

Customer Retention & Revenue Analysis

Identifying retention risks and behavioral drivers
impacting revenue stability

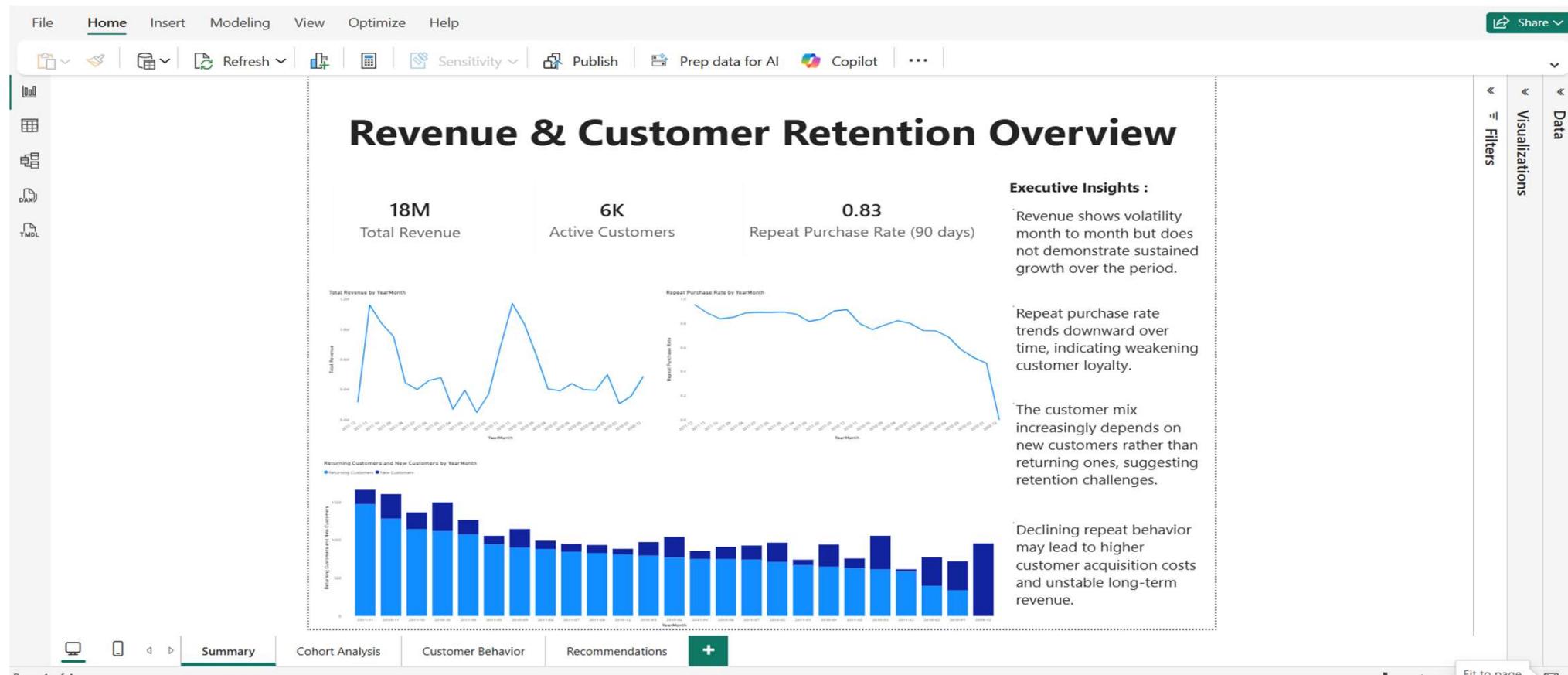
Presented by: Vineetha Pavangala

Tools: PowerBI | SQL | DAX

What is happening ?

Revenue is growing, but it's driven by new customers, not loyalty.

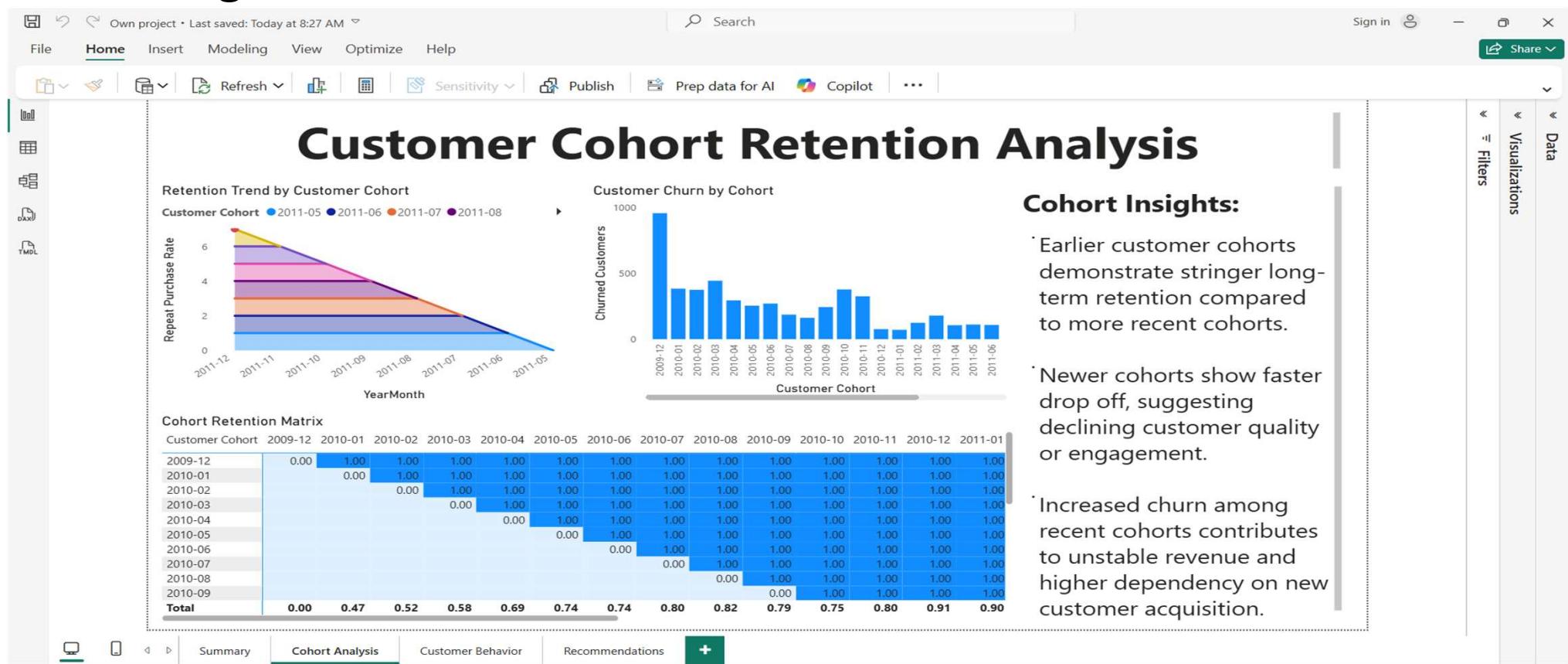
At a high level, revenue appears stable, but repeat purchase behavior is declining, which is warning sign for long-term growth and understands that who is driving this decline, analyzed customer cohorts.



Who is Leaving ?

Identifying which Customer groups fail to retain.

Retention issues are not uniform – they are concentrated among newer customer cohorts and acquisition quality or early engagement may be weakening.



Why is it happening ?

**Understanding changes in purchasing
patterns and customer value.**

Retention decline is driven more by reduced purchase frequency than lower order value.

Own project • Last saved: Today at 8:27 AM

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Customer Behavior & Revenue Drivers

Average Order Value Trend

YearMonth	Average Order Value
2011-12	650
2010-12	600
2011-01	580
2010-01	550
2011-09	530
2011-08	500
2010-09	480
2010-10	460
2011-06	450
2010-08	440
2010-03	430
2010-02	420
2009-12	410
2010-11	400
2011-07	390
2011-01	380
2010-04	370

Customer Purchase Frequency Trend

YearMonth	Purchase Frequency
2010-11	1.6
2011-11	1.55
2009-12	1.5
2010-07	1.45
2010-09	1.4
2010-02	1.38
2010-01	1.35
2010-04	1.32

Customer Lifetime Value Trend

YearMonth	Customer Lifetime Value
2010-12	1000
2011-12	900
2011-01	850
2011-10	780
2011-09	750
2010-11	720
2010-08	700
2010-06	680
2010-03	660
2010-02	640
2010-01	620
2010-04	600

Top Revenue-Contributing Products

Description	Total Revenue
ZINC WIRE WINK	5K
ZINC T-LIGHT HOLDER	4K
ZINC TOP 2 DOOR W	2.5K
ZINC SWEETHEART W	1.8K
ZINC WIRE SWEETHEA	1.2K
ZINC KITCHEN O	800
ZINC SWEETHEART SO	500
ZINC T-LIGHT HOLDER	300
ZINC STAR-T LIGHT HO	200

Behavior Insights:

- Average order value shows fluctuations but does not compensate for declining repeat purchases.
- Purchase frequency trends downward, indicating customers are buying less often over time.
- Customer lifetime value declines in later periods, reflecting weaker long-term engagement.
- Revenue concentration among a small set of products suggests limited diversification in customer demand.

What should be done ?

Translating customer analytics into business actions.

If these trends continue, revenue will become increasingly unstable and costly to sustain.

The screenshot shows a Microsoft Power BI dashboard titled "Business Risks and Strategic Recommendations". The dashboard is divided into two main sections: "KEY BUSINESS RISKS:" on the left and "STRATEGIC RECOMMENDATIONS:" on the right.

KEY BUSINESS RISKS:

- 'Declining Customer Retention'**
Repeat purchase rate and cohort analysis show newer customers are not staying long.
Impact: Revenue becomes unstable and depends too much on constant new customer acquisition.
- 'Falling Purchase Frequency'**
Customers are buying less often over time.
Impact: Even if order value stays stable, total revenue declines.
- 'Decreasing Customer Lifetime Value'**
CLV trend shows weakening long-term value from each customer.
Impact: Marketing ROI decreases because customers do not generate sustained revenue.
- 'Revenue Concentration'**
Revenue is heavily dependent on a small group of products.
Impact: Business is vulnerable if demand for these products declines.

STRATEGIC RECOMMENDATIONS:

- 'Strengthen Early Customer Engagement'**
New cohorts drop off quickly after first purchase.
Actions:
 - 'Welcome offers and onboarding campaigns
 - 'Personalized product recommendations
 - 'Follow-up reminders within first 30-60 days
- 'Increase Purchase Frequency'**
Encourage customers to buy more often.
Actions:
 - 'Time-based discounts
 - 'Subscription on bundle deals
 - 'Loyalty rewards for repeat purchases
- 'Improve Retention Program'**
Focus on keeping existing customers.
Actions:
 - 'Tiered loyalty programs
 - 'Exclusive benefits for repeat buyers
 - 'Targeted retention campaigns'
- 'Diversify Product Revenue'**
Reduce dependency on top products.
Actions:
 - 'Cross-sell complementary items
 - 'Promote mid-performing products
 - 'Analyze product combinations frequently bought together'

The dashboard also includes a navigation bar at the bottom with tabs for "Summary", "Cohort Analysis", "Customer Behavior", "Recommendations" (which is selected), and a "+" button. On the right side, there are filters and visualization settings.

Conclusion

- Retention decline is driven by weaker engagement in newer cohorts.
- Customers are buying less frequently, reducing lifetime value.
- Targeted retention and engagement strategies can stabilize long-term revenue.

All I can say that

This analysis enables data-driven decisions
to shift focus from acquisition-only growth
to sustainable customer retention.

THANK YOU