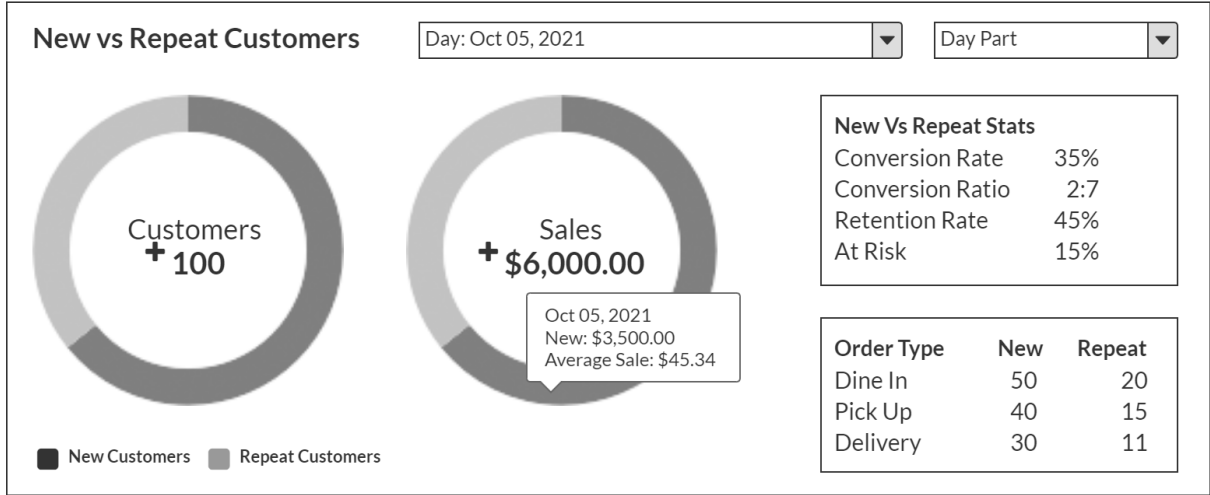


# Customer retention vs. Customer acquisition ( New vs. Repeat)

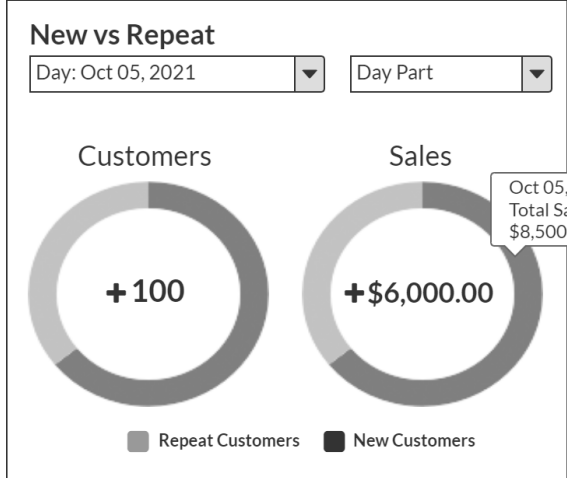
Background: Based on previous field studies, repeat customers are likely to spend more money, sign up for customer programs, promote the brand, and remain loyal during times of hardship.

Use case: As an established business owner it is important for me to understand my customer base to identify how I can improve my business to increase customer retention.

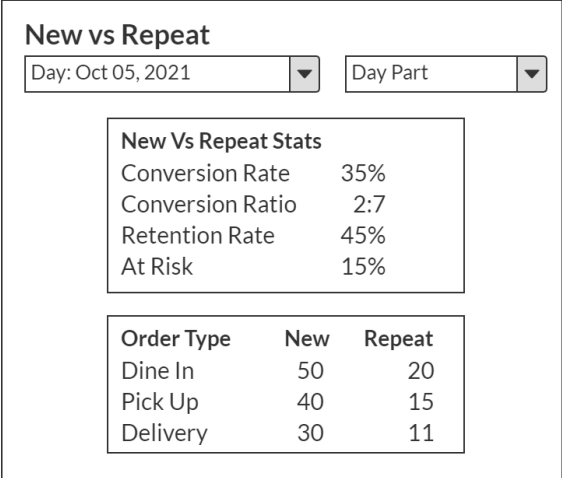
## Default



## Compact



## Compact



## Customer data to track

**New customer** - A customer that has not had a previous purchase at a merchant location

- ❖ Count of total new customers
- ❖ Total net sales for new customers
- ❖ Average order value for a new customer

**Repeat customers** - customers who have made at least one previous purchase at a merchant location. We need to separate these customers into 2 different categories in order to make these cohorts more effective.

*Active Repeat Customers* - This is a customer that has had a purchase within the past 6 months

*Inactive Repeat Customer* - This is a customer that has purchased from this merchant >6 months ago

- ❖ Count of total repeat customers
- ❖ Total net sales for repeat customers
- ❖ Purchase frequency count
  - Weekly
  - Monthly
  - Annually
- ❖ Average order value for repeat customers

**View by:**

- ❖ Current/Last business day ( can be user defined or defaulted)
- ❖ Current/last week ( Start/end can be user defined, if not defined default to Monday-Sunday)
- ❖ Current/Last Month ( First day of the month to last day of the month)
- ❖ Current/Last Year ( 365 days)
- ❖ Custom range

**Compare by:**

- ❖ Order Type

**Insights:**

- ❖ Conversion rate - rate at which new customers are becoming repeat customers
- ❖ Conversion ratio- ratio at which new customers are becoming repeat customers
- ❖ Retention rate - percentage of customers retained
- ❖ Percentage of at risk customers - at risk customers are customers that have not been back in more than 12 months ( future scope to make this configurable by merchant)

- ❖ On average how many repeat customers return more than once a week or more than once a month

### **Predictions**

- ❖ Repeat purchase probability ( **Out of scope**)
  - Forecast the likelihood of a customer making another purchase