

## Amazon Report

### • Which customer segments should we focus on for this campaign?

Based on our analysis of Amazon customer purchase behavior and segmentation, we have identified key customer segments and tailored product offer strategies designed to maximize engagement and campaign effectiveness.

Champions are our most valuable customers—they purchase frequently, spend the most, and have recently interacted with our platform. Their top product interests include Electronics, Health products, and Office Supplies. For this segment, we recommend offering exclusive early access to premium or new product launches, alongside loyalty rewards programs to deepen their engagement and encourage continued high-value purchases.

Frequent Buyers regularly purchase across various categories but typically at moderate spending levels. Their preferred categories include Office Supplies and Household Essentials. Campaigns targeting this group should focus on bundle deals and subscription discounts, highlighting savings on everyday essentials. These offers cater to their consistent buying habits and encourage increased basket sizes.

Big Spenders tend to purchase higher-cost items, often in categories like Electronics and Home Appliances. For this segment, high-ticket upsell opportunities and exclusive, limited-time offers are ideal. Personalized premium offers will resonate well and foster loyalty among these customers.

Recent Customers have started shopping with us but have limited purchase history. They respond best to welcome incentives such as introductory discounts or product sampling campaigns across diverse categories, helping to build their purchase frequency and brand affinity.

Lastly, Lost Customers—those who have not engaged with recent purchases—require win-back strategies involving heavy discounts and targeted email re-engagement campaigns. Special offers designed to rekindle interest can help bring these customers back into active status.

By focusing marketing efforts on these segments and tailoring offers to their demonstrated preferences, we can significantly enhance campaign ROI and customer lifetime value.

### • What types of offers or products are most suitable for each segment based on their past behavior?

Based on our analysis of past customer behavior, we identified the most suitable product categories and offers for each segment. For our high-value Champions segment, we recommend focusing on Office Supplies, Electronics, and Fashion, as these categories show strong purchase activity. Tailored offers such as exclusive early access to new products, bundled deals, and loyalty program perks in these areas are likely to drive engagement and increase revenue. For the Others segment, which includes occasional and newer customers, we see significant interest in Books, Health, and Fashion categories. Introductory promotions, discounts, or free shipping on these popular items can help boost conversion and build long-term engagement. Overall, personalizing our campaign by aligning offers with these preferences should maximize impact and customer satisfaction.

### • Are there any signs of customer churn or inactivity we should consider?

We have identified early signs of customer inactivity that require our attention to minimize potential churn. Notably, 81 of our most valuable customers—classified as "Champions" for their recent, frequent, and high-value purchases—are currently in the "At-Risk" category, meaning they have not made a purchase in the past 31 to 90 days. While none of these Champions have fully churned yet (which we define as no purchase in

over 90 days), this sizable group of at-risk VIP customers signals an urgent opportunity for targeted engagement.

In the broader customer base, 912 others fall into the at-risk category and 7 have fully churned. Although these customers are less critical in terms of immediate revenue impact compared to Champions, they still represent potential revenue loss if left unaddressed.

We recommend launching a personalized re-engagement campaign specifically aimed at the at-risk Champions. This could include exclusive offers such as early access to new products, limited-time discounts, or loyalty program incentives to encourage them back. Monitoring this segment closely with weekly updates will help us quickly identify any movement toward full churn.

For the smaller group of churned customers outside the Champions segment, a lighter touch campaign involving win-back emails or feedback surveys may be effective, depending on available marketing resources.

Focusing on these at-risk Champions now will maximize retention of our highest-value customers and improve overall customer lifetime value.

- **Any additional insights that could help us shape a more effective campaign?**

Based on our analysis, both Champions and Other customer segments show strong purchasing preferences for Office Supplies, Electronics, Books, and Fashion categories. These categories should be prioritized in upcoming campaigns to maximize engagement across segments. Regarding timing, Champions tend to place more orders on Thursdays and maintain steady activity on Wednesdays and Mondays, suggesting that mid-week campaign launches could be most effective for this high-value group. Other customers are more active on Mondays and Fridays, so segmenting campaign timing based on these behaviors could improve overall response rates.

Delivery performance also plays a role in customer retention. Our data indicates that customers who experience late deliveries have a slightly higher likelihood of being at risk or churning. This highlights the importance of improving shipping reliability and potentially offering compensation or apologies to those affected, which may reduce churn.

In terms of communication reach, out of 81 Champions, 77 have valid email addresses, providing a solid base for targeted email marketing. Efforts should also be made to update contact information for unreachable customers to expand this audience.

In summary, tailoring product offers to favored categories, timing campaigns to align with segment-specific ordering patterns, addressing delivery issues proactively, and focusing on email outreach for high-value customers will help shape a more effective and impactful campaign.