

# Segmentation Analysis

Unlocking Insights to Enhance Customer Engagement

BY

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# TravelTide

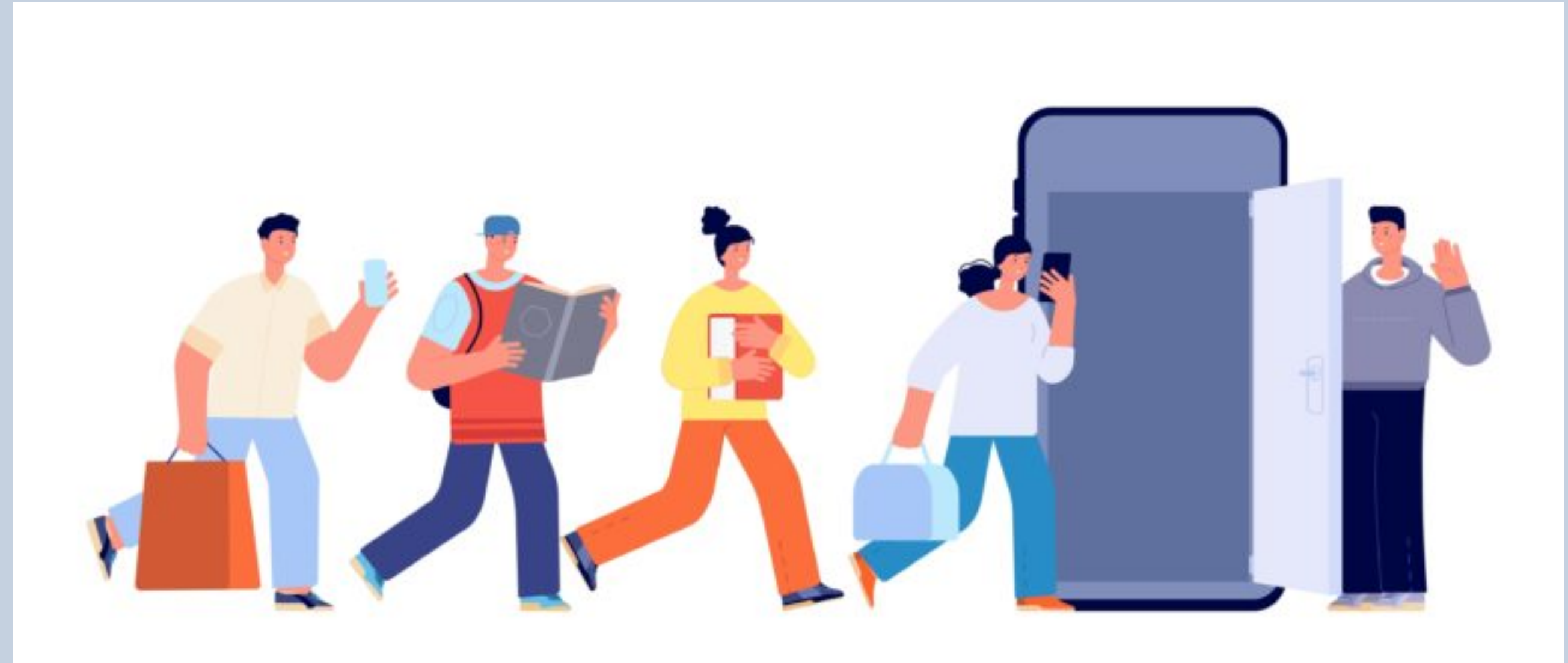
**T**ravel Tide has a community of **around 1 million users**.

- The app sees **over 5 million sessions**, showing strong engagement.
- We want to roll out a **rewards program** to keep users engaged.
- Our goal: **Find user groups** and design **rewards perks** for each.



# Active Users

- **Travel Tide** has **1,6 million users**, but not all are currently active.
- Included are users with **more than 7 sessions** since **January 4, 2023**, to focus on **engaged users** who are more likely to benefit from the rewards program.
- This resulted in **5998 eligible users**.
- Only **sessions and trips** within this timeframe were included in the analysis.
- **Older trips** were excluded to ensure comparability and relevance.



# Overview of Eligible Users

## Demographics:

### → Gender distribution:

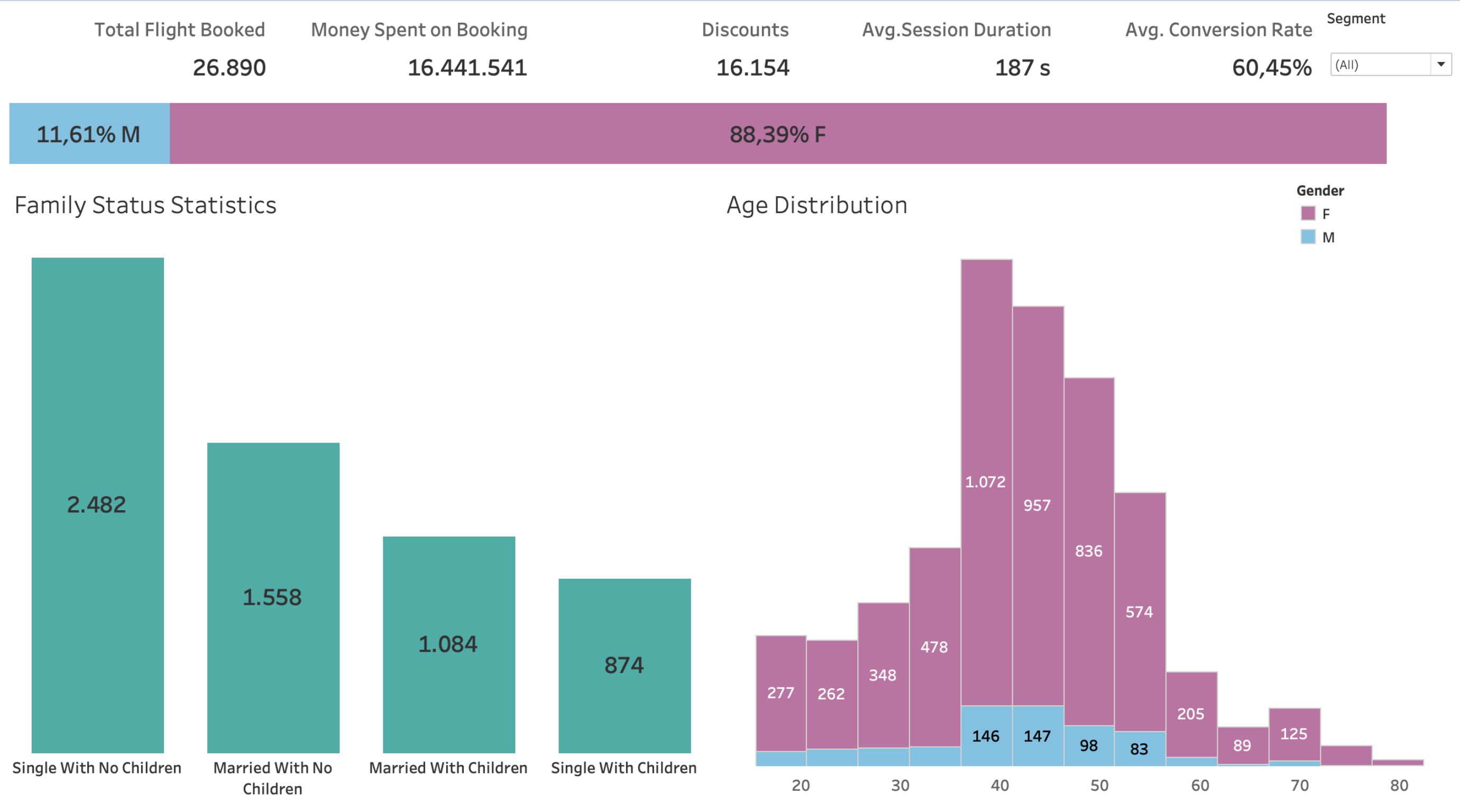
- Majority are **female users (88,39%)**, with males accounting for **11,61%**.

### → Family status:

- Most users are **single with no children (2482 users)**, followed by **married with no children (1558 users)**.

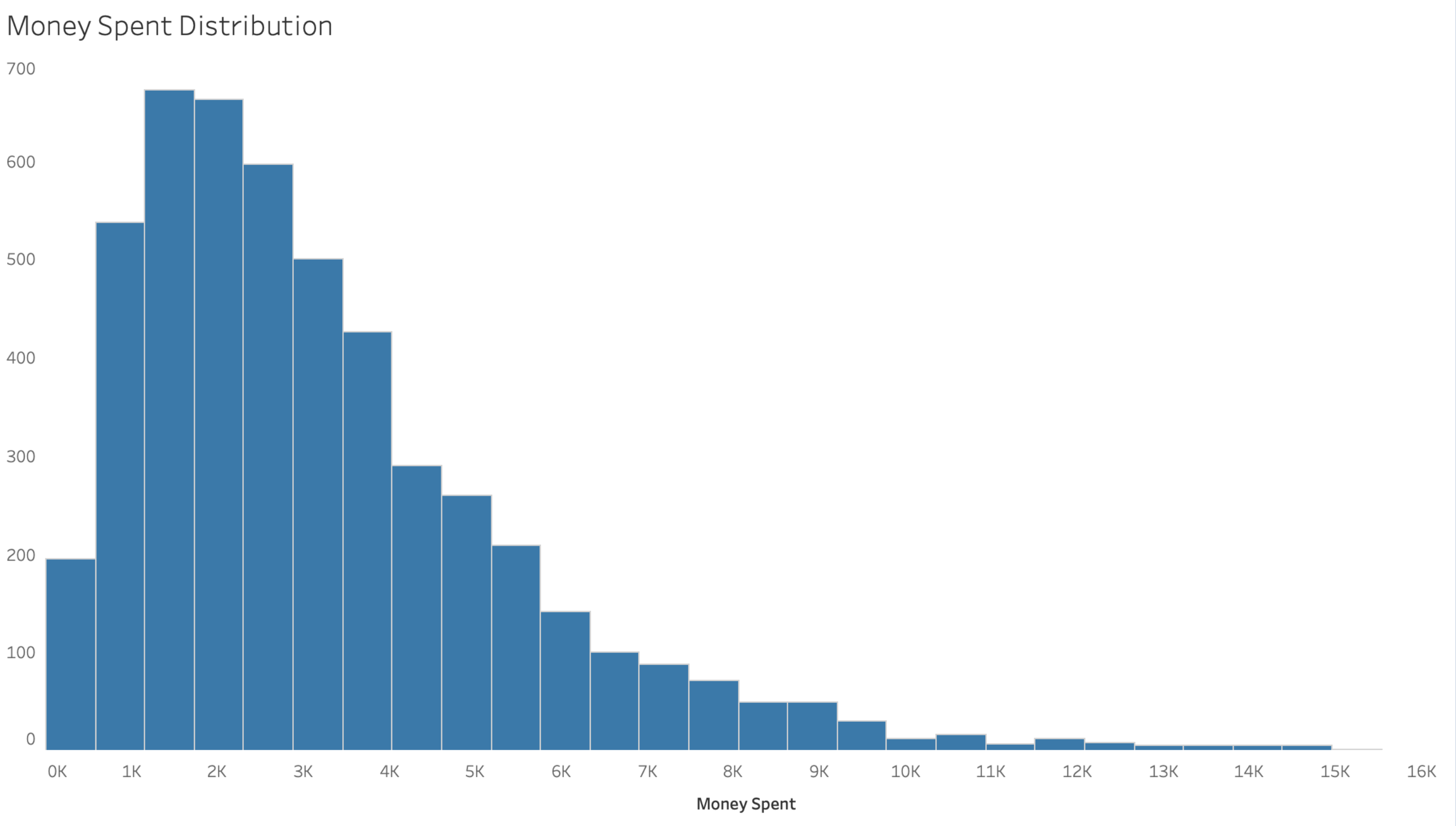
### → Age distribution:

- Majority of users are between **30 and 50 years old**, with the largest group in their 40s.



# Money Spent Distribution

- This distribution highlights how **money spent varies** across the eligible users.
- Majority of users spend **between \$1000 and \$3000**, indicating a focus on mid-range budgets.
- A small percentage of users spend significantly higher amounts (above **\$10000**), representing high-value customers.
- The long tail highlights an opportunity to **focus on high spenders**, offering exclusive rewards to enhance their loyalty and maximize value.





# Features For Segmentation

## → Discount Usage:

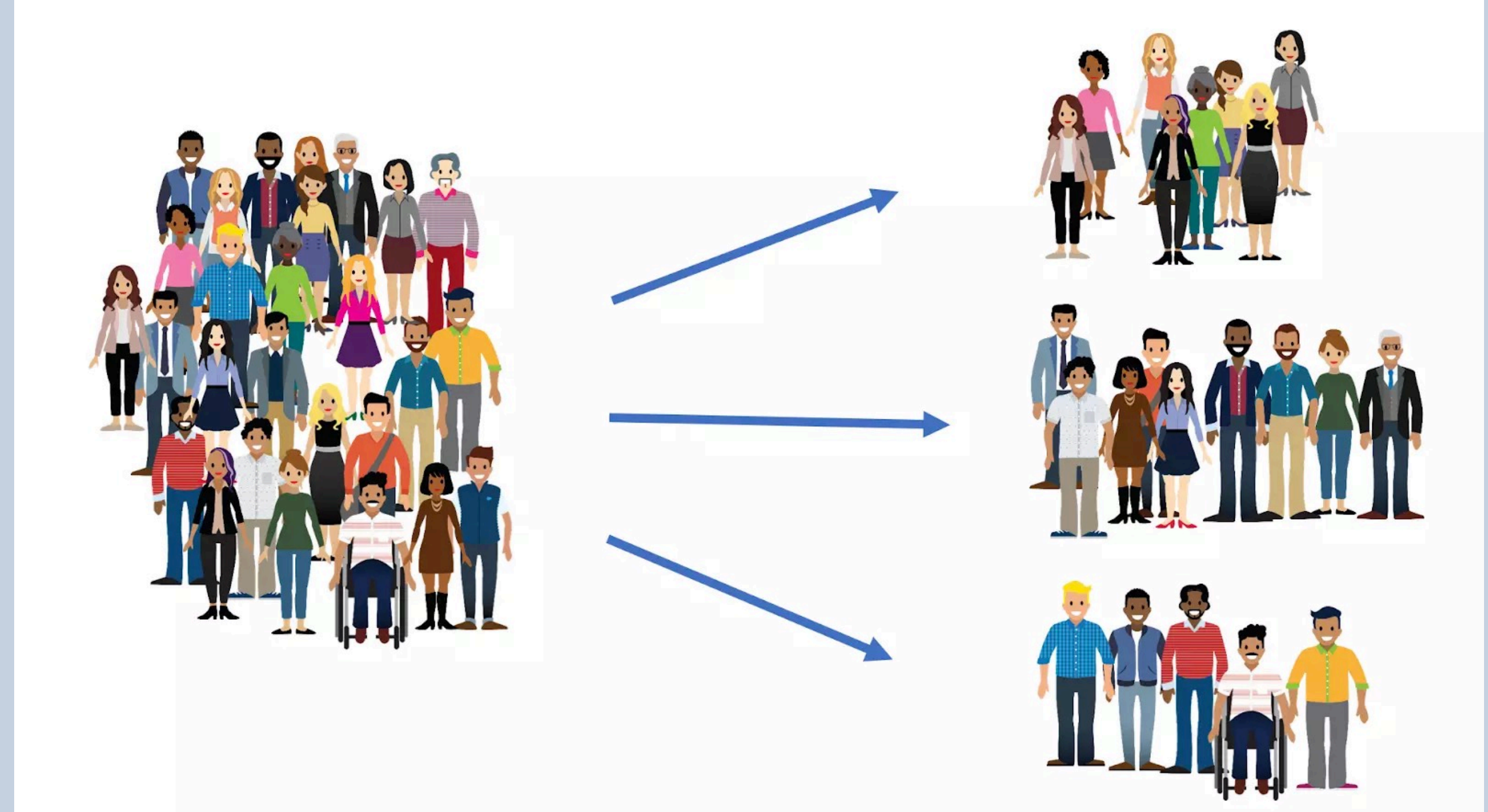
- Captures price sensitivity and deal-seeking behavior to target users with tailored offers.

## → Engagement Metrics:

- Metrics like **clicks**, **session duration**, and **conversion rate** identify user engagement and decision-making patterns.

## → Booking Metrics:

- Includes **flights booked**, **hotels booked**, and **money spent** to highlight user commitment and spending capacity.



# K-Means Clustering

→ Using **K-Means Clustering in Tableau**, I analyzed user data based on key features such as:

- **Discount usage**
- **Engagement metrics**
- **Booking behavior**

→ This process identified **five distinct user segments**:

- **Budget Optimizers**
- **Premium Maximizers**
- **Strategic Savers**
- **Value Hunters**
- **Browsing Hesitants**

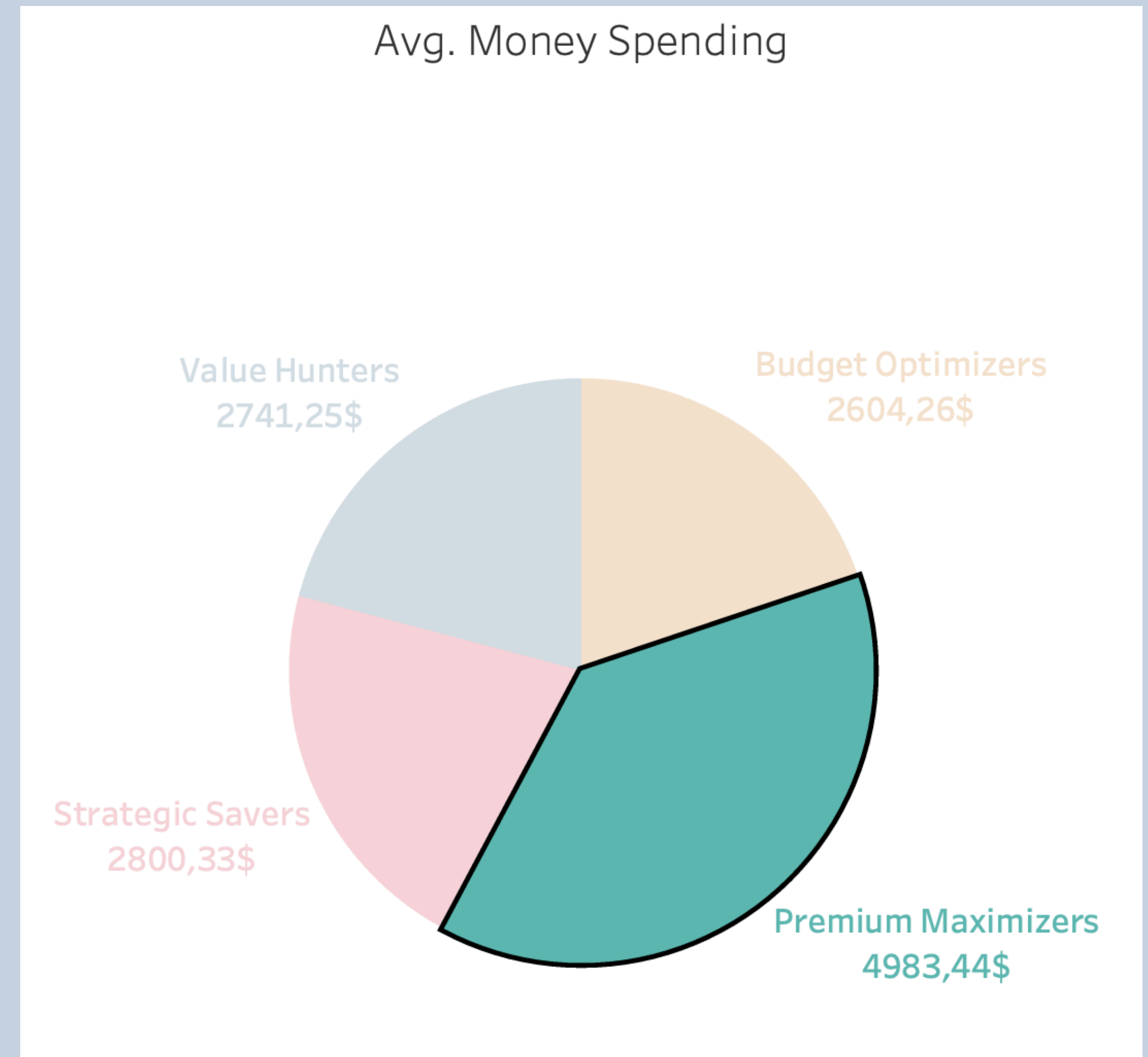
Budget Optimizers	28,89%
Premium Maximizers	22,24%
Strategic Savers	6,42%
Value Hunters	25,56%
Browsing Hesitants	16,89%

# Premium Maximizers

- Premium Maximizers comprise **22,24% of all users**.
- **Browsing Time:** 147 seconds
- **Clicks:** 162
- **Average Spend:** \$4983 (highest among groups)
- They browse premium options, comparing high-quality packages, and book confidently when offers meet their standards.
- Their willingness to pay for convenience and luxury underscores their critical value to the business.

## Suggested Perks:

- VIP perks like lounge access, priority boarding, or free upgrades to enhance their premium experience.

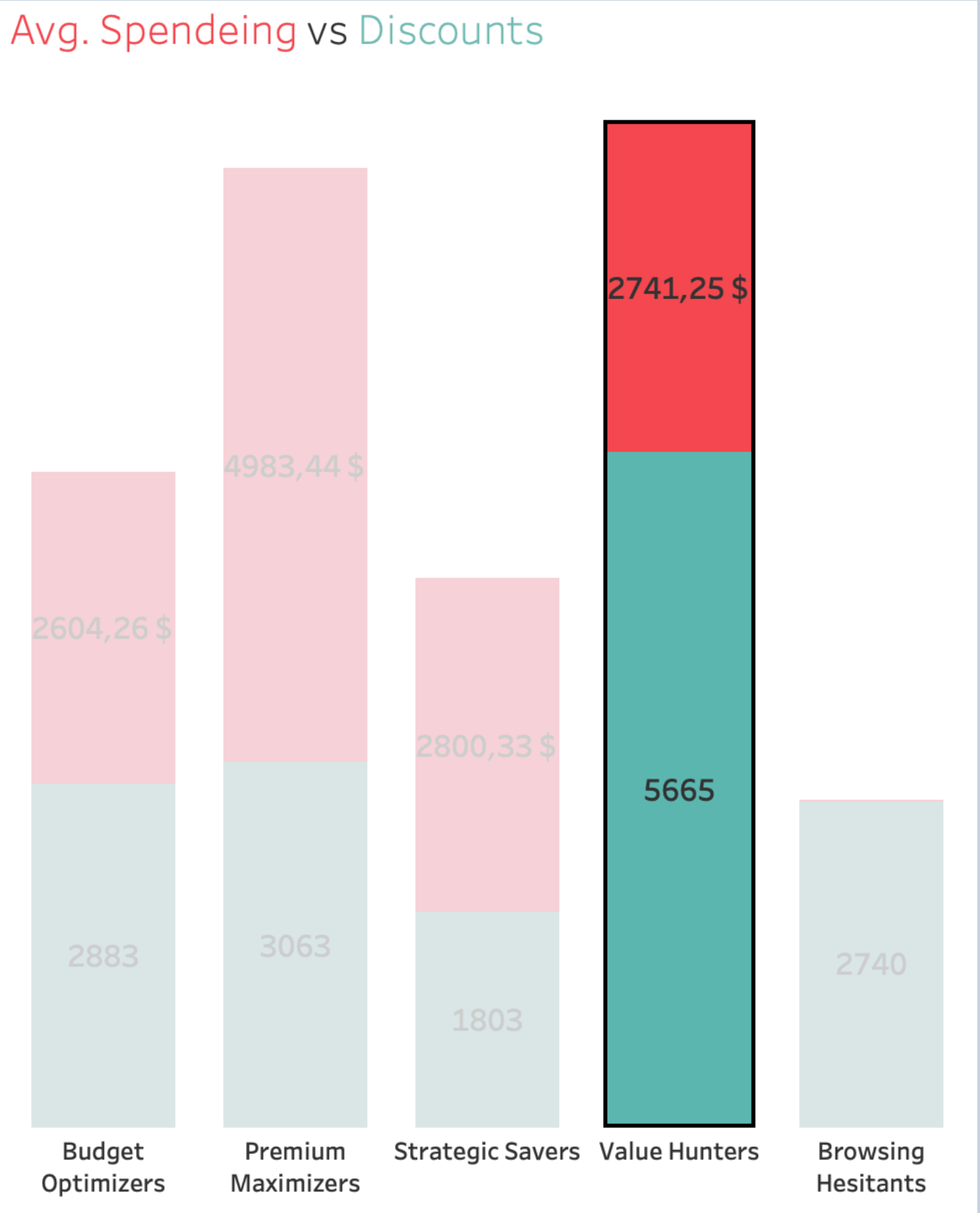




- Value Hunters comprise **25,56% of all users**, the second-largest group.
- **Browsing Time:** 120 seconds
- **Clicks:** 130
  
- They balance value with convenience, showing moderate price sensitivity and occasional use of discounts.
- Significant discount usage (**5665 instances**) and moderate spending (**\$2741**) highlight their focus on maximizing value without overspending.

**Suggested Perks:**

- Provide straightforward package deals (e.g., flight + hotel) to simplify decision-making.
- Follow up on incomplete bookings with reminders to encourage conversions.

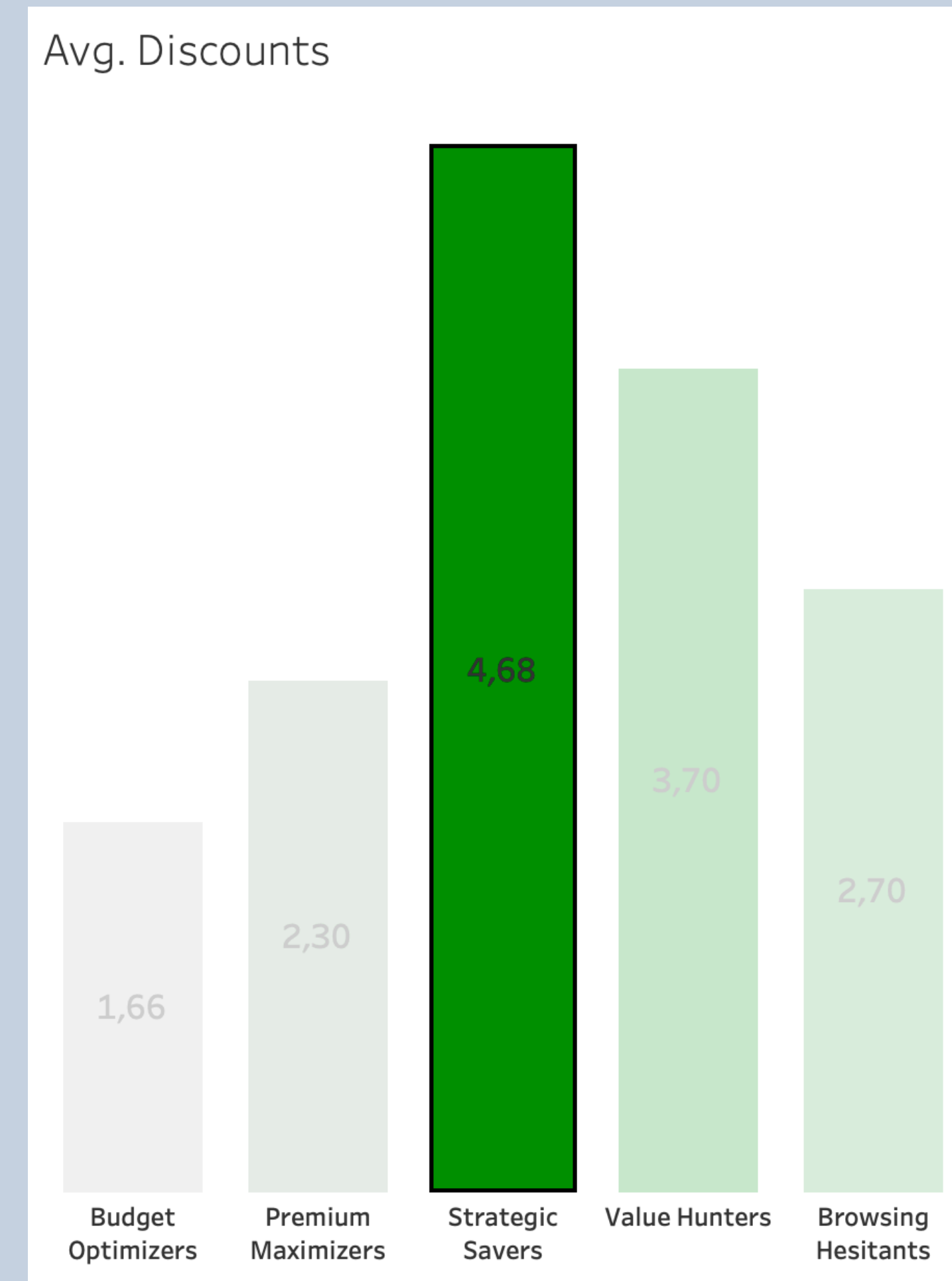


# Strategic Savers

- Strategic Savers comprise **6,42% of all users**, making them a small but impactful segment focused on savings.
- **Browsing Time:** 904 seconds
- **Clicks:** 350
- They extensively use discounts (highest for both hotels and flights) while still being among the highest spenders.
- An average of **4,68 discounts used** highlights their deliberate strategy to maximize savings, showcasing their focus on securing the best value for their bookings

## Suggested Perks:

- Provide personalized recommendations or curated bundles to save them planning time and effort.
- Offer extra benefits for early bookings to align with their organized and planning-heavy behavior.

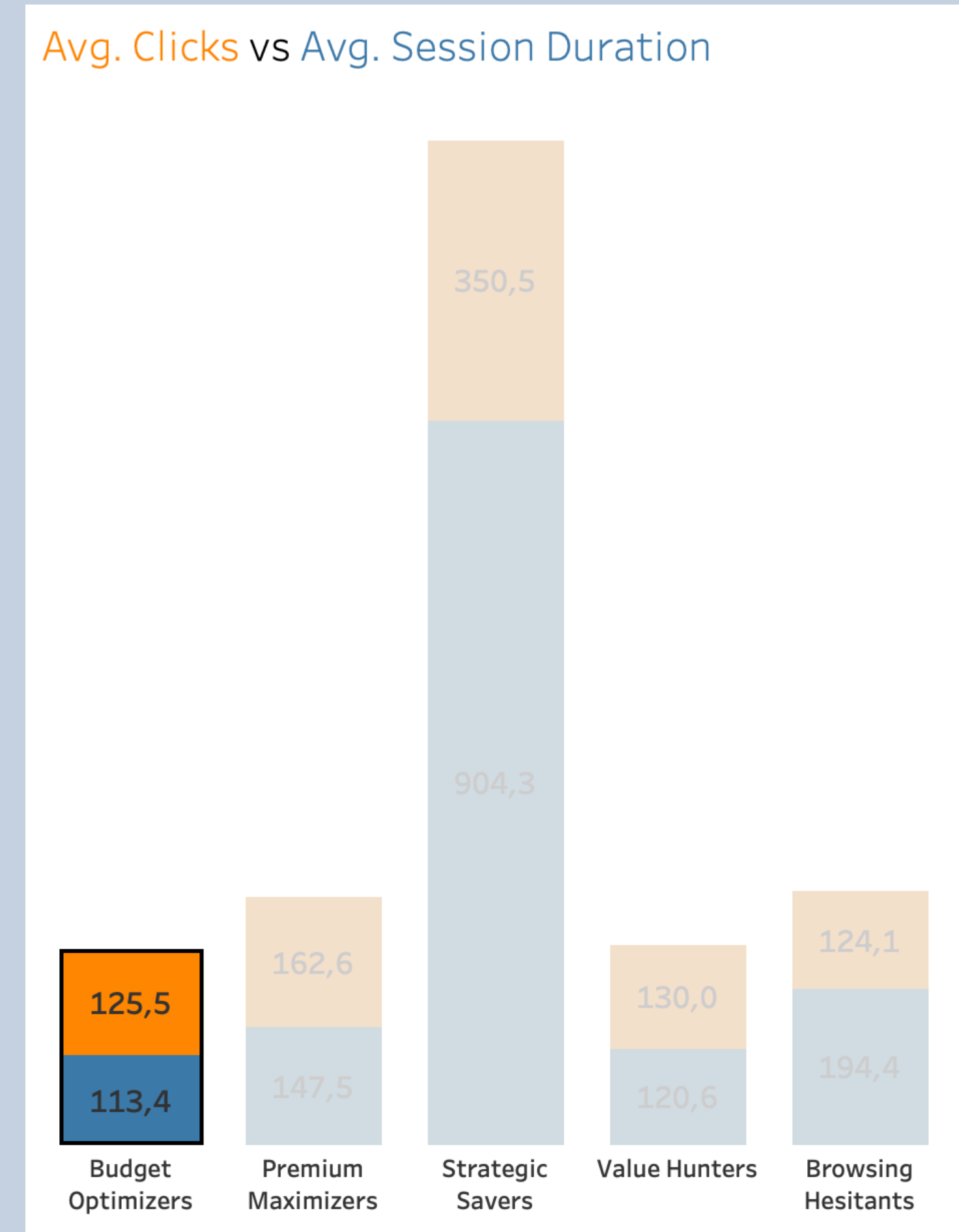


# Budget Optimizers

- Budget Optimizers comprise **28,89% of all users**, the largest group by proportion.
- **Browsing Time:** 113 seconds
- **Clicks:** 125
- They focus on quick, targeted searches for affordable options and are highly reliant on discounts.
- Rarely book unless substantial savings are available, making discounts a key driver for this group.

## Suggested Perks:

- Highlight discounted deals prominently and visually show cost savings to attract their attention.
- Provide flexible options, such as free cancellations, to reduce perceived booking risks.

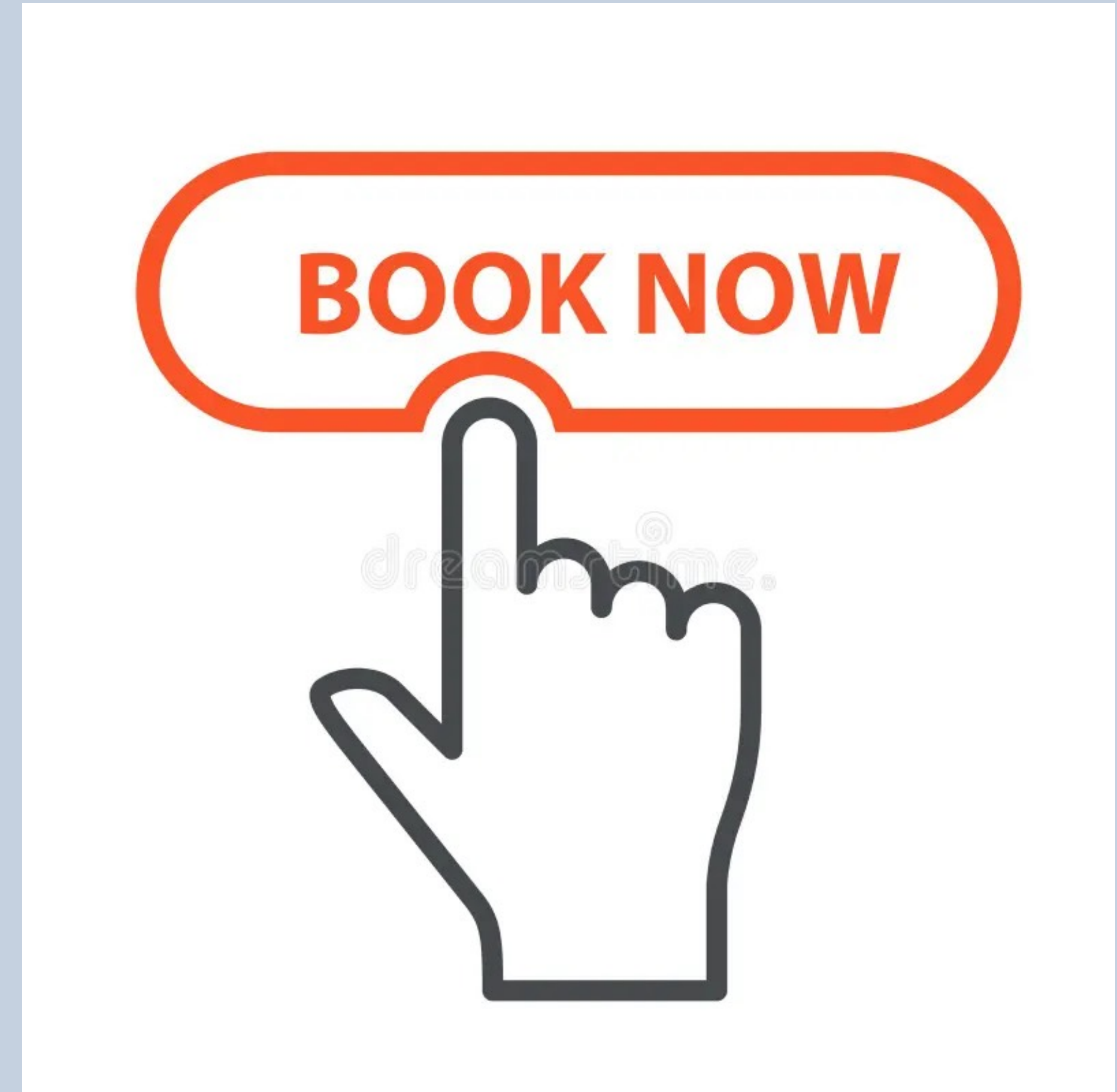


# Browsing Hesitants

- Browsing Hesitants comprise **16,89% of all users**, a significant segment that engages with the platform but does not contribute to revenue.
- **Browsing Time:** 194 seconds
- **Clicks:** 124
- They actively engage with discounted options but never complete a booking, indicating hesitation or uncertainty.
- Extensive browsing without conversion highlights untapped potential if their concerns are effectively addressed.

## Suggested Perks:

- Provide a 'First Booking' discount to convert their interest into action.
- Build trust with testimonials, guarantees, or refund policies to overcome hesitation and boost confidence in booking.





# Thank You !

I appreciate your time and attention.  
If you have any questions, feedback,  
or need further clarifications, feel free  
to ask!



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