

SEGMENTATION PROJECT EXECUTIVE SUMMARY



INTRODUCTION/BACKGROUND

Segmentation is a board category of analytic techniques that allows us to group similar data points, these data points represent customers.

Customer Segmentation divides a customer database into groups to provide a tailored customer experience, the business value of creating such groups is the ability to implement specific business strategies.

OBJECTIVES

The purpose of this project was to help the marketing department find the most likely perk that will make customers sign up for a reward program and keep them returning to the TravelTide platform.

METHODOLOGY

90% of technical skill used on this project was SQL, then google spreadsheet and Tableau. Since i have to segment my data point and it is a known fact that to make a better decision more than one type of segmentation has to be carried out.

So i segmented my data base on ;

- Behavioural trails of customers(Behavioural Segmentation) with 4927 users as sample
- Differences base on age,gender,marriage and family size(Demographic segmentation) with 4927 users as sample
- Location based segmentation(Geographic segmentation)

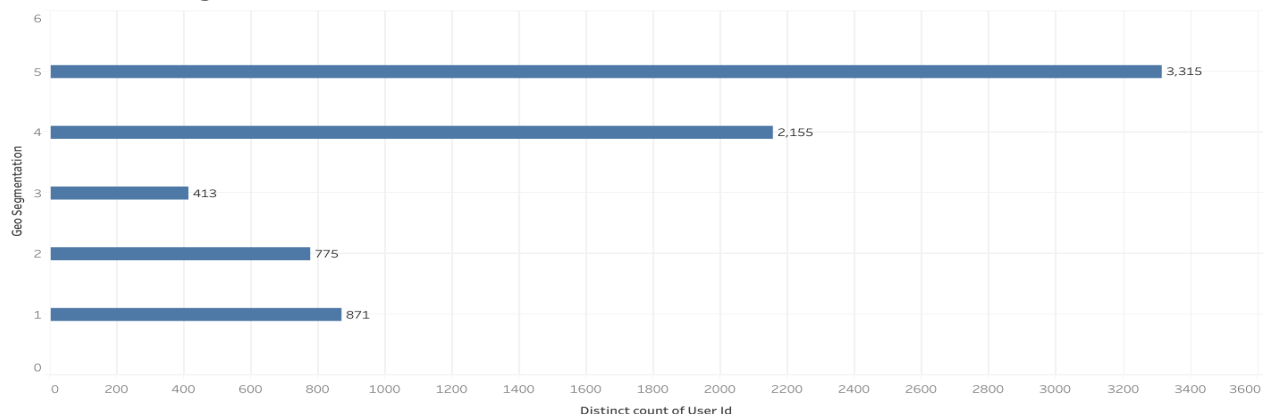
FINDINGS

Marketing department gave us Five(5) to work with, which are as following :

Executive discount	1
Free hotel meal	2
One night free hotel with flight	3
Free checked bag	4
No cancellation fees	5

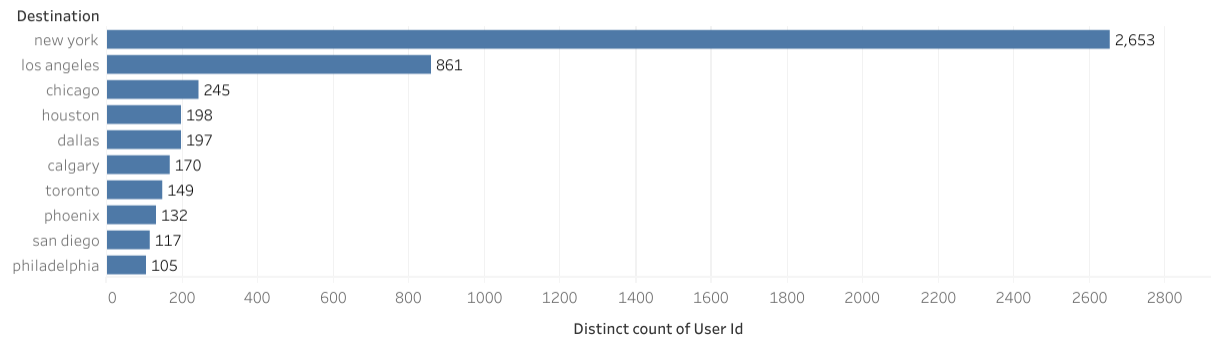
FROM GEOGRAPHIC SEGMENTATION

Observations of segment



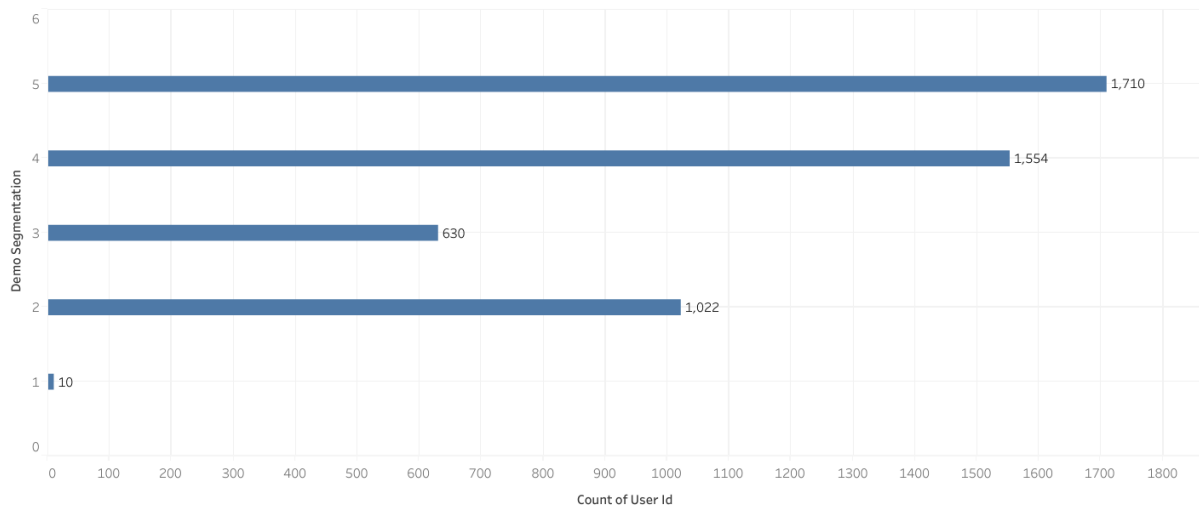
From my geographic segmented data the most likely perks are 5 and 4, and besides this I also discovered that the majority of users lives in NEW YORK and the destination for most users of TravelTide is also New york, i believe we have more short distance travellers than longer distance travellers.

Observation Of destination



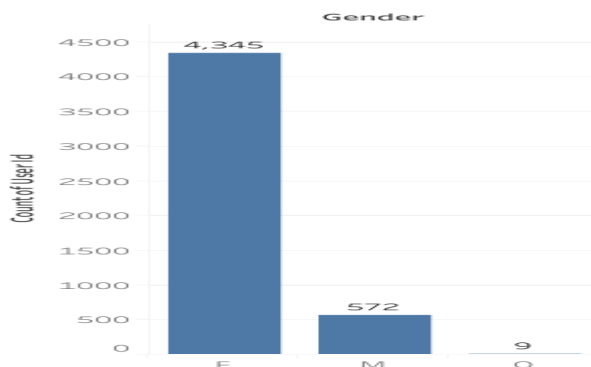
FROM DEMOGRAPHIC SEGMENTATION

Segmentation



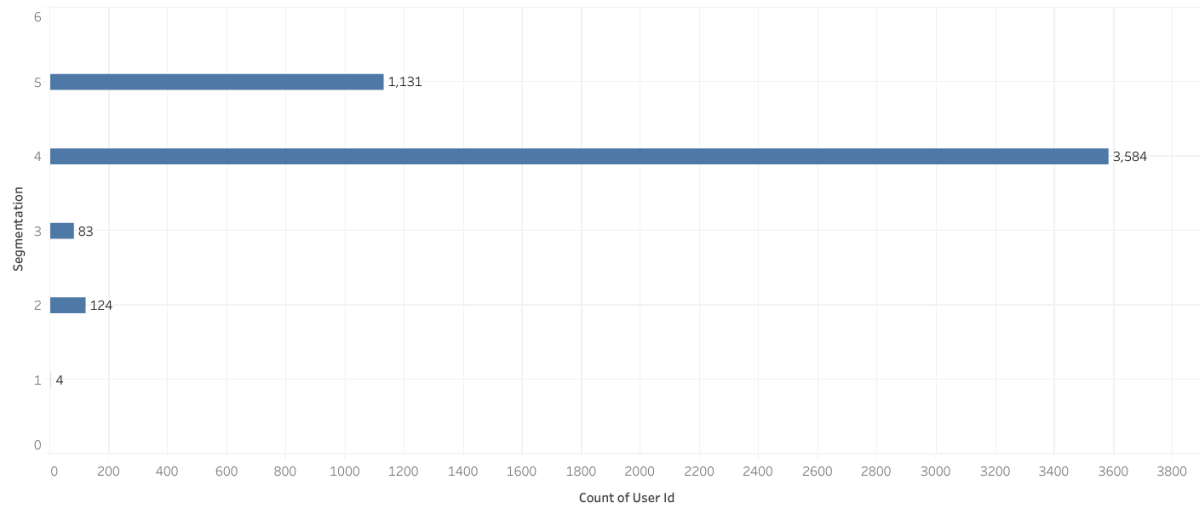
From demographic segmentation i find that the most likely perks are 5(1710 users),4(1554 users) and 2(1022 users), and also that we had female as the most users(4345) of TravelTide and most users of TravelTide are aged between 32 years and 56 years

Gender



FROM BEHAVIOURAL SEGMENTATION

Segmentation Distribution



From Behavioural segmentation Free checked bags is the most likely perk to attract customers with 3584 users and also find out that 3546 users travel with no bag and 2648 users stay for 1 to 2 nights.

RECOMMENDATIONS/NEXT STEP

From my analysis the perks that will likely attract customer are

- No cancellation fees
- Free checked bag
- Free hotel meal

My recommendation are

1. Users that travel distances less than 4000 Km or live in either New York or Los Angeles should get free cancellation, because the majority of our users live in these two cities, this perk should also be extended to users that travel short distances.
2. Users that are age 30 to 60 years and are married or with children should get free checked bag, i choose this age for this perk because majority of our users are aged 32 to 56 years
3. For free hotel meal users that stayed more than Five(5) night in our hotel and travel a distance of more than 8000 Km should be in this perk, Number of users in this perk might be low, but the percentage total cost is relativity high,