

# **CUSTOMER RETENTION ANALYSIS SUPERSTORE**

**By:**

- 1. Christian**
- 2. Yora Okta**

# **BUSINESS UNDERSTANDING**



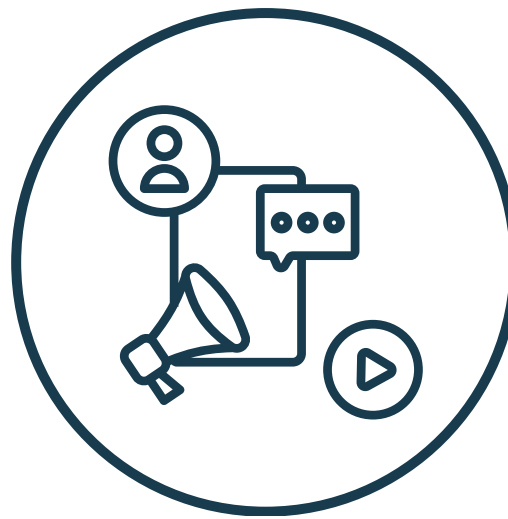
# Business Overview

**Superstore** is a major retail company in the United States that offers a wide range of consumer products through various distribution channels. With a stable transaction system, Superstore serves both individual and business customers. The products offered span 17 sub-categories within three main categories: **Furniture, Office Supplies, and Technology**. Based on transaction data from 2014 to 2017, Superstore has successfully developed effective strategies and maintained its position as a market leader in the retail industry.

# Stakeholder



**Management  
Executive**



**Marketing  
Department**



**Sales  
Department**



**Logistic  
Department**

# Our Problems

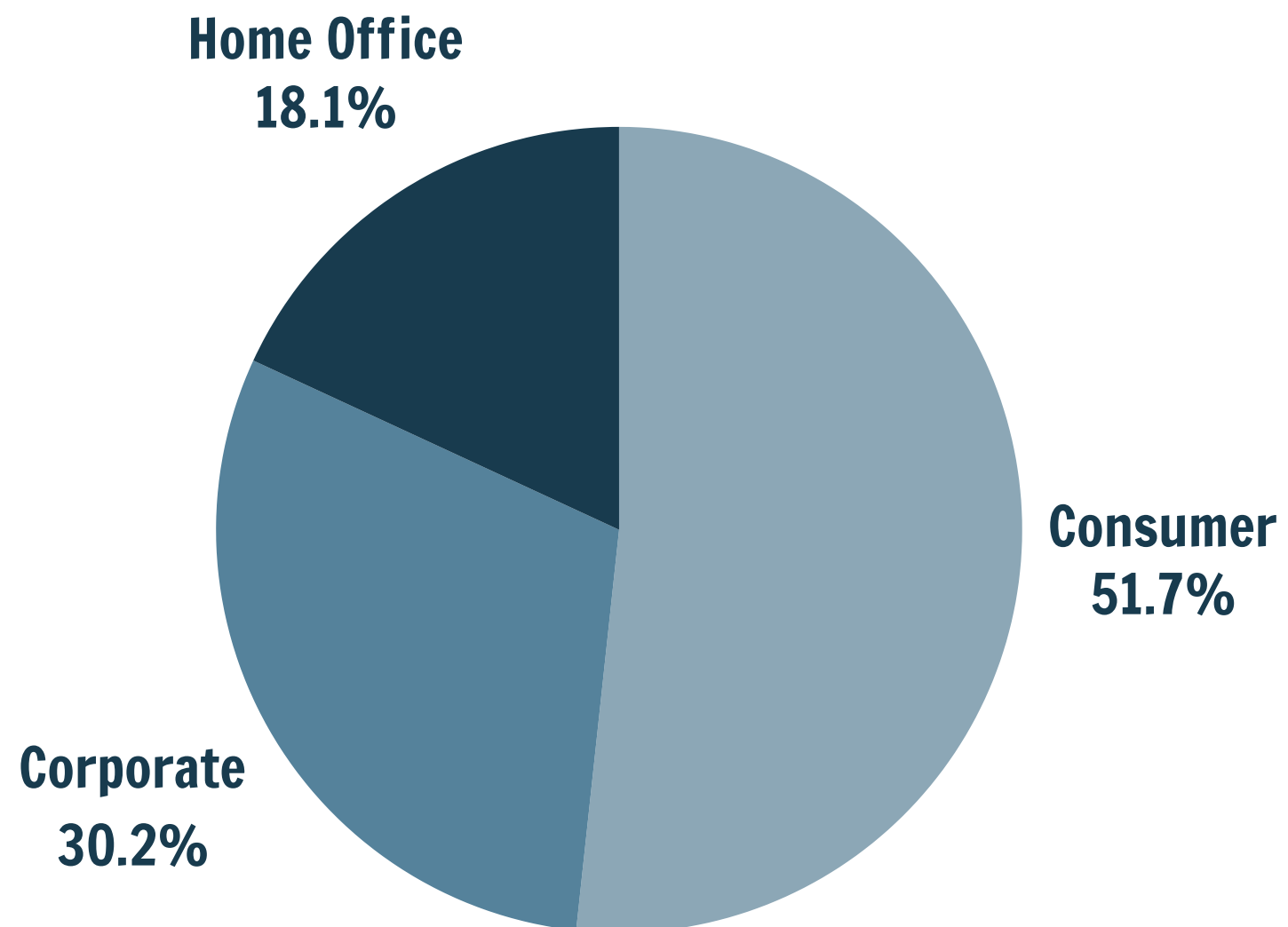
- 1** There is currently no specific strategy in place for customer retention.
- 2** Repeat purchase behavior from customers has not yet appeared consistently.
- 3** The lack of in-depth analysis of customer behavior following the initial transaction makes it difficult for the company to design an effective loyalty strategy.

# Our Goals

- 1** Identify key drivers of post-purchase retention decline.
- 2** Implement data-driven retention strategies.
- 3** Strengthen customer loyalty through personalization.

# Customer Analysis

## Our Customers



## Count of Product Purchase:

### Consumer (51.7%)

Office: 1.683

Furniture: 799

Technology: 716

### Corporate (30.2%)

Office: 1.001

Furniture: 474

Technology: 392

### Home Office (18.1%)

Office: 595

Furniture: 266

Technology: 247

## Customer Retention Cohort Analysis

<i>Retention</i>	<i>Period Distance</i>								
<b>5 Month</b>	0	1	2	3	4	5	6	7	8
2014-01 to 2014-05	100%	36,05%	40,34%	36,91%	51.07%	39,48%	55,79%	47,64%	58,80%
2014-06 to 2014-10	100%	40,24%	40,64%	52,99%	43.03%	59,76%	47,01%	61,35%	
2014-11 to 2015-03	100%	32,87%	57,34%	37,06%	53.85%	51,05%	48,95%		
2015-04 to 2015-08	100%	57,14%	39,29%	58,93%	50,00%	62,50%			
2015-09 to 2016-01	100%	29,63%	53,70%	53,70%	53,70%				
2016-02 to 2016-06	100%	66,67%	53,33%	56,67%					
2016-07 to 2016-11	100%	53,85%	30,77%						
2016-12 to 2017-04	100%	33,33%							
2017-05 to 2017-09	100%								

The majority of customers are individual consumers; however, the retention rate remains low following the initial transaction.

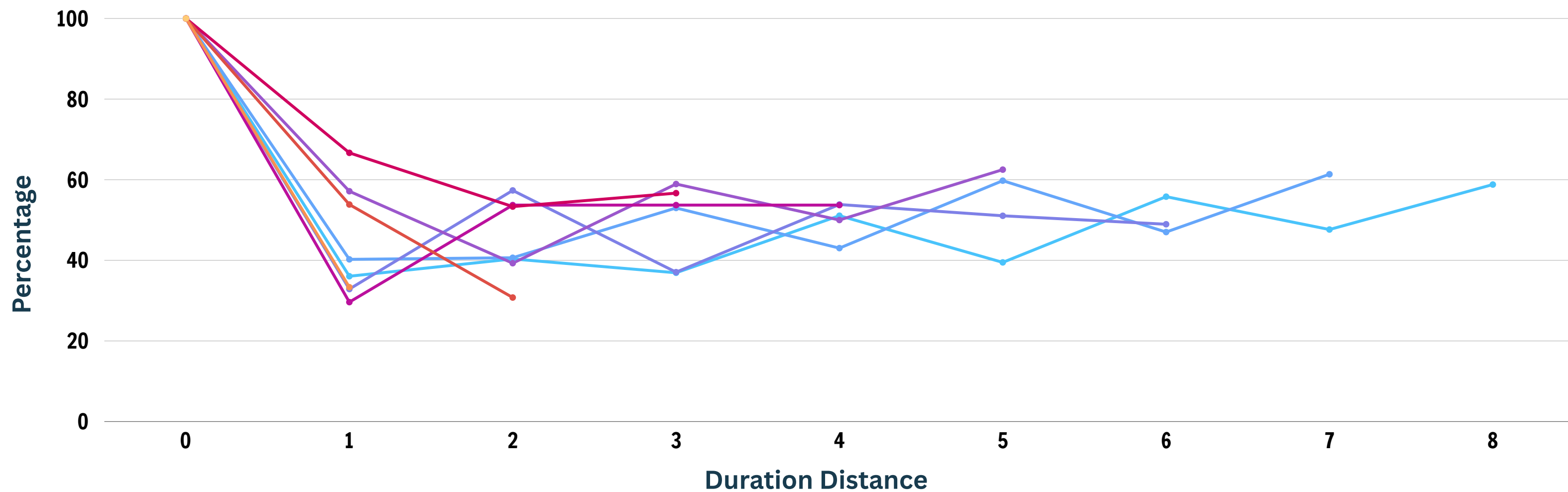


## Customer Retention Cohort Analysis

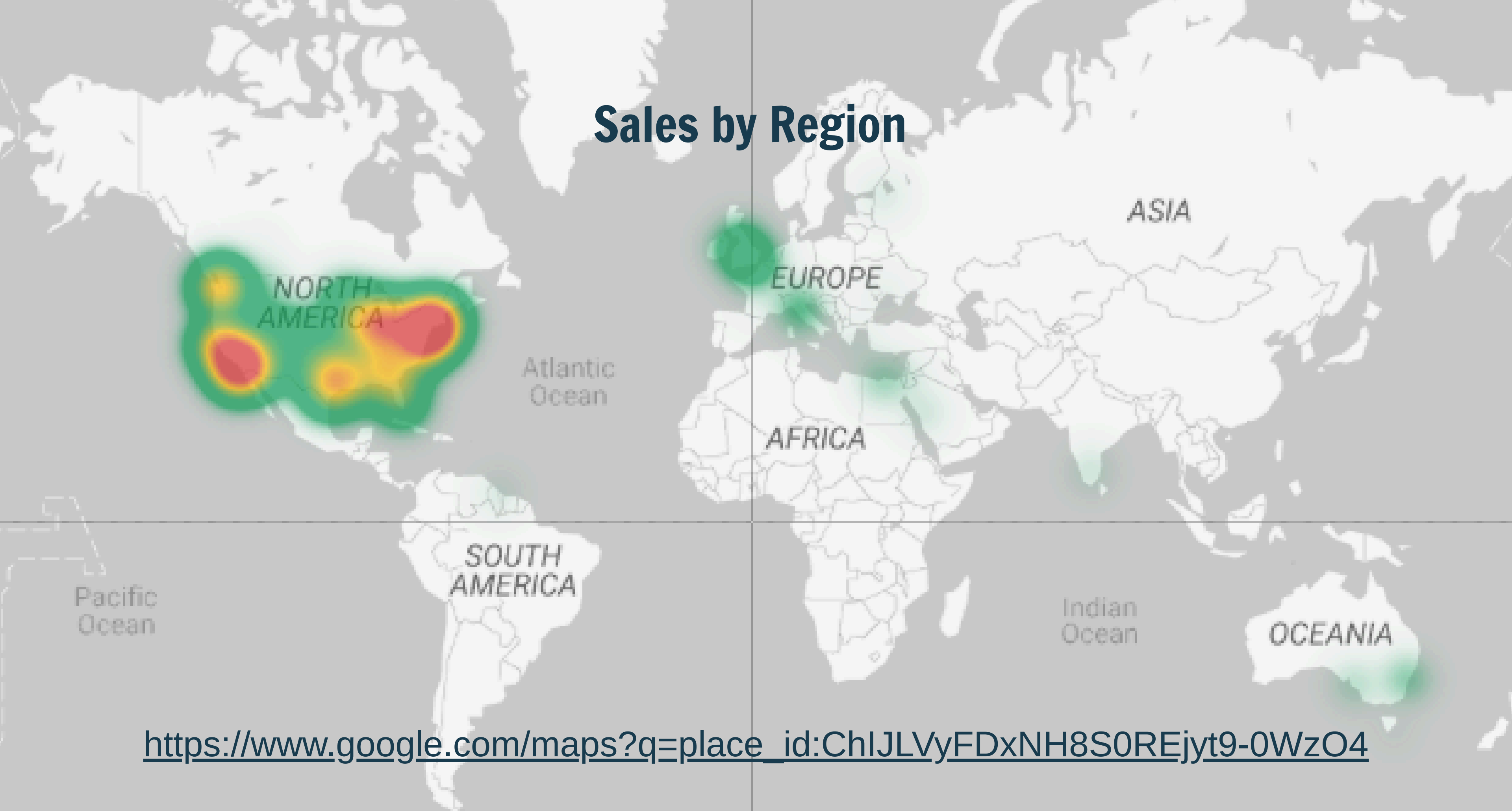
Retention	Period Distance								
5 Month	0	1	2	3	4	5	6	7	8
2014-01 to 2014-05	100%	36,05%	40,34%	36,91%	51.07%	39,48%	55,79%	47,64%	58,80%
2014-06 to 2014-10	100%	40,24%	40,64%	52,99%	43.03%	59,76%	47,01%	61,35%	
2014-11 to 2015-03	100%	32,87%	57,34%	37,06%	53.85%	51,05%	48,95%		
2015-04 to 2015-08	100%	57,14%	39,29%	58,93%	50,00%	62,50%			
2015-09 to 2016-01	100%	29,63%	53,70%	53,70%	53,70%				
2016-02 to 2016-06	100%	66,67%	53,33%	56,67%					
2016-07 to 2016-11	100%	53,85%	30,77%						
2016-12 to 2017-04	100%	33,33%							
2017-05 to 2017-09	100%								

The majority of customers are individual consumers; however, the retention rate remains low following the initial transaction.

# Customer Cohort Analysis

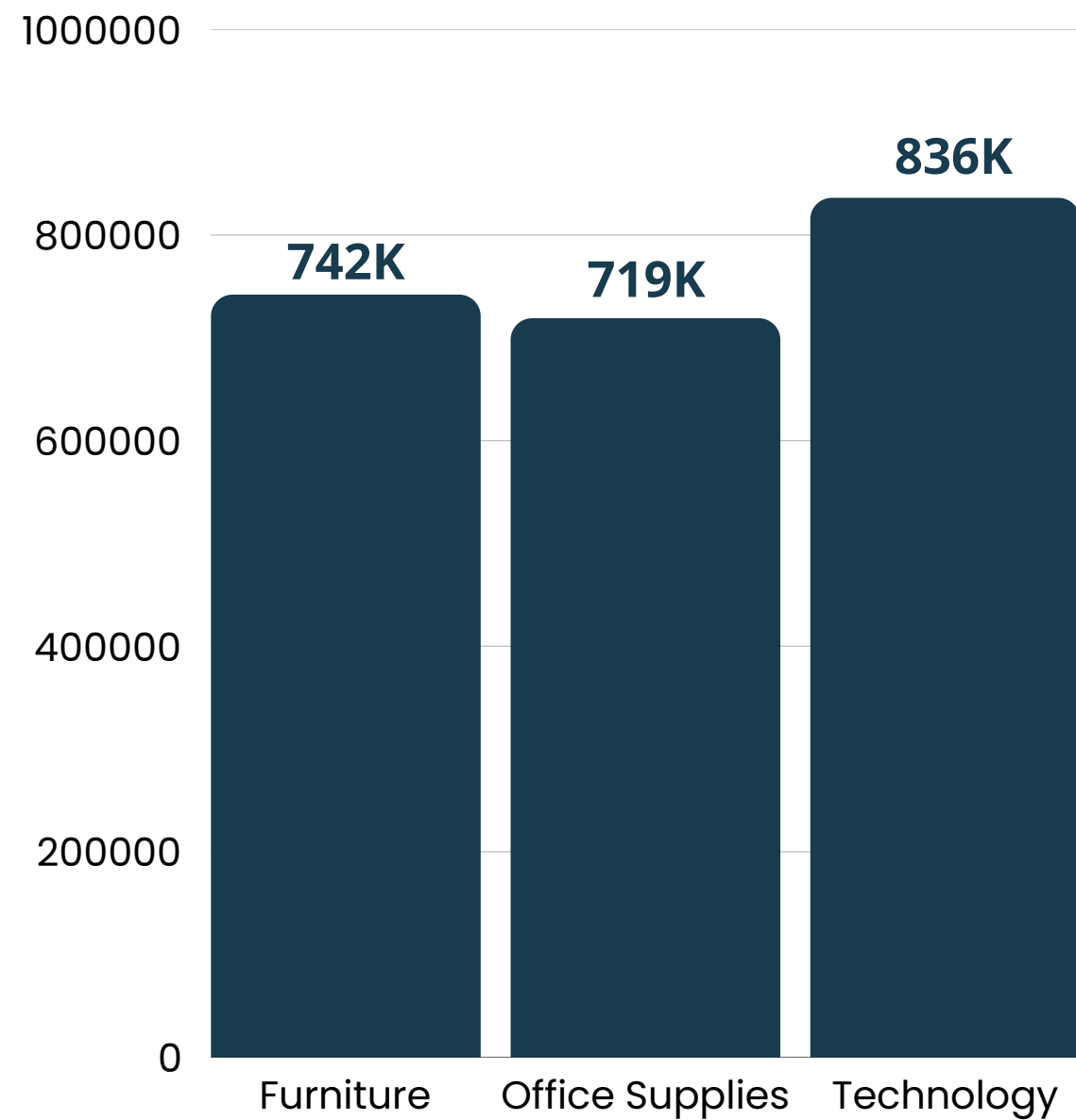


# Sales by Region



[https://www.google.com/maps?q=place\\_id:ChIJLVyFDxNH8S0REjyt9-0WzO4](https://www.google.com/maps?q=place_id:ChIJLVyFDxNH8S0REjyt9-0WzO4)

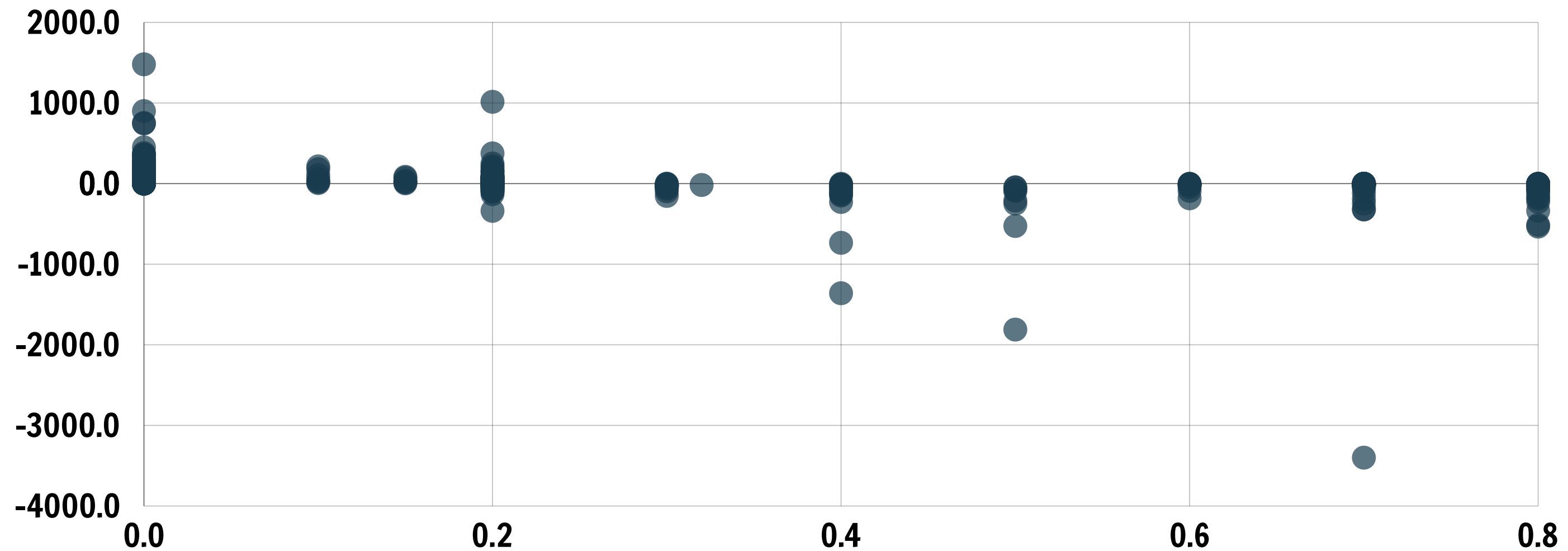
## Top Categories by Sales



## Top 10 Best Selling Product

No.	Category	Sub-Category	Sales
1.	Technology	Phones	294.8K
2.	Furniture	Chairs	294.3K
3.	Office Supplies	Storage	195.6K
4.	Office Supplies	Binders	181.2K
5.	Furniture	Tables	173.2K
6.	Technology	Machines	168.4K
7.	Technology	Accessories	149K
8.	Technology	Copiers	119.3K
9.	Furniture	Bookcases	105K
10.	Office Supplies	Appliances	90.9K

# Discount vs Profit



Discount strategies must be constrained to a specific threshold to maintain their appeal without compromising profit margins.



# **BUSINESS CONCLUSION**

# Conclusion

- 1 Retention in the first month after the initial transaction averages only around 30–60%, and decreases in the following months.
- 2 There is no consistent retention pattern among the different cohorts, indicating a lack of loyalty or sustained engagement strategies.
- 3 Although discounts can boost short-term sales, excessively large discounts can reduce profit margins, especially if not accompanied by strong retention

# Strategic Recommendation

No.	Customer Name	Count of Order	Sales (\$)	Profit (\$)
1	Erin Ashbrook	13	2846.705	-52.7406
2	Noel Staavos	13	2964.823	-234.7714
3	Keith Dawkins	12	8181.256	3038.6254
4	Zuschuss Carroll	12	7996.017	-1044.3652
5	Chloris Kastensmidt	12	1912.223	-44.1493
6	Edward Hooks	12	10310.88	1393.5154
7	Ken Black	12	2744.742	579.3551
8	Clay Ludtke	12	10880.546	1933.7831
9	Sanjit Jacobs	12	3949.656	144.1189
10	Anna Häberlin	12	7888.294	1298.0166

- 1 Loyalty Program
- 2 Email Marketing Personalization
- 3 Customer Segmentation
- 4 Discount Control

**THANK YOU.**