BC1– WWW Customer Segmentation

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Today's Plan

PHASE 1 Intro

PHASE 2 Segmentation Result
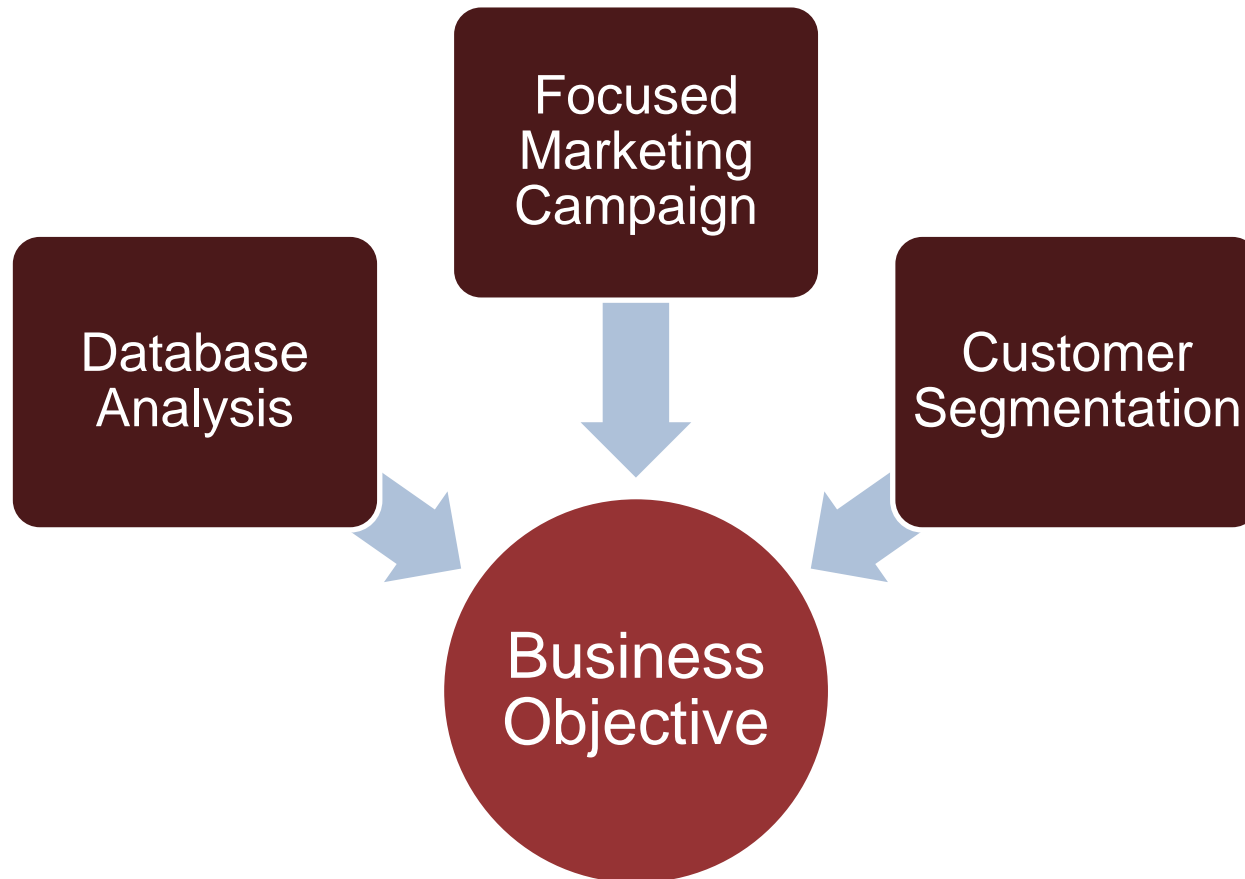
PHASE 3 Marketing strategy

PHASE 4 Insights and Conclusion

Introduction

Focused Marketing Campaign

Database Analysis

Customer Segmentation

Business Objective

- Purchasing Behaviour
- Product Mix
- Customer's value?

Introduction

And we divided the data into two sub-views

Customer Profile

Number of days as a costumer	Age	Years of Education	Frequency	Monetary	Web Purchasing	% Purchases Bought on Discount

Product Mix

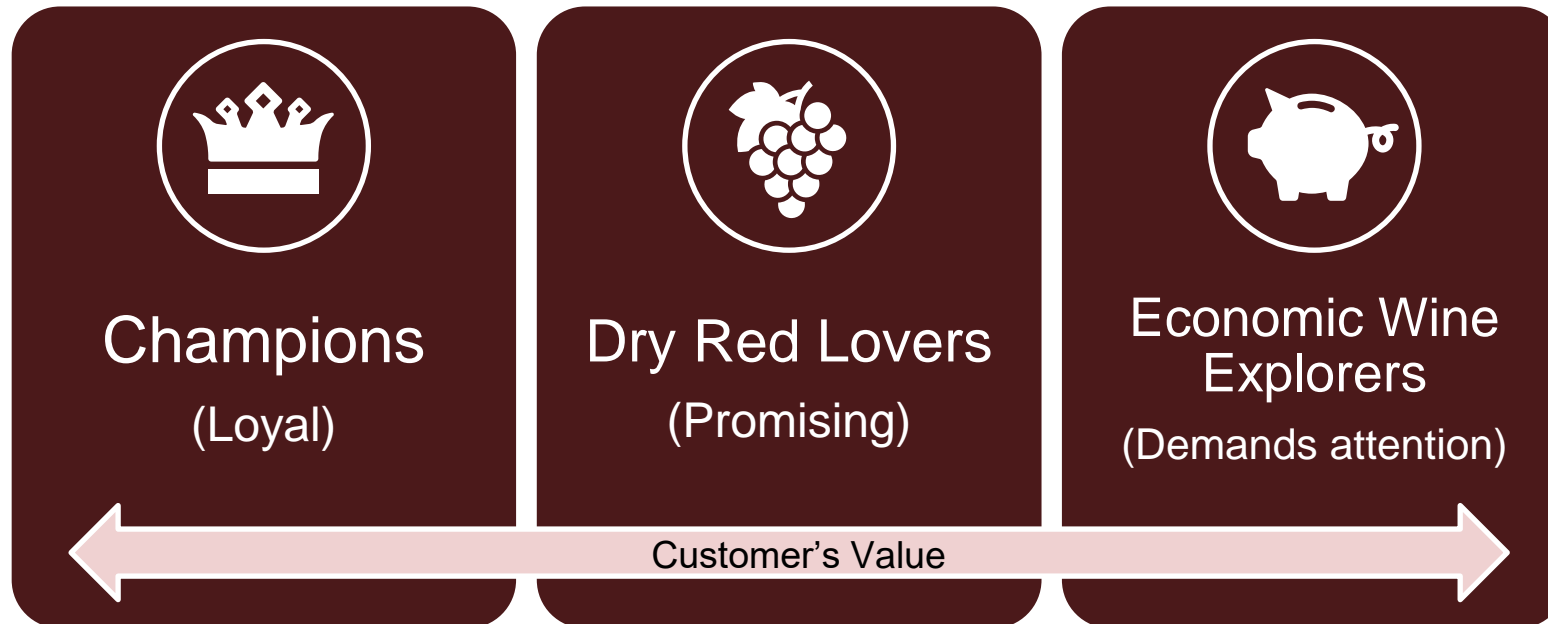| % Dry Red	% Sweet Red	% Dry White	% Sweet White	% Dessert	% Exotic

Results and Evaluation

clustering analysis and customers evaluation

Customer's Profile

3 customers segmentations:

Champions	Dry Red Lovers	Economic Wine Explorers
(Loyal)	(Promising)	(Demands attention)

Customer's Value

Characteristics Champions

26% cust

70,8% sales

Regroup the best clients in terms of value and purchases. Most Profitable for your company.

Customer Profile

Age range: 60-80 years

Education Level: Diverse

Purchasing History

High Monetary (49euros/purchase)

High Frequency (min 1 purchase/month)

Lowest PerDeal interest

81% purchases **OFF**line

Product Mix

spending

79,93% on Dry Wines

13,52% on Sweet Wines

8% are exotic wines

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Characteristics Dry Red Lovers

41% cust

17% sales

Champions | Dry Red Lovers | Economic Wine Explorers

Client who buys less frequently but are promising. They are online friendly, incentive to discount, and more selective regarding wines' quality.

Customer Profile

Age range: 40-55 years

Education Level: Bachelor and more

Purchasing History

Low Monetary

Mid Frequency (purchase every 1/2 month)

Sensitive to Promotion

49,5% purchases **ON**line

Product Mix

91,96% on Dry Wines

70,84% on Dry Red Wines

14% are exotic wines

Characteristics Economic Wine Explorers

33% cust

10,7% sales

Champions

Dry Red Lovers

Economic Wine Explorers

Not Regular Clients, Less profitable. Adventurous profile, always looking for the best opportunity and is e-shopping friendly.

Customer Profile

Age range: 25-40 years

Education Level: High School and Bachelor

Purchasing History

Low Monetary

Low Frequency (purchase every 2/3 month)

Highly sensitive to Promotion

51% purchases **ON**line

Product Mix

63,6% on Dry Wines

24,5% on Sweet Wines

26% are exotic wines

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Deployment plan

Marketing strategy and Implication for the business

Objectives

-Retain and Reward the Loyalty of the client

-Increase purchases (online + product range)

HOW?

Objectives

-Retain and Reward the Loyalty

-Increase purchases

How?

A "winery club membership" program, with exclusive benefits:

Pre-sale for special edition wines

Tasting sessions

Customization services

Personal Advisor to help them in the shop or to place online orders

Objectives

-Create a closer relationship to increase Frequency and Loyalty

-Increase Transparency to show quality of your Dry wines

HOW?

Objectives

-Create a closer relationship

-Increase Transparency

How?

Create a Newsletter with content about wines and direct links to your website with deals and offer

Discount on the quantities of Dry Wines bought

Partnership with museum, documentaries etc ➔ that gives information about your winemaking process

Objectives

-Attract the client to buy your products over the competitor's

-Increase Loyalty

HOW?

Objectives

Attract client to buy your products over competitor's ones

-Increase Loyalty

How?

Recipes on the website & giveaways for the best cocktails

Mystery box subscription program with varied selection of wines

Discount Coupon for the next purchase with a validation date of 1 or 2 months

Social network ads as a communication channel

Conclusion

Further insights and conclusion

Further insights, Next Steps and Conclusion

To improve:
Complement information
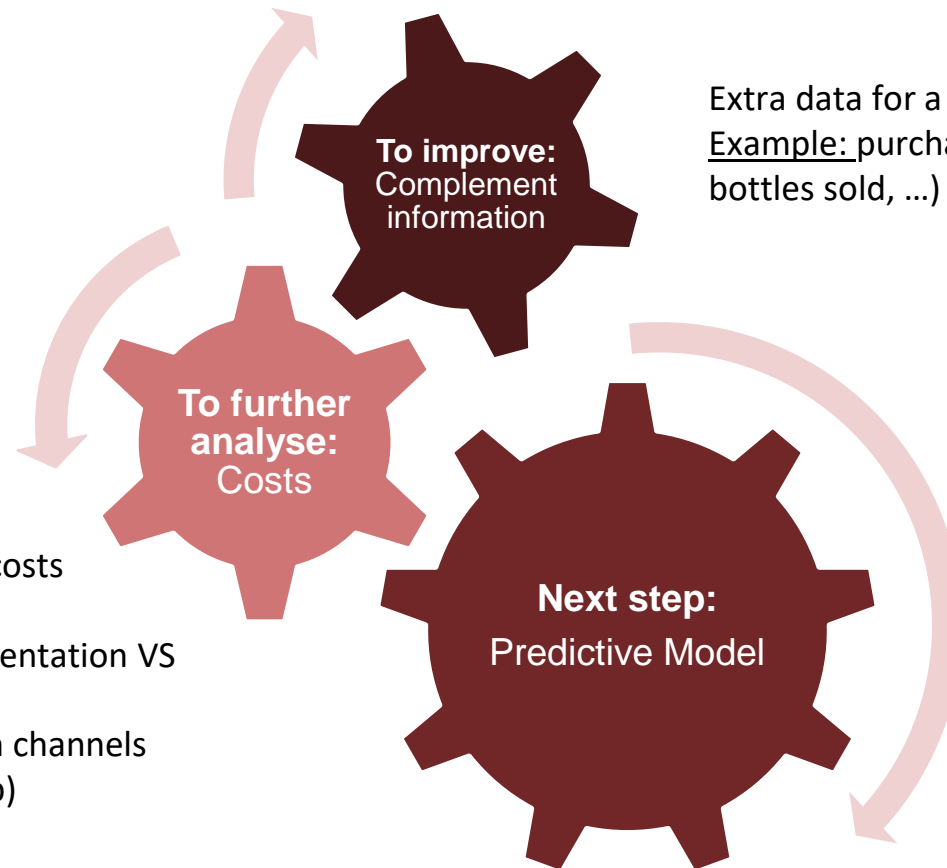
Extra data for a more detailed and complete segmentation
Example: purchasing history (sales channels, number of bottles sold, …)

To further analyse:
Costs

Next step:
Predictive Model

Understanding more precisely costs generated:
- For marketing in each segmentation VS Profitability
- By the different distribution channels (website VS catalog VS shop)

- Using current classification to predict and classify future potential customers
- Better Acquisition of new customers

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