

Marketing and tuscan lifestyles

[Business](#), [Marketing](#)



The company seeks to establish cost effective ways to find and establish highly omitted customers, and also retain them by requiring minimal maintenance. Taking the above stated goal seriously, Tuscan Lifestyles is trying to create Innovative ways to predict the customer lifetime value (e) predicting long term potential of a customer. By doing so, Tuscan Lifestyles hope to improve on marketing strategies and provide cut wasteful costs.

RECOMMENDATION: The customer lifetime value (CLC) of the customers who's Initial purchase was below \$50 (CLC) was (\$13. 6) and the CLC of the customers who's Initial purchase was above \$50 (CO) was \$58. 31. Clearly Investing In the customers (CO) Is a clear winner and accessory to realize profits. Even though this Is the case, I think the potential of the customers (CLC) is good. The marketing actions for the 2 categories need to be changed to avoid wasteful costs. I would suggest continuing to send 8 catalogs annually to (CO) plus additional " rewards" such as discounts and complementary gifts.

Promoting them to a " GOLD" priority status and providing them with an exclusive discounted card and perhaps customizing their orders are some of the marketing strategies that can be followed. The customers (CLC) should not be sent 8 catalogs annually. To save on mailing costs, they should be sent 2-3 catalogs which loud be a mishap of the 8 catalogs sent to (CO) emphasizing on the more affordable Items. Other marketing strategies could be to form connections with other business that are complementary to Tuscan Lifestyles.

In terms of other ways to group customers, I think delving customers based on the products they purchase could prove to be useful. Perhaps they lean a

lot more towards linens over kitchenware, etc. Also adding more categories to the Minimal purchase of the customers (egg: 30\$-50\$ and \$50-60\$) would be useful to dig deeper and provide more Information. BASIS FOR RECOMMENDATION: A) The potential of customer (CLC) appears clear by analyzing the data given particularly In concentrating on the frequencies of the purchases make from year 1-5.

Other data that Is Important to conclude the above finding Is analyzing Exalt 3 which clearly shows an Increasing maximum, Mullen, mean and SD dollar amount of the given years. B) Researching proper lists to use to find prospects would cut connections with other complementary stores would prove to be beneficial to Tuscan Lifestyles as customers get bored easily, and to be affiliated with other household items aside from the " staple" items would definitely increase profits.