



## TravelTide Rewards Program



### **Segment Definition and Perk Assignment**

to drive conversion of untapped users and loyalty among high-value customers



# TravelTide Reward Program

- ❖ TravelTide currently has 1.6 million customers
- ❖ over 5 million unique app sessions with users
- ❖ rewards program to encourage users to stay active
- ❖ task:
  1. identify active users
  2. find appropriate rewards for each one



## Active User

- ❖ of the 1.6 million user not everyone has been active recently
- ❖ *active user* = engaged customers with more than 7 sessions after January 4th, 2023
- ❖ resulted in 5,782 user to benefit from the rewards program
- ❖ older trips and sessions were excluded



# User Segmentation

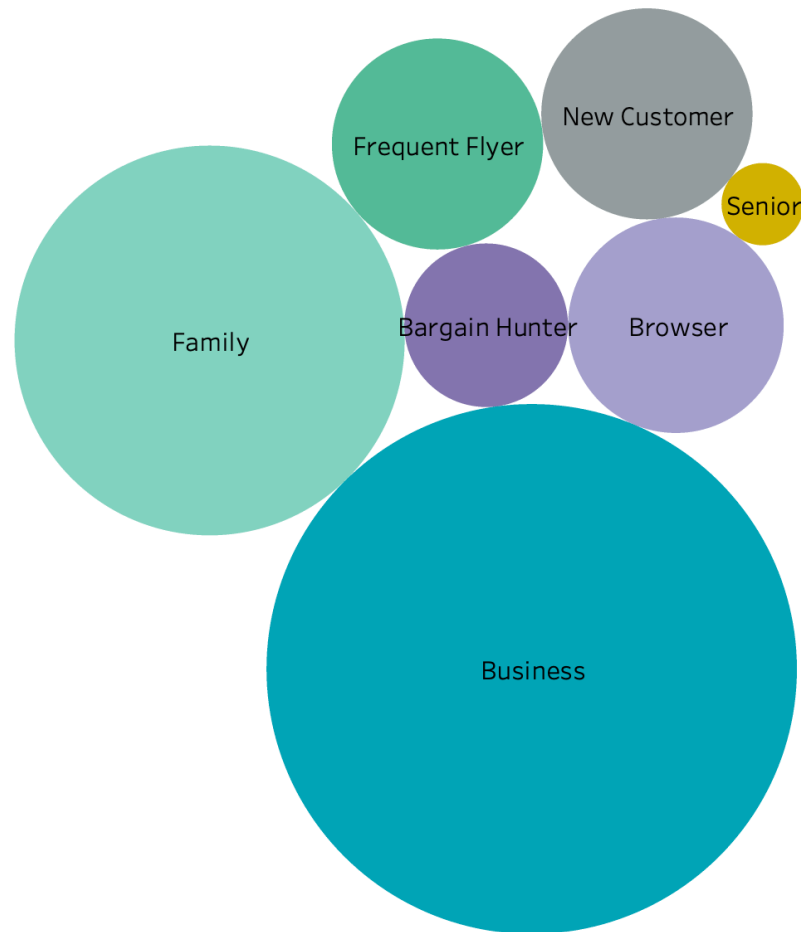
❖ segmentation to understand:

- browsing behavior
- travel behavior
- demographics

❖ grouped by similar metrics

❖ to provide individual benefits

❖ result were 7 groups





## Olivia Chen - Business Traveler

- ❖ age: 51
  - ❖ user since 2021
  - ❖ senior level professional travels frequently solo
  - ❖ prioritizes efficiency and comfort during travel to optimize work outcomes
  - ❖ doesn't want to have to think about where to eat after a long day filled with meetings
- ✓ A **free hotel meal** can be a pleasant perk to add value, convenience and comfort during business travels.



OLIVIA CHEN



## The Jacksons - Family Traveler

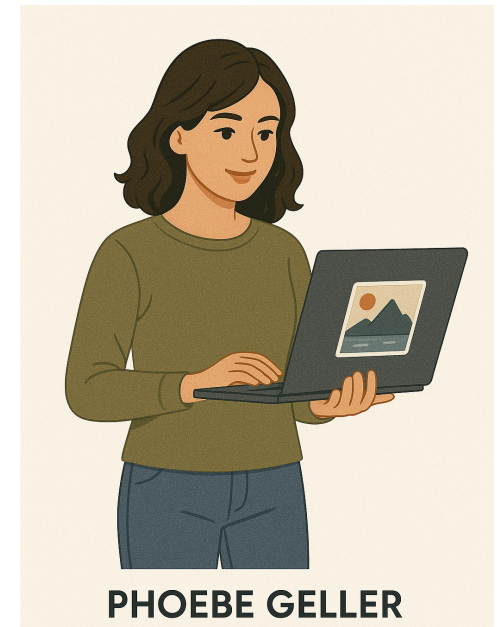
- ❖ age: Lisa (38), Mark (40), Emma (8) and Noah (5)
  - ❖ user since 2021
  - ❖ book summer vacation once a year early on TravelTide
  - ❖ choose resorts known for child friendly services and safety
  - ❖ value all-in-one bookings (bundles) including flight and hotel
- ✓ Early bookings carry the risk of having to cancel the trip for various reasons (e.g. illness of child). To ***eliminate the cancellation fee*** provides flexibility.





## Phoebe Geller - Browser

- ❖ age: 31
- ❖ user since 2022
- ❖ single, with a desk job
- ❖ loves browsing destinations for inspiration
- ❖ finds travel planning relaxing, but values flexibility and is cautious with commitment
- ✓ A tangible reward like a ***free upgrade on her first hotel room booking*** might reduce the barrier to break browsing inertia with immediate value.





## Kevin & Andrew Smith - Frequent Flyer

- ❖ age: 39 and 43
- ❖ user since 2021
- ❖ dual income, highly educated
- ❖ urban professionals, both work remote
- ❖ book frequently, as they want to explore the world



- ✓ A **free checked bag** will reward their loyalty, add convenience and ensure they continue booking with TravelTide.





## Juan Garcia - New Customer

- ❖ age: 21
- ❖ user since 2023
- ❖ booked one trip to Mexico right after sign-up
- ❖ was happy about the great flight connection and the hotel was „top notch“
- ❖ is thinking about inviting his new girlfriend to a weekend in Paris

✓ ***The free night at a hotel with a flight-booking*** hopefully encourage him to returning to TravelTide platform.





## Angela Bowers - Bargain Hunter

- ❖ age: 38
  - ❖ user since 2022
  - ❖ booked 5 hotels since, never under 4 Stars
  - ❖ spends a long time on TravelTide looking for the best hotel deal
  - ❖ only books when she finds an exclusive hotel at an unbeatable price
- ✓ ***The exclusive discounts*** align perfectly; discounts are this group's purchase trigger.





## Robert & Julia Redford – Senior Traveler

- ❖ age: both 69
  - ❖ user since 2021
  - ❖ booked 9 vacation since, mostly city trips
  - ❖ he likes architecture and new culinary experiences
  - ❖ he explores new cities by using the *hop-on-hop-off* bus
- ✓ The **free pick-up from the airport** supports his value of comfort while enjoying retirement to make travel not too demanding.



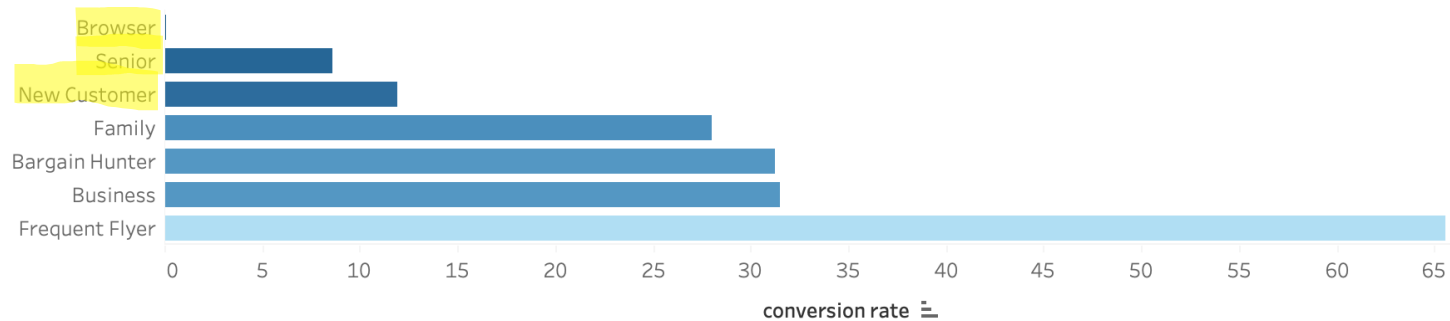
ROBERT AND JULIA REDFORD



# Insight

## ❖ Conversion focus

*Browsers, Seniors and New Customers* present the largest conversion opportunities, where the right perk could turn passive users into loyal bookers

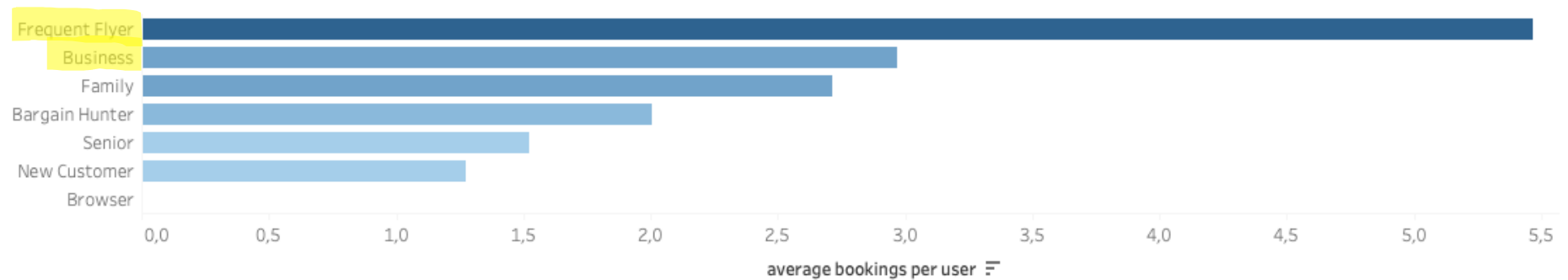




# Insight

## ❖ Retention focus

*Frequent Flyers* and *Business Travelers* show strong retention potential, where convenience-focused perks strengthen loyalty





## Conclusion

- ❖ grounding segment definitions in behavioral data and assigning perks that address the specific pain points and motivators of each group, the Rewards Program is positioned to drive both conversion of untapped users and loyalty among high-value customers
- ❖ but the insights regarding segments and perks are only a first approach based on the limited dataset
- ❖ need to be tested and validated in the next step



## Recommendations / Next Steps

- ❖ A/B Testing to evaluate perk effectiveness
- ❖ Refine perk allocation dynamically
- ❖ Develop hybrid perks
- ❖ Implement feedback mechanism within the rewards program
- ❖ creating more segmentations and perks that addresses all 1.6 million users