# Optimizing Early Purchase Incentives Based on User Behavior

**Analyzing First Purchase Timing & Long-Term Frequency** 















### Uuden asiakkaan etu: 0€:n kuljetusmaksut 14 päivää rekisteröitymisestä

Ei ole yhdistettävissä muihin tarjouksiin

Tarjous on voimassa 10.3.2025–14.7.2025 tai kampanjoiden maksimirajaan saakka sen mukaan, kumpi täyttyy ensin

Uudet Wolt-käyttäjät nauttivat 0€:n kuljetusmaksuista 14 päivän ajan käyttäjätilin luomisesta.

Tarjous on rajattu kuljetusmaksuihin. Palvelumaksu on voimassa normaalisti.

### **Wolt's current strategy:**

"First purchase within 14 days = free delivery"

← Encourage first purchase within 14 days after registration

#### **Questions**:

- 1. What is the relationship between early purchase behavior and long-term purchase frequency?
- 2. How can Wolt optimize its promotional strategies by segmenting users based on their first purchase timing?







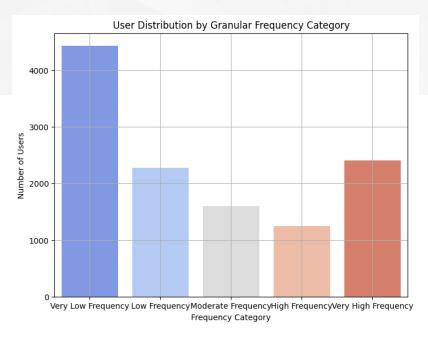




# **Key Metrics & Segmentation**

### **Purchase Frequency**

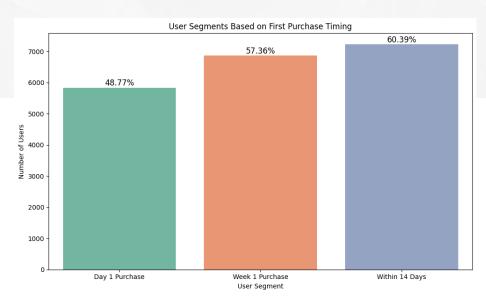
Formula: PURCHASE\_FREQUENCY = PURCHASE\_COUNT / USAGE\_DAYS



- Very High Frequency: ≥ 1 purchase per day
- High Frequency: ≥ 1 purchase every 14 days
- Moderate Frequency: ≥ 1 purchase every 30 days
- Low Frequency: ≥ 1 purchase every 60 days
- Very Low Frequency: < 1 purchase every 60 days

### Early purchase behavior:

# compare the first purchase day and registration day



- First Day Purchase: Indicates whether the user made a purchase on the registration day.
- First Week Purchase: Indicates whether the user made a purchase within the first 7 days after registration.
- First 14 Days Purchase: Indicates whether the user made a purchase within the first 14 days.
- Second Week Purchase: Indicates whether the user made a purchase between days 8 and 14.

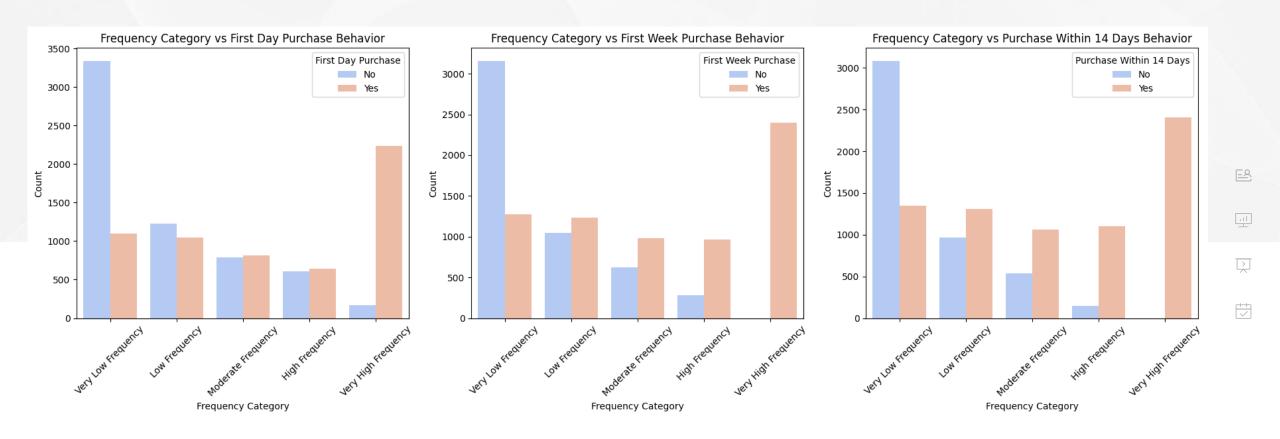








# **Insight 1 – Very High Frequency Users**



Almost all very high-frequency users made their first purchase within the **first week**, even if not on the **first day**.

# **Insight 2 – T-Test Results**

	T-statistic	P-value
First Day Purchase	7.6207	2.76e-14
First Week Purchase	24.5852	1.41e-129
Purchase Within 14 Days	23.9820	1.45e-123
Second Week Purchase	-1.4618	0.144

- Significant correlation between early purchases (Day 1, Week 1, 14 Days) and frequency, especially week1 and 14 days
- Week 2 purchase is not significant
   Suggests first-week behavior is most relevant



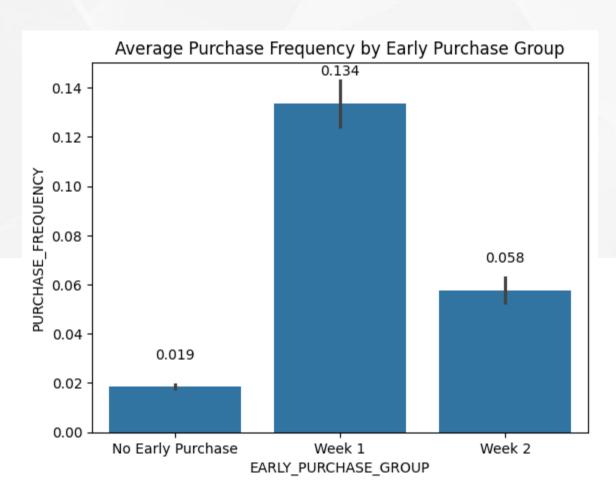








# **Insight 3 – Purchase Timing & Frequency Comparison**



Statistic	Value
F-statistic	3.075558e+02
P-value	2.779157e-130

ANOVA across early purchase groups (Week 1, Week 2, No Early Purchase) confirmed significant differences in purchase frequency (p < 0.001), highlighting Week 1's key role.

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Week 1 buyers have the highest average frequency.



# Insight 4 – OLS Regression Results

	Coefficient	Std. Error	t-value	p-value
First Week Purchase	0.11230	0.004568	24.585182	1.414996e- 129
Purchase Within 14 Days	0.10969	0.004574	23.982015	1.451812e- 123

- Both are positively related to frequency;
- "First week purchase" shows a slightly stronger effect.



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# **Key Takeaways**

- Week 1 is the most critical period for habit formation
- Users who purchase in Week 1 are more likely to become highfrequency customers
- Second week is not predictive of long-term behavior

## Recommendation

- Keep the 14-day free delivery incentive
- Add a new bonus for first-week purchases, e.g.:
  - Free delivery plus a lottery entry
  - Lottery rewards: another discount/free delivery if they order again within a week
- Goal: Reinforce short-term habit, maximize long-term value









