



TravelTide

Customer Segmentation & Rewards Program



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Introduction

TravelTide launched in **April 2021**.

Seen steady growth thanks to its top-tier data aggregation and search technology

As at end July 2023, TravelTide consisted of:

- 1,020,926 Users
- 5,408,063 Unique Sessions
- 2,245,175 Unique Trip Ids (Incl. cancellations)



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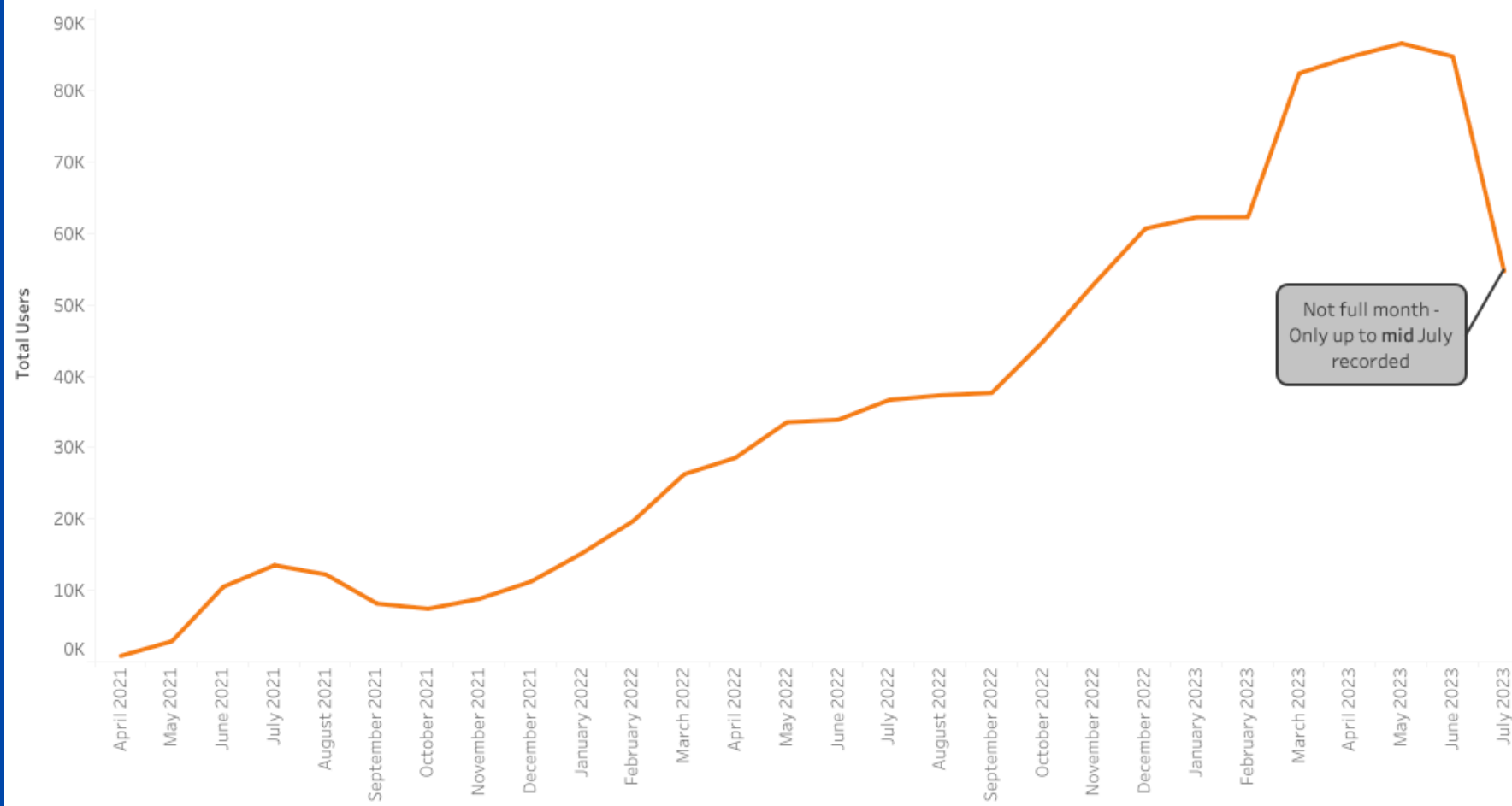
Unfortunately still has **lower-than-hoped-for** customer retention.

- **CEO Kevin Talanick** focused on adding value for existing customers through a thoughtful marketing strategy.
- **Elena Tarrant brought in as Head of Marketing**, her mission is to design and launch a personalized rewards program
- Our role is **identify active users** and find good **rewards perks** for each



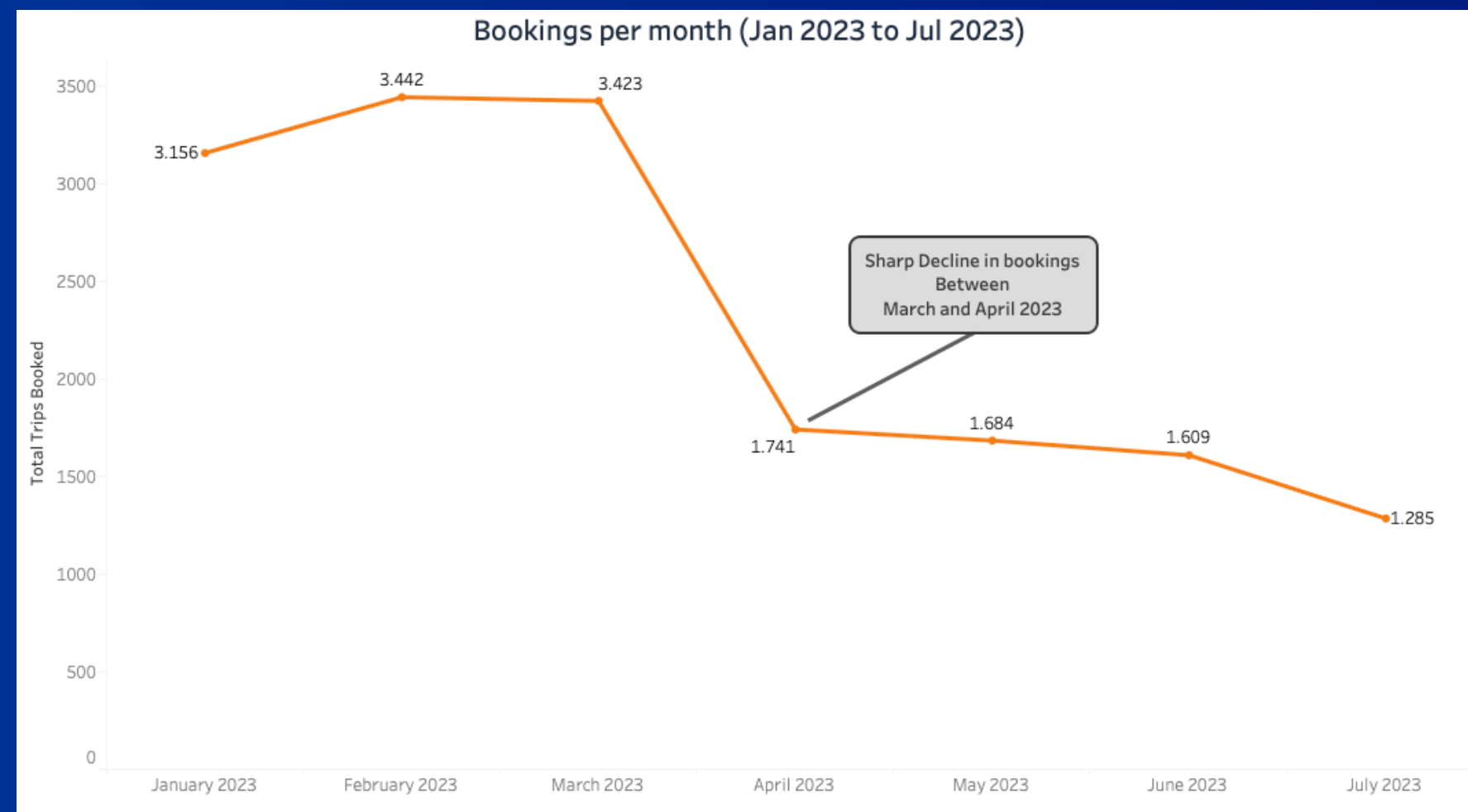
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Timeline showing Signups (April 2021 to mid Jul 2023)



Even though user **signups increased** every month (steep increase between March 2023 and April 2023),

We still see a **decrease in bookings** in 2023, with the steepest decrease between March and April 2023!





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Processes

- Only included sessions from **04th Jan 2023**, where user had **more than 7** sessions
- Lead to **5998** unique users, **16 099** unique trips and **47998** unique sessions
- **Removed cancelled trips** and their original bookings

User Stats

Age Groups	Has Children..	Total Sessions	Total Trips	Total Users
18-30	No	4,168	1,035	525
	Yes	1,717	370	219
20 and Under	No	2,220	319	281
	Yes	888	117	112
31-40	No	9,269	3,724	1,154
	Yes	4,349	1,451	544
41-50	No	10,477	4,278	1,310
	Yes	5,771	2,042	720
51-60	No	3,958	1,497	491
	Yes	2,692	892	332
61 and Over	No	2,234	320	279
	Yes	255	54	31
Grand Total		47,998	16,099	5,998



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Decision Tree

- Segmented users into groups to help **create an individualised perk** for each segment.
- After analysis of data, split users into **7 groups**
 - Family Explorer
 - Youthful Adventurer
 - Mid-life Saver
 - Mid-Life Spender
 - Golden Explorer
 - Last-Minute Leaver
 - Wanderlust Watcher



Customer Segmentation



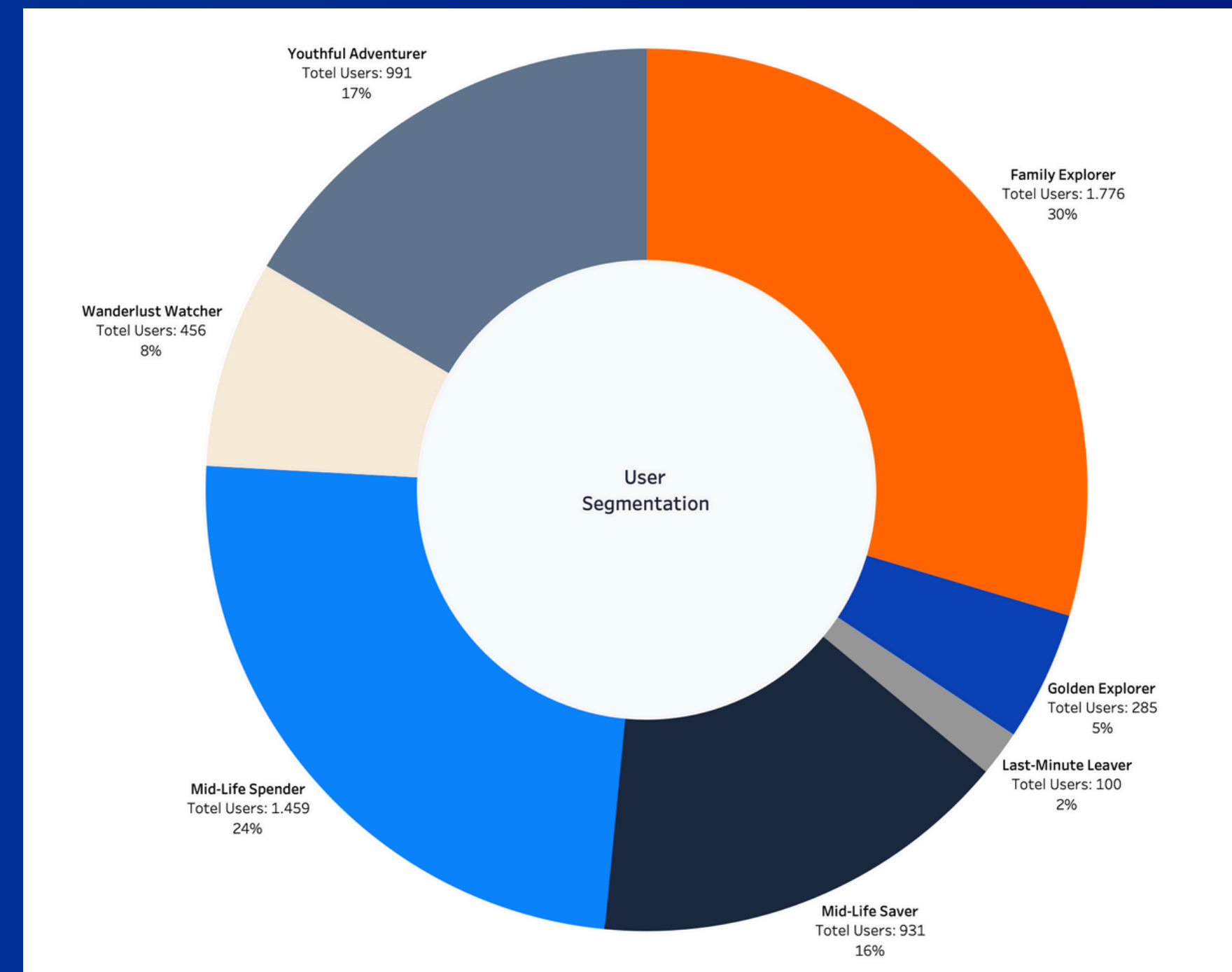


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Customer Segmentation

- Explored the customers characteristics to find some meaningful groups
- 3 main fields used:
 - Customer Demographics
 - Trip behaviour
 - Payment behaviour

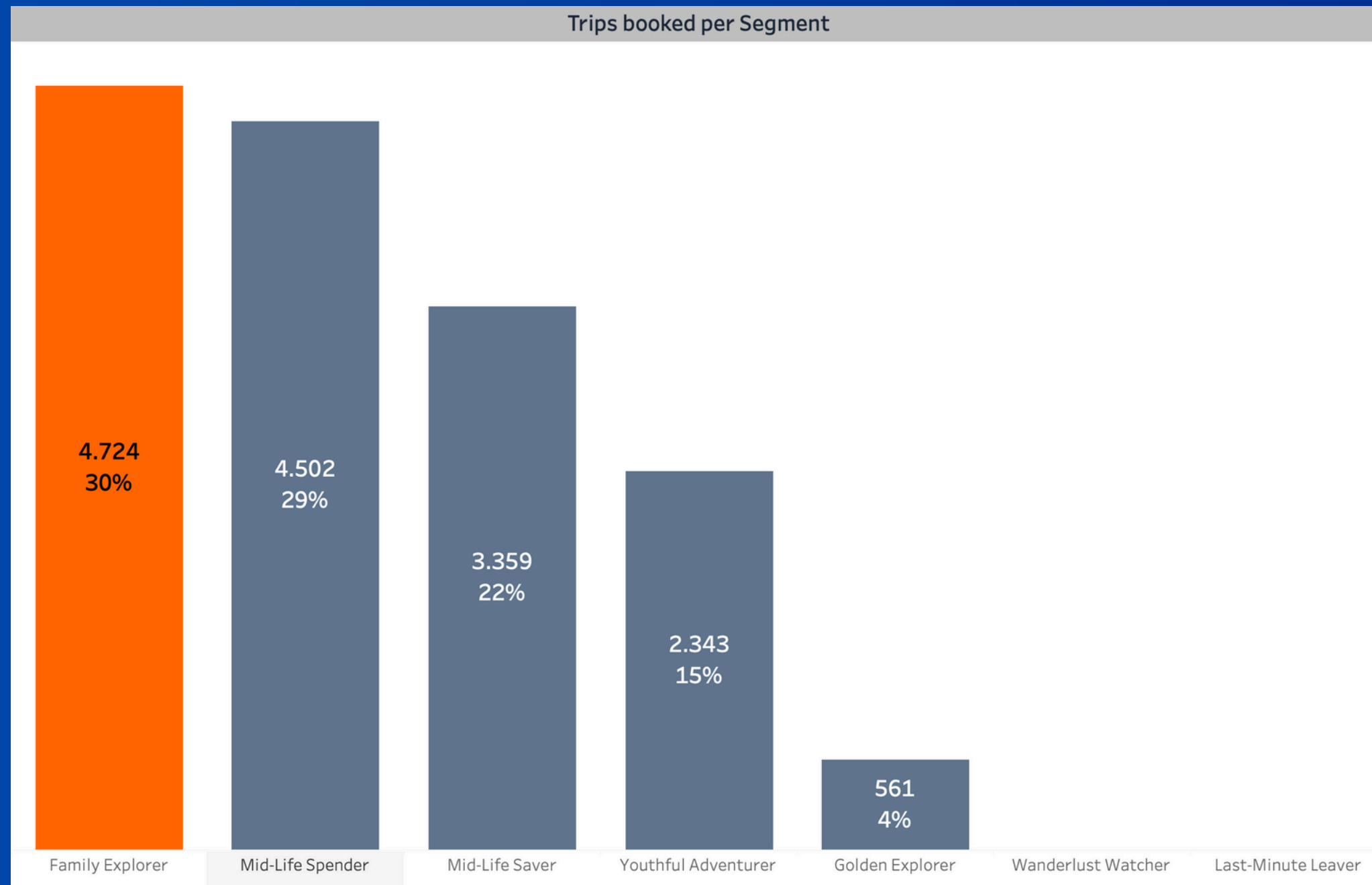
Segmentation breakdown					
Segmentation	Total Revenue	Avg Flight Discount	Total Cancellations	Avg Session Duration Seconds	
Family Explorer	5,772,568	6%	169	924	
Mid-Life Spender	5,086,293	0%	152	981	
Mid-Life Saver	3,891,469	17%	70	1,028	
Youthful Adventurer	2,929,778	5%	92	900	
Golden Explorer	777,823	4%	26	857	
Wanderlust Watcher	0	0%	0	678	
Last-Minute Leaver	0	0%	101	539	





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Family Explorer



- Grouped by
 - Has children = True
 - Has Trips = True
- Total Users = 1776
- Trip Bookings = 4724
- Make up **30% of users** – largest segment
- Books the **most trips overall**
- Seats booked and bags checked: 1–3 → not always traveling as a full family
- Average total **revenue: \$3,250** → **ranks 3rd** among segments
- **Proposed Perk: Kids stay free on flight + hotel combo**
- → *Encourages full-family bookings*



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Youthful Adventurer

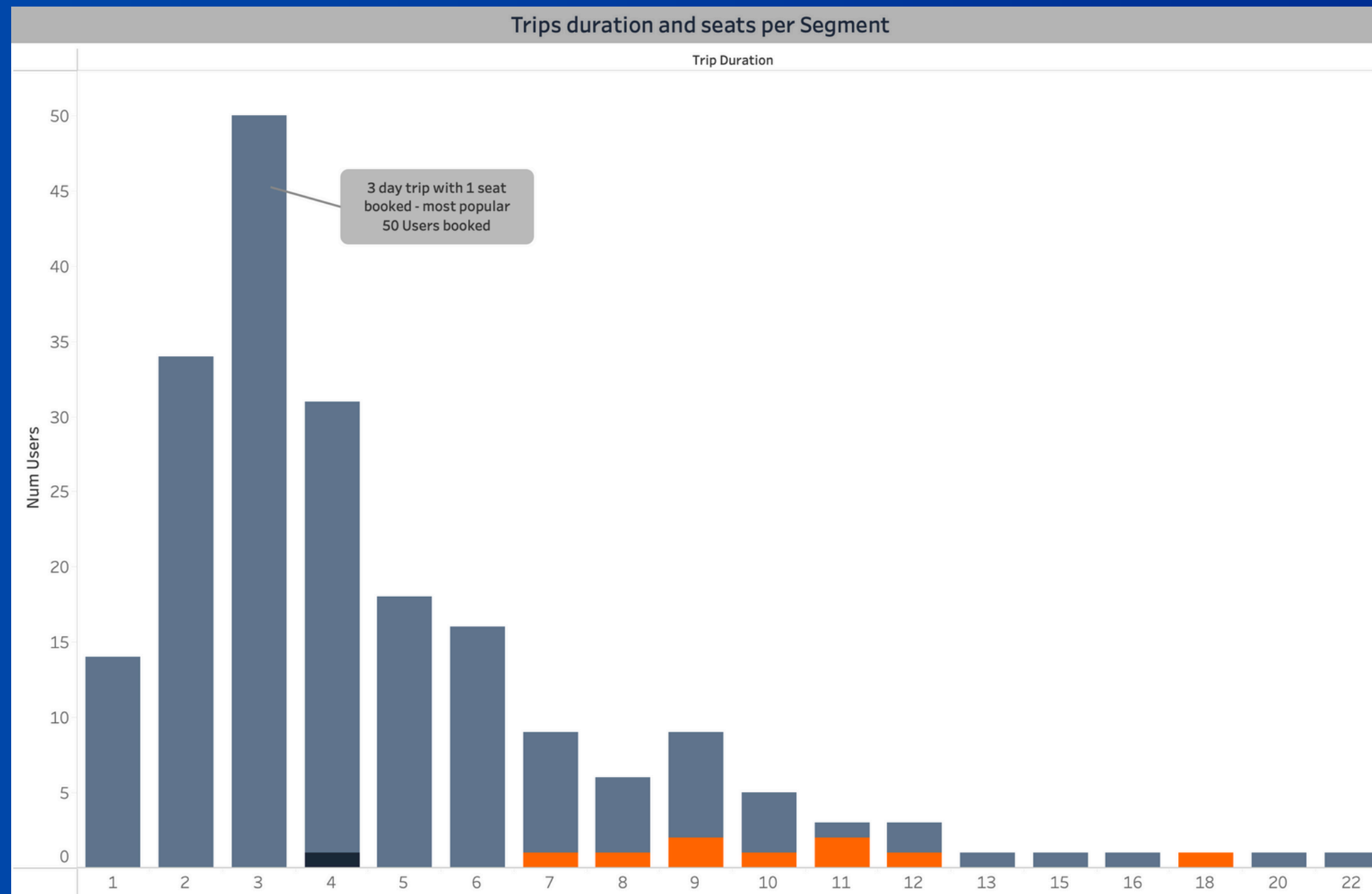


- Grouped By –
 - Has children = False
 - Has Trips = True
 - Younger then 35
- 991 users,
- 2,343 trip bookings
- **Lower trip volume & total revenue**
- **Average baggage** use – mid-range
- **Proposed Perk: Free checked bag on next flight**
→ *A simple incentive to boost engagement*



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Mid-Life Spender

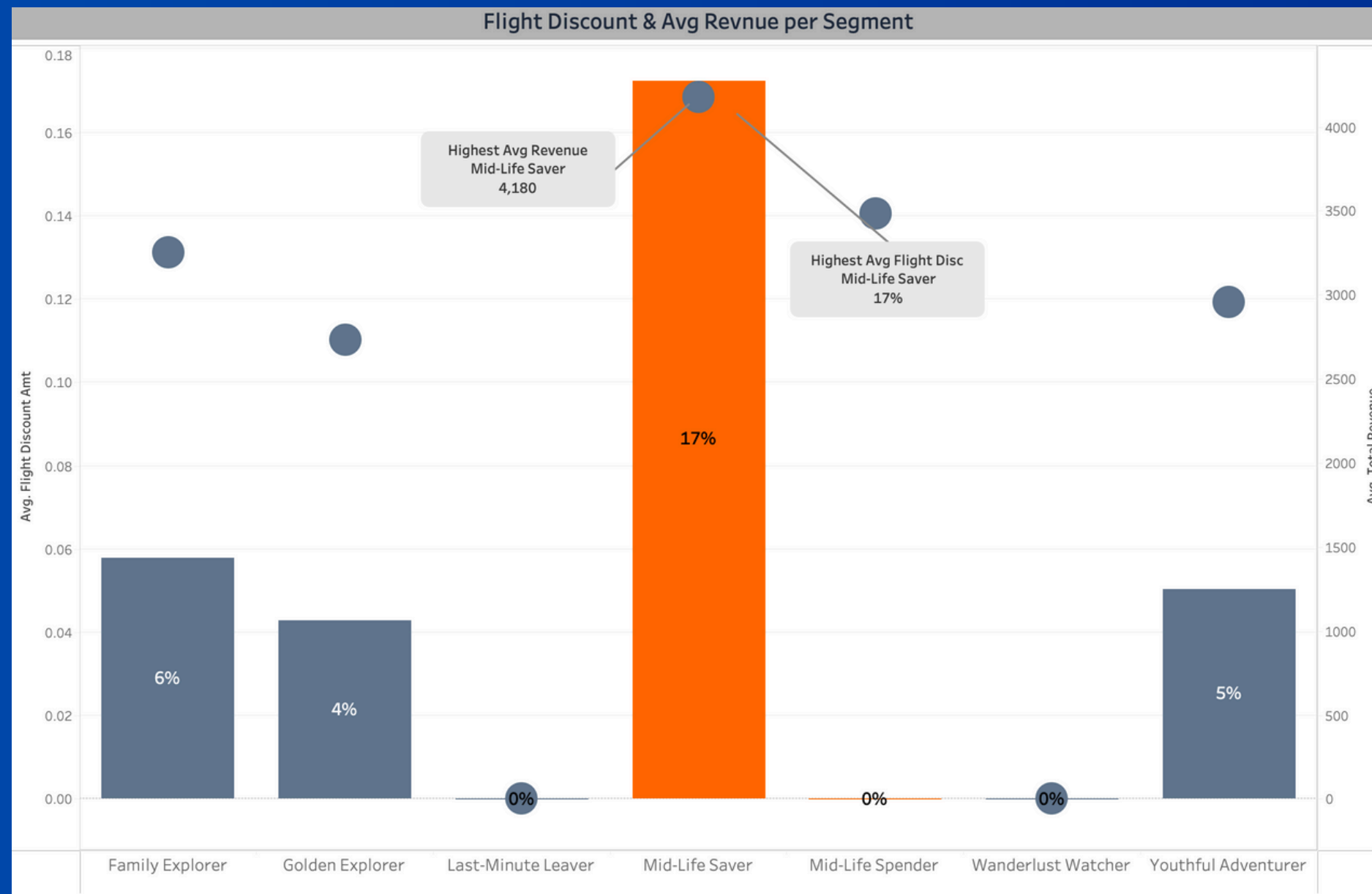


- Grouped By:
 - Ages 35–55
 - Has Children = False
 - No previous flight discounts
- 1,459 users
- 4,502 trips
- **High: trip volume, trip-to-user ratio, overall revenue**
- **Short trips, often solo** → likely business travelers
- **Proposed Perk: Free meal with next hotel booking**
→ *Small reward, high perceived value*



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Mid-Life Saver

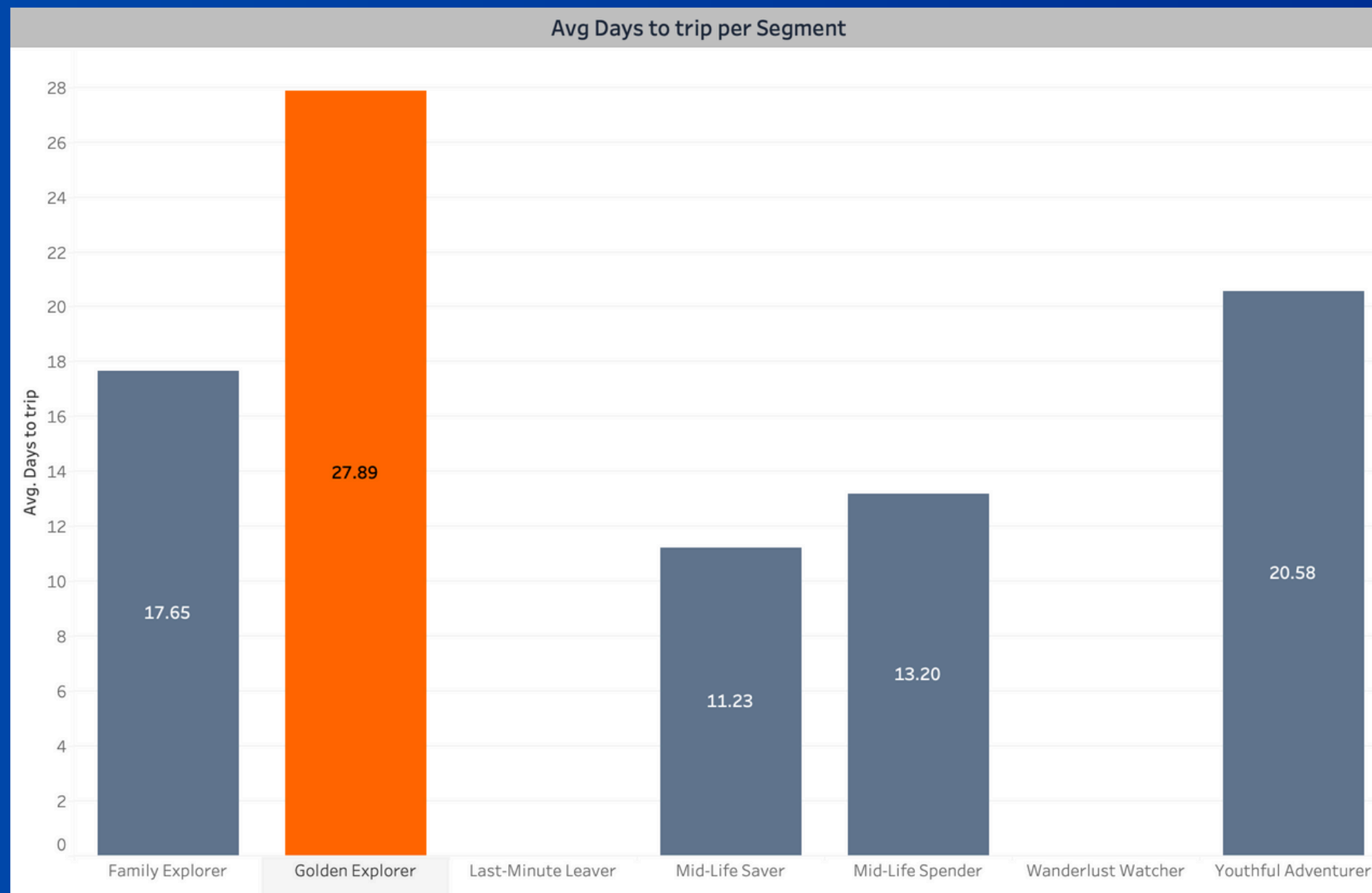


- Grouped By:
 - Ages 35–55
 - Has children = False
 - Has received flight discounts previously
- 931 users
- 3,359 trips
- Received 5%–45% **flight discounts** previously (**avg: 17%**)
- **Highest avg. discount** rate among all segments and **Avg Total revenue**
- **Proposed Perk: 15% off next Flight + Hotel combo**
→ Appeals to deal-seekers, incentivizes next trip



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Golden Explorer



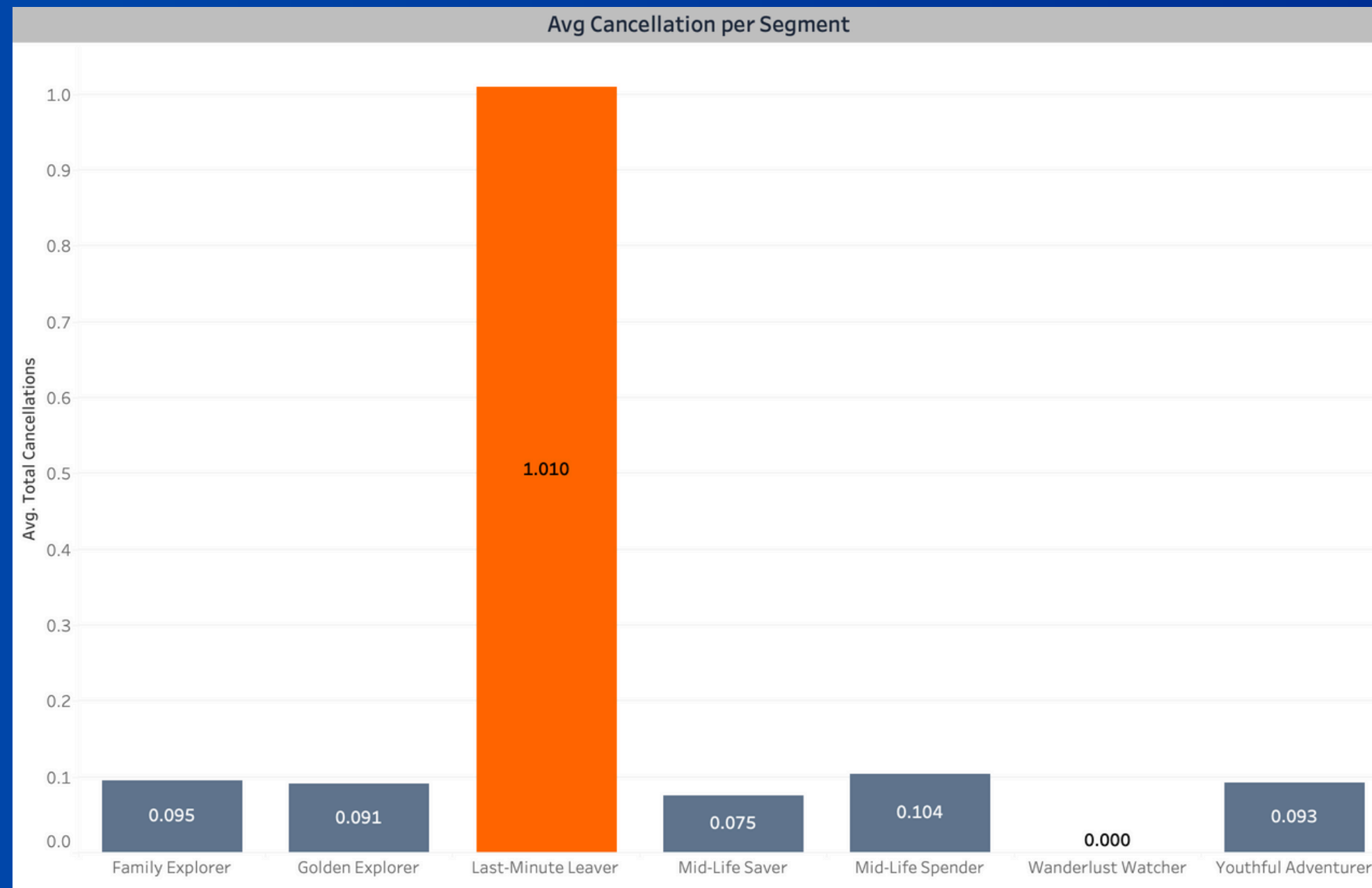
- Grouped By:
 - Age 55+
 - Has Children = False
- 285 users
- 561 trips
- **Smallest segment:** 3.6% of trips, lowest avg. revenue (\$2,729)
- **Seats/rooms booked: 1-4** → may travel with friends/family
- **Plan furthest ahead** – longest avg. lead time
- **Proposed Perk: 10% off when booking 30+ days in advance**

→ Rewards early planners, encourages group travel



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Last Minute Leaver

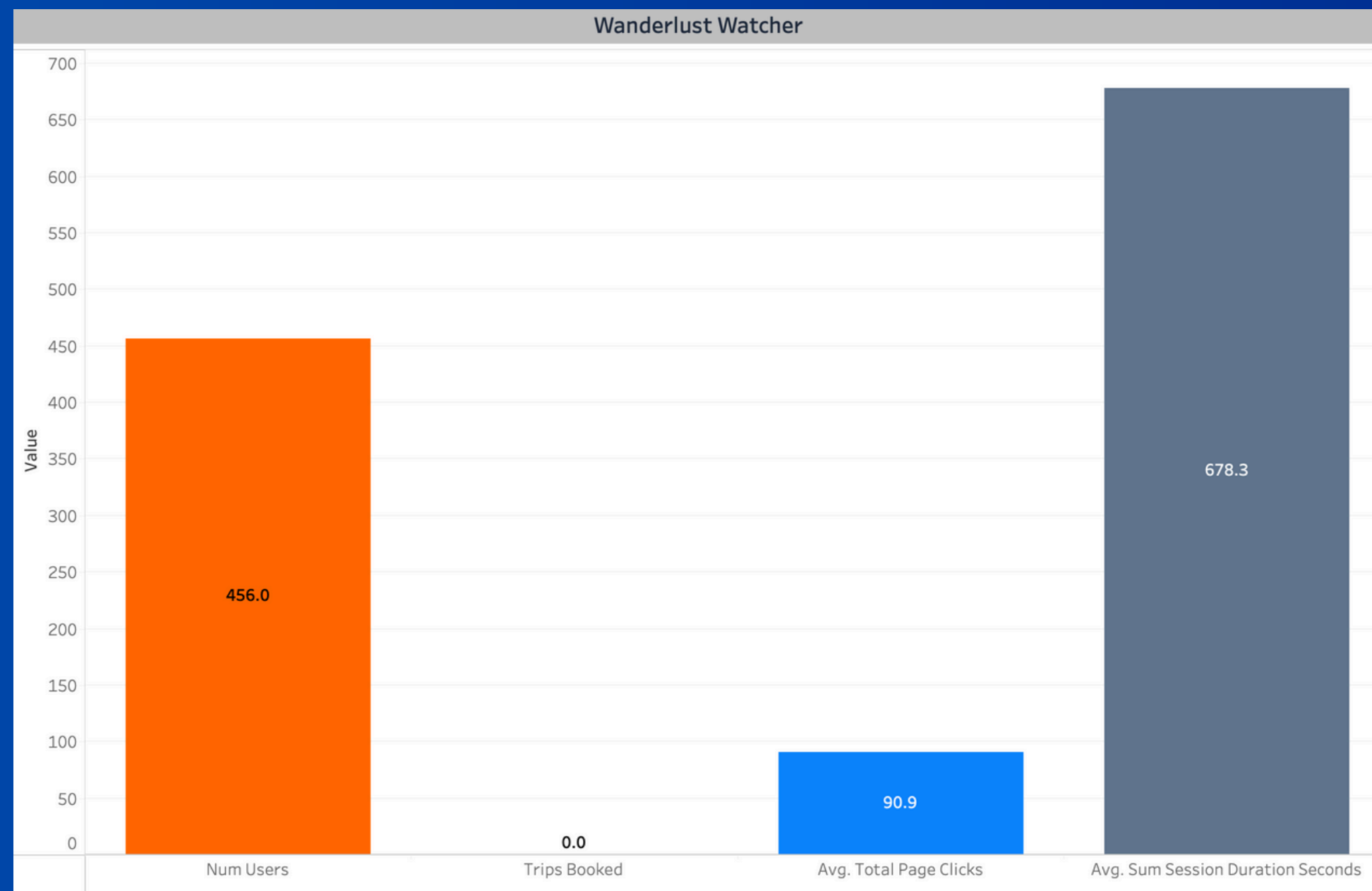


- Grouped By:
 - No completed trips
 - only cancellations
- 100 users
- 0 trips
- 100% cancellation rate
- **High engagement:** Avg. click rate = 72, session time = 9 mins
- **Proposed Perk: Free cancellation on next booking**
→ *Builds trust, supports unpredictable schedules*



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Wanderlust Watcher



- Grouped By:
 - No trips
 - no cancellations
- 456 users
- 0 trips
- 42 signed up in 2022, 414 in 2023
- **High engagement:** Avg. click rate = 91, session time = 11.5 mins
- **Proposed Perk: Free drink on next flight**
→ *Low-cost incentive to spark first booking*



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Final Recommendations

- **Segment-targeted perks drive engagement** without overcommitting on discounts.
- **Test small perks** (e.g. free drink, free bag) on lower-activity segments to **convert browsing into bookings**.
- Leverage **discount sensitivity** for deal-driven users (e.g. Mid-Life Savers with discount history).
- Support **flexible planning** with perks like free cancellation or early-booking discounts.
- **Reward loyalty** in high-value or frequent traveler segments.
- Monitor conversion impact to **refine and optimize perk strategies**.
- **Final thoughts:**
 - Expand dataset to at least **12 months** and focus on users with **5+ sessions**
 - Enables more accurate segmentation and insight into consistent user behavior
 - Consider asking new users at **signup which segment they identify with**
 - Helps validate segmentation and tailor offers from the start

Thank you so much for your time and for considering these insights.