

Customer Behavior & Deep Dive Report

Prepared By: Sandleen Sethi

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Executive Summary

This report provides insights into customer demographics, purchasing patterns, and behavioral trends based on the latest data dashboards. With a total customer base of 13,000, the business has achieved total revenue of 177 million and an average spend per order of 50,000. The analysis reveals significant trends across gender, age groups, product preferences, payment methods, and customer engagement over time.

1. Customer Demographics and Segmentation

Gender Distribution

- Female: 34.22K (6.84%)
- Male: 33.64K (6.73%)

Gender representation is fairly balanced, with a slight lead in female customers.

Age Group Distribution

- 45–59: 140K (highest segment)
- 60+: 104K
- 25–34: 95K
- 35–44: 94K
- Under 25: 68K

Older customers (45+) dominate the customer base, indicating a potential for age-specific marketing strategies.

2. Purchasing Trends and Behavior

Most Common Product Categories

- Books: ~19K customers

- Clothing: ~15K customers
- Electronics and Home follow

Books and clothing are the most preferred categories among customers, contributing to a significant portion of engagement.

Total Purchase Amount by Year

- 2020: 47.9M
- 2021: 47.8M
- 2022: 48.0M
- 2023: 33.2M

There is a notable revenue decline in 2023 despite stability in prior years, suggesting potential customer churn or economic factors.

3. Payment Preferences

Main payment methods used:

- Cash
- Credit Card
- Crypto

Offering a variety of payment options, including modern methods like crypto, appeals to a wider audience and promotes convenience.

4. Return Behavior Insights

Product Category Return Ratio by Gender

- Return activity is prominent across many product categories.
- Males appear to initiate more returns.
- Most returns fall within the 0.2–0.6 ratio range.

This highlights the need to assess product descriptions, customer expectations, or post-purchase service quality.

5. Recency and Frequency Analysis

Customer Count by Recency

- The highest customer activity is concentrated within the 0–200 day range.

This reflects a strong inflow of recent customers, but ongoing engagement efforts are necessary to build long-term loyalty.

Monthly Purchase Frequency

- Most customers purchase at a rate of 0.2–0.4 times per month.

Indicates low repeat frequency; opportunities exist for increasing customer lifetime value through engagement or loyalty programs.

Spend vs. Recency

- Average spend per order remains steady, even as recency increases, though with a declining trend after 800+ days.

This implies that more recent customers are contributing to consistent sales but disengagement grows over time.

6. Key Performance Summary

Metric	Value
Total Customer Count	13,000
Total Revenue	177 Million
Average Spend per Order	50,000
Highest Revenue Year	2022 (48M)
Lowest Revenue Year	2023 (33.2M)
Top Product Category	Books
Most Active Age Group	45–59

7. Strategic Recommendations

1. Investigate 2023 Revenue Decline

Identify key causes for the year-over-year drop and take corrective actions such as re-engagement or promotional campaigns.

2. Improve Customer Retention

Introduce loyalty programs, personalized offers, and follow-ups to encourage repeat purchases.

3. Segmented Marketing Campaigns

Target the dominant age group (45+) with tailored marketing strategies and content.

4. Optimize Product Experience

Analyze the high return ratio for certain categories and improve product listings, sizing guides, and customer support.

5. Boost Purchase Frequency

Introduce subscriptions or bundles, especially in categories like books and clothing, to increase the monthly purchase rate.