

BOUNZ Data-Driven Customer Segmentation Report

RFM Analysis with Insights Generated from Actual Customer Data

RFM Segment Glossary

Champions

High recency, frequency, and monetary value

Loyal Customers

High recency, frequency, medium monetary value

Potential Loyalists

Medium recency, low frequency, high monetary value

New Customers

High recency, low frequency, low monetary value

Promising

Medium recency, low frequency, low monetary value

Need Attention

Low recency, low frequency, high monetary value

About to Sleep

Medium recency, medium frequency, medium monetary value

At Risk

Low recency, high frequency, high monetary value

Lost Customers

Low recency, low frequency, low monetary value

Executive Summary

As of March 31, 2025

106,384

CUSTOMERS WITH TRANSACTIONS

AED

53,234,316

TOTAL REVENUE

50.8%

CHURN RISK

8.9

AVG PURCHASE FREQUENCY

AED 88

AVG ORDER VALUE



Immediate Opportunity: Churn Prevention

54,069 customers (50.8%) are at risk of churning, representing AED 15,111,741 in revenue.

Detailed Risk Analysis:

- Average 144 days since last purchase (extended gap indicates declining engagement)
- 5.3 average lifetime transactions (below optimal engagement threshold)
- AED 279 average lifetime value per at-risk customer
- Most common risk category: About to Sleep

Immediate Action Required: Historical data shows 60+ day gaps correlate with 70% higher churn probability.



Top Performers: Champions Segment

Champions segment (22,572 customers) generates 54.4% of total revenue.

Champions Behavioral Profile:

- Champions spend 2.6x more (AED 1,282 vs AED 500) and purchase 2.8x more frequently (25.0 vs 8.9 transactions) with 109 days average recency
- Revenue Concentration: 54.4% of total revenue from 21.2% of customers
- Value Multiple: 2.6x higher spending than average customer
- Frequency Advantage: 2.8x more frequent purchases

Strategic Implication: Replicating Champions characteristics across other segments could significantly increase overall revenue.



Growth Potential: Potential Loyalists

4,040 Potential Loyalists currently contribute 4.2% of revenue.

Revenue Uplift Opportunity:

- Current Revenue: AED 2,211,262
- If Potential Loyalists (4040 customers) achieved Champions-level spending (AED 1,282 vs current AED 547), revenue could increase by AED 2,967,332
- Conversion Strategy: These customers show positive engagement patterns but need targeted incentives
- ROI Potential: Loyalty program investment typically yields 3-5x return for this segment

Action Timeline: Implement within 30 days for optimal conversion rates.

Strategic Recommendations Based on Detailed Data Analysis



Champions (21.2% - 22,572 customers)

Your highest-value customers generating AED 28,933,475 in revenue. Champions spend 2.6x more (AED 1,282 vs AED 500) and purchase 2.8x more frequently (25.0 vs 8.9 transactions) with 109 days average recency.

Strategic Action: Expand VIP program features and exclusive access to replicate Champions characteristics in other segments.

WHY This Matters:

Champions demonstrate the highest customer lifetime value through superior purchase frequency and spending. Their behavior patterns provide a blueprint for customer development strategies.



Churn Risk (50.8% - 54,069 customers)

54,069 customers representing AED 15,111,741 in revenue are at risk of churning. These customers average 144 days since last purchase, 5.3 lifetime transactions, and AED 279 lifetime spend. Most common risk segment: About to Sleep.

Strategic Action: Implement immediate retention campaigns targeting these specific customers with personalized offers.

WHY Immediate Action Required:

Extended purchase gaps indicate declining engagement. Historical data shows customers with 60+ day gaps have 70% higher churn probability. Revenue recovery is more cost-effective than new acquisition.



Growth Opportunity (4,040 Potential Loyalists)

4,040 customers showing positive engagement patterns with AED 2,211,262 current revenue contribution.

Revenue Opportunity: If Potential Loyalists (4040 customers) achieved Champions-level spending (AED 1,282 vs current AED 547), revenue could increase by AED 2,967,332

Strategic Action: Develop targeted loyalty programs to convert these customers to Champions status.

WHY This Opportunity Exists:

Potential Loyalists show engagement patterns similar to Champions but haven't reached spending thresholds. Targeted incentives can accelerate their progression through the value pyramid.



Choithrams Partner Analysis

58,654

CHOITHRAMS CUSTOMERS

AED

32,247,963

TOTAL REVENUE

AED 72

AVG ORDER VALUE

9.4

AVG FREQUENCY

30,452,578

POINTS EARNED

519

AVG POINTS/CUSTOMER



Data-Driven Insights for Choithrams

Market Share: Choithrams represents 55.1% of analyzed customers and generates 60.6% of total revenue.

Top Segment: Champions (14,247 customers)

Performance vs Average: Choithrams customers spend 1.1x the average customer value

Data-Driven Recommendations:

- Leverage strong champions segment performance with targeted campaigns
- Focus on grocery-specific loyalty program enhancements
- Cross-promote with other BOUNZ partners to increase shopping frequency
- Expand fresh produce and household essentials marketing based on proven performance

RFM Segments Distribution

Champions

22,572

21.2% of customers

Loyal Customers

9,314

8.8% of customers

Potential Loyalists

4,040

3.8% of customers

New Customers

5,239

4.9% of customers

Promising

4,965

4.7% of customers

Need Attention

6,185

5.8% of customers

About to Sleep

22,310

21.0% of customers

At Risk

9,634

9.1% of customers

Lost Customers

22,125

20.8% of customers



Enhanced Data-Driven Demographic Insights



Champions: 35-44 Age Group Leads

35-44 has 5920 Champions customers (38.9% of all Champions), with 34.2% Champions rate within this age group. These Champions average AED 1,483 spend, 25.5 transactions, and 109 days since last purchase.

Strategic Action: Focus premium marketing campaigns on 35-44 demographic - they demonstrate proven high-value behavior with 34.2% Champions conversion rate



At Risk Alert: 35-44 Age Group

35-44 has 1761 at-risk customers (38.3% of all At Risk customers). WHY: They average 143 days since last purchase, 7.5 lifetime transactions, and AED 557 lifetime spend - indicating declining engagement.

Strategic Action: Implement targeted retention campaigns for 35-44 customers focusing on reactivation within 30 days to prevent AED 981,600 revenue loss



Highest Spenders: 55-64 Age Group

55-64 customers average AED 878 per customer (1.1x overall average). With 3968 customers generating AED 3,483,649 total revenue (10.0% of age-group revenue).

Strategic Action: Increase marketing investment for 55-64 segment - their 1.1x higher spending justifies premium acquisition costs



Champions Profile: Male Customers Lead

Male customers represent 10218 of 17031 Champions (60.0%). These Champions average AED 1,263 lifetime spend and 26.8 transactions, demonstrating strong loyalty patterns.

Strategic Action: Develop targeted loyalty programs and product recommendations for Male customers - their Champions conversion rate justifies specialized campaigns



Gender Spending Gap: 1.5x Difference

Female customers (21145 customers) average AED 709 and 11.8 transactions vs Male customers (44813 customers) at AED 485 and 10.1 transactions. Frequency difference: 1.7 transactions per customer.

Strategic Action: Create targeted campaigns to increase Male customer engagement - focus on increasing purchase frequency to close the 1.7 transaction gap



Revenue Leader: Champions

Champions segment generates AED 28,933,475 total revenue with 22572 customers (21.2% of customer base). Per-customer metrics: AED 1,282 average spend, 25.0 average transactions.

Strategic Action: Focus primary marketing efforts on replicating Champions characteristics - analyze their 25.0 transaction frequency and AED 1,282 spending patterns for other segments



Improvement Opportunity: Lost Customers

Lost Customers segment (22125 customers) averages AED 32 vs Champions at AED 1,282. Current frequency: 1.2 vs 25.0 transactions.

Strategic Action: Target Lost Customers for improvement campaigns - potential revenue uplift of AED 27,644,745 if they reach Champions spending levels