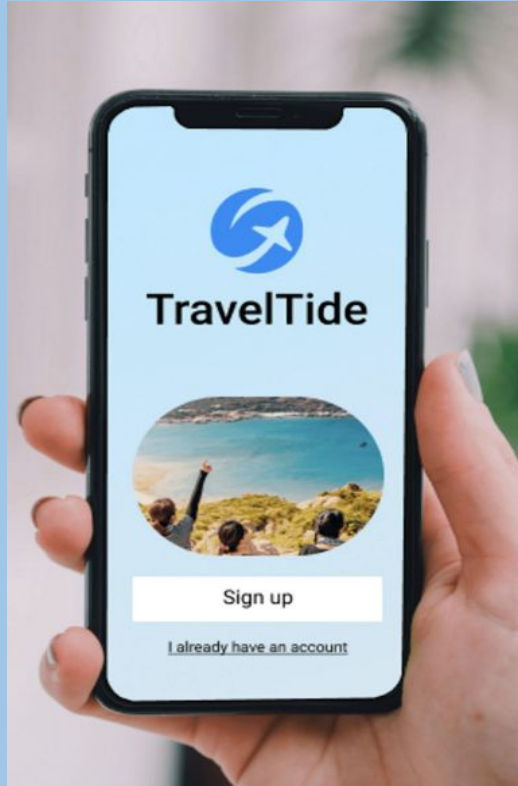# Travel Tide Customer Segmentation
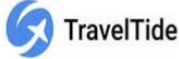
by Haritha

About Travel Tide

- ABOUT
  - TravelTide is an exciting e-booking startup in the online travel industry.
  - TravelTide offers the largest travel inventory in the e-booking market transforming the online travel industry.

- GOALS
  - Create an engaging rewards program to increase customer loyalty and repeat bookings.
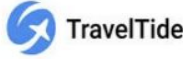 - Segment customers based on their shopping behavior.

Rewards Program

TravelTide

Become a TravelTide Member

Get Free Cancellation for thousands of flights and hotel deals

TravelTide's members can now book their trips worries-free, knowing they can cancel their booking ahead of time with a 100% refund guarantee.

Become a Member

TravelTide

Become a TravelTide Member

Non-stop benefits for TravelTide's members - are you in?

As a member, you will also benefit from:

- Complimentary meals with selected hotels
- Free baggage with selected airlines
- Exclusive members-only discounts
- First night free at selected hotels
- Free cancellation with selected airlines

Become a Member

We aim to customise our email communications by aligning with customers interests and preferences in our rewards program.

Key perks include

- Free Hotel Meal
- Free Checked Bag
- No Cancelation Fee
- 1 Night free with Flight
- Exclusive Discount

Active Users

- Travel Tide has approximately 1.6 million users, though not all are active.

- Elena, Lead of marketing suggested, only users with more than 7 sessions since January 4, 2023, to be included, resulting in 5,998 eligible users.

- The analysis focuses only on sessions and trips within this time frame, as older trips are less comparable.
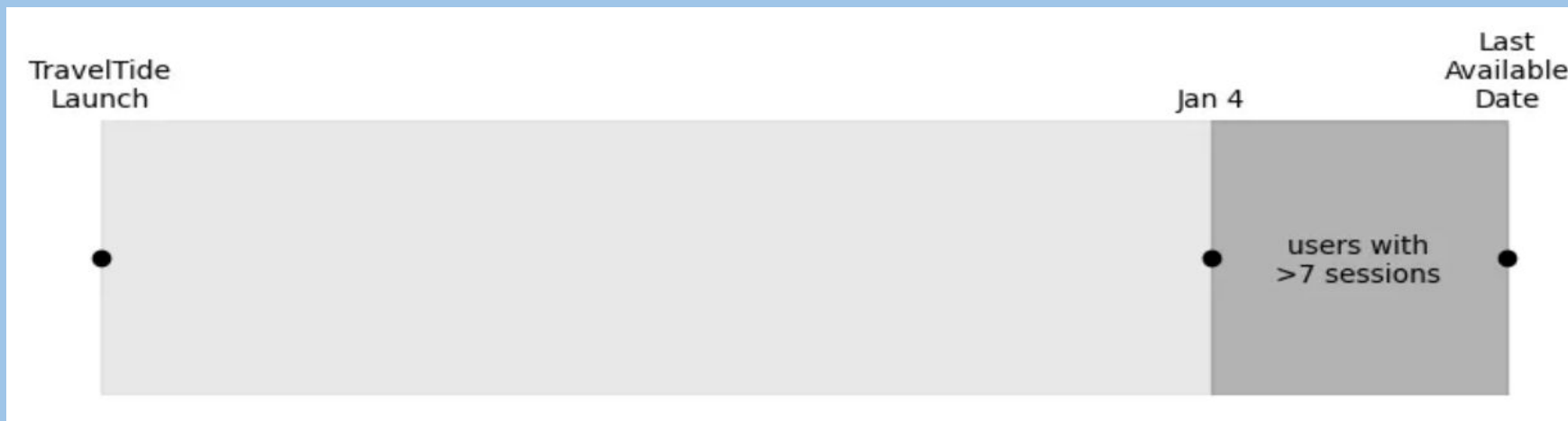
User Grouping

To find meaningful groups, we explored customer

characteristics based on three fields

- Session Behavior: How users interact with the

  platform.

- Trip Behavior: Their travel patterns and preferences.

- Customer Demographics: Age, family status, and

  other personal details.
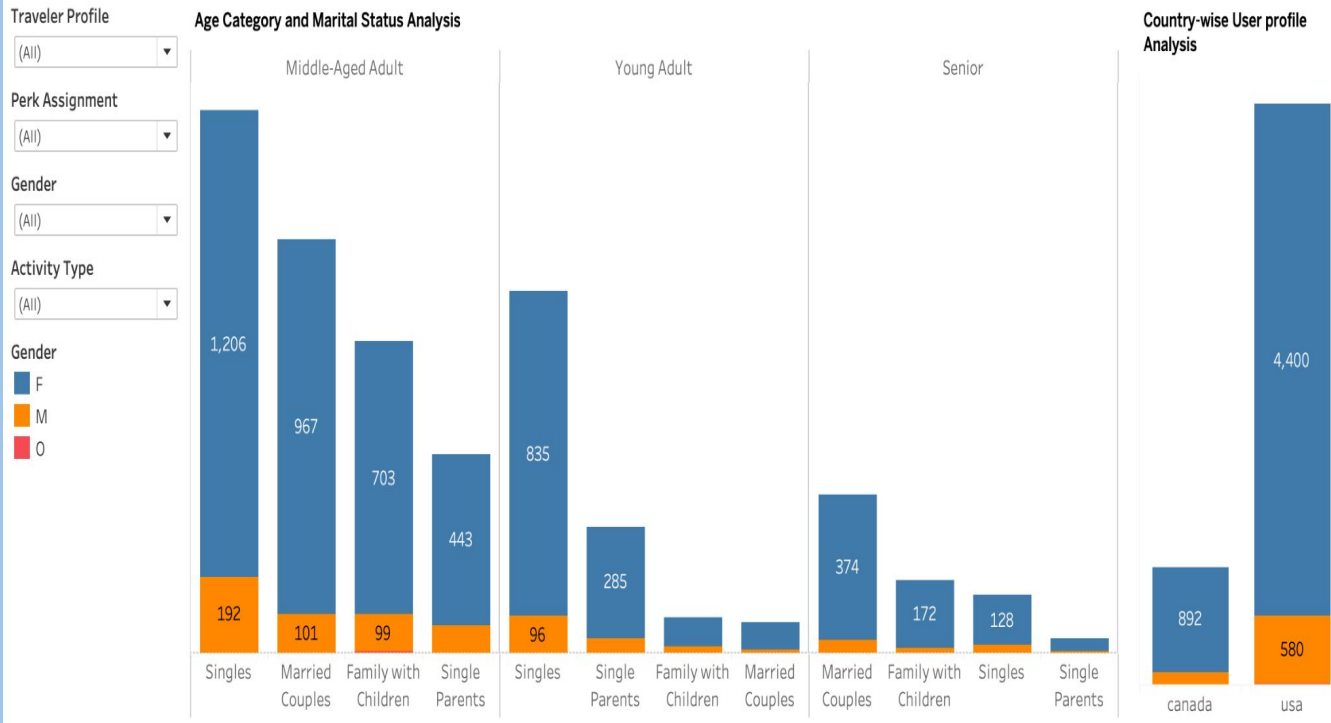
User Segmentation

We analysed and categorized travellers into six groups based on age, family status, and travel habits

- **Senior Traveller -** Age 55 and older. Example: Retirees enjoying leisure trips.
- **Family Traveller -** Travellers with children. Example: Families going on vacations together.
- **Dreamer Traveller -** Age under 35 with less than 2 trips. Example: Young people exploring travel for the first time.
- **Young Frequent Traveller -** Age under 35 with 2 or more trips. Example: Active, adventurous young travellers.
- **Business Traveller -** Age 35 and older with more than 5 trips. Example: Professionals frequently traveling for work.
- **Normal Traveller -** Does not fit into other categories. Example: Occasional or casual travellers.
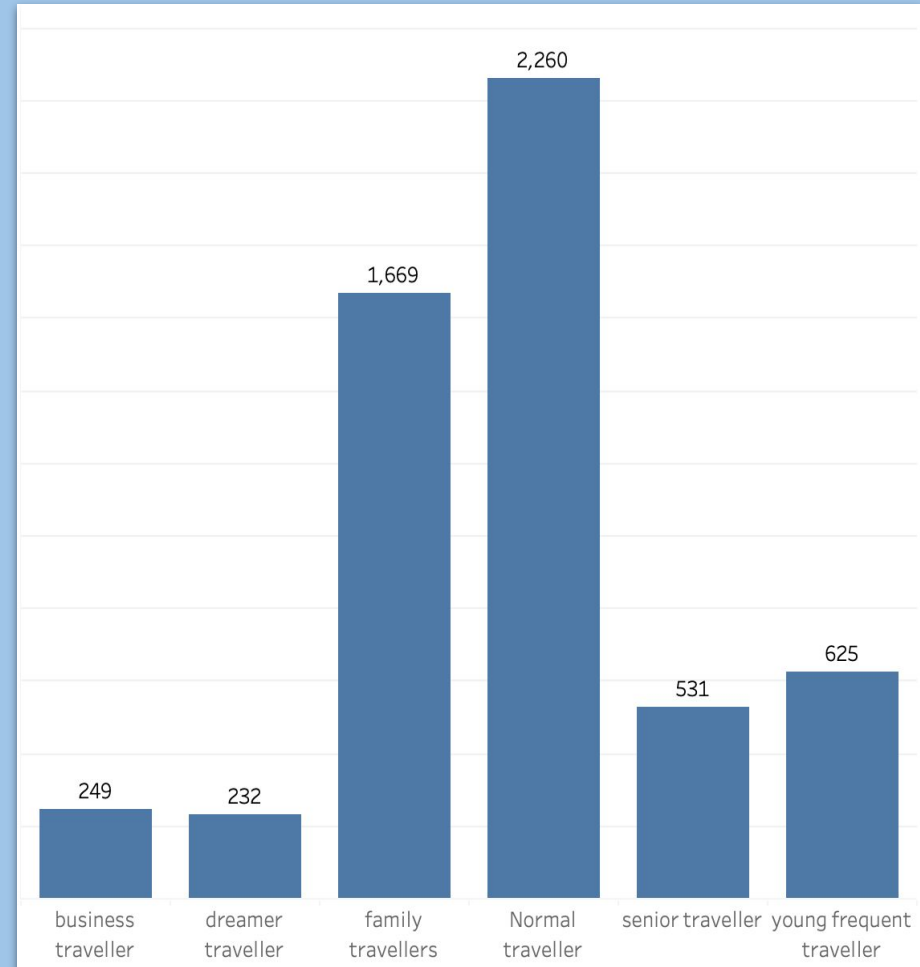
User Demographics and Spending Overview

Users #	Avg. Num Trips	Avg. Num Clicks	Avg. Num Sessions	Avg Session Duration Mins	Avg Flight Discount Percent	Avg Hotel Discount Percent	Avg. Money Spent Hotel	Avg. Money Spent Flight
5,998	3	149	8	3.12 min	11.1%	7.62%	$2,068	$2,230

Traveler Profile
(All) ▼

Perk Assignment
(All) ▼

Gender
(All) ▼

Activity Type
(All) ▼

Gender
■ F
■ M
■ O

Age Category and Marital Status Analysis
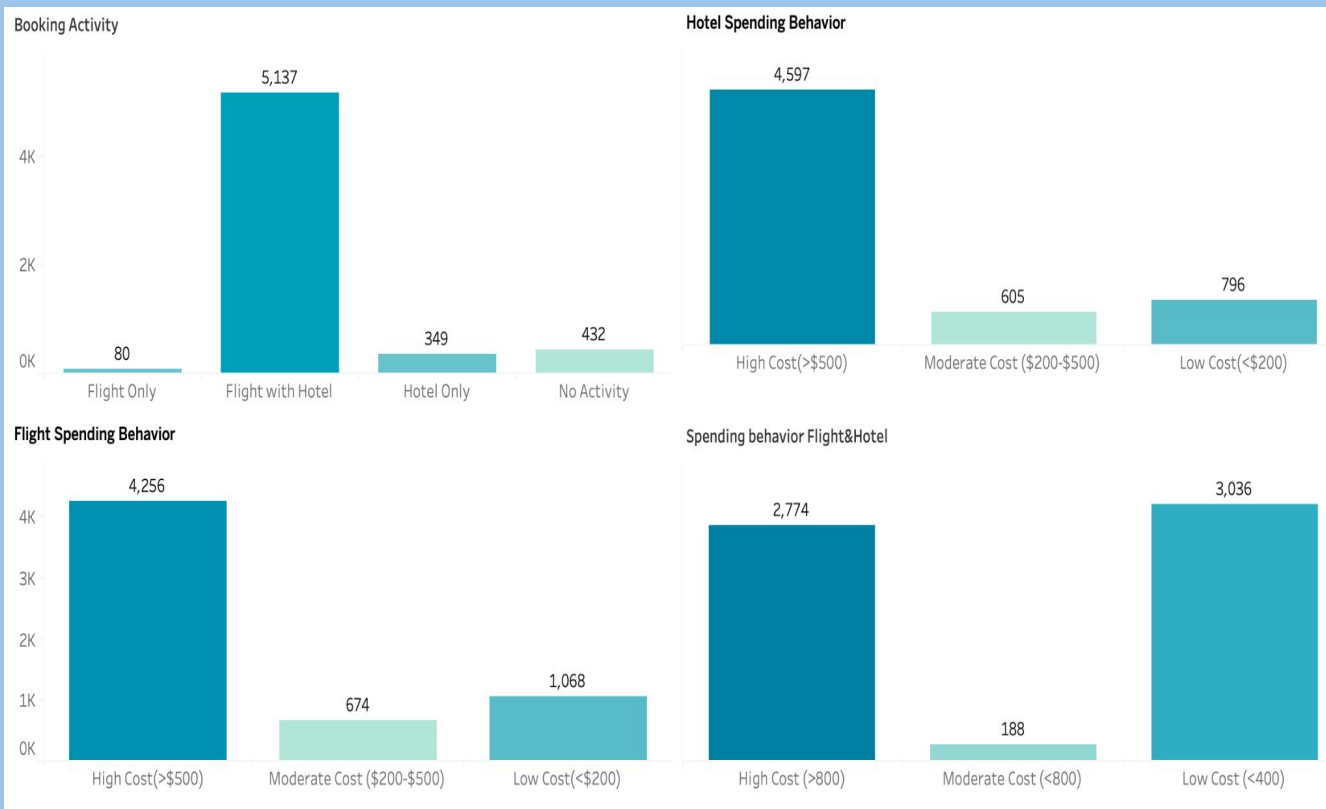
Country-wise User profile Analysis

Out of a total of 5,998 users, we found that users booked a total of 16,702 trips, with an average of 3 trips per user.

The majority of our users fall into the middle-aged bracket (between 36 and 55 years old).

Women tend to book trips more frequently than men.

All our customers originate from either the USA or Canada

Spending Behaviour

Booking Activity

- Flight Only: 80
- Flight with Hotel: 5,137
- Hotel Only: 349
- No Activity: 432

Hotel Spending Behavior

- High Cost(>$500): 4,597
- Moderate Cost ($200-$500): 605
- Low Cost(<$200): 796

Flight Spending Behavior

- High Cost(>$500): 4,256
- Moderate Cost ($200-$500): 674
- Low Cost(<$200): 1,068

Spending behavior Flight&Hotel

- High Cost (>800): 2,774
- Moderate Cost (<800): 188
- Low Cost (<400): 3,036
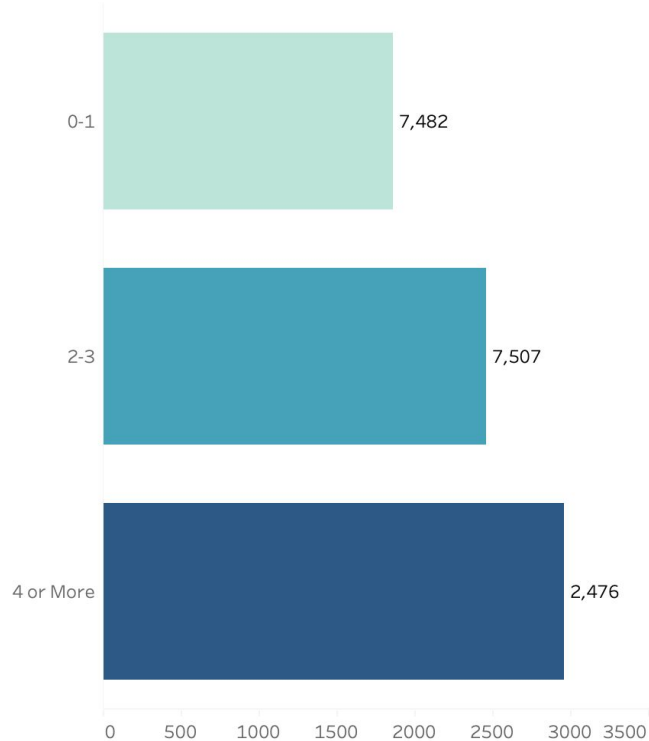
For trips involving only flights or hotel bookings, the majority cost over $500 per trip.

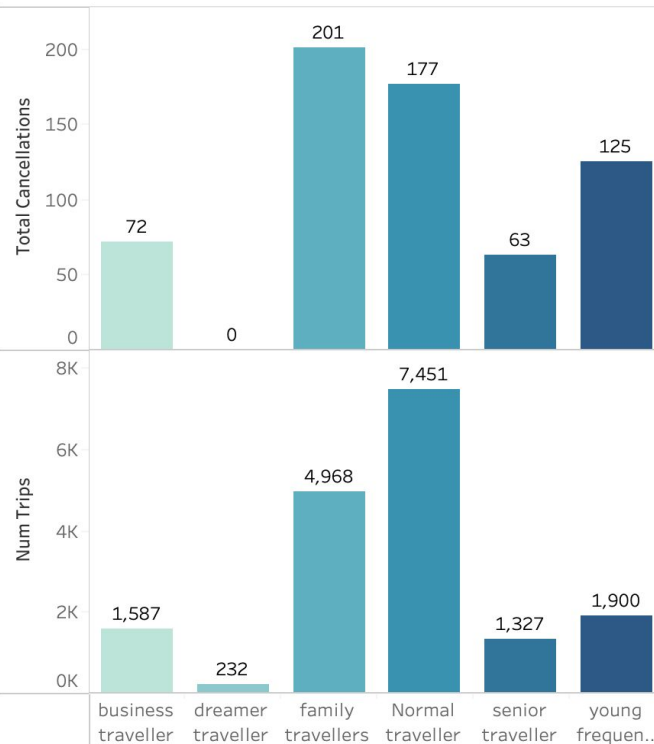Similarly, trips that include both flights and hotels tend to be booked at higher costs

But, overall, people usually book both flights and hotels together for their trips.

Baggage and Cancellation Analysis

Checked Bags vs. Avg. Flight Distance

Trips and Cancellation Analysis

Short distance trips have either one or no checked bags

Cancellations are observed exclusively for trips with both flight and hotel bookings

Perks personalisation

- Perks like free meals, checked bags, and discounts are matched to users based on their travel habits.

- Factors like how often they travel, how much they spend, and their trip type are considered.

- Scores are calculated for each perk to make benefits personalised.

- Using these scores, Top users for each perk are identified.

- This overall improves satisfaction, builds loyalty, and supports business goals.

Perk distribution among users
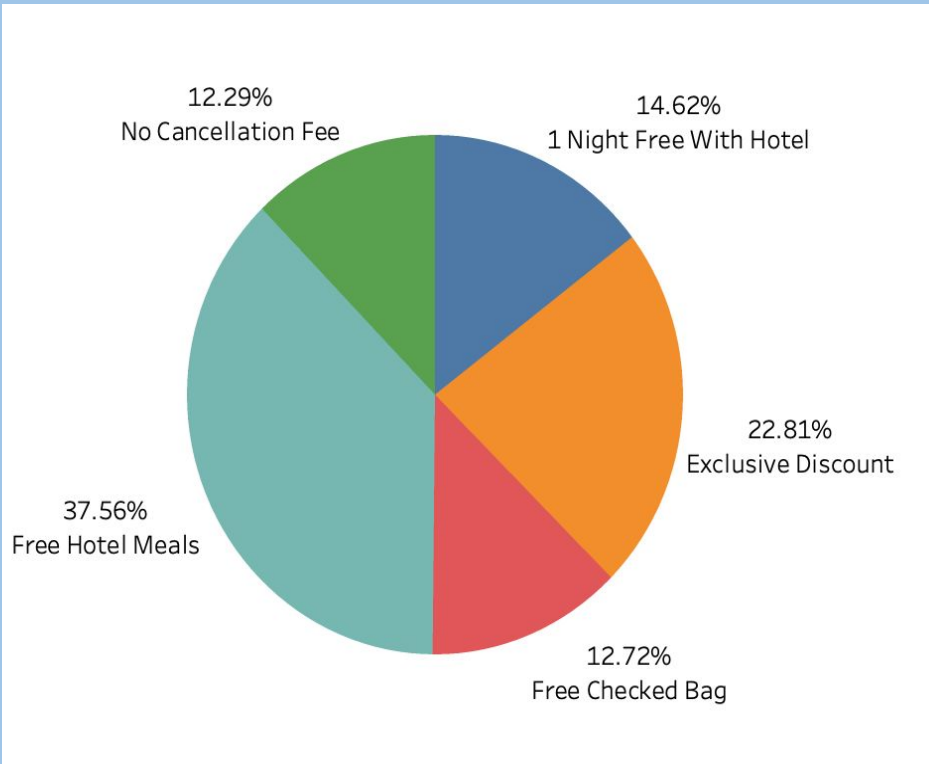
Free Hotel Meals: Ideal for group, family, and senior travelers booking multiple rooms.

Exclusive Discount: Perfect for budget-conscious users who spend more and appreciate discounts.

1 Night Free With Hotel: Designed for quick layovers, offering a complimentary night's stay.

Free Checked Bag: Appeals to travelers with multiple bags on longer trips.

No Cancellation Fee: Preferred by flexible travelers, providing peace of mind for plan changes.

Further recommendations for enhancing rewards program

- Segmented Email Campaigns

- A/B Testing for Optimization

- Monitoring User Engagement

- Feedback Collection

- Continuous Refinement

- Dedicated Customer Support

Thank you