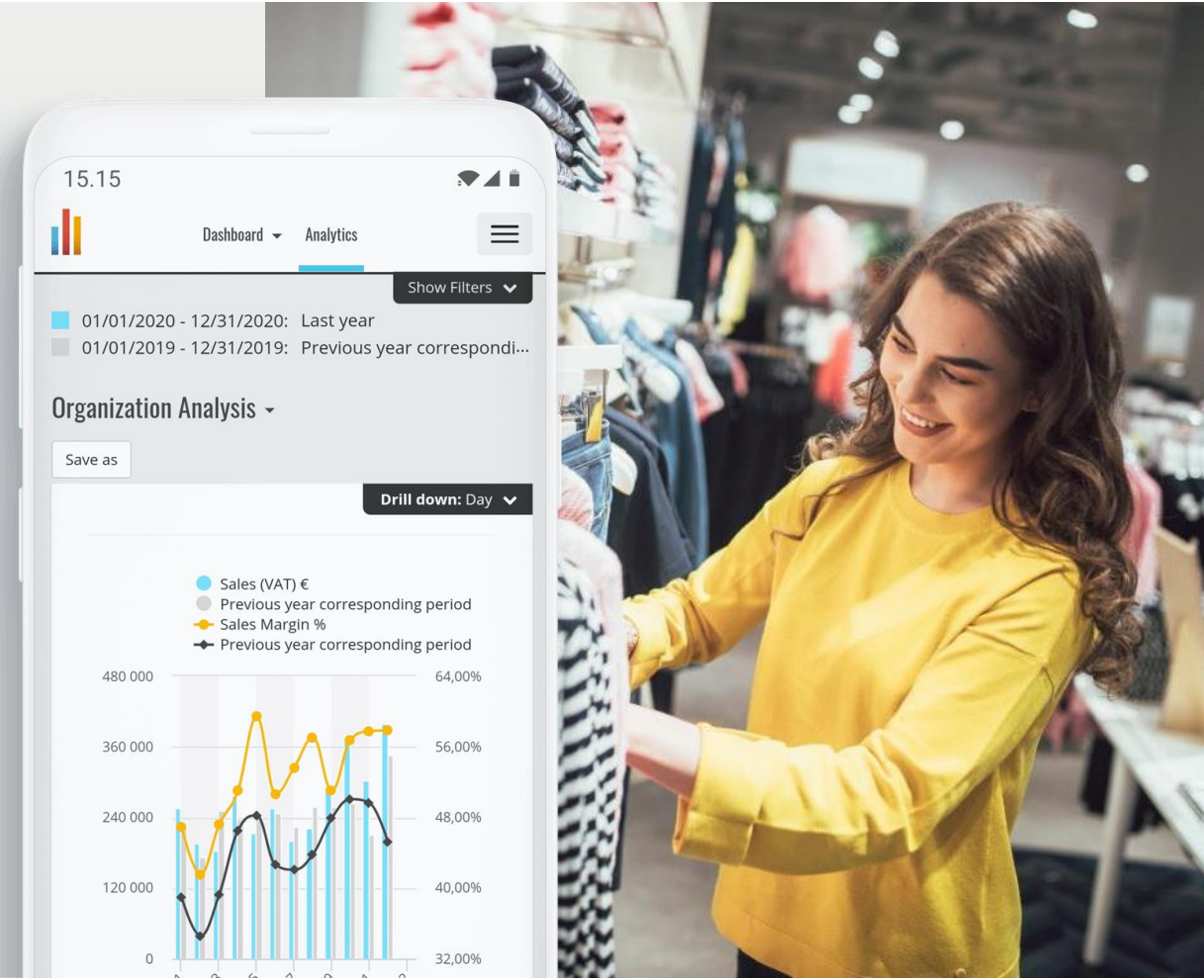


# Customer Segmentation



# Customer Segmentation

Zoined Customer Segmentation module provides recency (R), frequency (F) and monetary value (M) based RFM modelling with customisable segments.



**Targeting:** Understand behaviour of your customer segments to optimise the way how to talk to them and prevent churn.



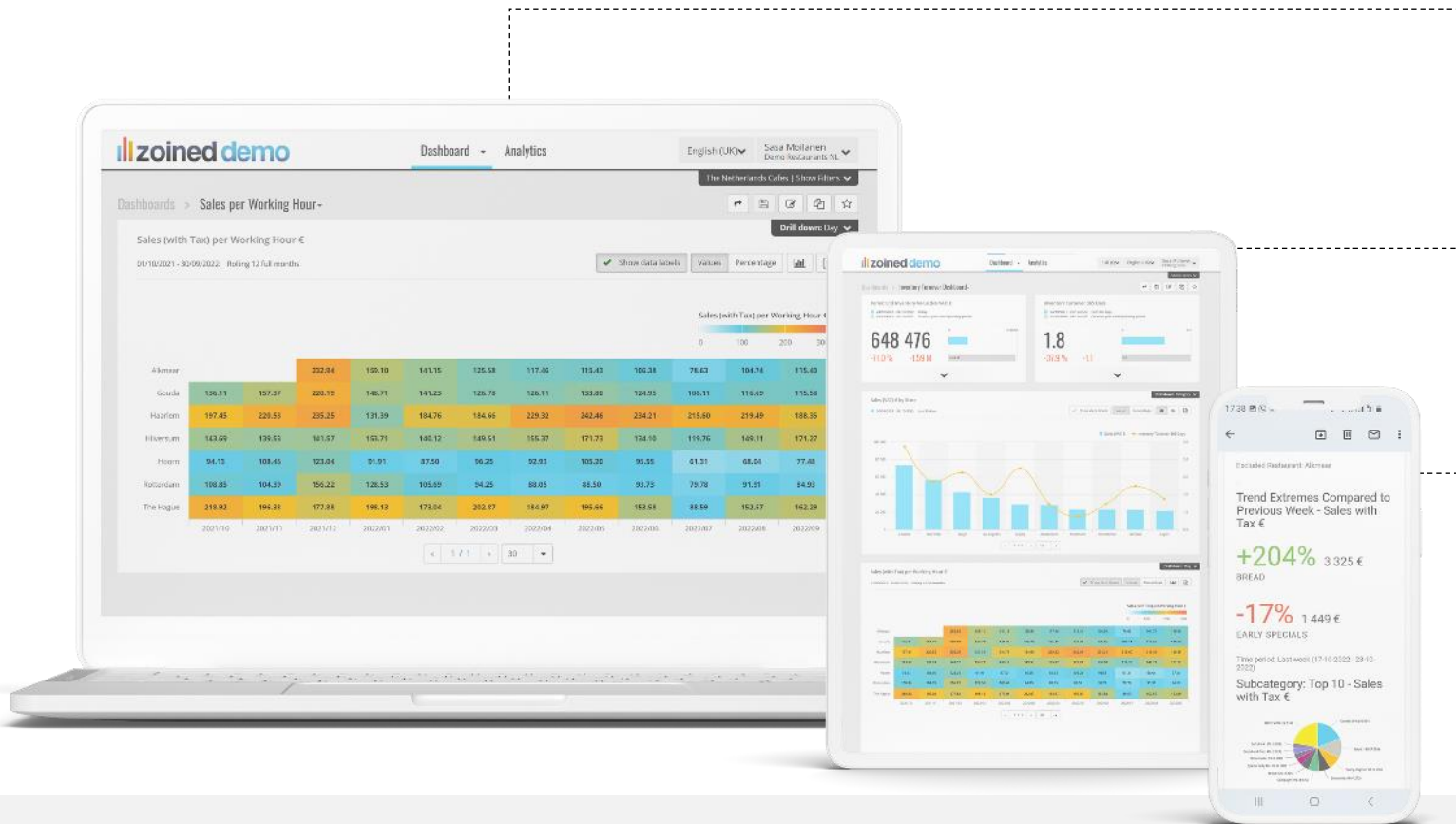
**Positioning:** Learn how to talk about your product/service, in order to maximise customer lifetime value.



Based on transactions with identified customers, the customers are assigned to multiple segments based on three core buying behaviour components:

- **Recency:** When was the last time your customer purchased a product/service?
- **Frequency:** How often did the customer purchase during a specific time period?
- **Monetary Value:** How much money has the customer spent during a specific time period?

# Value for Zoined Customers



## Lower churn

Reduce churn by up to **15 %**



## Increase customer lifetime value (CLV)

Increase CLV by up to **10%**

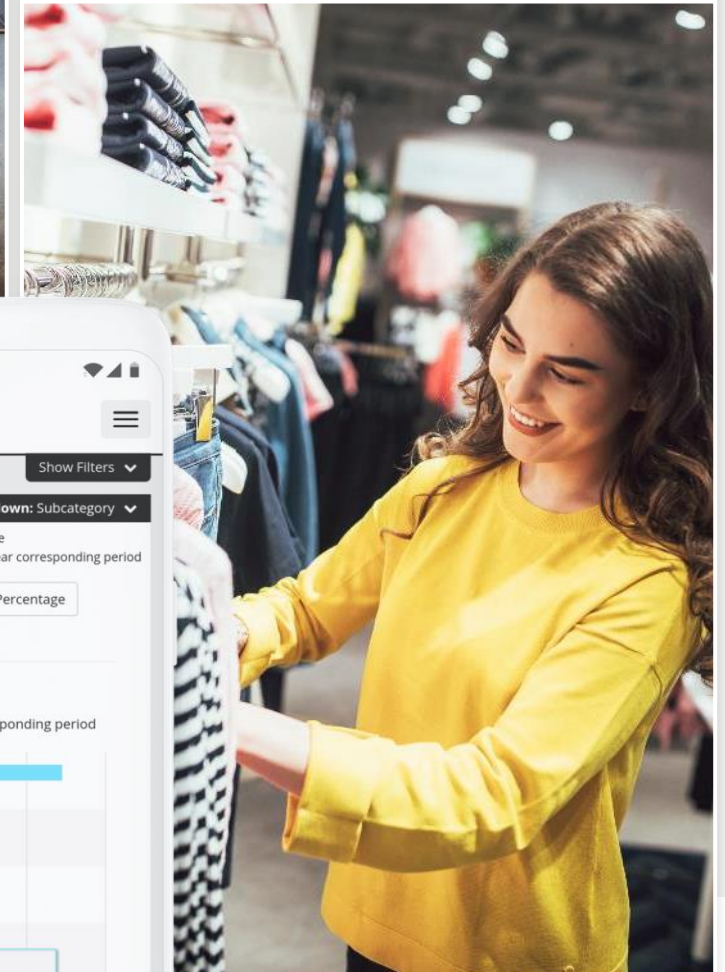
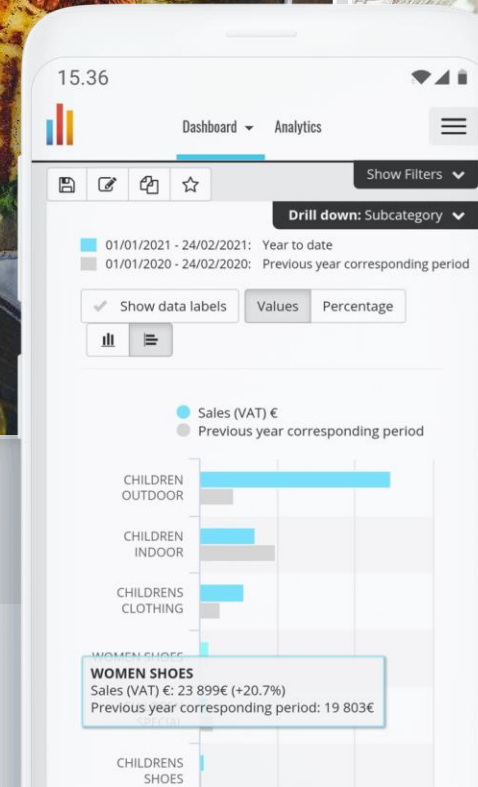
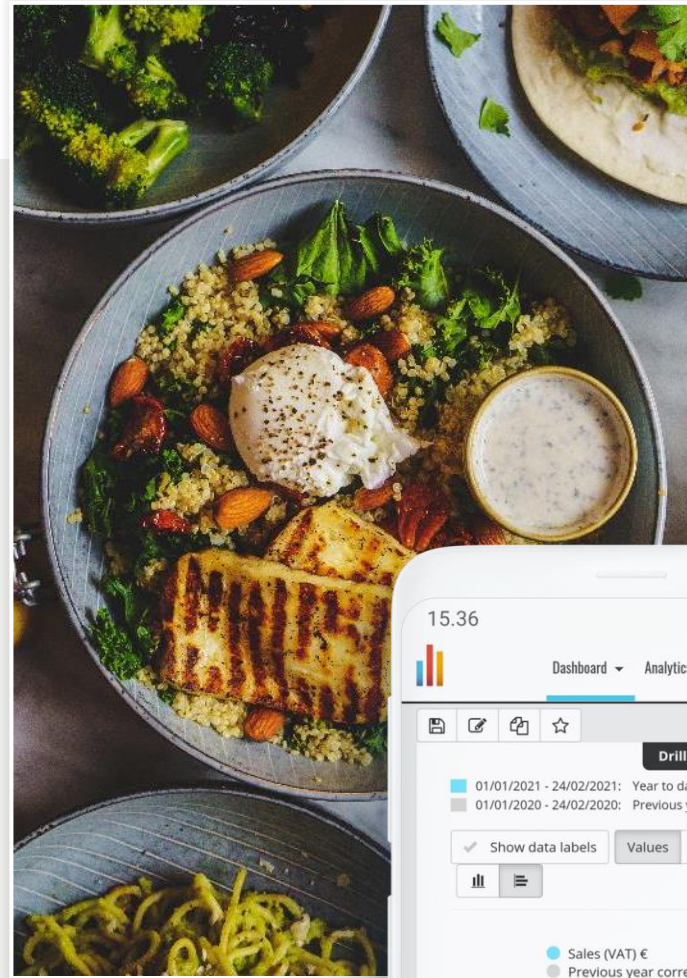


## Optimize marketing

Decrease advertising cost per conversion by up to **20%**



# Example Screenshots

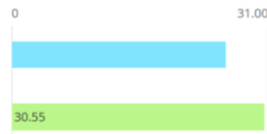


#### Customer Repeat Purchase % (90 Days)

01/07/2022 - 31/07/2022: Custom period  
01/06/2022 - 30/06/2022: 1 Jun 2022 - 30 Jun 2022

25.87

-15.3 % -4.68

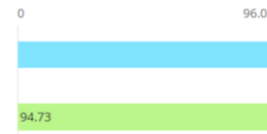


#### Customer Retention Rate %

01/07/2022 - 31/07/2022: Custom period  
01/06/2022 - 30/06/2022: 1 Jun 2022 - 30 Jun 2022

95.22

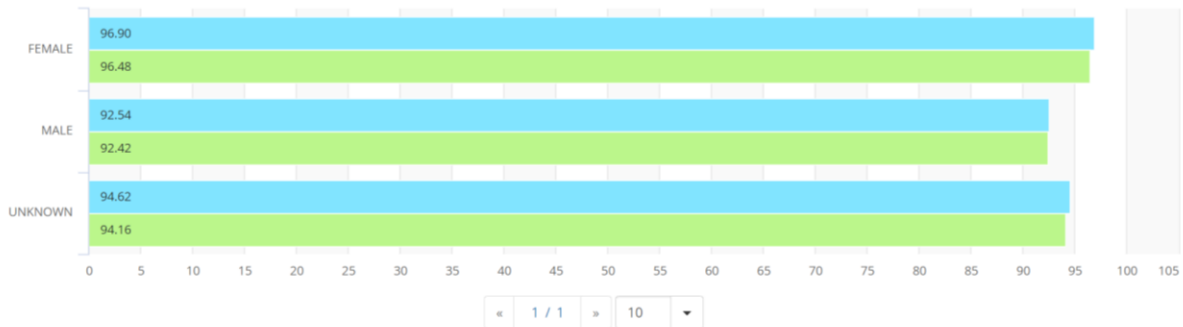
+0.5 % +0.49



Drill down: Customer

Customer Account Type Code Grouping value in alphabetic order

Values Percentage View report



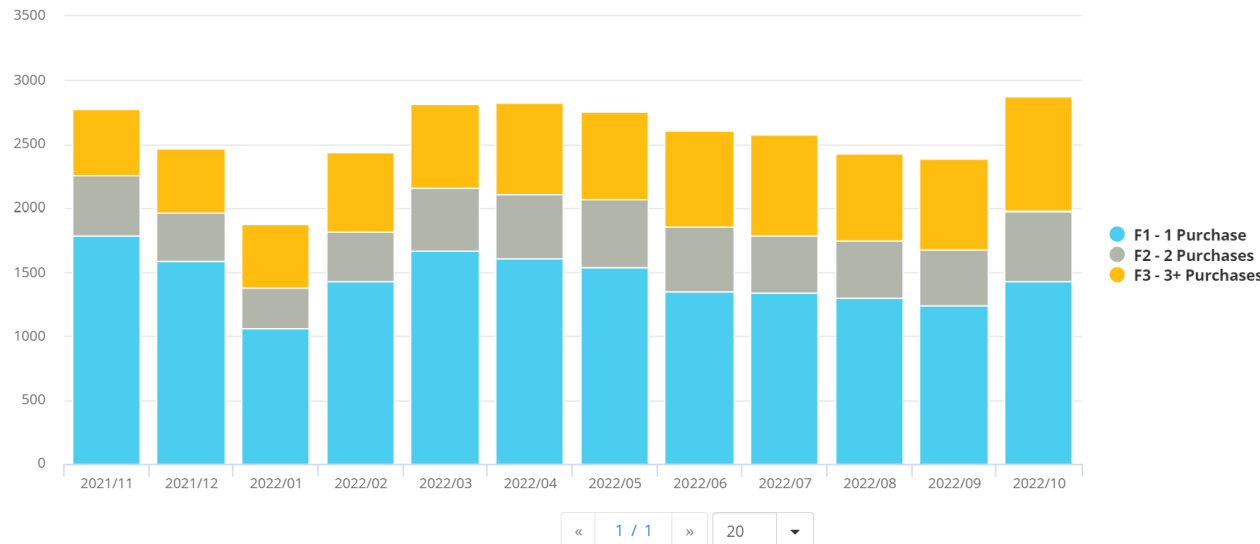
Metrics like “Customer Repeat Purchase %” and “Customer Retention Rate %” help understand customer behaviour and monitor and predict customer churn.

Transactions - Customer Frequency Segments

01/11/2021 - 31/10/2022: Rolling 12 full months

Values

Percentage



- Segment definitions can be customised according to individual business needs.
- Frequency segments analysis is useful in understanding the “big picture” of repeat purchase behaviour but can be used also on very detailed level to answer questions such as “What is the repeat purchase % of customer segment buying product X vs. customer segment buying product Y?”

### Return Receipts %

01/11/2021 - 31/10/2022: Rolling 12 full months

Filters: M1 - Up to £100, M2 - Between £100 - £500, M3 - Over £500

✓ Show data labels

Values

Percentage



Drill down: Day

Return Receipts %



M1 - Up to £100	0.34	0.92	1.12	0.71	0.37	0.76	0.98	1.20	0.86	1.24	1.49	1.39
M2 - Between £100 - £500	0.40	1.05	1.45	1.36	1.87	1.24	1.46	1.27	1.67	1.54	1.71	1.92
M3 - Over £500	0.89	0.86	3.69	4.55	2.32	4.55	2.88	2.76	4.14	3.53	3.13	2.61
	2021/11	2021/12	2022/01	2022/02	2022/03	2022/04	2022/05	2022/06	2022/07	2022/08	2022/09	2022/10

- All RFM segments including customer monetary spend segments can be combined with many kinds of different metrics.
- Analysing the segments from multiple perspectives provides the opportunity to better understand and predict customer lifetime value including the different profitability aspects such as product returns impact on profitability among different segments.