

## CUSTOMER PORTFOLIO ANALYSIS

**New Buyers**

**First-time**

.....

**Prodigal**  
(Former Buyers)

**Active Customers**

10% of base  
50% of sales

.....

**Mid-Low Value**

**Inactive Customers**

Dormant

.....

**Defectors**

**How customer segments differ in their value and behaviour**

- Provides descriptive profiles of primary customer segments
- Identifies "magic intersections" [subgroups of notable interest]
- Valuates the portfolio [current and potential value]
- Establishes performance benchmarks and goals
- Estimates future demand using scenario modeling
- Guides ADR\*\* investment strategy

\* A Customer Portfolio is an asset base made up of segments with differential current and potential value  
\*\* Acquisition, development and retention strategy

## PRIMARY SEGMENTS

**VALUE**  
Past Year Spending

.....

**PRODUCT**  
Category Buyer

.....

**LIFECYCLE**  
New, Retained, Lapsed

.....

**RELATIONSHIP**  
CLV, Tenure, SOW

**SOURCE DATA**

- Cust ID
- Transactional Data
- Web Data
- CRM Data
- Product Data
- Interaction Data
- Overlay Data
- Derived Values
- Predictive Scores

**ANALYTICAL FILE**

- SUB-GROUPS
- KEY MEASURES
- RANKINGS
- COMPOSITE INDICES
- ESTIMATES
- PROJECTIONS

Primary segments are depicted as a set of nested sub-groups in the form of a hierarchical relationship.

## STRATEGIC APPLICATION

**PURCHASE BEHAVIOUR**

How do we maximize the value of the customer portfolio and increase share of wallet?

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**RELATIONSHIP STATE**

How do we manage the relationship over time through each stage of the customer lifecycle?

**PRODUCT AFFINITY**

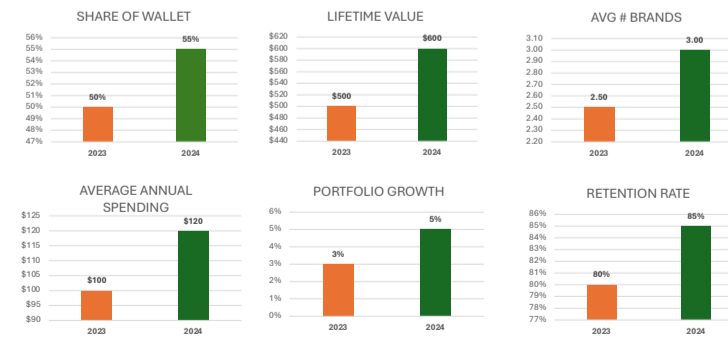
How do we expand our relationship footprint with customers by increasing product penetration?

.....

**ENGAGEMENT INTENSITY**

How do we deepen our level of engagement with customers to build greater brand loyalty?

### PORTFOLIO DASHBOARD



## ANALYTICAL SCOPE

**SPENDING BEHAVIOUR**  
What are the buying patterns of customers?

- Past Year Spending
- YOY Spending History
- Purchase Frequency
- Purchase Recency
- Repurchase Rate
- Interpurchase Time
- No. of Brands/Products
- Growth Velocity
- Growth Potential

**RELATIONSHIP HEALTH**  
What is the state of the relationship?

- First-time buyer conversion
- Retention Rate
- Lifetime Value
- Customer Tenure
- Brand Adoption Rate
- Share of Wallet
- Value Migration
- Reactivation Rate

**PRODUCT AFFINITIES**  
What are the product preferences?

- Category Cross-sell
- Product Associations
- Product Spending
- Product Migration

**ENGAGEMENT**  
How connected and engaged are customers?

- Opt-in Rate
- Engagement Rate
- # Subscribers
- # Social Media Followers
- # Community Members
- # Event Enrollments
- Program Enrollments
- Service Interactions
- Web site log-in visits
- Content views/shares

## ANALYTICAL REPORTS

[examples]

**Decile Ranking**

Decile	Index	% of total	Index	% of total
1	6.05	49%	9.80	26%
2	1.70	14%	3.19	21%
3	1.00	8%	2.00	18%
4	0.70	6%	1.40	9%
5	0.51	4%	1.01	6%
6	0.39	3%	0.77	4%
7	0.30	2%	0.61	3%
8	0.24	2%	0.47	3%
9	0.18	1%	0.34	4%
10	0.08	1%	0.14	6%
TOTAL	1.00	100%	1.00	100%

**Cross-sell Analysis**

**Lifecycle Analysis**

**Spend Variance Analysis**