

## Problem Statement

A business needs to better understand its customer base to improve retention, marketing efficiency, and targeted campaigns. However, without proper segmentation, all customers are treated the same—leading to wasted efforts and lost revenue.

This project applies the **RFM (Recency, Frequency, Monetary)** model to segment customers based on their purchasing behavior using Power BI. By grouping customers into meaningful segments (e.g., Champions, Loyal, At Risk), the business can tailor engagement strategies, optimize customer lifetime value (CLV), and increase profitability.