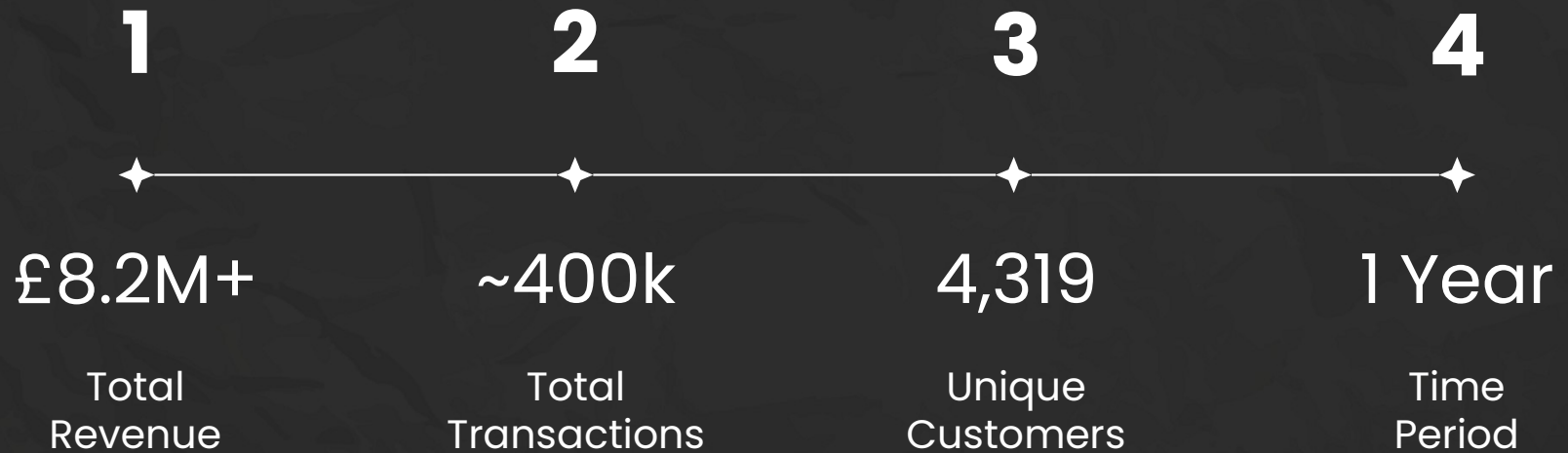# Campaign Blueprint

A Data-Driven Strategy for Unlocking Customer Value in Online Retail
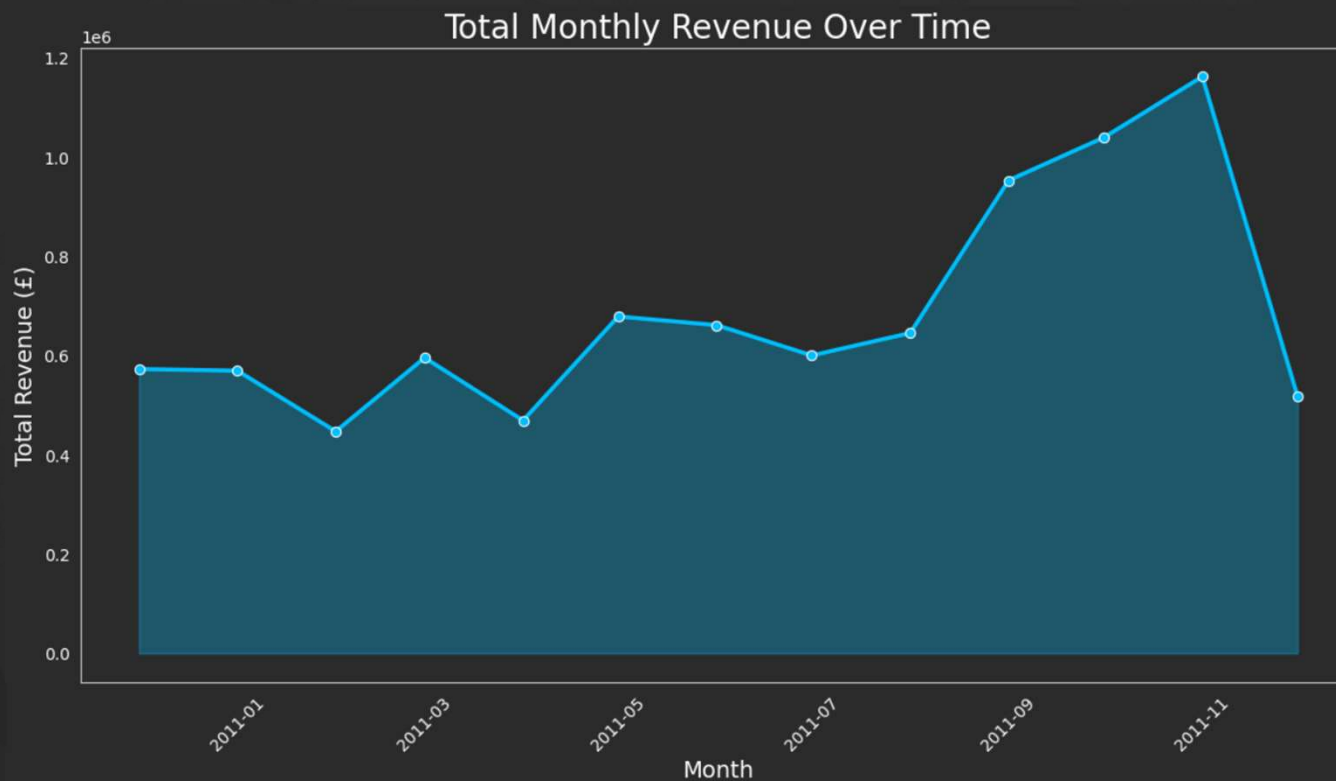
The Challenge & Our Objective

How can we move from a 'one-size-fits-all' marketing strategy to a data-driven approach that focuses our efforts on the right customers? Our objective is to use RFM analysis to segment customers into actionable groups and design targeted campaigns to increase their value.

The Business Landscape: A High-Level Overview

1

£8.2M+

Total
Revenue

2

~400k

Total
Transactions

3

4,319

Unique
Customers

4

1 Year

Time
Period

The Business is Driven by a Strong Seasonal Peak

Total Monthly Revenue Over Time

The business shows a massive revenue spike in November, confirming the pre-holiday season is the most critical period for sales and customer acquisition.
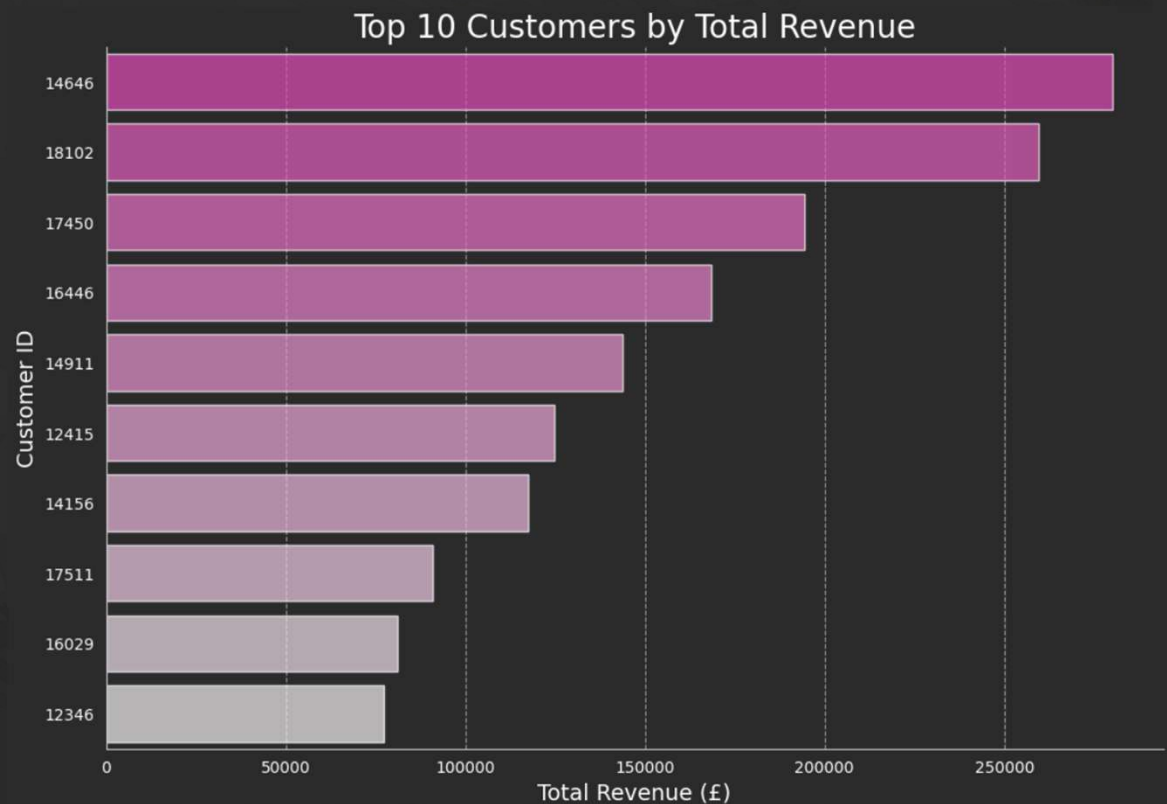
A Small Group of VIPs Drives a Huge Portion of Revenue

17%

....of all revenue comes from just the **Top 10 Customers** which is less than

0.25%

of the customer base


Top 10 Customers by Total Revenue

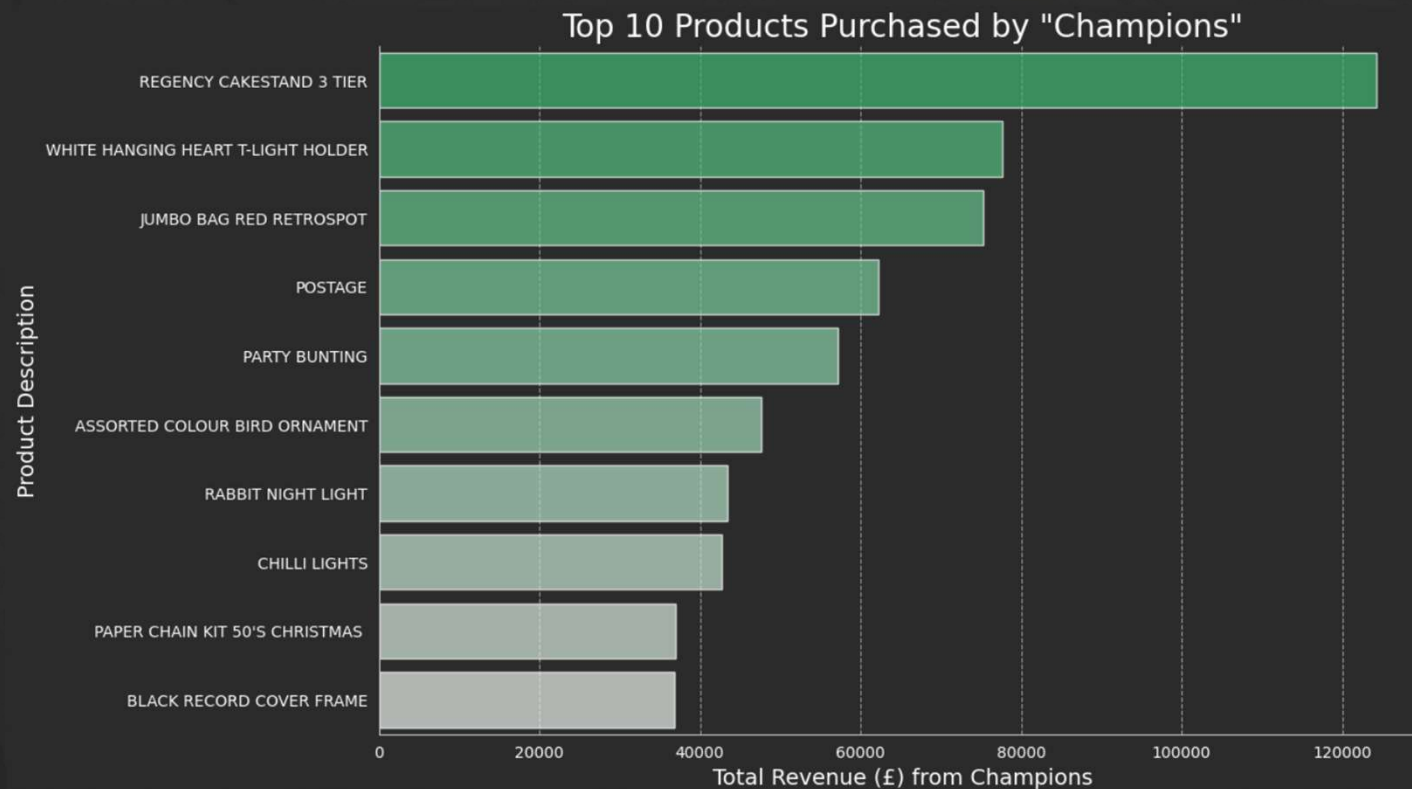# The Solution: Segmenting Customers with RFM Analysis

01 **Calculate RFM**

Analyze transaction data to get Recency, Frequency, and Monetary values.

02 **Assign Scores**

Use quantiles to convert raw values into a 1-4 score for each RFM dimension.

03 **Create Segments**

Sum the scores to create final, segments like "Champions" and "At Risk."

The Result: Meet Our Five Customer Personas

Our customer base is very healthy. Our two best segments, **Champions** and **Potentially Loyal**, make up a massive **67%** of all customers.

37%
Champions

30%
Potentially Loyal

12%
Can't Lose

11%
At Risk

10%
Lost
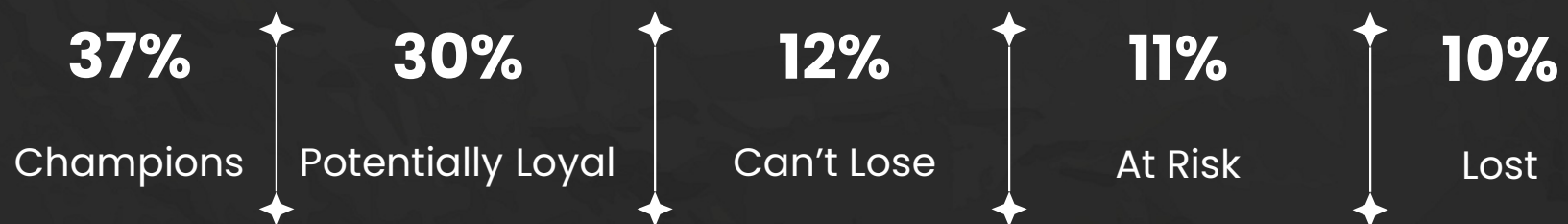
Our Best Customers Have Unique Tastes

Top 10 Products Purchased by "Champions"

The overall #1 best-seller is **not** in the Champions' Top 10. To engage our best customers, we must personalize.

A Targeted Campaign for Our "Champions"

Tactic 1:

"The Curated Welcome Offer"

Goal:

Drive immediate sales & reinforce loyalty.

Execution:

A personalized discount on a product from their "Top 10" list that they haven't purchased yet.

Tactic 2:

"Complete the Look" Bundles

Goal:

Increase Average Order Value (AOV) & product discovery.

Execution:

Bundle products by affinity — e.g., 'Regency Hostess Set' with cake-stand and t-light holders.

Tactic 3:

"The Inner Circle Program"

Goal:

Foster long-term loyalty & create brand advocates.

Execution:

Give exclusive early access to new collections, creating a sense of insider privilege.

Next Steps & How We'll Measure Success

Next Steps

- Launch the "VIP Collection" email campaign.
- Build a Market Basket Analysis.
- Create a dashboard to track the following KPIs

KPIs

- Increase in Purchase Frequency
- Increase in Average Order Value (AOV)
- Higher Customer Retention Rate