

# 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).