

## TASK 6: EXECUTIVE SUMMARY AND RECOMMENDATIONS

### EXECUTIVE SUMMARY

The analysis of KPMG's customer, transaction, and new customer datasets has yielded valuable insights into

business performance and customer behaviour. Below is a concise summary of key findings from each task:

- **Customer Segmentation (Task 2):**

- o **Wealth Segment:** The largest customer group is the Mass Customer segment (2000 customers), followed by High Net Worth (1021) and Affluent Customers (979). Tenure remains relatively consistent across segments, with averages ranging from 10.52 to 10.75 years.

- o **Gender:** Males showed higher average bike-related purchases (49.91) compared to females (48.23), suggesting slightly greater product engagement.

- o **Job Industry:** The largest customer groups are in Manufacturing (799), Financial Services (774), and Health (602). Wealth segments are relatively evenly distributed across industries, with some concentration in high-spending industries like Financial Services and Manufacturing.

- **Transaction Analysis (Task 3):**

- o **Sales Trends:** October recorded the highest sales (₹1.91 million), followed by August and May. Sales dipped in June and September, indicating potential seasonal trends.

- o **Brand Performance:** Solex and WeareA2B are top-performing brands in terms of total list price sales.

- o **Product Line:** Standard products dominate with the highest total sales (₹153.4 million) and average list price.

- o **Customer Behaviour:** The top 10 customers contributed over ₹168,000 in total transactions. On average, each customer makes approximately 5.57 purchases.

- **New Customer Insights (Task 4):**

- o Most new customers are in the Mass Customer segment and are concentrated in industries like Manufacturing, Health, and Financial Services.

- o NSW holds the highest number of new customers (506), suggesting a strong customer base in that region.

- o A moderate correlation exists between property valuation and wealth segments, with affluent customers residing in higher-valued properties.

- o Potential revenue from new customers is ₹43,981.

- **Customer Lifetime Value (Task 5):**

- o The CLV formula applied resulted in a total CLV of approximately 229 million.

- o Mass Customers surprisingly showed the highest average CLV (66,115), slightly ahead of High Net Worth and Affluent segments.

- o CLV also varied significantly by gender and job industry, with roles in IT, Telecommunications, and Property yielding higher average CLV.

## RECOMMENDATIONS

### 1. Targeted Marketing for High-Value Segments:

- o Focus on Mass Customers in high-performing industries like IT, Property, and Telecommunications, as they show higher average CLVs.

- o Develop specialized marketing campaigns for male customers and industries showing higher engagement and purchase activity.

### 2. Regional Expansion Strategy:

- o Leverage the strong customer base in NSW for launching new product lines or services.

- o Increase engagement in regions like QLD and VIC by running localized promotions and events.

### 3. Product Strategy Enhancement:

- o Prioritize Standard and Road product lines for inventory and promotional planning, as they demonstrate strong sales volume and pricing potential.

- o Consider bundling or loyalty incentives around peak months like October, August, and May to maximize revenue.

### 4. Enhance Customer Retention Programs:

- o Given the high tenure and consistent customer activity, implementing a loyalty program can

further increase purchase frequency and CLV.

- o Provide personalized offers based on job title and industry to enhance relevance and customer satisfaction.

**Video Link:** [Click here to see the Explanation Video](#)

**Tasks Link:** [Click here to see all the tasks](#)