**Customer Satisfaction Earn money by targeting customers**

**Customer marketing!**

**Simple and easy to understand decile analysis**

**Target customers How to make money HOW?**

Who are our customers? What types of customers do we have?

"Who is buying?" How to understand data and make money

Not all customers are the same. They don't come to the store in the same way every day. They don't buy the same products.

Isn't that just common sense? You might say I'm being silly.

But who are the main customers? How many are there?

Who are the supporting customers? How many are there? I don't know.

They don't seem to be interested in how many customers have visited the store more than 300 days in the past year, or how many customers spend more than 1 million yen a year, or who they are.

Let me put it simply.

1. Everyday customers: Customers who visit the store every day

2. Weekly customers: Customers who visit the store once a week

3. Monthly customers: Customers who visit the store once a month

4. Occasional Customers

Cherry pickers: A group of customers who visit during sales

There are five types of customers. They're all customers. But they're not all the same. They're all human beings with feelings.

We all have different feelings about different sales areas and products. There are some sales areas and products that we like, and some that we dislike. We all have different ways of buying. In marketing, these differences are called "lifestyles," and everyone's lifestyles = the way they live, and in the case of products, the way they eat.

There are some things that we haven't thought about just in terms of merchandising.

What is it!

This involves grouping customers by lifestyle, purchasing habits and customer type.

It's marketing.

Simple Customer Types: Explains how to group customers by simple customer types.

A decile is a statistical method of dividing something into 10 equal parts, or into 10 groups.

This decile analysis is often used to classify a country's wealth into 10 categories.

The income of each citizen is ranked from highest to lowest and divided into 10 equal parts.

The top 10% receive 50% of the country's total income

The middle 50% receives 40% of the country's total income

The bottom 40% receive 10% of the country's total income.

It is used as information to assess income inequality among citizens worldwide.

Explain what the results of supermarket decile analysis are like.

At the supermarket, for a month, six months, or even the past year,

If you specify a period and instruct the computer to display "decile information,"

Select all customer shopping receipts for a specified period,

The purchase amounts for each customer are tallied and then sorted in descending order of purchase amount.

Next, divide the top 10 into equal parts, and then divide them into the following items:

・Number of customers: 1,000 if the number of customers shopping during the period is 10,000

- Total number of days of purchase for 1,000 purchasers

If the number of purchases per customer is 3,000, then 3,000 ÷ 1,000 = 3

- Total purchase amount for 1,000 people

・Contribution percentage of total amount per decibel (decile amount / total amount)

・Cumulative composition ratio Amount composition ratio by decibel Line 1 (Decibel 1) to Line 2 and composition ratio cumulative

・Amount per customer Purchase amount per customer by decibel Purchase amount per decibel ÷ Number of customers per decibel

・Amount per purchase (decile purchase amount) ÷ number of decil purchases

Cumulative composition ratio, 1st line = Decile 1, 50% 2nd line = Decile 2, 20% Cumulative 70%

It was determined that 70% of total sales were achieved by the top 20%.

The number of times per customer by decibel is displayed as 1 decibel = 2, 2 decibels = 1.5, etc. Number of days of visit by decibel

The amount per customer is also the customer purchase amount by decibel. Decil 1 = 90,000 Decil 8 = 1,500

The differences in sales contribution, number of days visited, and purchase amount for 10 equally divided customers are displayed.

It is super fast, taking only 3 seconds to display.

**"Which customers should you target?"**

You get the idea! Of course, there are 1,000 people in Decile 1. Next is Decile 2. A total of 2,000 people.

**This is not all the information about Desilu.**

**Specify the display period for each individual. If it is one year, you can see the actual shopping habits for that year.**

Double-click the displayed Decil 1 (each row of Decil).

What begins?

・Display in order from the top 1000 people

・Click on the displayed line of one person

Amount and composition ratio by shopping category (this person spends a lot on meat, fruits, etc.)

If you select one year, a 12-month calendar will be displayed. The date of your visit will be green. Click on the green to display a receipt detailing what you purchased that day. A list of all items purchased in the past year will be displayed.

If you count the items purchased by customers who visit the store 300 times a year, there are fewer than 1,000. In other words, even if you have 30,000 products on display, the items purchased by one of your top customers only make up 3% of the product lineup.

- Display what each customer is purchasing, when, and how much.

Designated period: 1 year,

How many customers have visited the store more than 300 days ago? Specify the conditions to display 5 people, etc.

Who are the customers who have spent over 1 million yen? Specify the conditions to display 10 people, etc.

You can understand the shopping trends and customer needs of the top 10 contributors to your store or company.

**Customer contribution by deciles**

**Customer image based on shopping items**

**What types of customers do you have?**

* **Decile 1 1000 people**

The total purchases made by 1,000 Decil 1 customers account for 53% of the store's total sales.

The top 10% of customers purchase 53% of the total store amount. What an amazing number.

The average number of days per person visits the store per year is 100 days.

Average annual purchase amount: 304,000 yen. Shopping cost per day (basket cost): 4,000 yen

Everyday customers.

The three main items people shop for are vegetables, fresh fish, and fresh meat.

I buy products from most departments. Mostly Japanese style. Not many Western style.

There were two and three households. Judging from the items purchased, it appears that they were families with junior high and high school-aged children.

In the nearby shopping district, restaurant owners buy them. They sell 10-packs of eggs for two or three at a time. For their own use, they buy brand-name eggs.

* **Decile 2 1000 people**

Contributes to 20% of all customer purchases. The top 20% of Decil 1 and Decil 2 customers account for 73% of the purchase amount.

The average number of days per year that a customer visits the store is 50. Annual purchase amount is 145,000 yen.

per visit is 3,000 yen, 1,000 yen cheaper than Decil 1.

Decil 2 also purchases three fresh produce items evenly. As expected, most of them are Japanese-style.

I come here almost every day. I'm an everyday customer.

There was a person like this.

10 bowls of fresh udon noodles. 10 bowls of udon soup. 10 bowls of fried tofu or tempura flakes. It seems to be a self-employed business. I think it's for preparing lunch for about 10 employees. Like Desil 1, there are a lot of elderly people.

* **Decile 3 1000 people**

11% of all customer purchases.

The top 30% of customers account for 84% of the purchase amount. 10,000 people visit the store. Of those, 30%, or 3,000 people, account for 84% of the sales amount. The remaining 7,000 people account for only 16%.

The average number of days per year that an individual visits the store is 30 days. The average number of days per year that an individual visits the store is 50 days. This is 20 days less.

I feel like I'm a weekly customer , not an everyday customer or a monthly customer. Annual purchase amount is 82,000 yen. Basket unit price is 2,500 yen.

The items purchased by Decile 1, Decile 2 and Decile 3 customers vary.

People are becoming more Western-style than Japanese-style. They are buying more yogurt, coffee, and tea.

There are four eggs in the box. I never bought a 10-pack of eggs. I bought a local brand of eggs.

It looks like she has a baby or small child. She's shopping for health-conscious items. She bought two yogurts.

Myself and my child. I don't have yogurt ready for my husband.

DINKs: Double-income, no-kids households. A couple with no children and both parents working and earning high incomes.

I come here every Sunday. I buy two Haagen-Dazs ice creams, two red apples, and two cans of Yebisu beer.

money on our weekly meals. We have luxurious Sunday lunches and dinners. In the winter, we have sukiyaki on the table.

Weekends are hare no hi (marketing term). Everyday is ke no hi (saving money).

Many customers visit the store around 11:00 AM on Sundays. After 11:00 AM on Sundays, luxurious bento boxes are displayed. High-quality desserts are also displayed to make a profit.

* **Decile 4 1000 people**

7% of all customer purchases. 4,000 people from deciles 1 to 4.

The top 40% account for 90% of the annual purchase amount. 90%.

There are only 6,000 people left, which is only 10% of the total annual sales amount.

Decile 1 to Decile 2, Decile 3 to Decile 4. Customers below Decile 4 buy in a different way.

Decile 1 to Decile 2 are top contributor customers

Decile 3 to Decile 4 are medium-contributing group customers

Decile 5 to Decile 10 are lower-contributing group customers

Visits 20 days a year. Annual purchase amount 50,000 yen. Basket unit price 2,500 yen.

The target customer group is the third group, including the next Decil 5.

Purchases of the three fresh produce items are extremely low. Purchases of cooking products such as seasonings and dashi are almost nonexistent.

Purchases of prepared foods, bento boxes, lettuce salad, Ito Ham's fresh morning roast ham, yogurt, and bread are increasing.

* **Decile 5 1000 people**

So far, 5,000 people.

There is a possibility that it will grow into a higher-ranking decil. A monthly customer who visits the store once a month.

They may be moved by the customer service they receive and become weekly customers .

4% of all customer purchases. Currently, the top 50% of deciles 5 account for 94% of annual purchases.

The average number of days per person visits your store per year is 14. 14 divided by 365 days. The contact rate with your store is 0.3%.

This makes it difficult for them to understand your company, and because they don't understand, they won't come to your store.

The special thing is that when you come up with an idea, you think, "Shall I just drop by?"

Maybe they remember something they bought in the past and come back to buy it? They buy one or two items.

**・Decil 6 1000 people**

3% of all customer purchases. Up to decibel 6, the top 60% receive 97% of annual purchases.

The average number of days per person per year is 9, and the average annual purchase amount is 20,000 yen.

* **Decile 7 1000 people**

Decil 7 is 1.5%, and top customers are 70%, accounting for 98.5% of annual purchases.

The average number of days per person per year they visit the store is 7. The average annual purchase amount is 10,000 yen.

* **Decile 8 Decile 9 Decile 10 Total 3000 people**

The bottom 30%, or 3,000 people, spend only 1.5% of the total customer spending.

These 3,000 people respond well to sales.

However, they do not come to the store every month for special sales.

These 3,000 people visited the store last month but have not visited this month. There is a lot of turnover among these 3,000 people. We believe that they visit the store when there is a sale on a product they want.

As the deciles analysis shows, customers are not the same.

Everyday customers who visit the store every day are decibel 1. Customers who are close to that are decibel 2.

A grateful customer who brings us a lot of profit.

Some customers come because they like the product selection, but there are also customers who are hostages and come to the store even though they don't like it because it's close by, such as a five-minute walk.

**Identifying products that meet the needs of each customer**

**To put it in extreme terms, offer a product lineup by decimeter!**

I want to say

Tea and coffee purchased by Decile 1 and Decile 2.

Tea and coffee purchased by Decile 3 and Decile 4

There is a difference. Learn about products that show this difference by purchasing them by decibel.

As mentioned above, Decil 1 and 2 are Japanese-style menu items.

Decil 3 and 4 are Western-style dining tables

Decil 1 and Decil 2 purchase 10-packs of eggs.

Decil 3 and Decil 4 buy eggs in packs of 4. If they buy two packs, two packs are better.

It started to sell well.

**I want to increase sales and make more money**

**The solution can be explained by decile analysis**

**Focus on top Decil customers**

**Concentrate sales promotion expenses on top Decil customers**

**The sale customers are not cherry pickers.**

**Frequent buyers tend to buy often.**

**Customers who only visit occasionally will give you a low sales amount.**

**I created a Decile sales equation.**

**Sales increase strategies revealed by the Decile sales equation**

The simple equation for sales is:

**Sales = Number of customers × Purchase price per customer**

The decile sales equation is as follows: d = abbreviation for decile

Sales = {d10 number of customers (a) × d10 purchase price (b) × d10 number of purchases (c)} +

{d9 Number of customers (a) × d9 Unit purchase price (b) × d9 Number of purchases (c)} +

{d8 Number of customers (a) × d8 Unit purchase price (b) × d8 Number of purchases (c)} +

{d7 Number of purchasers (a) × d7 Unit purchase price (b) × d7 Number of purchases (c)} +

{d6 Number of customers (a) × d6 Unit purchase price (b) × d6 Number of purchases (c)} +

{d5 Number of customers (a) × d5 Unit purchase price (b) × d5 Number of purchases (c)} +

{d4 Number of purchasers (a) × d4 Unit purchase price (b) × d4 Number of purchases (c)} +

{d3 Number of purchasers (a) × d3 unit purchase price (b) × d3 number of purchases (c)} +

{d2 number of customers (a) × d2 purchase price (b) × d2 number of purchases (c)} +

{d1 number of purchasers (a) × d1 purchase price (b) × d1 number of purchases (c)} +

{Number of non-member purchasers (a) × average purchase price for non-members (b) × number of purchases by non-members (c)}

**Decile sales calculation**

Let's say the number of customers who purchase cards in a month is 5,000.

Average purchase price by decibel. The number of purchases per month was as follows:

Assume that:

Decil 1 Average purchase price: 3,000 yen Number of purchases: 12

Decil 2 Average purchase price: 2,000 yen Number of purchases: 11

Decil 3 Average purchase price: 1,000 yen Number of purchases: 10

Decil 4 Average purchase price: 900 yen Number of purchases: 9

Decil 5 Average purchase price: 800 yen Number of purchases: 8

Decil 6 Average purchase price: 700 yen Number of purchases: 7

Decil 7 Average purchase price: 600 yen Number of purchases: 5

Decil 8 Average purchase price: 500 yen Number of purchases: 3

Decil 9 Average purchase price: 400 yen Number of purchases: 2

Decil 10 Average purchase price: 300 yen Number of purchases: 1

When this number is put into the Decile equation, it becomes as follows:

Sales = {500 people x 3,000 yen) x 12 times} + 18 million yen

{500 people x 2,500 yen x 11 times} + 13.75 million yen

{500 people x 2,300 yen x 10 times} + 11.5 million yen

{500 people x 2,000 yen x 9 sessions} + 9 million yen

{500 people x 2,000 yen x 8 times} + 8 million yen

{500 people x 2,000 yen x 7 times} + 7 million yen

{500 people x 1,800 yen x 5 times} + 4.5 million yen

{500 people x 1,500 yen x 3 times} + 2.25 million yen

{500 people x 1,200 yen x 2 times} + 1.2 million yen

{500 people x 600 yen x 1 session} + 300,000 yen

Total sales were 75.5 million yen.

　Focusing on Decile 1, Decile 2, and Decile 3 customers

We considered product lineup and shelf allocation. We also decided to implement sales promotions.

the result.

　Let's assume that sales for customers in Decile 1, Decile 2, and Decile 3 increased by 5%.

Let's assume that the number of visits by Decile 1 and Decile 2 each increased by one.

The sales calculation is as follows:

Sales = {500 people x 3 150 yen x 13 times} + 20.48 million yen

{500 people x 2,625 yen x 12 times} + 15.75 million yen

{500 people x 2,415 yen x 10 times} + 12,080,000 yen

{500 people x 2,000 yen x 9 sessions} + 9 million yen

{500 people x 2,000 yen x 8 times} + 8 million yen

{500 people x 2,000 yen x 7 times} + 7 million yen

{500 people x 1,800 yen x 5 times} + 4.5 million yen

{500 people x 1,500 yen x 3 times} + 2.25 million yen

{500 people x 1,200 yen x 2 times} + 1.2 million yen

{500 people x 600 yen x 1 session} + 300,000 yen

Total sales were 80.56 million yen.

On the previous page it was 75.5 million yen, so that comes to 106.7%.

If this number is concentrated in the decibel 3 and above range, it will be more cost-effective to distribute flyers to all customers.

It shows that it is effective.

**Decile 1 customers, Decile 2 customers, and Decile 3 customers**

**A beneficial customer and the best customer for our store and company**

If you can approach and contact your best customers,

I realized that I could increase sales and profits.

So, I'll share my own experiences to show you how to deal with this.

**Focus on Decile 1, Decile 2, and Decile 3 customers**

**Concentrate sales promotion investment on Decil 1, Decil 2, and Decil 3 customers**

**Concentrate product lineup on Decile 1, Decile 2, and Decile 3 customers**

**Concentration of shelves and shelves for Decil 1, Decil 2, and Decil 3 customers**

**Frequent shoppers buy often**

**Customers who don't buy don't buy**

**Customers who buy on sale buy when it's on sale**

**Customers who are shopping without knowing about the sale are 1 decibel and 2 decibel.**

**Concentrating on Decile 1, Decile 2, and Decile 3 customers will increase sales.**

**Increase gross profits and make the sales floor profitable**

**If you don't pay attention to your customers, it's difficult to increase sales, gross profits, and make a profit.**

**To increase sales and profits, aim for the best customers = customer targeting**

**Rewarding your best customers**

**Creating customer satisfaction**

**Don't deal with bargain shoppers and cherry pickers.**

**Preventing good customers from churn**

**Decile 3 or higher sales promotion investment case (experience)**

**Practice remembering the faces and names of the top 10% and top 20% customers**

Hiroshima Regional Department Store

Fuji Supermarket opens on the 50 meter side.

A 30% drop in sales was predicted, but one year later sales had recovered to 90% of the previous year's level.

We carried out various campaigns and promotions. This was one of those campaigns.

50 " is distributed to each tenant manager at monthly meetings.

A monthly meeting is held where participants highlight any known customers on a list.

At first, there was no one . As the months passed , one more person joined, then two more, and after a year,

This has now increased to more than half. Customer service has become widespread.

This is what happened.

The food section is a directly managed supermarket style. There are 10 checkout lanes. I was looking at it from the second floor atrium.

There are empty lanes, but customers don't move there, instead they line up in the lanes that are full.

I was curious and went closer.

The person in charge was talking to the customer about next week's plans while scanning.

I suggested to the store manager that we prepare a budget for extras.

The store manager memorized the names and faces of the top 10 people.

When the customer comes to the store, they approach.

Whisper softly.

"We've started displaying strawberries. Come and try some," they said in a basket.

He's a businessman!

**Unique coupon mailed to customers with decile 3 or more**

One sheet with six circle stickers.

On the right: Three stickers: one for 10% off and two for 5% off .

On the left: Three stickers for 50 yen off, 30 yen off, and 20 yen off.

The stickers will be shipped together with a letter, two sheets of information explaining how to use the stickers, and the stickers themselves.

Mailings are targeted at customers over 3 decibels. Customer target.

Customers with decibels 3 or above.

This sticker can be used for one week, including next month's payday.

They visit the store on any available day of the week, usually on Saturdays and Sundays. Many customers come with their families.

I came to the store and wandered around.

"You put it on the product you want to buy." It's not something the store decides.

It's not a coupon decided by the company, nor is it a discount sticker put up by the store.

Put it on the product you want to buy.

"Outside in, not inside out."

The basics of marketing: customer-first and customer-driven.

Something I heard directly.

"I've always wanted to buy this meat, but I've been holding off on it. This is my chance.

a 10 % off sticker on it. Today I bought the meat I wanted to buy."

This started in June 2006 and is still ongoing (May 2025), for 19 years.

When I told the head of the sales department, "That's amazing,"

customers told him, "If you stop doing this, they won't come."

This was proposed in a customer marketing project that began in 2006.

The food department manager was against it. They distribute 300,000 flyers every month. He loudly and firmly opposed it, saying that if they stopped, they wouldn't be able to meet their sales budget. The managing director in charge of the project said, "Why don't you give it a try? I'll take responsibility." So it was decided to go ahead with it.

**Cost comparison of sending postcards to supermarkets versus flyers**

The cost of each flyer is 15 yen. 5,000 flyers are distributed once a week.

The monthly cost is 15 x 5000 x 4 (4 times a week) = 300,000 yen.

A set of 6 discount stickers costs 12 yen to create.

Direct mail costs: 20 yen for printing postcards and addresses, plus postal tax, which was 64 yen at the time.

Postcard printing and postage tax cost 84 yen per customer.

There are 800 Decil customers, and 2,400 Decil 3 or above.

The cost is 84 x 2,400 x 1 (once a month) = 201,600 yen.

The question is which one will have a greater effect on sales and gross profits.

Several supermarkets implemented this and saw a 2% increase in gross profit margins and a 120% increase in sales compared to the previous month.

**Department store thank you letters increase store visits and confirm sales increase effect**

Experience at Seibu Department Store Yurakucho branch.

The first thing I received in the morning was a call from the female store manager, who had just returned from researching brands in New York .

"Would you like to come in for tea?" I arrived before opening time and the sales staff were already gathered there.

The store manager asked me, "Teacher, could you tell us something about marketing?"

"Thank you letter from Nordstrom department store chain, a department store that has become legendary for its service and is known by word of mouth around the world."

I visited there several times and learned many things, including thank you letters.

I once showed a Nordstrom salesperson a "customer notebook" and they refused.

Salesperson. After serving a customer, he immediately writes down the details in his notebook.

When I have some free time, I look at the note and send a thank you letter.

I told him about this, and the store manager put it into practice right away. Everyone had a small notebook in their pocket to take notes on conversations they had with customers.

The thank you letters have begun.

On the next visit, the salesperson offered his opinion.

"Teacher, I don't have an envelope or a stamp. I'll have to pay for it myself."

I immediately visited the head office and secured the budget.

Many customers began to bring in thank-you letters and ask, "Did you write this?" This marked the beginning of a customer service where customers were not just customers, but knew each other's names and faces.

This story was featured in a weekly magazine.

Due to the recession, all department stores saw sales fall compared to the previous year.

Despite the sluggish performance of department stores, almost all stores in Yurakucho, Ikebukuro, Shibuya, Tokorozawa, etc. exceeded the previous year's figures.

This is over 110% of the previous year. A weekly magazine said, "Sales increased after I sent out letters diligently."

It was a headline.

**summary**