

TravelTide - Executive Summary

Customer Segmentation

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Introduction

To improve customer retention and tailor our marketing strategies, we performed a segmentation analysis of TravelTide's user base by utilizing behavioral, demographic, and transactional data. This segmentation was designed to establish a strategic foundation for launching a new loyalty program.

Objectives

1. Collect and analyze data to understand our customers and their travel habits.
2. Categorize customers according to their behavior.
3. Provide perks that motivate customers from each segment to return and engage with the experience again.

Methodology

We utilized the segmentation analytic technique to categorize users with similar behaviors, enabling a more accurate marketing strategy.

Using SQL, Tableau, and Excel spreadsheets, we analyzed and refined the raw data to generate reliable insights and conclusions.

Findings

In the initial stages of Exploratory Data Analysis (EDA), we discovered errors in the data regarding nights booked and US city names that weren't recognized by Tableau. We also have to handle the cancellation records to avoid duplication by aggregating data in further steps of the project.

After defining the cohort for the project, which includes a one-year period and users with more than seven sessions during that time, we discovered the following:

- TravelTide operates exclusively within Canada and the USA.
- The age range of customers is between 30 and 50 years old.
- The majority of valid trips booked are by singles or couples without children.
- The typical expenditure per trip is approximately \$1,600.

Recommendations

1. **Launch Loyalty Campaigns:** Activate perks by segment in upcoming marketing cycles (e.g., email, push notifications, targeted discounts).
2. **Monitor Segment KPIs:** Track conversion rate, retention, and spend per segment over time to refine strategies.
3. **Expand Segmentation Logic:** Integrate machine learning to dynamically update perks based on evolving user behavior.
4. **Personalized Landing Pages:** Redirect users to segment-specific experiences (e.g., curated hotel deals for "Hotels Only").
5. **New Markets:** Create and execute a comprehensive growth strategy to broaden market reach into international territories.