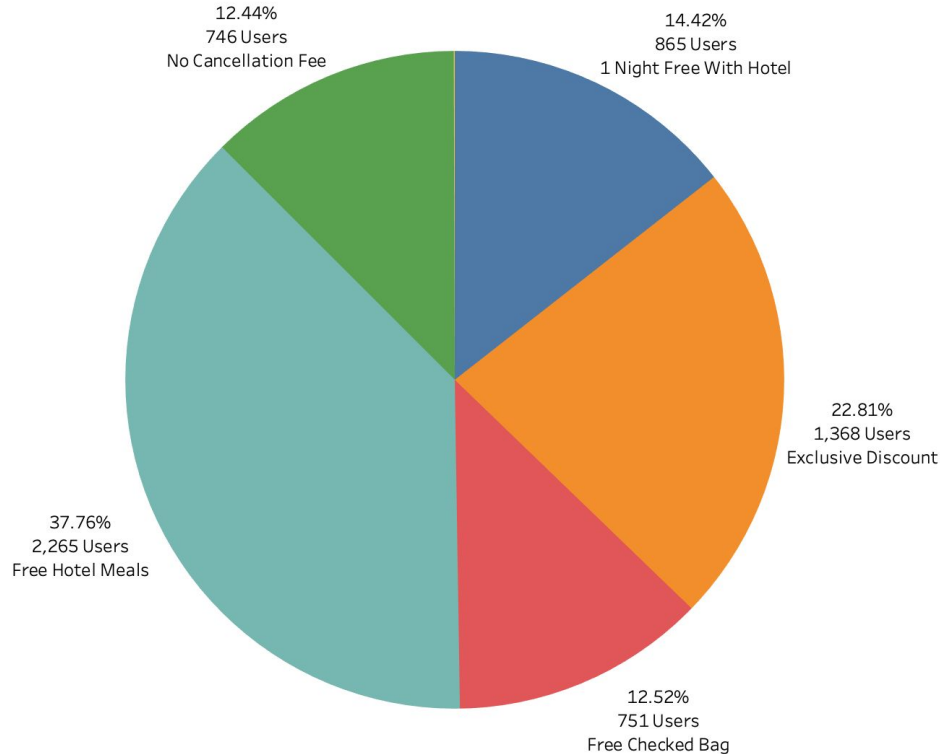
- 29% of all trips received a discount

-When booking flights and hotels together, people spent more money on average and received larger discounts



- We've observed that, on average, users book three trips. We can provide exclusive discounts to those who book both a hotel and flight for their second or third trip

Perk Distribution Between Users



Free Hotel Meals: Ideal for group, family, and senior travelers booking multiple rooms.

Exclusive Discount: Perfect for budget-conscious users who spend more and appreciate discounts.

1 Night Free With Hotel: Designed for quick layovers, offering a complimentary night's stay.

Free Checked Bag: Appeals to travelers with multiple bags on longer trips.

No Cancellation Fee: Preferred by flexible travelers, providing peace of mind for plan changes.

Next steps/Recommendation

- Segmented Email Campaigns
- A/B Testing for Optimization
- Monitoring User Engagement
- Feedback Collection
- Continuous Refinement
- Dedicated Customer Support

Thank You!

Any questions?

Links:

[Customer Segmentation Report](#)

[Dashboards Story in Tableau](#)