

Executive Summary: Unlocking Lifetime Value Through Strategic Loyalty

Objective:

Increase Customer Lifetime Value (LTV), accelerate repeat bookings, and improve retention through a **segmented rewards program** targeting high-value demographics.

Strategic Focus:

- **Target Age:** Adult Travelers (35–59) – highest purchase power and user count.
- **Messaging:** Tailored communication to the dominant female demographic for higher engagement.

Customer Segmentation & Actions:

Cluster	Profile	Behavior	Action
0: VIP Loyalists	Highest ARPU, lowest churn	Frequent, low-risk	Retention & upsell with premium perks
1: Core Growths	Moderate ARPU, average churn	Occasional bookings	Incentivize regular usage to grow LTV
2: Flexibility Seekers	Lowest ARPU, highest churn	Infrequent, high volatility	Low-risk incentives to stabilize behavior

Key Metrics (KPIs):

- **Adoption & Segment Penetration:** Growth in rewards sign-ups per segment
- **Customer Value Acceleration:** Increased booking frequency and repeat purchases
- **Lifetime Value Stabilization:** Reduced churn and volatility in Cluster 2
- **Digital Engagement:** Higher sessions, clicks, and time-on-site

Recommendation:

Implement **targeted messaging and segmented rewards** immediately to maximize LTV for the 35–59 demographic and stabilize growth across all clusters.