Customer Segmentation Analysis for Snapdeal

Insights and Actionable Recommendations

Introduction

• What is Customer Segmentation?

"Segmenting customers based on purchasing behaviour and preferences to improve targeting and engagement."

• Why it Matters?

"Understanding different customer types allows businesses to personalize offerings, enhance retention, and drive revenue."

Business Challenge:

"How can we identify high-value customers, re-engaged dormant ones, and convert new customers into loyal buyers?"

Presentation Goal:

"We'll dive into segments that matter most and explore actionable strategies to solve these challenges."

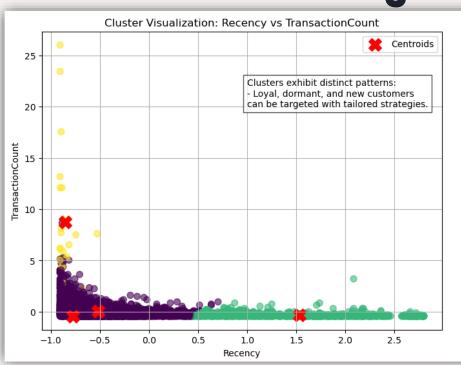


From Data to Insights: The Segmentation Journey

- Collect Data: Transaction history, customer behaviour.
- **Extract Features:** Key metrics like frequency, recency, spend.
- Segment: Apply clustering to group customers.



Visualizing Customer Segments for Strategic Insights



Cluster 1 (Purple):

Customers with very low recency and transaction counts, likely dormant customers.

• Cluster 2 (Green):

Regular but infrequent shoppers with moderate recency.

Cluster 3 (Yellow):

High Transaction counts but lower recency, indicating frequent shoppers or potential loyal customers.

 Centroids represents the average behaviour of each cluster.

Actionable Insights: From Data to Strategy

Based on **K-means clustering analysis**, we have identified key customer segments. These segments help us understand customer behavior and drive targeted strategies.

Customer Segments	Characteristics & Behaviour
High-Value Loyal Customers	High recency, frequency and revenueLikely to respond to loyalty programs
Frequent Shoppers with Low Spending	High frequency, low revenuePotential for upselling
Infrequent High-Spending Customers	Low frequency, high revenueTarget with personalized offers
Dormant Customers	Low recency, frequency and revenueRe-engagement campaigns

Turning Insights into Actions: Tailoring Strategies for Customer Segments



High-Value Loyal Customers

- Behaviour: Frequent & High Spenders.
- Action: VIP rewards, exclusive offers.



Infrequent High-Spending Customers

- Behaviour: High spenders, low frequency.
- **Action:** Reminders, limited-time offers, loyalty programs.



Frequent Shoppers, Low Spending

- Behaviour: Frequent, low-value purchases.
- Action: Upsell, bundle deals, personalised discounts.



Dormant Customers

- · Behaviour: Inactive customers.
- Action: Re-engagement campaigns, targeted discounts.

Driving Actionable Insights for Success

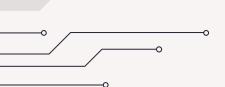
Unlocking targeted marketing opportunities, increase customer retention, and drive higher revenue by tailoring strategies to each segment's unique behaviors.



Conclusion: Turning Data into Business Growth

 By strategically implementing customer segmentation insights, we can enhance customer engagement, optimize marketing efforts, and ultimately drive sustainable business growth.

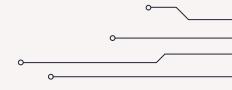
 Let's transform data into action and see measurable results in customer loyalty and profitability.



THANKS!

- Pranali Pednekar

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RESOURCES

Vectors

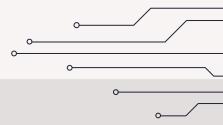
• Blue background with technological style

Icons

• <u>Icon Pack: Data Analytics | Lineal</u>

Other

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