

**Top Proven Customer Targeting Tactics!**

# **How To Get 3X Sales With Customer Segmentation**



# RFM Analysis

Are you facing poor conversion rates inspite of setting up the best email marketing campaigns?

Then, the number one reason for it is you **aren't targeting the right customer segment.**

Because each customer segment responds differently to a particular marketing campaign.

So, it is absolutely necessary to categorize your customers based on their buying behavior and then reach out to each customer segment with a different approach **and not the same for your entire customer database.**

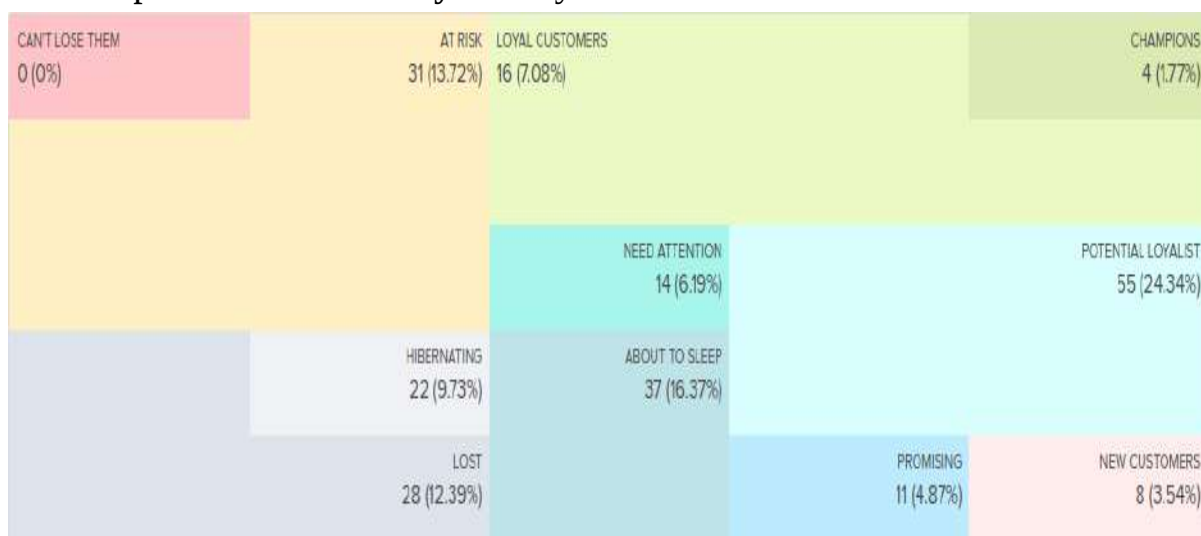
To achieve that, you need **RFM (Recency, Frequency, Monetary) analysis.**

**RFM** is a proven marketing model for behaviour based customer segmentation. It groups customers based on their transaction history – how recently, how often and how much did they spent. [Here's a complete walkthrough.](#)

Today, there are many tools available that provide RFM analysis based on your business. One such amazing tool present today is **Putler**.

**Putler** is an **E-commerce Reporting System**. It provides accurate reports on sales, products, customers, subscriptions and more.

Putler also provides **RFM analysis** for your business as shown below.



## Do Your Maximum Customers Fall Under The Champions Segment?

Suppose you promote offers on high end products to all your customers. But you will notice only a few turned up. This is because only your top paying customers were interested in it and not all.

Hence, this document will quickly acquaint you with each customer segment and what strategies you can apply for each to boost your conversion rates and sales.

Based on your customer database, the following are the 11 different customer segments provided by Putler:-

1. [Champions](#)
2. [Loyal Customers](#)
3. [Potential Loyalist](#)
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## Champions

Defn - They are your best customers. These customers recently made a purchase, buy often and that too the most expensive / high-priced items from your store.

### Strategies-

- ✓ **Give rewards:** Gift them one of your popular products. This will instigate more purchase orders from these customers in the future.
- ✓ **Build credibility:** Showcase these customers wherever you can - may it be on reviews page with testimonials or social media. They will help promote your brand further.
- ✓ **Promote New Products:** Since Champions are frequent buyers, your new products will always be on their radar. Notify them with attractive newsletters regularly.



## Loyal Customers

Defn - This category of customers may not have purchased very recently but they surely buy often and that too expensive / high-priced products.

### Strategies-

- ✓ **Take feedbacks and surveys:** Ask for feedback from these customers regularly to understand if they are satisfied with your products or not. This will help you learn what they expect in future.
- ✓ **Upsell your products:** Studies have proved that repeat customers spend more on next purchase! Hence, you can up-sell your products to them to gain extra profits.  
TIP - Learn more on setting up [One-Click-Upsell](#) for your WooCommerce online store.
- ✓ **Present Bonuses:** Providing some bonus to loyal customers initiates more future purchase. For example, providing a free shipping for a limited period can be one of the bonus.



## Potential Loyalist

Defn - Potential Loyalist customers, though don't buy on regular basis, they are recent buyers and spend a good amount on product purchases.

### Strategies-

- ✓ **Offer loyalty program:** Present them a loyalty program or maybe an elite club membership so as to not lose them.
- ✓ **Run contests:** Keep these customers in loop by running contests having attractive prices.
- ✓ **Make them feel special:** Connect with these customers by wishing them on their birthdays, anniversaries etc.  
TIP - Give them a small gift card or reward points on these special days.



## New Customers

Defn - As the name suggests, they are the most recent buyers, purchased the lowest priced items and that too once or twice.

### Strategies-

- ✓ **Provide onboarding support:** Guide your new customers with an onboarding kit – welcome email, product guide, etc.
- ✓ **Gift them discounts:** Welcome your new customer with some discount points or coupons on their next purchase to bring them back next time.
- ✓ **Build relationship:** Offer help at every stage. Respond to queries, ask for feedback to prevent them from getting churned.



## Promising Customers

Defn - These segment of customers are those that bought recently and purchased lowest priced items.

### Strategies-

- ✓ **Provide a free trial:** Give them a limited period free trial with premium features of your product and let them decide to purchase after the expiry period.
- ✓ **Create brand awareness:** If you plan to conduct an event, invite these customers to it with an offer on your premium products but for a limited time period.  
TIP - Promote event on social media as well to get the non-subscribers onboard.
- ✓ **Offer an add:** If you are planning for an advertisement, sign-up these customers for it and let them promote your product on a condition that they subscribe for your product.



## Customers Needing Attention

Defn - These customers may not have bought recently, but they spent a decent amount of money quite a few number of times.

### Strategies-

- ✓ **Offer combo products:** Go through their past purchases and strategize on which combinations of products or offers you can provide to them.
- ✓ **Get Nostalgic:** Showcase them their old purchases and offer them trending products for a limited time period offer.  
TIP - Know the [Top 5 factors](#) that influences customers buying behaviour.
- ✓ **Play a Prank:** Involve your customers in a prank that revolves around your products to keep customers engaged with your products.  
TIP: Refer this [Top 10 marketing inspiration pranks](#) to know more!



## About To Sleep

Defn - This type of customers did shop for your products but not very recently. Also, they don't purchase often and also don't spend more.

### Strategies-

- ✓ **Share valuable resource:** Let them know how your products are beneficial to customers or give some useful links.
- ✓ **Give your competitor analysis:** Let your customers know how your products are way better than your competitors'.
- ✓ **Give relevant updates:** Provide them with some educational content relevant to your products.



## At Risk

Defn - These customers bought your products frequently, purchased high-priced products. But haven't made any purchase since a long time.

### Strategies-

- ✓ **Offer Credit:** Give them some credit amount on their purchase. Such offers make offers tangible and customers feel it is worthwhile.
- ✓ **Provide a wishlist:** Such customers do add products to their wishlist and keep tracking for the offers on those products. Organize a sale as per their wishlist once in a while.
- ✓ **Upgrade offers:** Every customer likes free upgrades. It is the best way to retain these customers.



## Can't Lose Them

Defn - These customers were frequent buyers and purchased the most expensive/high-priced products but over the time they never came back.

### Strategies-

- ✓ **Tailor services:** Many customers adjust themselves as per the company offers. Target such customers by providing tailored offers.
- ✓ **Make a phone call:** Call them personally and know the reason why they haven't made any purchase. Find out what made them reluctant to purchase.
- ✓ **Connect on social media:** Stay in touch with them through social media and keep them updated about the new launches and offers.

TIP: Learn the best [Social Media Marketing Tips](#) from the pros.



## Hibernating

Defn - These customers purchased only low-end items, that too hardly once or twice and never came back.

### Strategies-

- ✓ **Decide if you want them back:** If the customer was difficult to work with then it's always better to let them go. The last best thing you can do is to make sure your customers have a great experience before leaving.
- ✓ **Review your product:** Most customers may leave because they are not satisfied with the product. Check out the reviews on various sites to understand the real reason.
- ✓ **Send personalized campaign:** Show that you are concerned for them and plan some offers with personalised coupon codes.





## Lost

Defn - As the name suggests, you have lost these customers almost. They never came back. Also, their earlier purchase were the low-end products that too hardly once or twice.

### Strategies-

- ✓ **Understand them:** Research on your lost customers to strategize on how to revive them.
- ✓ **Do one last promotion:** Send a promotion email that says for example, “We Miss You. Here’s your gift- Get 25% off your entire order.”
- ✓ **Ignore completely:** This is the last thing you can opt for. Most probably, this type of customers will not come back. In that case it will be a waste of company’s time and money.