

Executive Summary: Customer Analysis

Analysis Period: January 1, 2023 – March 18, 2025

Coverage: 35 stores across 7 countries (USA, China, UK, Portugal, Germany, Spain, France)

Customer Profile

1. Gender:

- Women: 49%
- Men: 51%

2. Age (Under 35):

- 32% under 22
- 49% under 27
- 66% under 35

3. Geographical Distribution:

- Eurozone: 42%
- USA: 24%
- China: 23%
- UK: 11%

4. Payment Methods:

- Credit card: 80%
- Cash: 20%

Customer Profitability. LTV (revenue from 1 customer in the first 6 months of life):

1. Women vs. Men:

- Women's LTV is **37% higher** (€126 vs. €92).
- Key drivers:
 - **Higher retention:** 58% (women) vs. 34% (men).
 - **More repeat purchases:** 1.7 (women) vs. 1.3 (men).
 - **Larger repeat order value:** €109 (women) vs. €83 (men).

2. By Country:

- **Highest LTV:**
 - China (€121) – due to larger purchase sizes (€100 vs. avg. €100).
 - Portugal (€119) – due to high retention (52% vs. 46% avg.).
- **Lowest LTV:** UK (€89) – due to smaller purchase sizes (€81 vs. avg. €100).

3. No Impact on LTV:

- Payment method.
- Age (except **66+ group**, 1% of customers, with 6% higher LTV).

4. No Correlation Found:

- Retention rate, purchase frequency, and repeat order size **do not depend on:**
 - First purchase value.
 - Number of items in first purchase.

Trends Over Time

1. **Decline in LTV:**

- **November 2023:** LTV dropped by **31%** (requires further investigation).

2. **Shrinking Gender Gap:**

- Women's LTV advantage decreased from **54% (Jan 2023)** to **18% (Aug 2024)**.

3. **Retention Shifts (Since Nov 2023):**

- **Decreasing retention:** USA & Portugal.
- **Increasing retention:** China.

Next Steps

- Investigate the **November 2023 LTV drop** (potential causes: pricing, competition, supply chain).
- Monitor the **shrinking gender gap** to adjust marketing strategies.
- Explore **country-specific trends** (e.g., declining retention in the USA vs. growth in China).