Executive Summary

Sales & Customer Insights Report

This report presents a comprehensive analysis of customer behavior, sales performance, and retention dynamics across regions, product categories, and time periods. The insights are drawn from Lifetime Value (LTV), churn probability, purchase patterns, and seasonal trends to guide strategic decision-making for improved customer retention and revenue growth.

Key Highlights

1. **Customer Lifetime Value (LTV) Performance**

- **Total LTV across all customers:** $50.32M

- **Electronics, Clothing, Home, and Sports** all show strong performance, with Electronics slightly leading.

- **Europe** is the top-performing region in terms of LTV contribution.

2. **Churn & Retention**

- **Average Churn Probability:** 50.16%

- **Calculated Retention Rate:** 49.84%

- **Asia** has the highest churn probability, while **Europe** has the lowest.

- Churn risk rises sharply when **time between purchases exceeds 36 days**, suggesting a key retention window.

3. **Purchase Behavior**

- Customers with **high purchase frequency and high average order value (AOV)** contribute the most to LTV.

- **Electronics** lead in both purchase frequency and AOV.

- **Europe** again performs strongly across all purchase behavior metrics.

4. **Retention Strategy Effectiveness**

- While **Email Campaigns** generate the highest LTV, they also show the highest churn risk—indicating a need for refinement.

- Across all strategies, the majority of customers fall into the **"Needs Improvement"** or **"At Risk"** retention effectiveness bands.

- Opportunities exist to improve the effectiveness of **Discount** and **Loyalty Program** strategies, which show lower churn but also lower LTV.

 5. **Seasonal & Time-Based Trends**

- **October** is the peak month for LTV, with **Summer** being the best-performing season overall.

- **Evening** is the most popular purchase time across most customers and regions.

- **Product & Region Insights:**

  - **Clothing & Electronics:** Peak in **Winter**, mostly bought in **Afternoons**

  - **Home Products:** Peak in **Spring**, bought in **Evenings**

  - **Sports Products:** Peak in **Summer**, also bought in **Evenings**

  - **Regional Preferences** vary—e.g., **Asia prefers Spring & Afternoons**, **North America prefers Summer & Evenings**

Recommendations

1. **Refine email campaigns** to reduce churn while maintaining strong Lifetime Value (LTV) returns. Consider improving personalization and frequency to reduce fatigue.

2. **Strengthen loyalty and discount strategies** to improve retention effectiveness, particularly for at-risk segments showing moderate churn probability.

3. Adopt a **dual-track retention strategy** based on customer behavior:

-**Nurture high-value, low-frequency customers** with personalized content, loyalty updates, and product education to maintain engagement before churn risk increases

-**Apply churn-focused efforts for at-risk or inactive customers**, such as win-back discounts, exit surveys, and direct outreach from customer support.

4. **Launch targeted campaigns during peak periods**, especially in **October** and across **Summer** months, where customer activity and LTV are highest.

5. **Segment marketing efforts** by region, product category, and preferred purchase time to align with behavioral patterns and optimize response rates.

6. **Re-engage customers with extended purchase gaps (>36 days)** through proactive campaigns designed to reignite interest and reduce churn likelihood.