

# Executive Summary

- Five perks to elevate customer retention & value
- 5,998 customers from Jan-Jul 2023 get a perk each
- Custom behavioral metrics crafted to score, rank and match user preferences
- 'Exquisite' perks like free hotel meal & free hotel night<sup>1</sup> signify status. VIPs prioritized based on loyalty<sup>2</sup>, spend ratios, unit prices paid and transaction size. They get an average 23-pt boost. 20% of customers (1.2k) are VIPs; 80% of them receive exquisite perks
- VIPs spend over twice as non-VIPs, driven by volume, higher prices (and less discounting)
- K-Means analysis: high cancellation rates overlap with discounting, thus free to cancel<sup>3</sup> & special travel offer<sup>4</sup> may not be distinct perks, behaviorally speaking

(1) 1 night free hotel with flight; (2) Days since sign up; (3) Previously 'no cancellation fees';  
(4) Previously 'exclusive discounts'

## Exquisite perks

Free hotel meal	VIP	566 (9.4%)	\$3.1M (\$5.5K/user)	61 (+23)
	Non-VIP	383 (6.4%)	\$1.1M (\$2.9K/user)	36 (--)
Free hotel night	VIP	398 (6.6%)	\$1.7M (\$4.4K/user)	65 (+24)
	Non-VIP	478 (8.0%)	\$0.7M (\$1.5K/user)	35 (--)
		Users (% of total users)	Cumulative spend \$	Allocated perk score

## Standard perks

Free checked bag	VIP	94 (1.6%)	\$0.5M (\$5.8K/user)	57 (--)
	Non-VIP	1,238 (20.6%)	\$2.5M (\$2.0K/user)	35 (--)
Free to cancel	VIP	119 (2.0%)	\$0.6M (\$5.1K/user)	61 (--)
	Non-VIP	1,061 (17.7%)	\$2.4M (\$2.2K/user)	57 (--)
Special offer travel	VIP	23 (0.4%)	\$0.1M (\$2.8K/user)	68 (--)
	Non-VIP	1,638 (27.3%)	\$1.7M (\$1.0K/user)	51 (--)
		Users (% of total users)	Cumulative spend \$	Allocated perk score