






Executive Summary - TravelTide Project

Introduction

TravelTides upcoming marketing strategy is to design and execute a fantastic personalized rewards program that keeps customers returning to the TravelTide platform.

The perks that most likely attract customers are:

-  Free hotel meal
-  Free checked bag
-  No cancellation fees
-  Exclusive discounts (users with variability in bargain shopping behavior)
-  1-night free hotel with flight

To grab customer's attention and maximize the likelihood they will sign up for the rewards program, the Data Analytics project aims to emphasize the perk we think they are most interested in when we ask them to sign up

Our mission is:

1. To check if the data supports Elena's hypothesis about the existence of customers that would be especially interested in the perks she is proposing
2. For each customer, assign a likely favorite perk

Methodology

Our approach to customer analysis focuses on identifying booking patterns and behaviors. By observing these trends, we developed a rule-based segmentation strategy that categorizes customers into eight distinct groups, considering factors such as booking frequency, spending habits, and preferences. This segmentation allows us to

tailor specific perks and incentives that align with each group's interests, effectively encouraging them to choose our services for future bookings.

Key Findings

We successfully segmented our customers into 8 distinct groups and tailored perks specifically designed to match their interests and preferences.

Committed crew

This group consists of users who are active users more than 150 days and have a cancellation rate below 30%.

We've identified them as our "**Committed Crew**" due to their loyalty and reliability. We have assigned them '**Extended Booking Flexibility**' perk to offer more convenience to travelers. The booking modification is extended, giving them more time to adjust their plans without additional fees.

Deal Hunters

This group consists of users who have booked fewer than 3 trips, with 20% of those bookings made using discounts.

We've identified them as our "**Deal Hunters**" and assigned them '**Exclusive Discount**' perk, to incentivize more frequent travel or reward their existing purchasing behavior by offering special discounts and deals tailored to their preferences, encouraging increased engagement.

Explorers

This group consists of users who average more than 3 page clicks but low purchase rate (fewer than 3).

We've identified them as our "**Explorers**" and assigned them '**10% Discount on next booking**' perk. This perk provides a strong incentive to convert their browsing into an actual booking. They are already highly engaged with the platform, offering a discount

shows appreciation for their engagement and nudges them toward making a purchase. We aim to reduce the gap between exploration and purchase.

Frequent Flyers

This group consists of users who have taken more than 3 trips and have an average distance flown of 2,000 kilometers or more.

We've identified them as our "**Frequent Flyers**" and assigned them '**Priority Check-in & Boarding**' perk to acknowledge their frequent and long-distance travel, providing them with a streamlined and more comfortable airport experience.

Loyal Lodgers

This group consists of users who have booked at least 1 hotel and have an average hotel stay of 2 nights or more.

We've identified them as our "**Loyal Lodgers**" and assigned them '**Free Hotel meal**' perk. This perk rewards their frequent stays and encourages repeat visits, strengthening their loyalty and enhancing their overall hotel experience.

Luggage Lovers

This group consists of users who have booked more than 2 flights and checked at least 1 bag.

We've identified them as our "**Luggage Lovers**" and assigned them '**Free checked bag**' perk, that enhances their travel experience, catering specifically to their frequent use of this service and adding convenience to their journeys.

Prime Planners

This group consists of users with an average total sale of 1500 or more and a travel lead time of 9 days or longer.

We've identified them as our "**Prime Planners**" and assigned them '**Extended Free Cancellation Window**' perk, that rewards their high spending and proactive planning, offering benefits that cater to their preferences.

Repeat Rovers

This group consists of users with an average lifespan of over 60% and made atleast 3.

We've identified them as our "**Repeat Rovers**" and assigned them '**Complimentary Room Upgrade or Seat Upgrade on Next Booking**' perk, that rewards their loyalty and consistent engagement. The bookings can be either for hotels, flights, or both, it enhances their experience across multiple services