

Customers' Lifetime Values

The dataset covers customer activity across key events: **views, carts, and purchases** during October and November 2019. The recorded event counts are as follows:

- **Views:** 104,000,000
- **Carts:** 3,955,446
- **Purchases:** 1,659,788

In total, the dataset contains **110,000,000+ records**, reflecting large-scale customer interactions.

Customer Segmentation Performance

The customer base has been divided into six distinct segments based on RFM (Recency, Frequency, Monetary) analysis and CLV (Customer Lifetime Value). Below is a breakdown of performance:

- **Declining (24.1%):** 167,855 customers, showing reduced engagement with lower CLV (53.38). Their average frequency is 1.2, indicating limited repeat activity.
 - **Developing (21.1%):** 147,015 customers, moderately active with improved CLV (138.96) and balanced frequency (1.6).
 - **Low Activity (17.2%):** 119,786 customers, least engaged with low CLV (27.9) and low monetary value (137.32).
 - **Regular (16.7%):** 116,608 customers, consistent participants with strong CLV (1509.66) and healthy frequency (3).
 - **High Value (15.2%):** 106,306 customers, the most profitable segment with exceptionally high CLV (10,213.67) and strong frequency (6.7).
 - **Inactive (5.7%):** 39,900 customers, disengaged with the lowest CLV (13.54) and minimal repeat activity.
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Insights

- Customer engagement is highly concentrated in **view events**, with less than 2% conversion to purchases, highlighting a **potential gap in funnel efficiency**.
- The **High Value segment**, though smaller in size (15.2%), contributes disproportionately to revenue due to strong repeat activity and high monetary value.
- The **Inactive and Low Activity segments** combined account for over 20% of customers but deliver minimal financial returns, representing **targets for reactivation strategies**.

- The **Regular and Developing segments** act as a solid middle ground, with opportunities to nurture them into High Value customers.
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Conclusion

Overall, customer performance indicates strong potential but uneven distribution of value. While a large portion of customers remain inactive or low activity, the High Value and Regular groups demonstrate substantial profitability. To improve performance, strategies should focus on **funnel optimization, re-engagement campaigns for inactive users, and nurturing developing customers into higher-value segments.**