# Average Spend Per Transaction by Card Type

This report examines the average spend per transaction categorized by card type. Understanding these averages provides insights into the consumer spending behavior linked to different card types.

The following trends are observed:

**Overview:** The data provided offers a glimpse into the spending habits of credit card users across different tiers. The transactions are categorized by card type (Platinum, Silver, Gold, and Signature), offering a view of how spending patterns vary across these groups. This analysis will focus on understanding the dominant categories, budget allocation, consumer behavior trends, and potential adjustments for informed financial decisions.

**Category Dominance:** From the data, it's evident that the 'Platinum' and 'Silver' card tiers dominate the transactions, with a notable presence of 'Gold' and 'Signature' cards as well. These card types cater to different consumer segments, with Platinum and Signature cards typically offering higher credit limits and exclusive benefits, while Silver and Gold cards may be more accessible to a wider range of users. The total spending for each category, along with their percentage contributions, can be calculated for a more comprehensive overview.

**Budget Allocation:** Budget allocation strategies should consider the essential and discretionary spending categories. Essential spending includes fixed expenses like bills and variable costs such as groceries and fuel. Discretionary spending covers entertainment and other non-essential purchases. Analyzing the data reveals that a significant portion of expenses fall into the essential spending category, with a large allocation going towards bills and grocery shopping. To optimize budgets, cardholders could consider reviewing their essential spending to identify areas where costs can be reduced without compromising on necessities. For example, switching to more cost-effective alternatives for utilities or taking advantage of discounts and promotions for grocery shopping.

**Behavior Insights:** Consumer behavior trends observed in the data suggest a correlation between card type and spending habits. Platinum and Signature cardholders tend to have higher overall spending, which could be attributed to their higher credit limits and the tendency of this segment to engage in more premium purchases. On the other hand, Silver and Gold cardholders exhibit a more conservative spending behavior, with a focus on essential categories like groceries and fuel. Analyzing the distribution of spending across months can also provide insights into seasonal variations and the impact of external factors, such as holidays or economic conditions, on consumer behavior.

**Recommendations:** Based on the analysis, the following recommendations are proposed for budget adjustments and cost savings: Firstly, cardholders should prioritize essential spending and seek opportunities to optimize costs within this category without compromising their standard of living. This may involve negotiating better rates with service providers or taking advantage of loyalty programs and discounts. Secondly, discretionary spending, such as entertainment and leisure, should be reviewed to ensure it aligns with the cardholder's financial goals and priorities. Setting spending limits or allocating a specific budget for these categories can help maintain a healthy financial balance. Additionally, cardholders could consider the benefits and rewards associated with their card tier. By leveraging rewards programs, they may be able to offset certain expenses or gain additional value from their spending. Finally, staying informed about economic trends and market conditions can help cardholders make more strategic financial decisions. For example, understanding interest rate changes or fluctuations in the cost of living can prompt timely adjustments to budgets and spending habits.

The table below presents the expense categories along with their respective total spends and percentage contributions to the overall spending.

|  |  |  |  |
| --- | --- | --- | --- |
| card\_type | transaction\_year | transaction\_month | average\_spend\_per\_transaction |
| Platinum | 2014 | 6 | 155870.906666 |
| Silver | 2015 | 1 | 165644.510086 |
| Gold | 2014 | 2 | 152273.85906 |
| Signature | 2014 | 8 | 154201.1454 |
| Platinum | 2014 | 12 | 150206.027355 |
| Signature | 2013 | 10 | 167242.315789 |
| Gold | 2015 | 3 | 159867.798722 |
| Gold | 2013 | 12 | 149463.214953 |
| Signature | 2015 | 1 | 156601.433234 |
| Silver | 2014 | 6 | 154005.062874 |
| Silver | 2014 | 9 | 164464.895384 |
| Silver | 2015 | 4 | 157074.640579 |
| Gold | 2014 | 5 | 159507.204892 |
| Platinum | 2015 | 2 | 147718.383116 |
| Platinum | 2014 | 9 | 160569.433656 |
| Silver | 2013 | 10 | 151391.144542 |
| Signature | 2014 | 11 | 159375.502793 |
| Signature | 2014 | 5 | 157525.332298 |
| Silver | 2014 | 3 | 156012.646376 |
| Platinum | 2013 | 11 | 159395.173652 |
| Silver | 2014 | 12 | 156749.075842 |
| Silver | 2015 | 5 | 163156.491408 |
| Silver | 2013 | 11 | 147037.555555 |
| Gold | 2015 | 1 | 158443.04 |
| Platinum | 2014 | 10 | 148649.333333 |
| Signature | 2014 | 6 | 145689.365695 |
| Signature | 2014 | 12 | 153498.357366 |
| Platinum | 2014 | 4 | 158150.227272 |
| Gold | 2014 | 11 | 153007.545994 |
| Platinum | 2015 | 5 | 152911.630434 |
| Gold | 2013 | 10 | 161768.731543 |
| Platinum | 2014 | 7 | 146422.832317 |
| Silver | 2015 | 2 | 162475.846394 |
| Signature | 2014 | 9 | 157343.135693 |
| Platinum | 2014 | 1 | 161571.15 |
| Signature | 2014 | 3 | 156081.653198 |
| Gold | 2015 | 4 | 158070.183279 |
| Gold | 2014 | 8 | 154888.283489 |
| Silver | 2014 | 1 | 151256.42274 |
| Signature | 2015 | 4 | 162841.883116 |
| Silver | 2015 | 3 | 163626.161643 |
| Silver | 2014 | 10 | 159069.175487 |
| Platinum | 2014 | 8 | 160488.939058 |
| Gold | 2013 | 11 | 149863.521604 |
| Platinum | 2015 | 3 | 161261.952978 |
| Gold | 2014 | 6 | 162513.722972 |
| Platinum | 2014 | 2 | 159866.244604 |
| Signature | 2014 | 4 | 165108.727848 |
| Gold | 2014 | 9 | 152744.436781 |
| Silver | 2014 | 4 | 160067.311926 |
| Signature | 2015 | 5 | 157661.481099 |
| Platinum | 2013 | 12 | 160281.993846 |
| Platinum | 2014 | 5 | 148723.143322 |
| Gold | 2014 | 3 | 150255.504531 |
| Silver | 2013 | 12 | 148921.954301 |
| Signature | 2014 | 7 | 153540.573099 |
| Signature | 2013 | 11 | 154364.170648 |
| Gold | 2014 | 12 | 151978.545454 |
| Signature | 2014 | 1 | 152292.732673 |
| Signature | 2015 | 2 | 162828.459807 |
| Silver | 2014 | 7 | 153825.449101 |
| Platinum | 2015 | 1 | 168659.42274 |
| Gold | 2014 | 4 | 160182.571428 |
| Signature | 2014 | 10 | 155993.456 |
| Gold | 2015 | 5 | 148372.206225 |
| Signature | 2013 | 12 | 162879.562326 |
| Signature | 2014 | 2 | 159413.271739 |
| Signature | 2015 | 3 | 146676.546623 |
| Platinum | 2013 | 10 | 162290.192307 |
| Silver | 2014 | 8 | 157303.994652 |
| Silver | 2014 | 2 | 163426.817109 |
| Gold | 2014 | 1 | 152343.008356 |
| Silver | 2014 | 11 | 147944.743661 |
| Platinum | 2015 | 4 | 166475.987804 |
| Gold | 2014 | 7 | 150542.977124 |
| Platinum | 2014 | 11 | 161751.263492 |
| Gold | 2015 | 2 | 152387.289473 |
| Platinum | 2014 | 3 | 156358.126099 |
| Gold | 2014 | 10 | 154024.6 |
| Silver | 2014 | 5 | 145814.504109 |