

Who

Customology



CUSTOMER GROWTH ANALYSIS



What

**We create customers for life, helping brands understand
their customers and keep them coming back.**

**We start with the customer, blending behavioural economics with data science to
identify customer growth opportunities and influence the right behaviours.**

Customology are specialists at transforming transactions into unique customers and uncovering actionable insights from your data to reveal what's really happening with your customers.

Are you relying on acquisition to maintain growth? Are you keeping your customers?

Who are your most profitable customers, and how do you grow more of them?

How do you demonstrate what marketing activities are actually creating value?





WHY UNDERTAKE A CUSTOMER GROWTH ANALYSIS?

A customer growth analysis reveals who your customers really are, how they behave, and what they're likely to do in the future.

It's the first step to creating effective customer growth and retention programs.



Benefits Include:

- ✓ Insight to help you increase the frequency of transactions and engagement by customers, increase average transaction value and overall customer lifetime value.
 - ✓ Activation plan for the data you have captured in having the right conversation with each of your customers.
 - ✓ True segmentation of your customers, by behavioural groups and their real value.
 - ✓ Understand what potential impact each customer group has on your overall profitability.
- ✓ Understand where to focus your marketing efforts (and budget), and the different messages which need to be shared to activate the path to re-purchase.
 - ✓ Ability to conduct test and learn campaigns to customer groups to prove which marketing message is most effective.
 - ✓ Determine if your marketing communications are helping you re-activate lost customers, and build long-term relationships with existing customers.

A customer growth analysis includes the following deliverables:



DATA REVIEW &
CUSTOMER IDENTITY
RESOLUTION



WATERFALL
ANALYSIS



CUSTOMER
BEHAVIOURAL
SEGMENTATION



CUSTOMER INDEXING
& PROPENSITY
ANALYSIS

Customology will present the key findings and customer growth opportunities to your business, and provide a detailed executive report outlining the next steps.





STEP 1: DATA REVIEW & CUSTOMER IDENTITY RESOLUTION

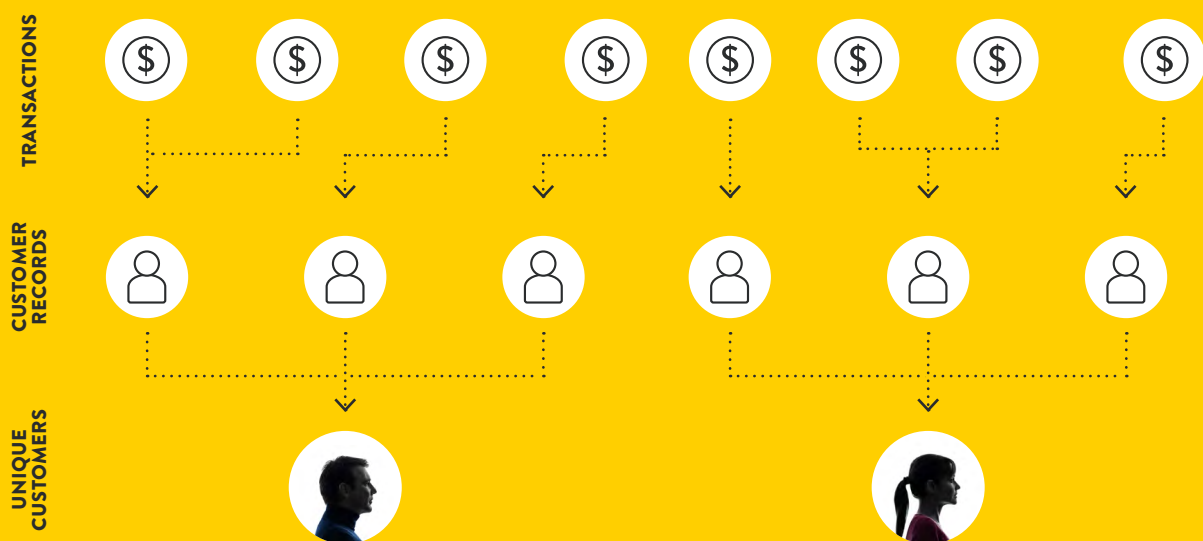
Customology can help you make sense of your customer and transactional data.

Firstly, our Data Engineers review your transactional, customer and engagement data to verify and ensure it can support the outcomes of the project.

Next, we consolidate duplicate customer records using our customer.AI, defining the logic to transform raw data into a single customer view (we refer to this as a SCID process).

Multiple transactions may be made through different channels, but by the same customer. This also enables analysis of unique customer behaviours between the different transactional channels.

SCID PROCESS

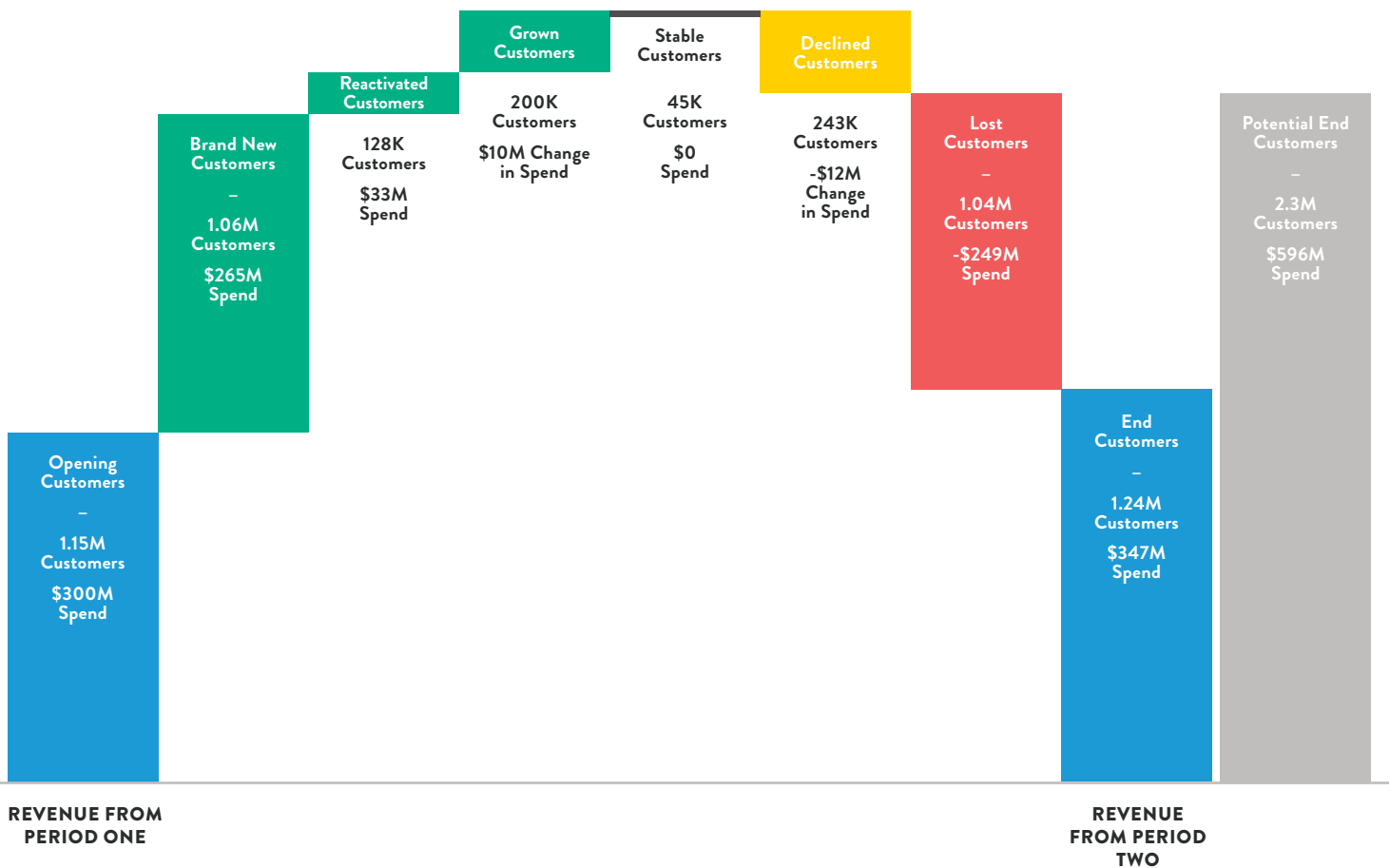




STEP 2. WATERFALL ANALYSIS

Our Data Science team then create a Waterfall Analysis which measures the rate of customer acquisition and loss. This analysis compares the change in transactional behaviours of your unique customers across buying cycles.

The insights gained from this analysis reveals the stickiness of your customers, where your growth is being driven from - new or existing customers, and the **potential growth opportunity if customers were retained.**

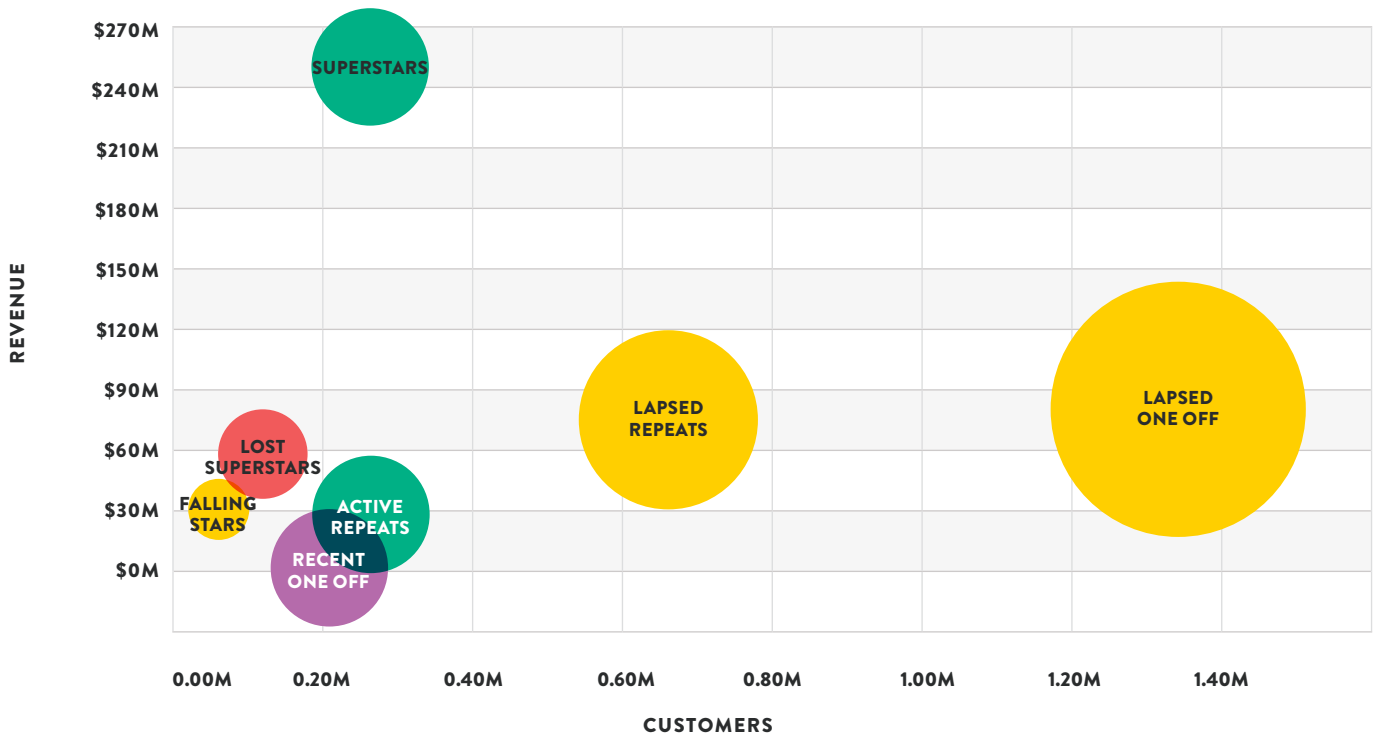


Example: Customer Waterfall Analysis - segmented customer groups highlighting the financial impact of customer retention.

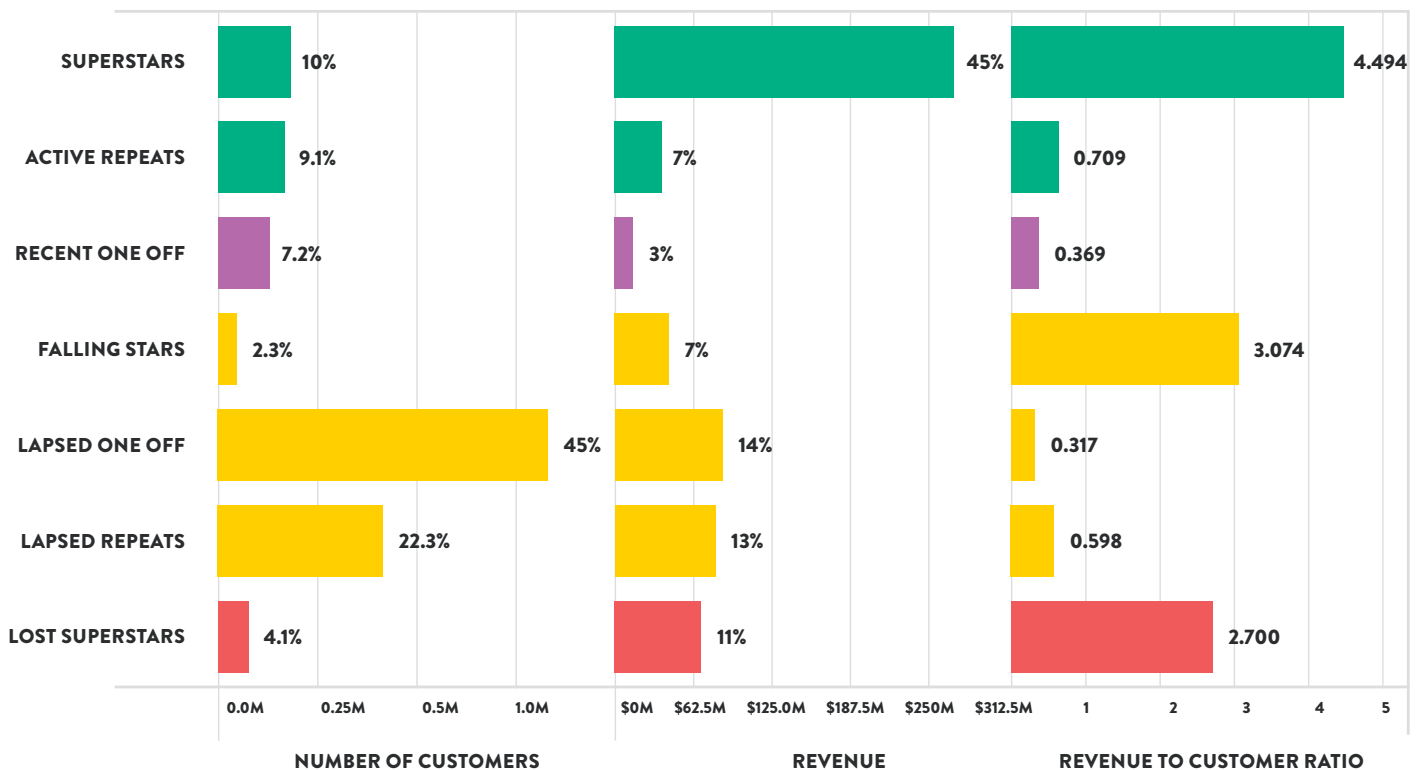


STEP 3. CUSTOMER BEHAVIOURAL SEGMENTATION

We then segment customers by purchasing behaviour, lifetime value, frequency and recency of transactions. This model classifies customers into distinct behavioural cohorts to identify targetable customer groups and how customers transition through their lifecycle. It provides valuable insight into the distinct customer groups. This presents opportunities for you to build a customer program which delivers the right messages to the right customers.



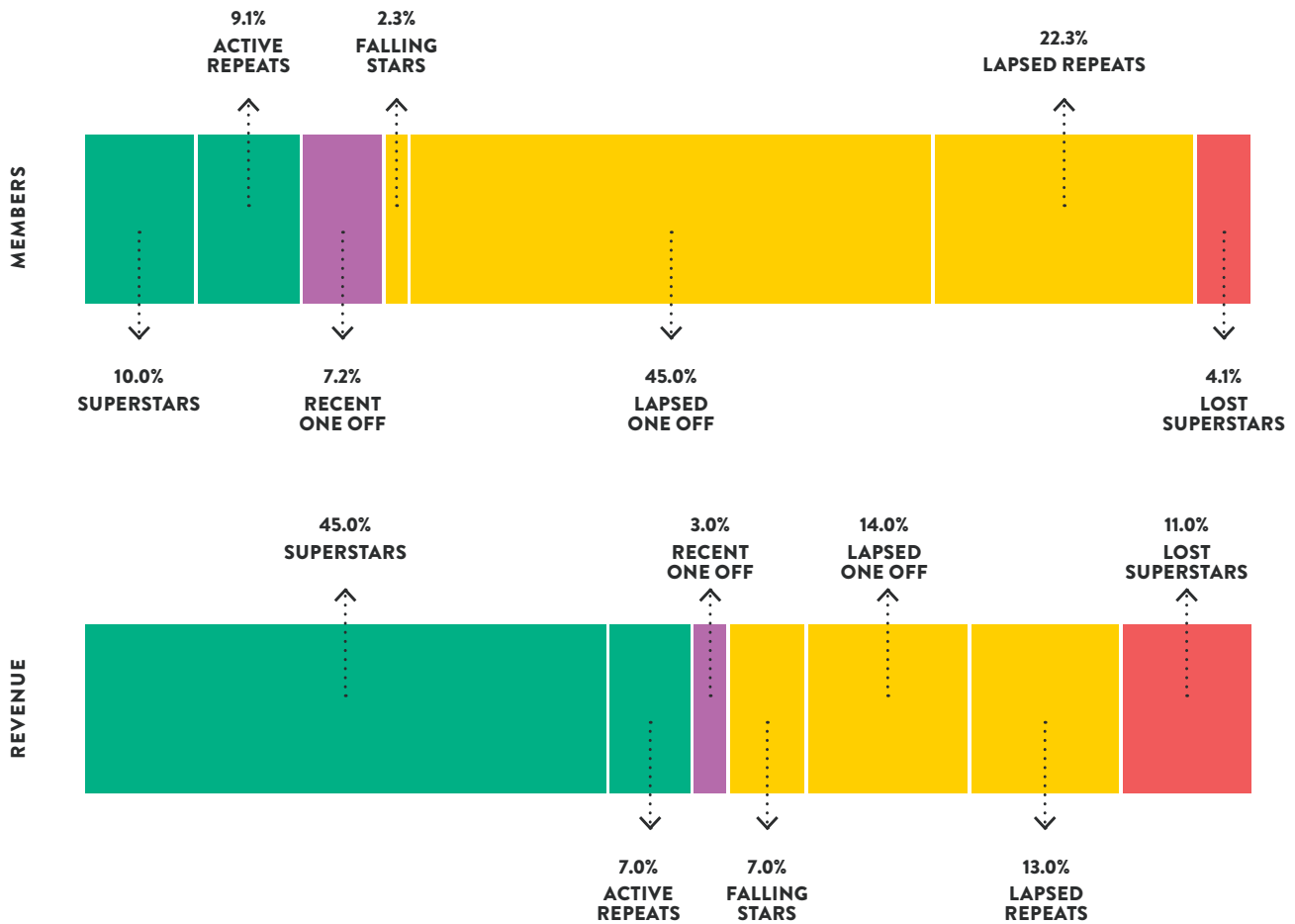
Example: Customer Segmentation Cluster Analysis



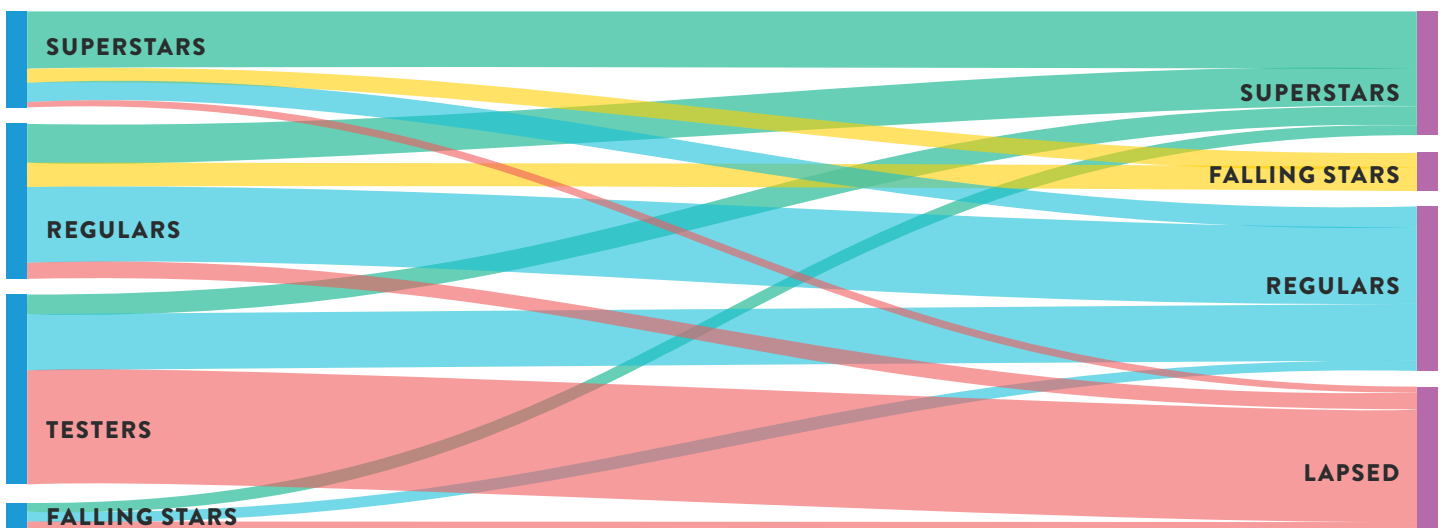
Example: Revenue to Customer Segment Ratio



STEP 3. CUSTOMER BEHAVIOURAL SEGMENTATION



Example: Diagram showcasing customer group impact on revenue



Example: Sankey diagram showing customer movement over time



STEP 4. CUSTOMER INDEXING & PROPENSITY ANALYSIS

Index analysis shows each customer segments disposition and propensity towards purchasing and engagement behaviours. This indexing can reveal price sensitivity, marketing engagement, product preferences and other purchasing patterns.

SUPERSTARS	REGULARS	DISCOUNTERS	LAPSED ONE OFFS	FALLING STARS	LOST	
2.22	1.84	1.72	1.45	1.36	0.76	PRODUCT CATEGORY 1
0.75	0.81	0.89	0.96	1.04	0.95	PRODUCT CATEGORY 2
0.53	0.75	0.72	0.95	0.85	1.19	PRODUCT CATEGORY 3
0.88	1.08	0.90	1.17	1.08	1.00	PRODUCT CATEGORY 4

Example index showing customers propensity to purchase various product categories



THE FIRST STEP TO CREATING EFFECTIVE CUSTOMER GROWTH & RETENTION PROGRAMS

A customer growth analysis helps you make sense of
your transactional and customer data.

It reveals who your customers really are, how they
behave, and what they're likely to do in the future.

These valuable insights can help you identify
genuine customer growth opportunities.



FOR LIFE CUSTOMERS

A Customer Growth Analysis delivers:

- ☒ Insight to help you increase the frequency of transactions and engagement by customers, increase average transaction value and overall customer lifetime value.
- ☒ An activation plan for the data you have captured in having the right conversation with each of your customers.
- ☒ True segmentation of your customers, by behavioural groups and their real value.
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SECURITY & PRIVACY



Customology is dedicated to protecting all customer data using industry best standards.

Data encryption is employed to ensure all data is received, stored, and processed in a fully secure environment. Customology handles, uses, and manages data in accordance with the Australian Privacy Principles (APPs), including the Notifiable Data Breaches scheme.

We are happy to provide a data security statement upon request.

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www.customology.com.au

