



Churn & Retention Overview

Despite a high repeat rate (84.67%), over half of customers churn (51.67%), indicating repeat purchase alone does not guarantee retention. Liverpool, high-income customers, and Platinum members represent the highest churn risk and should be prioritized for targeted retention interventions.

300

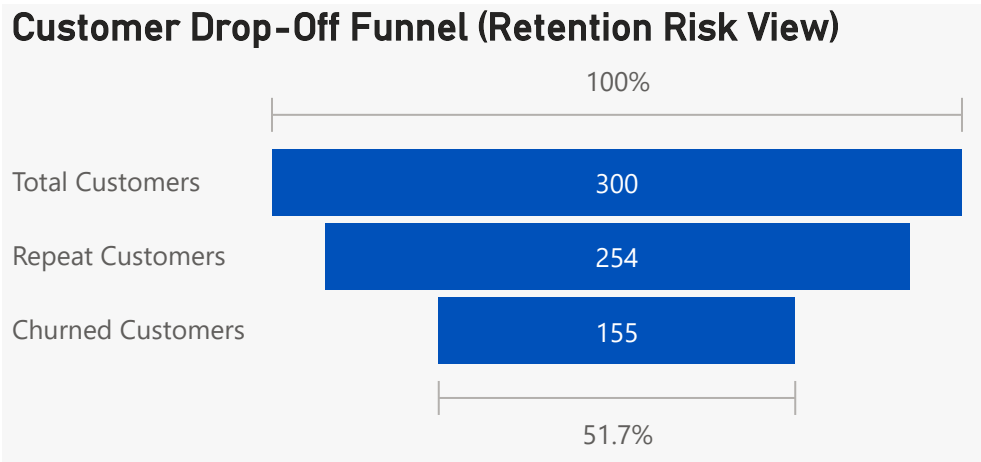
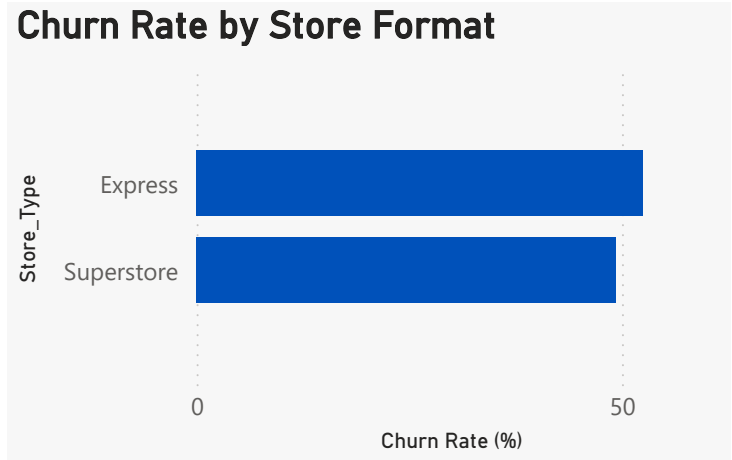
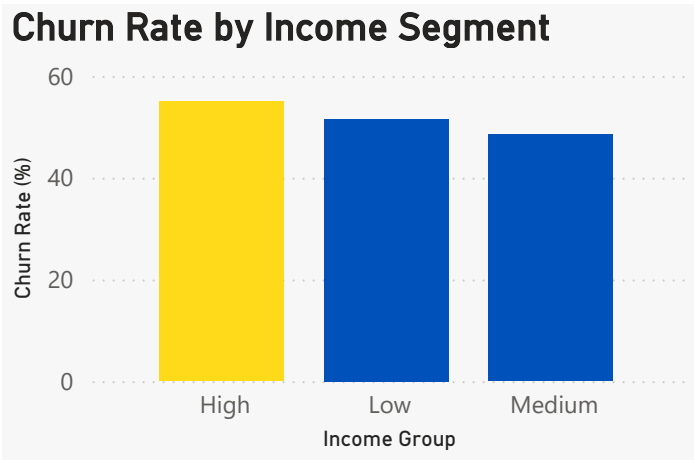
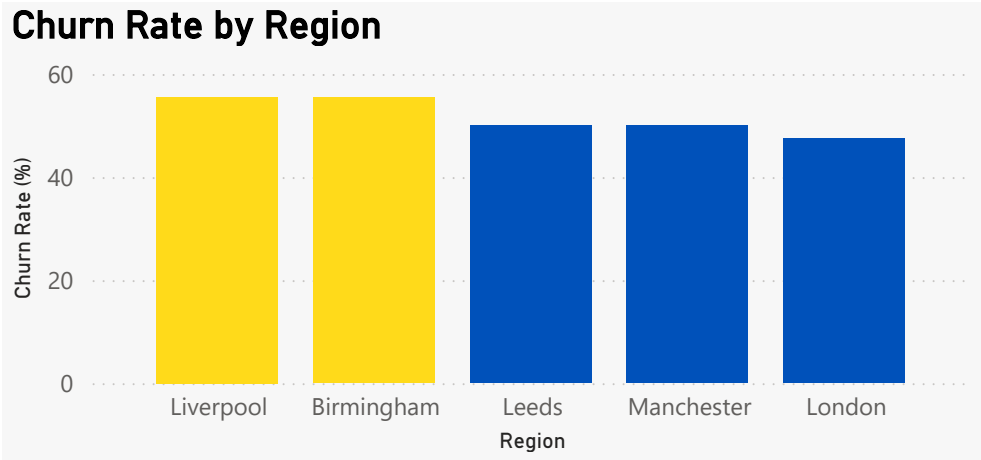
Total Customers

51.67

Churn Rate (%)

84.67

Repeat Rate %



● Highlighted bars indicate highest repeat frequency

Filters (Page Level)

Region

All

Income Group

All

Store Type

All

Immediate Focus Areas

- Liverpool & Birmingham regions
- High-income customer segment
- Platinum loyalty tier (highest churn despite benefits)

Churn by Loyalty Tier

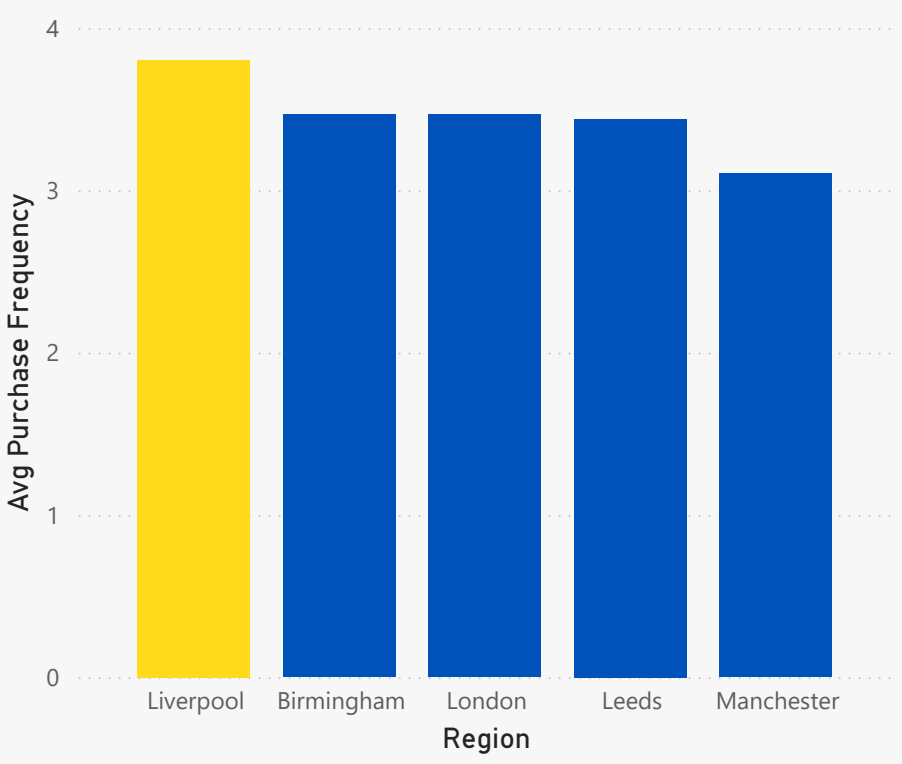
Loyalty_Tier	Total Customers	Churned Customers	Churn Rate (%)
Gold	115	56	48.70
Silver	101	52	51.49
Platinum	84	47	55.95
Total	300	155	51.67

Repeat Purchase Analysis

Repeat purchase behavior is concentrated among High-Tier customers (11+ purchases) and customers aged 35+, indicating that retention value is driven by mature, loyalty-engaged segments. Electronics act as a primary visit driver for loyal customers, while food and beverages enhance in-store engagement, supporting higher repeat frequency over time.



Repeat Purchase Frequency by Region

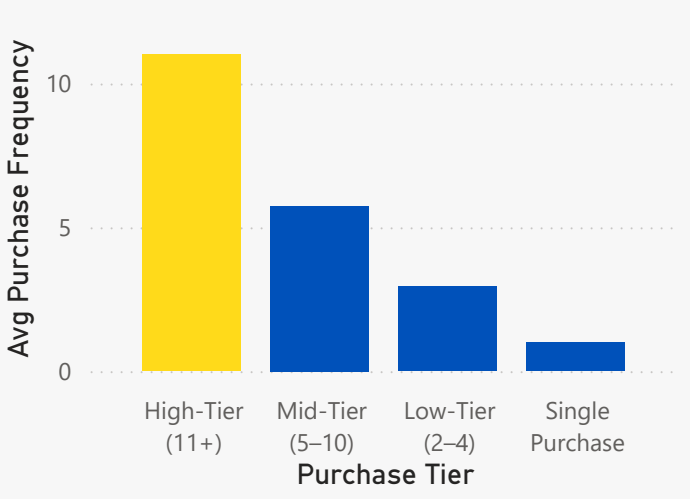


Avg Purchase Frequency = Total purchases ÷ active customers

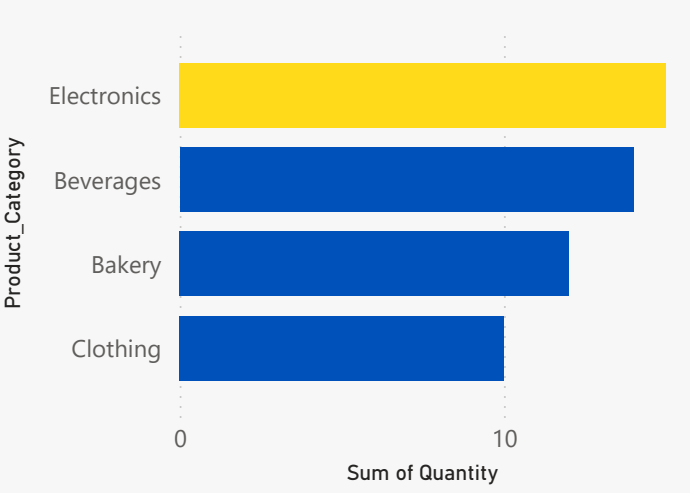
Retention Growth Levers

- Focus retention programs on **35+ age segments**
- Convert **Mid-Tier (5–10)** customers into High-Tier
- Use **Electronics as visit drivers** and **Food & Beverages as engagement enhancers**

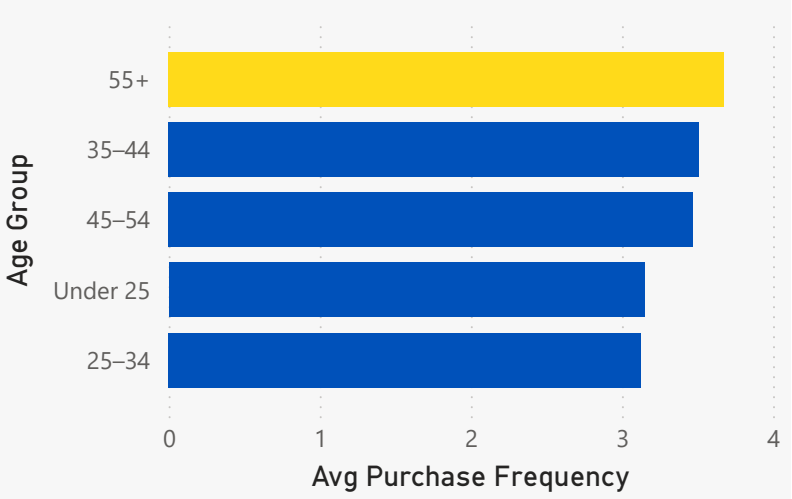
Repeat Intensity by Customer Tier



Top Categories Among Loyal Customers

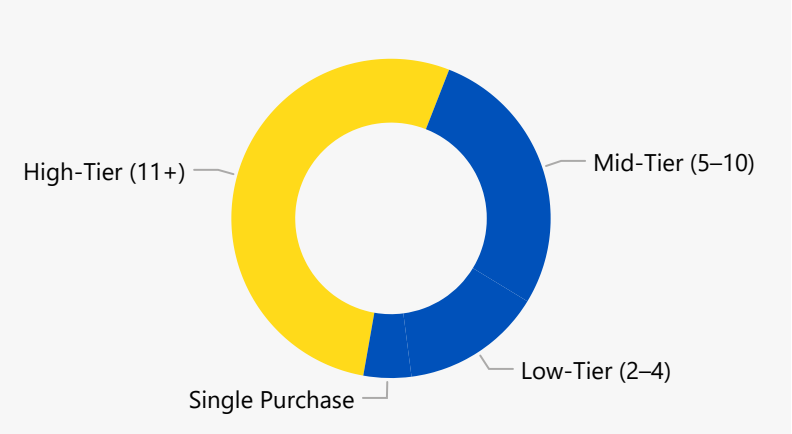


Repeat Purchase Frequency by Age Group



Highlighted bars indicate highest repeat frequency

Customer Mix Across Loyalty Depth





Promotion & Loyalty Impact

Despite high promotion usage (51%) and increased average spend, churn remains elevated (51.67%), indicating that promotions drive short-term revenue but fail to build long-term loyalty. Retention is more strongly influenced by loyalty tier effectiveness and reward redemption than by promotional discounts alone.

51.67

Churn Rate (%)

84.67

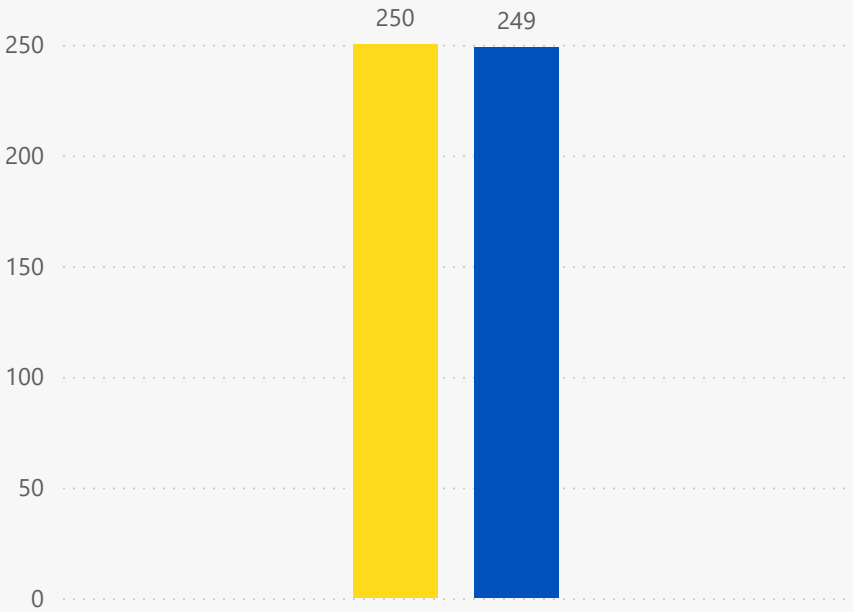
Repeat Rate %

51.00%

Promotion Usage Rate (%)

Average Spend With vs Without Promotion

● Avg Amount (With Promotion) ● Avg Amount (Without Promotion)

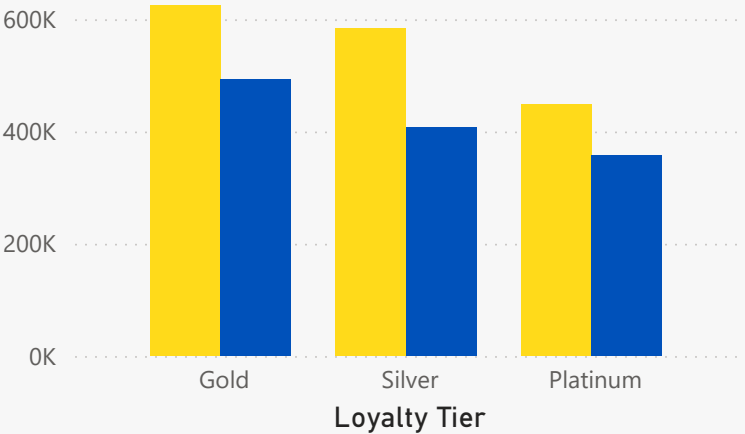


Retention Decision Levers

- Shift from **blanket promotions** to **tier-based rewards**
- Reduce churn by improving **points redemption accessibility**
- Redesign Platinum benefits to **reward engagement, not spend alone**

Total Points Earned and Total Points Redeemed by Loyalty_Tier

● Total Points Earned ● Total Points Redeemed



Region

All

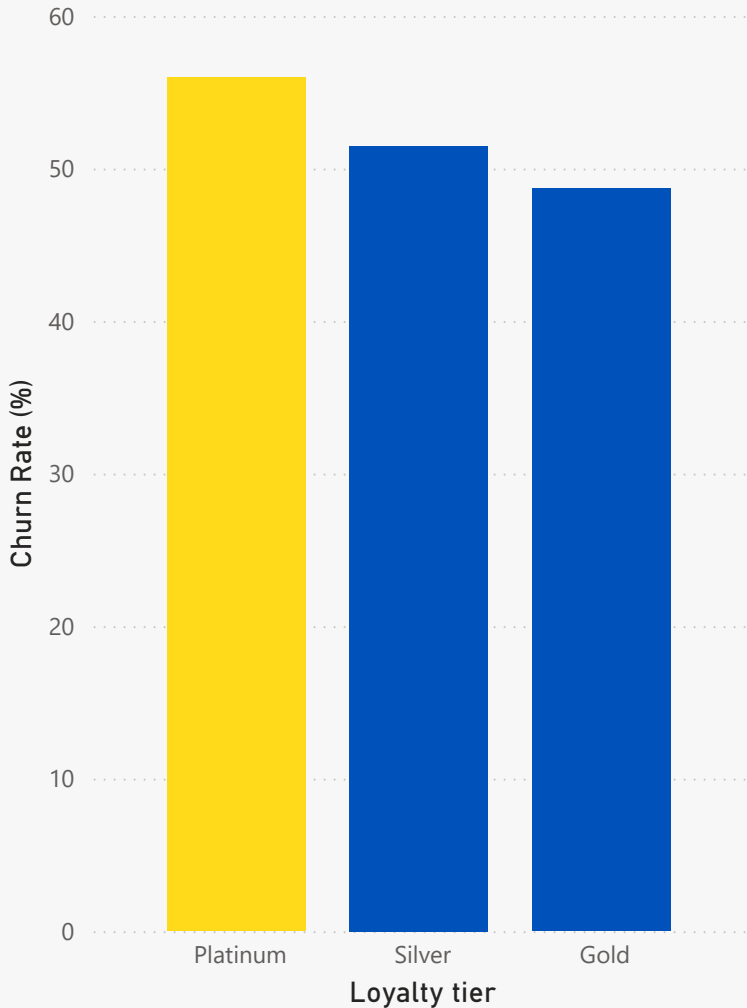
Loyalty_Tier

Gold

Platinum

Silver

Loyalty Tier Effectiveness vs Churn



155

Churned Customers

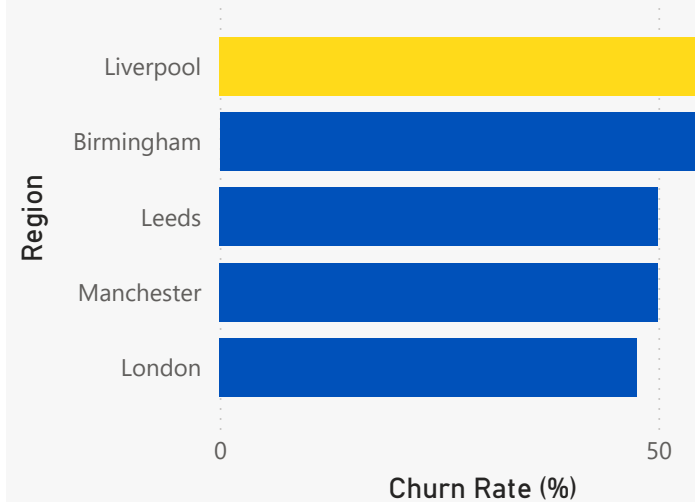
48.3

Retention Rate (%)

51.7

Churn Rate (%)

Churn Rate by Region (High-Risk Areas Identified)



Filter by Region

☐ Birmingham

☐ Leeds

☐ Liverpool

☐ London

☐ Manchester

Average Spend by Store Type



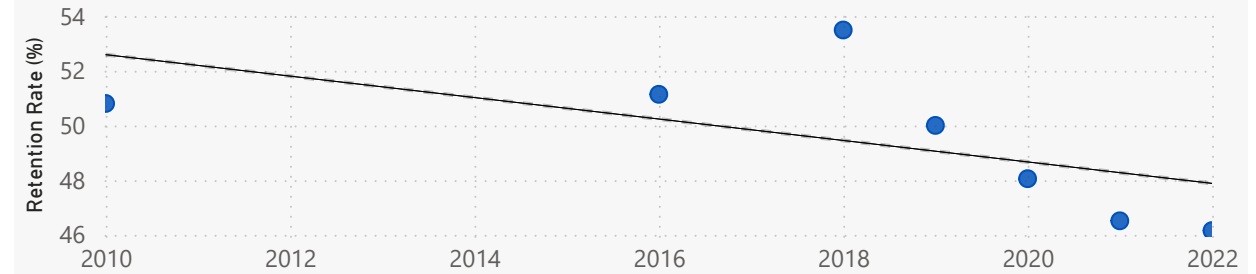
Store-Level Action Focus

- Prioritize **Liverpool & Birmingham** for retention campaigns
- Support **newer stores (2019–2022)** with onboarding & local engagement
- Use **Superstores** as retention hubs, not just revenue centers

Store & Region Insights

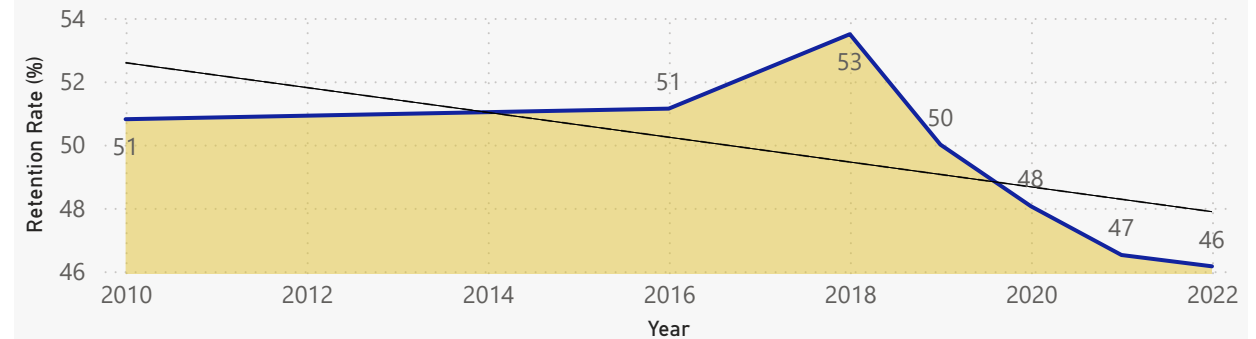


Store Maturity vs Retention Performance



Declining retention trend observed post-2018

Retention Rate (%) by Year



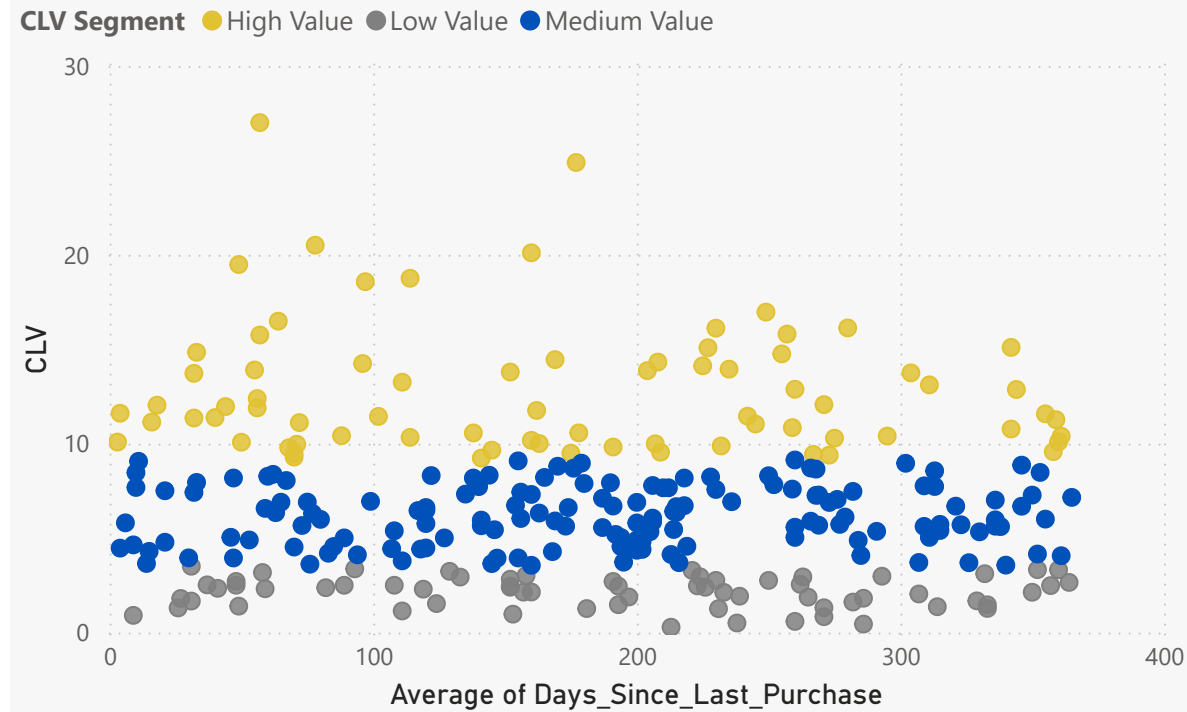
Region	Total Customers	Churned Customers	Churn Rate (%)
Birmingham	65	36	55.38
Leeds	60	30	50.00
Liverpool	54	30	55.56
Manchester	60	30	50.00
London	61	29	47.54
Total	300	155	51.67



Store & Region Insights

High-CLV customers with long inactivity periods represent silent churn risk and should be prioritized for reactivation

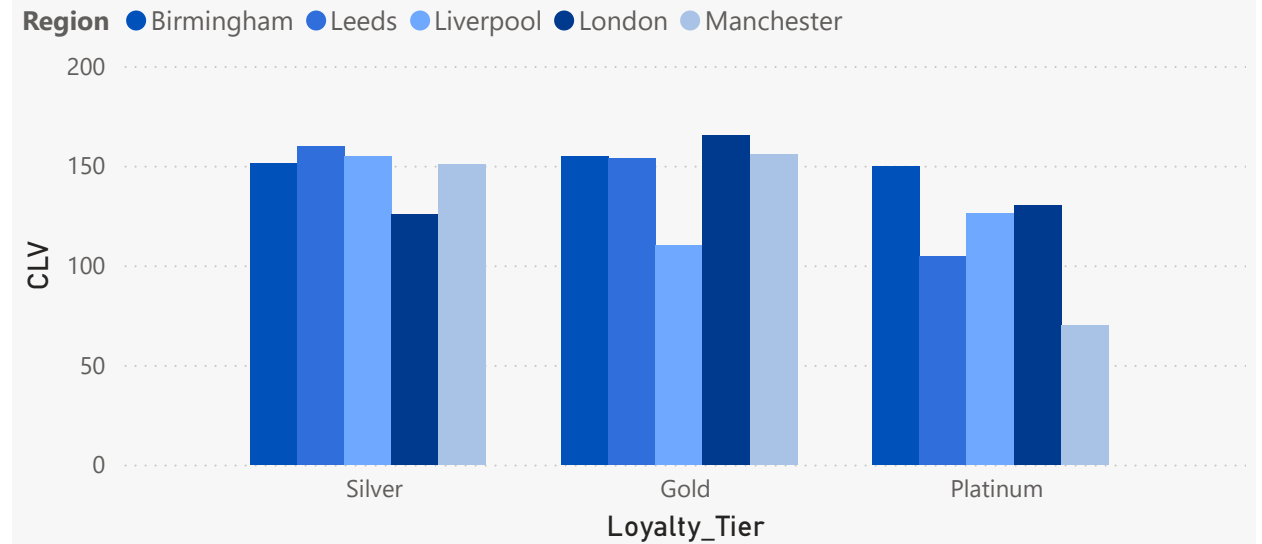
Customer Value vs Inactivity Risk



A small group of customers contributes a disproportionately high share of total CLV. High-value customers with extended inactivity represent hidden churn risk. CLV varies across regions and loyalty tiers, indicating opportunities for targeted retention.

Gold and Platinum tiers contribute disproportionately to customer value across regions

CLV Distribution by Loyalty Tier & Region



IKEA should stop blanket promotions and instead target high-CLV inactive customers in Liverpool and Birmingham with tier-specific reactivation offers, as promotions alone are not improving retention

Region

Birmingham

Leeds

Liverpool

London

Manchester