

**CUSTOMER LIFE TIME
VALUE ANALYSIS
REPORT**

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INTRODUCTION

Customer lifetime value analysis is used to estimate the total value of customers to the business over the lifetime of their relationship. It helps companies determine how much to invest in customer acquisition and retention, as well as identify the most valuable customers to prioritize for retention efforts.

By analyzing customer lifetime value, companies can identify the most effective marketing channels and campaigns for acquiring high-value customers, as well as develop targeted retention strategies to keep those customers engaged and loyal.

DATA COLLECTION

DATA SOURCES:

For the Customer Lifetime Value analysis task, we need a dataset based on customers' relationships with the business. A data set that contains customer_id, channel, cost of acquisition, revenue.

DATA CLEANING:

Data cleaning involved handling missing values, removing outliers, removing duplicates and standardizing data formats.

METHODOLOGY

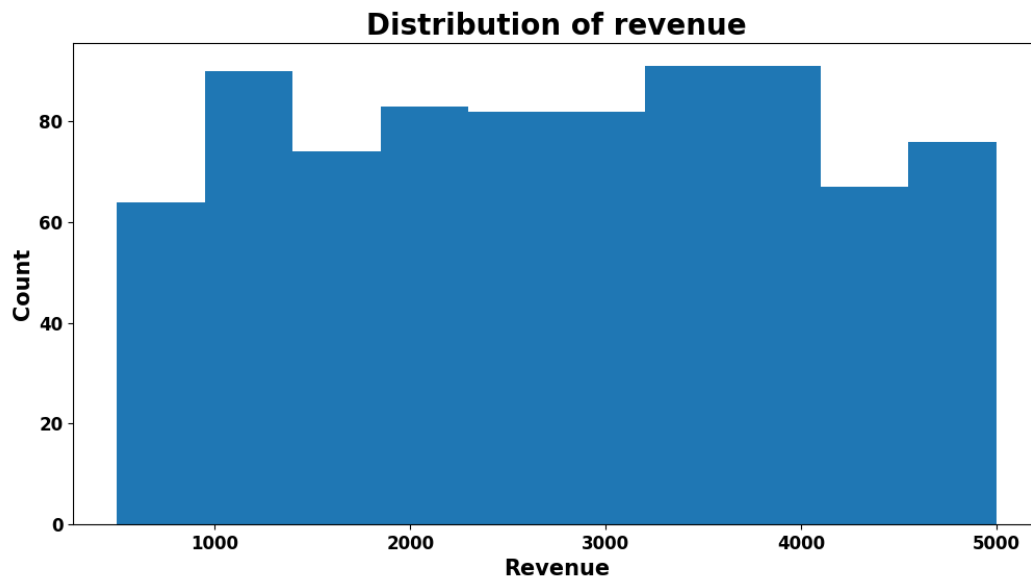
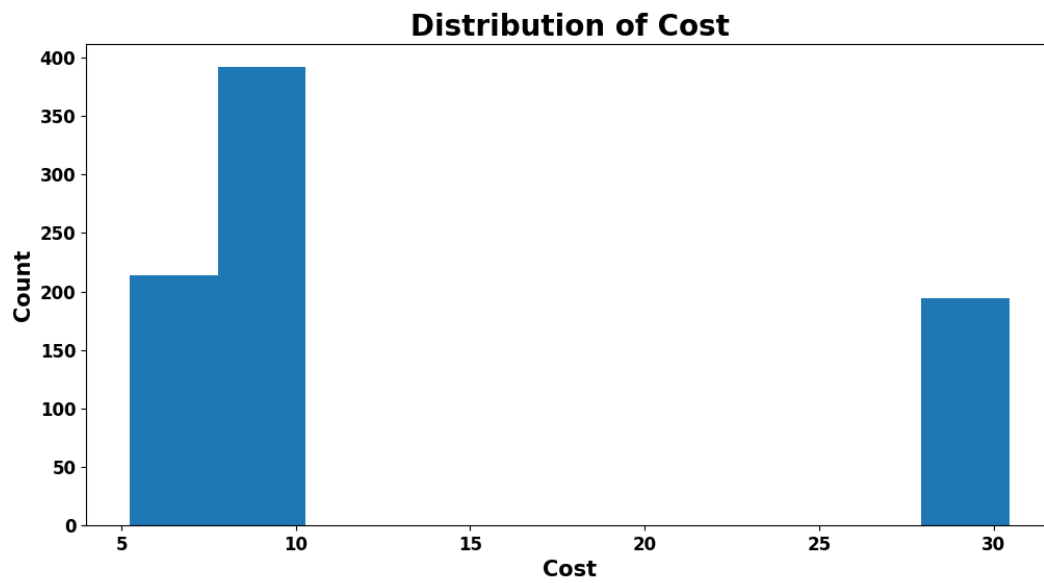
The analysis employed descriptive statistics, data visualization, and regression analysis to understand the relationships between variables.

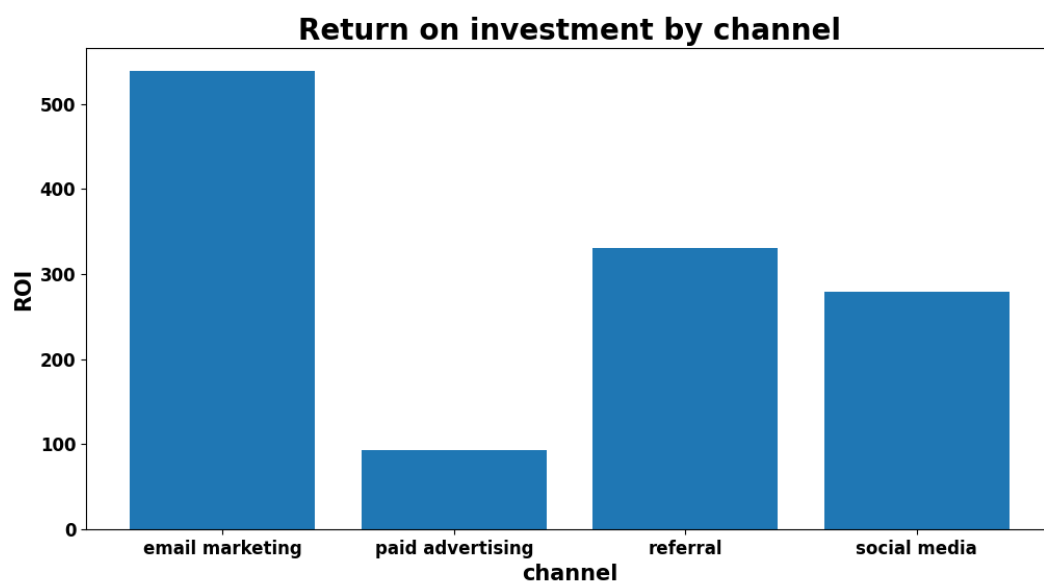
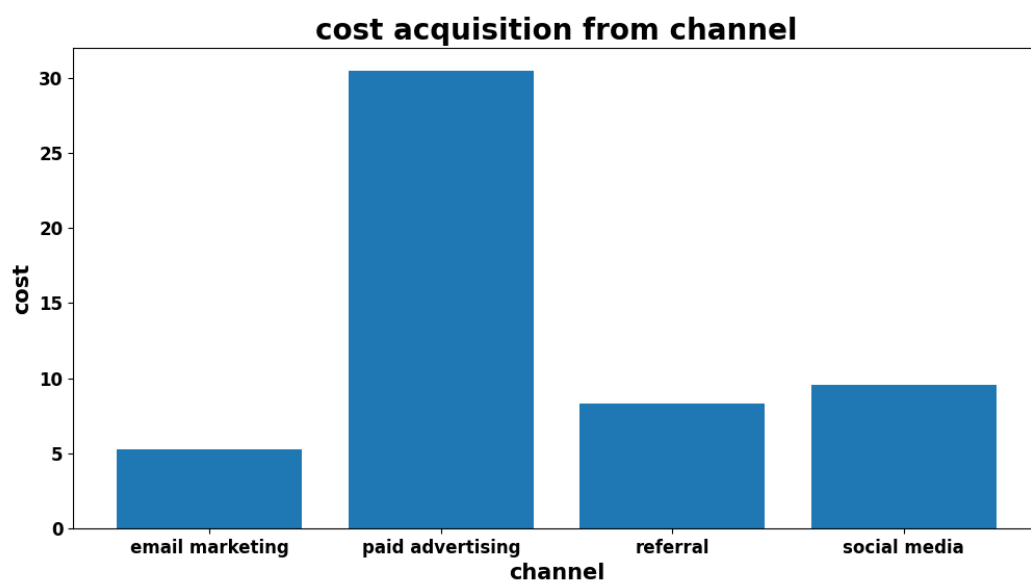
RESULTS

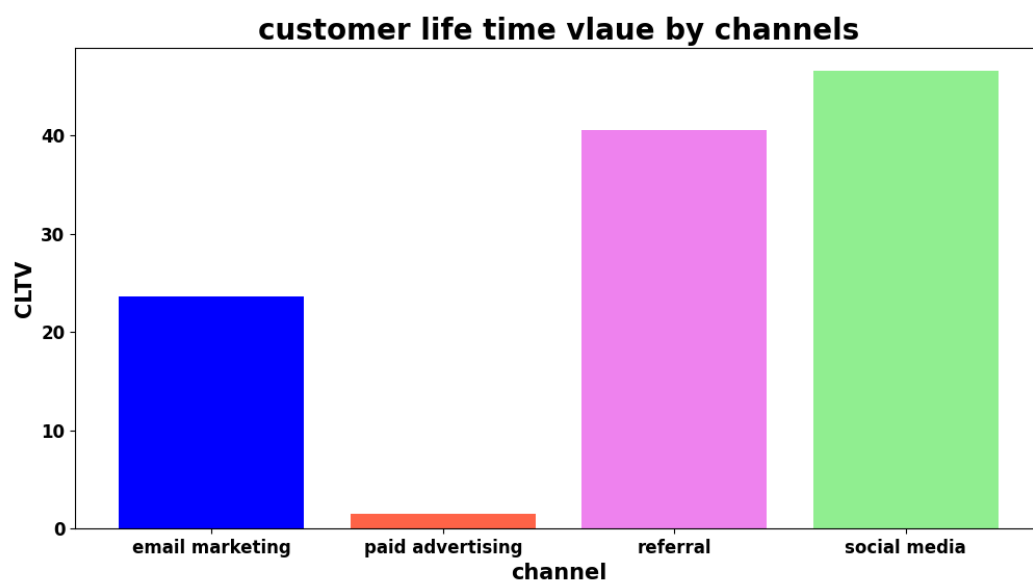
MAIN FINDINGS:

- **For customer acquisition we spent highly on paid advertising and least on email marketing.**
- **Social media has been the most effective channel for converting customers and Paid advertising is the least effective.**
- **The ROI from email marketing is way higher than all other channels, while the ROI from paid advertising is the lowest.**
- **Customer lifetime value from Social Media and the referral channels is the highest.**
- **The Customer Lifetime Value from the Social Media channel is slightly better than the referral channel.**

DATA VISUALIZATIONS:







CONCLUSION

Customer lifetime value analysis is used to estimate the total value of customers to the business over the lifetime of their relationship. It helps companies determine how much to invest in customer acquisition and retention, as well as identify the most valuable customers to prioritize for retention efforts.