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)**
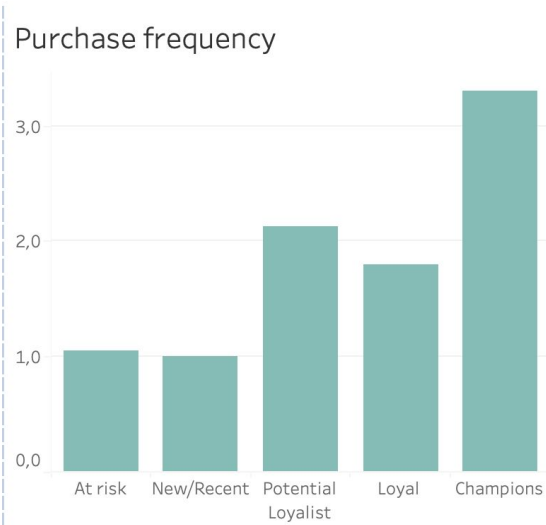- Analysis focused on purchase frequency, time between orders, and repeat purchases

Key Insight: Purchase Timing Differs Across Customer Segments

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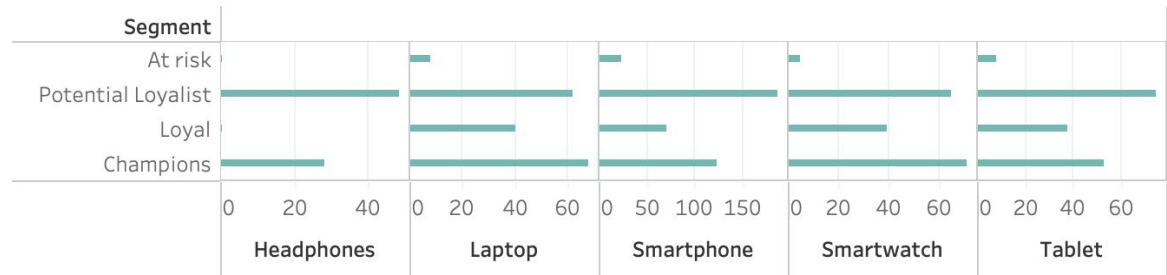- Purchase timing and frequency vary **meaningfully** across segments

Supporting Behavioral Patterns

- Purchase frequency **differs across customer segments**
- Repeat purchase behavior is **strongest among Loyal 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

Business Implications

- At-risk customers may require **targeted interventions to prevent churn**
- Potential loyalist customers may benefit from **timely re-engagement campaigns**
- Loyal customers should be **nurtured into Champion customers**
- Champion customers should be prioritized for **retention and rewards**
- Different customer segments require **different engagement strategies**