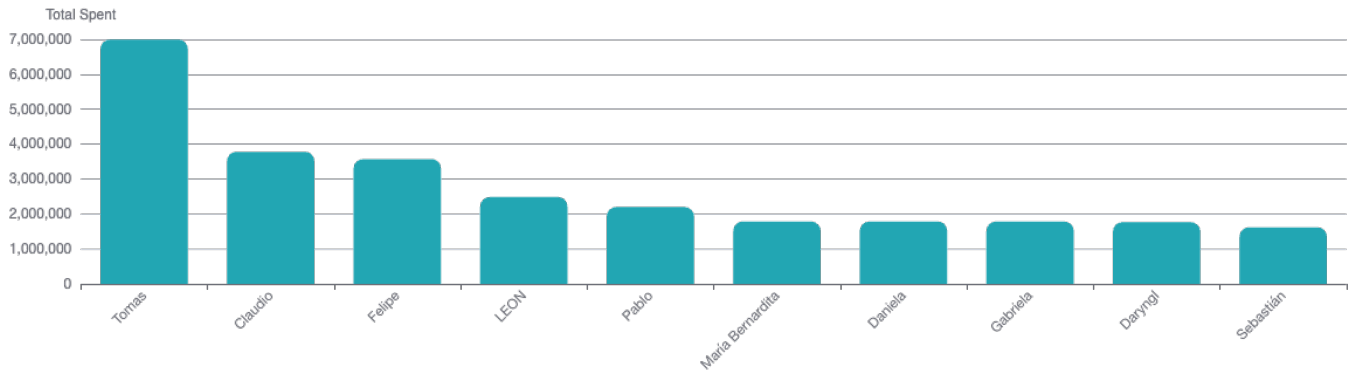


Customer Segmentation

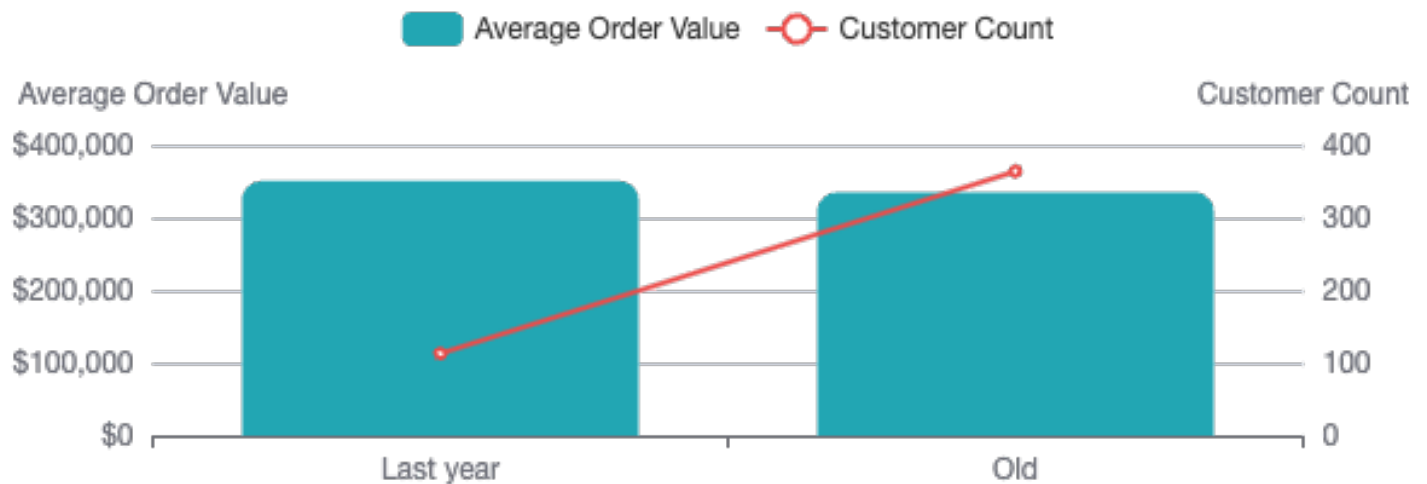
High-Value Customer Segmentation



Monthly Customer Activity Segmented



Average Order Value by Customer Segment



Average Items Sold to Customer Segments by Last Activity



General Analysis and Recommendations

Based on the provided datasets, here's a comprehensive analysis with recommendations:

1. **Customer Geographical Distribution:** The "Customer Geographical Segmentation" dataset shows that the majority of customers are concentrated in Chile, with Santiago being the primary hub (204 customers). Other major cities like Las Condes (31), Vitacura (17), and Providencia (15) also have significant customer presence. This concentration suggests a strong urban focus for the business.

Recommendation: Consider expanding marketing efforts in other Chilean cities to increase customer base and reduce dependence on Santiago. Additionally, explore opportunities in neighboring countries to diversify the geographical customer base.

1. **High-Value Customers:** The "High-Value Customer Segmentation" dataset reveals that the top 10 customers have spent between 1,620,220 and 6,990,900 (assumed to be in Chilean Pesos). The highest spender, Tomas Muller, has spent significantly more than others.

Recommendation: Implement a VIP program for these high-value customers to ensure their continued loyalty. Analyze their purchasing patterns to identify products or services that could be marketed to other customers to increase overall sales.

1. **Customer Segmentation and Order Value:** The "Average Order Value by Customer Segment" dataset shows two main customer segments: "Last year" and "Old". The average order value for "Last year" customers (350,714.14) is slightly higher than "Old" customers (335,183.56).

Recommendation: Focus on retaining "Last year" customers as they show higher spending potential. Develop targeted campaigns to re-engage "Old" customers and increase their average order value.

1. **Customer Activity Trends:** The "Monthly Customer Activity Segmented" dataset shows fluctuations in customer activity from 2021 to 2024. There's a notable increase in guest customers from January 2022 to June 2022, with peaks in February and March 2022.

Recommendation: Analyze the factors contributing to the peak periods and replicate successful strategies. Implement a customer retention program to convert guest customers into registered customers, as the data shows very few registered customers.

1. **Items Sold to Customer Segments:** The "Average Items Sold to Customer Segments by Last Activity" dataset shows that "Last year" customers purchase slightly more items on average (1.8841) compared to "Old" customers (1.8256).

Recommendation: Develop bundle offers or loyalty programs to encourage both segments to increase their average number of items purchased. Focus on cross-selling and upselling strategies, particularly for the "Old" customer segment.

Overall Recommendations:

1. **Geographical Expansion:** While maintaining a strong presence in Santiago, develop strategies to expand into other Chilean cities and potentially neighboring countries.
2. **Customer Retention:** Implement a robust customer retention program, focusing on converting guest customers to registered customers and re-engaging "Old" customers.
3. **Personalized Marketing:** Utilize the high-value customer data to create personalized marketing campaigns and a VIP program to enhance loyalty among top spenders.
4. **Seasonal Strategies:** Analyze the peaks in customer activity (e.g., February-March 2022) to develop targeted seasonal campaigns and promotions.
5. **Increase Average Order Value:** Develop strategies to increase the number of items sold per order, such as bundle deals or loyalty points for larger purchases.
6. **Data-Driven Decision Making:** Continuously monitor and analyze customer data to identify trends, adjust strategies, and improve overall business performance.