

CRUISE LINE CASE EXAMPLE:

US Cruise Line Itinerary

Problem:

Summer travelers booked close in and paid a marginal yield for their cabin.

Analysis Questions:

What is happening in this segment and what can we do to increase occupancy and revenue during the summer season?

Customer Segmentation**Demographic Variables**

- Geography
- Age
- Income
- PRIZM (psychographics)

Transaction Variable

- Season Booked
- Booking Curve (planning horizon)
- Price

Major Findings:

- One dominant PRIZM summer travel cluster
- Passengers traveling with children
- Booking pattern 12 months prior to trip

Marketing Results:

- Increased Summer Occupancy 15%
- Increased Summer Cabin Revenue 20%
- ROI on direct mail increased by over 40%!