



Healthy Food Company

(Customer Journey Analysis)

Assessed the **existing customer base to identify customers who made an upward journey** (from low purchase frequency to high purchase frequency) through their association with the company, and **estimated the customer lifetime value**

CUSTOMER JOURNEY ANALYSIS FOR A HEALTHY FOOD COMPANY

ABOUT THE CLIENT

Client is a **healthy food company based out of U.S.** that expanded into digital channels recently

SITUATION



- There was a need to identify the impact of the digital channels before enhancing the focus and understand overall customer profiles in Retail, Digital and Omni channels
- Merilytics analyzed **the existing customer base, segmented them** based on value/frequency and identified **drivers that lead to an upward customer journey including migration to digital channels** and its **cannibalization impact**

VALUE ADDITION



- **Analyzed transactional data** for the past two years to **segment the customers** based on their Average Order Value and transaction frequency
- **Identified differences in purchase behavior of High Value and Low Value customers** that helped understand the fundamental difference in the way the two segments transact with the company
- **Segregated the customers who made the upward journey** from customers who did not, to identify key points during the journey that led to the upward movement
- **Evaluated the impact of introduction of new digital channels** and estimated customer LTV and cannibalization effects

IMPACT



- Enabled **higher customer LTVs** by focusing on factors that drive the upward migration of a customer journey
- Enabled the company to **invest into the digital channels without risk of cannibalization**

APPROACH & METHODOLOGY

Upward and Downward journeys were identified based on the **gradient of the rolling 3 period (R3P) avg. of transaction frequency**

Journey patterns are identified based on **frequency gradient and #transactions (in initial periods)**

Customers who make an upward journey typically transition between 4-13 weeks after their first purchase

Average Frequency by journey pattern, over period of association, #

