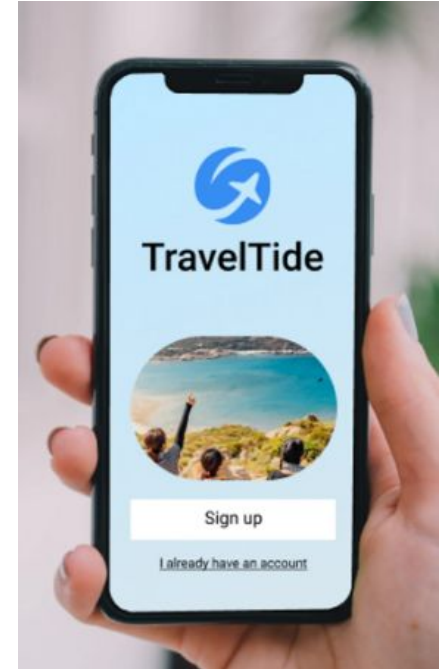# TravelTide - Customer Segmentation

For personalized rewards program

Agenda

➢ Introduction
➢ Objectives
➢ Methodology
➢ Key Findings
➢ Recommendations/Next Steps
➢ Q&A

Context

➢ Customer segmentation analysis
  ○ To support the implementation of a personalized rewards program for TravelTide customers.
  ○ Focus on customer retention
  ○ Data driven approach

Objectives

➢ Design an enticing personalized rewards program that resonates with customers
➢ Drive platform engagement and customer loyalty
➢ Goals:
  ○ Validate the hypothesis of customer segments showing a distinct interest in proposed perks
 ○ Assign each customer to a preferred perk

Methodology

➢ **Cohort Definition**: Users with > 7 sessions from '2023-01-04' onwards

➢ **Data Extraction**: SQL for extracting aggregated cohort data from database system

➢ **Data Analysis**: SQL and Python to define and rank customer segments

➢ **Segment Assignment**: Assign each customer to an appropriate segment

Key Findings

➢ Fuzzy Segmentation
- ○ Free Checked Bag Segment: **3,659** customers
- ○ Free Hotel Meal Segment: **1,346** customers
- ○ No Cancellation Fees Segment: **328** customers
- ○ Exclusive Discounts Segment: **631** customers
- ○ One-night Free Hotel with Flight Segment: **34** customers

Note: Users not meeting segment criteria are additionally categorized under the lowest cost segment, 'Free Checked Bag Segment'

Number of Users Assigned to Each Segment
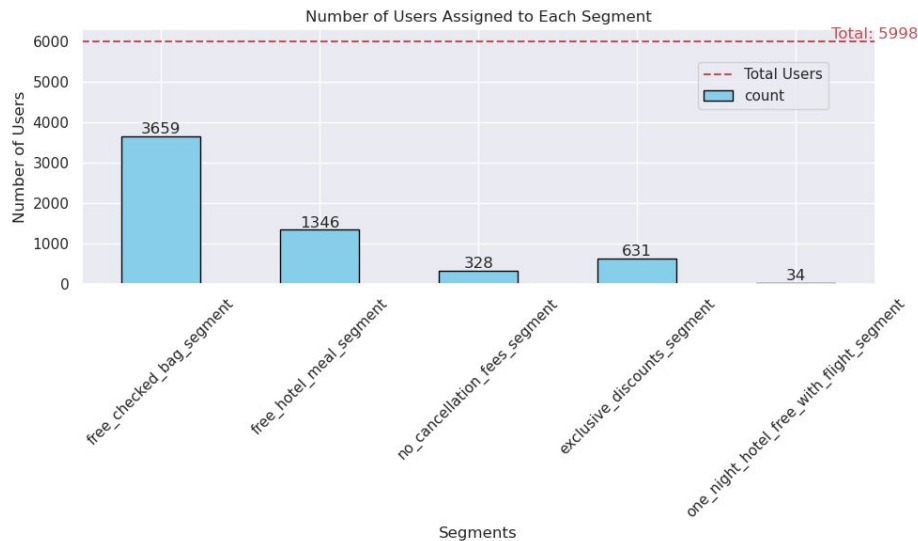
Recommendations/Next Steps

➢ **Personalized Marketing Plans**:
  ○ Craft tailored marketing strategies for each segment.
  ○ Highlight the perk most appealing to the respective segment.
➢ **Cost Consideration**:
  ○ Assess total cost of proposed perks for each segment
  ○ Assess feasibility of phased promotions

Q&A

Time for questions…