SCOOP

Customer Value Analysis
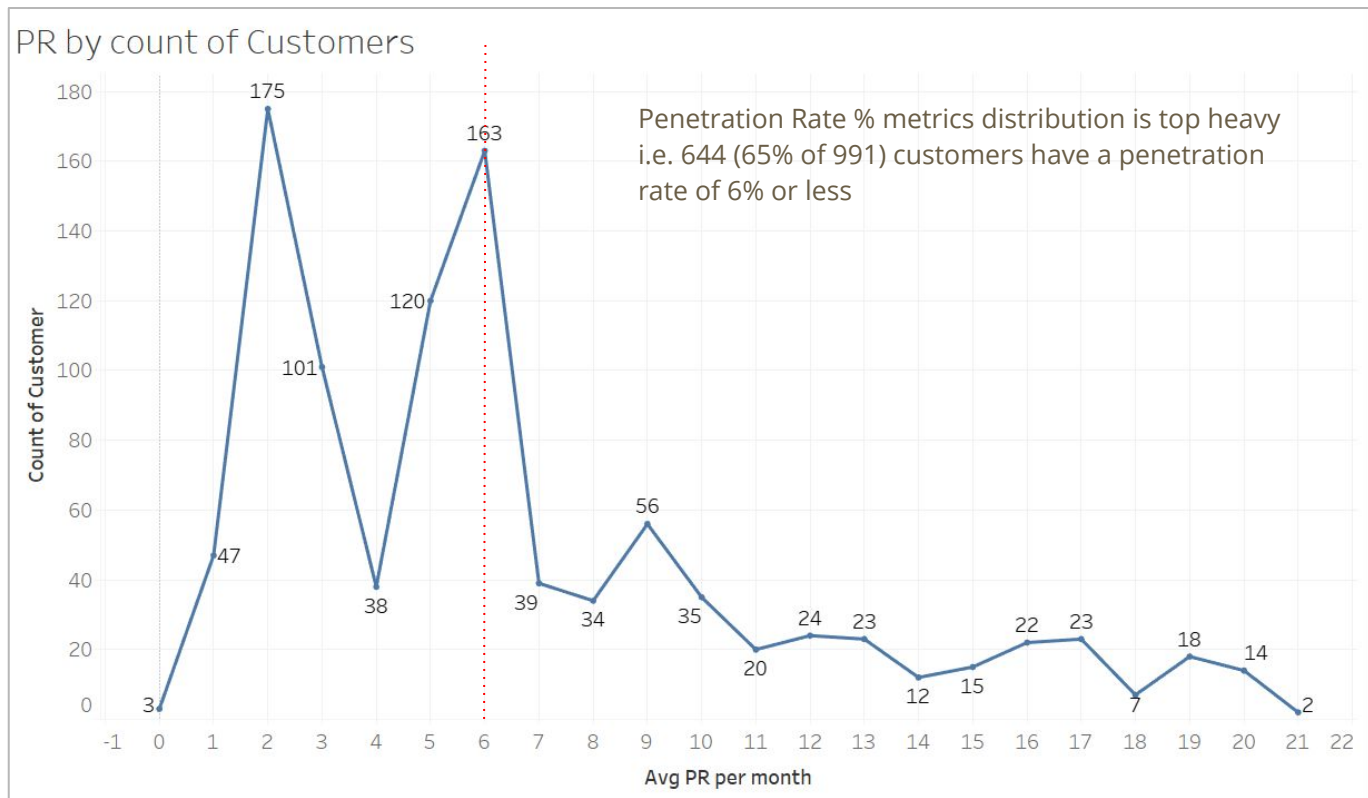
Customer Value Analysis Framework

Analysis Objective: Analyze performance of customers and segment its existing customers into the following 3 groups Platinum, Gold, Silver

Assumptions:

1. Data Preparation: Convert the data into the right format for analysis. Perform necessary data integrity.
2. Primary Metrics to consider
   a. Penetration Rate% per month
   b. Activation Rate% per month
   c. Average Trip Volume per month
3. For each of the above primary metric we will take the customer
   a. Who are **above 99% percentile as Platinum customers (high value)**
   b. Who are **above 95% and below 99% percentile as Gold customers (medium value)**
   c. Who are **below 95% percentile as Silver customers (low value)**
4. Other secondary metric to consider
   a. Average registered users per month
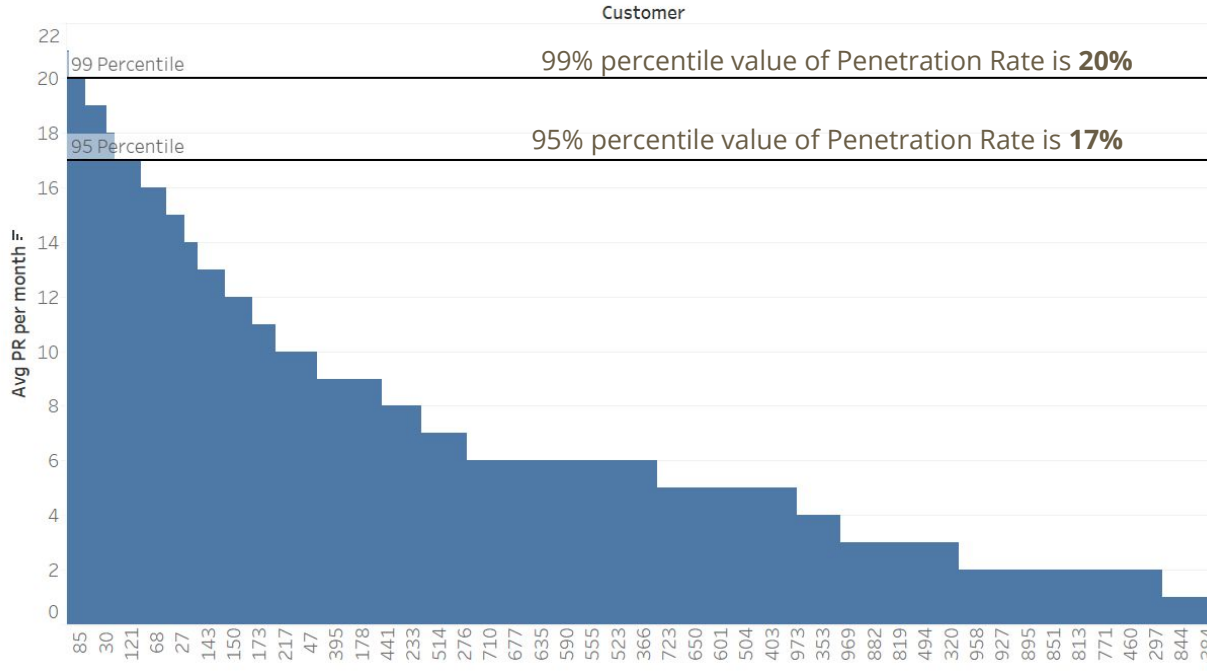   b. Average number of companies registered per month

Penetration Rate % by Number of Customers

Penetration Rate % = #Registerd Customer/ #Company Size

PR by count of Customers

Penetration Rate % metrics distribution is top heavy i.e. 644 (65% of 991) customers have a penetration rate of 6% or less

What should be the Penetration Rate% for Platinum, Gold and Silver customers?

Penetration Rate by Customer ID

Customer

99% percentile value of Penetration Rate is **20%**

95% percentile value of Penetration Rate is **17%**

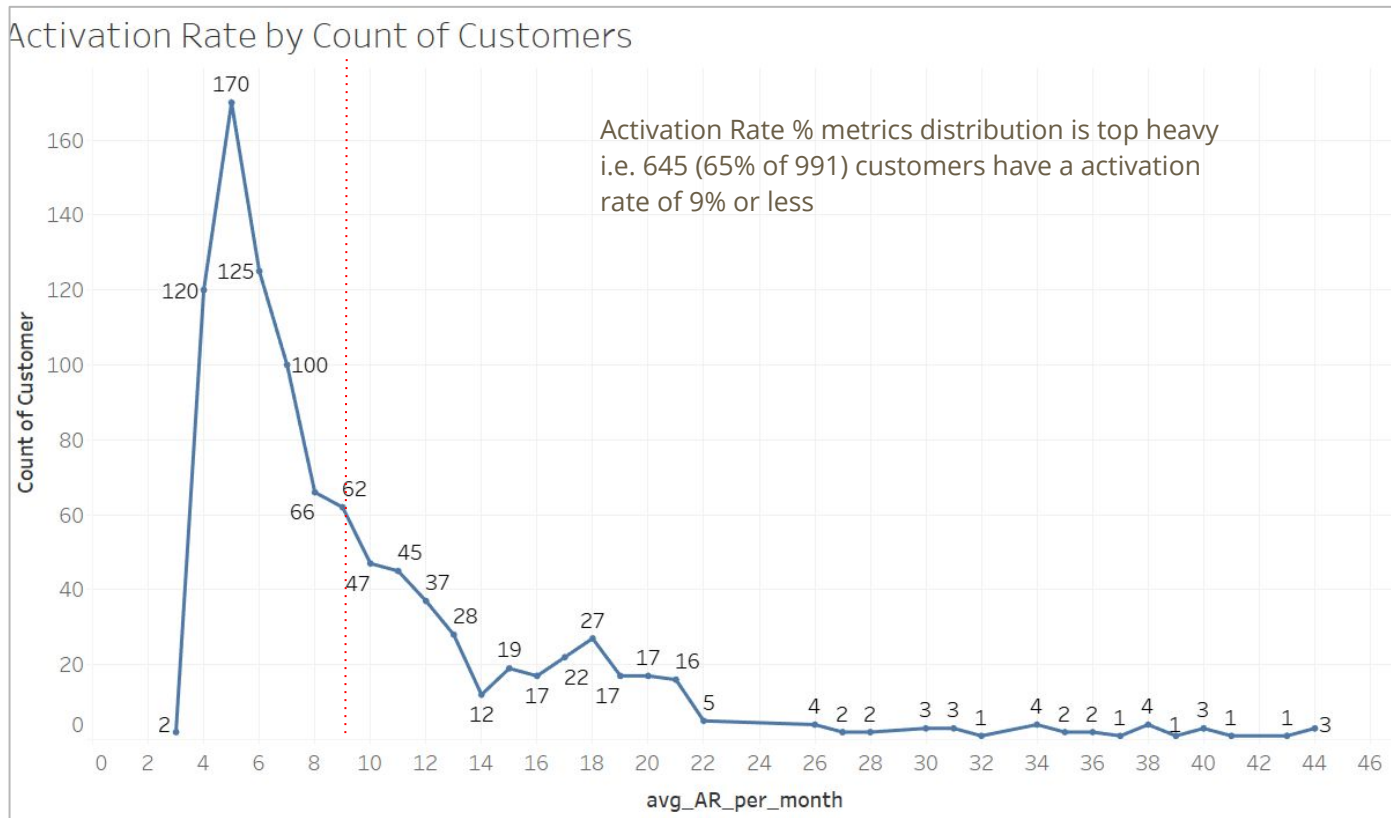99 Percentile

95 Percentile

Avg PR per month F.

Platinum: Customer with greater than equal to 20% Penetration Rate

Gold: Customers with less than 20% and greater than equal 17% Penetration Rate
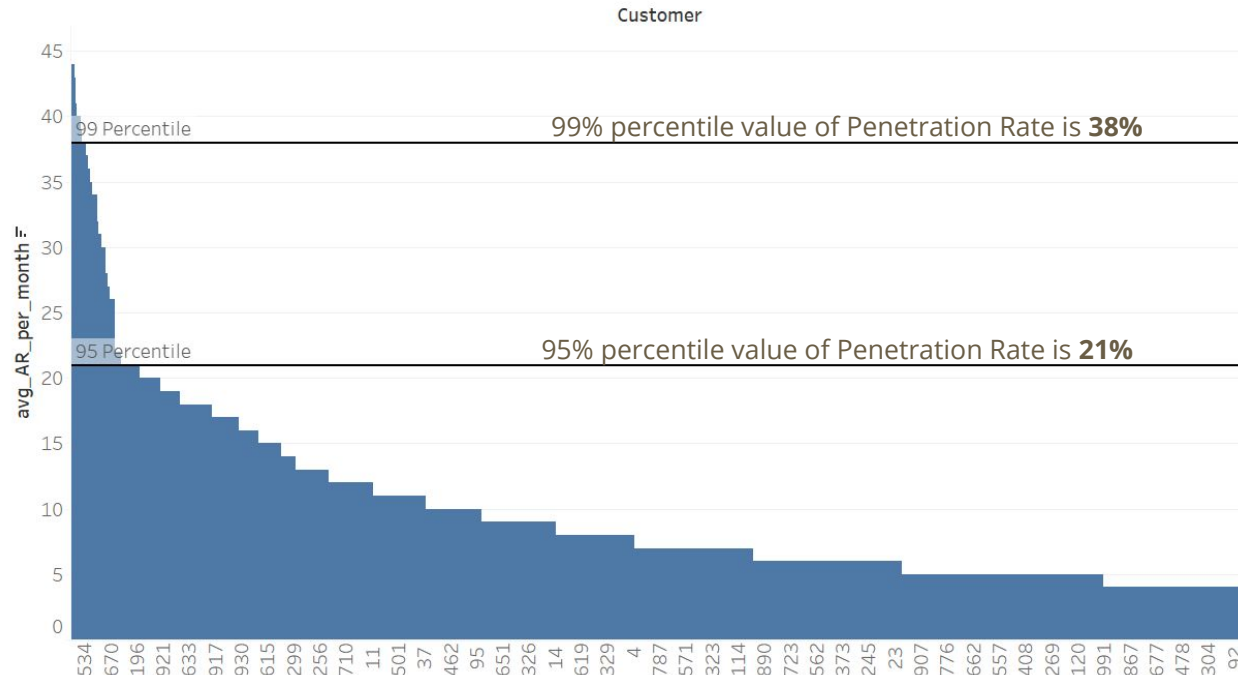
Silver: Customers with less than 17% Penetration Rate

Activation Rate % by number of customers

Activation Rate % = #Scheduled Customers / #Registered Customers

Activation Rate by Count of Customers

Activation Rate % metrics distribution is top heavy i.e. 645 (65% of 991) customers have a activation rate of 9% or less

What should be the Activation Rate % for Platinum, Gold and Silver customers?

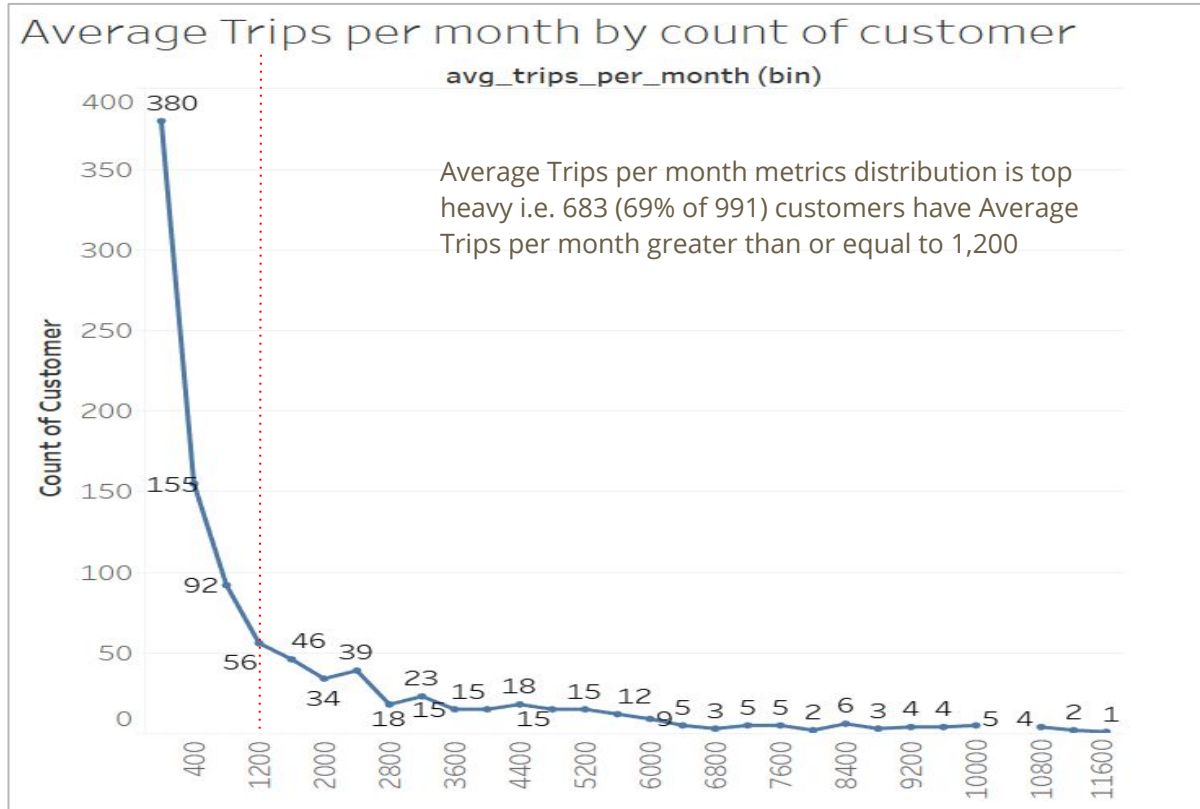
Activation Rate by Customer ID

Platinum: Customer with greater than equal to 38% Activation Rate

Gold: Customers with less than 38% and greater than equal 21% Penetration Rate
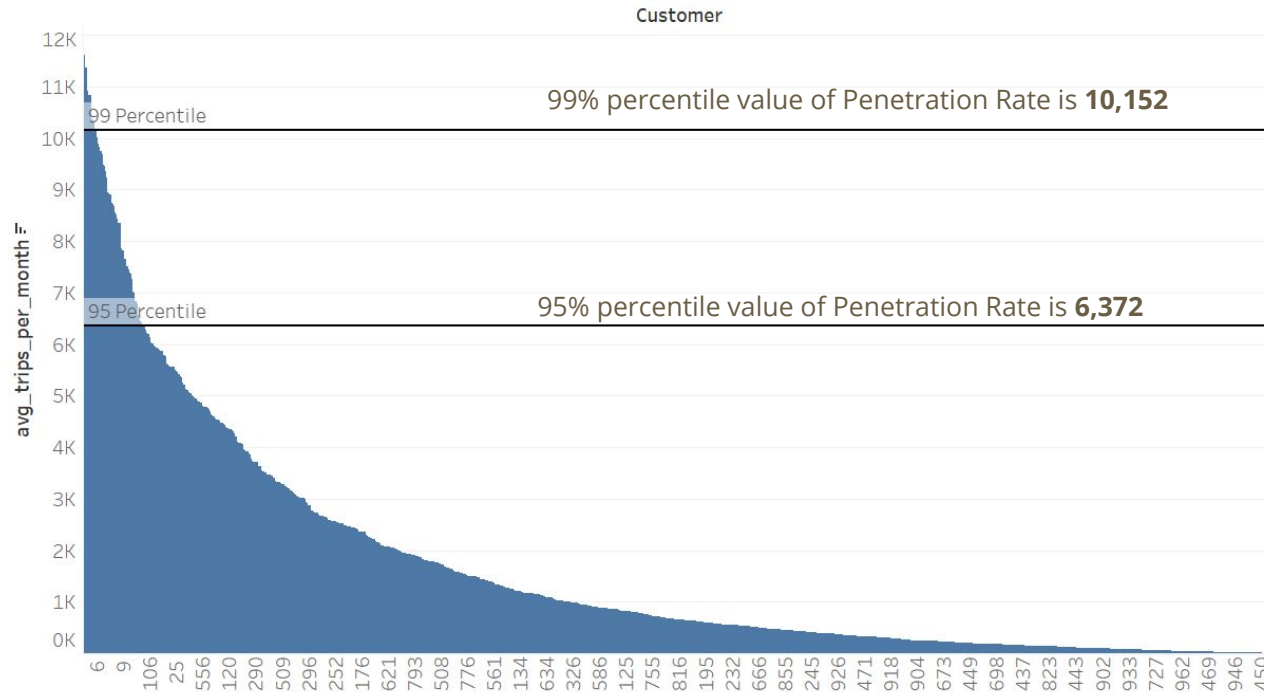
Silver: Customers with less than 21% Penetration Rate

Average Trips per month by number of customers

Avg Trip per Month = #Total Trips / #Number of months trips taken

Average Trips per month by count of customer

avg_trips_per_month (bin)

Average Trips per month metrics distribution is top heavy i.e. 683 (69% of 991) customers have Average Trips per month greater than or equal to 1,200

What should be the Average Trip Volume per month for Platinum, Gold and Silver customers?

Average trips per month Volume by Customer ID

Customer

99% percentile value of Penetration Rate is **10,152**

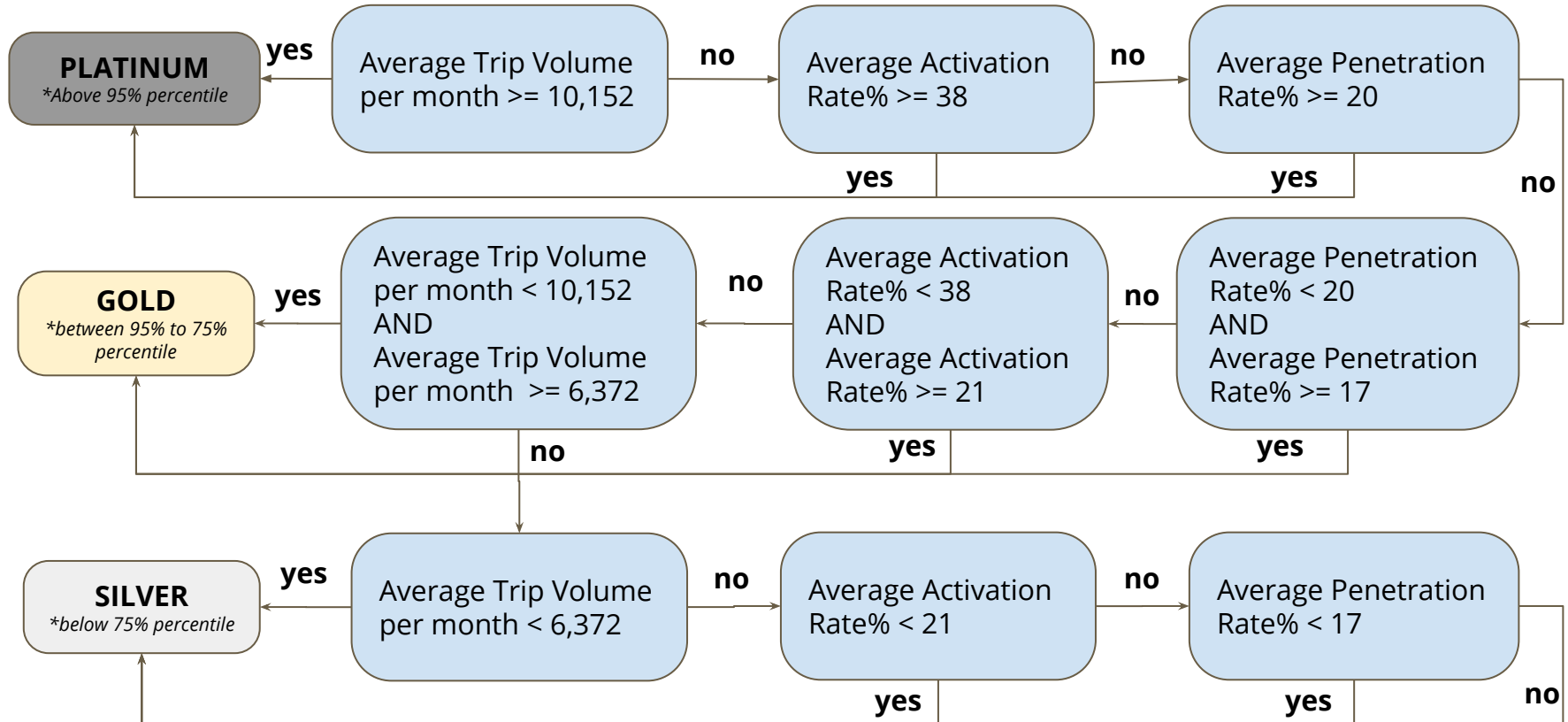95% percentile value of Penetration Rate is **6,372**

Platinum: Customer with greater than equal to 10,152 average trip volume per month
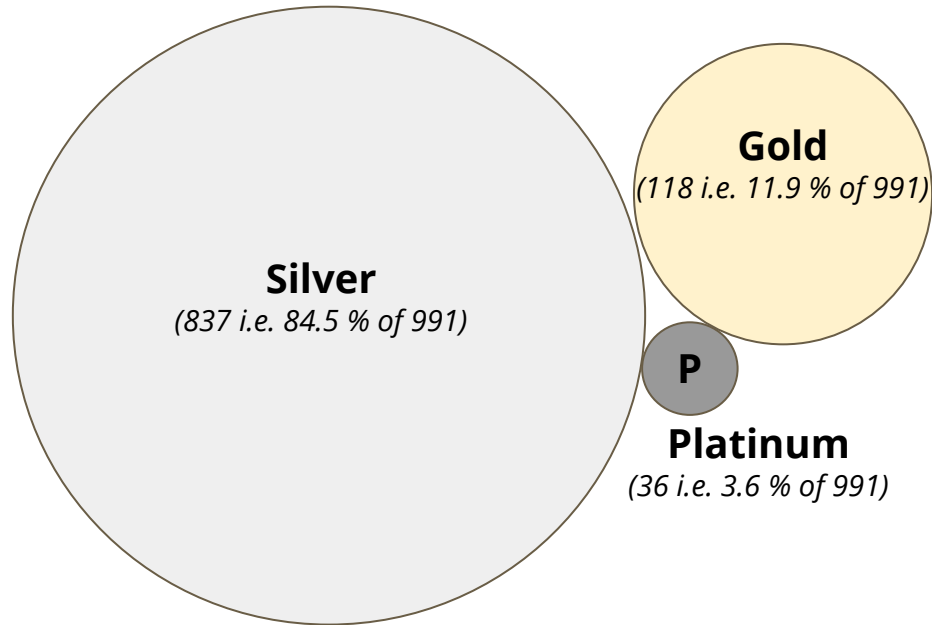
Gold: Customers with less than 10,152 average and greater than equal to 6,372 trip volume per month

Silver: Customers with less than 6,372 average trip volume per month

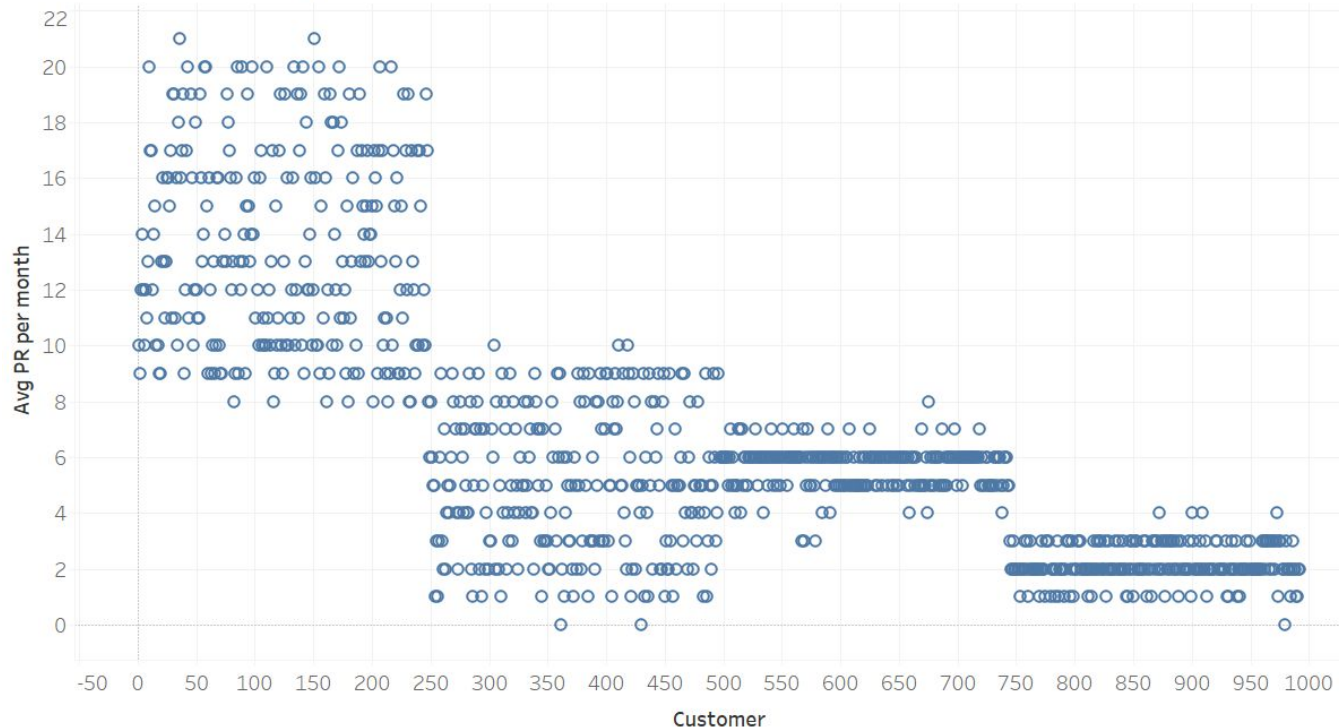# Who should be our Platinum, Gold, Silver Customers?

PLATINUM
Above 95% percentile

← **yes** — Average Trip Volume per month >= 10,152 — **no** → Average Activation Rate% >= 38 — **no** → Average Penetration Rate% >= 20

yes → (Platinum)   **yes** → (Platinum)   **no** →

GOLD
between 95% to 75% percentile

← **yes** — Average Trip Volume per month < 10,152 AND Average Trip Volume per month >= 6,372 — **no** ← Average Activation Rate% < 38 AND Average Activation Rate% >= 21 — **no** ← Average Penetration Rate% < 20 AND Average Penetration Rate% >= 17

no ↓   **yes** ↑ (Gold)   **yes** ↑ (Gold)

SILVER
below 75% percentile

← **yes** — Average Trip Volume per month < 6,372 — **no** → Average Activation Rate% < 21 — **no** → Average Penetration Rate% < 17

yes → (Silver)   **yes** → (Silver)   **no** →

Platinum, Gold and Silver Customers

Gold
(118 i.e. 11.9 % of 991)

Silver
(837 i.e. 84.5 % of 991)

P

Platinum
(36 i.e. 3.6 % of 991)

Appendix

New Registered Customers by Month of Registration

New Registered User each Month

Registrations by month is on an increasing trend

July 2019 had a the most registrations with 147 customers
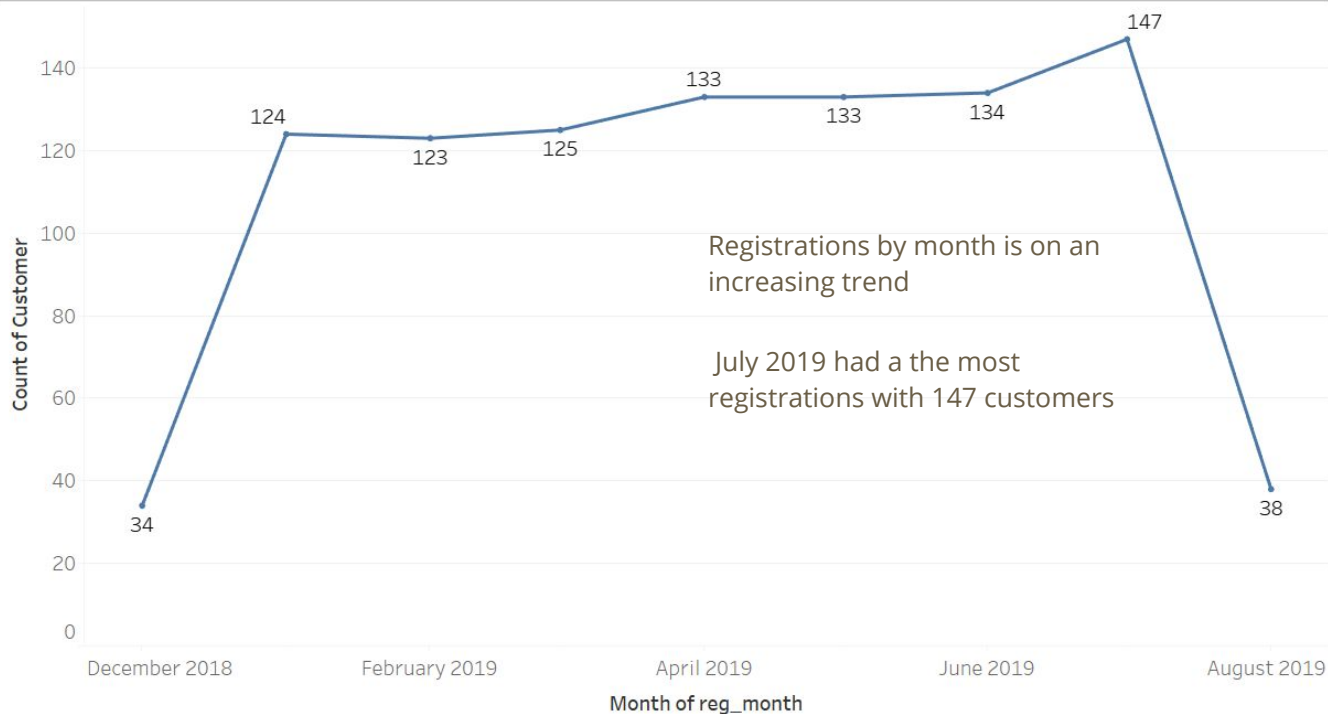
Penetration Rate % by Customer ID

Penetration Rate by Customer ID

Customer and the month they Registered

customer and month they registerd
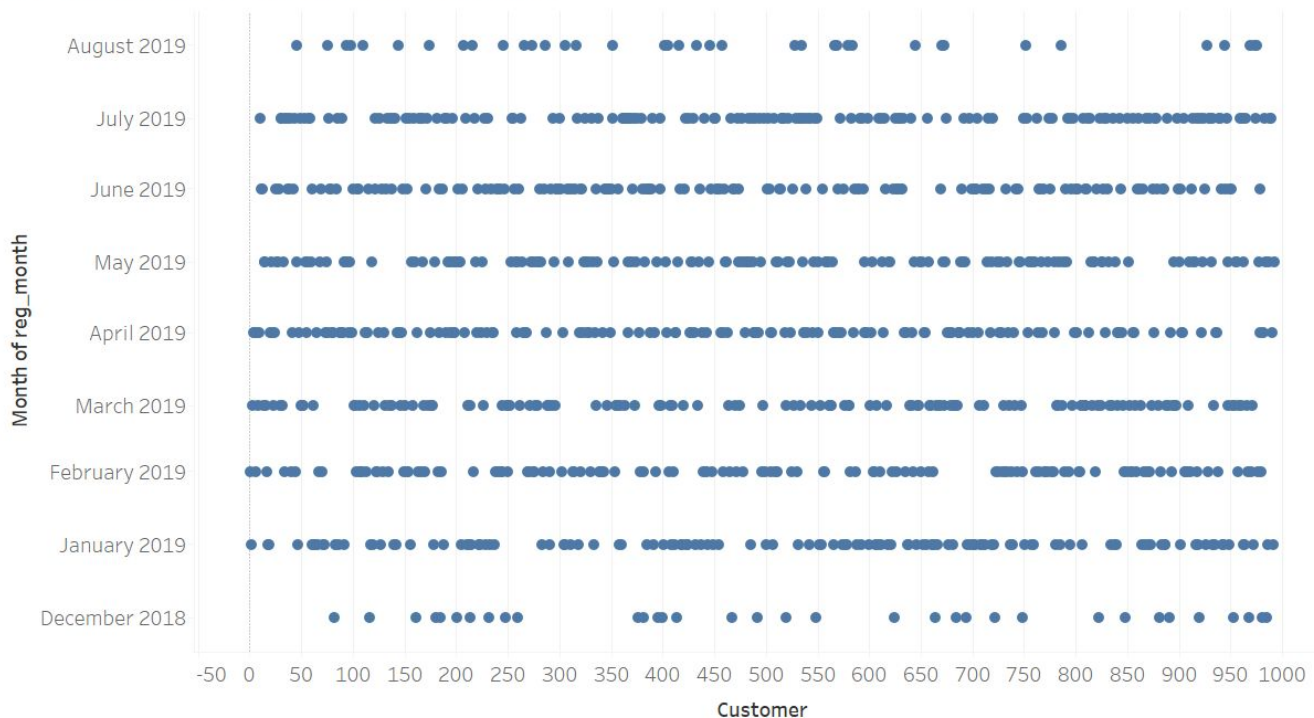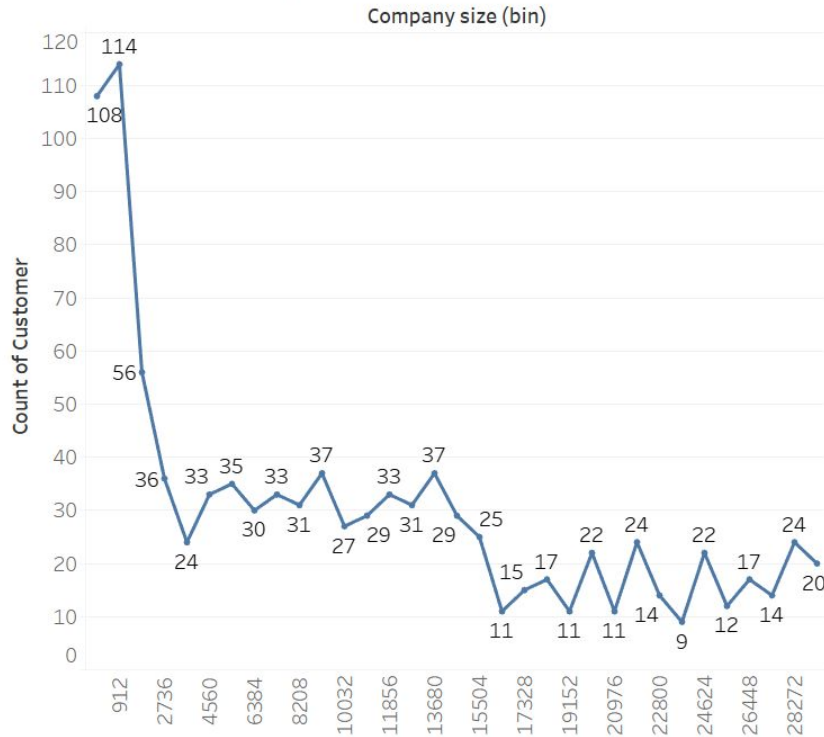
Customer vs Company size
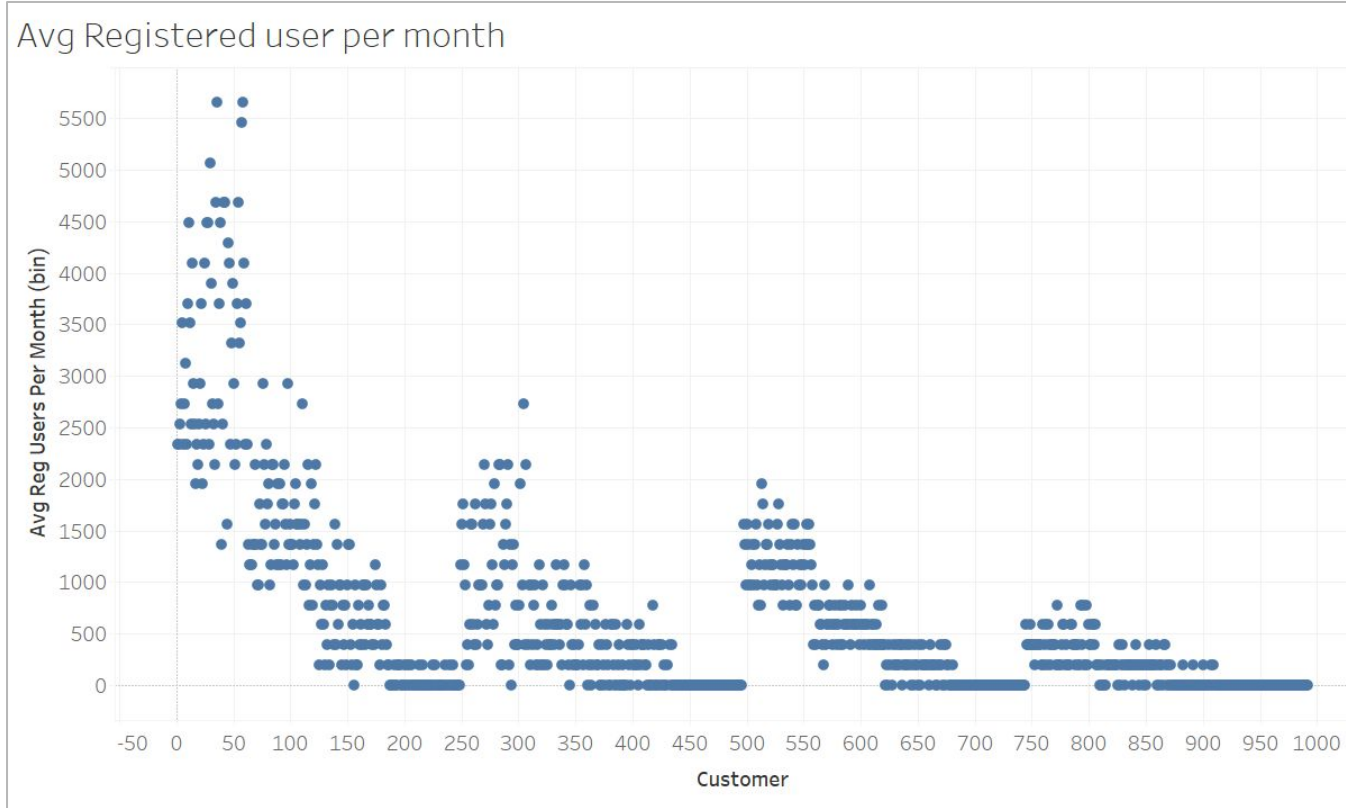

customer vs company size
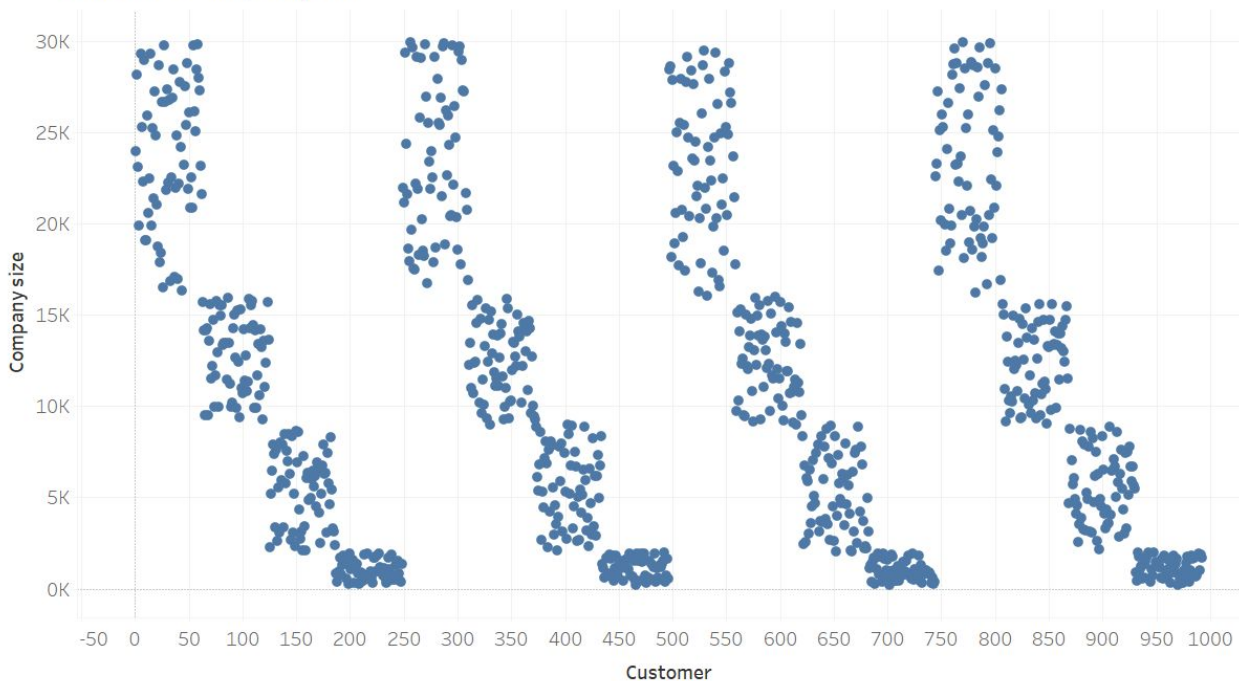
Count of customers by company size

Average Registered users per month

Average Registered Users per month by number of customers

avg reg users per month vs customer count