

Objective :

Management wants to Rank and Group Customers

Additional Requests :

- Identify good and bad segments
- Who are the most valuable customers ?

Customer Segmentation

Technique:

Rank and group customers based on the recency, frequency and monetary total of their transactions to identify the best customers and perform targeted marketed campaigns.

Customer Segmentation

Technique

By scoring our customers by recency, frequency and revenue, we able to identify 4 major segments for targeting.

18%

Top Customer Segment:

Our top customers have purchased avg 8 times in the evaluation period, spending an avg of \$7200 and have purchased within the last 10 days on avg

51%

At Risk & Immediate Attention Segment:

At Risk customers are only spending \$353 and have only purchased 3 times in a 150 days

Recommendation :

We created a target campaign to re-engage our at-risk customers with incentives. Further analyze our top customers/loyal customers to maximize earnings.

