

## Company & Context

TravelTide, a rapidly growing online travel platform, aims to strengthen customer retention by leveraging data-driven insights. The analysis focused on user behavior—sessions, bookings, cancellations, spending—to identify patterns that inform a targeted rewards program.

## Objectives

- Measure engagement and financial metrics (e.g., session duration, conversion rate, average spend).
- Segment customers into groups that reflect their loyalty and revenue potential.
- Assign perks aligned with each segment's characteristics to enhance retention and satisfaction.

## Key Metrics

Core metrics included total users, average session duration, conversion rate, cancellation proportion, average hotel spend per trip, and discount usage. These metrics provided a holistic view of user engagement and spending.

## Customer Segmentation

A composite score (combining bookings, spend, engagement, and conversion) was used to classify customers into six groups:

1. Ultra High-Value
2. High-Value Loyal
3. Frequent Engaged
4. Moderate
5. Low Engagement
6. At-Risk

This segmentation illuminates differences in behavior and informs tailored strategies.

## Perks Assignment

A range of perks (e.g., lounge access, free child ticket, extra legroom seats) was assigned based on segment profiles. The goal is to encourage further engagement from top customers and re-engage those at risk of churning.

## Initial Outcomes & Next Steps

- High-value segments, though smaller, drive a significant share of revenue.
- Lower-engagement segments may respond to introductory discounts or more flexible policies.
- Future steps include A/B testing of perks, broader data integration, and direct customer feedback to refine and validate the approach.