

# Detailed Report

## TravelTide Customer Segmentation & Rewards

### Objective

To enhance user engagement and increase conversion by offering personalized perks to travelers based on demographic, behavioral, and transactional patterns derived from post-January 4th, 2023 user activity.

### User Segmentation Strategy

The segmentation logic was designed using a decision-tree-based approach with key metrics:

- Trips completed
- User age
- Spending habits
- Session activity
- Family status (children)
- Cancellations

Users were filtered to only include those with more than 7 sessions up, ensuring an engaged cohort for perk optimization.

### Segments and Corresponding Perks

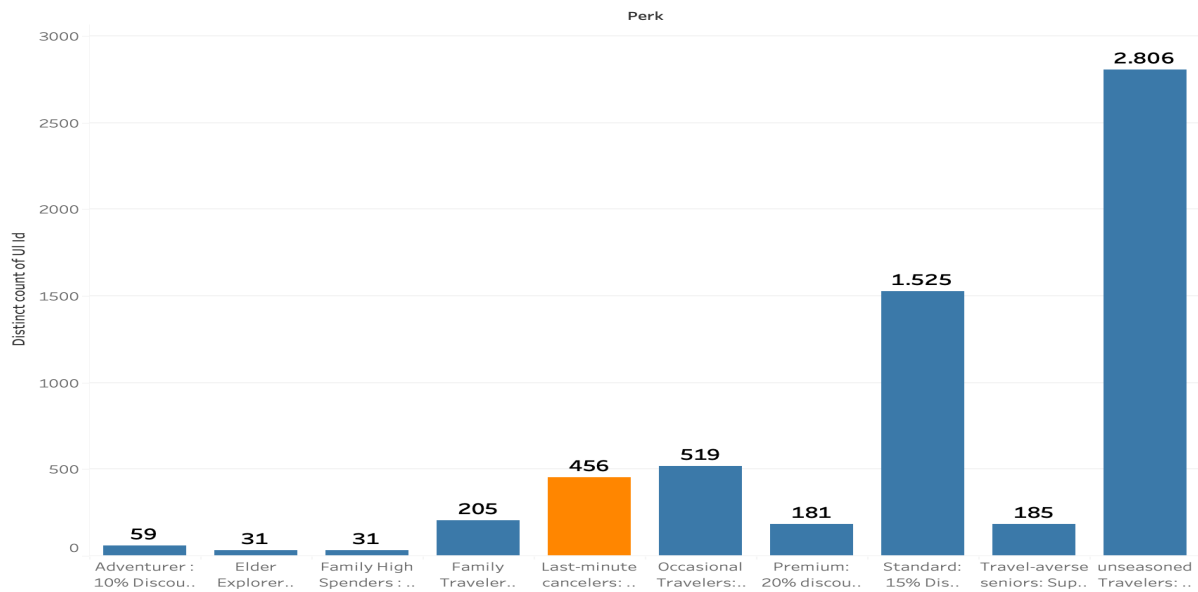
#### 1. Inactive Users

Criteria: num\_trips = 0

#### Sub-segments:

- No booking: New Buddies: 50% off first trip
- With cancellations: Last-minute cancelers : Free Cancellations for 30 days

## Last Minute Cancelers



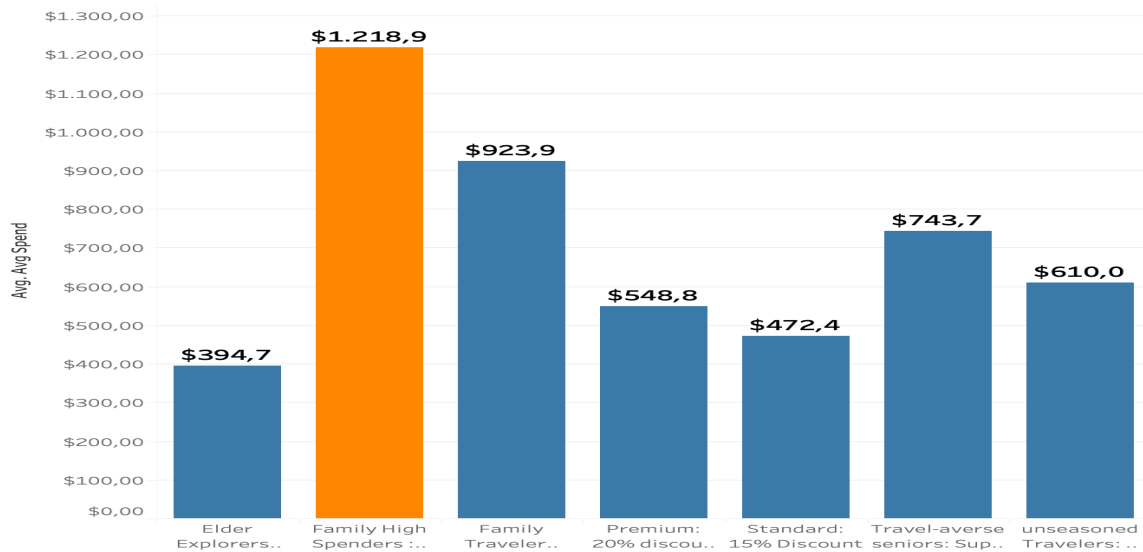
## 2. Active Users

Divided by age:

A. **Younger Travelers** (num\_trips) > 0 (Age < 30) and (has\_children) = TRUE and (avg\_spend > 1.5 avg)

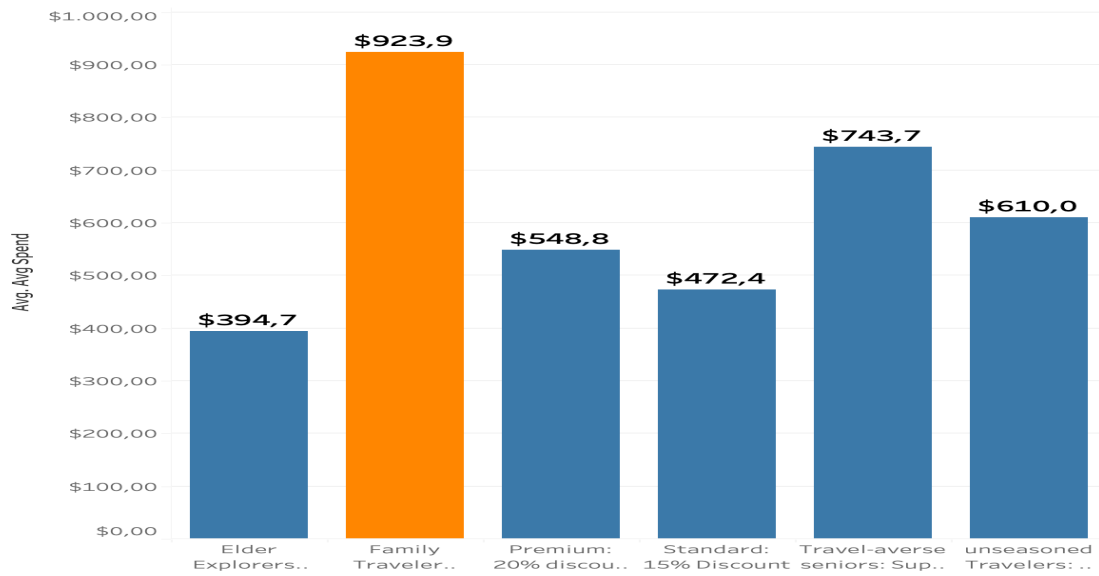
**Family High Spenders : Free stay for child on next booking**

### Family High Spenders



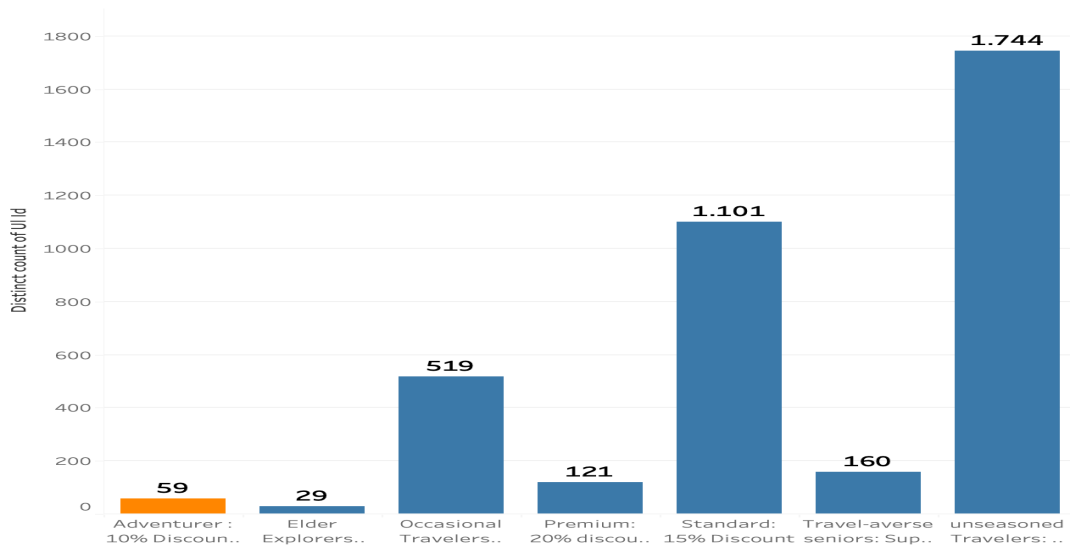
**Family Travelers : Free child ticket**

## Family Traveler



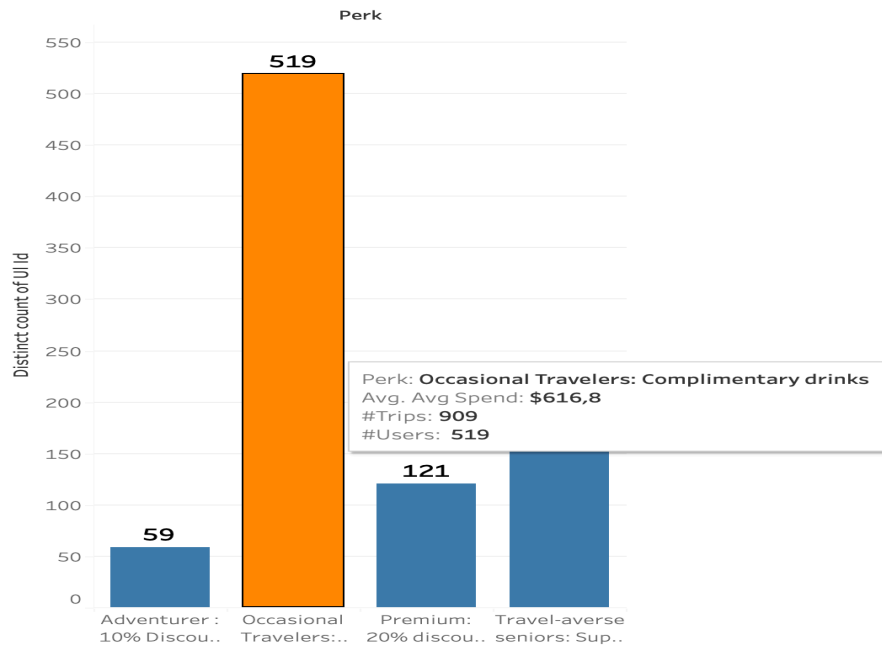
Without children (num\_trips) > 0(Age < 30) and (has\_children) = FALSE and  
**3 Trips: Adventurers: 10% off each additional seat**

## Adventurer



**≤3 Trips: Occasional Travelers: Complimentary drinks**

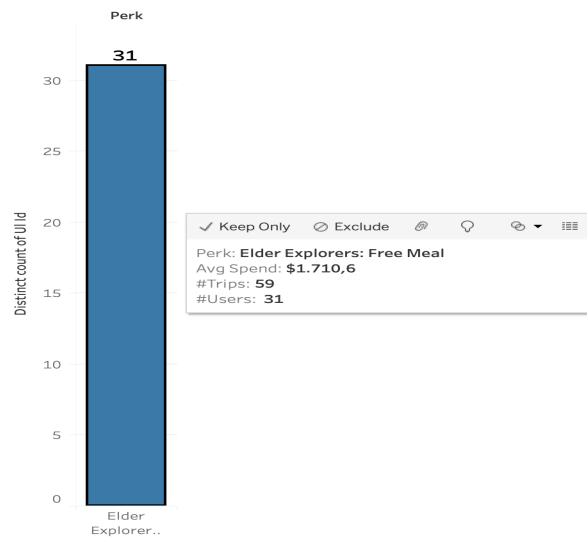
## Occational Travelers



## Senior Travelers (Age > 60)

### Elder Explorers: Free Meals

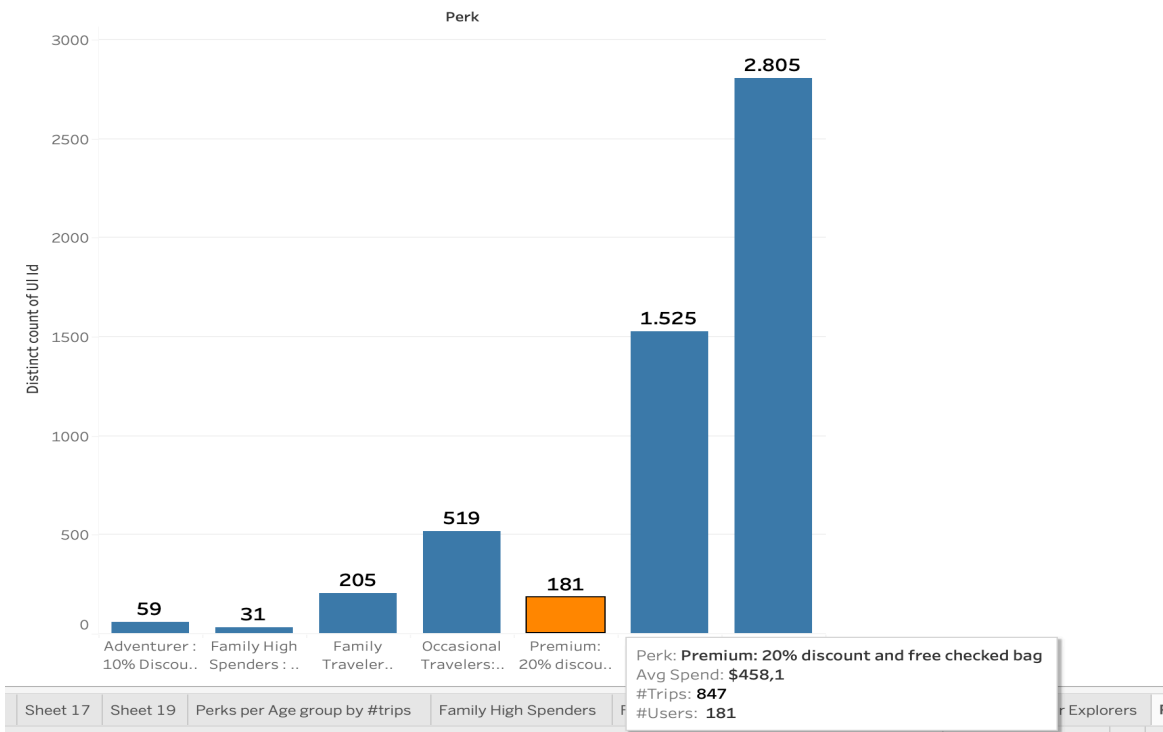
#### Elder Explorers



## C. Middle-Aged Travelers ( $30 \leq \text{Age} \leq 60$ )

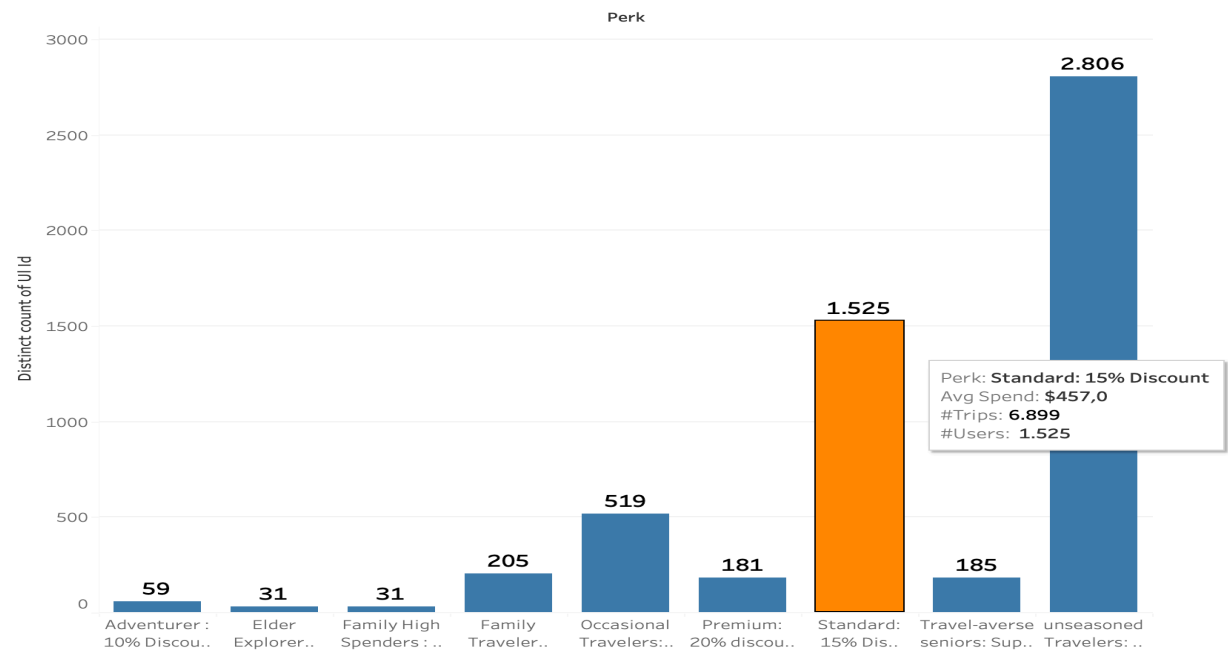
3 Trips: Premium Travelers: 20% off + Free Checked Bag

Premium Traveler

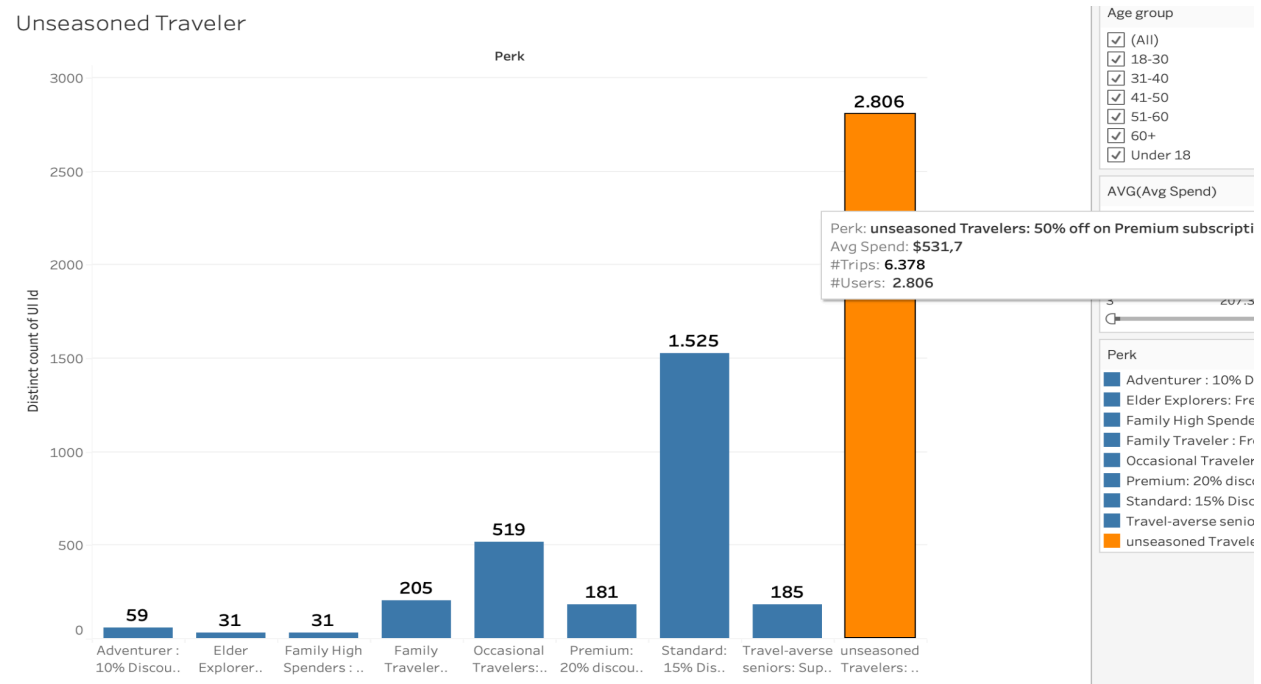


Standard Travelers: 15% Discount

Standard Traveler



≤3 Trips: 🟡 \*\*Unseasoned Travelers\*\*: 50% off Premium Subscription



## Key Metrics Extracted from SQL Logic

- Demographics
- Age and age group
- Presence of children
- Home location (country, city)
- Behavioral Metrics
- Number of sessions
- Page clicks per session
- Cancellations
- Transactional Metrics
- Number of trips
- Average spend per trip
- Flight/hotel bookings (standalone or combined)
- Spending on flights/hotels
- Travel distance (haversine metric)

## Data Pipeline Highlights (from SQL)

- Filtering Sessions: Post-Jan 4, 2023 only; minimum 7 sessions per user.
- User Metrics: Derived trip-level, session-level, and monetary metrics for each user.
- Perk Assignment: Final CASE logic uses trip count, spending patterns, age group, and family status to assign perk tiers.

# Impact Potential

Based on the perk assignment logic:

- High-frequency & high-spend segments (e.g., "Premium Travelers", "Family High Spenders") can drive repeat usage and upsells.
- Infrequent and price-sensitive users (e.g., "New Buddies", "Unseasoned Travelers") receive discounts to encourage first conversions.
- Targeted unseasoned travelers add personalized value based on lifestyle and likely travel behavior.

## Recommendations

- Deploy perks to segmented users via email/app for better impact.
- Monitor CTR and conversion uplift per perk type.
- A/B Test perks with a control group for ROI validation.
- Refine segmentation logic quarterly based on evolving user data.
- Add tracking for perk impact on next 30-day engagement or spend.