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# *Travel Tide*

## Customer Segmentation & Reward Program



# Context

We ran this experiment with the following parameters:

- Date Range: January 4'2023 – July 7'2023 (Last date available)
- Total Users: 5998
- Included users with more than 7 sessions
- Tables: Users, Sessions, Flights, Hotels

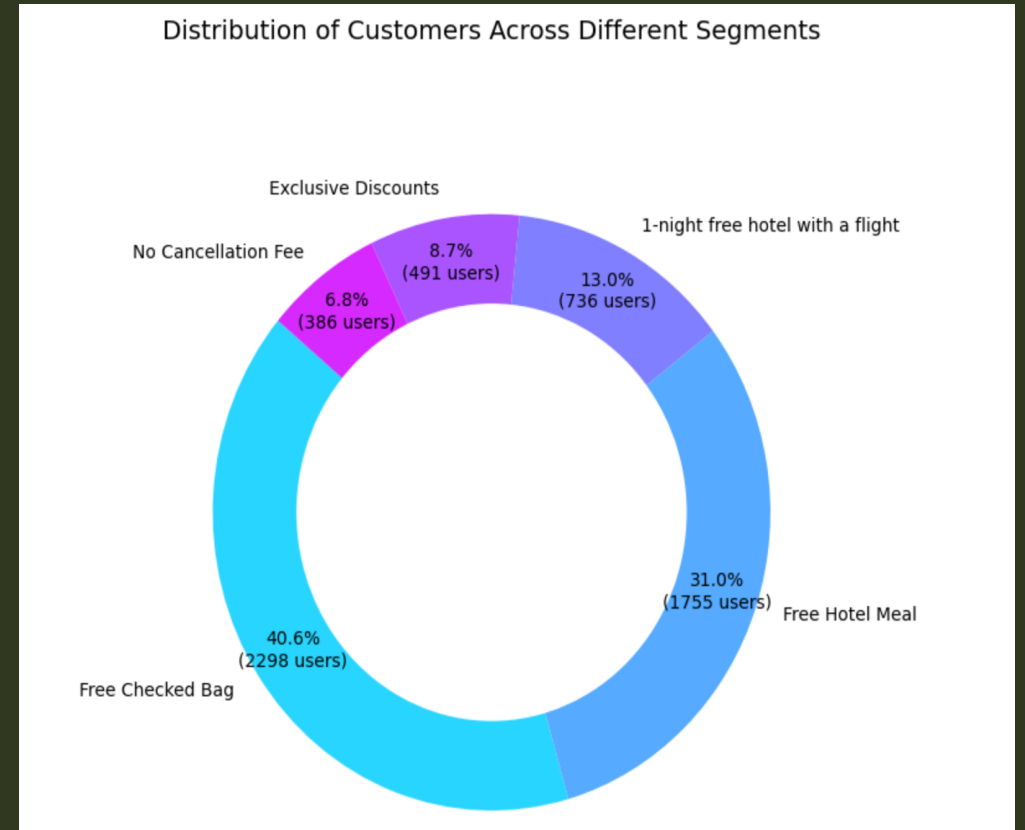
These are the perks most likely to attract customers:

- Free hotel meal
- Free checked bag
- No cancellation fees
- Exclusive discounts
- 1-night free hotel with a flight

## *Segmentation :*

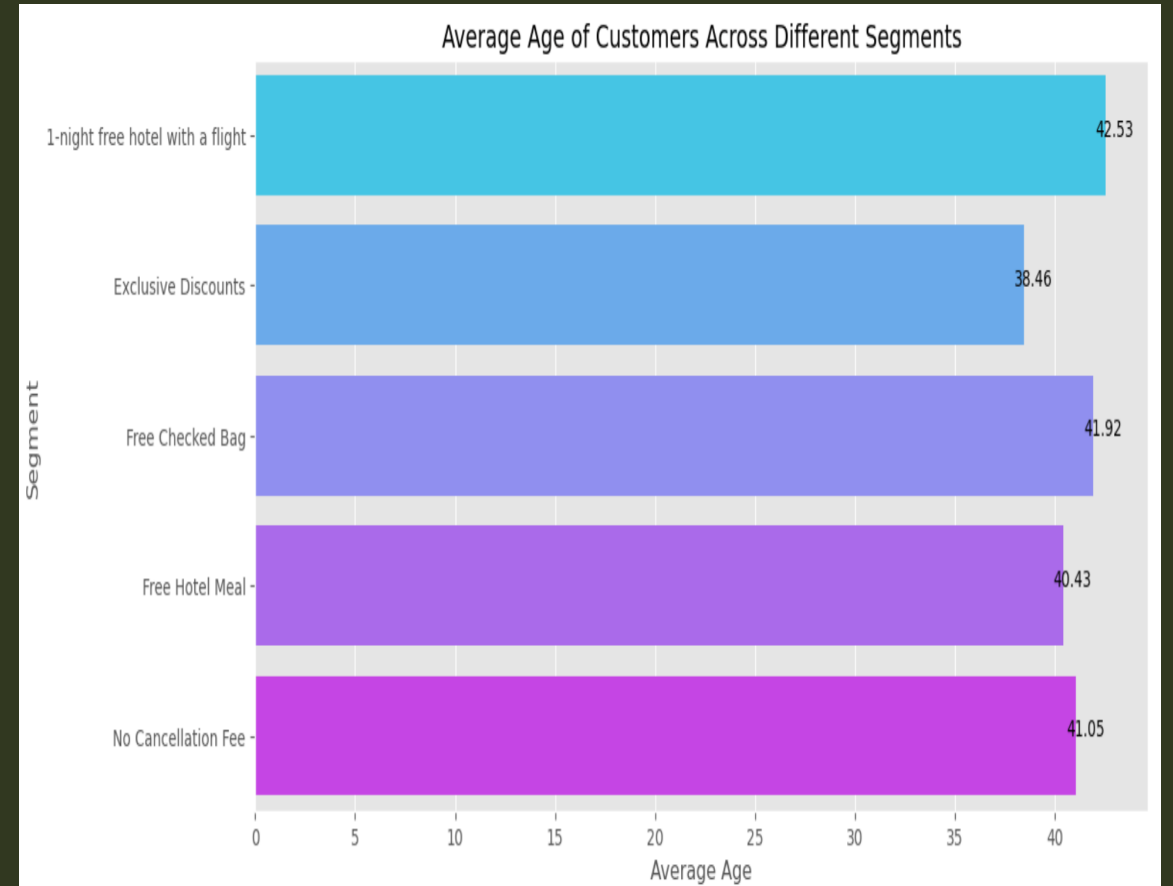
### *Distribution of customers according to their perk preference*

- **Free Checked Bag:** 2298 users (40.6%)
- **Free Hotel Meal:** 1755 users (31.0% )
- **1-night Free Hotel with a Flight:** 735 users (13%)
- **Exclusive Discounts:** 491 users (8.7%)
- **No Cancellation Fee:** 386 users (6.8%)



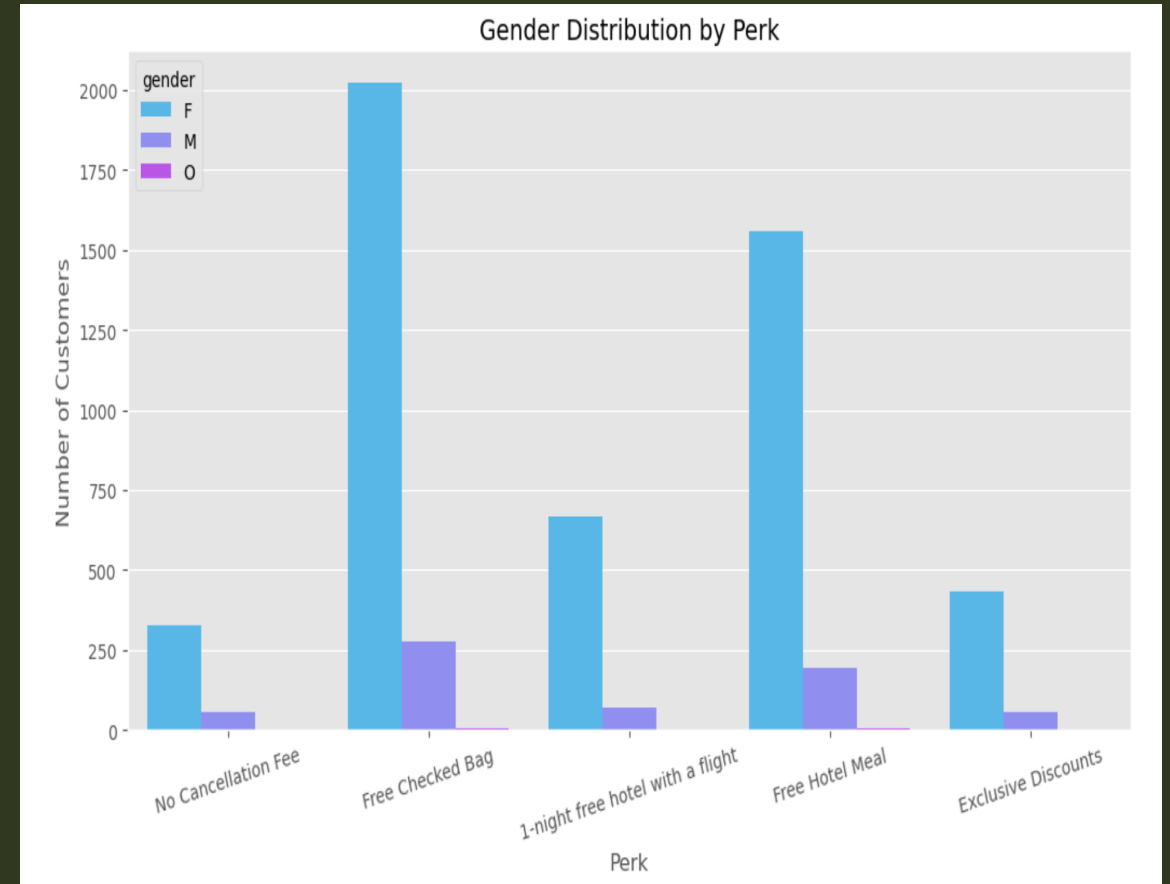
# Average Age

- **1-night Free Hotel with a Flight:** 42.53
- **Exclusive Discounts:** 38.46
- **Free Checked Bag:** 41.92
- **Free Hotel Meal:** 40.23
- **No Cancellation Fee:** 41.05



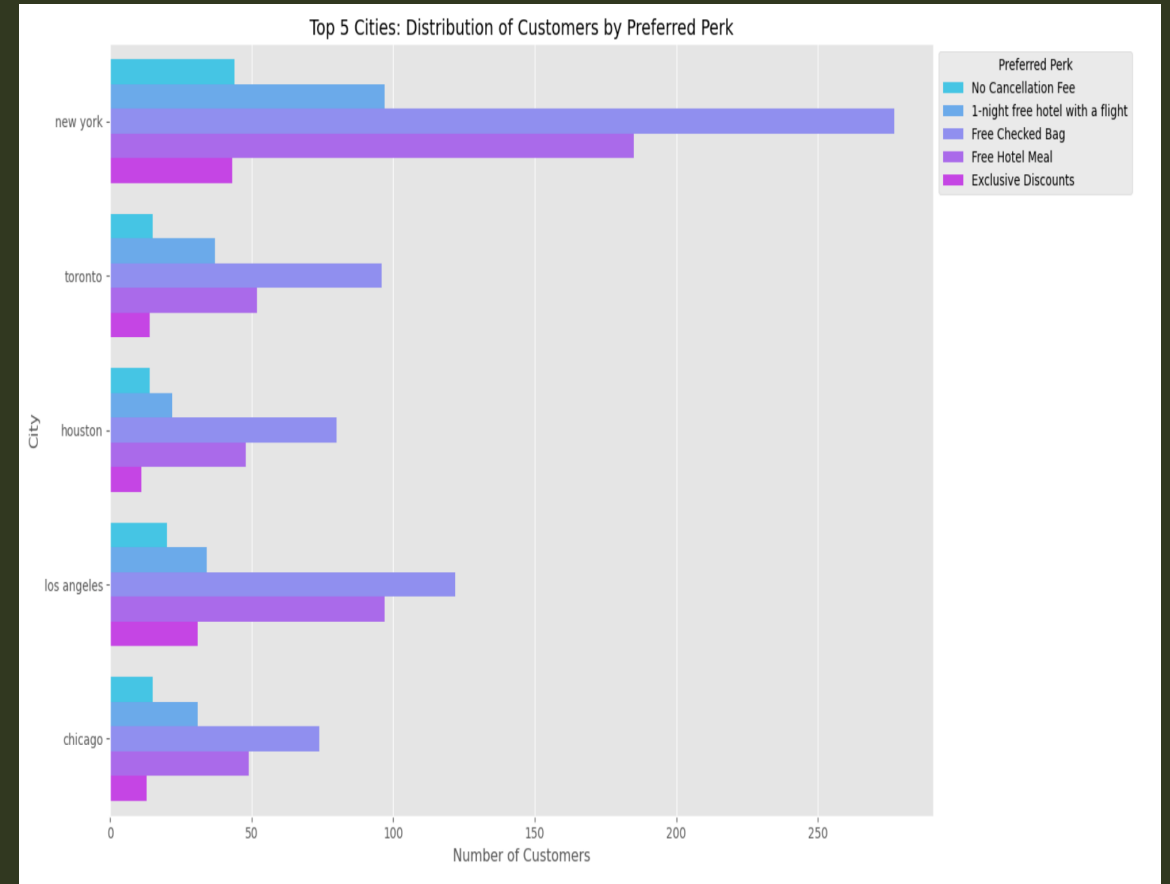
# Gender

- Higher number of female users showing interest in each perk compared to male users.
- This suggests that the appeal of these perks is more prominent among female customers in the dataset.
- Understanding this gender distribution can be valuable when designing targeted marketing strategies or making adjustments to the perks to better cater to the preferences of both male and female audiences.



# Geographical

- It's evident that, for these cities (Toronto, Houston, Los Angeles, and Chicago), there is a consistent pattern in the preferences for the top three perks, with "Free Checked Bag," "Free Hotel Meal," and "1-night Free Hotel with a Flight" being the most favored perks.
- This pattern mirrors that of New York City, indicating a similarity in customer preferences for these specific perks across these cities.
- Understanding these preferences can be valuable for tailoring marketing strategies and perk offerings in these locations.



# ***Recommendations:***

- Given the overlap between certain perks, consider bundling perks or offering tiered rewards. For instance, a combined perk of "Free Checked Bag + 1-night Free Hotel with a Flight" could be tested for its appeal.
- For the "No Cancellation Fee" segment, consider additional perks or incentives that cater to their need for flexibility, such as "Flexible Dates" or "Priority Rescheduling".
- For the gender disparity observed, consider gender-specific campaigns or investigate the reasons for the disparity to ensure a balanced appeal.
- Given the consistent perk preferences across major cities, consider a uniform rewards program rollout in these cities. However, monitor regional preferences and be ready to adjust based on feedback.
- Recognize and engage with segments that exhibit high-value behaviors, such as booking for larger groups or frequent flying. Personalized loyalty programs or premium services could be offered to these customers.
- Maintain a vigilant eye on key performance indicators (KPIs) like engagement rate, conversion rate, and customer lifetime value to gauge the effectiveness of these personalized campaigns.
- Given the consistent preference for certain perks across major cities, contemplate the possibility of implementing a standardized rewards program in these locations. However, remain flexible and responsive to regional variations in preferences, adapting strategies based on feedback and local insights.
- Identify and engage with segments that exhibit valuable behaviors, such as those booking for larger groups or frequent flyers. Consider offering personalized loyalty programs or premium services to incentivize and retain these high-value customers.