

Customer Segmentation for Campaign Targeting

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Tableau Public: [app/profile/ahmed.aitsihamou/vizzes](https://app.tableau.com/profile/ahmed.aitsihamou/vizzes)

Business Context

- OJAR is a premium perfume brand expanding online
- Problem: current campaigns are too generic → wasted spend
- Opportunity: segment customers for smarter targeting

Objective

- Use RFM analysis to segment customers
- Identify key customer groups
- Tailor marketing strategies to improve ROI, retention

Data Overview

Tales	Description
Transactions_Data	Contains customer transactions: date, amount, customer_id
Customers_Data	Contains demographics: gender, birth_date, country, signup_date
RFM_Segment_Data	Generated table containing RFM scores and segment labels

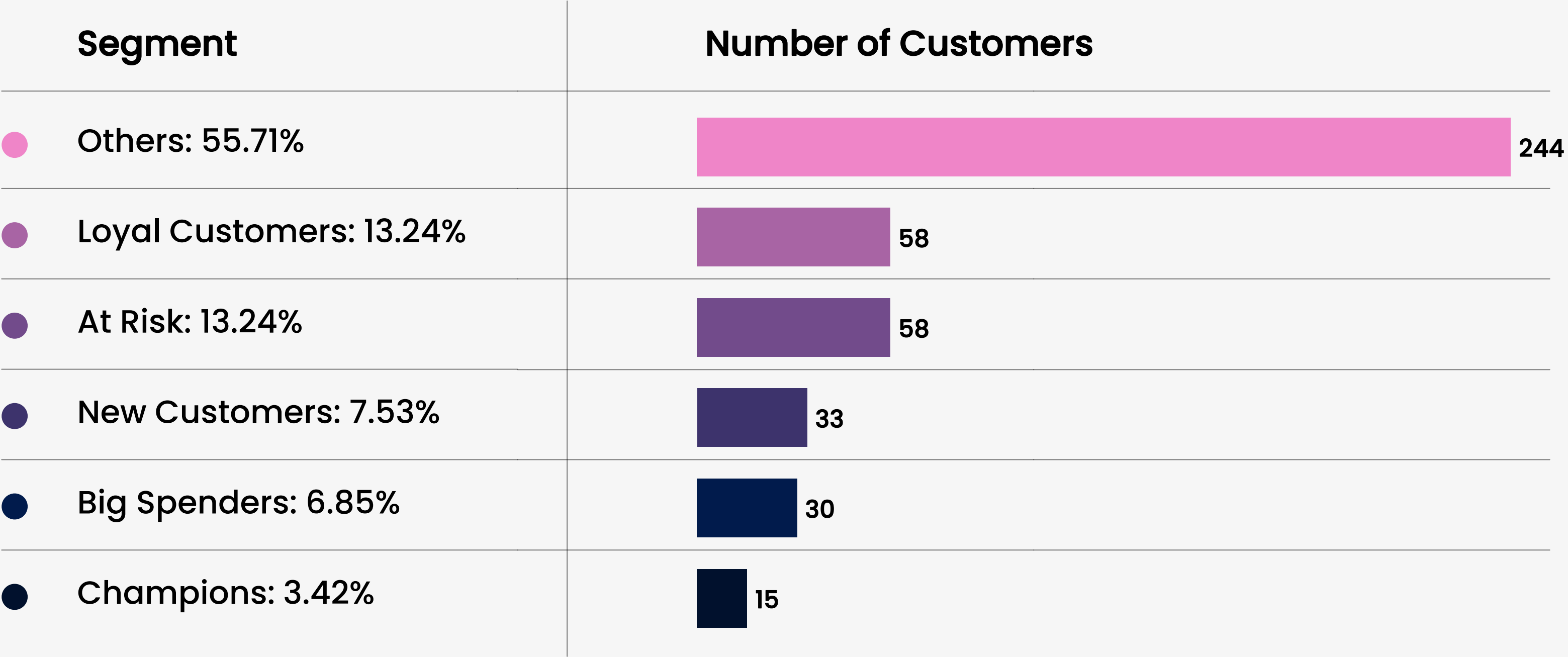
Total records:

- Customer_Data: 438 customers
- Transactions_Data: 7,864 transactions
- RFM_Segment_Data: 438 Records

RFM Model Explanation

- RFM Definitions:
 - Recency: Days since last purchase
 - Frequency: Total purchases
 - Monetary: Total spend
- Scored 1–5 per metric → combined into segment

Segment Distribution



Segment Profiles

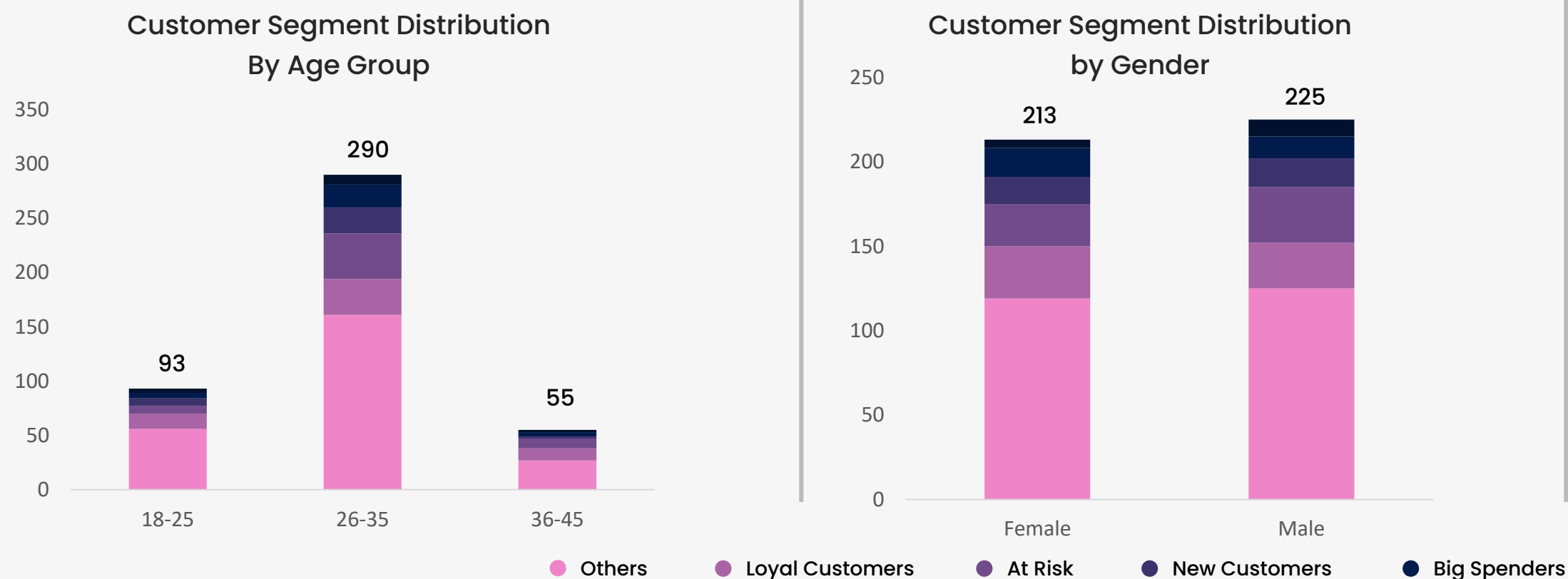


Segment	Avg Recency	Avg Frequency	Avg Monetary↓	Notes
● Champions	21.67	24.87	\$ 2719.02	Most valuable group — frequent, high-spend, recent
● Big Spenders	40.90	22.03	\$ 2487.81	High revenue, declining engagement — re-engage urgently
● Loyal Customers	24.07	22.28	\$ 2187.87	Reliable segment — great for retention/upsell
● At Risk	62.97	21.24	\$ 2072.79	Used to be loyal — win-back is critical
● Others	51.81	15.73	\$ 1539.34	
● New Customers	20.48	14.18	\$ 1343.07	Onboarding phase — nurture toward loyalty

Key Demographic Trends

Age Group:

- 26–35 is the dominant segment across **Champions, Loyal, and Big Spenders**.
- 18–25 mostly populates **New Customers** and **Others**

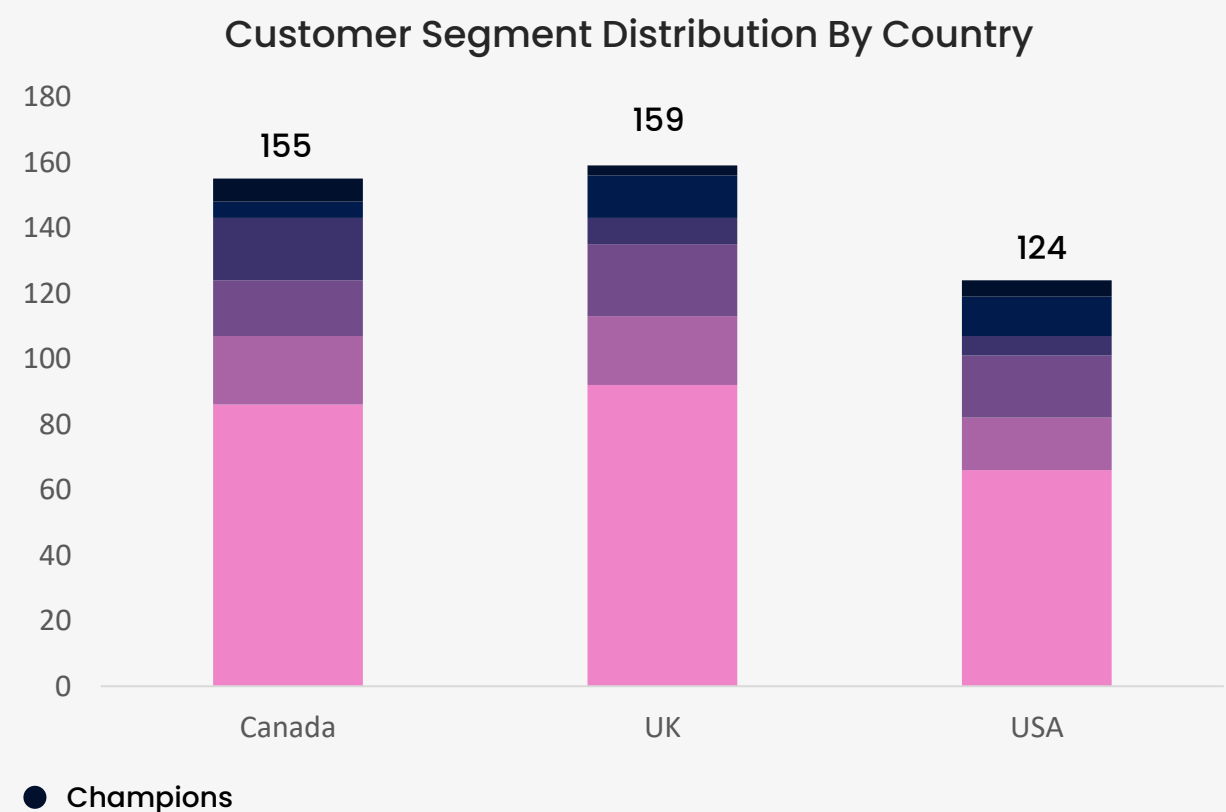


Gender:

- Balanced distribution across segments — **no strong gender skew**
- Confirms gender-neutral brand appeal

Age Group:

- **Canada and USA** account for most **Big Spenders** and **At Risk** profiles
- **UK** customers show lower engagement overall



❖ Demographics can be used to geo-target win-back campaigns and optimize creative tone by age.

Strategic Recommendations

Segment	Goal	Action Plan
● Champions	Retain + Upsell	VIP perks, referral rewards, exclusive previews
● Loyal Customers	Sustain Loyalty	Tiered loyalty program, personalized bundles
● Big Spenders	Reactivate	Premium re-engagement, concierge service
● At Risk	Win Back	Discounts + “We Miss You” campaigns, feedback surveys
● New Customers	Onboard + Nurture	Welcome series, 2nd purchase incentive

Key Takeaways & Strategic Impact

- Segmenting OJAR's customer base via RFM revealed clear **high-value groups** that are underserved by current generic campaigns.
- Targeted strategies based on segment behavior and demographics can increase:
 - **Retention** by 15–25%
 - **Marketing** ROI by up to 40%
- Key opportunities:
 - Automate lifecycle campaigns by segment
 - Prioritize **Champions** and **Big Spenders** for loyalty and reactivation
 - Design tailored onboarding for **New Customers**
- **Next Step:** Activate segment-based marketing in CRM / Email automation platform.

Thank you!

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