# RFM Analysis for GreenMart's Customer Segmentation

Insights for Better Customer Engagement



# **Executive Summary**

#### Objective:



To identify distinct customer segments based on their purchasing behavior and to develop targeted marketing strategies.

#### **Findings:**



GreenMart has a very small percentage of Superstars who make up 1.38% of the total customers.

63

Potential Loyalists, with potentials to become loyal, make up the largest base of customers with 63.67%



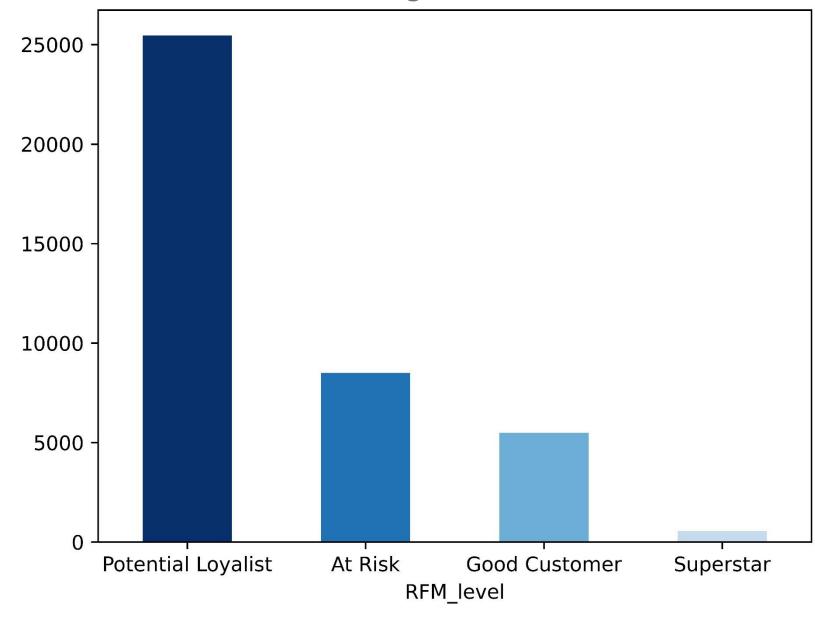
The company is expending too much effort on customers that are not returning.



Customers at risk of churning make up 8494 of GreenMart Customer Base

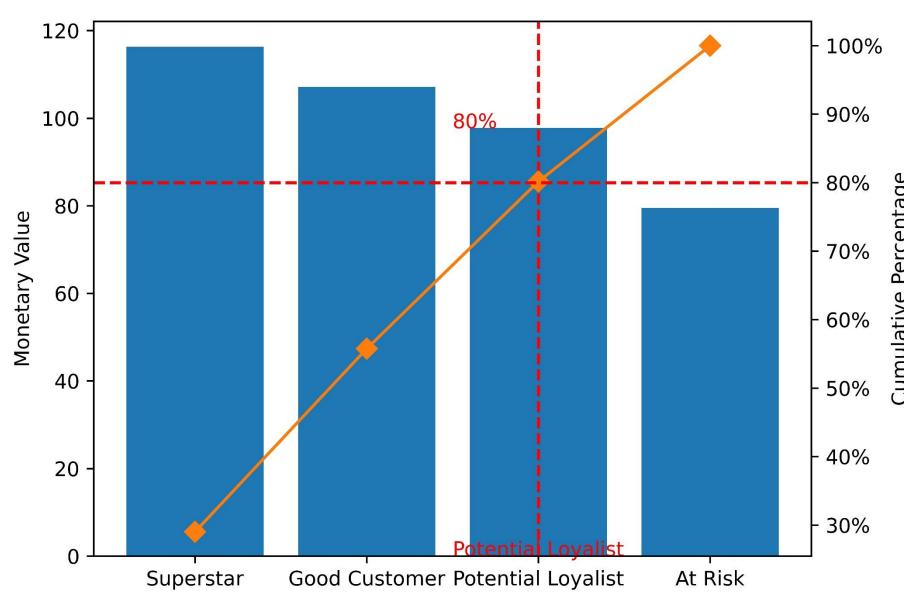


## **Distribution of Customer Segments**



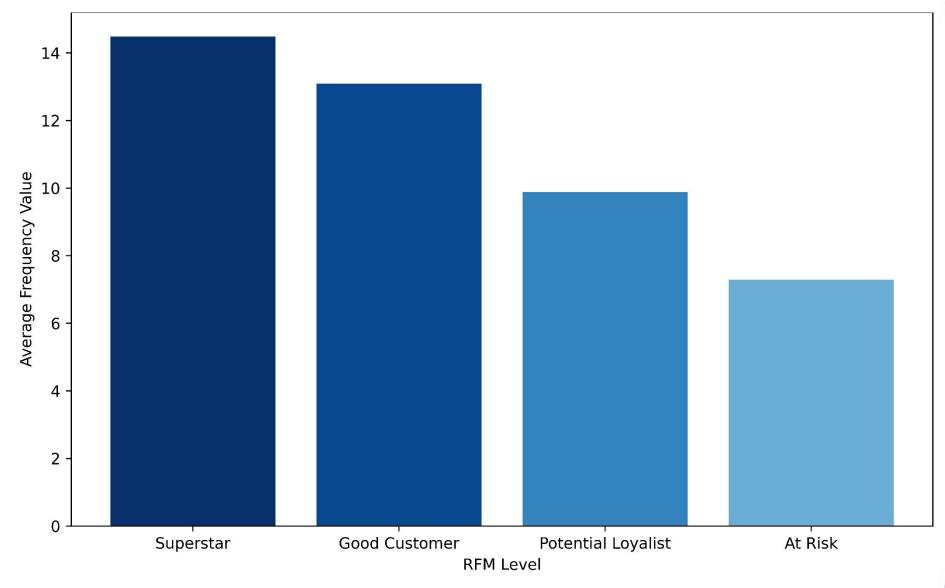


#### Does 80% of Revenue come from 20% top customer?



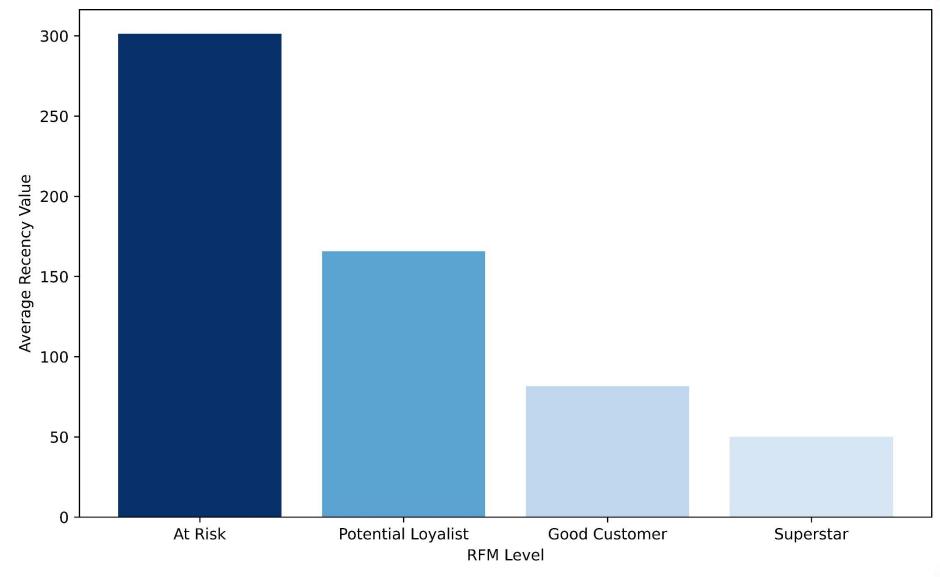


# On average, how frequent do each segment purchase?



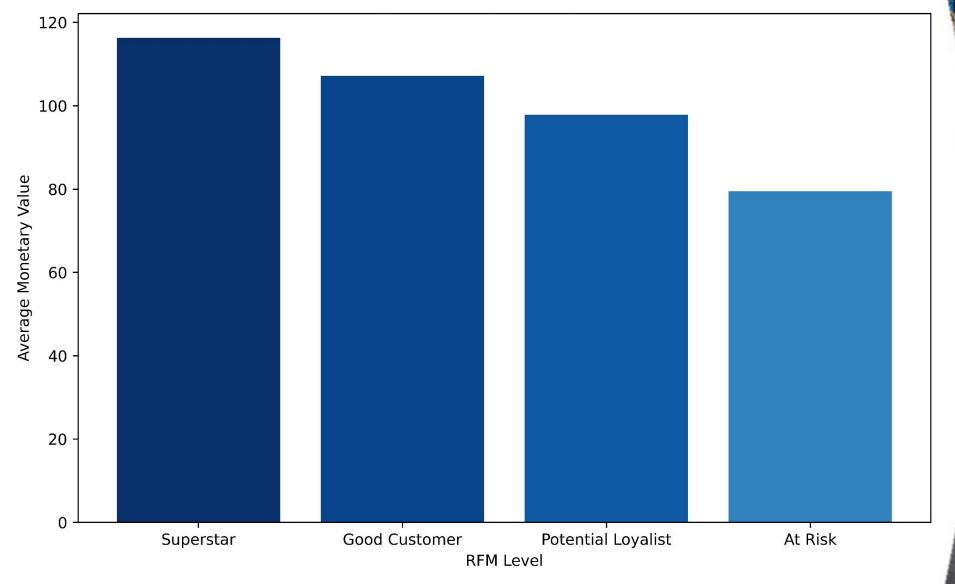


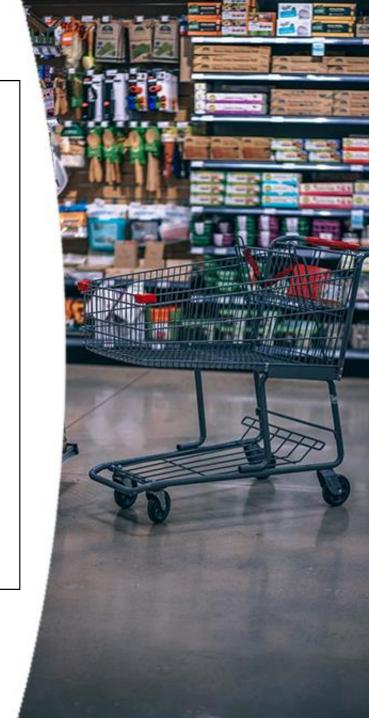
## On average, how frequent do each segment return?



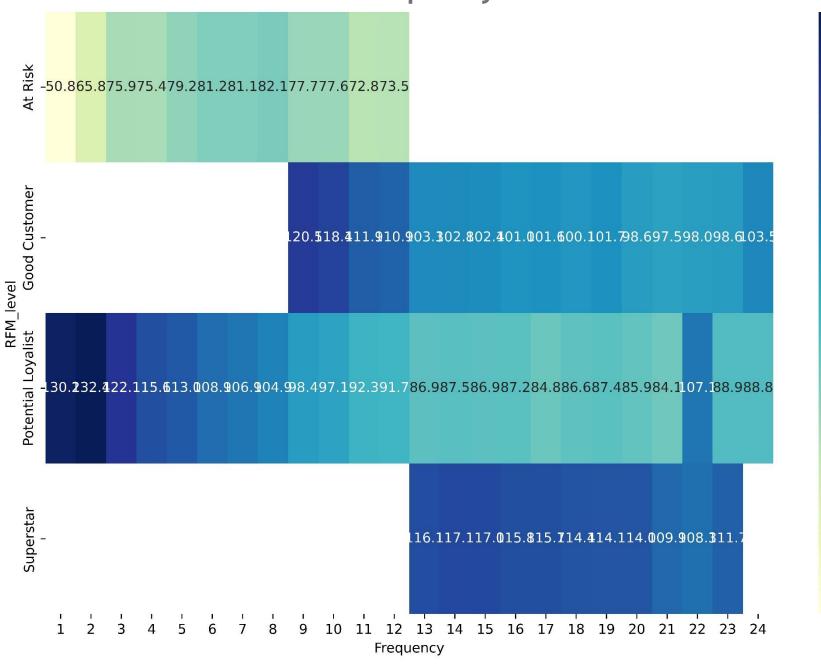


#### On average, how much does each segment spend?





#### Distribution of customers' frequency



- 130

- 120

- 110

- 100

- 90

- 80

- 70

- 60