



TravelTide Personalized Rewards Strategy

Customer Segmentation & Insights

Presented by: Meenakshi Subramaniam

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Strategic Context & Business Goal

Why This Project?

- ❖ High customer churn in the travel industry
- ❖ Rising expectations for personalized experiences
- ❖ Competitive edge through data-driven perks

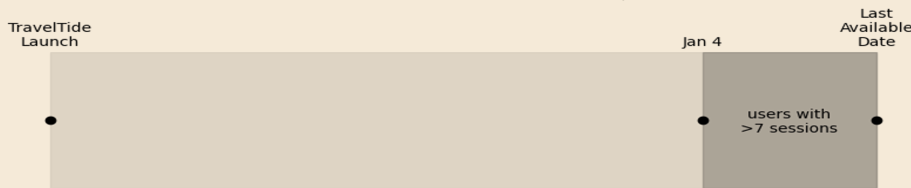
Our Objective

To boost user retention and increase repeat bookings by offering personalized, behavior-aligned perks to engaged users.



User & Data Scope Overview

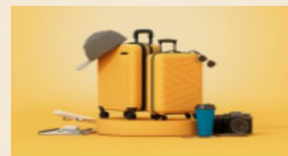
- ❖ TravelTide currently has approximately 1.6 million registered users
- ❖ Over 5 million unique app sessions recorded to date
- ❖ Not all users are recently active
- ❖ As suggested by Elena, Lead in this endeavour, we filtered for users with more than 7 sessions since January 4, 2023
- ❖ This resulted in a qualified dataset of 5,998 users
- ❖ Only sessions and trips within this date range were used
- ❖ Older trips were excluded to ensure comparability and relevance



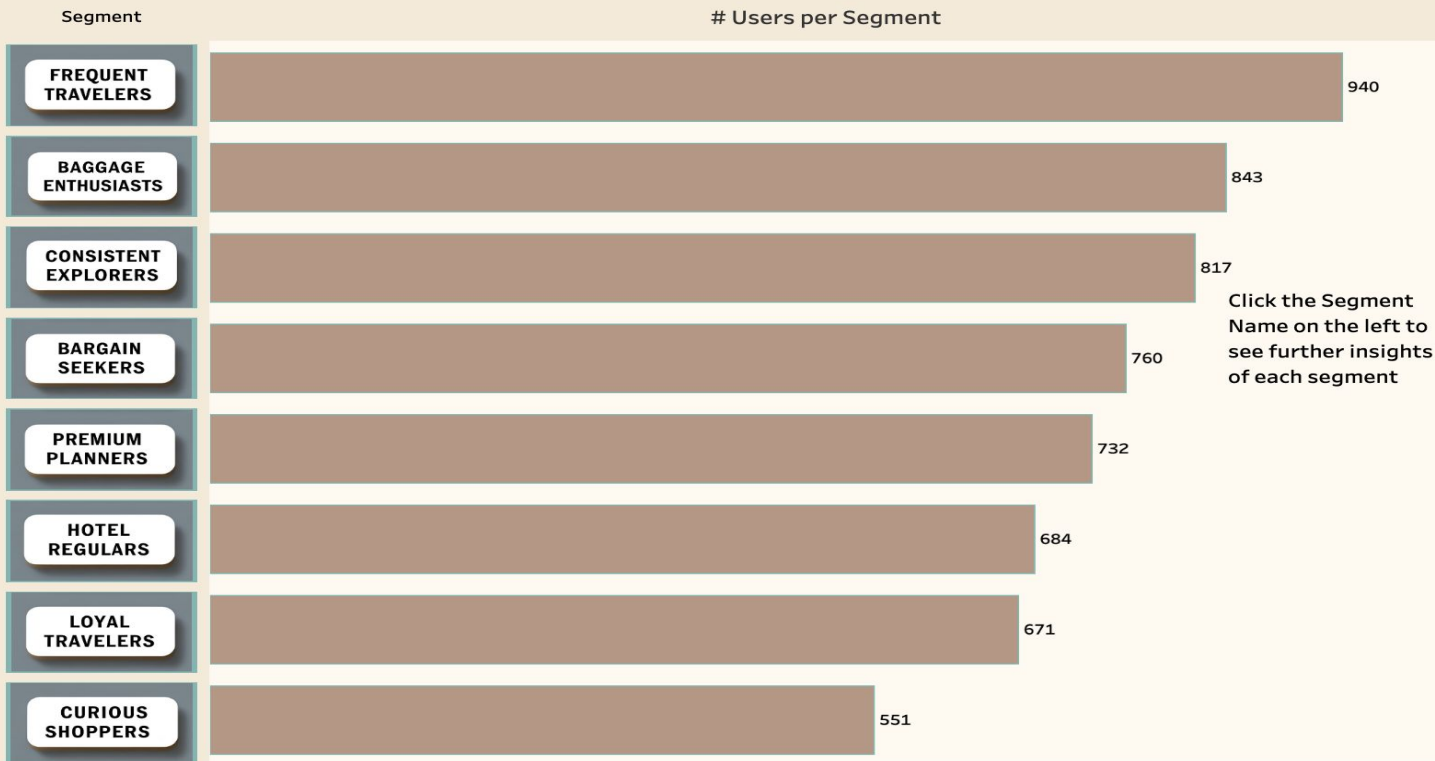


Segmentation Objective

- ❖ Validate Behavioral Hypotheses
 - Confirm if user behaviors (e.g., lead time, booking frequency) align with assumptions
 - Identify patterns that distinguish high-value or loyal customers
- ❖ Assign the Right Perks to the Right Users
 - Use behavioral data to match users with personalized perks
 - Ensure perks are relevant, cost-effective, and engagement-driven
- ❖ Build Actionable Segments for Marketing
 - Enable targeted campaigns through well-defined user groups
 - Support personalization across communication, promotions, and in-app experiences



Segment Distribution Chart





Segmentation Methodology

Rule-Based Segmentation based on:

- ❖ Booking frequency
- ❖ Spending habits
- ❖ Lead time
- ❖ Engagement level
- ❖ Cancellations
- ❖ Flight & hotel behavior

Resulted in **8 clear customer segments**.



Segment – Frequent Travelers

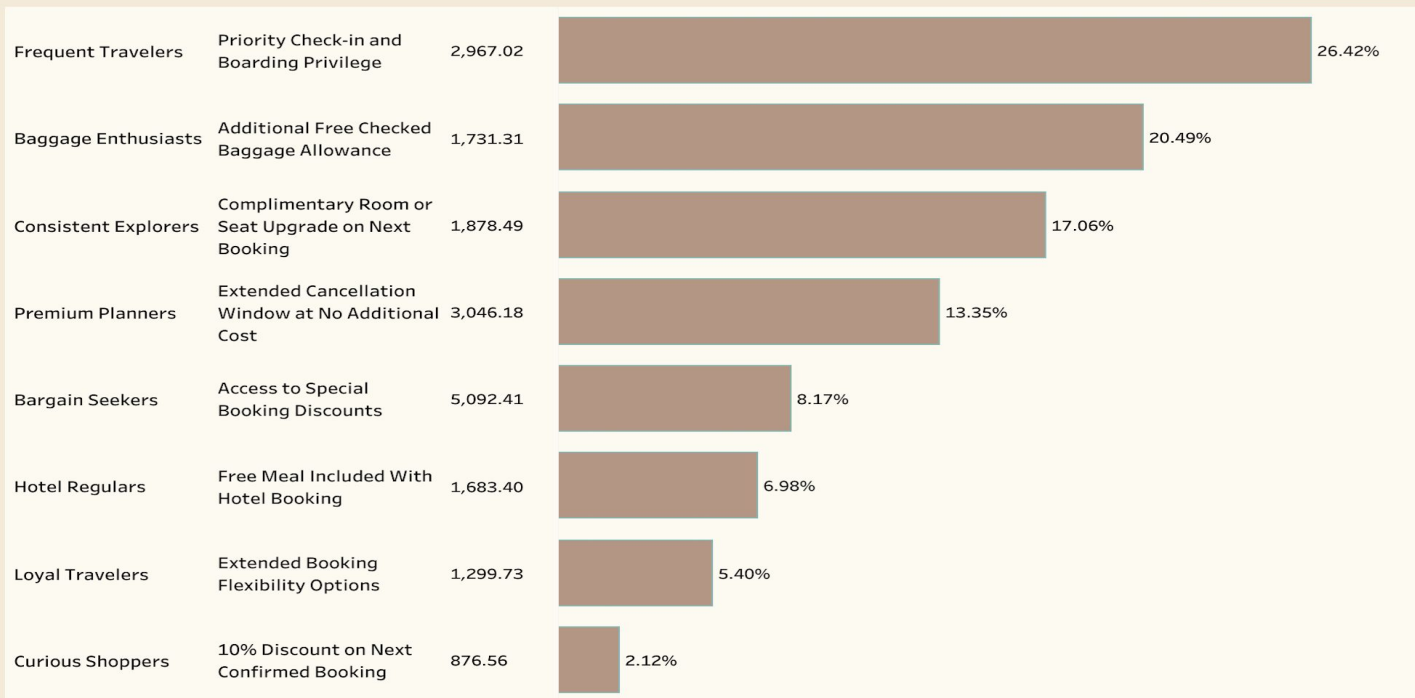
Criteria: 4+ trips and
Avg flight distance over
2,000 km

Perk: Priority Check-in
& Boarding

Reason: Frequent
flyers value time
efficiency.

Avg Distance Flown by # Trips

[View all Segments](#)



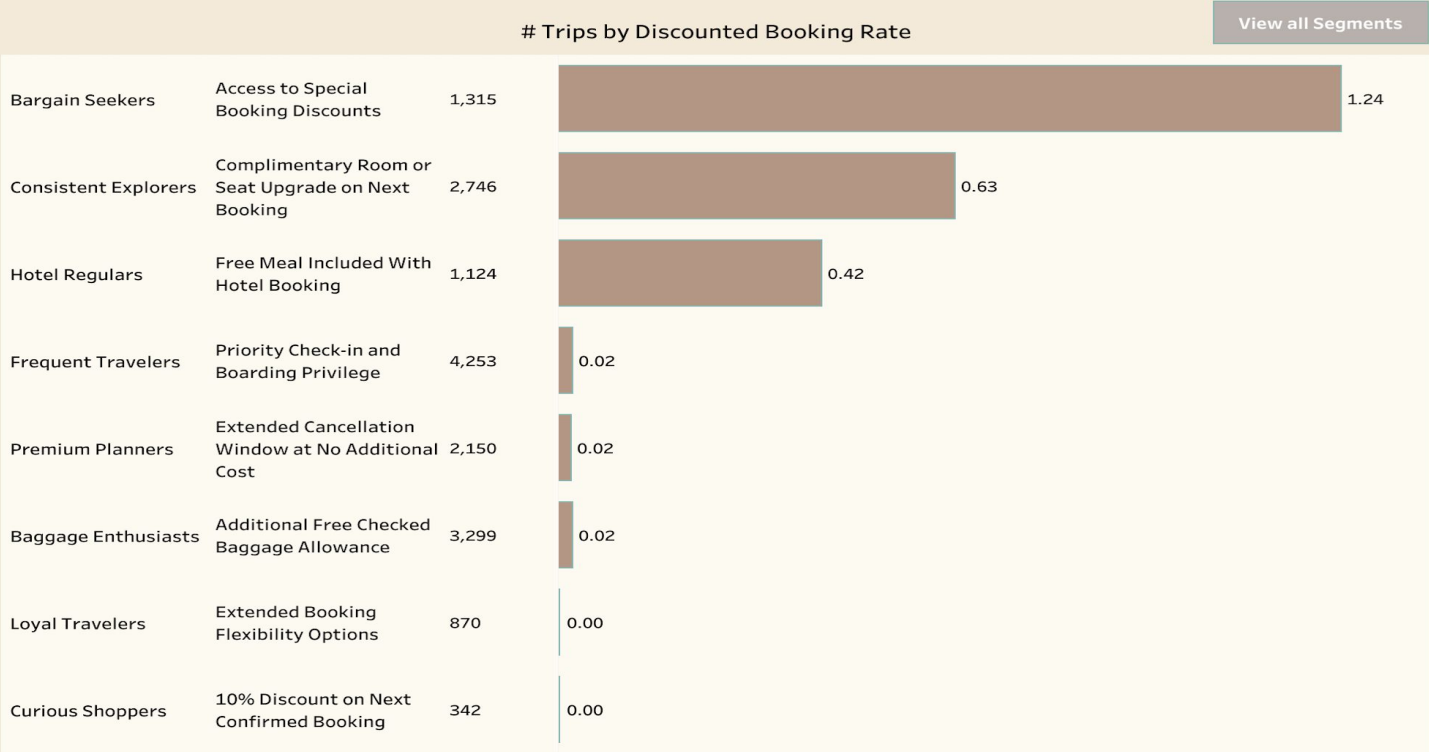


Segment – Bargain Seekers

Criteria: Less Than 3 trips and More than 20% bookings with discount

Perk: Access to Special Booking Discounts

Reason: Motivated by deals.





Segment – Premium Planners

Criteria: Avg spend more than \$1500 and lead time over 9 days

Perk: Extended Cancellation Window at No Cost

Reason: Value flexibility with high spending.

Avg Total Sales by Travel Lead Time

[View all Segments](#)

Premium Planners	Extended Cancellation Window at No Additional Cost	5,371.32	10
Bargain Seekers	Access to Special Booking Discounts	6,153.30	9
Frequent Travelers	Priority Check-in and Boarding Privilege	6,995.02	8
Curious Shoppers	10% Discount on Next Confirmed Booking	397.72	8
Baggage Enthusiasts	Additional Free Checked Baggage Allowance	3,952.14	7
Consistent Explorers	Complimentary Room or Seat Upgrade on Next Booking	3,851.94	7
Loyal Travelers	Extended Booking Flexibility Options	1,646.79	7
Hotel Regulars	Free Meal Included With Hotel Booking	2,155.71	7



Segment – Baggage Enthusiasts

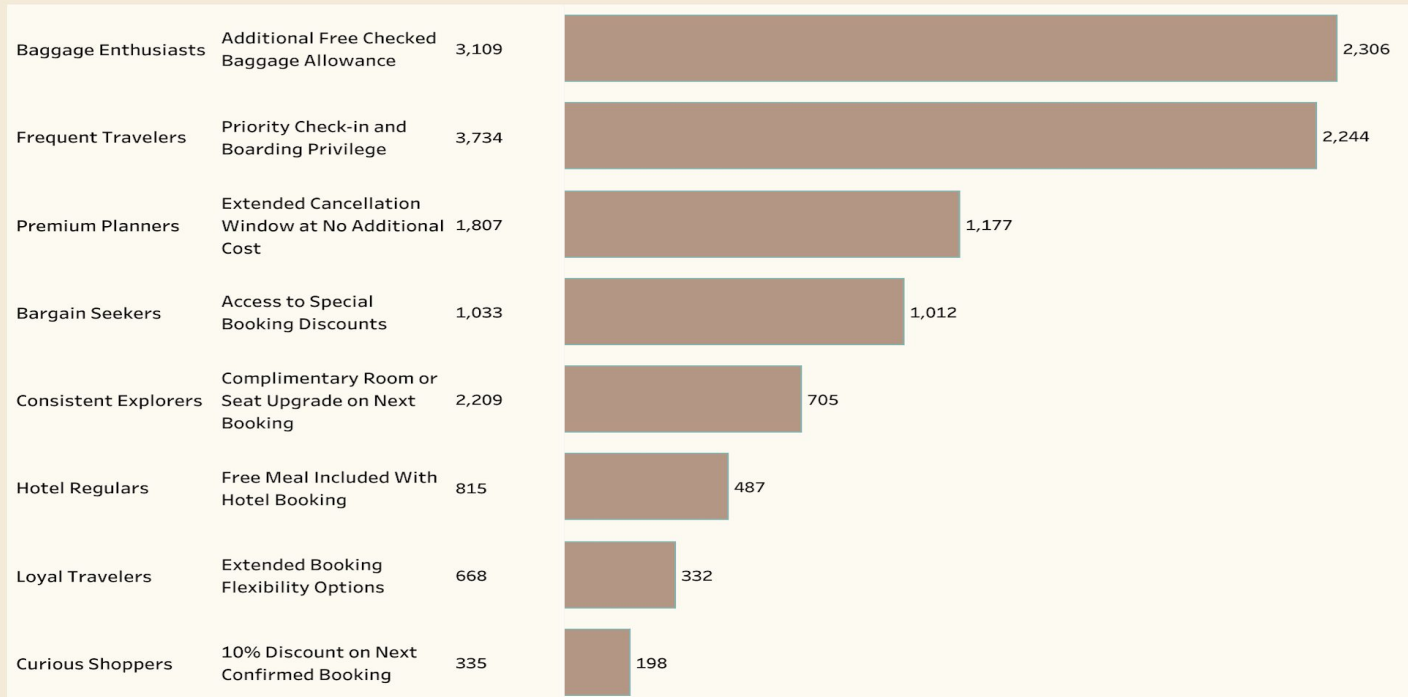
Criteria: Over 3 flights and Checked-in more than 1 Bag

Perk: Additional Free Checked Baggage

Reason: Often travel with luggage.

Flights Booked by Total Checked Bags

[View all Segments](#)





Segment – Consistent Explorers

Criteria: Avg User
lifespan over 60% and
More than 3 bookings

Perk: Complimentary
Room or Seat Upgrade

Reason: Dedicated and
actively engaged
customers.

Trips by Avg Customer Lifespan

[View all Segments](#)

Consistent Explorers	Complimentary Room or Seat Upgrade on Next Booking	5		1.07
Frequent Travelers	Priority Check-in and Boarding Privilege	5		1.07
Baggage Enthusiasts	Additional Free Checked Baggage Allowance	6		1.07
Premium Planners	Extended Cancellation Window at No Additional Cost	7		1.06
Bargain Seekers	Access to Special Booking Discounts	3		1.04
Hotel Regulars	Free Meal Included With Hotel Booking	4		0.99
Curious Shoppers	10% Discount on Next Confirmed Booking	3		1.00
Loyal Travelers	Extended Booking Flexibility Options	3		1.09



Segment – Loyal Travelers

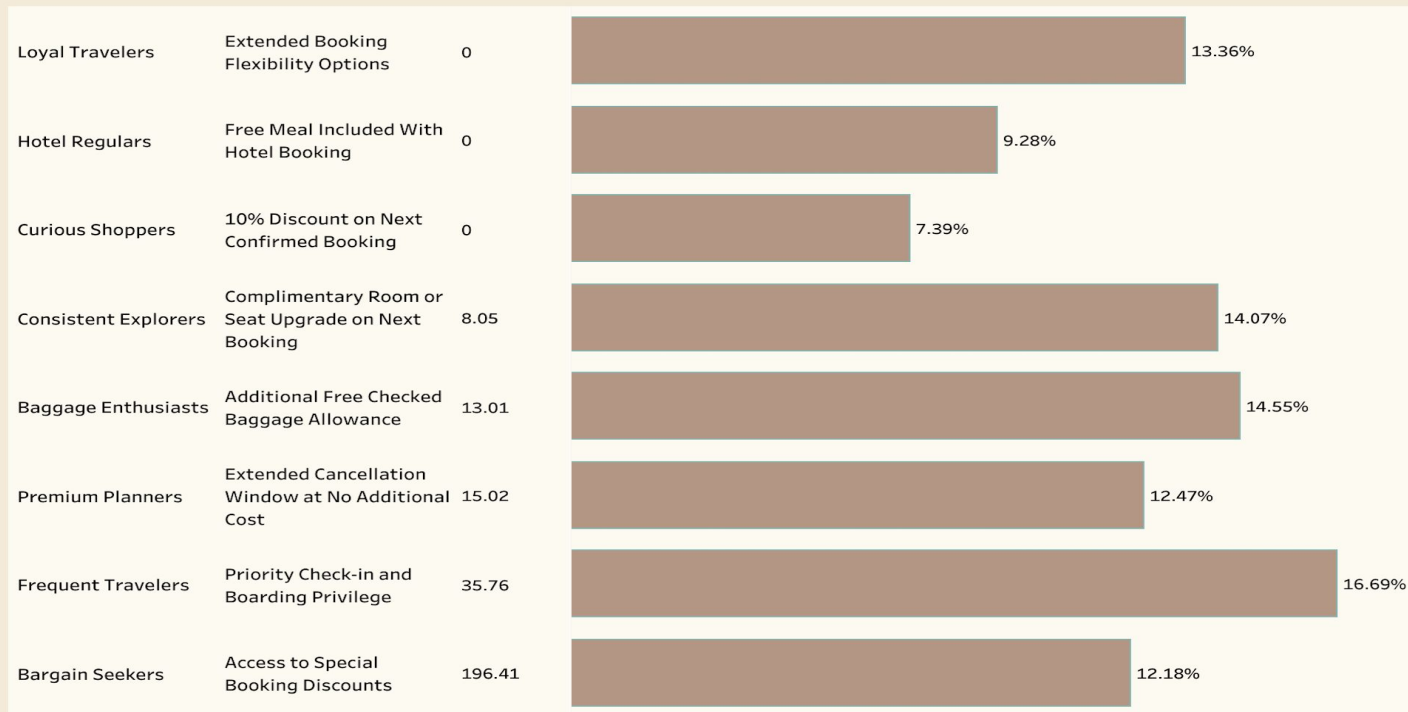
Criteria: Active for more than 150 days and cancellation rate less than 10%

Perk: Extended Booking Flexibility

Why: Long-term, reliable customers.

Cancellation Rate by Active Days

[View all Segments](#)





Segment – Hotel Regulars

Criteria: More than 1 hotel stay and over 2 nights stay in Avg

Perk: Free Meal with Hotel Booking

Why: Consistent hotel users.

Hotel Booked by Avg Hotel Stay

[View all Segments](#)

Hotel Regulars	Free Meal Included With Hotel Booking	3	4.53
Bargain Seekers	Access to Special Booking Discounts	4	4.94
Loyal Travelers	Extended Booking Flexibility Options	3	4.36
Premium Planners	Extended Cancellation Window at No Additional Cost	8	4.21
Consistent Explorers	Complimentary Room or Seat Upgrade on Next Booking	7	3.61
Frequent Travelers	Priority Check-in and Boarding Privilege	8	3.66
Baggage Enthusiasts	Additional Free Checked Baggage Allowance	7	3.21
Curious Shoppers	10% Discount on Next Confirmed Booking	3	2.15



Segment – Curious Shoppers

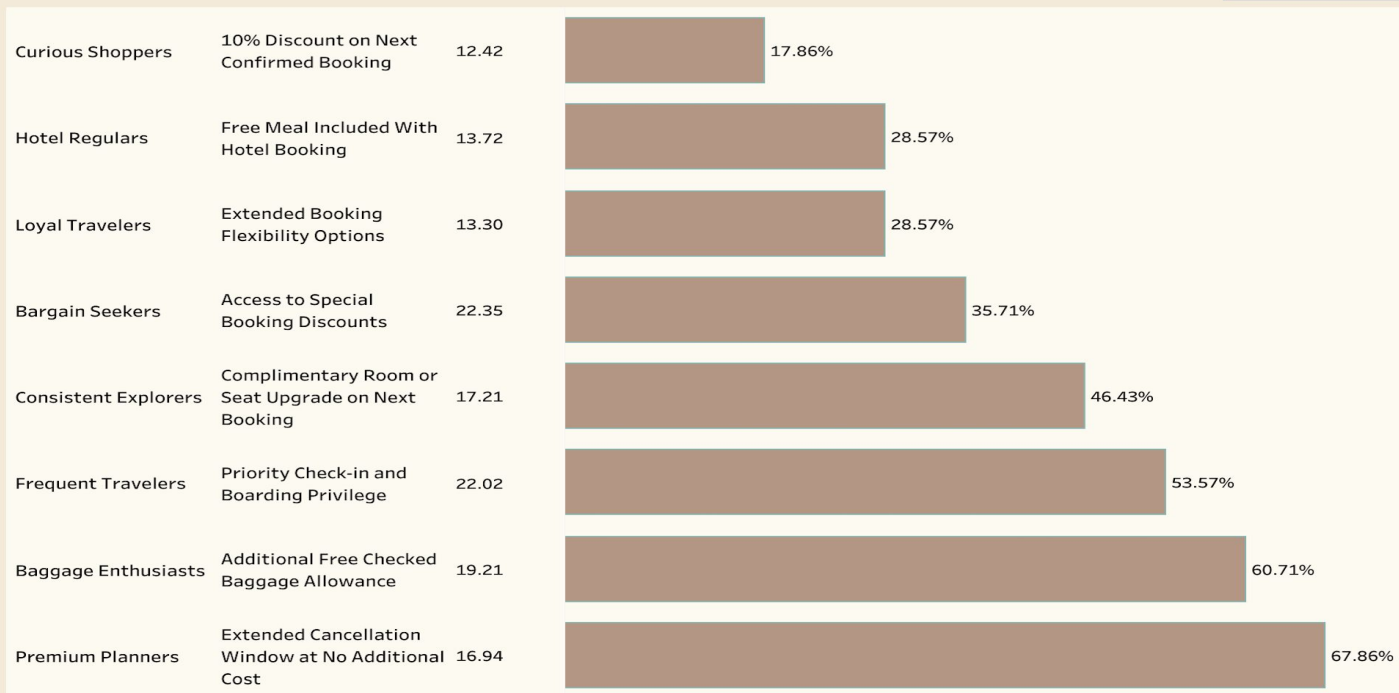
Criteria: Avg page clicks more than 4 and bookings less than 3

Perk: 10% Discount on Next Booking

Reason: Highly engaged but low conversion.

Avg Page Clicks by Booking Rate

[View all Segments](#)





Metrics Used

Metric	Purpose
Trips Count	Identifies travel frequency
Booking Amount	Indicates spending habits
Lead Time	Captures planning behavior
Clicks & Bookings	Detects engagement & conversion
Cancellation Rate	Measures reliability
Nights Stayed	Highlights hotel usage



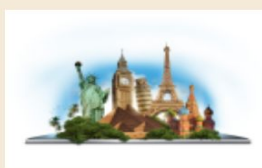
Strategic Recommendations

- ❖ Launch targeted feedback surveys
- ❖ Refine perks using customer satisfaction data
- ❖ Standardize missing data fields (e.g., check-out times)
- ❖ Use scaled ADS & booking behavior to personalize marketing
- ❖ **Implement A/B testing for new perks and offers**
- ❖ **Benefit:** Helps measure what works best, reducing risks and optimizing customer engagement



Conclusion

- ❖ Identified 8 distinct and actionable user segments based on travel behavior
- ❖ Segments reflect key patterns like booking frequency, spending, and engagement
- ❖ Personalized perks aligned with these segments are designed to boost retention and loyalty
- ❖ Data-driven segmentation enables targeted marketing and improved customer satisfaction
- ❖ Continuous analysis and refinement will sustain long-term growth and competitive advantage



Links

[Tableau Dashboard](#)

[TravelTide Database Analysis](#)

[Executive Summary](#)

[Detailed Report](#)