

Table of Contents

1. Introduction: Objectives, Questions, and Approach
2. Zomato customer segmentation overview
3. Demographics: Age, Gender, and Marital Status Across Segments
4. Spending Behavior: Total Spend, Average Order Value, and CLV by Segment
5. Order Patterns: Order Frequency and Preferences Over Time
6. Total Spend, order frequency and Average order value
7. Insights and Recommendations

Introduction: Objectives, Questions, and Approach

Objectives:

The primary objectives of this customer segmentation analysis are to:

1. **Understand Zomato's customer base:** Identify and categorize customers into meaningful segments based on their behavior and purchasing patterns.
2. **Analyze purchasing behaviors:** Determine key behavioral metrics such as order frequency, average order value, and preferred cuisines.
3. **Provide actionable insights:** Offer strategic recommendations to increase customer engagement, retention, and overall revenue based on the identified segments.

Key Questions to Address:

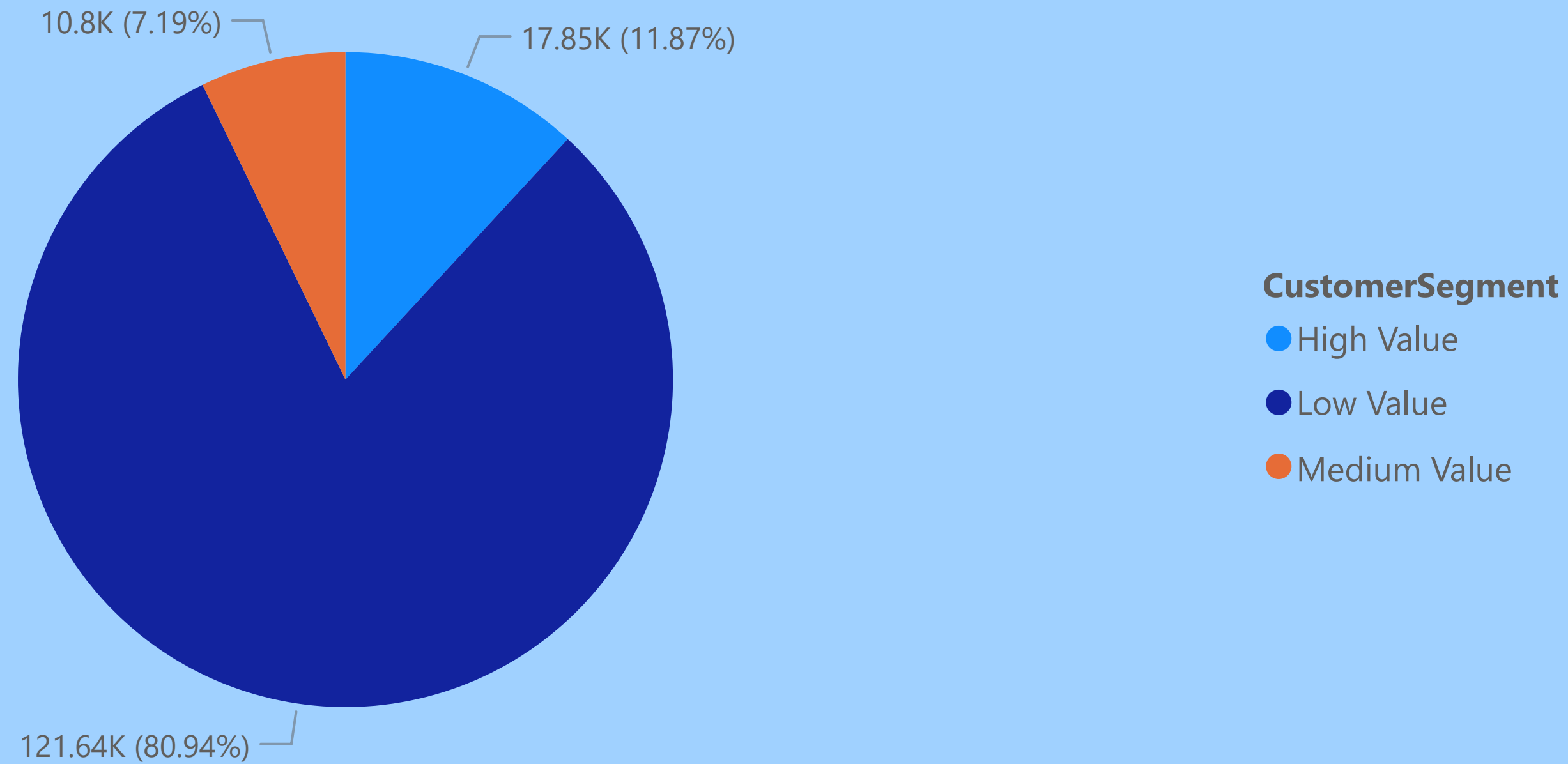
1. **Who are Zomato's customers** (demographics, location)?
2. **How can customers be grouped** into meaningful segments based on their purchasing behaviors?
3. **How frequently do different segments order**, and what is their average order value?
4. **What are the favorite cuisines or menu items** for different customer segments?
5. **Which segments have the highest customer retention**, and which contribute the most to revenue?

Approach:

1. **Data Collection:** Analyze user, order, menu, and restaurant data to gather insights on customer behavior.
2. **Segmentation Analysis:** Use customer purchase patterns (order frequency, total spend, cuisine preferences) to identify key customer segments (e.g., High Value, Medium Value, Low Value).
3. **Behavioral Insights:** Analyze spending habits, order frequency, and retention patterns for each segment.
4. **Strategic Recommendations:** Based on the insights, recommend targeted marketing strategies, loyalty programs, and re-engagement initiatives to improve customer retention and maximize revenue.

Zomato Customer Segmentation Overview

Count of user_id by CustomerSegment



987M

Total Revenue

\$6.56K

Average Order Value

100K

Total Customers

6.51K

Average CLV

Demographics: Age, Gender, and Marital Status Across Segments

Count of CustomerSegment by Age

Age 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33



Count of CustomerSegment by Gender

Gender Female Male



Count of CustomerSegment by Marital Status

Marital Status Married Prefer not to say Single

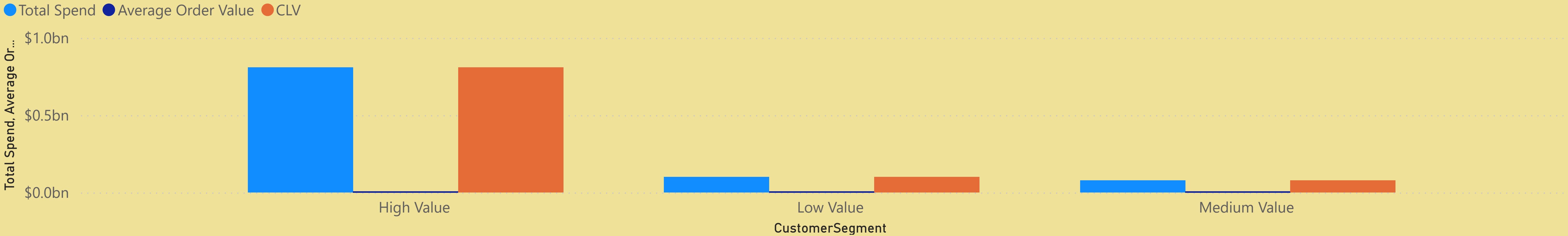


Count of user_id by CustomerSegment and Occupation

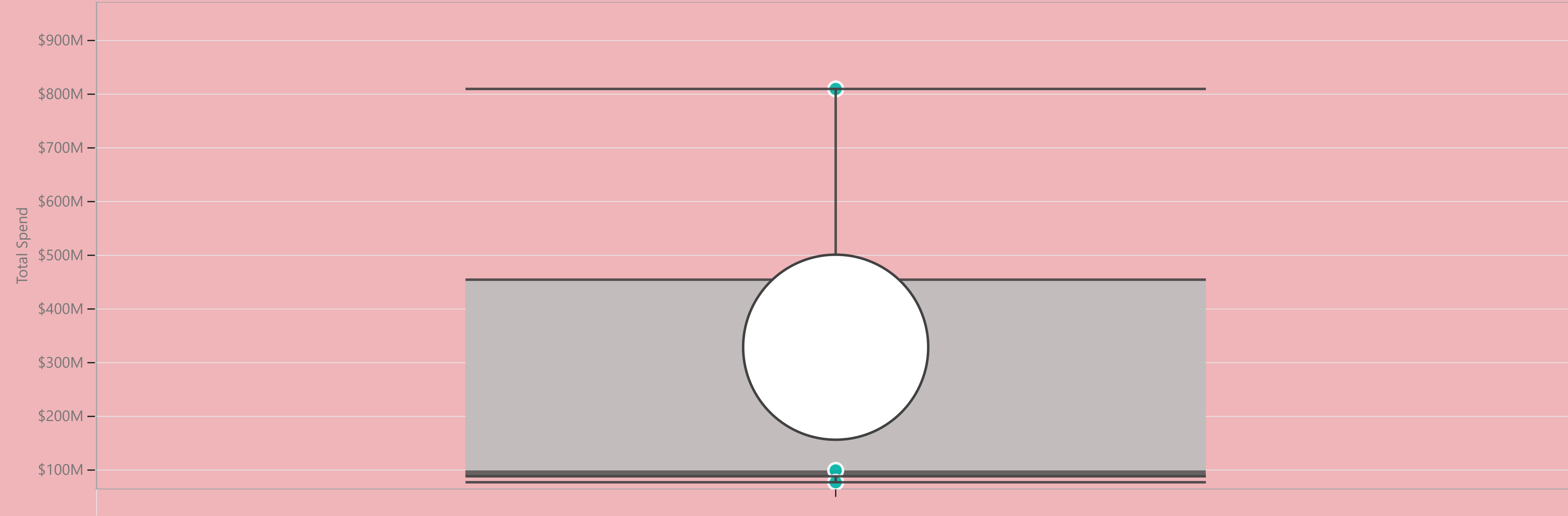


Spending Behavior: Total Spend, Average Order Value, and CLV by Segment

Total Spend, Average Order Value and CLV by CustomerSegment



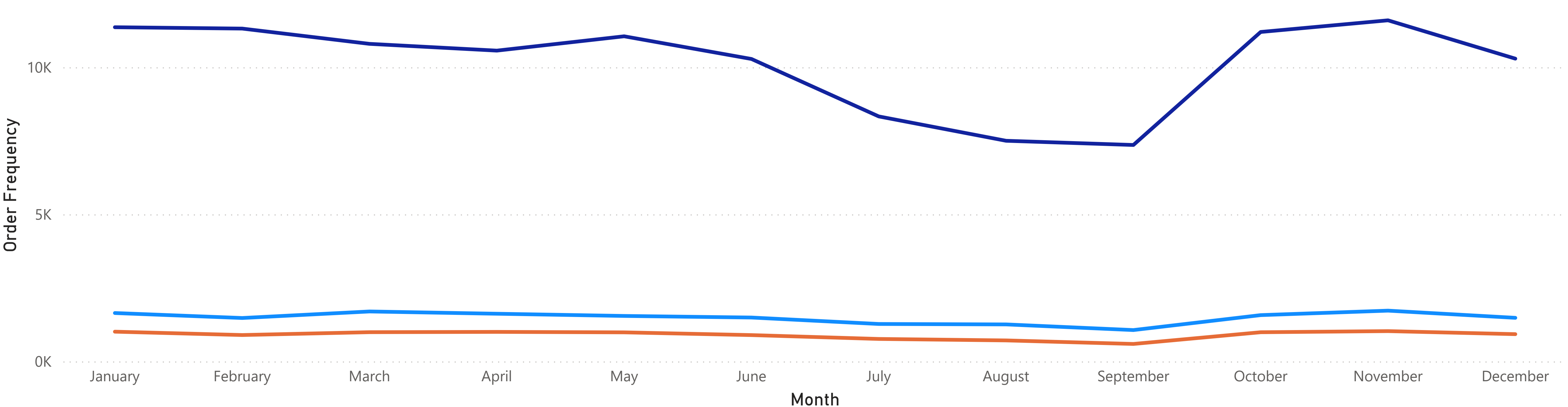
Total Spend by CustomerSegment



Order Patterns: Order Frequency and Preferences Over Time

Order Frequency by Month and CustomerSegment

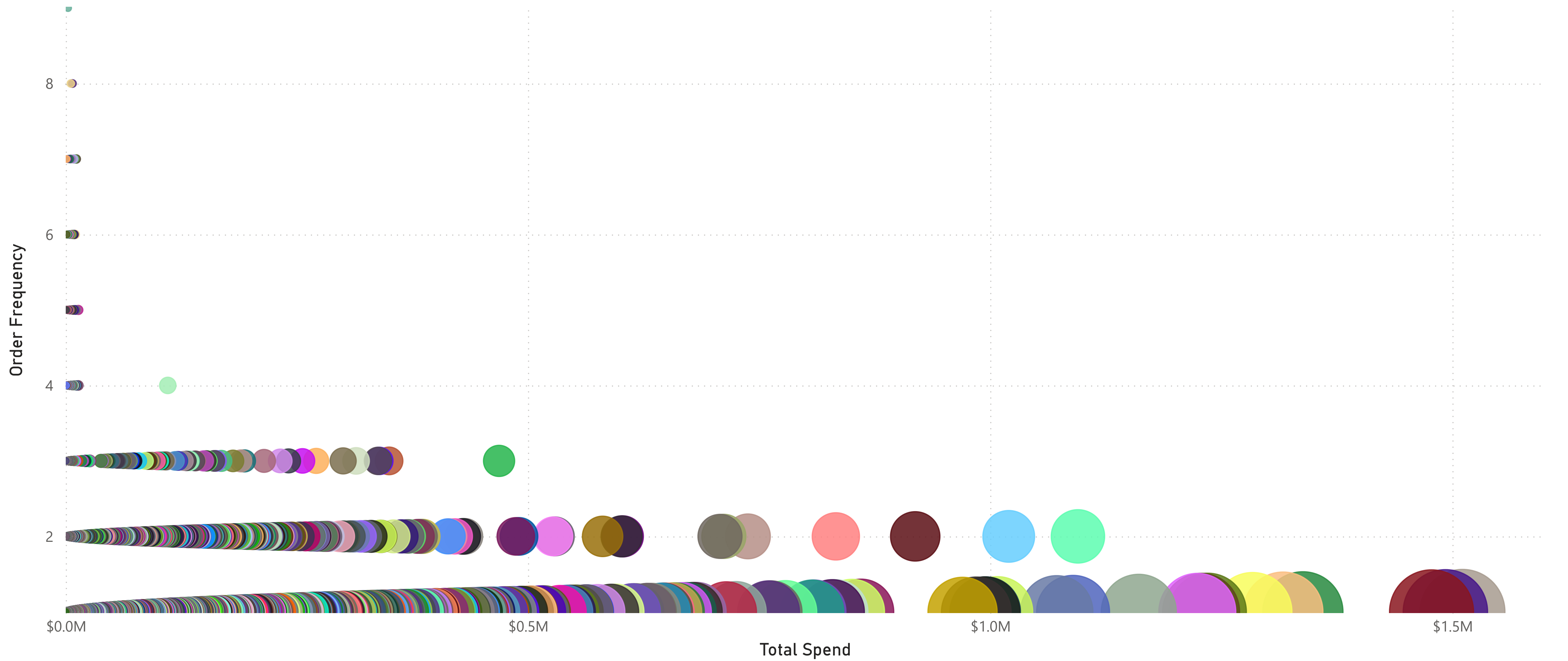
CustomerSegment ● High Value ● Low Value ● Medium Value



CustomerSegment	Afghani,Barbecue	Afghani,Biryani	Afghani,Indian	Afghani,Italian	Afghani,Mughlai	American	American, Beverages, Desserts	American, Biryani, Beverages	American, Continental, Comb
High Value						\$66,546.00			\$193,532.00
Low Value	\$1,245.00	\$889.00	\$3,130.00	\$315.00	\$301.00	\$29,857.00		\$245.00	
Medium Value						\$22,481.00	\$7,685.00		
Total	\$1,245.00	\$889.00	\$3,130.00	\$315.00	\$301.00	\$118,884.00	\$7,685.00	\$245.00	\$193,532.00

Total Spend, Order Frequency and Average Order Value by CustomerSegment and user_id

user_id 13 16 18 36 93 116 119 126 131 154 155 181 306 359 376 399 411 449 450 489 501 508 516 522 527 534 536 537 552 554 ▶



Insights and recommendations

1. Customer Segmentation Overview

Insights:

- **Customer Distribution:** Most customers are low- or medium-value, with high-value customers making up a small portion but generating significant revenue.
- **Key Metrics:** Low average order value and CLV suggest room for improving retention and spending per order.

Recommendations:

- **Retain High-Value Customers:** Offer loyalty programs and exclusive promotions to retain high-value customers.
- **Increase Engagement:** Use targeted campaigns and discounts to boost spending for low-value customers.

2. Demographics: Age, Gender, and Marital Status Across Segments

Insights:

- **Younger Customers:** Likely to prefer fast food and order frequently but with lower spend.
- **Older Customers:** Tend to order higher-value meals and show loyalty to specific restaurants.

Recommendations:

- **Age-Specific Offers:** Target younger customers with fast, budget-friendly deals and older customers with premium offerings.
- **Family-Oriented Promotions:** Offer discounts on group meals for married customers or families.

3. Spending Behavior: Total Spend, Average Order Value, and CLV by Segment

Insights:

- **High-Value Customers:** They generate the bulk of revenue, though they are a smaller segment.
- **Spending Patterns:** Low-value customers order frequently but spend less, while high-value customers spend more per order.

Recommendations:

- **Upsell Low-Value Customers:** Encourage larger orders through bundle deals and add-ons.
- **Reward High-Value Customers:** Provide exclusive offers or VIP rewards to ensure retention.

4. Order Patterns: Frequency and Preferences Over Time

Insights:

- **Order Frequency:** Peaks during weekends and holidays. Younger customers prefer fast food, while older customers lean toward premium cuisines.

Recommendations:

- **Seasonal Offers:** Promote premium meals during peak times and discounts during off-peak.
- **Cuisine-Based Campaigns:** Tailor promotions based on customer segment preferences, such as fast food deals for younger customers.