Potential Mid-Value Insight in AWS SaaS Ecosytem

A Data-Driven Segmentation Strategy for Retention and Growth

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BONUS
INSIGHT

POTENTIAL MID-VALUE CUSTOMER

After the **filtering categorization** process, it was found that a **significant number of high-profit customers** are actually **concentrated within the Mid-Value segment.**

MID-VALUE CUSTOMERS DRIVE 50% OF THE TOP 10 PROFIT PERFORMERS

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Customer	Monetary	Customer_value	Length	Recency	Frequency	L_Score	R_Score	F_Score	M_Score	LRFM_Score
Valero Energy	103.086.297	Mid-Value	1368	16	58	2	2	3	4	11
Coca-Cola	94.490.246	Mid-Value	1393	10	38	3	3	1	4	11
Trafigura Group	88.678.252	Mid-Value	1392	8	52	3	3	2	4	12
Mondelez International	85.776.524	High-Value	1423	3	61	4	4	4	4	16
Lowes	79.374.915	High-Value	1433	8	58	4	3	3	4	14
Lukoil	71.170.922	High-Value	1427	3	53	4	4	3	4	15
Siemens	65.195.105	Mid-Value	1414	44	86	3	1	4	4	12
Bank of America Corp.	64.498.554	Mid-Value	1285	10	65	1	3	4	4	12
Kroger	62.561.005	High-Value	1432	2	76	4	4	4	4	16
Anthem	59.532.038	High-Value	1440	8	58	4	3	3	4	14

THE L_SCORE, R_SCORE, AND F_SCORE COLUMNS WITH VALUES BELOW 4 INDICATE CUSTOMER BEHAVIOR AREAS THAT ARE NOT YET FULLY OPTIMIZE

LRFM
INTERPRETATION

- L_Score < 4 → Customers have not yet established a long-term relationship (new or sporadic).
- R_Score < 4 → Customers have not made recent transactions, indicating a potential churn risk.
- F_Score < 4 → Customers transact infrequently, showing low engagement intensity.

PROFIT VS BEHAVIORAL CONSISTENCY

This indicates that some high-profit customers **have not yet achieved consistent behavioral patterns** (high frequency, low recency, or long relationship duration).

In other words, while these customers contribute significantly to profit, they lack consistent loyalty and purchasing frequency.

MID-VALUE VS HIGH-VALUE

This visualization presents the top 20 most profitable customers across all segments.
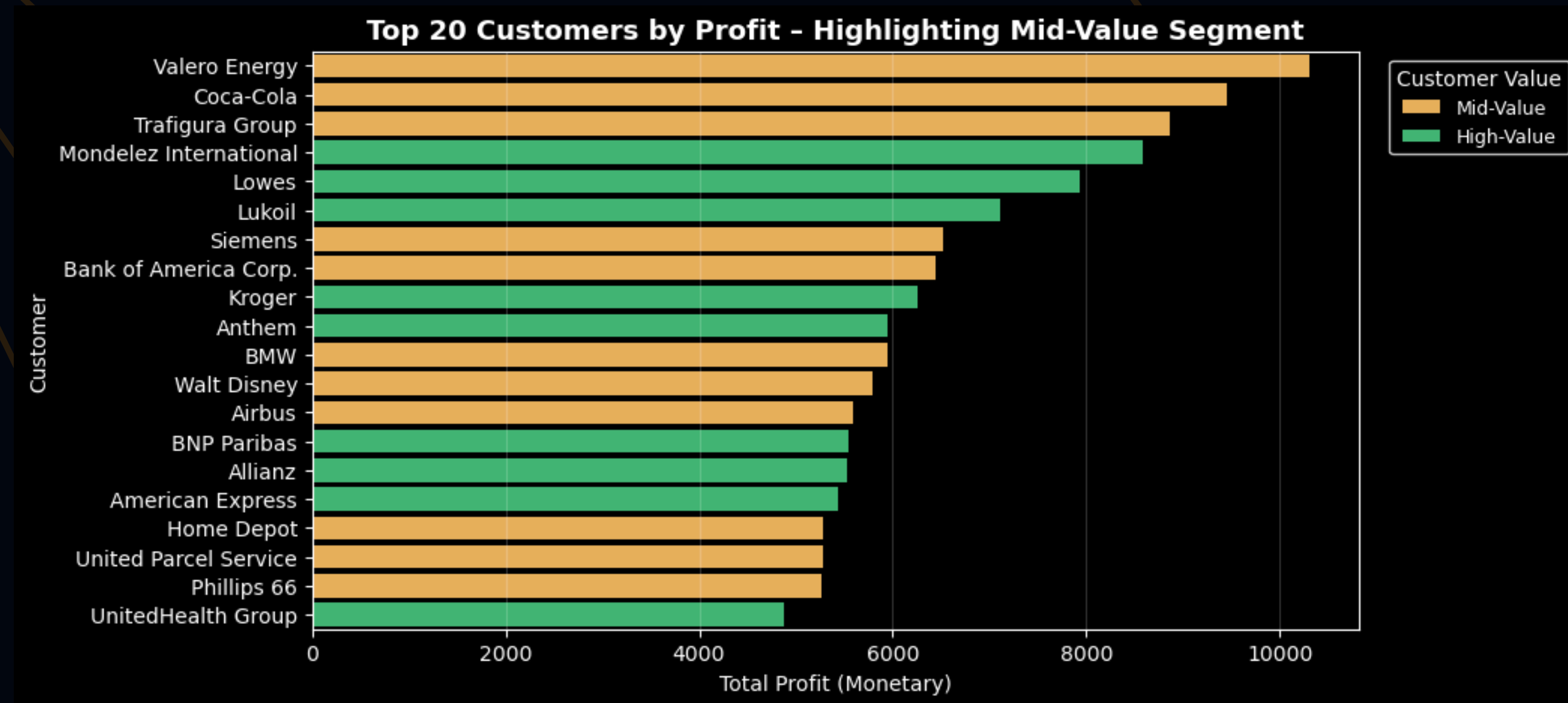
Interestingly, several Mid-Value customers (highlighted in orange) **outperform some High-Value customers in total profit**.

CONCLUSION & RECOMMENDATION

WHAT IS EXACTLY HAPPENS ON MID-VALUE CUSTOMERS

Most customers exhibit the following characteristics:

- High Length (≥1,300 days) → long-term relationship with AWS,

- High Recency (8–28 days) → limited recent activity,

- Moderate Frequency (38–86 transactions) → not yet highly active,

- L, R, and F scores below 4 → not yet meeting the criteria of the most loyal customers.

Thus, these high-profit Mid-Value customers represent AWS's *"hidden gems"* — they generate substantial profit but lack behavioral consistency and stability.

RECOMMENDATION FOR
MID-VALUE CUSTOMERS

Key Strategies

1. **Reactivate customers** with **high Recency** (e.g., Walt Disney, Airbus) through **targeted re-engagement initiatives**.

2. **Encourage** active customers (such as Siemens and Bank of America Corp.) to move into the High-Value segment via **Personalized Account Management.**

3. Develop **profit-based engagement** and **loyalty programs** to maintain their contribution and **strengthen long-term relationships**.

If AWS can i**ncrease the frequency** and a**ctivity of these customers**, they hold strong **potential to evolve into High-Value Customers**, delivering a **significant impact on long-term profitability**.