RFM Metrics

RECENCY

The freshness of the customer activity, be it purchases or visits

E.g. Time since last order or last engaged with the product

FREQUENCY

The frequency of the customer transactions or visits

E.g. Total number of transactions or average time between transactions/ engaged visits

MONETARY

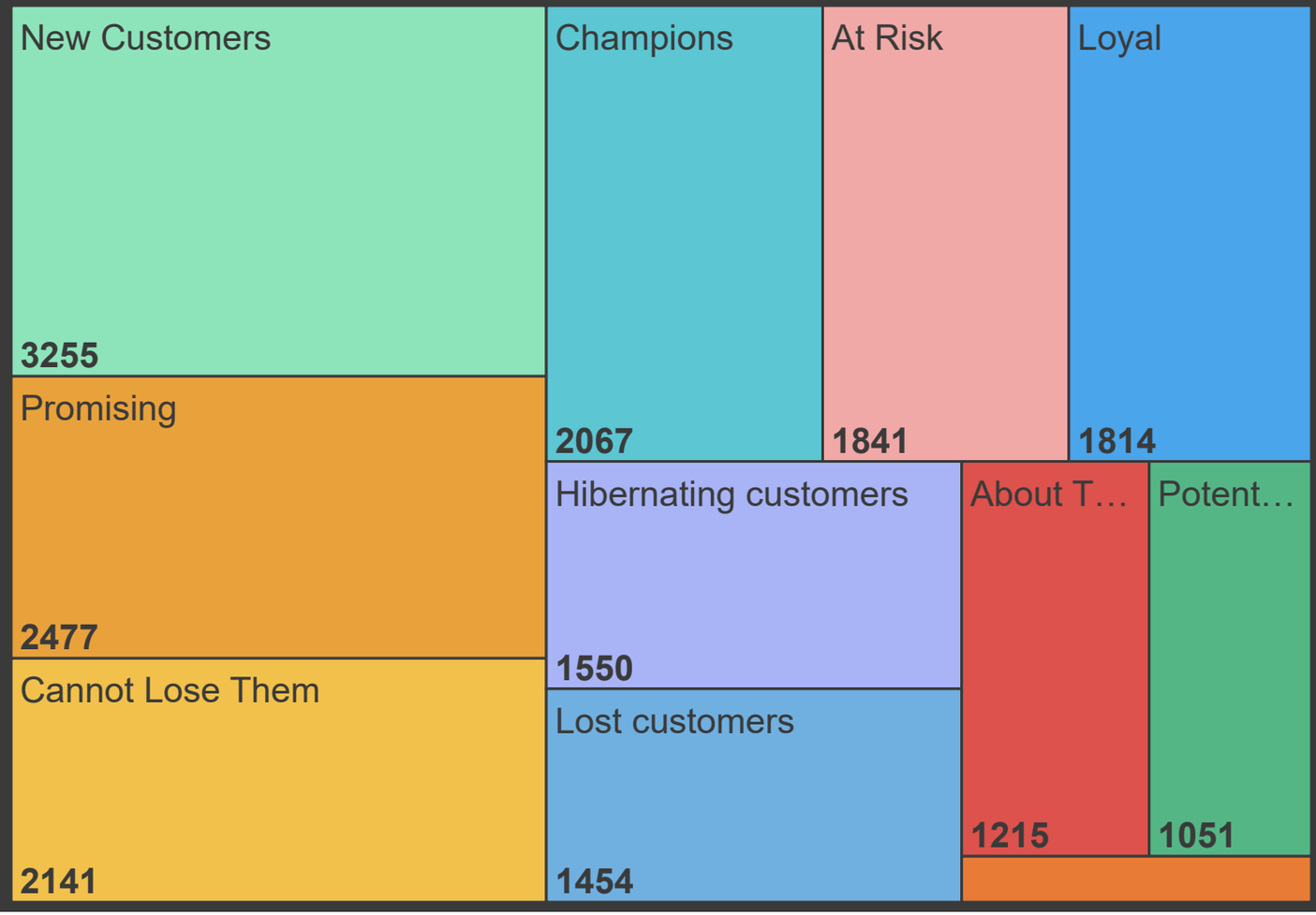
The intention of customer to spend or purchasing power of customer

E.g. Total or average transactions value

RFM Segments

RFM stands for **Recency**, **Frequency**, and **Monetary**, each corresponding to several key customer characteristics: days since last order, total number of orders, and Total Value life. Customers are divided into several groups per score placed on the map below, and each group is associated with one of ten customer segments.

19,820
Customers



Segment	Customers
New Customers	17.02%
Promising	12.96%
Cannot Lose Them	11.20%
Champions	10.81%
At Risk	9.63%
Loyal	9.49%
Hibernating customers	8.11%
Lost customers	7.61%
About To Sleep	6.35%
Potential Loyalist	5.50%
Need Attention	1.38%

RFM Analysis

Recency
Frequency
Monetary

Segment
- About To Sleep
- At Risk
- Cannot Lose T…

3 Average R-Score

2 Average F-Score

3 Average M-Score

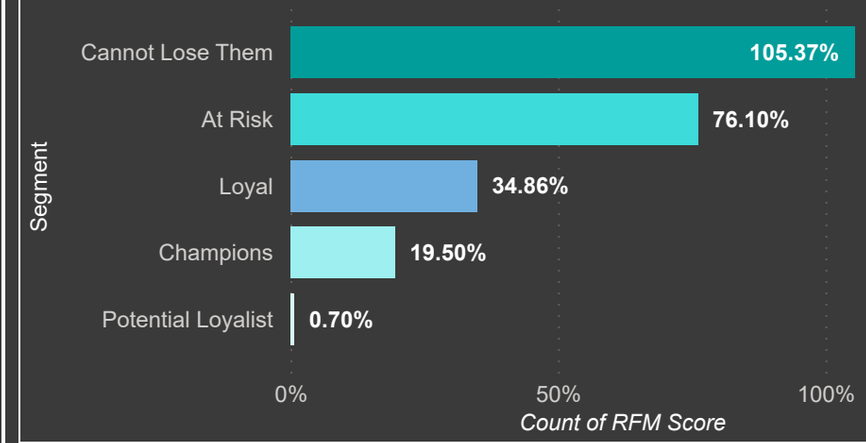
30.71% %Revenue vs LY

1 Recency Value

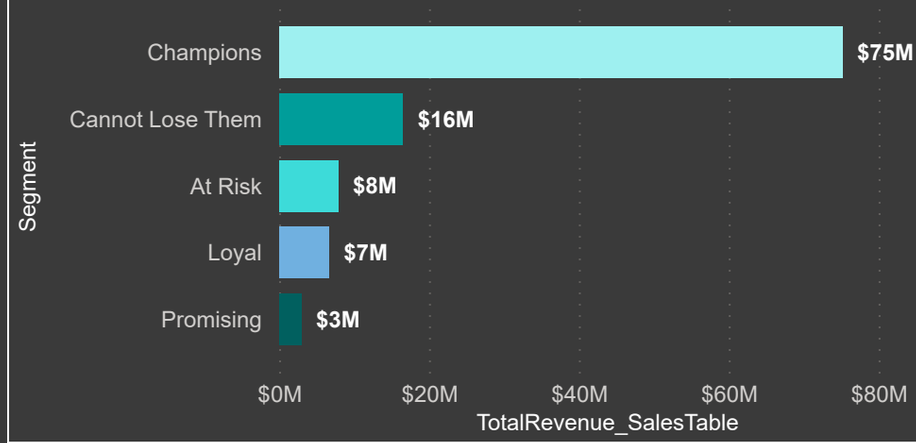
1124 Total Transactions

$109.85M Total Revenue

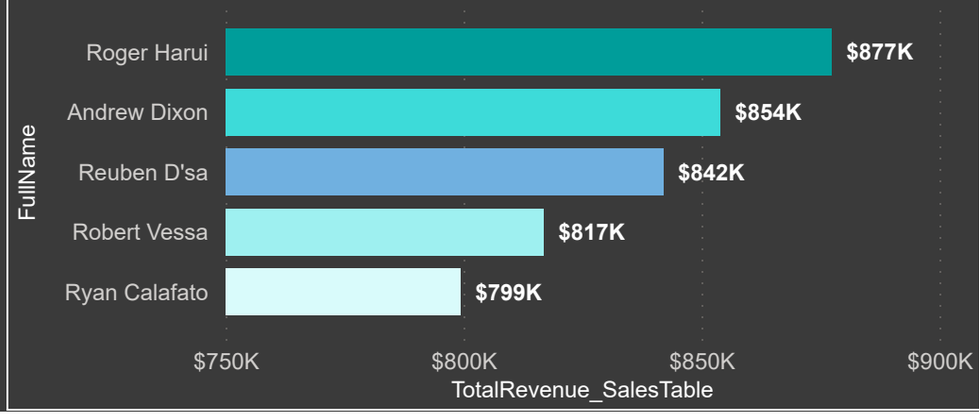
Growth of Revenue between Segment



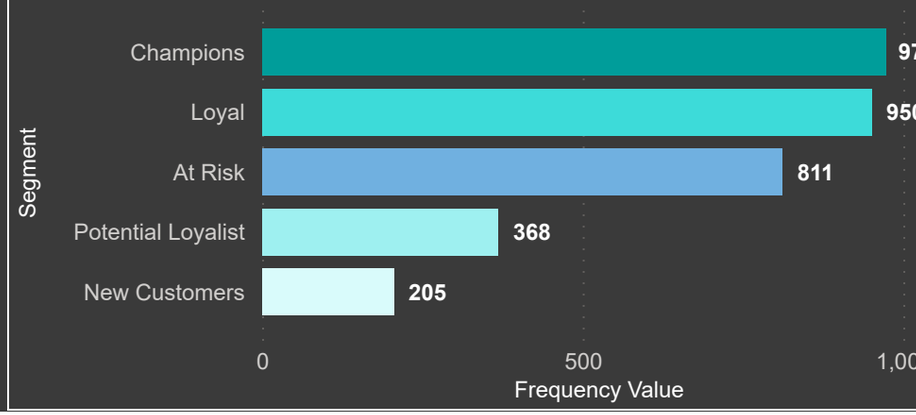
Top 5 Segment with Highest Revenue



Top 5 Customer with Highest Revenue



Top 5 Segment with Highest Transactions



Customer Spending

Top 5 Segment by Frequency

- At Risk
- Cannot Lose Them
- Champions

3
Average R-Score

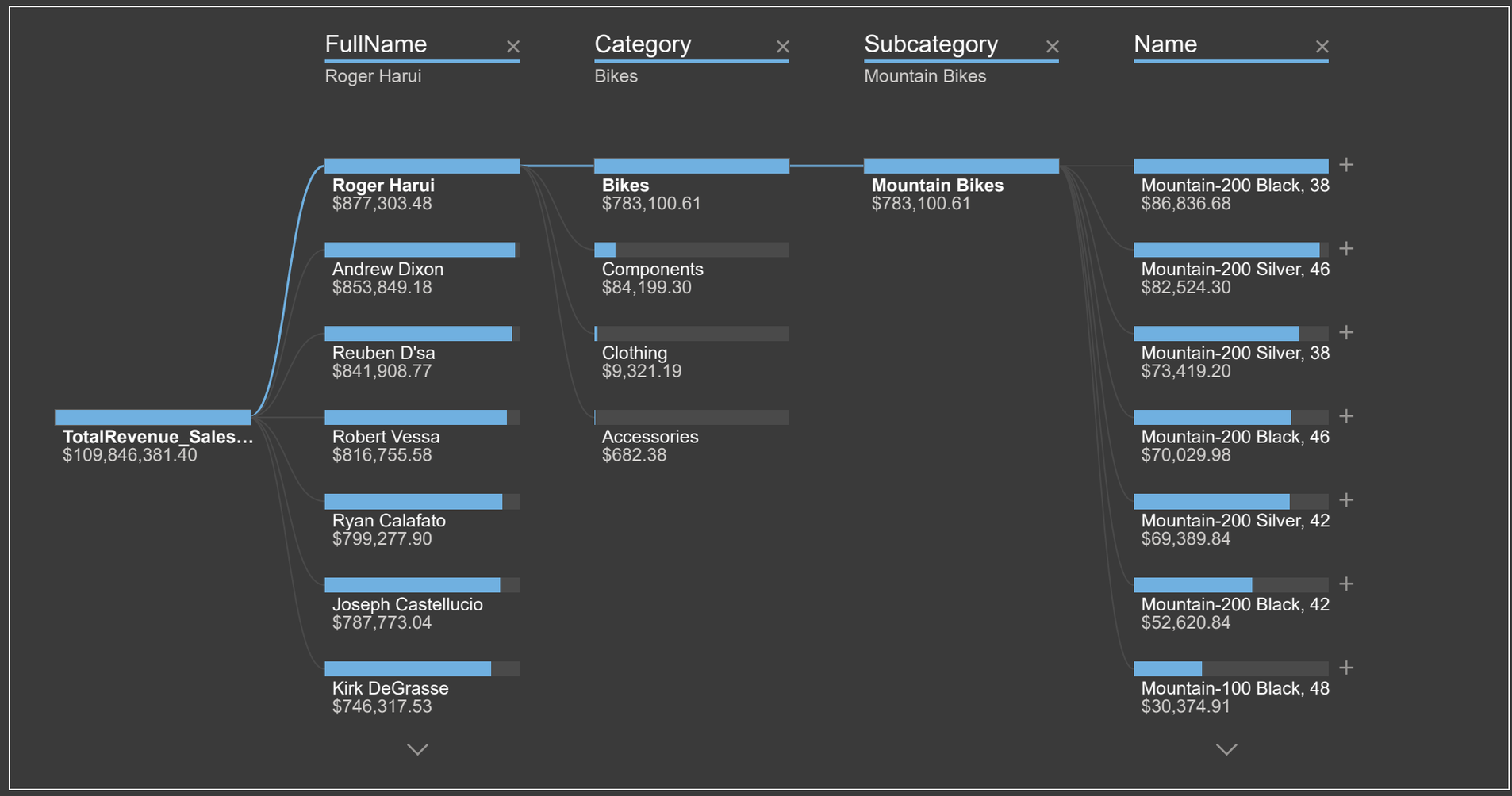
2
Average F-Score

3
Average M-Score

30.71%
%Revenue vs LY

$109....
TotalRevenue_SalesTable

1124
Frequency Value



Segment Popularity

Top 5 Segment by Frequency

- Helmets
- Jerseys
- Mountain Bikes

3
Average R-Score

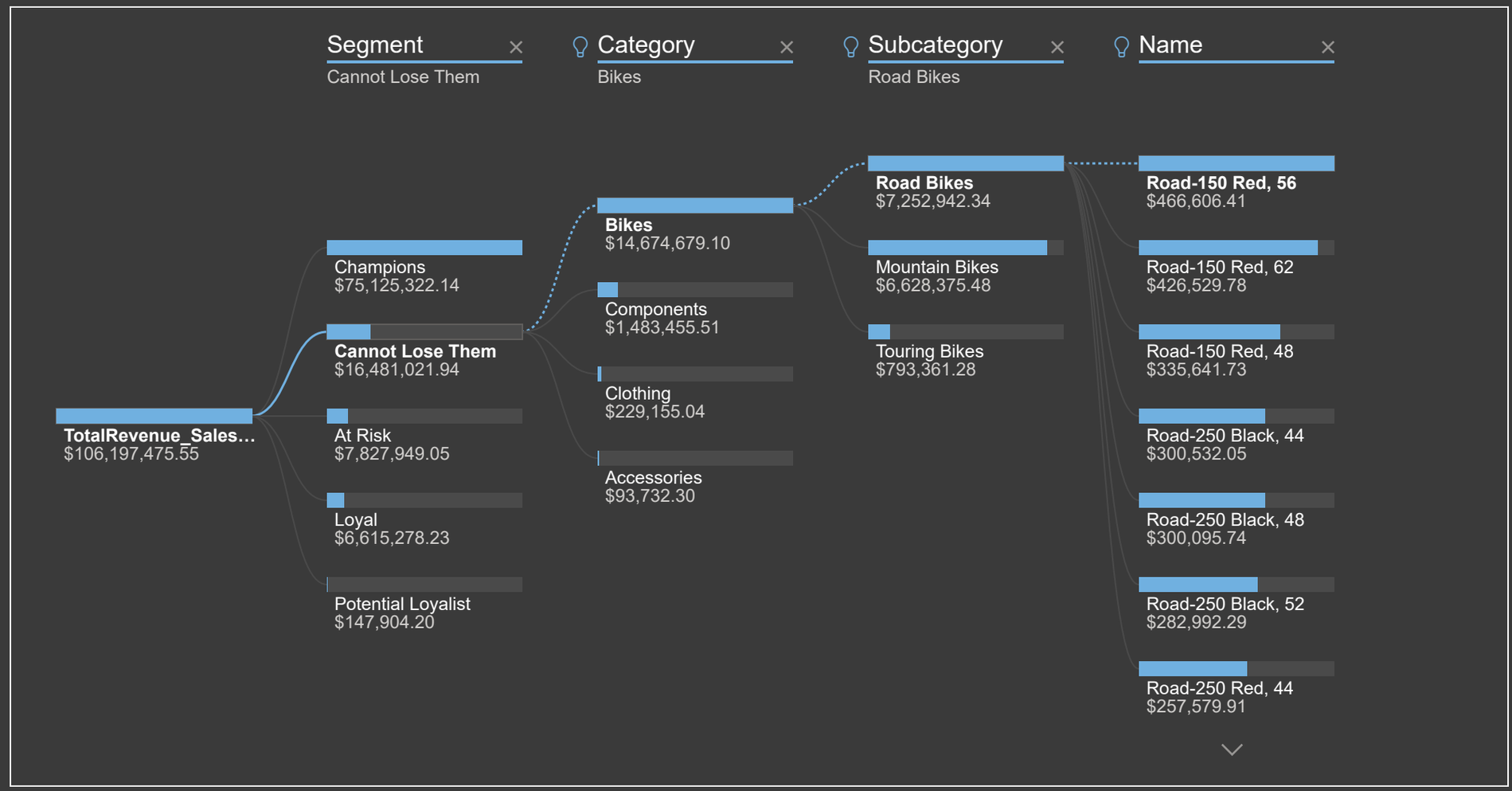
2
Average F-Score

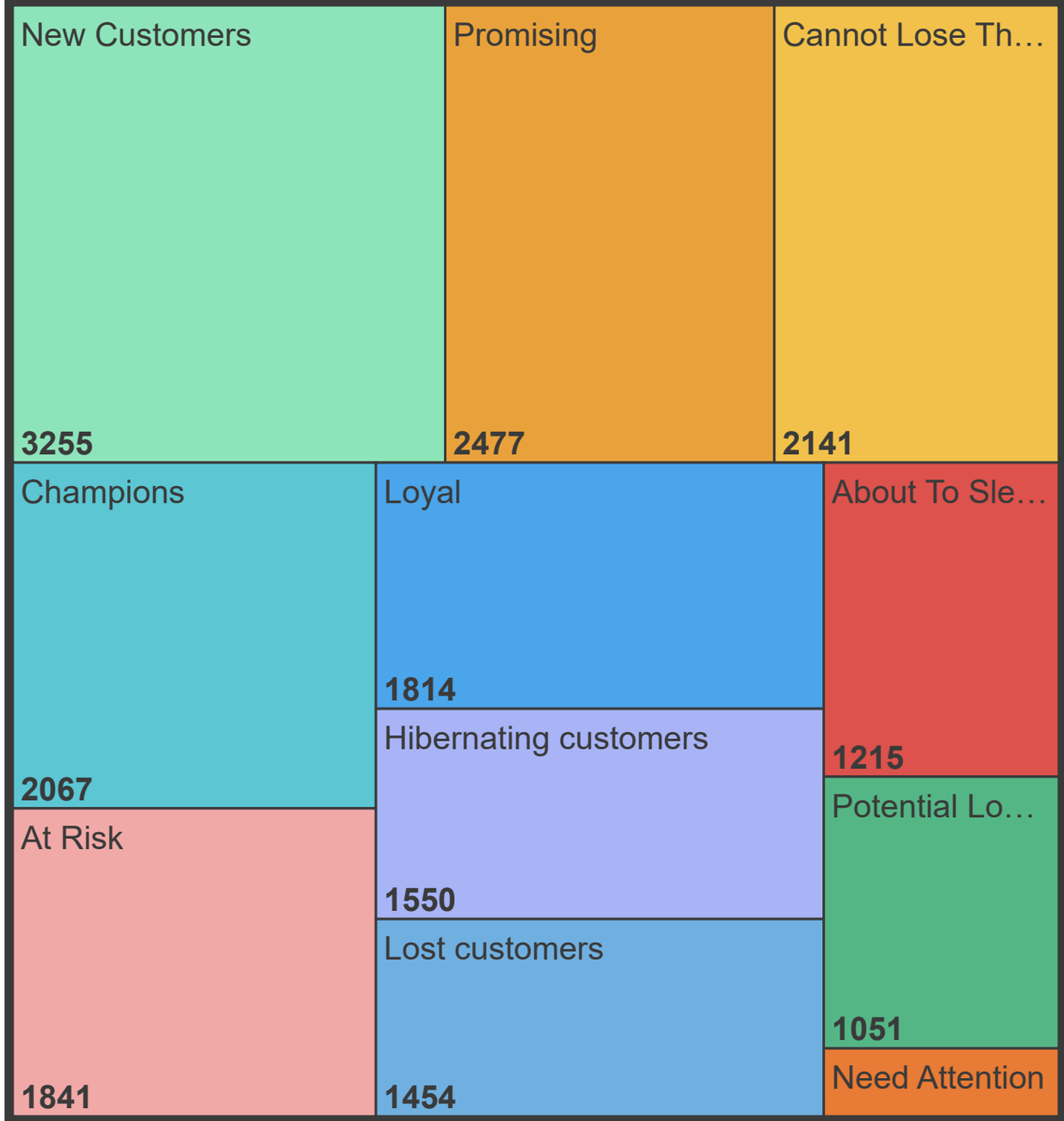
3
Average M-Score

30.71%
%Revenue vs LY

$109....
Total Revenue

1124
Frequency Value





Champions	Introduce new and upcoming products and drops. Reward them and help them share updates.	>
Loyal Customers	Upsell higher value products. Ask for reviews. Engage them.	>
Potential Loyalist	Offer membership / loyalty program, recommend other products.	>
New Customers	Provide on-boarding support, give them early success, start building relationship.	>
Promising	Check on their need for replenishment, ask for feedback and share the most popular products.	>
Need Attention	Make limited time offers, Recommend based on past purchases. Reactivate them.	>
About to Sleep	Share valuable resources, recommend popular products at discount, reconnect with them.	>
Can't Lose Them	Remind them about the reasons they loved your brand in the first place, rekindle the relationship.	>
At Risk	Send personalized emails to reconnect, offer renewals, provide helpful resources.	>
Hibernating	Offer other relevant products and special discounts. Recreate brand value.	>