

# TravelTide

## Customer Segmentation

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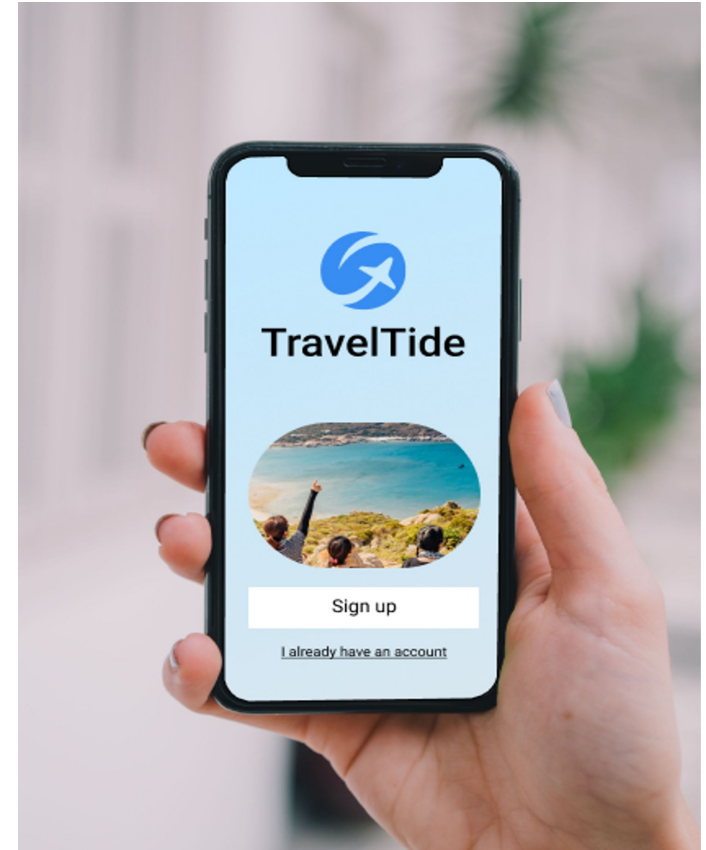


# TravelTide Reward Program



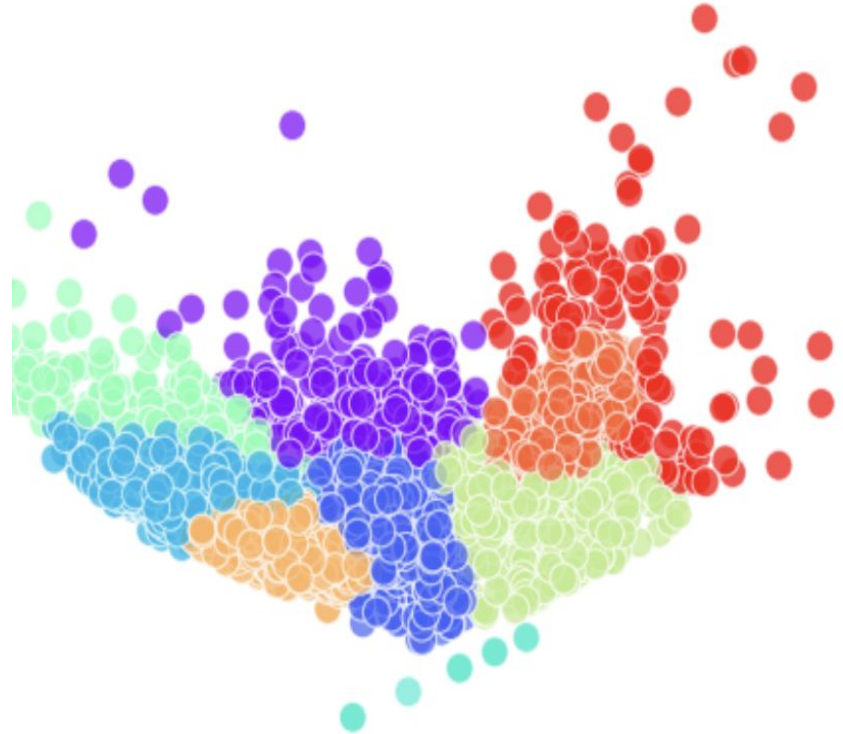
## Introduction

- The overarching goal is customer segmentation, assigning perks to users and,
- Customers retention.
- Period from 1st January 2023 as directed by Elena the project lead.
- 5998 users were used based on Elena's criteria.
- KMeans was used for the customer segmentation



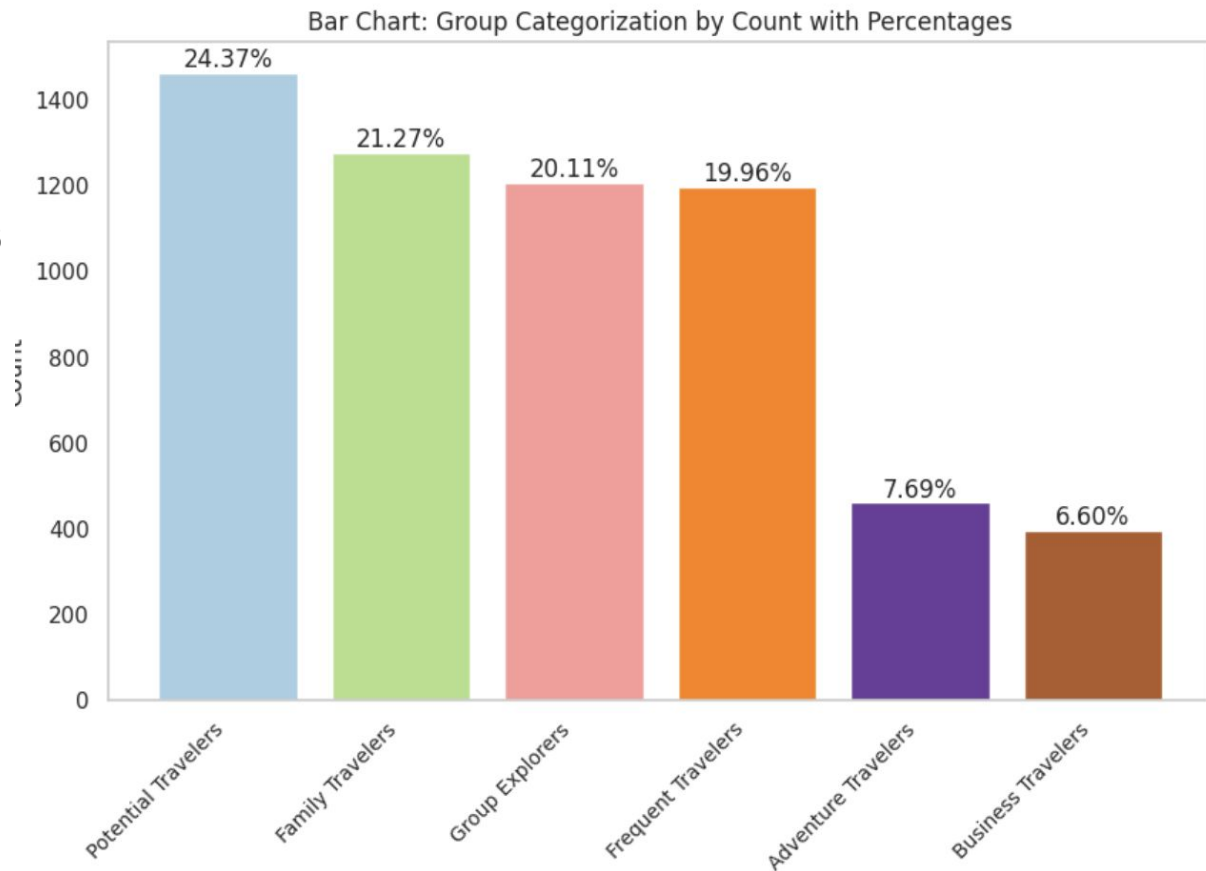
# User Segmentation

- K-Means and Gaussian Mixture Model was used for the clustering users.
- The analysis resulted in grouping based on their trip behaviour.
- The groups used to assigned perks to the customers.



# User Grouping

- Users were segmented into 6 groups based on the outcome of our analysis.
- These groups enable us to assign perks that resonate with the customers' characteristics.
- The potential travelers is a group that does not fit into the set criteria for assigning perks.



# Presentation of Users

## Family Travelers

- Family travel with children.
- Likely to travel with more luggage.
- They mostly spend more 8 nights.
- May travel once.
- Usually booked more seats.
- 10% seat and hotel discount.
- One free checked in bag is ideal for this users.



# Presentation of Users

## Business Travelers

- Spend less number of days in the hotel from the data analysis on average 2 nights.
- Book on average 1.4 seats as shown in the analysis.
- Oftentimes one or no luggage on a trip
- Free in-flight meal fits this group of customers.



# Presentation of User Groups

## Adventure Travelers

- Booked 6 flights.
- Make 3 trips.
- Spend 3 nights at the hotel.
- Booked 3.4 seats.
- Providing destination sites and tour guard aligns with their behaviour and will make them become loyal customers.





## Potential Travelers

- Have more than 8 sessions on the TravelTide App.
- Have no flight and hotel booking.
- Mean age 37.
- Perk suggested for this group is 10% discount their first booking to incentivize their interest in booking with TravelTide.





# Presentation of User Groups

## Frequent Travelers

- Make average of 3-4 trips.
- Booked average of 4.4 seats as revealed by the data.
- Booked flights on average 6 times.
- A perk of 15% discount on 4th flight booked
- Free flight after fifth trip in 40 days.



# Presentation of Users Groups

## Group Explorer

- Make an average of 3 trips.
- Spend average of 3 nights.
- Booked flight 5 times.
- Booked average of 3.5 seats.
- May be going for events other than for adventure.
- A 10% discount on seat and free insurance will be appropriate for this group of customers.



# Recommendations

- Reason for the potential travelers having session without booking should be investigated, provide them with email of discount and easy way to book.
- Conduct customer surveys to actually know the perks the customers will appreciate most.
- A/B testing of the marketing strategies to evaluate the approach and enhance customer engagement and retention.
- Customer survey on gender disparity should be conducted. This would enable the company improve male participation at the same time concentrate on the female users.

[https://github.com/CharlesBrendan/SQL\\_database\\_queries](https://github.com/CharlesBrendan/SQL_database_queries)

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