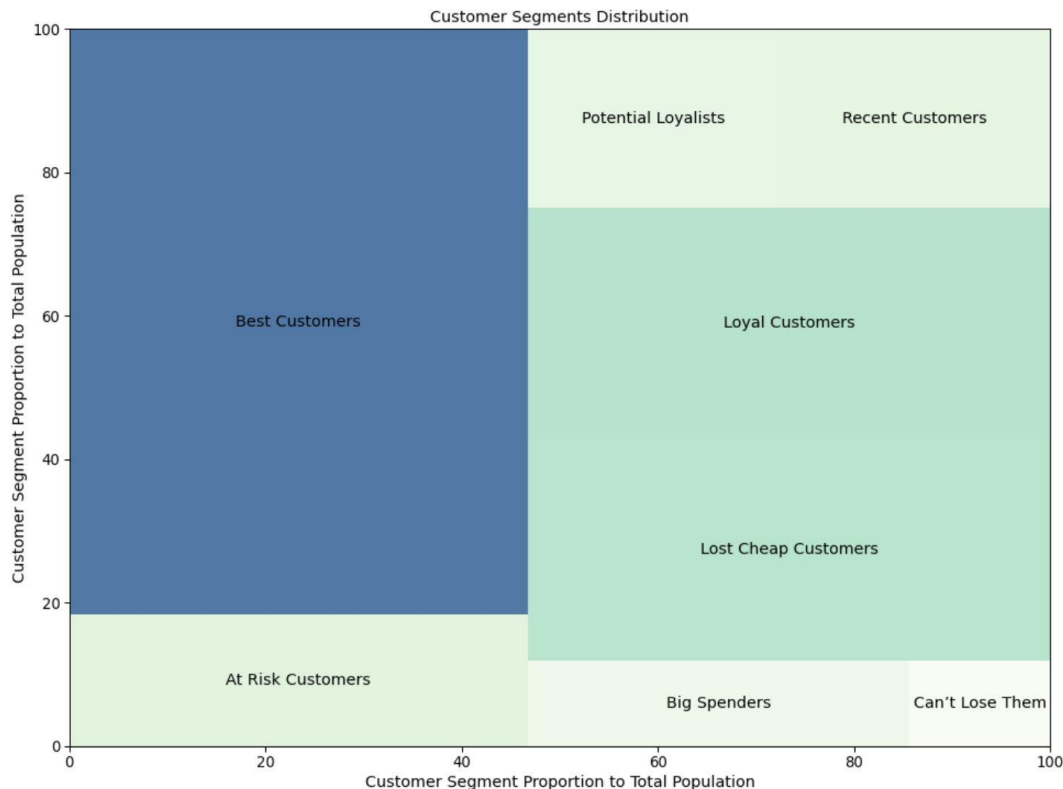


Online Retail Customer Segmentation

- The UK-based online retail customer transactional dataset (01/12/2010 – 09/12/2011), published by Manish Kumar on the open source platform *Kaggle*, was used to identify high-value customers among 2,509 customers in total by examining how recently a customer has purchased (recency), how often they purchase (frequency), and how much the customer spends (monetary).
 - ✓ The Recency (R) score range is from 4 to 1, representing values from 373 days to 0 day.
 - ✓ The Frequency (F) score range is from 1 to 4, representing values from 1 to 7,812 times.
 - ✓ The Monetary (M) score range is from 1 to 4, representing values from - € 4,288 to € 279,489.
- The treemap below shows the distribution of 8 customer segments. The area represents the proportion of each customer segment, while the color represents the range of RFM total score (from 3 to 12) of each customer segment, with the highest score in dark blue and the lowest score in light green.



Customer Segments	Customer Counts	Percentage	Customer Segment Description
Best Customers	444	17.7%	Highest frequency as well as monetary value with least recency
Loyal Customers	344	13.7%	High frequency as well as monetary value with good recency
Potential Loyalists	434	17.3%	High recency and monetary value, average frequency
Big Spenders	334	13.3%	High monetary value but good recency and frequency values
At Risk Customers	244	9.7%	Customer's shopping less often now who used to shop a lot
Can't Lose Them	144	5.7%	Customer's shopped long ago who used to shop a lot
Recent Customers	443	17.7%	Customer's who recently started shopping a lot but with less monetary value
Lost Cheap Customers	122	4.9%	Customer's shopped long ago but with less frequency and monetary value