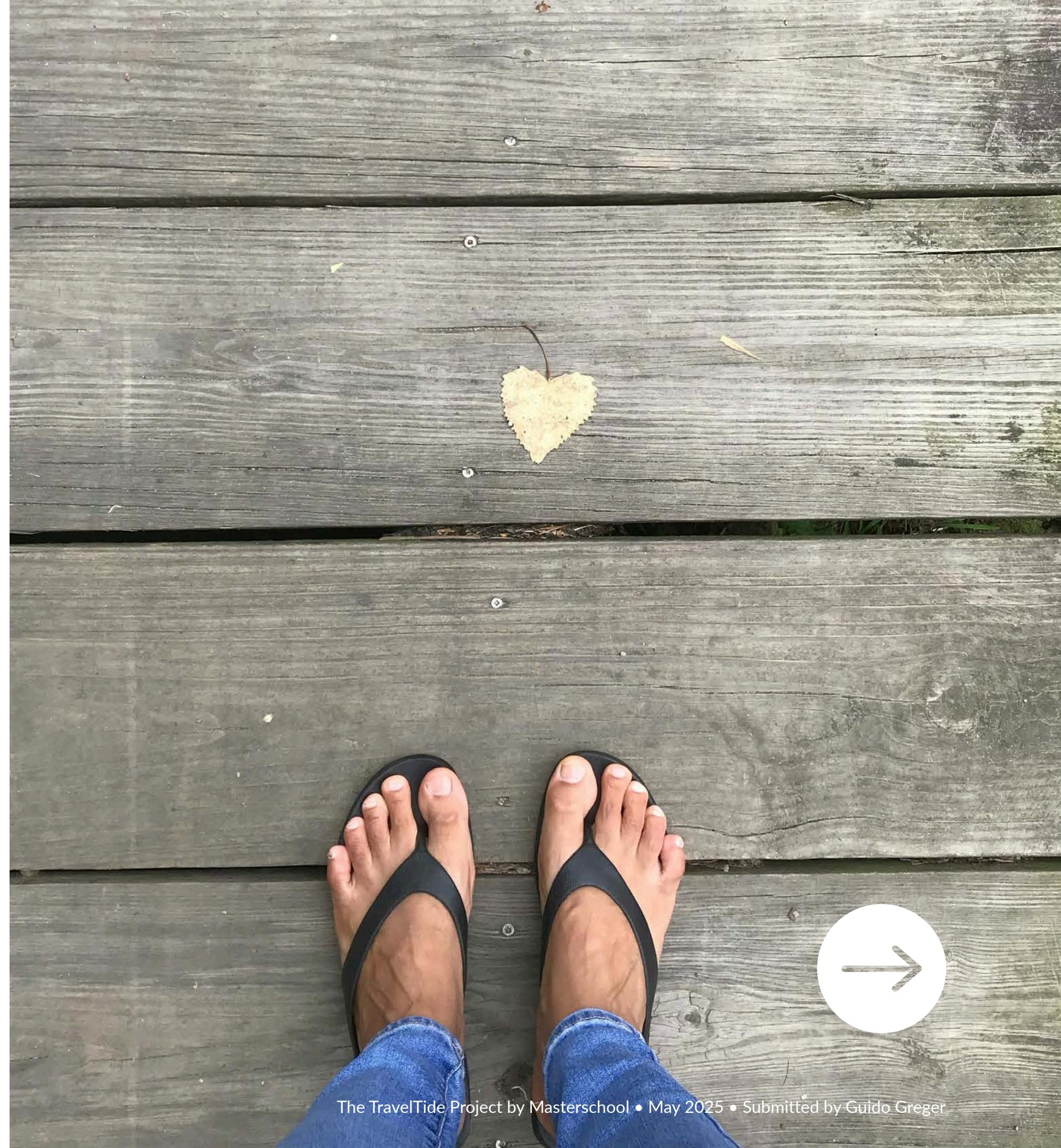




TRAVELTIDE

THE LOYALTY COMPASS

**Data-Driven Pathways to
Personalized Travel Rewards**



The TravelTide Project

TRAVELTIDE



The TravelTide Project by Masterschool • May 2025 • Submitted by Guido Greger

Inventory up, Retention down!



Outstanding competitive edge
in the Travel industry

Concerning trend in
customer retention



Customer Base & Data Scope

ALL USERS:

1.02M users



ACTIVE PERIOD:

January – July 2023

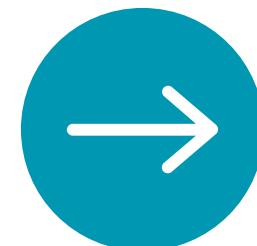


HIGH ENGAGEMENT:

5,998 users (7+ sessions)

Data Challenges addressed:

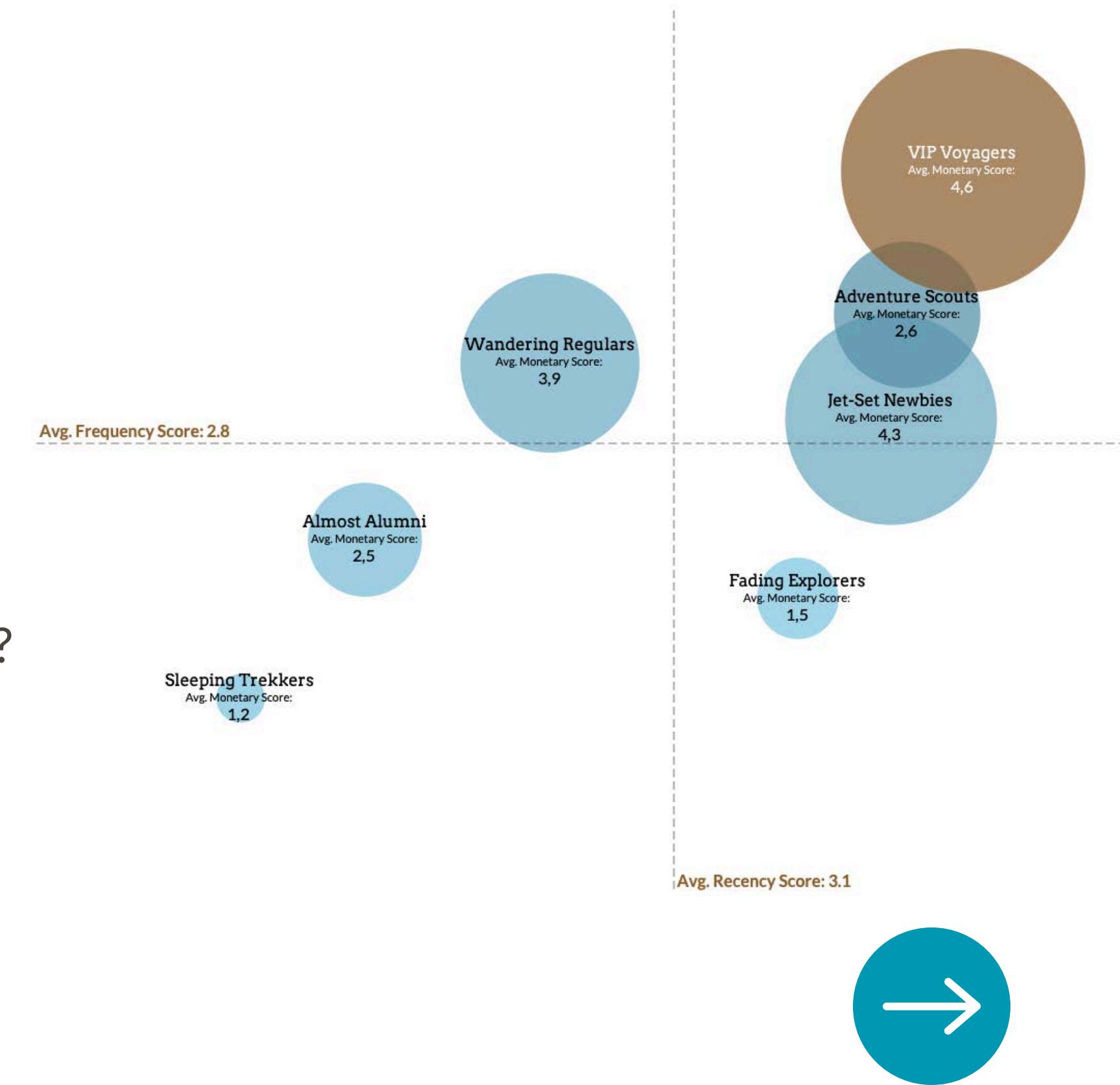
- duplicate sessions for cancellations
- negative hotel nights
- reverse timestamps
- missing values (seats, bags)
- incorrect destination locations



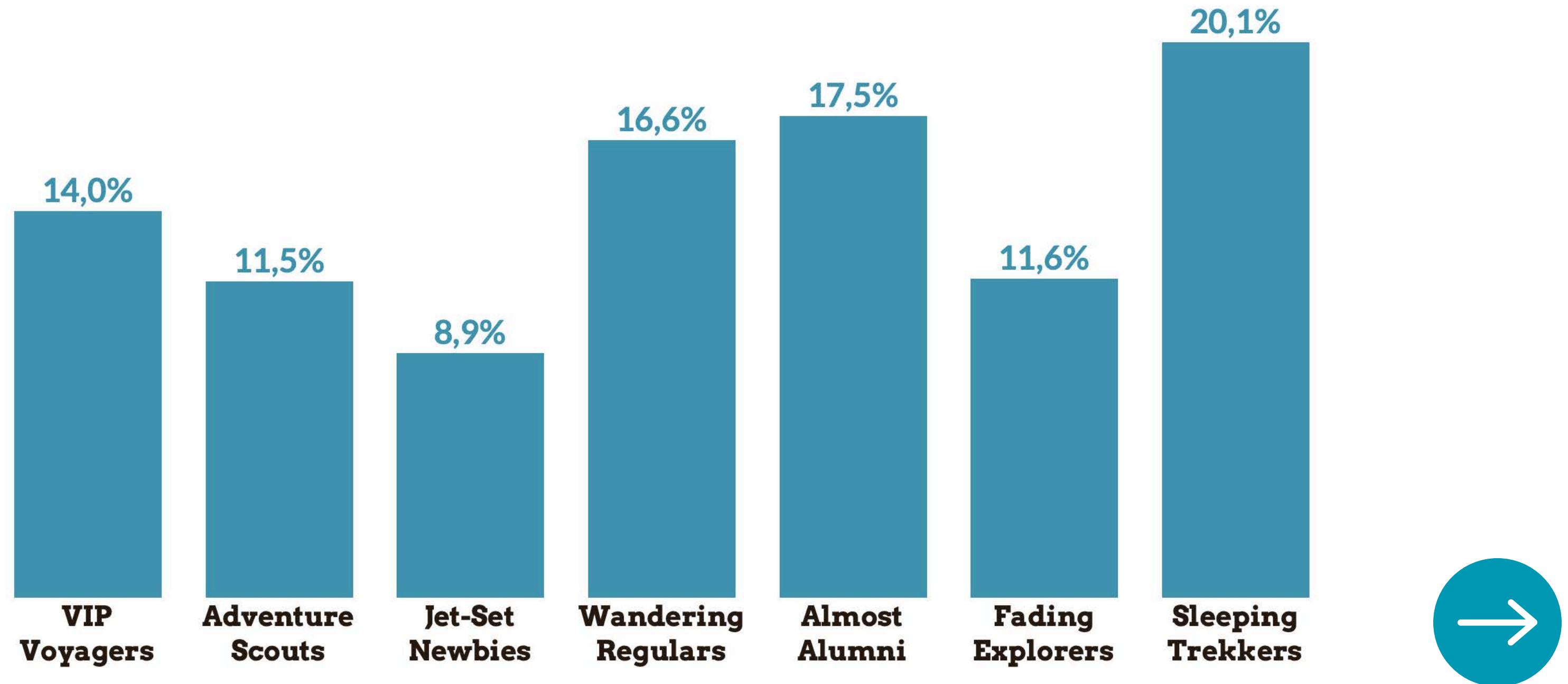
RFM Methodology

Analysis of the 3 key dimensions of customer behavior

- **Recency:** How recently did our customers book a trip?
- **Frequency:** How often do they book?
- **Monetary Value:** How much do they spend?



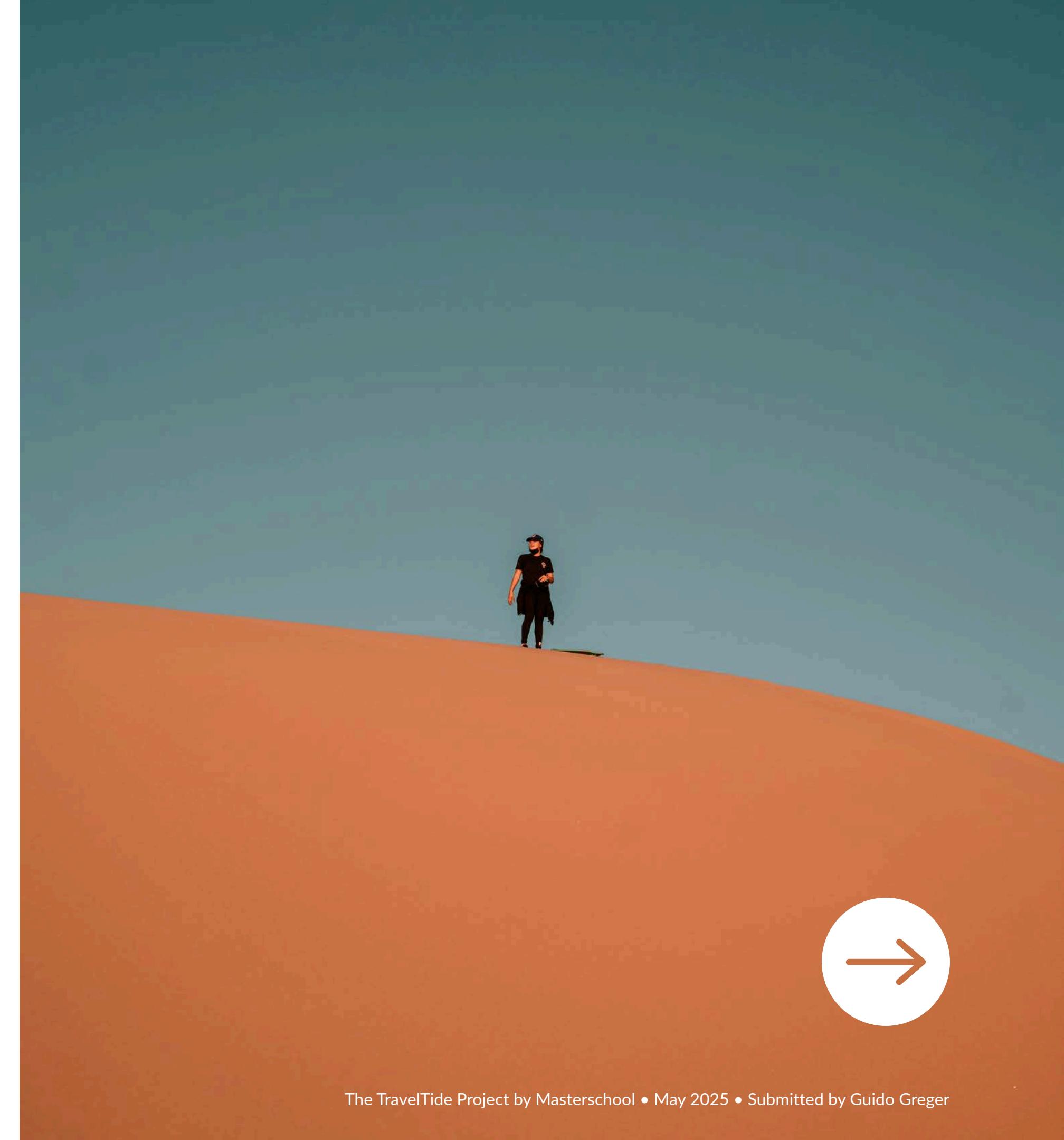
Our 7 segments



VIP VOYAGERS

RFM: 4-5 | 4-5 | 4-5

Sophisticated travelers who consider TravelTide their primary booking platform. Value convenience and exclusivity over price sensitivity.



VIP VOYAGERS

RFM: 4-5 | 4-5 | 4-5

Sophisticated travelers who consider TravelTide their primary booking platform. Value convenience and exclusivity over price sensitivity.

14%
of users

30.7 days since booking
4.8 average bookings
\$5,582 average spend

28%
of gross revenue



VIP VOYAGERS

RFM: 4-5 | 4-5 | 4-5

Sophisticated travelers who consider TravelTide their primary booking platform.

Value convenience and exclusivity over price sensitivity.

Perk Recommendation: Elite Key Membership

- Concierge trip planning (1 free annually)
- Automatic room upgrades at partner hotels
- Priority rebooking during disruptions

Why this perk?

Creates emotional loyalty beyond transactional discounts.
Costs less than blanket “free nights” while feeling more exclusive.



ADVENTURE SCOUTS

RFM: 3-5 | 3-5 | 1-3

Experience-driven travelers who comparison shop. Need nudges to book directly with TravelTide.



ADVENTURE SCOUTS

RFM: 3-5 | 3-5 | 1-3

Experience-driven travelers who comparison shop. Need nudges to book directly with TravelTide.

11.5%
of users

38.7 days since booking
3.7 average bookings
\$2,211 average spend

9%
of gross revenue



ADVENTURE SCOUTS

RFM: 3-5 | 3-5 | 1-3

Experience-driven travelers who comparison shop. Need nudges to book directly with TravelTide.

Perk Recommendation: Scout's Rewards

- Flexible cancellation (48hr free changes)
- Local experience credits (\$25 towards tours)
- Price freeze guarantee for 72hr

Why this perk?

Improves the “cancellation fee” idea. Addresses customers’ hesitation points while encouraging deeper platform engagement.

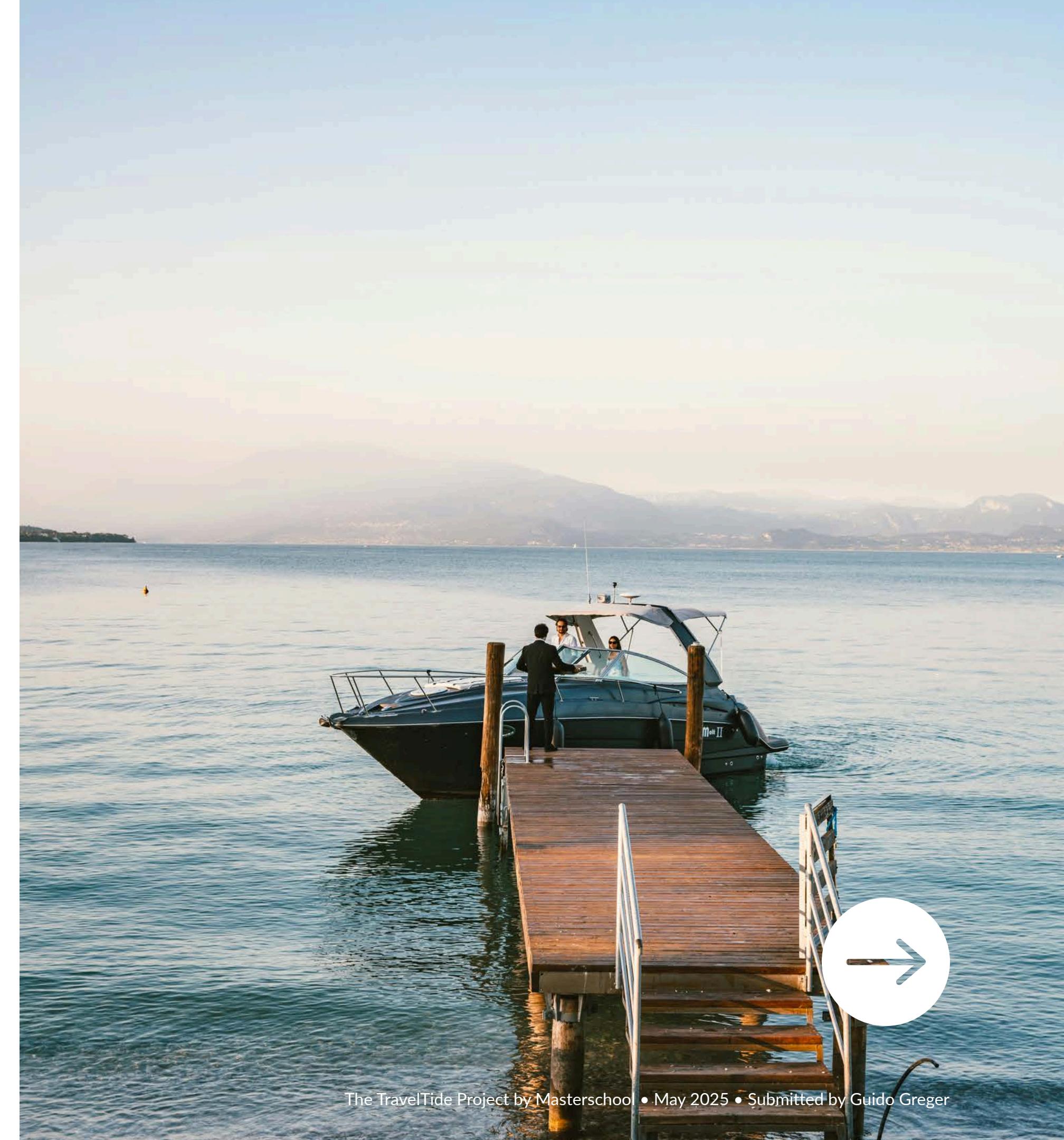


TRAVELTIDE

JET-SET NEWBIES

RFM: 4-5 | 1-3 | 4-5

Affluent first-time users testing TravelTide.
Need reassurance to become regulars.



JET-SET NEWBIES

RFM: 4-5 | 1-3 | 4-5

Affluent first-time users testing TravelTide.
Need reassurance to become regulars.

8.9%
of users

38.7 days since booking
3.7 average bookings
\$2,211 average spend

16%
of gross
revenue



JET-SET NEWBIES

RFM: 4-5 | 1-3 | 4-5

Affluent first-time users testing TravelTide.
Need reassurance to become regulars.

Perk Recommendation: Newbie Welcome Kit

- Complimentary checked bag on next 2 bookings
- Surprise amenity:
airport lounge pass or meal voucher
- Dedicated onboarding specialist for first trip
- Early check-in priority

Why this perk?

Enhances Elena's free bag offer. Makes the first experience memorable without excessive cost.



TRAVELTIDE

WANDERING REGULARS

RFM: 2-3 | 3-4 | 2-4

Formerly loyal customers starting to explore alternatives. Need reminders of TravelTide's value.



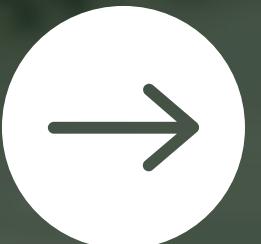
WANDERING REGULARS

RFM: 2-3 | 3-4 | 2-4

Formerly loyal customers starting to explore alternatives. Need reminders of TravelTide's value.

16.6%
of users **24%**
of gross revenue

95.3 days since booking
3.3 average bookings
\$4,150 average spend



WANDERING REGULARS

RFM: 2-3 | 3-4 | 2-4

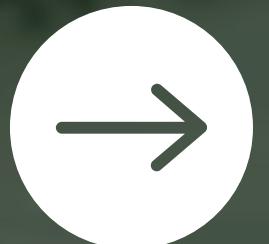
Formerly loyal customers starting to explore alternatives. Need reminders of TravelTide's value.

Perk Recommendation: Comeback Trail

- “We noticed you're browsing...” personalized offer
- Loyalty points boost (2x on next booking)
- Mystery reward wheel at checkout

Why this perk?

Building on discounts. Creates FOMO and gamification vs. generic “10% off”.



ALMOST ALUMNI

RFM: 1-2 | 1-5 | 4-5

High-value customers one step from
churn. Need dramatic intervention.



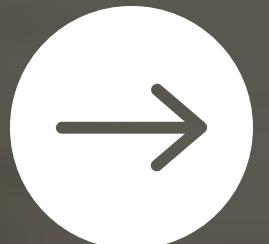
ALMOST ALUMNI

RFM: 1-2 | 1-5 | 4-5

High-value customers one step from
churn. Need dramatic intervention.

17.5% **15%**
of users of gross
revenue

135.3 days since booking
2.2 average bookings
\$2,356 average spend



ALMOST ALUMNI

RFM: 1-2 | 1-5 | 4-5

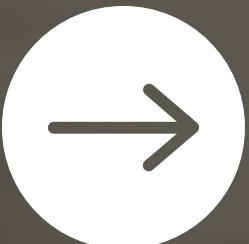
High-value customers one step from churn. Need dramatic intervention.

Perk Recommendation: Red Carpet Recall

- Free hotel meal with flight booking
- Guaranteed best price + \$50 credit if found lower
- Personalized video message from CEO
- Option for low-spenders in segment:
\$25 credit after next booking

Why this perk?

Improves the “free meal” approach by emotional re-engagement at similar cost.

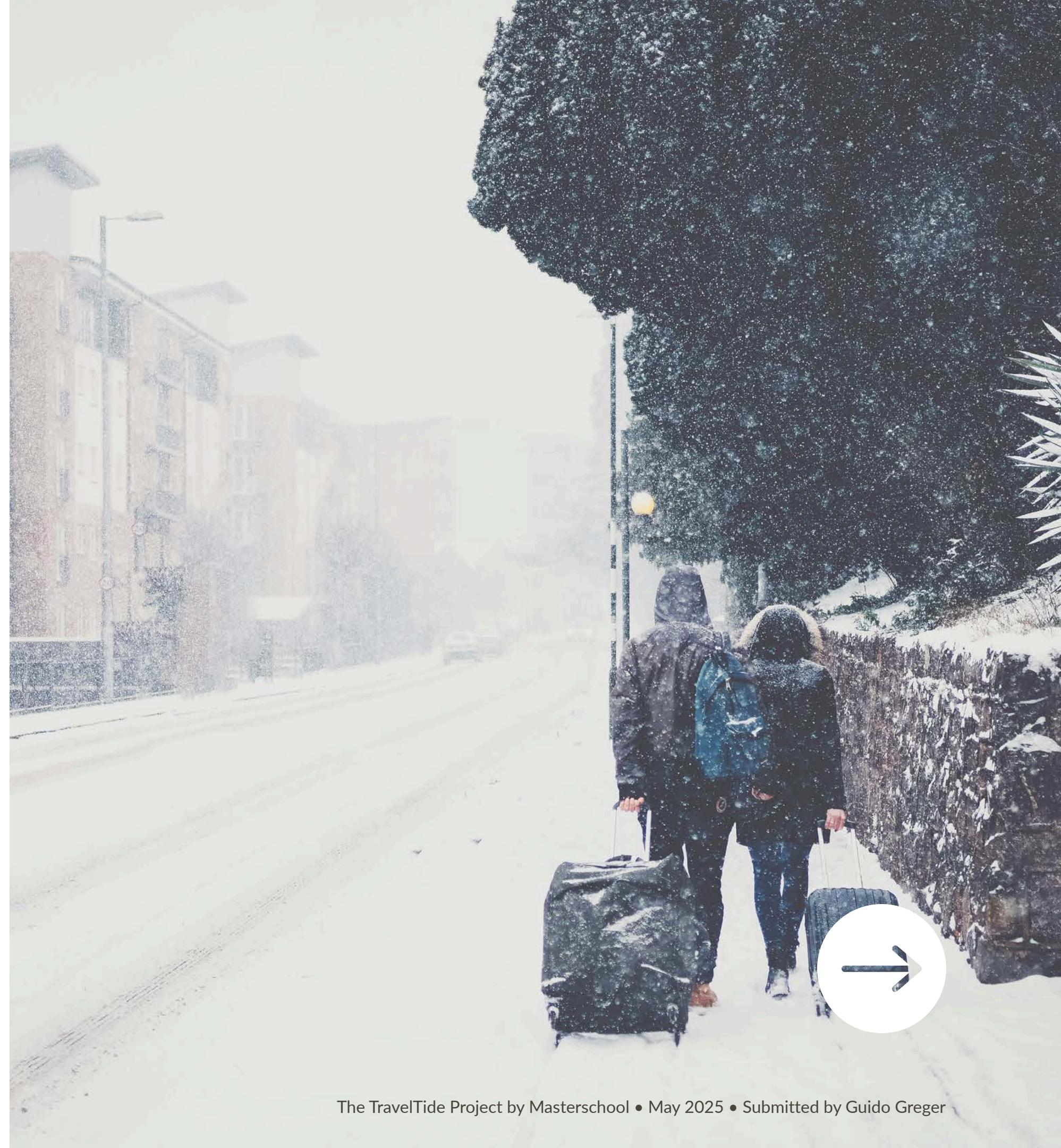


TRAVELTIDE

FADING EXPLORERS

RFM: 2-3 | 1-3 | 1-2

Occasional travelers losing connection
with TravelTide. Need low-cost
re-engagement.



FADING EXPLORERS

RFM: 2-3 | 1-3 | 1-2

Occasional travelers losing connection
with TravelTide. Need low-cost
re-engagement.

11.6%
of users

56.2 days since booking
1.9 average bookings
\$1,193 average spend

5%
of gross
revenue



FADING EXPLORERS

RFM: 2-3 | 1-3 | 1-2

Occasional travelers losing connection
with TravelTide. Need low-cost
re-engagement.

Perk Recommendation: **Wanderlust Revival**

- Surprise fee waiver (randomly selected bookings)
- “Throwback Thursday” deals on past routes
- Charity donation in their name per booking

Why this perk?

Builds goodwill without significant margin impact.



SLEEPING TREKKERS

RFM: 1 | 1-3 | 1-3

One-time users who didn't form a habit.
Need reactivation or graceful exit.



SLEEPING TREKKERS

RFM: 1 | 1-3 | 1-3

One-time users who didn't form a habit.

Need reactivation or graceful exit.

20.1%
of users

169.4 days since booking

0.8 average bookings

\$996 average spend

4%
of gross
revenue



SLEEPING TREKKERS

RFM: 1 | 1-3 | 1-3

One-time users who didn't form a habit.
Need reactivation or graceful exit.

Perk Recommendation: Reawakening Campaign

- “We've changed!” platform update highlights
- No-strings credit (\$10 towards any booking)
- Sunset option: Account pause instead of deletion
- Survey: “Tell us why you left”

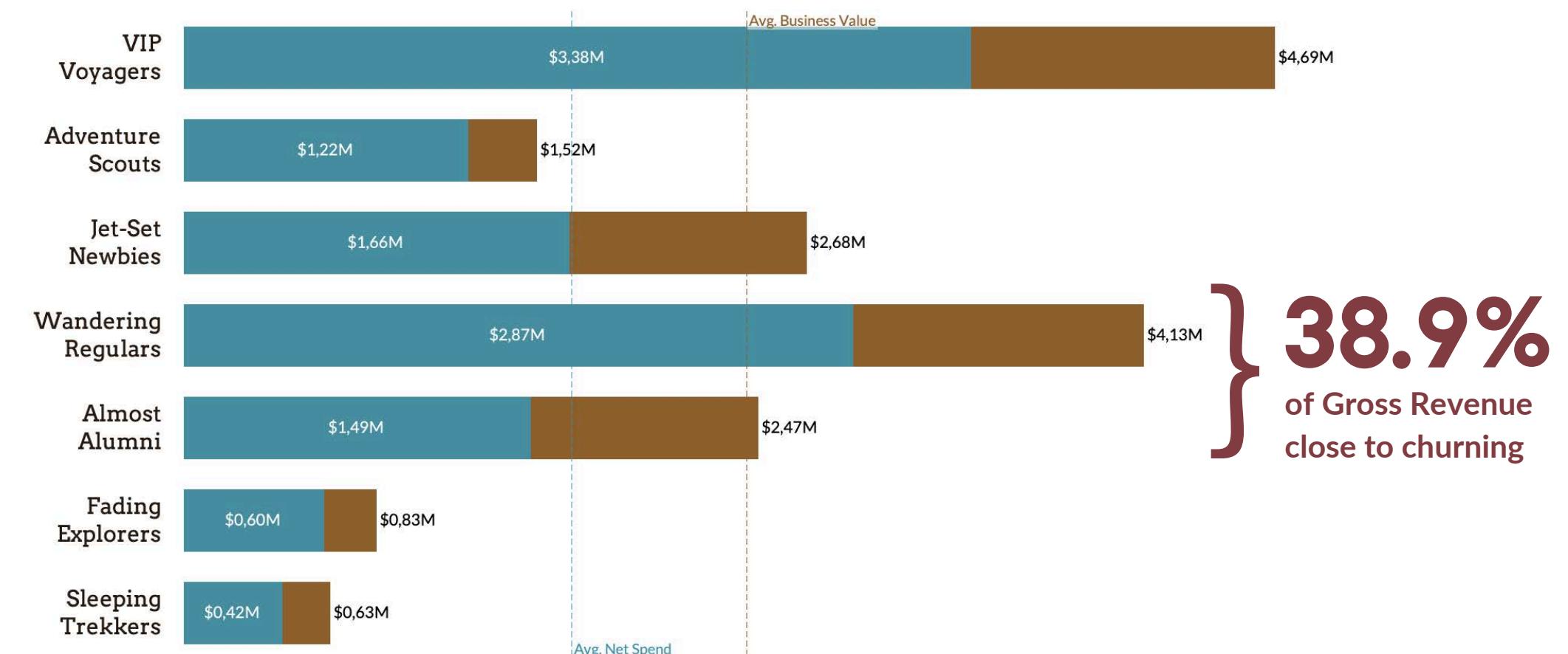
Why this perk?

Balances re-engagement with cost control



Strategic Recommendations

1. Prioritize retention efforts
2. Maximize VIP value
3. Rethink discount strategy
4. Develop re-engagement campaigns



Implementation

- 1** High-value segments: “VIP Voyagers” & “Jet-Set Newbies”
 - 2** At-Risk segments: “Wandering Regulars” & “Almost Alumni”
 - 3** All other segments
- ▶ Continuous tracking of segment migration and redemption rates
 - ▶ A/B-Testing – generic discounts vs. segment specific perks
Test, Learn, Optimize



TRAVELTIDE

THE LOYALTY COMPASS

Guiding TravelTide to Higher Retention