

TravelTide Customer Segmentation Analysis

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Executive Summary

This report focuses on improving customer engagement and revenue by offering customised perks to different customer groups within your travel platform.

Key Insights:

I've identified five distinct types of travellers who use your services, each with their own unique needs and behaviours. These five distinct types are the following:

"Discount Enthusiasts"

- Suggested Perk: Exclusive Discounts.

Description: This tribe highly values discounts, and offering exclusive discounts adds a sense of luxury and exclusivity to their booking experience.

"Balanced Travellers"

- Suggested Perk: Free Checked Bag.

Description: This perk is offered to Balanced Travellers who actively seek discounts on flights while still preferring both flights and hotels. The free checked bag enhances their flight experience by reducing travel costs, aligning with their preference for flight discounts.

"Hotel Discount Lovers"

- Suggested Perk: 1 Night Free Hotel With Flight.

Description: This perk is tailored for Hotel Discount Lovers who primarily focus on hunting for hotel discounts, even though they prefer both flights and hotels combined. It adds significant value to their hotel stays by providing a complimentary night when booking both a flight and a hotel, aligning with their preference for hotel-related perks.

"Jet-Set & Indecisive"

- Suggested Perk: No cancellation Fees.

Description: This perk addresses their high cancellation rates and provides flexibility, encouraging them to book flights and hotels.

"Hotel Loyalists"

- Suggested Perk: Free Hotel Meal.

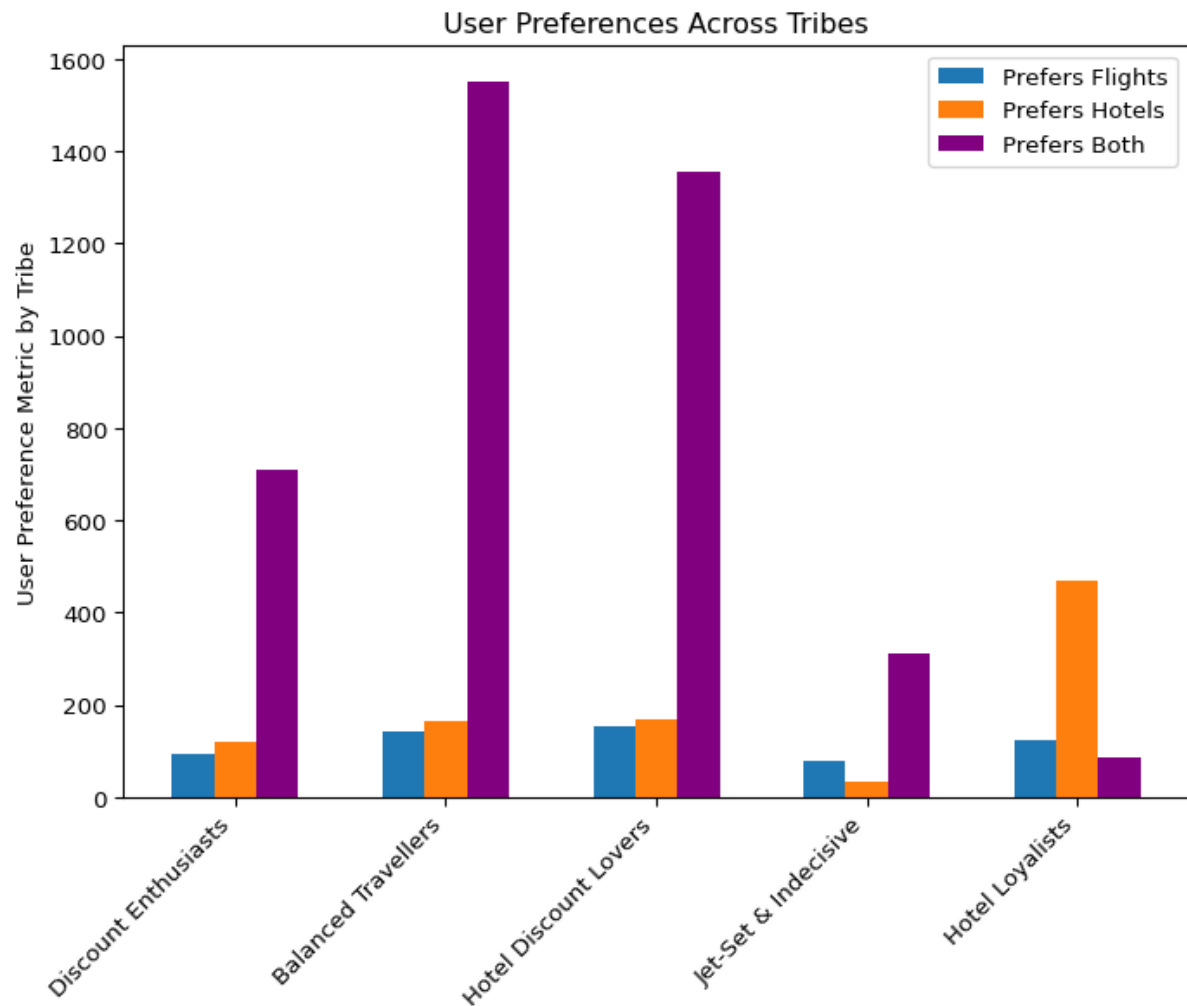
Description: Hotel Loyalists strongly prefer hotels above anything else and aren't primarily looking for discounts. This perk enhances their hotel experience, ensuring they enjoy a delightful meal during their stays, and aligns perfectly with their hotel-centric preferences.

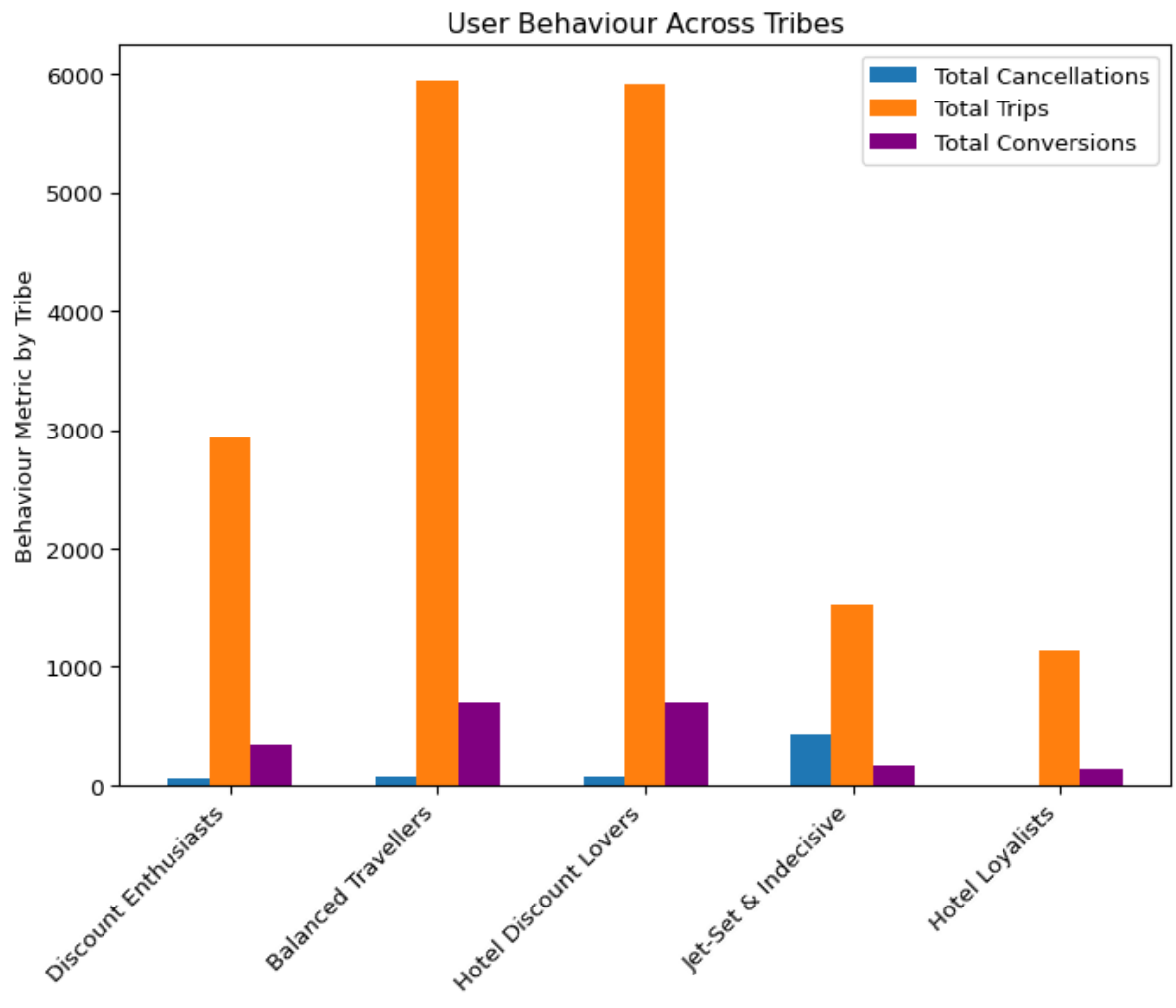
These adjustments better reflect the nuances of each cluster's preferences and travel behaviours, making the perks more relevant and appealing to each group.

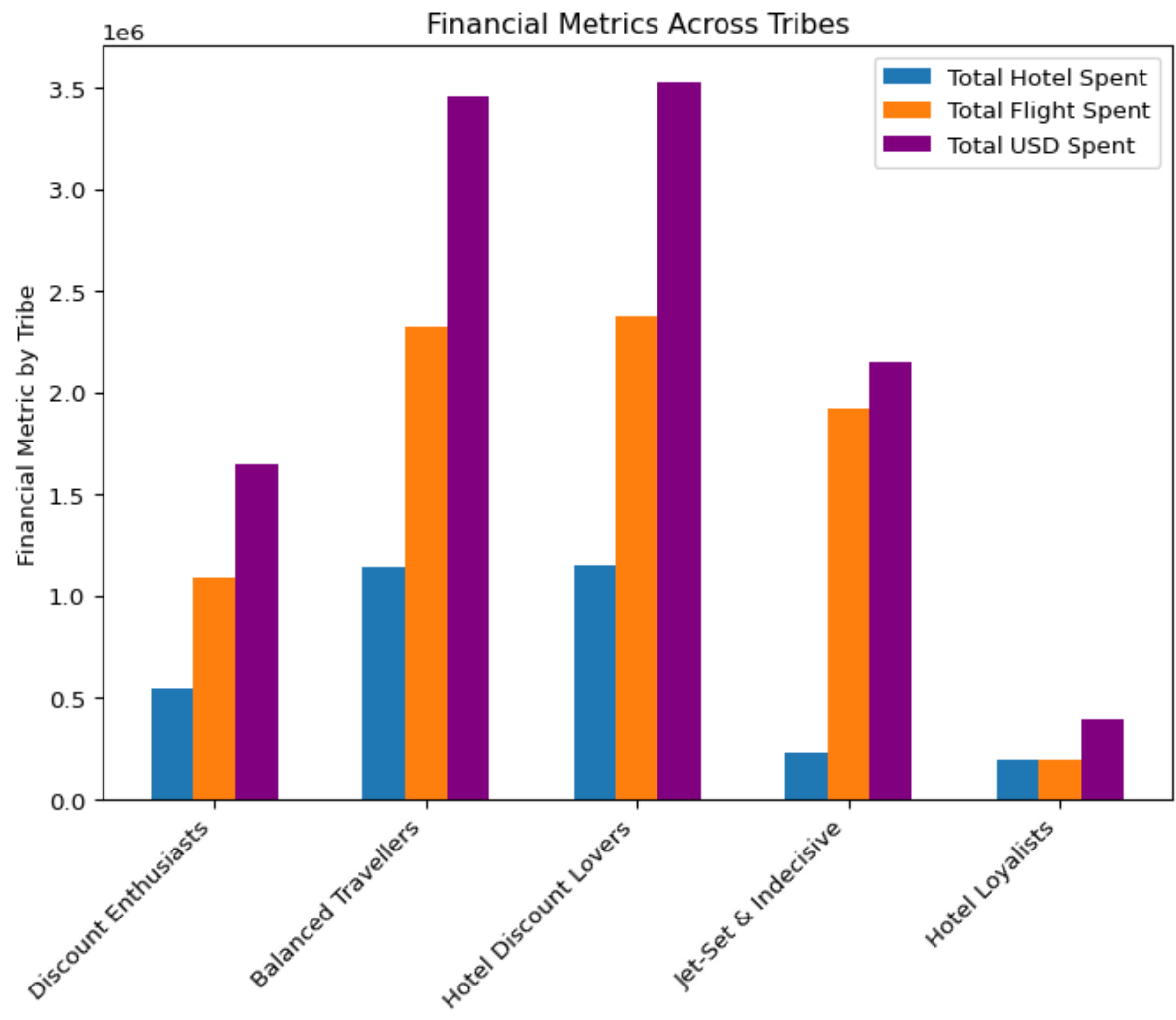
Offering perks tailored to these groups shows promise in enhancing customer satisfaction and business performance.

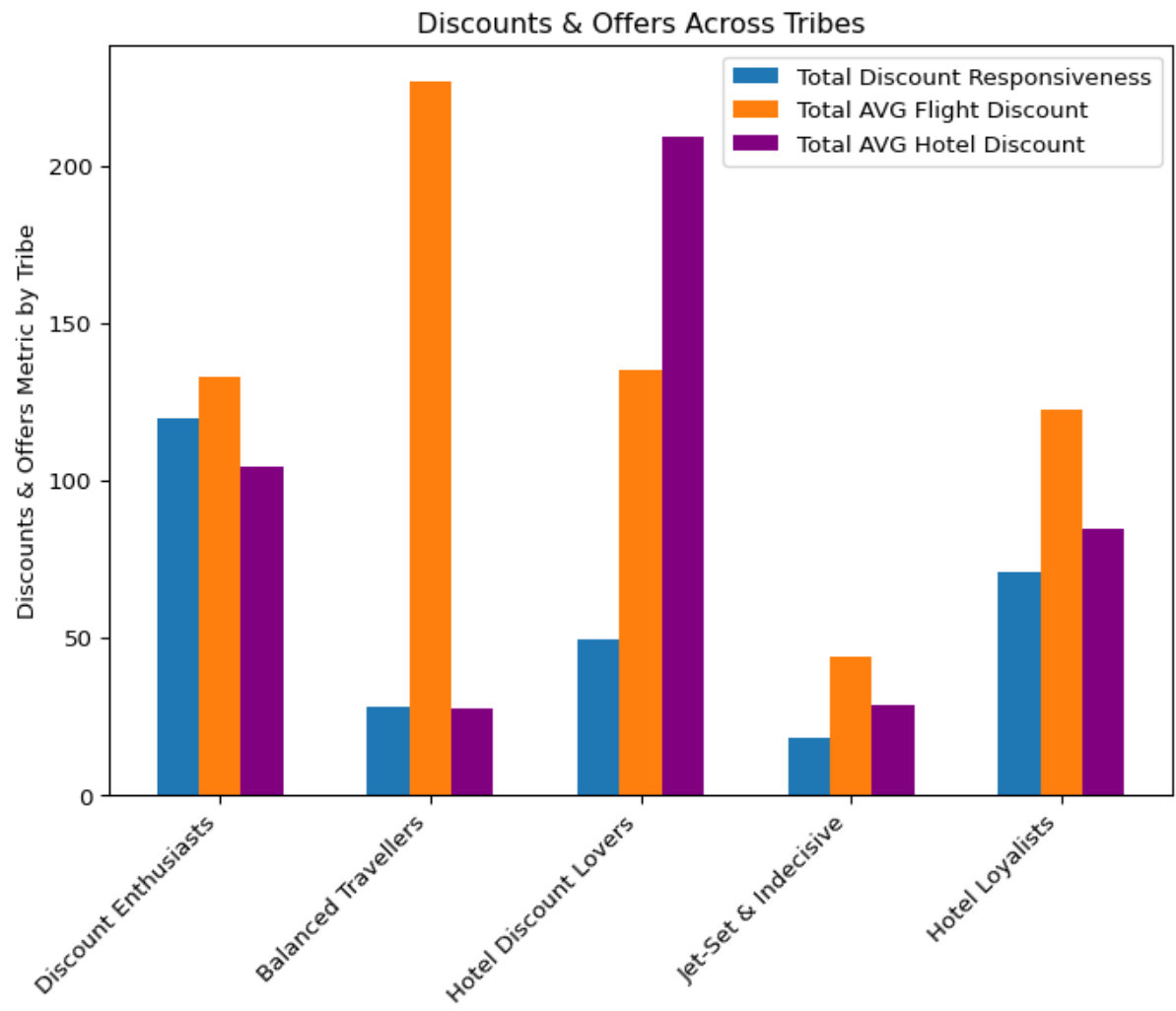
However, the effectiveness of these customised perks remains untested in a real-world setting.

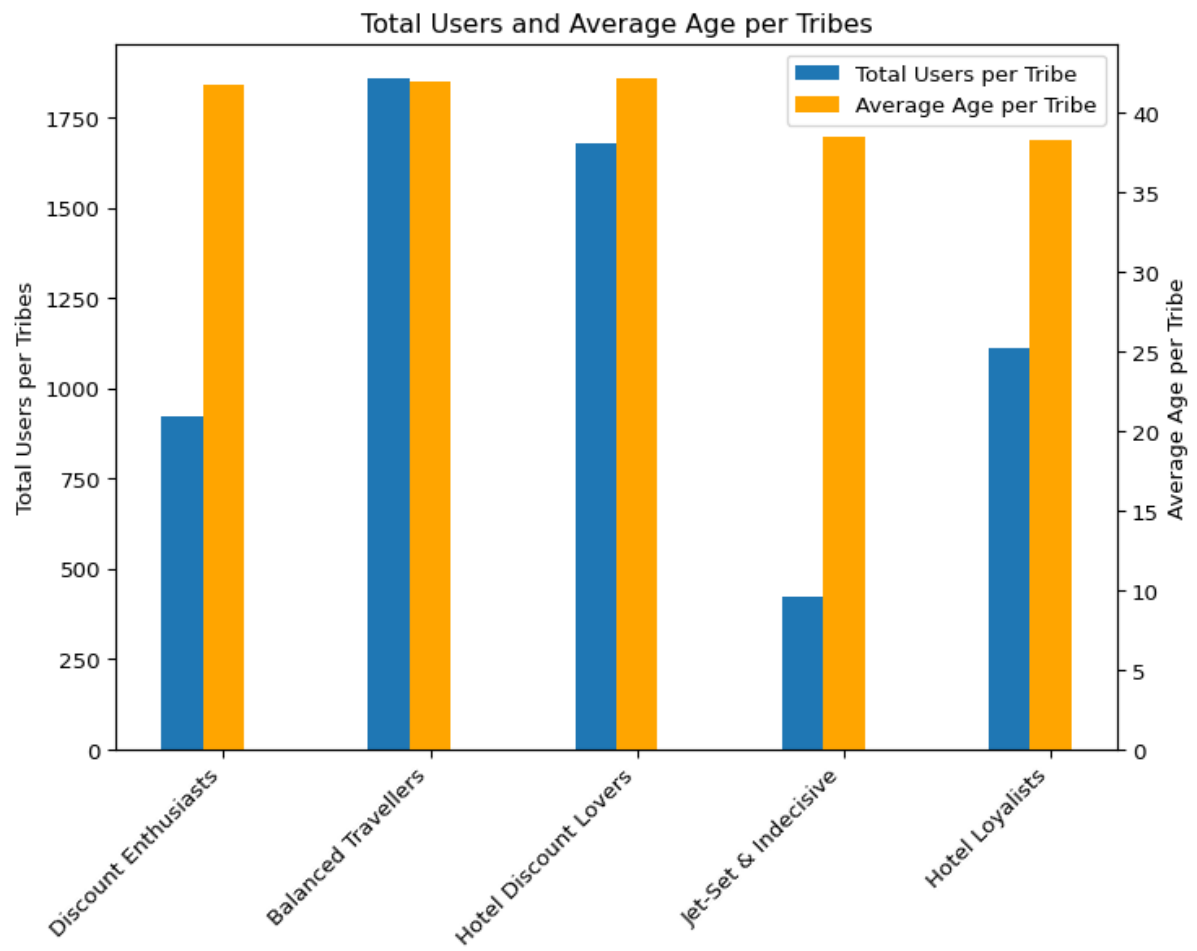
Please refer to the following graphics for a more comprehensive assessment of the features used to assign perks to each tribe. When we mention 'features,' we are referring to the metrics that were employed to determine the preferences of each cluster.

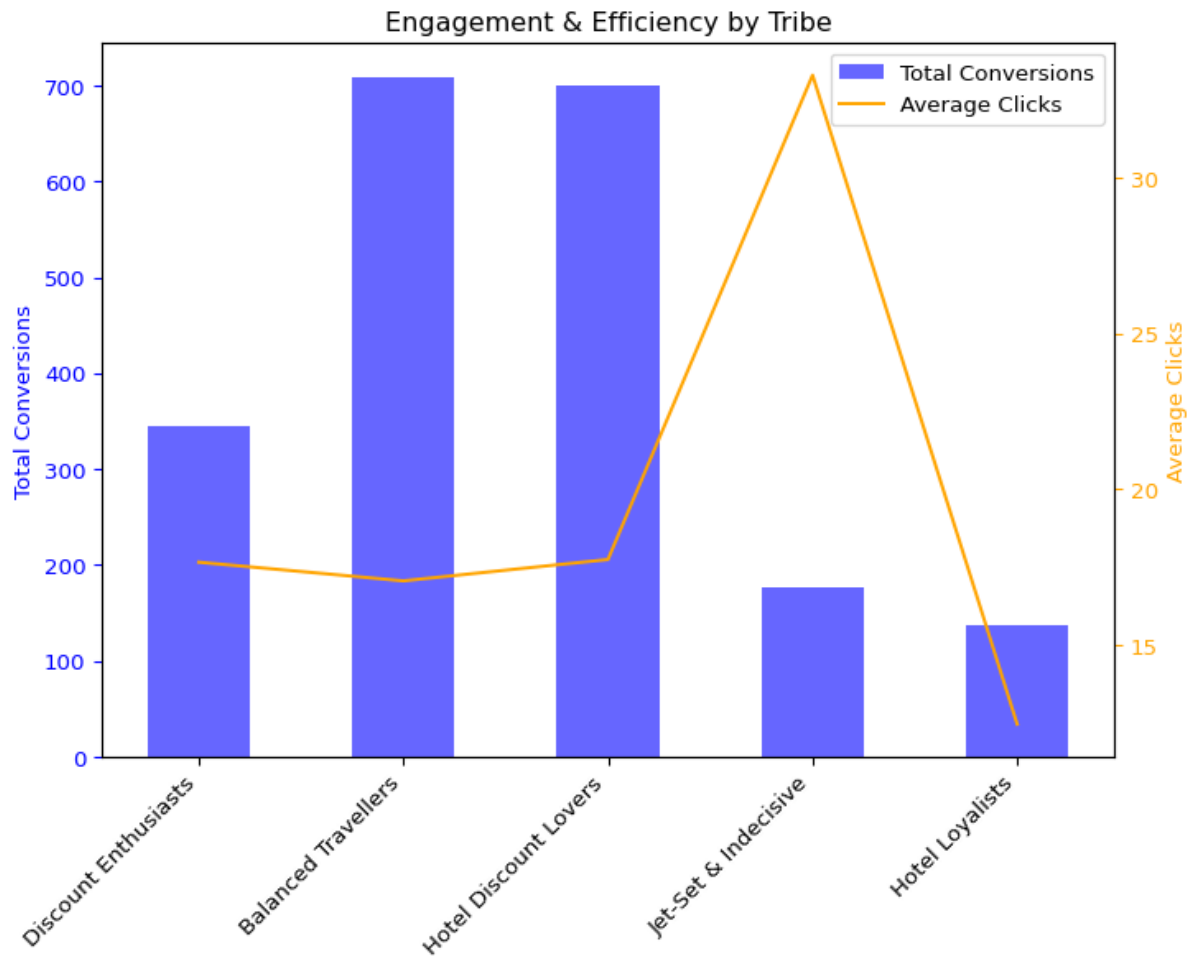












Recommendations:

Pilot Program: Conduct a trial run offering new perks to a small group of customers to measure the effectiveness before a full rollout.

Personalised Perks: Curate special offers and rewards specifically designed for each customer group.

Regular Feedback Loop: Continuously listen to customer feedback for ongoing improvement of your service offerings.

Ongoing Review: Periodically assess how well these special offers are performing and adjust as needed.

Possible Limitations:

The recommendations are based on preliminary findings and will require real-world testing. External factors, like market conditions and seasonal trends, could affect the outcomes.

Conclusion

In light of my preliminary analysis, it is advised to initiate a small-scale trial before offering these new perks to all customers. This conservative approach will allow you to fine-tune your offerings based on actual customer responses, thereby increasing the likelihood of long-term success in both customer engagement and revenue growth.

Please refer to the jupyter notebooks to obtain the full report for more detailed information, including methodology, data analysis and additional insights.