Customer segmentation

By scoring our customers using RFM analysis, we able to identify our 4 major segments

for targeting

18%

Top customer segment:

Our top customers spent an average 7000\$ and have purchased within the last 15 days on average.

50%

At risk and lost segment:

At risk customers spent only 518\$ however and lost customers spent 179\$ on average.



Recommendations

For At-risk and lost customers

- 1. We must create a target campaign to re-engage our At-risk customers and lost customers using personalized email or SMS to offer discounts, limited-time offers to draw them back.
- 2. Use purchase history to recommend products they may find appealing.
- 3. Conduct surveys to understand why they stopped purchasing and implement improvements.
- 4. Ensure consistent communication across all platforms (email, social media, SMS) to maximize reach.

Recommendations

For top and loyal customers

1. Launch loyalty programs that offer points or discounts for frequent purchases.

2. Regularly share updates, product recommendations, and personalized offers to maintain their engagement.

3. Introduce exclusive benefits, such as early access to sales, VIP memberships.