**INSIGHTS AND RECOMMENDATIONS FOR JADA STORES INC.**

1. *Spending & Satisfaction Across Membership Types*  
   *Which membership type generates the highest average spending, and how does satisfaction level vary across types?*

**Gold Members Are the Most Valuable & Most Satisfied**

* They have the highest average spending and a 100% satisfaction rate. This suggests that the gold membership program is delivering great value, likely through premium benefits, exclusive offers, or superior customer service.

**Silver Members Spend Moderately Well but Are Highly Dissatisfied (6.8% Satisfaction)**

* Despite having the second highest average spending, silver members have an extremely low satisfaction rate (6.8%). This is a huge red flag—it suggests a major issue with the silver tier, possibly due to: Unmet expectations (e.g., they expected more benefits but got very little),poor customer service compared to gold members, limited perks that don't justify the cost.
* Silver members might feel they are paying more but not getting enough value, making them frustrated and likely to churn. The data confirms this, and silver members make up most customers likely to churn.

**Bronze Members Have the Lowest Spending & 0% Satisfaction**

* Bronze members have the lowest average spending and are completely dissatisfied. This indicates that bronze membership may not offer any compelling value, or it may be attracting customers who are price-sensitive and not engaged.

**Recommendations to Improve Customer Satisfaction & Revenue**

**Fix the Silver Membership Issues (High Priority)**

* Conduct customer surveys or analyse complaints to understand why silver members are unhappy.
* Improve the Silver membership benefits, such as: Better discounts, free shipping, exclusive early access to sales

**Encourage Bronze Members to Spend More**

* Introduce targeted promotions to push bronze members to upgrade: Spend-based rewards (e.g., “Spend $X this month and get a free upgrade to Silver”), Personalized discounts to increase engagement etc.
* Make them feel valued, so they don’t leave due to dissatisfaction.

**Maintain Gold Member Satisfaction & Retention**

* Offer VIP treatment: Exclusive loyalty perks (early product launches, bonus points, free gifts), personalized customer service (dedicated support, concierge services), incentivize gold members to refer others, turning them into brand advocates.

1. *Discounts & Spending Behavior*  
    *Do customers who receive discounts spend more on average than those who don’t?*

**Customers Who Don’t Receive Discounts Spend More ($903.4 vs. $787.2)**

* This suggests that discounts are attracting lower-spending customers, while high-spending customers are willing to pay full price. It could mean that discounts aren’t necessary to drive high-value purchases.
* If customers who use discounts spend less overall, it indicates that discounted products are mainly purchased by price-sensitive shoppers. These customers might only buy when there's a discount, meaning they wait for deals rather than buying consistently. This also suggests that discount strategies aren’t increasing total revenue, just shifting when purchases happen.
* If discounts were working as intended, they should increase total spending by encouraging higher purchases. However, the data suggests that discounts are either: Not pushing customers to buy more items or targeting people who would have bought anyway but at a lower price.

**Recommendations to Optimize Discount Strategy**

**Rethink the Discount Targeting Strategy**

* Instead of offering general discounts, focus on targeted promotions for high-value customers. For example, offer discounts based on past spending behaviour or implement loyalty-based discounts which will reward frequent customers instead of one-time bargain hunters.

**Incorporate Minimum Spend Requirements**

* Instead of blanket discounts, introduce “Spend X, Get Y” offers. This encourages higher spending instead of just giving away discounts.

**Introduce Exclusive Perks Instead of Just Discounts**

* If high-spending customers aren’t motivated by discounts, consider alternative incentives, such as: free shipping or priority delivery instead of discounts, exclusive access to premium products for loyal customers or VIP customer benefits like early product launches.

1. *Customer Satisfaction by City  
    Which cities have the highest percentage of satisfied customers, and how does spending differ across locations?*

**New York & San Francisco Have 100% Satisfaction Rates and the Highest Spending**

* Customers in New York ($1,165.04 avg.) and San Francisco ($1,459.77 avg.) spend the most and have 100% satisfaction rates. This suggests that the company is doing exceptionally well in these cities—either because of better service, product availability, or customer engagement.

**Los Angeles Has Moderate Spending but a Low Satisfaction Rate (13.56%)**

* Los Angeles customers spend $805.49 on average, which is decent, but only 13.56% of them are satisfied. This suggests a serious issue with the customer experience in Los Angeles—possibly due to poor delivery times, product availability issues, customer service problems, pricing concerns.

**Chicago, Houston, and Miami Have 0% Satisfaction Rates and Low Spending**

* Customers in Chicago ($499.88 avg.), Houston ($446.89 avg.), and Miami ($690.39 avg.) have zero satisfaction. These cities might have operational issues, such as: poor delivery logistics, low product availability, bad customer service, a mismatch between customer expectations and the product offering etc.
* These cities are losing potential high-value customers due to poor satisfaction.

**Recommendations to Improve Performance in Each City**

**Investigate and Fix Issues in Low-Satisfaction Cities (Highest Priority: Chicago, Houston, and Miami)**

* Conduct a deep dive into customer feedback from these cities to pinpoint the issues. Improve logistics & delivery times; delays might be causing frustration—partner with better couriers. Enhance local customer support. If certain products are always out of stock, consider warehouse expansion or better inventory planning.

**Address Los Angeles’ Low Satisfaction Despite Moderate Spending**

* Survey LA customers to understand their pain points. Improve service consistency; if the issue is unreliable service or pricing, fix those gaps. LA customers spend a fair amount, so encourage repeat purchases with VIP offers or other loyalty incentives

**Leverage High-Satisfaction Cities (New York & San Francisco) for Growth**

* Upsell and cross-sell in these markets; since customers are highly satisfied, they’re more likely to try new products. Encourage referrals. Introduce exclusive perks (early access, limited edition products) to further drive engagement.

1. *Customer Churn & Retention  
    Which customers are at risk of churning based on inactivity (e.g., no purchase in 40+ days) and high past spending?*

**Silver Members Dominate the List, with Most at Moderate Risk**

* Most customers at the risk of churning are silver members, and most fall under the "Moderate Risk" churn category (days since last purchase: 50-90). This means they are not fully engaged with the brand despite spending more than bronze members.
* Silver members at moderate risk spend between $660 - $730 on average. This indicates that even moderately engaged silver members contribute significantly to revenue, so retaining them should be a priority.

**Low-Risk Silver Members Have Lower Spending (~$690)**

* Some Silver members categorized as "Low Risk" have spending closer to $690, which is lower than the spending of moderate risk silver members. This suggests that some silver customers who purchase frequently do not necessarily spend more. Possible reasons: they make frequent but small transactions. They may be budget-conscious but loyal.

**Bronze Members Spend Significantly Less and Are All Low Risk**

* Bronze members spend between $475 - $515 and are all categorized as "Low Risk" (meaning they purchase frequently but spend very little). This suggests that bronze members: are not at high risk of churning, but their low spending limits revenue growth.

**Recommendations to Improve Retention & Revenue**

**Target Silver Members in the Moderate-Risk Category for Retention**

* Since moderate-risk silver members spend the most, keeping them engaged should be a top priority. How? Personalized offers, re-engagement emails, early access to sales

**Encourage Low-Risk Silver Members to Spend More**

* Silver members who buy frequently but spend can be nudged into higher-value purchases. How? Upselling strategies, bundle deals, incentivize them to reach gold tier

**Convert Bronze Members into Higher-Spending Customers**

* Bronze members are low risk but spend the least—they are loyal but cautious buyers. How? Exclusive upgrade offers, reward loyalty with cashback, introduce limited-time deals