

Understanding Customer purchase behavior

**Analyzing customer segments to understand purchase frequency and
timing patterns**

Data and analytical approach

- Transaction-level purchase data
- Customers segmented using **RFM (Recency, Frequency, Monetary)**
- Analysis focused on purchase frequency, time between orders, and repeat purchases

Key Insight: Purchase Timing Differs Across Customer Segments

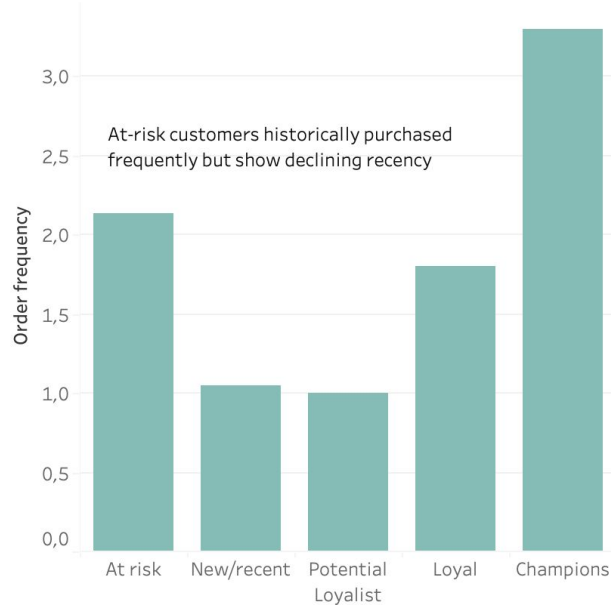
- **At risk customers** show the **longest average time between orders**
- **New/recent customers** have the **shortest purchase intervals**
- Purchase timing and frequency vary **meaningfully** across segments

Supporting Behavioral Patterns

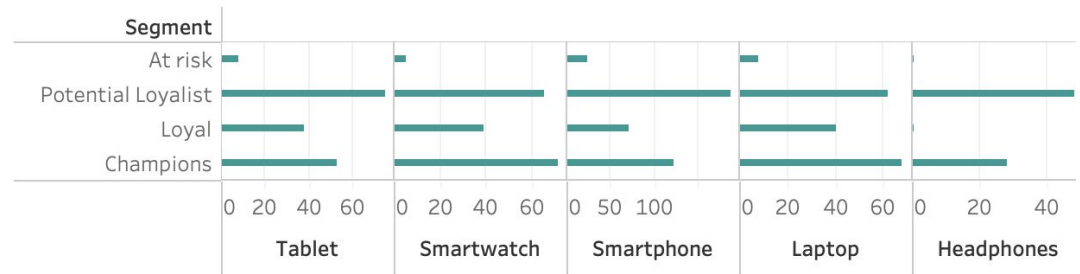
- Purchase frequency **differs across customer segments**
- Repeat purchase behavior is **strongest among potential loyalist and Champion customers**
- Product category preferences **vary by segment**
- Behavioral patterns **reinforce the need for segment-specific strategies**

Charts illustrate differences in purchase frequency and repeat behavior across segments

Average order frequency by segment



Repeat purchase by segment



Business Implications

- At-risk customers may require **targeted interventions to prevent churn**
- Potential Loyalists may benefit from **onboarding** and **habit-forming engagement strategies** to transition into the Loyal segment.
- Loyal customers should be **nurtured into Champion customers**
- Champion customers should be prioritized for **retention and rewards**
- Different customer segments require **different engagement strategies**