

Customer Segmentation - Executive Summary

This summary highlights the findings from the customer segmentation project using RFM analysis, PCA, K-Means, and DBSCAN clustering.

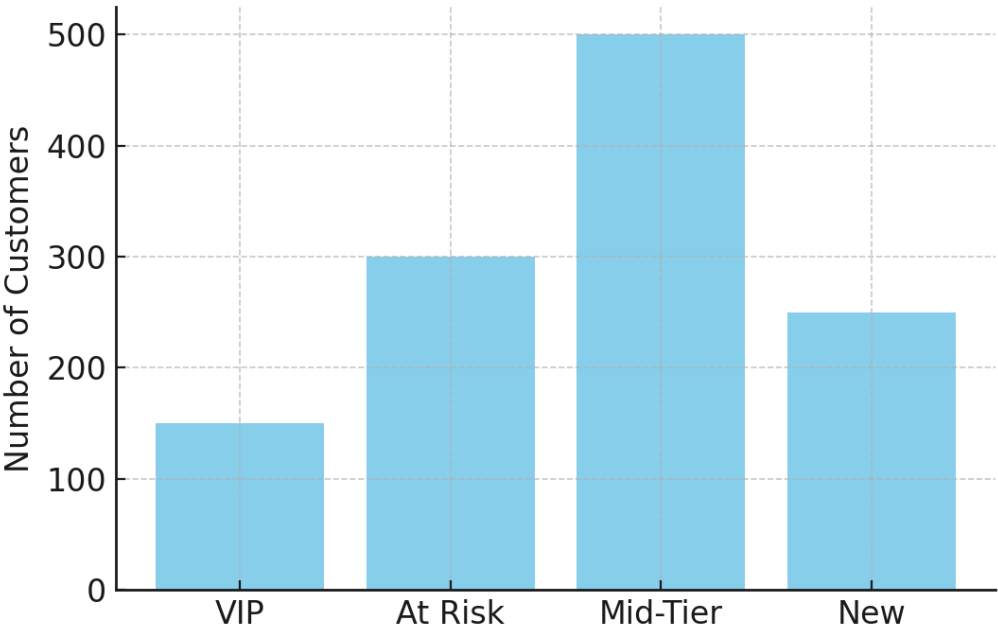
Key Segments (K-Means, k=4):

1. VIP / High Value: Frequent, recent, and high spenders.
2. At Risk / Inactive: Haven't purchased in a long time, low spend.
3. Mid-Tier Active: Medium frequency and spend.
4. New / Occasional: New customers or low frequency.

Recommendations:

- Invest in VIP retention with personalized rewards.
- Launch reactivation campaigns for at-risk customers.
- Move Mid-Tier into VIP through incentives.
- Build loyalty with New/Occasional buyers through nurturing.
- Analyze niche clusters for specialized opportunities.

Customer Distribution by Segment



Average Spend by Segment

