TravelTide
Customer Segmentation

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Introduction

- Create **segmentation** of TravelTide users
- **Label** segmented groups
- Assign relevant **perks** to each group

Introduction

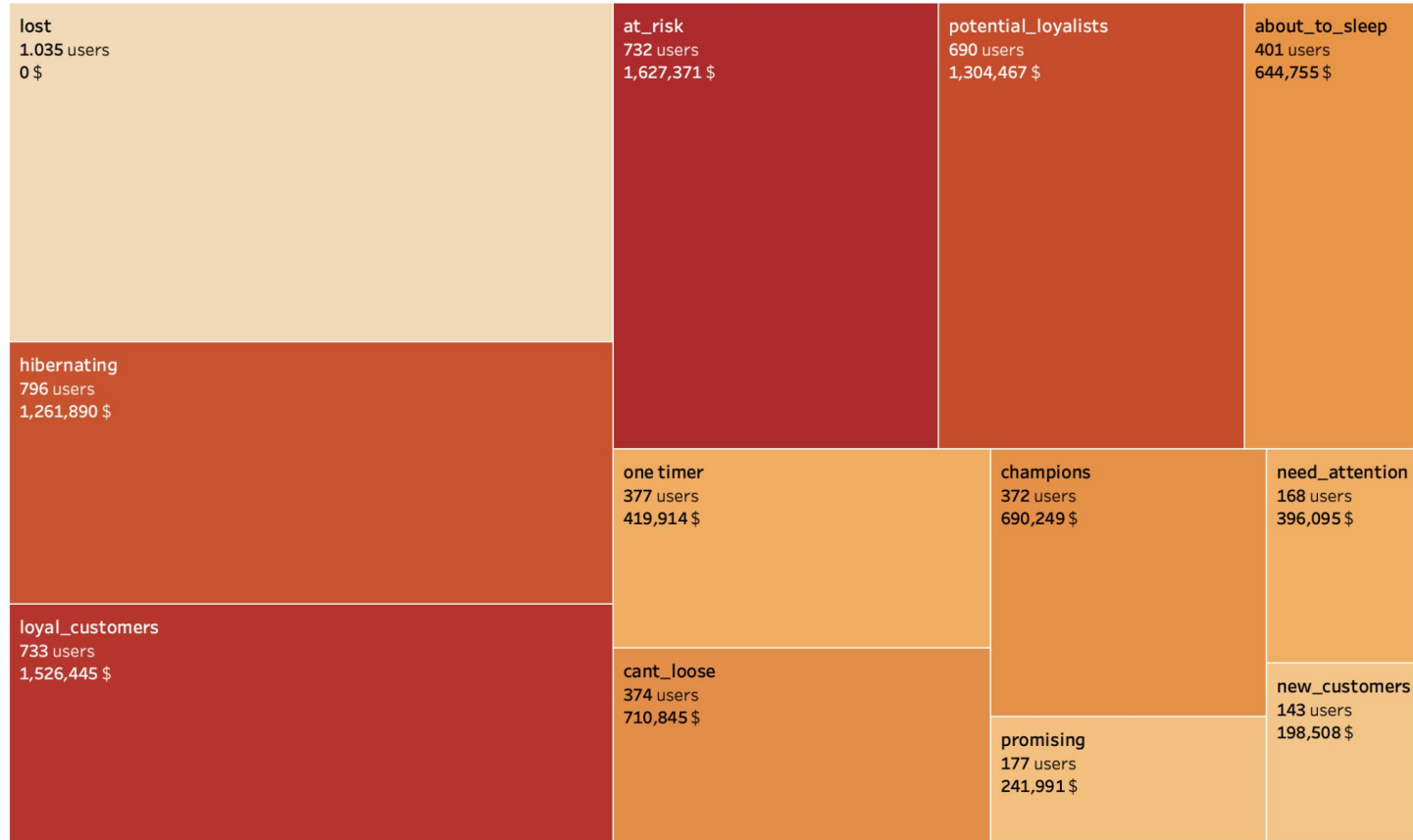Two types of segmentation were performed:

- **Recency, Frequency, Monetary** (RFM) segmentation
- Segmentation based on inferred **User's Behaviours**

Data Context

General Considerations for defining sample of users:

- Users active **after 01/04/2023**
- Users who have consulted TravelTide services **at least 7 times**
- **5998 users** considered for segmentation

Segmentation: RFM

lost
1.035 users
0 $

hibernating
796 users
1,261,890 $

loyal_customers
733 users
1,526,445 $

at_risk
732 users
1,627,371 $

one timer
377 users
419,914 $

cant_loose
374 users
710,845 $

potential_loyalists
690 users
1,304,467 $

champions
372 users
690,249 $

promising
177 users
241,991 $

about_to_sleep
401 users
644,755 $

need_attention
168 users
396,095 $

new_customers
143 users
198,508 $

Segmentation: RFM

Persona:

Lost: Conduct surveys or feedback sessions to understand why they stopped purchasing and address any concerns.

Hibernating: Reach out with personalized win-back offers or discounts to encourage them to return.

Loyal_customers: Exclusive loyalty rewards such as early access to new products, VIP events, or special discounts.

At risk: Implement targeted re-engagement campaigns to remind them of your value proposition.

Potential_loyalists: Provide personalized incentives to make the leap to loyal customer status, such as double loyalty points or exclusive previews.

About_to_sleep: Offer loyalty rewards or VIP programs to further incentivize their frequent purchases.

One timer: Implement an onboarding email series to introduce them to your products/services.

Cant_lose: Provide exclusive offers or early access to new products/services to maintain their engagement.

Champions: Encourage them to become brand advocates by offering referral bonuses or social media shoutouts.

Promising: Offer incentives for increasing their frequency of purchases, such as referral bonuses or points-based rewards.
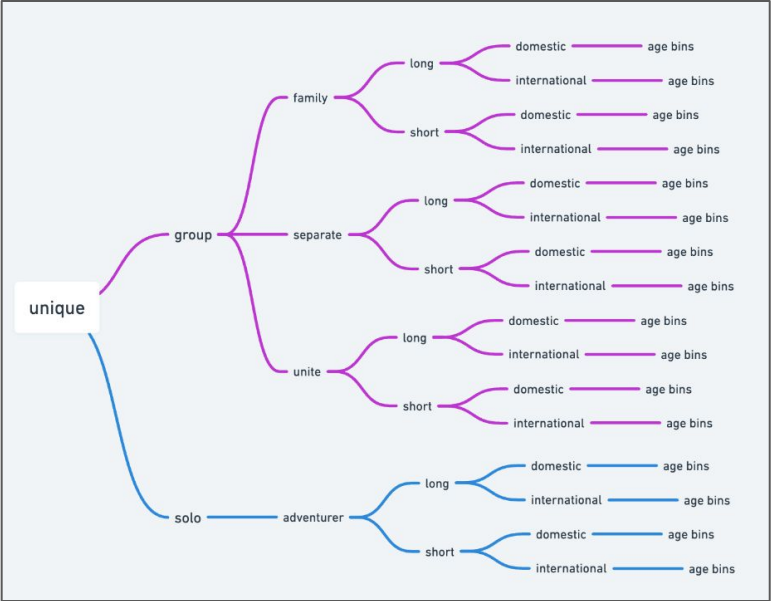
Need_attention: Provide targeted offers or personalized customer service interactions to address any issues and encourage further purchases.

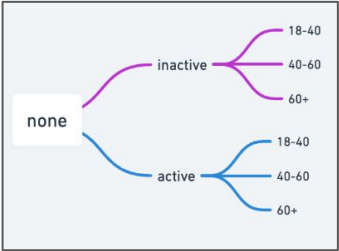**New_customers**: Welcome them with a special discount or promotion for their next purchase.

Segmentation: Users Behaviours
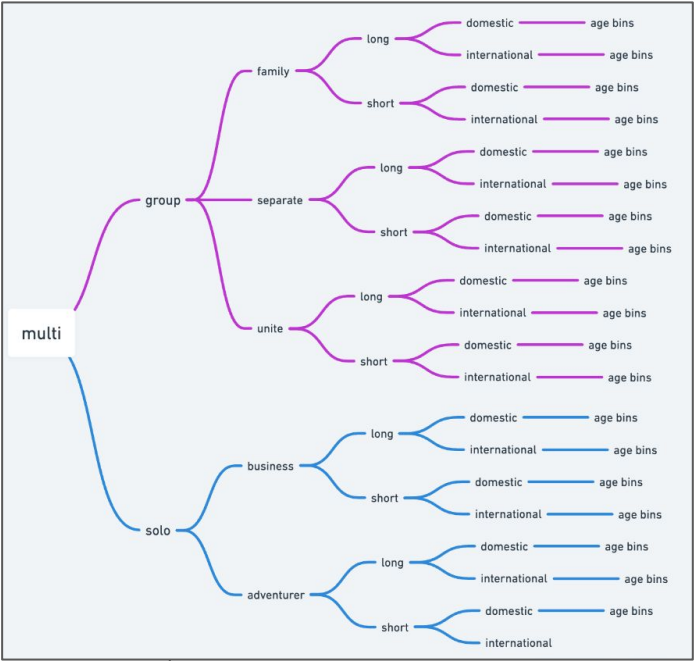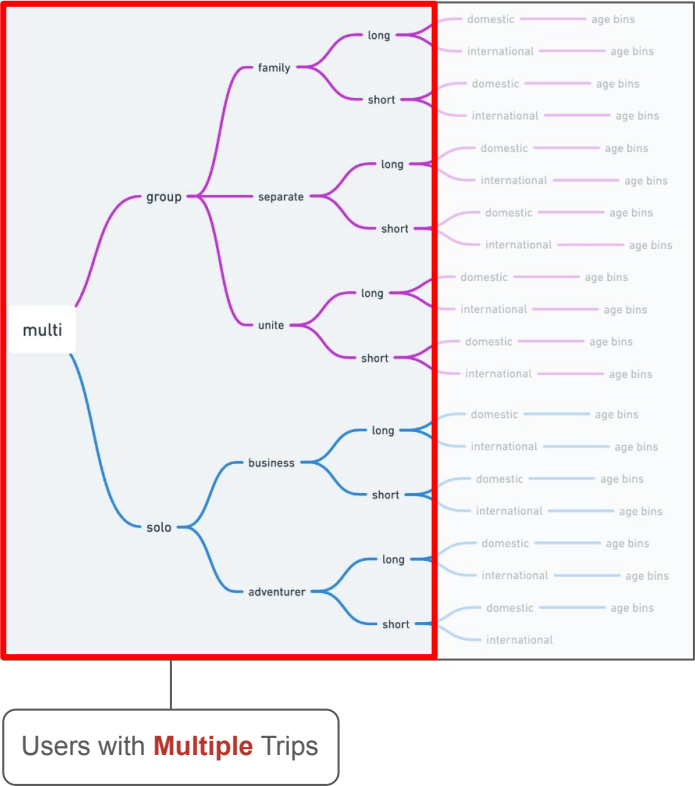

Users with **Multiple** Trips

Users with a **Single** Trip

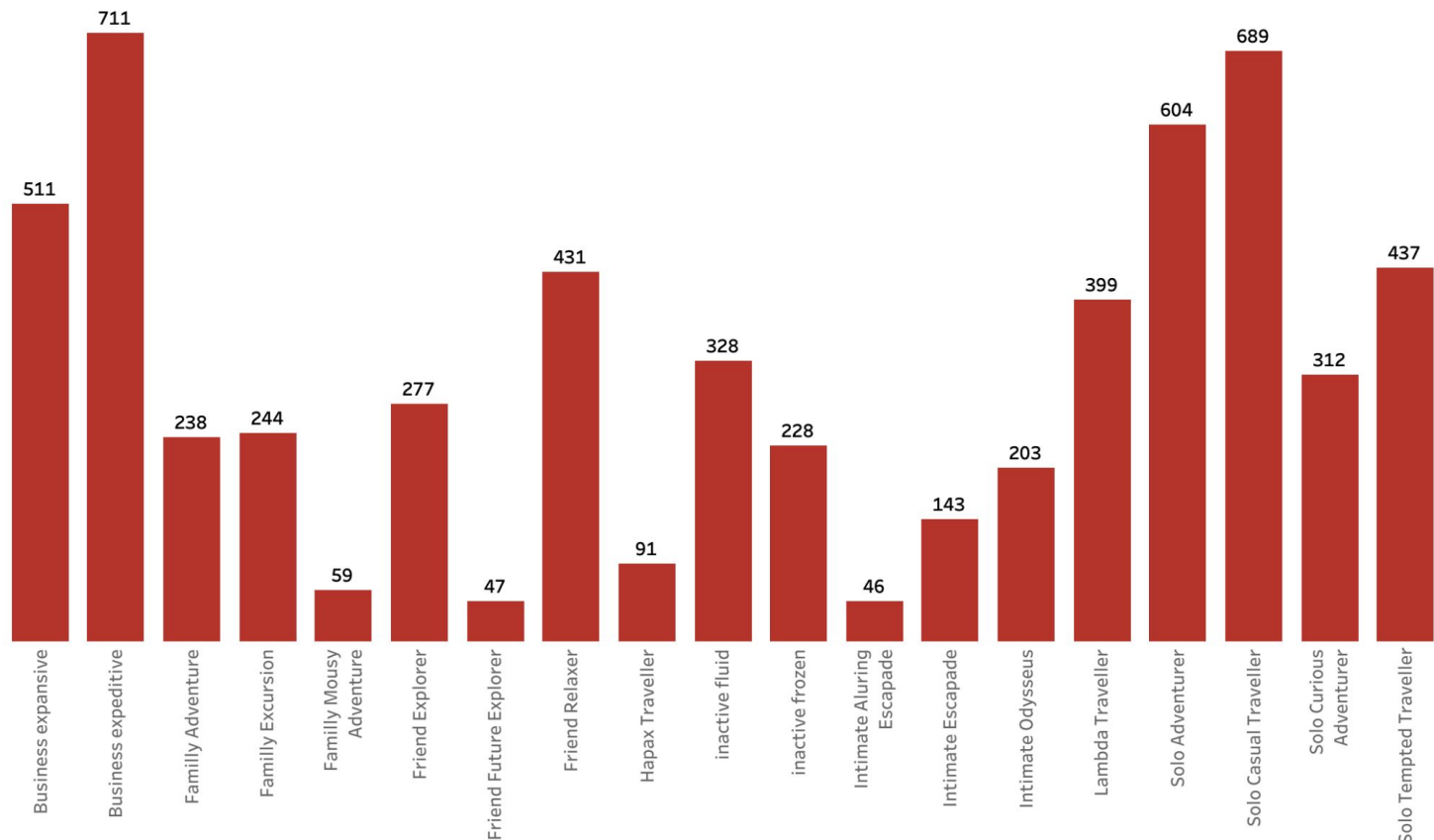**Inactive** Users

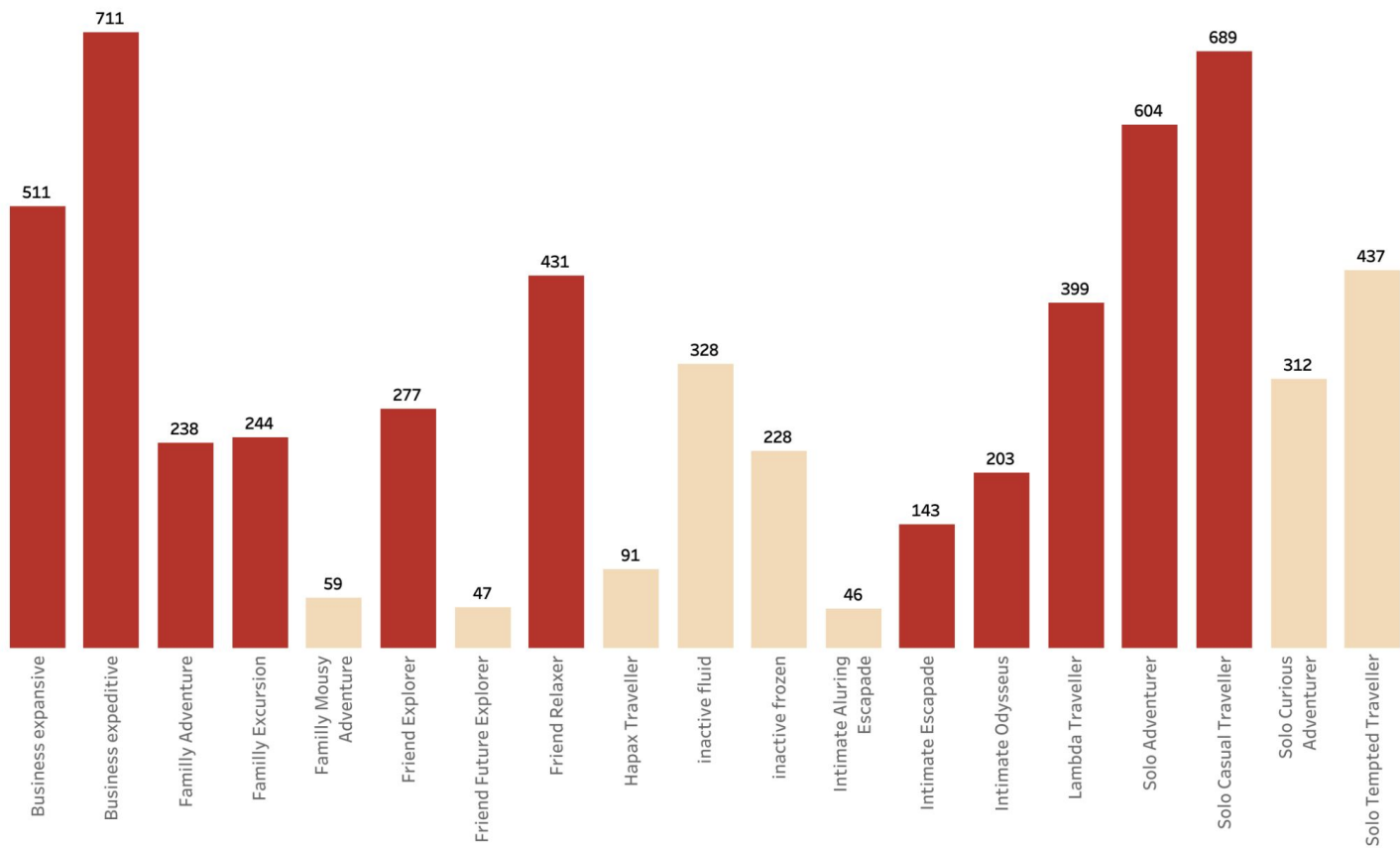# Segmentation: Users Behaviours

Threshold set at
'long'/'short' branching

Users with **Multiple** Trips

Segmentation: Users Behaviours

Segmented Groups:

Segment	Value
Business expansive	511
Business expeditive	711
Familly Adventure	238
Familly Excursion	244
Familly Mousy Adventure	59
Friend Explorer	277
Friend Future Explorer	47
Friend Relaxer	431
Hapax Traveller	91
inactive fluid	328
inactive frozen	228
Intimate Aluring Escapade	46
Intimate Escapade	143
Intimate Odysseus	203
Lambda Traveller	399
Solo Adventurer	604
Solo Casual Traveller	689
Solo Curious Adventurer	312
Solo Tempted Traveller	437

Segmentation: Users Behaviours

Segmented Groups - Persona focus:

Segmentation: Users Behaviours

Persona:

Solo Business Traveller

Lambda Traveller

- Default user
- Solo
- Flexible

Perk:
Last-Minute Deals

Business expeditive

- Solo
- Professional
- Quick Trip

Perk:
Partnership discounts for companies that book frequently.

Business expansive

- Solo
- Professional
- Extended stay for research or lengthy negotiation

Perk:
Reduced rates for long-term hotel stays.

Segmentation: Users Behaviours

Persona:

Solo Informal Traveller

Solo Casual

- Solo
- Curious mind
- Quick Trip

Perk:
Short trip packages for popular destinations.

Solo Adventurer

- Solo
- Interested and Passionate
- Possibly an adventurer spirit or a digital nomad
- Extended stay

Perk:
Packages with activities like hiking, diving, and cultural tours.

Segmentation: Users Behaviours

Persona:

Family Trip

Family Excursion

- Family group
- Short trip
- Resourcing or fun, entertaining getaway

Perk:
Reduced rates for accommodation, meals, and activities.

Family Adventure

- Family group
- Adventure oriented
- Long stay packed with activities and discoveries

Perk:
Packages with activities such as safaris, theme parks, and outdoor adventures.

Segmentation: Users Behaviours

Persona:

Friendly Bounds

Friend Relaxer

- Trip between friends
- Relaxing
- Quick change of scenery

Perk:
Discounts for bookings on short stays.

Friend Explorer

- Trip between friends
- Explorer, hiker, adventurer
- Long term project with solid itinerary

Perk:
Reduced rates for extended stays.

Segmentation: Users Behaviours

Persona:

Close Friends and More

Intimate Odysseus

- Close friends or couple
- Seaking to share exciting moments
- Short trip filled with experiences

Perk:
Packages with activities like wine tastings, city tours, and spa treatments.

Intimate Escapade

- Close friends or couple
- Extended Getaway
- Vibrant stay with a place for improvisation and surprise

Perk:
Special rates on long stays.
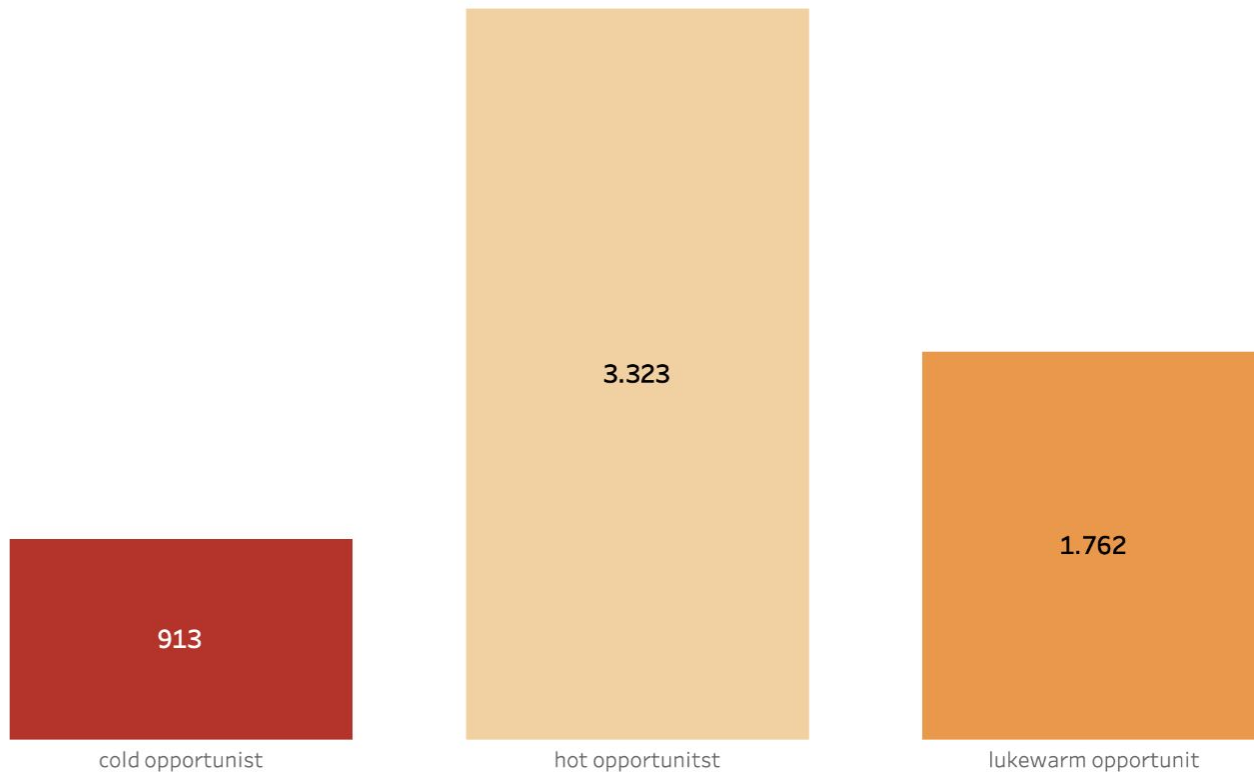
Segmentation: Users Behaviours

Limits…

Flexible and **Scalable** but…

Methodology that

- Relies on **large amount of users**
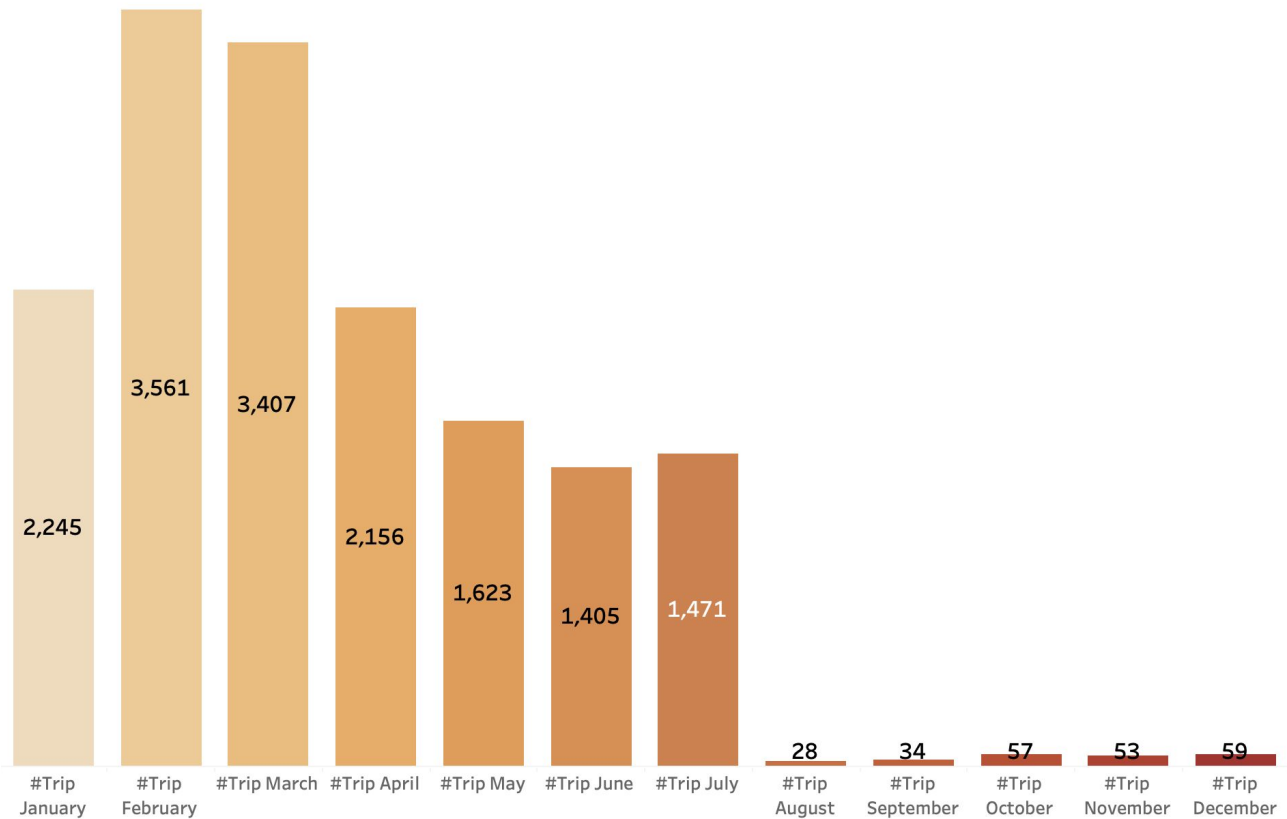- Possibly **missing interesting/key metrics**

Segmentation: Users Behaviours

Users Discount Usage

Segmentation: Users Behaviours

Count of Trip per Month
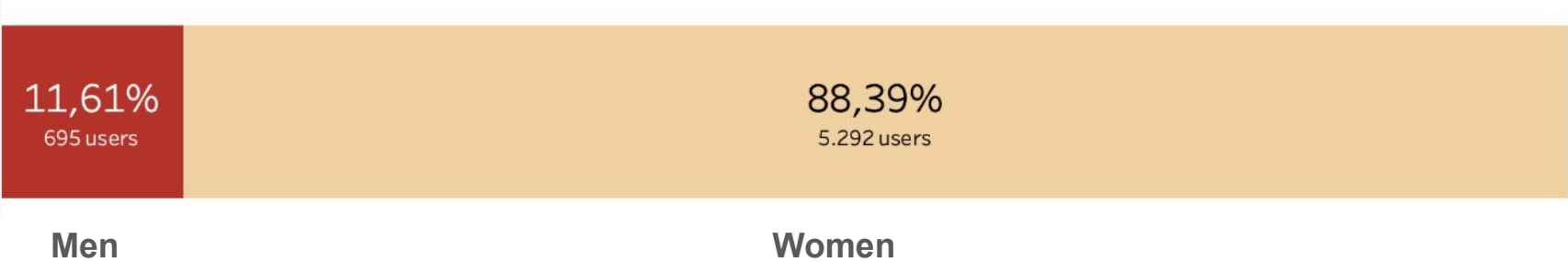
Conclusion

Limits… and possibilities

Inference means introduction of **Bias**…

Hence, require **testing**:

- **A|B testing:** observable results of a group exposed to the proposed perks and a group exposed to a random selection of perks

- **Polling:** entice users to answer to a questionnaire; collect more information about their possible preferred perks
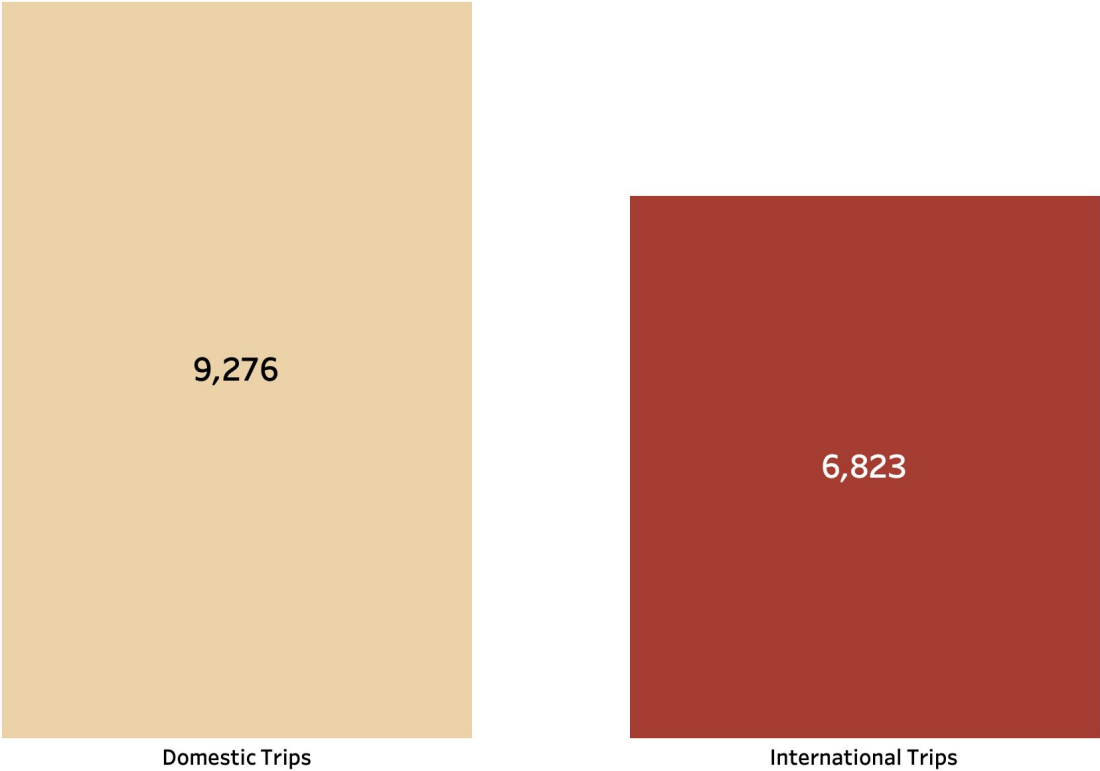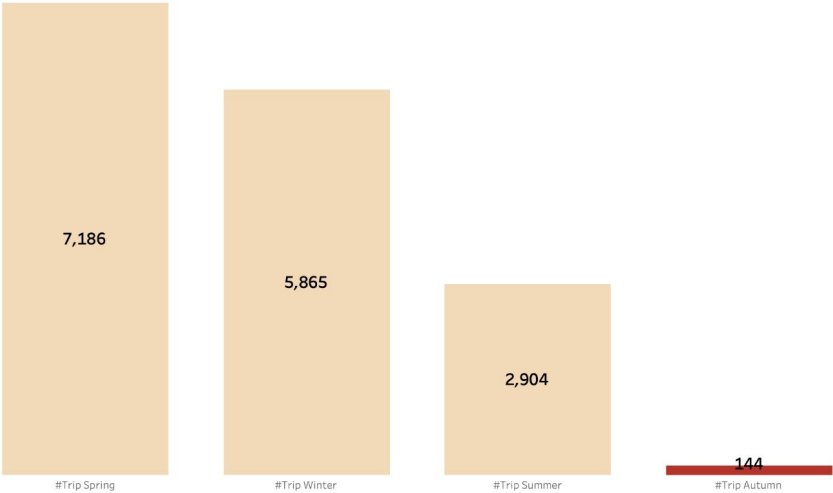
Conclusion

Users Distribution by Gender

11,61%
695 users

88,39%
5.292 users

Men

Women

Conclusion

Domestic/International Trip Count

Conclusion

Trips by Season

7,186	#Trip Spring
5,865	#Trip Winter
2,904	#Trip Summer
144	#Trip Autumn

Users Distribution by Season

4,379	#Users Spring
3,925	#Users Winter
2,442	#Users Summer
144	#Users Autumn
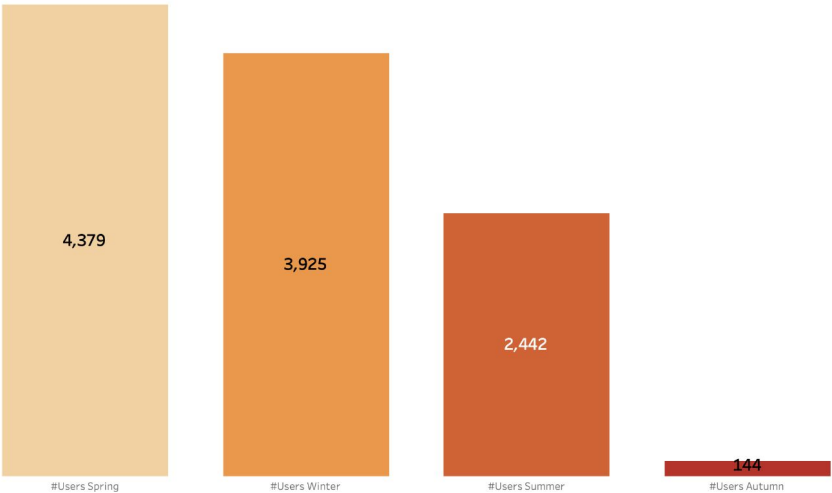
"Our roots are in the dark; the earth is our country. Why did we look up for blessing — instead of around, and down? What hope we have lies there. Not in the sky full of orbiting spy-eyes and weaponry, but in the earth we have looked down upon. Not from above, but from below. Not in the light that blinds, but in the dark that nourishes, where human beings grow human souls."

-Ursula K. Le Guin, "A Left Handed Commencement Address"