

Business Insights

1. Sales Performance

- Total Sales = 17.37M, with clear seasonal spikes in Q4 (Oct–Dec).
- December is the peak month, confirming strong holiday-driven demand.

2. Customer Base & Retention

- Total Customers \approx 5.88K.
- Repeat Customers \approx 4K, giving a 72.35% repeat purchase rate — strong loyalty overall.
- However, repeat purchases concentrate in later months (Q4), suggesting seasonality drives engagement.

3. Cohort Analysis (Retention Patterns)

- First-month activity is strong, but retention drops sharply in subsequent months.
- Holiday cohorts (Nov–Dec): bring high revenue initially but show weak long-term retention (mostly one-time gift buyers).
- Non-holiday cohorts (Mar–Jul): smaller in size but maintain better repeat purchase behavior and higher long-term CLV.
- This indicates that cohort quality varies by acquisition month/season.

4. Customer Lifetime Value (CLV)

- Average CLV \approx 2.82K, with repeat customers driving most of the value.
- Holiday cohorts have higher short-term CLV; non-holiday cohorts build sustained long-term CLV.

5. Geographic Trends

- UK dominates sales.
- Smaller contributions come from Eire, Netherlands, Germany, and France.
- International potential exists but remains untapped.

6. Product Sales

- Top sellers are mostly giftware and decorative items (e.g., Regency Cakestand, T-Light Holder).
- Bestsellers align with holiday seasonality, showing dependency on festive demand.

Recommendations

1. Customer Retention & Cohort-Specific Strategies

- Holiday Cohorts: Focus on bundled offers and upselling in the first purchase.

Run retargeting campaigns during the next holiday season to bring them back.

- Non-Holiday Cohorts: Invest in loyalty programs, personalized recommendations, and discounts to nurture long-term retention.

Encourage a second purchase within 30 days of first order to improve survival rates.

2. Seasonality Management

- Strengthen inventory and logistics in Q4 to manage demand spikes.
- Launch pre-holiday promotions (Sept–Oct) to spread sales over more months.
- Create off-season campaigns to reduce reliance on holiday sales.

3. Marketing Optimization

- Allocate budget strategically:
- For high-retention cohorts → invest in nurturing (email, loyalty apps).
- For low-retention cohorts → use short-term performance campaigns (flash deals, bundles).

4. Geographic Expansion

- Scale in Germany, Netherlands, France, and Eire with localized campaigns and region-specific product recommendations.
- Explore partnerships with local distributors for faster delivery.

5. Product Strategy

- Double down on bestsellers while introducing complementary products to increase basket size (e.g., tea sets with cakestands, candles with holders).
- Create exclusive seasonal collections to maximize holiday cohorts.

6. Data-Driven Segmentation

- Use RFM segmentation to classify customers:
- VIP high-value → reward them.
- At-risk → re-engage with offers.
- New customers → nurture with onboarding deals.