CUSTOMER SEGMENTATION
Recency, Frequency and Monetary Value of Customers

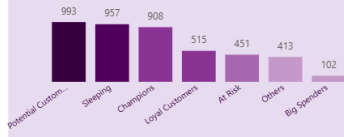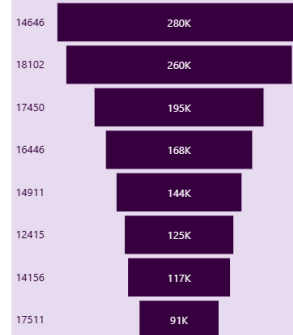| Total Revenue	Average Recency in Days	Total Customers	Customer Lifetime Value
$8.9M	93	4339	$2K

Insight

Recommendation

Countries
Search

Customer ID
All

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Segmentation Distribution

- Potential Custom... 993
- Sleeping 957
- Champions 908
- Loyal Customers 515
- At Risk 451
- Others 413
- Big Spenders 102

Total Revenue by Segment

- Sleeping 5,748,413
- Potential Customers 1,228,404
- Others 1,138,776
- Loyal Customers 367,272
- Champions 207,162
- At Risk 182,090
- Big Spenders 39,291

At Risk	Big Spenders	Champions	Loyal Customers	Others	Potential Custo...	Sleeping

customerid	r_score	f_score	m_score	rfm_score	segment
12346	5	5	1	551	Loyal Customers
12347	1	1	1	111	Sleeping
12348	4	2	2	422	Potential Customers
12349	2	5	2	252	Others
12350	5	4	4	544	Champions
12352	3	1	1	311	Others
12353	5	4	5	545	Champions
12354	5	4	2	542	Loyal Customers

Top Customer ID by Revenue

Customer ID	Revenue
14646	280K
18102	260K
17450	195K
16446	168K
14911	144K
12415	125K
14156	117K
17511	91K

SEGMENTATION DESCRIPTION AND RECOMMENDATION
Recency, Frequency and Monetary Value of Customers

Insight

Recommendation

Customer Segmentation - Description

- **Champion Customers;** Recently purchased, buy often, and spend the most.

- **Big Spender Customers**; Don't shop often or recently, but spend big when they do.

- **Loyal Customers**; Buy frequently and consistently, but not always recent.

- **Potential Customers**; New or moderate customers showing promise.

- **Sleeping Customers**; Haven't bought in a long time, rarely shop, and spend little.

- **At Risk Customers**; Used to buy often and spend a lot, but haven't returned recently.

- **Other Customers:** Mid or unclear scoring in RFM. Could be **new or inconsistent** customers.

Business Recommendations

1.Customer Reactivation Campaigns
Focus on Sleeping and At Risk customers with personalized offers, discounts, or reminder nudges.

2. Nurture Potential Customers
Convert Potential Customers to Loyal or Champions through incentives, follow-up communication, or product bundles.

3. Reward Top Customers
Use loyalty programs or early access offers for Top Customer IDs and Champions to maintain and increase their LTV.

4. Monitor CLV Trend
Since average CLV is $2K, track this quarterly to ensure it's improving. Segment by recency to identify trends.

5. Boost Frequency & Recency
Promote subscriptions, loyalty bonuses, or post-purchase discounts to boost frequency and reduce recency gaps.