

Executive Summary

Objective:

TravelTide aimed to segment its customer base to support a new personalized rewards program. This initiative helps to deliver tailored incentives based on traveler behavior, enhance customer satisfaction, and drive revenue through increased engagement.

Data Source:

The segmentation and analysis are based on user sessions, travel history, demographics, and booking patterns from 2023.

Methodology

The segmentation process involved analyzing user sessions, booking behaviors, and demographic data from the year 2023. Key steps included: **Data Filtering**: Selected users with more than seven sessions post-January 4, 2023, to focus on active customers.

- **Session Analysis**: Examined session durations, page clicks, and booking activities to understand user engagement.
- **Trip Evaluation**: Assessed trip details, including cancellations, to identify valid travel experiences.
- **Behavioral Metrics**: Calculated metrics such as the number of trips, flights booked, hotel spending, and average distance traveled.
- **Demographic Profiling**: Incorporated user demographics like age, gender, marital status, and presence of children.

Segmentation Output:

Six distinct customer segments were identified:

- **Family Travellers**
- **Young Adult Frequent Travellers**
- **Dreamers**
- **Senior Travellers**
- **Business Travellers**
- **Young Frequent Travellers**

Each group received a uniquely tailored perk to align with their preferences, such as family suite discounts, fast-track security, or WiFi perks.

Outcome:

The segmentation revealed clear behavioral and value differences among customer groups. Family and young adult frequent travellers lead in user volume and engagement. Business travellers, while fewer in number, show high revenue contribution per user.

