



LARANA, INC.

# SEGMENTATION

# OBJECTIVES

## Development

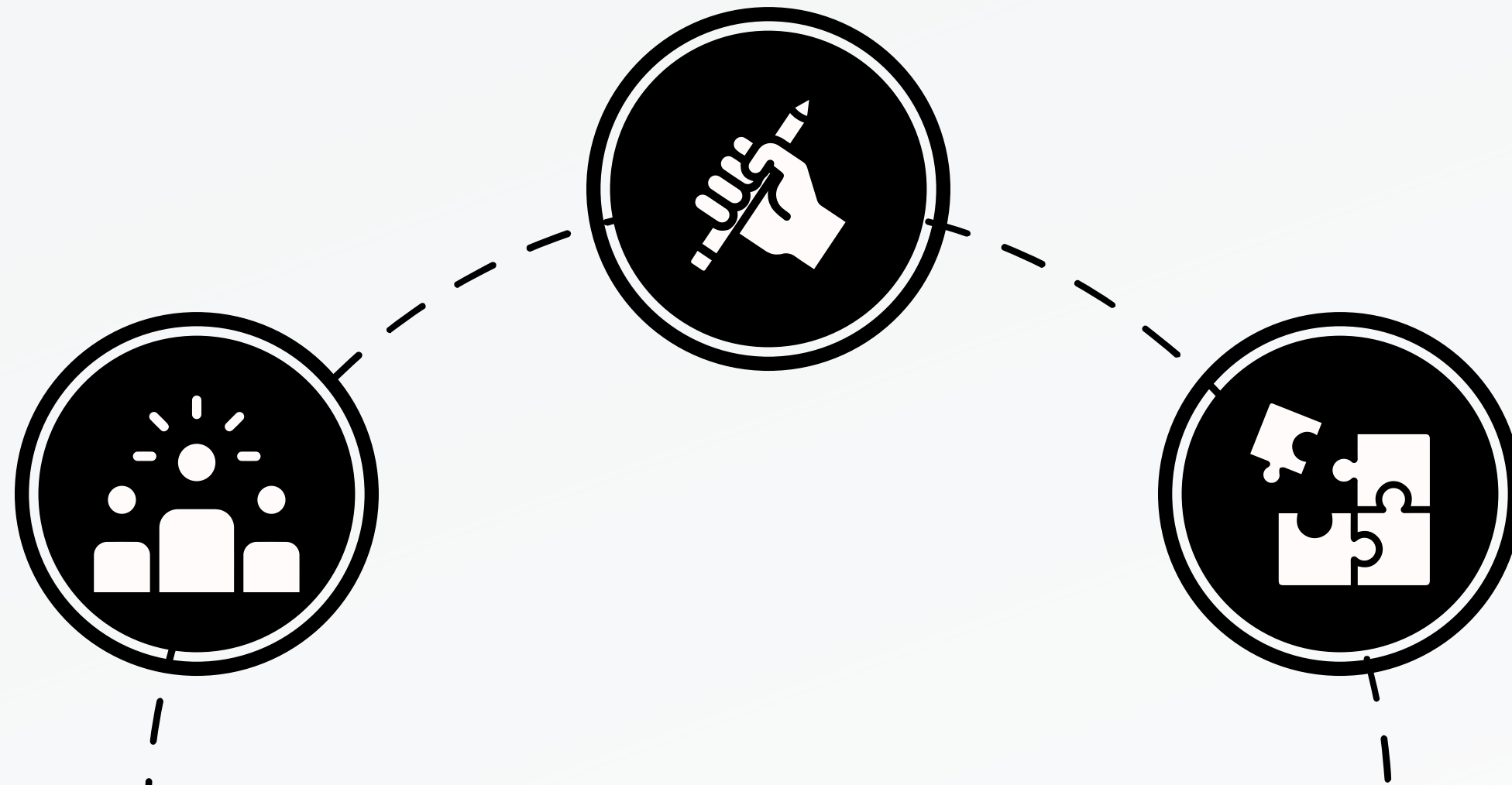
Develop customers according to their preferences

## Churn

Discover what customers are in risk of leaving us

## Optimization

Optimize our offers (CRM/Loyalty) to those customers that we want to re-engage



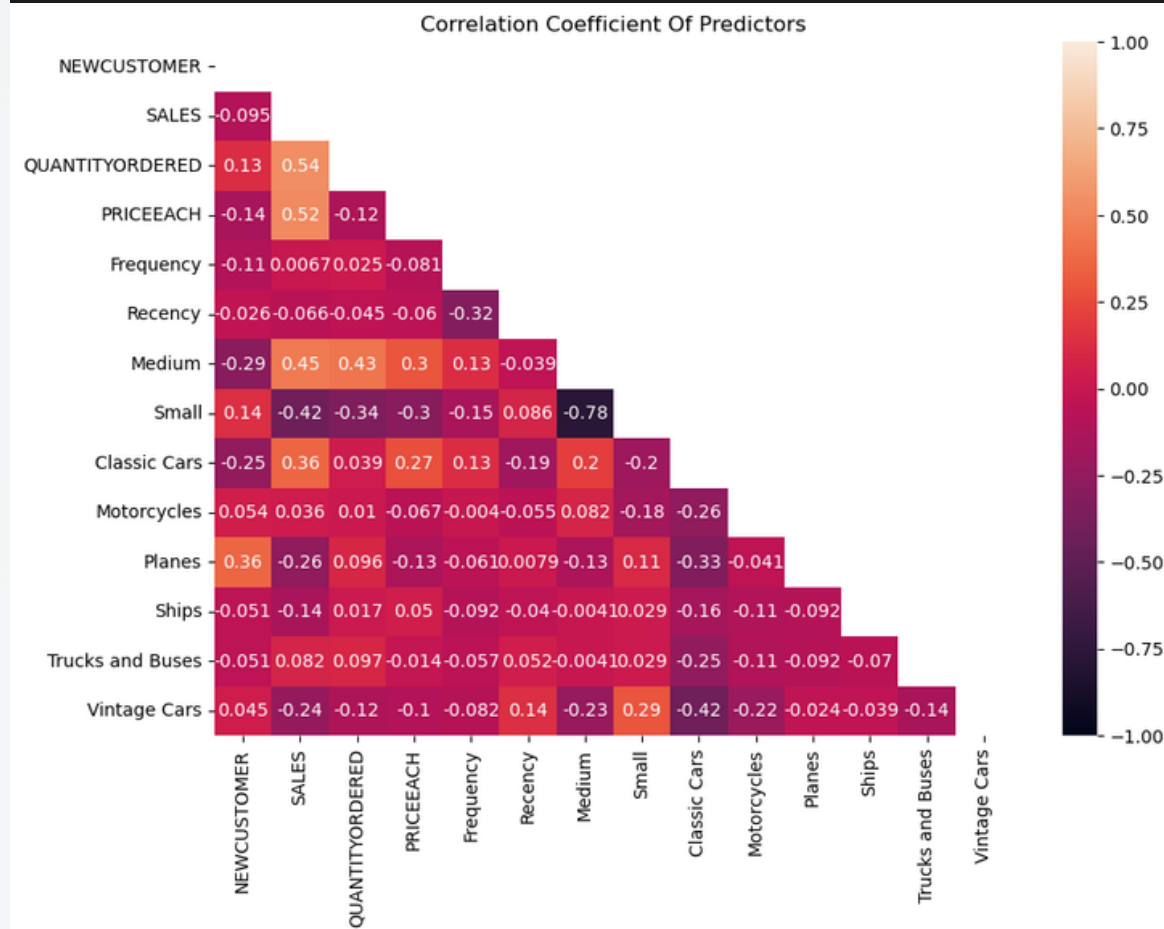


# DATA

Data distribution, outliers, and correlation

# DATA

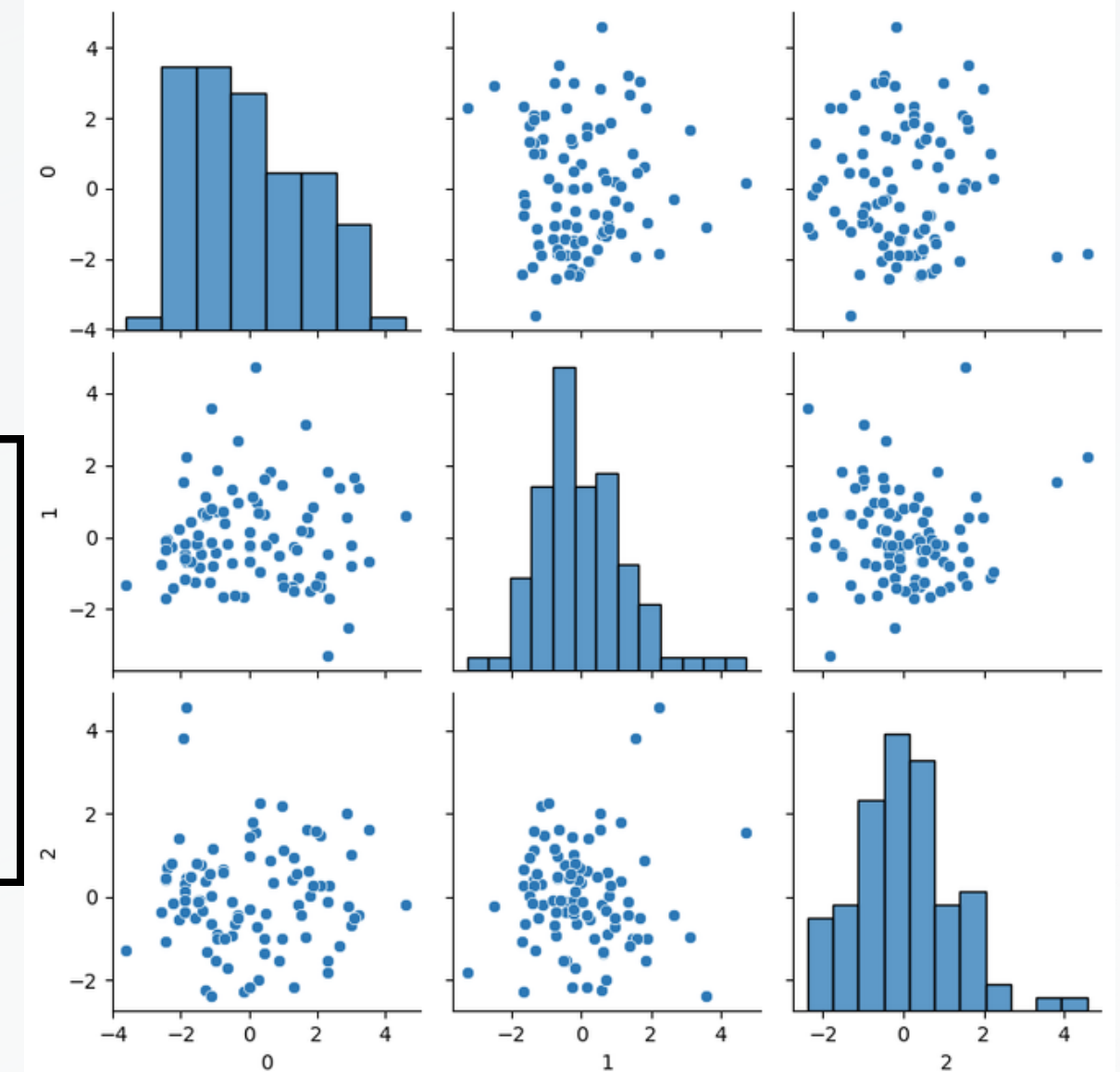
## CORRELATION



- There seems to not be any colinearity problems

- After the logarithmic transformation, the data seems to be normally distributed.
- There aren't many outliers to worry about

## DATA DISTRIBUTION (PCA)





# K-MEANS

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# ABOUT US



Inertia: Distance between each data point.

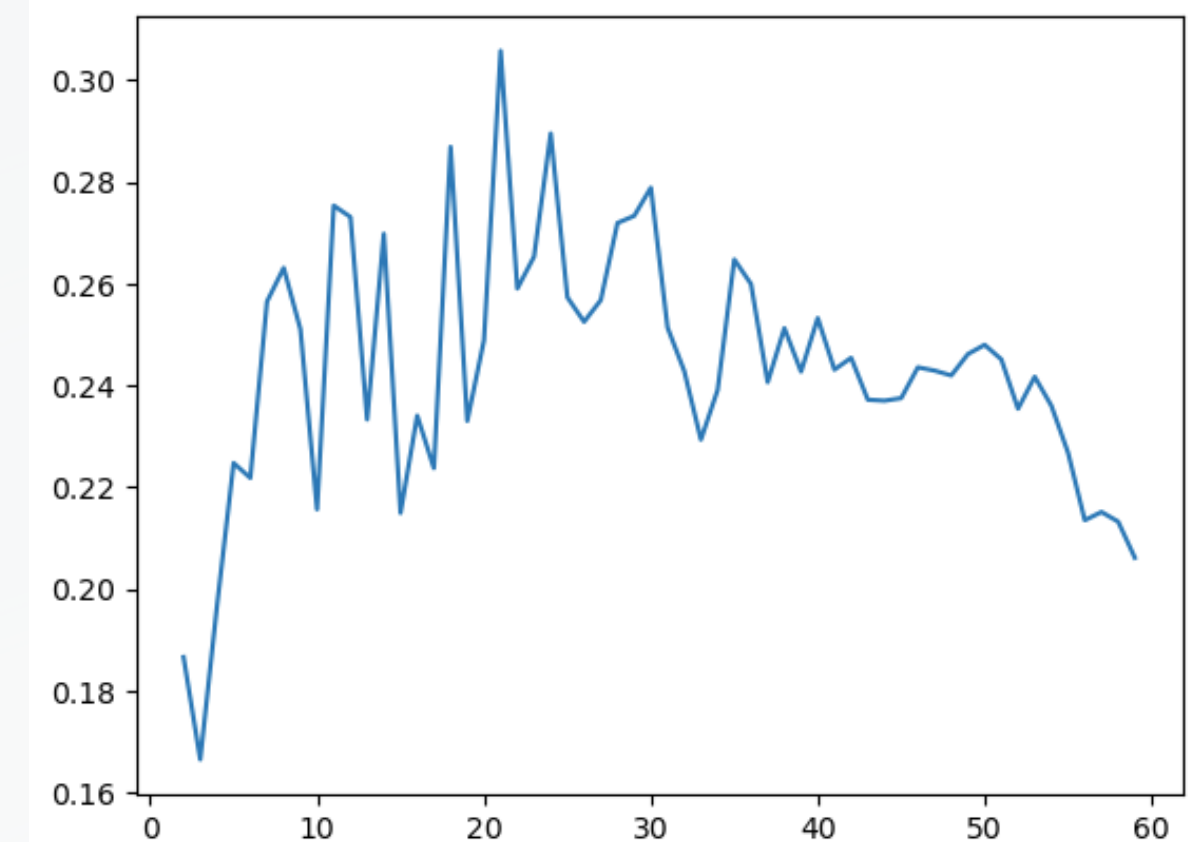
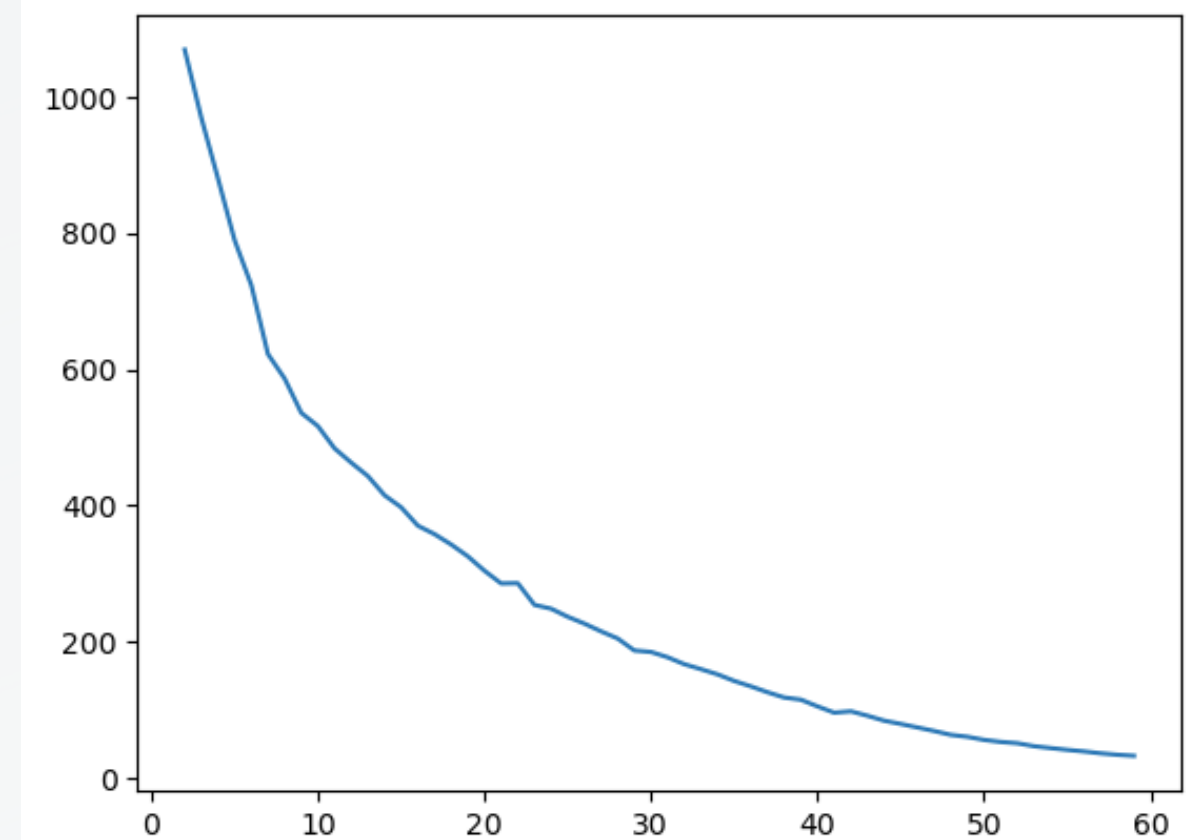
Anything beyond the point when the marginal decreases become smaller (8) will work

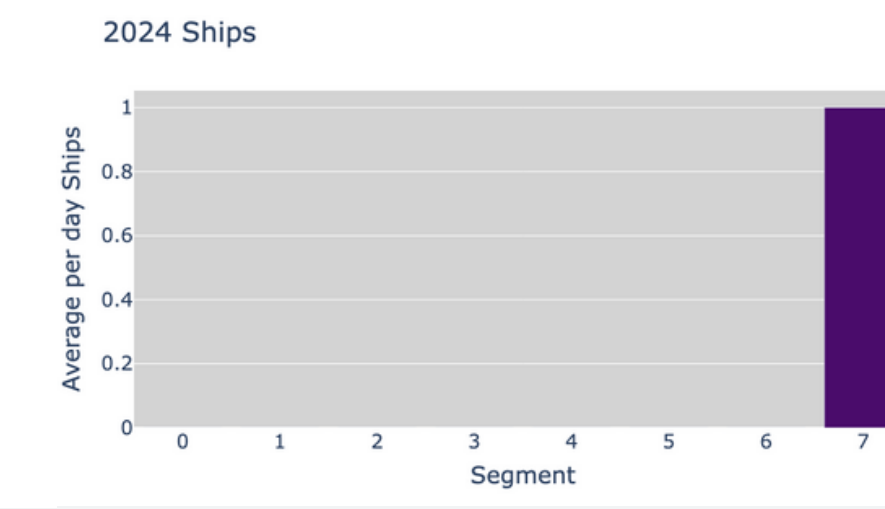
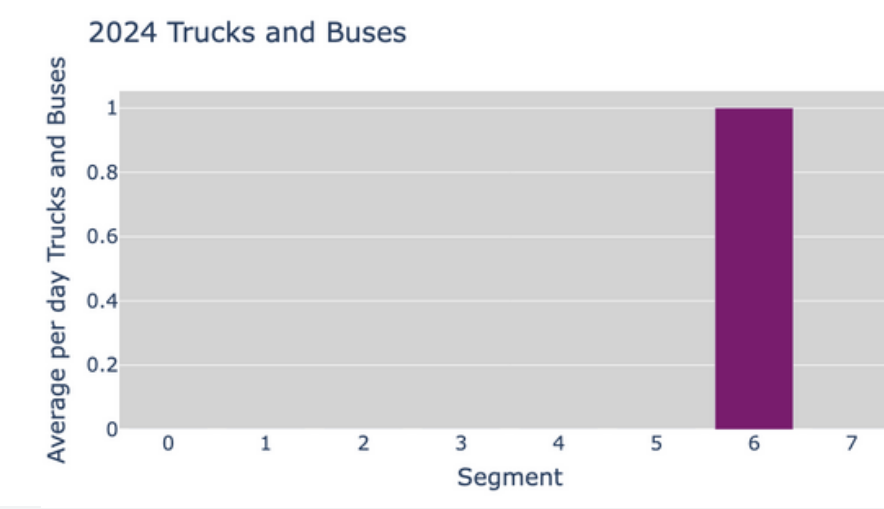
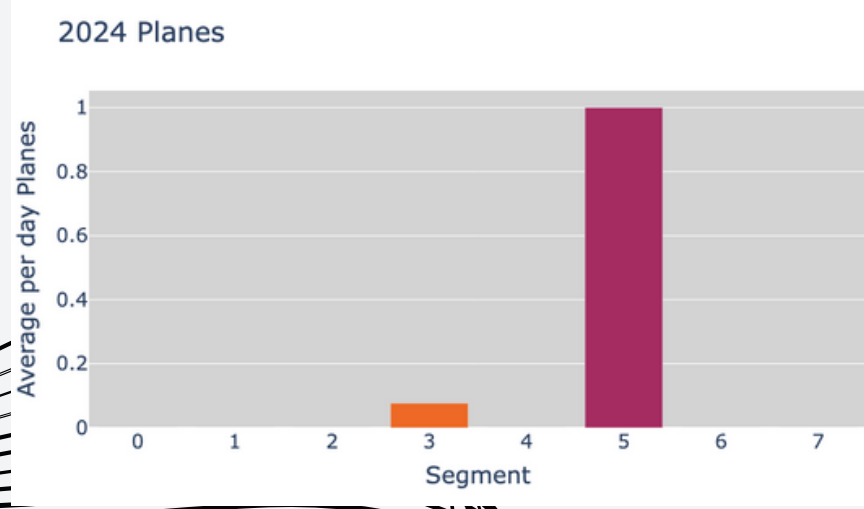
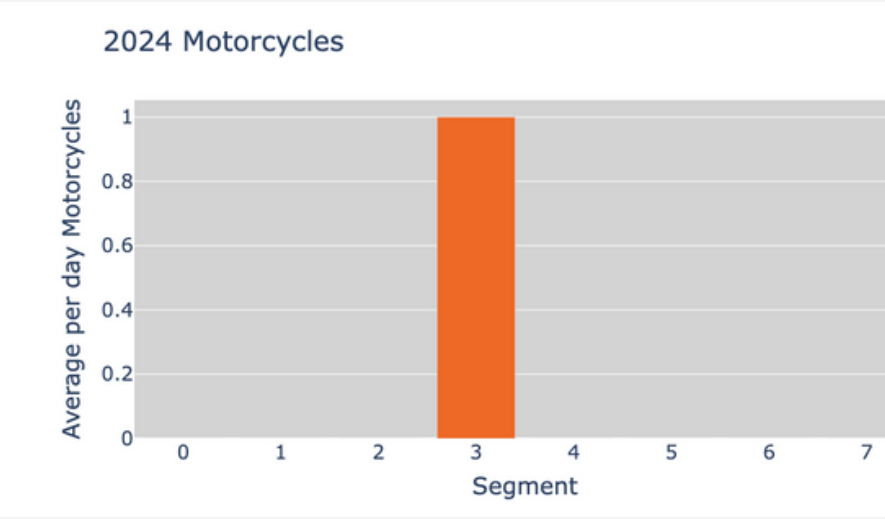
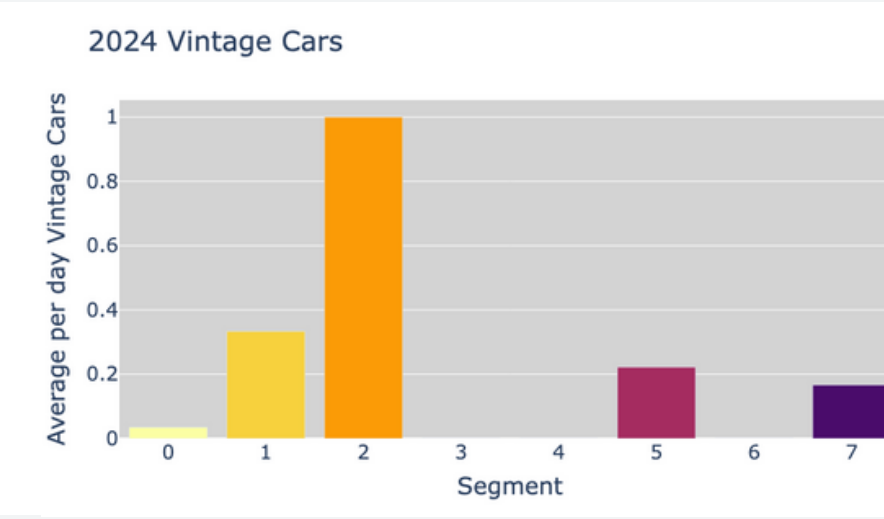
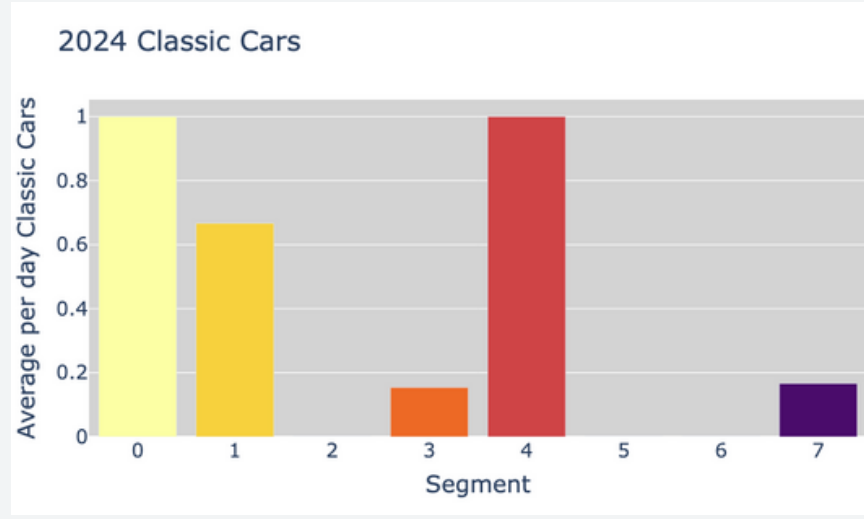
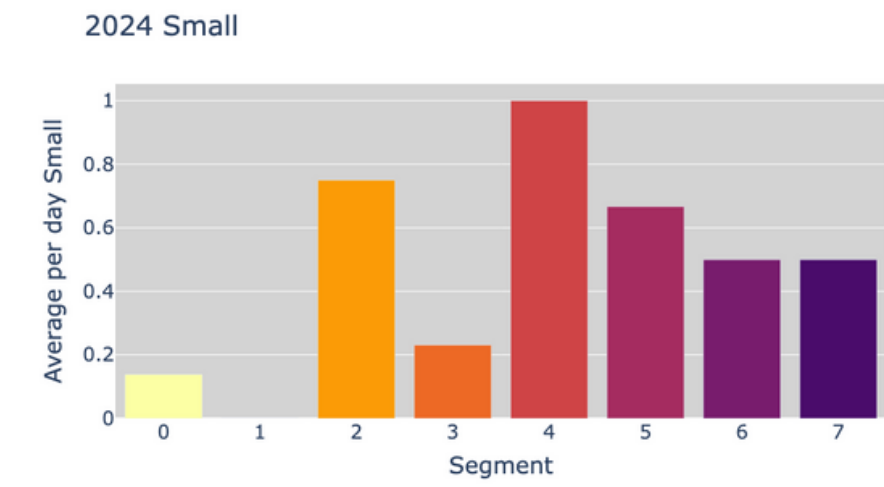
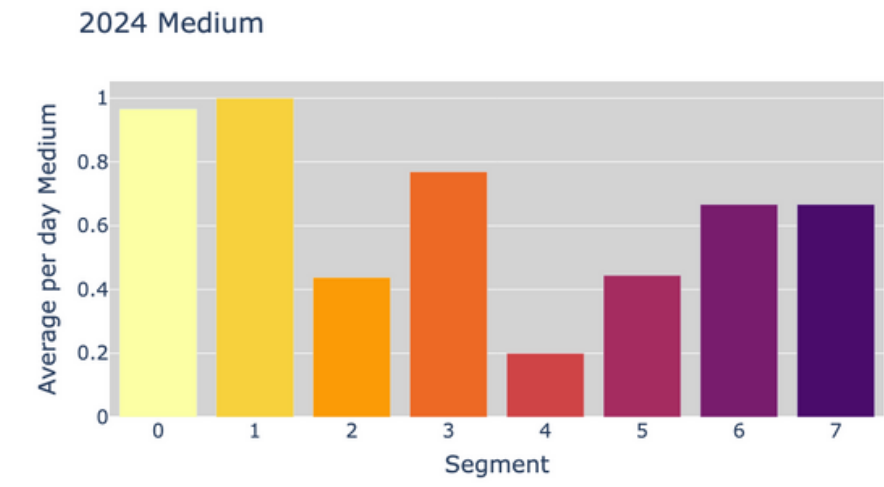
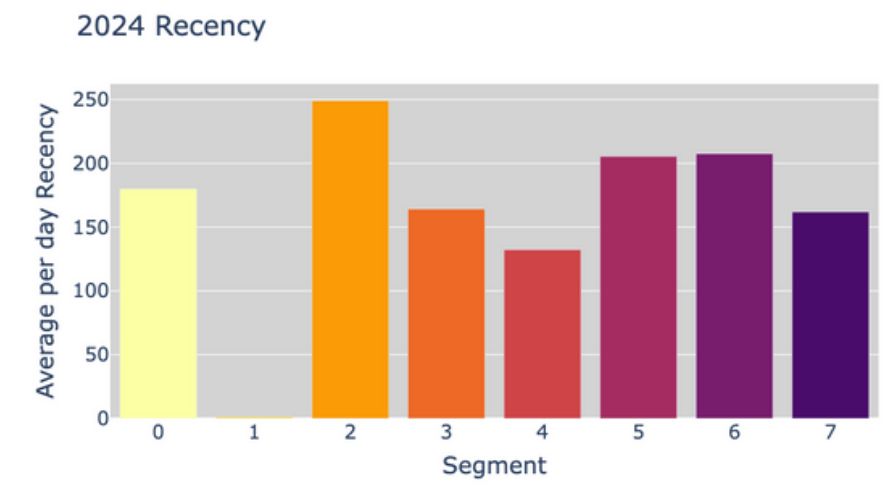
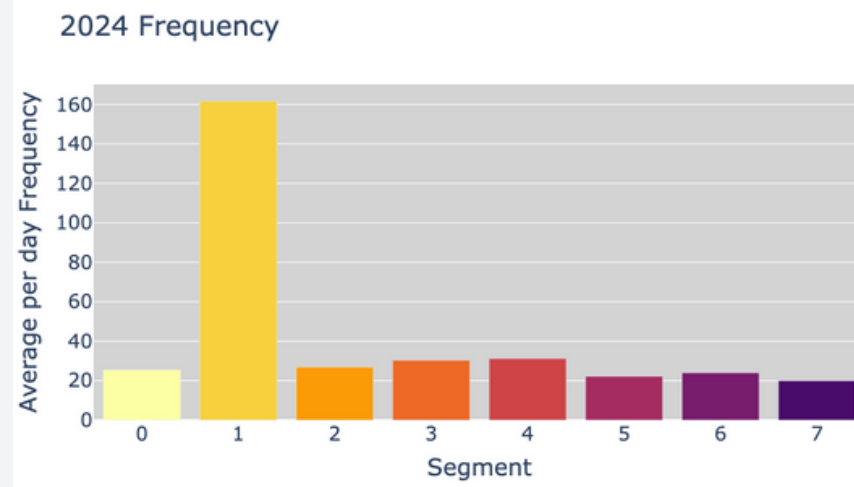
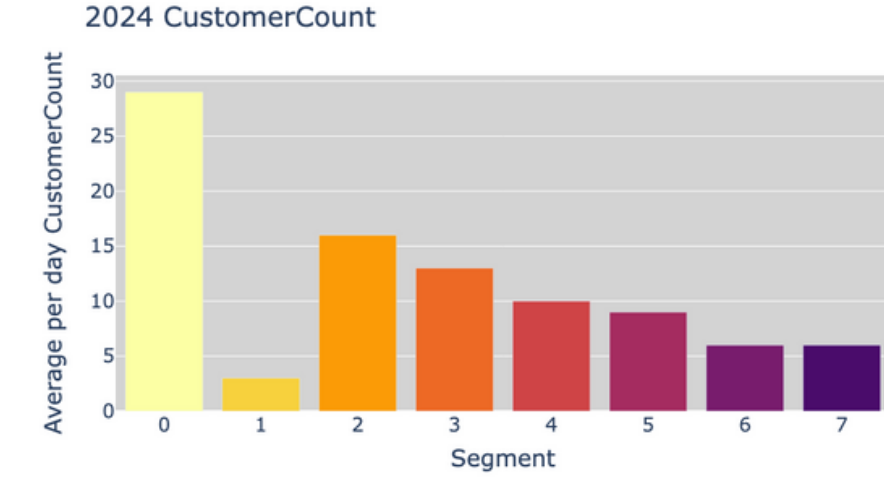
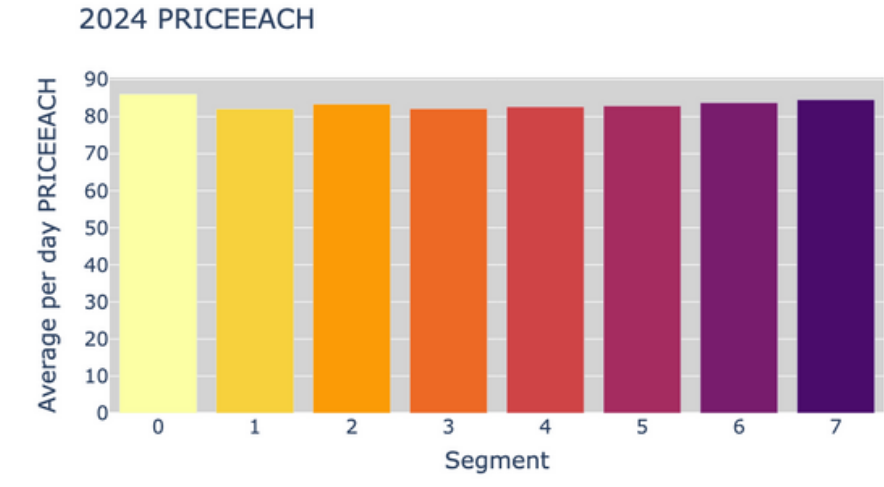
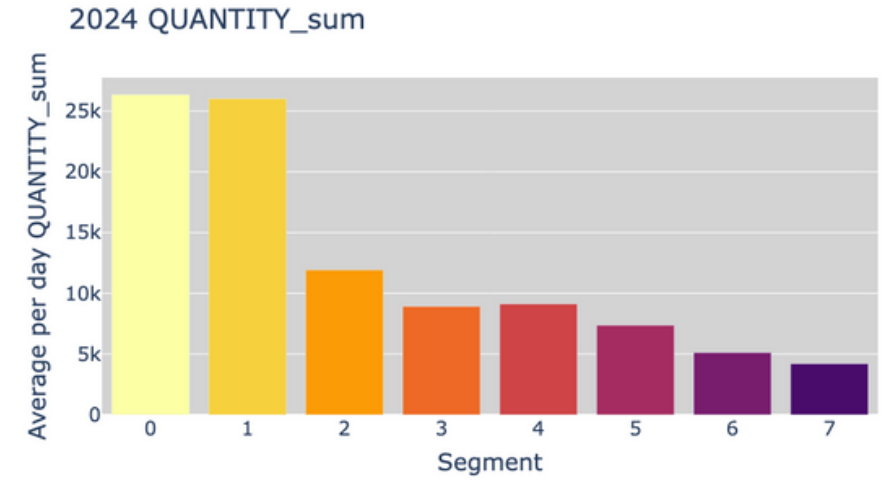
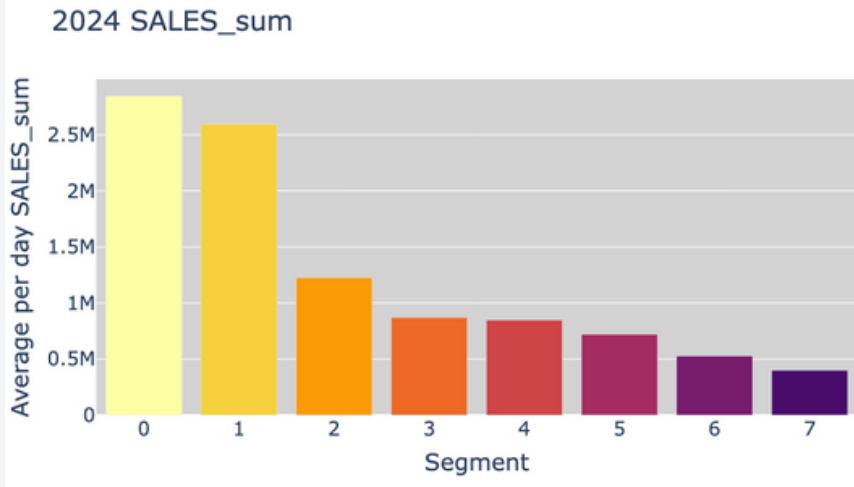


Silhouette: How similar a data point is within the cluster

Any of the spikes will work

Adding both conditions and aiming for a manageable number of segments we will choose 8 segments





# STRATEGIES



Most of the sales comes from the segments 0,1,2,3, and 4 that mostly prefers cars and motorcycles.

**FOCUS**



Segment 1 is the one that spends the most per customer. Therefore, I will use a loyalty strategy with them.

**LOYALTY**



Segments 0,2,3, and 4 are less engaged than segment 1. Therefore, I will use a CRM strategy with personalized offers to improve their Frequency and Recency

**ENGAGEMENT**



**THANKS**

