📌 Executive Summary

Introduction/Background

The innovative e-booking startup TravelTide wants to retain and add value to existing customers with a Marketing strategy built on a solid understanding of their users to create a personalized rewards program that keeps customers coming back to their platform.

Objectives

The goal of the analysis was to identify and define customer segments into meaningful clusters based on demographics, booking behaviors, travel preferences and spending patterns, enabling personalized travel experiences to maximize engagement and perceived value.

Methodology

The analysis involves extracting and exploring raw data from four tables using SQL and applied clustering and behavioral profiling on a dataset with 5,782 users. Customers were segmented into seven distinct groups based on user-behavior, and each assigned to a proposed perk that aligned with their needs. Data visualizations were built in Tableau.

Key Findings

- **Business Travelers (2697 user)** – Book regularly, short weekday traveler, efficiency-driven. Offering a *free hotel meal* can be a pleasant perk enhancing their overall experience.

- **Family Travelers (1459 user)** – Book seasonally, several seats and bags, with children. Offering a *no cancellation fee* to provide flexibility and security.

- **Browsers (446 user)** – Explore options but did not book; high untapped opportunity. Offering a *free upgrade on hotel room* to trigger a first booking.

- **Frequent Flyers 430 user)** – Highly loyal Top10 of flight bookers, frequent spenders. Offering a *free checked bag* to add convenience and enhancing their travel experience.

- **New Customers (428 user)** – Recently onboarded, need nurturing and trust-building. Offering *free night at hotel with flight* to encourage returning to TravelTide platform.

- **Bargain Hunters (257 user)** – Highly active and price-sensitive. Offering *exclusive discounts* to fulfill their needs and leading to increased loyalty.

- **Seniors (65 user)** – Older leisure travelers, value comfort. Offering *free pick-up from airport* to provide for their comfort.

Recommendations

- Launch A/B tests to evaluate perk effectiveness across segments.

- Refine perk allocation dynamically as customer behavior shifts to adjust perks for customers in the rewards program.

- Develop hybrid perks for users with mixed segments scores (e.g. seniors & bargain hunter)

- Implement feedback mechanism within the rewards program to collect insights from customers to make real-time adjustments, continuously improve the program, and to keep customers in the program.