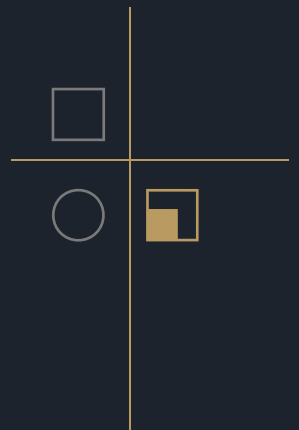


# IDENTIFYING CATEGORY PURCHASE PROPENSITY



# THE CLIENT PROBLEM

Our client, a **membership format retailer**, communicated regularly with their customers, promoting different categories. They wanted to **run focussed promotions and target customers most likely to purchase into the category being promoted.**

# THE AQ SOLUTION

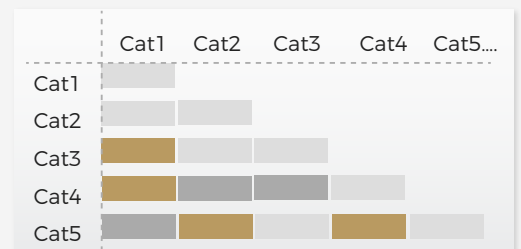


We analysed past category purchase behaviour in terms of recency, frequency & monetary value of sales.

We built an econometric model using purchase cycles, category affinity matrix and the RFM metrics to predict future response propensity.

Members	1_Candy _Snacks _buss	2_Health _beauty _aids	3_Office _Supplies
634123456	80%	75%	20%
125876123	45%	18%	32%
230987134	67%	22%	95%

Category characteristics & purchase cycles



Category RFM scores  
Member level RFM scores for each category

Purchase propensity score

Category affinity matrix  
Affinity matrix links related categories



**Thank You**

For any queries, get in touch with us.

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